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In the Matter of	IN THE MATTER OF THE REQUEST OF VALLEY TELEPHONE COMPANY FOR CERTIFICATION REGARDING ITS USE OF FEDERAL UNIVERSAL SERVICE SUPPORT
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RICHARD J. JOHNSON 612.347.0275 JohnsonR@moss-barnett.com data ta Mahamilia E programa in minina la managilia danah malam Menerah Tilan managilia data Malilia Tilanda (j. 1871 da San San Sandanda English managilia managilia datanda Angelishan minina managilia managilia datanda Angelishan managilia

August 17, 2001

#### VIA FEDERAL EXPRESS

**MECEIVED** 

AUG 2 0 2001

South Dakota Public Utilities Commission State of South Dakota State Capitol Building 500 East Capitol Pierre, South Dakota 57501

SOUTH	DAKOTA	PUBLIC
	SCOM	

Re:

In the Matter of the Request of Valley Telephone Company for Certification

Regarding its Use of Federal Universal Service Support

Docket No.

Dear Sir/Madam:

Enclosed for filing please find the original plus 10 copies of the Request for Certification by Valley Telephone Company in the above-referenced docket. Also enclosed is an Affidavit of Service.

Please call the undersigned if further information is needed.

Very truly yours.

Richard J. Johnson

RJJ/krm Enclosures

HECEINED IPATTTA

AUG 20 2001

### SOUTH DAKOTA PUBLIC UTILITIES COMMISSIONTH DAKOTA PUBLIC

UTILITIES COMMISSION

IN THE MATTER OF THE REQUEST OF VALLEY TELEPHONE COMPANY FOR CERTIFICATION REGARDING ITS USE OF FEDERAL UNIVERSAL SERVICE SUPPORT

DOCKET NO.

#### REQUEST FOR CERTIFICATION

Valley Telephone Company by and through its attorney hereby submits a Request for Certification to the South Dakota Public Utilities Commission ("Commission") seeking certification from the Commission pursuant to 47 C.F.R. § 54.314. In support of this Request. Valley Telephone Company offers the following:

1. On May 23, 2001, the Federal Communications Commission (FCC) released an Order relative to the federal universal service support mechanism for rural carriers. This Order (hereafter referenced as the "Fourteenth Report and Order"), in part, codifies at 47 C.F.R. § 54.314, a requirement for States to provide a certification regarding federal universal service support that is received by rural incumbent local exchange carriers and/or other eligible telecommunications carriers providing service in rural service areas. Pursuant to such rule, states that desire rural carriers within their jurisdiction to receive future federal universal service support must file an annual certification with the FCC and the Universal Service Administrative Company ("USAC") stating that federal high cost support provided to such carriers within that State will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. This certification requirement applies to various categories of federal universal service support, including support provided pursuant to 47 C.F.R. §§ 54.301, 54.305, and/or 54.307, and/or 47 C.F.R. Part 36, Subpart F (high-cost loop support, local

<sup>&</sup>lt;sup>1</sup> CC Docket No. 96-45, CC Docket No. 00-256, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, FCC 01-157, Released May 23, 2001.

switching support, safety net additive support, and safety valve support). Support provided under these FCC rule provisions will only in the future be made available if the State Commission files the requisite certification pursuant to § 54.314.

- 2. The certification required for rural carriers to receive federal universal service support for all four quarters during calendar year 2002 is currently due to be filed with the FCC and USAC on or before October 1, 2001. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the State are eligible to receive federal support during the 12-month period and must certify that the carriers listed will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended.
- 3. Valley Telephone Company is a rural telephone company that has previously been designated by this Commission as an eligible telecommunications carrier. The Company provides local exchange telephone services, including all of the essential services that are included in the federal definition of universal service, to approximately 200 access lines within its established rural service area in South Dakota.
- 4. This Commission has limited regulatory oversight over Valley Telephone Company and its provisioning of local exchange services. Under SDCL § 49-31-5.1, the local exchange service rates charged by telecommunications cooperatives, municipal telephone systems, and independent telephone companies serving less than fifty thousand local exchange subscribers are not subject to the Commission's ratemaking authority. In cases where State Commissions have limited regulatory authority over rural carriers, the FCC has indicated that these carriers should themselves initiate the certification process by presenting a plan to ensure compliance with the requirement in 47 U.S.C. § 254(e) that universal service support will only be used for the

provision, maintenance, and upgrading of facilities and services for which the support is intended. Based on this filed plan, it is anticipated that the State Commission may make the appropriate certification to the FCC.<sup>2</sup>

- 5. The purpose of this filing is to provide information constituting Valley Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Valley Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. § 254.
- 6. In the process of determining whether federal universal service support is used in a manner consistent with the Federal Communications Act, the "universal service principles" established in Section 254(b) are instructive. That Section states that the FCC shall base "policies for the preservation and advancement of universal service" on certain, specifically identified principles:
  - (1) Quality services should be available at just, reasonable, and affordable rates.
  - (2) Access to advanced telecommunications and information services should be provided in all regions of the Nation.
  - (3) Consumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high-cost areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas. . . .
  - (6) Elementary and secondary schools and classrooms, health care providers, and libraries should have access to [certain] advanced telecommunications services. . .
- 7. The FCC has declined to dictate specifically how the states should ensure that carriers are using federal universal service support consistent with the federal law, but has offered

4

<sup>&</sup>lt;sup>2</sup> Fourteenth Report and Order, ¶ 188.

examples of how the support can be used to appropriately further universal service goals. The FCC has stated:

[A] state could [use the federal support to] adjust intrastate rates, or otherwise direct carriers to use the federal support to replace implicit intrastate universal service support to high cost rural areas . . ..

A state could also require carriers to use the federal support to upgrade facilities in rural areas to ensure that services provided in those areas are reasonably comparable to services provided in urban areas of the state.<sup>3</sup>

- 8. The FCC provided the above examples as illustrative and not exhaustive examples of how support can be used consistent with Section 254(e). Other uses are appropriate provided the State Commission believes they are consistent with the federal universal service principles contained in Section 254.
- 9. Valley Telephone Company as a designated eligible telecommunications carrier has received federal universal service support in the past and expects to receive support during calendar year 2002. As of this time, specific support amounts the Company should receive in 2002 have not yet been identified by USAC. The Company, however, offers the following estimates concerning the support it expects to receive<sup>4</sup>:

High-Cost Loop Support	$\$_{_{_{_{_{_{_{_{_{0}}}}}}}}}$
Local Switching Support (DEM Weighting)	5 - 35 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3
Safety Net Additive Support	S and the contract of the cont
Safety Valve Support	S. N.A.

<sup>&</sup>lt;sup>3</sup> Ninth Report and Order and Eighteenth Order on Reconsideration in CC Docket No. 96-45 (In the Matter of the Federal-State Joint Board on Universal Service), FCC 99-306, ¶ 96, November 2, 1999.

<sup>&</sup>lt;sup>4</sup> It should be noted that Long Term Support amounts are not referenced because the FCC has indicated that it will deal with certification under 47USC Section 254(e) for these amounts. See 14th Report and Order footnote number 446.

10. For calendar year 2002, Valley Telephone Company intends to make the following network facility and equipment investments:

In years 2000 and 2001 Valley Telephone upgraded it's switching center from a Siemens DCO to an EWSD. The inter-office fiber connectivity was built redundant through the use of OC48 technology. Local dial-up internet and DSL capability have been added. Fiber hubs have also been placed in rural areas allowing broadband connectivity to virtually all customers. A CoBank 15 year loan was obtained to assist in the capital expenditures. Ongoing interest payments, repairs, relocation, and administration costs are driven from these expenditures as well as enhancements to be performed in 2002. Those enhancements are expected to involve added transport, additional fiber nodes and equipment, ATM equipment, additional new/replacement drops, generators, etc.

11. In providing local exchange telecommunications services, Valley Telephone Company will also incur other costs. In 2002, these costs will include:

<u>Plant Operations</u>: The expenses involved in establishing and provisioning new service, engineering of new/replacement facilities, installation of facility, maintenance and repair of existing facility, central office maintenance, equipment maintenance, consumables, utilities, etc.

<u>Customer Operations</u>: The expenses involved with customer billing, trouble reporting, service application, payment application, customer support, general secretarial duties, etc.

<u>Taxes:</u> Expenses incurred from income tax, sales tax, property tax, etc.

<u>Depreciation</u>: The expense incurred due to expense and life of equipment.

# START

OF

RETAKE

10. For calendar year 2002, Valley Telephone Company intends to make the following network facility and equipment investments:

In years 2000 and 2001 Valley Telephone upgraded it's switching center from a Siemens DCO to an EWSD. The inter-office fiber connectivity was built redundant through the use of OC48 technology. Local dial-up internet and DSL capability have been added. Fiber hubs have also been placed in rural areas allowing broadband connectivity to virtually all customers. A CoBank 15 year loan was obtained to assist in the capital expenditures. Ongoing interest payments, repairs, relocation, and administration costs are driven from these expenditures as well as enhancements to be performed in 2002. Those enhancements are expected to involve added transport, additional fiber nodes and equipment, ATM equipment, additional new/replacement drops, generators, etc.

11. In providing local exchange telecommunications services, Valley Telephone Company will also incur other costs. In 2002, these costs will include:

<u>Plant Operations</u>: The expenses involved in establishing and provisioning new service, engineering of new/replacement facilities, installation of facility, maintenance and repair of existing facility, central office maintenance, equipment maintenance, consumables, utilities, etc.

<u>Customer Operations:</u> The expenses involved with customer billing, trouble reporting, service application, payment application, customer support, general secretarial duties, etc.

Taxes: Expenses incurred from income tax, sales tax, property tax, etc.

<u>Depreciation:</u> The expense incurred due to expense and life of equipment.

13. Valley Telephone Company estimates that the total costs described above relating to

its planned network facility and equipment investments and other expenses to be incurred in

providing local exchange telecommunications services will exceed \$200,000.

14. Consistent with the universal service principles set forth in the federal law and also

the recent FCC orders referenced herein, Valley Telephone Company will use federal universal

service amounts received in 2002 (estimated in paragraph 9 herein) to offset a portion of these

total costs. This use of federal universal service support will enable Valley Telephone Company

to: (1) maintain rates for its local exchange services that are affordable and reasonably

comparable to rates being charged for the same services in urban areas; and (2) to apgrade its

telecommunications facilities and equipment as necessary to meet evolving service requirements

and maintain high quality service. The use of federal universal service support for these

purposes is clearly consistent with the federal universal service provisions.

15. Based on all of the foregoing information and also the Affidavit of Paul Hoff

attached as Exhibit A, Valley Telephone Company requests that this Commission issue an

appropriate certification to the FCC and USAC indicating that Valley Telephone Company is in

compliance with 47 U.S.C. § 254(e) and should receive all federal universal service support

determined for distribution to the Company in 2002. In order to ensure that this certification is

issued to the FCC prior to October 1, 2001, Valley Telephone Company would further ask the

Commission to expedite the process that is initiated based on this filing.

Dated this 17th day of August, 2001.

Respectfully submitted,

Richard J. Johnson, MOSS & BARNETT

#### **EXHIBIT** A

#### **AFFIDAVIT**

As an authorized corporate officer of Valley Telephone Company, I, Paul Hoff hereby affirm familiarity with and an understanding of the requirements of the Federal Communications Act of 1934 as amended by the Telecommunications Act of 1996 with respect to the receipt of any federal universal service funds received as high-cost loop support, local switching support, safety net additive support, and/or safety valve support and hereby affirm that any such support amounts received by Valley Telephone Company will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended consistent with 47 U.S.C. § 254(e).

Paul Hoff

Subscribed and Sworn to before me this 15th day of August, 2001.

**NOTARY PUBLIC** 

KANEN D Thompson

Commission expires

#### AFFIDAVIT OF SERVICE

STATE OF MINNESOTA	) ss	In the Matter of the Request of Valley Telephone Company For Certification Regarding its Use of Federal Universal Service Support
COUNTY OF HENNEPIN	)	
		Docket No.:

Kim R. Manney, being first duly sworn on oath, deposes and states that on the 17<sup>th</sup> day of August, 2001, copies of the Request for Clarification of Valley Telephone Company in the above-referenced matter were delivered by Federal Express or mailed by United States first class mail, postage prepaid thereon, to the following:

South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Pierre, SD 57501 SDITC Richard D. Coit, Executive Director 207 E Capitol, Suite 206 P O Box 57 Pierre, SD 57501

SWORN TO BEFORE ME this 17<sup>th</sup> day of August, 2001.

NOTARY PUBLIC

SANDRA B. DUFFESNE
NOTARY PUBLIC-MRMESOTA
MY COMBIL EXCHANGE JEEL 31, 2005

### South Dakota Public Utilities Commission **WEEKLY FILINGS**

For the Period of August 16, 2001 through August 22, 2001

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

#### CONSUMER COMPLAINTS

CE01-002

In the Matter of the Complaint filed by Dale Riedlinger, Sioux Falls, South Dakota, against Xcel Energy Regarding Poor Maintenance Service.

Complainant states that on or about May 21, 2001, Xcel Energy had a tree trimming company come to their area of town and trim trees. Complainant states that when the company trimmed there tree in the front yard of their home, the tree was destroyed by cutting the tree half off. Complainant states that their are only two customers in his neighborhood that do not have buried cable. Complainant inquired about the line being buried and was told that he would have to pay \$7,500.00. Complainant states that Xcel Energy does not have an easement to have the utility pole on his property. Complainant requests that Xcel Energy bury their lines at no cost or a reasonable cost to the customer. Complainant does not feel he should replace his tree because he believes that the problem will occur again when the tree trimming service happens again.

Staff Analyst: Mary Healy Staff Attorney, Kelly Frazier Date Docketed 08/20/01 Intervention Deadline N/A

#### **TELECOMMUNICATIONS**

TC01-111

In the Matter of the Request of Baltic Telecom Cooperative and East Plains Telecom. Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Baltic Telecom Cooperative and its subsidiary East Plains Telecom, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Baltic Telecom Cooperative and its subsidiary East Plains Telecom, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/16/01 Intervention Deadline: 08/31/01

TC01-112 In the Matter of the Request of Cheyenne River Sioux Tribe Telephone Authority for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Cheyenne River Sioux Tribe Telephone Authority's plan for the use of its federal universal service support and to otherwise verify that Cheyenne River Sioux Tribe Telephone Authority will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed, 08/17/01 Intervention Deadline: 08/31/01 Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/20/01 Intervention Deadline: 08/31/01

In the Matter of the Request of Kadoka Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The surpose of this filing is to provide information constituting Kadoka Telephone Company's plan for the use of this federal universal service support and to otherwise verify that Kadoka Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Owte Docketed: 08/20/01 Intervention Deadline: 08/31/01

In the Matter of the Request of Valley Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Valley Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Valley Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/20/01 Intervention Deadline: 08/31/01

TG01-120 In the Matter of the Request of Mount Rushmore Telephone Company and Fort Randall Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Mt. Rushmore Telephone Company and Fort Randall Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Mt. Rushmore Telephone Company and Fort Randall Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254

Staff Analyst: Harlan Best
Staff Attorney Karen Cremer
Date Oocketed: 08/20/01
Intervention Deadline: 08/31/01

101-121 In the Matter of the Request of Sanborn Telephone Cooperative, Inc. and SANCOM, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Sanborn Telephone Cooperative, Inc./Sancom, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Sanborn Telephone

Cooperative will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/20/01 Intervention Deadline: 08/31/01

### TC01-126 In the Matter of the Request of West River Telecommunications Cooperative (Mobridge) for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting West River Telecommunications Cooperative's (Mobridge) plan for the use of its federal universal service support and to otherwise verify that West River Telecommunications Cooperative (Mobridge) will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/20/01 Intervention Deadline: 08/31/01

# TC01-127 In the Matter of the Request of Midstate Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Midstate Communications, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Midstate Communications, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/20/01 Intervention Deadline: 08/31/01

# TC01-128 In the Matter of the Request of Tri-County Telecom, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Tri-County Telecom, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Tri-County Telecom, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/20/01 Intervention Deadline: 08/31/01

# TC01-129 In the Matter of the Request of McCook Cooperative Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting McCook Cooperative Telephone Company's plan for the use of its federal universal service support and to otherwise verify that McCook Cooperative Telephone

The purpose of this filing is to provide information constituting Sioux Valley Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Sioux Valley Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/21/01 Intervention Deadline: 08/31/01

### TC01-134 In the Matter of the Request of Dickey Rural Telephone Cooperative for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Dickey Rural Telephone Cooperative's plan for the use of its federal universal service support and to otherwise verify that Dickey Rural Telephone Cooperative will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/22/01 Intervention Deadline: 08/31/01

### TC01-135 In the Matter of the Request of Dickey Rural Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Dickey Rural Communications, Inc.'s plan for the use of its federal universal service support and to otherwise verify that Dickey Rural Communications, Inc. will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/22/01 Intervention Deadline: 08/31/01

### TC01-136 In the Matter of the Request of Farmers Mutual Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting Farmers Mutual Telephone Company's plan for the use of its federal universal service support and to otherwise verify that Farmers Mutual Telephone Company will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/22/01 Intervention Deadline: 08/31/01

### TC01-137 In the Matter of the Request of RT Communications, Inc. for Certification Regarding Its Use of Federal Universal Service Support.

The purpose of this filing is to provide information constituting RT Communications, Inc.'s plan for the use of its

Staff Analyst: Harlan Best Staff Attorney: Karen Cremer Date Docketed: 08/22/01

Intervention Deadline: 08/31/01

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# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE REQUEST OF VALLEY TELEPHONE COMPANY FOR	)	ORDER GRANTING CERTIFICATION
CERTIFICATION REGARDING ITS USE OF FEDERAL UNIVERSAL SERVICE SUPPORT	)	TC01-119

On May 23, 2001, the Federal Communications Commission (FCC) released an Order concerning the federal universal service support mechanism for rural carriers 1. This Order (hereafter referenced as the "Fourteenth Report and Order"), in part, codifies at 47 § C.F.R. 54.314, a requirement for States to provide a certification regarding federal universal service support that is received by rural incumbent local exchange carriers and/or eligible telecommunications carriers providing service in rural service areas. Pursuant to such rule, a state that desires rural carriers within its jurisdiction to receive future federal universal service support must file an annual certification with the FCC and the Universal Service Administrative Company (USAC) stating that federal high cost support provided to such carriers within that State will be used only for the provision. maintenance, and upgrading of facilities and services for which the support is intended. This certification requirement applies to various categories of federal universal service support, including support provided pursuant to 47 C.F.R. §§ 54.301, 54.305, and/or 54.307, and/or 47 C.F.R. Part 36, Subpart F (high-cost loop support, local switching support, safety net additive support, and safety valve support). Support provided under these FCC rule provisions will only be made available in the future if the State Commission files the requisite certification pursuant to § 54.314.

The certification required for rural carriers to receive federal universal support for all four quarters during calendar year 2001 is currently due to be filed with the FCC and USAC on or before October 1, 2001. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the state are eligible to receive federal support during the 12-month period and must certify that the carriers listed will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

On August 20, 2001, the South Dakota Public Utilities Commission (Commission) received a filing from Valley Telephone Company (Company) regarding its Request for Certification Regarding Its Use of Federal Universal Service Support. The purpose of this filing was to provide information constituting Company's plan for the use of its federal universal service support and to otherwise verify that Company will use all federal

CC Docket No. 96-45, CC Docket No. 00-256, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, FCC 01-157, Released May 23, 2001.



# South Dakota Public Utilities Commission



State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota \$7501-5070

September 25, 2001

Ms. Magalie R. Salas
Federal Communications Commission
Office of the Secretary
445 12th St. S.W.
Washington, DC 20554

Ms. Irene Flannery
Universal Service Administrative Company
2120 L Street N.W., Suite 600
Washington, DC 20037

RE: CC Docket No. 96-45, CC Docket No. 00-255, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, FCC 01-157, Released May 23, 2001

Annual State Certification of Support for Rural Carriers

Dear Ms. Salas and Ms. Flannery:

The South Dakota Public Utilities Commission (Commission) hereby states that the following rural incumbent local exchange carriers and/or eligible telecommunications carriers within its jurisdiction have been certified to receive support pursuant to 47 CFR §§ 54.301, 54.305, and/or 54.307 and /or part 36, subpart F. The carriers listed below filed requests for certification with the Commission which support their affirmations that all federal high-cost support provided to them will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The Commission has granted certification to the following companies:

Armour Independent Telephone Company
Baltic Telecom Cooperative and East Plains Telecom, Inc.
Beresford Municipal Telephone Company
Bridgewater-Canistota Independent Telephone Company
Cheyenne River Sioux Tribe Telephone Authority
Citizens Telecommunications Company of Minnesota, Inc.
City of Brookings Municipal Telephone
Consolidated Telcom
Dakota Community Telephone

Capitol Office Telephone (605)773-3201 FAX (605)773-3809

Transportation/ Warehouse Division Telephone (605)773-5280 FAX (605)773-3225

> Consumer Hotline 1-800-332-1782

TTY Through Relay South Dakota 1-800-877-1113

Internet Website www.state.sd.us/puc/

Jim Burg Chairman Pam Nelson Vice-Chairman

Debra Elofson Executive Director

Harlan Best Martin C. Bettmann Sue Cichos Karen E. Cremer Christopher W. Downs Terry Emerson Michele M. Farris Marlette Fischbach Heather K. Forney Kelly D. Frazier Mary Giddings Leni Healy Mary Healy Lisa Hull Dave Jacobson Army Kaysor Jennifer Kirk Bob Knadic Delaine Kolbo Charlene Lund Gregory A. Rislov Keith Senger Rolayne Ailts Wiest