



221 East Hickory Street P.O. Box 3248 Mankato, MN 56002-3248

May 24, 2006

Ph: 507.387.1151
Fax: 507.625.4551
www.hickorytech.com
Nasdaq: HTCO

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

RE: In the Matter of the Adoption of Rules Regarding Eligibility Certification and Reporting Requirements for Eligible Telecommunications Carriers
Case No. RM 06-001

Dear Ms. Van Gerpen:

Enclosed for filing are the original and ten copies of Heartland Telecommunications of Iowa d/b/a HickoryTech's comments in the above-referenced matter.

Very truly yours,

A handwritten signature in cursive script that reads 'Carrie Rice'.

Carrie Rice
Regulatory Affairs Manager

**SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION**

In the Matter of the Adoption of Rules Regarding Eligibility Certification and Reporting Requirements for Eligible Telecommunications Carriers	Docket No. RM 06-001
COMMENTS OF HEARTLAND TELECOMMUNICATIONS OF IOWA d/b/a HICKORYTECH	

Heartland Telecommunications of Iowa d/b/a HickoryTech (“Heartland”) submits the following comments in this proceeding:

Introduction

1. Heartland was certified as an eligible telecommunications carrier (“ETC”) in its South Dakota service area by the South Dakota Public Utilities Commission on December 30, 1997 in Docket TC 97-195.
2. Heartland’s service area in South Dakota consists of West Akron and West Hawarden. These are rural portions of exchanges where the larger portion of the exchange and the central office is located in Iowa.
3. Heartland’s lines that are located in South Dakota comprise approximately 2% of the total access lines in its study area.
4. Heartland’s study area number is 351096. Heartland’s study area is comprised largely of a geographic area contained within the state of Iowa, but also includes small portions of rural territory in South Dakota and Minnesota.
5. Heartland has never been denied USF certification by any State, and Heartland’s receipt of USF funding has always been certified based on the criteria established in South Dakota as well as Iowa and Minnesota.

Comments

Rather than commenting on the specific rules as proposed, Heartland wishes to suggest to the Commission that the rules include consideration of companies who may be similarly situated to itself; that is, companies whose study areas are largely contained within the borders of an adjoining state.

As more and more states are adopting rules regarding information required to certify ETCs' use of Universal Service Funds, it is becoming increasingly burdensome for companies such as Heartland to meet a variety of standards. For companies such as ours, who have a very small portion of their overall study area in South Dakota, the burden of meeting disparate requirements for the various components of a study area seems contrary to the overall intent of the FCC, which is simply to ensure that universal service funds are used for their intended purposes. Additionally, there seems to be little contribution to the "public interest" by adding the oversight burden of regulatory agencies in states where only a small portion of a telephone company study area is served.

In its Report and Order released March 17, 2005 in CC Docket N95-45, FCC 05-46, the FCC encourages states ...” to avoid duplicative or inapplicable reporting requirements.” The FCC further states, “Individual state commissions are uniquely qualified to determine what information is necessary to ensure that ETCs are complying with all applicable requirements, including state-specific ETC eligibility requirements.” (§71) Heartland requests that the Commission include in its ETC certification rules a

reasonable method of handling situations such as that of Heartland and other border companies. Heartland suggests that the Commission establish a process to consider requests for a waiver from filing requirements for companies whose study areas are largely contained in another state, or another method for the Commission to simply concur with or defer to the findings of the state Commission from the state in which the preponderance of the study area is located. Such companies should be included in the SD PUC's list of certified carriers sent to the FCC on the basis of certification from their primary state.

Respectfully submitted this 24th day of May, 2006,

HEARTLAND TELECOMMUNICATIONS OF IOWA



William VanderSluis
Director of Regulatory Affairs
221 E. Hickory Street
Mankato, MN 56001
507-387-1886