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June 28, 2010

E-FILING

Patricia Van Gerpen
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre SD 57501-5070

RE: Sprint Communications Company, L.P. – In the matter of Revisions and/or
Additions to the Commission's Switched Access Rules Codified in ARSD
20:10:27 Through 20:10:29
RM 05-02

GPNA File No. 08509-10

Dear Ms. Van Gerpen:

Enclosed for filing, please find Sprint's Reply Comments on Draft Rules Regarding Switched Access Rates in the above-entitled matter. By copy of same, all parties identified on the Service List have been served.

If you have any questions, please call me.

Sincerely,



Talbot J. Wieczorek

TJW:klw
Enclosure

c: Karen Cremer/Terrie LaBrie Baker
Richard Severy/Thomas Dixon/David Gerdes
Brett Koenecke/Jim Cremer/Bill Van Camp
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Darla Rogers/Margo Northrup
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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF REVISIONS AND/OR
ADDITIONS TO THE COMMISSION'S
SWITCHED ACCESS RULES CODIFIED IN
ARSD 20:10:27 THROUGH ARSD 20:10:29

Docket No. RM 05-002

SPRINT'S REPLY COMMENTS ON DRAFT RULES

Sprint Communications Company, L.P., Sprint Spectrum, L.P. d/b/a Sprint PCS, Nextel West Corp. d/b/a Nextel, and NPCR, Inc. d/b/a Nextel Partners (collectively, "Sprint") submit these comments on the proposed draft rules distributed by Commission Staff on June 1, 2010 and in response to initial comments filed by various parties on or about June 15, 2010.

Sprint generally agrees with and echoes the comments filed by Verizon. In particular, Sprint agrees that codifying specific rate caps for CLECs is not appropriate; instead, CLEC rates should be capped at the same rates as the ILECs against which the CLEC competes. As Verizon pointed out, capping at the ILEC rate allows for CLEC rates to be automatically adjusted as ILECs revise their rates over time, and is consistent with principles of competitive neutrality. In addition, Sprint agrees with Verizon that Staff's proposed rates, which are based on whether the CLEC has greater or fewer than 15% of its access lines in communities of 10,000 or more (6.042 cents or 9 cents, respectively), are arbitrary and there is no rational basis to conclude that such rates are "just and reasonable." Furthermore, Sprint agrees with Verizon that the provision allowing for facilities-based CLECs to charge rates higher than the benchmark should be eliminated. As Verizon pointed out, there is no reason to assume that CLECs have higher cost structures than the ILECs with which they compete. The most simple, effective, and

competitively neutral solution is to simply cap CLEC rates at the same rates as the ILECs against which they compete.

Sprint also agrees with both Verizon and AT&T that CLEC access rates are only a small part of the problem. To properly address the harm from high access rates in South Dakota, the Commission should also reform ILEC switched access rates in South Dakota. As AT&T discussed extensively in its comments, inflated switched access rates are harmful to both consumers and competition in South Dakota. While capping CLEC access rates at ILEC rates would be a step in the right direction, much more significant reform is needed for ILECs, particularly rural ILECs. Sprint agrees with Verizon that, in addition to capping CLEC rates, the Commission should move forward promptly to require all ILECs in South Dakota to reduce their intrastate switched access rates to interstate levels, consistent with the framework outlined by the FCC in the National Broadband Plan.

As the Commission is aware, high switched access rates in South Dakota have created a favorable environment for companies to engage in access traffic stimulation schemes, which are unlawful and harmful to consumers. The Commission could take a dramatic step toward eliminating the incentive for companies to engage in traffic pumping schemes in South Dakota by reforming both CLEC and ILEC access rates as discussed above. Regardless, no matter what CLEC and/or ILEC access rates result from this docket, no outcome or conclusion from this proceeding should be construed, either expressly or implicitly, to legitimize the practice of traffic pumping or the application of access rates to such traffic, or to impact in any way the outcome of any proceeding involving traffic pumping currently pending before this Commission.

Dated: June 28, 2010

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that on June 28, 2010, I sent a true and exact copy of Sprint's Reply Comments on Draft Rules Regarding Switched Access Rates electronically to:

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