

TC02-047

RECEIVED

MAY 14 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

**DISAGGREGATION OF
FEDERAL UNIVERSAL SERVICE SUPPORT
by
KENNEBEC TELEPHONE COMPANY**

**TELEC Consulting Resources, Inc.
909 North 96th Street, Suite 203
Omaha, Nebraska 68114
402.398.0062**

TABLE OF CONTENTS

1. Letter to State Commission (and Certification, if Path 1 or Path 3)
2. Disaggregation Rationale
3. Map(s) / Zone Descriptions
4. Support Factor Report / Support Distribution Report
5. Zone Dollars Per Category

TELEC CONSULTING RESOURCES

909 N. 96th Street, Suite 203
Omaha, NE 68114-2508
(402) 398-0062
FAX (402) 398-0065

Cornhusker Plaza
301 S. 13th Street, Suite 401
Lincoln, NE 68508
(402) 441-4316
FAX (402) 441-4317

VIA OVERNIGHT MAIL

May 13, 2002

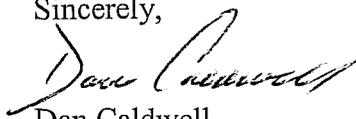
Ms. Debra Elofson, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Dear Ms. Elofson:

On behalf of Kennebec Telephone Company (the "Company"), we enclose the federal universal service support disaggregation plan proposed by the Company in accordance with 47 C.F.R. § 54.315. The Company has selected Path 2 as described in § 54.315(c). Our understanding is that the plan is subject to approval by the South Dakota Public Utilities Commission. After the plan has been duly approved, please forward the Commission's order approving the plan to us at: TELEC Consulting Resources, Inc., 909 North 96th Street, Suite 203, Omaha, Nebraska 68114, so that we may file the order with the Universal Service Administrative Company.

In the meantime, please let us know if you need any additional information with respect to the Company's disaggregation path selection and plan. Thank you for your consideration.

Sincerely,



Dan Caldwell
President

Enclosures

cc: Mr. Rod Bowar

FEDERAL UNIVERSAL SERVICE SUPPORT DISAGGREGATION RATIONALE

Background

In an Order released on May 23, 2001 (the “RTF Order”), the Federal Communications Commission (“FCC”) adopted certain proposals made by the Rural Task Force (“RTF”) and amended its rules for providing high-cost universal service support to rural telephone companies. The new FCC rule regarding universal service disaggregation and targeting of support became effective as of June 19, 2001. Rural carriers for which federal universal service support is available were initially required to file disaggregation plans with their respective state commissions within 270 days of the June 19, 2001, effective date of the RTF Order. However, on November 8, 2001, the FCC released its MAG Order¹ which, among other things, extended the date for filing disaggregation path elections to May 15, 2002. Carriers must select one of three disaggregation paths described in the new FCC rule.

As the RTF noted, given that universal service support is portable, the current method of averaging support across all lines within a study may create uneconomic incentives for competitive entry.² Accordingly, the FCC adopted the RTF’s recommendation that carriers should instead disaggregate and target per line support into geographic areas below the study area level. “By doing so,” the FCC stated, “per-line support would not be the same throughout a study area but would vary to reflect the cost of providing service in a particular geographic area within the study area.”³

The high-cost universal service support to be disaggregated in accordance with the RTF Order includes (i) high-cost loop support, (ii) long-term support, and (iii) local switching support. In addition, the new interstate common line support created pursuant to the MAG Order is also portable and should be included in any disaggregation plan. High-cost loop support, long-term support and interstate common line support are associated with loop costs. Local switching support is associated with local switching costs, which, in theory, are the same for every customer within an exchange.

Disaggregation Rationale

The disaggregation plan filed by this company was prepared by TELECOM Consulting Resources, Inc. (“TELECOM”). The TELECOM disaggregation model is based on a carrier’s cost of

¹ CC Docket No. 000-256, CC Docket No. 96-45, CC Docket No. 98-77, CC Docket No. 98-166, *Second Report and Order and Further Notice of Proposed Rulemaking in CC Docket No. 00-256, Fifteenth Report and Order in CC Docket No. 96-45, and Report and Order in CC Docket Nos. 98-77 and 98-166*, FCC 01-304 (rel. November 8, 2001) (“*Fifteenth Report and Order*”).

² See 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 96-45, and Report and Order in CC Docket No. 00-256*, FCC 01-157 (rel. May 23, 2001), at ¶ 136 (“*Fourteenth Report and Order*”).

³ *Id.* at ¶ 137.

providing service and uses forward-looking switch and loop costs and approximate customer placements. The cost of providing service is higher in the sparsely populated areas farthest from the wire center, although there may be pockets of customers in those outlying areas. To utilize the TELEC disaggregation model, up to five zones per exchange are established with an exchange map, and an average loop cost per customer for each particular zone is determined. Next, ratios among the zones are developed. The high-cost loop support, long-term support and interstate common line support are then distributed based upon the cost to provide loops in the various zones. The local switching support is distributed based upon the cost to provide switching service at the exchange level. In addition to exchange maps, the TELEC model requires a count of loops in use for each zone, as well as replacement cost information for plant, such as switch costs and costs of installed distribution and feeder cable provided by the carrier's engineers.

The TELEC model outputs satisfy the requirement that a carrier's support for a given study area under its disaggregation plan equals the total support available to the study area without disaggregation and also provide the ratio of per-line support between disaggregation zones in accordance with the RTF Order. Support amounts by zone may be determined by multiplying the zone percentages shown on the support factor report by the current average support dollars by category as shown on the respective support reports. Local loop zone factors apply to high-cost loop support, long term support and interstate common line support. The switch factor applies to local switching support. Monthly support levels and line count data used in the model are for First Quarter 2002 as reflected on the USAC web site (www.universalservice.org).

Kennebec Tel Co
Kennebec Exchange
Three Zones

Kennebec Tel Co
SAC 391668

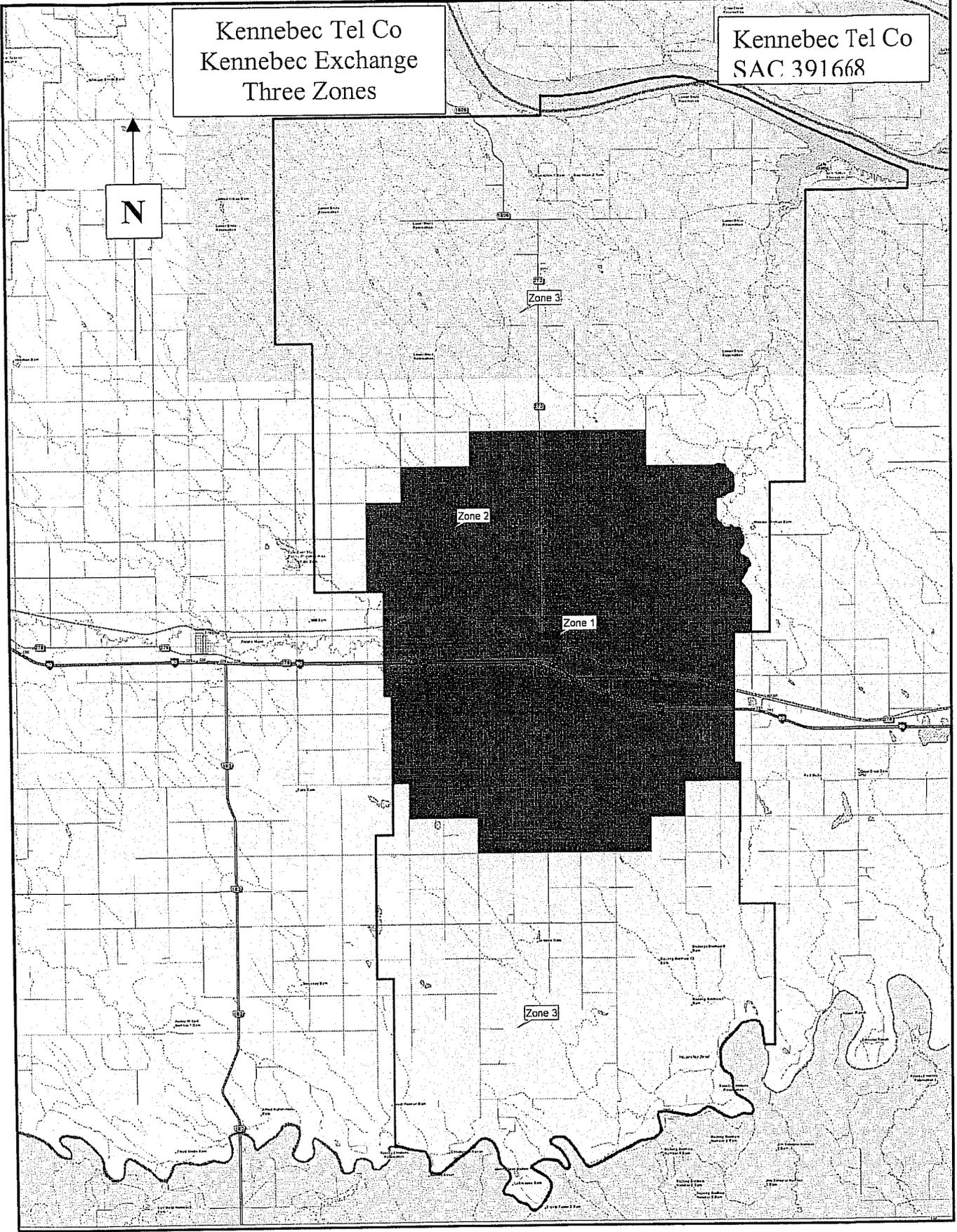


Zone 3

Zone 2

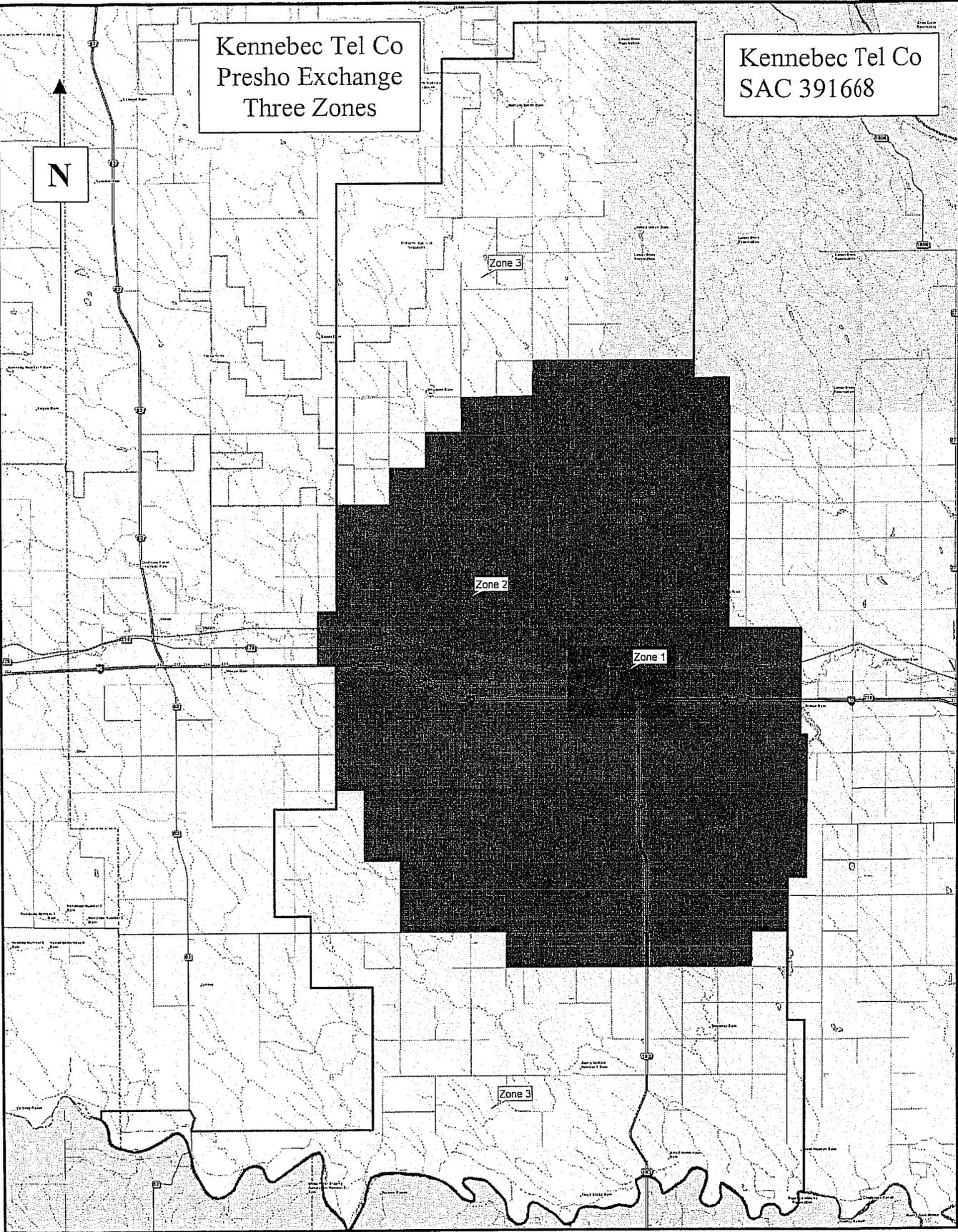
Zone 1

Zone 3



Kennebec Tel Co
Presho Exchange
Three Zones

Kennebec Tel Co
SAC 391668



**USF Disaggregation Model Output
Zone Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002

No	Wire Center	Zone Radius (miles)					X	Zone Line Counts					X
		1	2	3	4	5		1	2	3	4	5	
1	Kennebec	0.40	6.0	15.0				225	35	64			
2	Presho	1.50	8.5	16.0				356	74	62			

**USF Disaggregation Model Output
Factor Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002

No	Wire Center	Local Loop Zone Factors (%)					X	Switch Factor (%)
		1	2	3	4	5		
1	Kennebec	21%	252%	330%				125%
2	Presho	23%	225%	354%				84%

**USF Disaggregation Model Output
Support Distribution Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002

No	Wire Center	Support Factors (%)					X
		1	2	3	4	5	
1	Kennebec	18.0%	8.5%	19.0%			
2	Presho	21.5%	15.0%	18.1%			

**USF Disaggregation Model Output
HCL Support Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002
High Cost Loop: \$ 20.12

		High Cost Loop Support By Zone (\$)					
No	Wire Center	1	2	3	4	5	X
1	Kennebec	\$ 4.22	\$ 50.63	\$ 66.34			
2	Presho	\$ 4.72	\$ 45.36	\$ 71.18			

**USF Disaggregation Model Output
LTS Support Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002
Long Term: \$ 6.31

No	Wire Center	Long Term Support By Zone (\$)					X
		1	2	3	4	5	
1	Kennebec	\$ 1.32	\$ 15.87	\$ 20.79			
2	Presho	\$ 1.48	\$ 14.22	\$ 22.31			

**USF Disaggregation Model Output
ICLS Support Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002
IS Common Line: \$ -

		Interstate Common Line Support By Zone (\$)					
No	Wire Center	1	2	3	4	5	X
1	Kennebec	\$ -	\$ -	\$ -			
2	Presho	\$ -	\$ -	\$ -			

**USF Disaggregation Model Output
Switch Support Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002
Local Switching: \$ 19.66

No	Wire Center	Switch Support (\$)
1	Kennebec	\$ 24.49
2	Presho	\$ 16.48

**USF Disaggregation Model Output
Total Support Report**

Company: Kennebec Telephone Company
Study Area: Kennebec Telephone Company
Study Area Code: 391668
Submission Date: May 15, 2002
Current Support: \$ 46.09
Total Lines: 816
Total Support: \$37,607

No	Wire Center	Total Support By Zone (\$)					X	Support By Exch
		1	2	3	4	5		
1	Kennebec	\$ 30.04	\$ 91.00	\$ 111.62				\$ 17,087
2	Presho	\$ 22.68	\$ 76.06	\$ 109.98				\$ 20,520
Total								\$ 37,607

TELEC Consulting Resources, Inc.
 Federal USF Disaggregation Worksheet
Kennebec Inputs

Client Data

Client Name	Kennebec	
Wire Center	Kennebec	Presho
Access Lines	324	492
Q1, 2002 USF support levels		
HCL	20.12	20.12
LTS	6.31	6.31
ICLS	0.00	0.00
LSS	19.66	19.66
Total Support	<u>46.09</u>	<u>46.09</u>

Zone Descriptions

Proposed Zones	3	3
Zone Descriptions (radius miles)		
Zone 1	0.4	1.5
Zone 2	6.0	8.5
Zone 3	exch. boundary	exch. boundary
Access Lines per zone		
Zone 1	225	356
Zone 2	35	74
Zone 3	64	62
Total Access Lines	<u>324</u>	<u>492</u>
Access Lines per square mile		
Zone 1	447.6	50.4
Zone 2	0.3	0.3
Zone 3	0.1	0.1

Plant Replacement

Feeder cable replacement per foot/per pair		
Zone 1	0.114	0.087
Zone 2	0.066	0.064
Zone 3	0.066	0.068
Distribution cable replacement per foot/per pair		
Zone 1	0.487	0.039
Zone 2	0.434	0.227
Zone 3	0.169	0.174
Switch complex replacement		
Total	511,600	522,800

TELEC Consulting Resources, Inc.
Federal USF Disaggregation Worksheet
Kennebec OUTPUTS

Zone Weights and
Support \$

Wire Center Zone	Kennebec Telephone Company					
	Kennebec			Presho		
	Zone 1	Zone 2	Zone 3	Zone 1	Zone 2	Zone 3
High Cost Loop (HCL) % weight	21.0%	252.0%	330.0%	23.0%	225.0%	354.0%
Support/line	4.22	50.63	66.34	4.72	45.36	71.18
Long Term Support (LTS) Support/line	1.32	15.87	20.79	1.48	14.22	22.31
I-State Common Line (ICLS) Support/line	?	?	?	?	?	?
Local Switch Support (LSS) % weight	125.0%	125.0%	125.0%	84.0%	84.0%	84.0%
Support/line	24.49	24.49	24.49	16.48	16.48	16.48
Total Support Support/line	30.03	90.99	111.62	22.68	76.06	109.97

Monthly Support
Reconciliation

USAC	USAC Q1 Support \$'s/mo.						37,607
Current	Total Access Lines	225	35	64	356	74	62
	Average Support Line	46.09	46.09	46.09	46.09	46.09	46.09
	Total Q1 '02 USF Support/mo.	10,370	1,613	2,950	16,408	3,411	2,858
							37,609
Proposed Disaggregation	Total Access Lines	225	35	64	356	74	62
	Average Support Line	30.03	90.99	111.62	22.68	76.06	109.97
	Total Q1 '02 USF Support/mo.	6,757	3,185	7,144	8,074	5,628	6,818
	% of total support	18.0%	8.5%	19.0%	21.5%	15.0%	18.1%
							37,606

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of May 9, 2002 through May 15, 2002

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 report. Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINT

CT02-016 In the Matter of the Complaint filed by Betty Anderson, Spearfish, South Dakota, against Network Communications International Corp. Regarding Unauthorized Billing for Services.

Complainant states that she is being billed for collect calls that she did not make or accept. Complainant believes that the company is a scam and is billing her for bogus charges. She requests that the charges be removed.

Staff Analyst: Mary Healy
Staff Attorney: Kelly Frazier
Date Docketed: 05/09/02
Intervention Deadline: N/A

CT02-017 In the Matter of the Complaint filed by Quality Inn, Rapid City, South Dakota, against McLeodUSA Telecommunications Services, Inc. Regarding Failure to Provide Service.

Complainant states that in July 2000, it agreed to switch its business service from Qwest to McLeod. On July 19, 2000, at approximately 3:00 a.m. Complainant found that it had no telephone service because McLeod did not have the same switch date as Qwest. Qwest restored Complainant's service at approximately 12:00 p.m. on July 19th. The Complainant's service was then scheduled to switch to McLeod on August 15, 2000. At approximately 6:00 a.m. Qwest disconnected Complainant's service but the service was not connected with McLeod. Qwest restored Complainant's service at approximately 9:00 p.m. Complainant then met with Larry Selensky, McLeod Representative, to discuss the problem. Larry stated that the Complainant would receive a \$3,000.00 credit for all of its trouble and assured the Complainant that the switch scheduled on December 8, 2000 would go smoothly. On November 30, 2000, Complainant's service was disconnected by Qwest at 10:30 a.m. When McLeod was unable to connect service, Qwest restored the Complainant's service on December 1, 2000, at approximately 3:00 p.m. Complainant's service was never switched to McLeod. Complainant requests that it be reimbursed for vendor bills, employee wages and lost revenue in the amount of \$5,949.01.

Staff Analyst: Mary Healy
Staff Attorney: Karen Cremer
Date Docketed: 05/15/02
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC02-044 In the Matter of the Application of NOW Communications of South Dakota, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications and Local Exchange Services in South Dakota.

NOW Communications of South Dakota, Inc. is seeking a Certificate of Authority to provide interexchange and local exchange telecommunications services in South Dakota. NOW intends to offer services to residential customers with poor or no credit history who are often unable to obtain local exchange services from the ILEC. The applicant intends to provide interexchange service on a resale basis and local exchange service via resale and the purchase of local exchange carrier network elements (UNE).

Staff Analyst: Heather Forney
Staff Attorney: Kelly Frazier
Date Docketed: 05/10/02
Intervention Deadline: 05/31/02

TC02-045 In the Matter of the Filing for Approval of a Wireline Adoption Interconnection Agreement and Concurrent Amendment to the Agreement as it is Adopted between ICG Telecom Group, Inc. and Qwest Corporation.

On May 7, 2002, the Commission received for approval a Filing of Wireline Adoption Interconnection and Concurrent Amendment to that Agreement as it is adopted between ICG Telecom Group, Inc. (ICG) and Qwest Corporation (Qwest). According to the parties, the Agreement is a negotiated agreement whereby ICG chooses to adopt, in its entirety, the terms and conditions of the Interconnection Agreement and any associated amendments, if applicable, between Sprint Communications Company and Qwest f/k/a U S WEST Communications, Inc., which was approved by the Commission on November 13, 2001, in Docket No. TC01-151. The filing also includes a Bill and Keep Amendment to the Interconnection Agreement between ICG and Qwest which adds terms, conditions and rates for Bill and Keep as set forth in Attachment 1 and Exhibit A, which is attached to the Amendment. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than May 28, 2002. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier
Date Docketed: 05/07/02
Initial Comments Due: 05/28/02

TC02-046 In the Matter of the Filing for Approval of Transfer of Certificate of Authority from One Call Communications, Inc. to OCMC, Inc.

On May 14, 2002, the Commission received an application to transfer the certificate of authority from One Call Communications, Inc. to OCMC, Inc. OCMC, Inc. purchased the assets of One Call Communications, Inc.'s operator services and long distance divisions.

OCMC will lease lines from Qwest, MCIWorldcom and Sprint. They will contract with operators to handle the calls and OCMC will handle the billing.

Staff Analyst: Michele Farris
Staff Attorney: Kelly Frazier
Date Docketed: 05/14/02
Intervention Deadline: 05/31/02

TC02-047 In the Matter of the Filing for Approval of Disaggregation of Federal Universal Service Support by Kennebec Telephone Company.

On May 14, 2002, a proposed Universal Service Support Disaggregation plan was submitted by Kennebec Telephone Company (Kennebec) in accordance with 47 C.F.R. Section 54.315. Kennebec has selected Path 2 as described in Section 54.315(c).

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 05/14/02
Intervention Deadline: 05/31/02

TC02-048 In the Matter of the Filing for Approval of Disaggregation of Federal Universal Service Support by Roberts County Telephone Cooperative Association.

On May 14, 2002, a proposed Universal Service Support Disaggregation plan was submitted by Roberts County Telephone Cooperative Association (Roberts County) in accordance with 47 C.F.R. Section 54.315. Roberts County has selected Path 2 as described in Section 54.315(c).

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 05/14/02
Intervention Deadline: 05/31/02

**You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc>**



South Dakota Telecommunications Association
PO Box 57 ■ 320 East Capitol Avenue ■ Pierre, SD 57501
605/224-7629 ■ Fax 605/224-1637 ■ sdtaonline.com

Rural roots, global connections

RECEIVED

MAY 31 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

May 31, 2002

Deb Elofson
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

Re: SD-PUC Docket TC02-047 In the Matter of the Filing for Approval of Disaggregation of
Federal Universal Service Support by Kennebec Telephone Company

Dear Ms. Elofson:

Enclosed for filing in the above referenced matter are the original and ten (10) copies of an
SDTA Petition to Intervene.

Please distribute these as needed to Commissioners and Staff.

Thank you for your assistance.

Sincerely,

Richard D. Coit,
Executive Director
and General Counsel

CLEAR
connections

KELO-TV Sunday nights following the 10 p.m. news

BEFORE THE PUBLIC UTILITIES COMMISSION

RECEIVED

OF THE STATE OF SOUTH DAKOTA

MAY 31 2002

**IN THE MATTER OF THE FILING FOR)
APPROVAL OF DISAGGREGATION OF)
FEDERAL UNIVERSAL SERVICE SUPPORT)
BY KENNEBEC TELEPHONE COMPANY)
)**

**SOUTH DAKOTA PUBLIC)
UTILITIES COMMISSION)
DOCKET TC02-047**

SDTA Petition to Intervene

The South Dakota Telecommunications Association ("SDTA") hereby petitions the Commission for intervention in the above captioned proceeding pursuant to SDCL 1-26-17.1 and ARSD §§ 20:10:01:15.02, 20:10:01:15.03 and 20:10:01:15.05. In support hereof, SDTA states as follows:

1. SDTA is an incorporated organization representing the interests of numerous cooperative, independent and municipal telephone companies operating throughout the State of South Dakota.
2. As expressly noted in the Bylaws of SDTA, duly adopted by the Association, "one of the primary purposes for the formation and existence of the South Dakota Telecommunications Association is representation by the Association before the South Dakota Public Utilities Commission." The member companies of SDTA have delegated to the SDTA Board of Directors and its President the authority to intervene on their behalf in PUC proceedings that will or might potentially impact their common interests.
3. All of the SDTA member companies operate as "rural telephone companies" for purposes of the Federal Communications Act and are also subject to the FCC regulations found in 47 C.F.R. § 54.315 which mandate the selection of a disaggregation path by local carriers that are receiving high-cost universal service support.
4. On May 14, 2002, Kennebec Telephone Company filed with this Commission a "federal universal service support disaggregation plan" in accordance with 47 C.F.R. 54.315, selecting "Path 2" as described in 47 C.F.R. § 54.315(c). Pursuant to § 54.315(c), the disaggregation plan filed must be approved by the State Commission

in order to take effect. The plan filed must be consistent with the general requirements stated in § 54.315(e) applicable to the disaggregation and targeting of universal service support.

5. SDTA seeks intervention in this process because the matters presented by Kennebec Telephone Company's filing, as to whether its disaggregation plan is consistent with the provisions of § 54.315(e), are matters of first impression before the Commission and decisions on the same are likely to affect future filings by rural telephone companies under Path 2. The possibility of future Path 2 filings exist because pursuant to § 54.315(b)(4), a state commission may (at any time) require, on its motion, upon petition by an interested party, or upon petition by a rural incumbent local exchange carrier, the disaggregation and targeting of support under either Path 2 or Path 3.
6. SDTA files this intervention to support the Kennebec Telephone Company disaggregation plan. The Association believes the plan is consistent with the FCC rules and urges its approval by the Commission.
7. Based on all of the foregoing, SDTA alleges that it is an interested party in this matter and asks the Commission for intervening party status.

Dated this 30th day of May, 2002.

Respectfully submitted:

SOUTH DAKOTA TELECOMMUNICATIONS
ASSOCIATION

By: 

Richard D. Coit
Executive Director and General Counsel

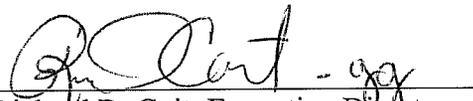
CERTIFICATE OF SERVICE

I hereby certify that an original and ten (10) copies of the foregoing document were hand-delivered on the 31st day of May, 2002 to:

Deb Elofson
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

A copy was sent by First Class Mail via U.S. Postal Service to:

Rod Bowar
Kennebec Telephone Company, Inc.
PO Box 158
Kennebec, SD 57544-0158

A handwritten signature in black ink, appearing to read "Richard D. Coit", is written over a horizontal line.

Richard D. Coit, Executive Director
South Dakota Independent Telephone Coalition
Post Office Box 57
320 East Capitol Avenue
Pierre, South Dakota 57501-0057



South Dakota Telecommunications Association
PO Box 57 ■ 320 East Capitol Avenue ■ Pierre, SD 57501
605/224-7629 ■ Fax 605/224-1637 ■ sdtanonline.com

Rural roots, global connections

RECEIVED

JUN 11 2002

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

June 11, 2002

Deb Elofson, Executive Director
South Dakota Public Utilities Commission
500 East Capitol Ave.
Pierre, SD 57501

RE: Docket TC02-047, In the Matter of the Filing for Approval of Disaggregation of
Federal Universal Service Support by Kennebec Telephone Company

Dear Ms. Elofson:

On May 31, 2002, SDTA filed with the Commission in the above referenced matter a Petition for Intervention. It is my understanding based on information from Commission Staff that no other parties are seeking intervention in this Docket. This being the case, we no longer find it necessary to intervene in the proceeding and would ask that our request for intervention be considered withdrawn.

SDTA would emphasize, however, that it supports the disaggregation plan filing by Kennebec Telephone Company. We believe it is consistent with the applicable FCC rules and urge its approval by the Commission.

Sincerely,

Richard D. Coit
Executive Director and General Counsel

CC: Rod Bowar, Kennebec Telephone Company

CLEAR
connections

KELO-TV Sunday nights following the 10 p.m. news

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

IN THE MATTER OF THE FILING FOR) ORDER APPROVING PLAN
APPROVAL OF DISAGGREGATION OF)
FEDERAL UNIVERSAL SERVICE SUPPORT) TC02-047
BY KENNEBEC TELEPHONE COMPANY)

On May 14, 2002, the South Dakota Public Utilities Commission (Commission) received a proposed Universal Service Support Disaggregation plan submitted by Kennebec Telephone Company (Kennebec) in accordance with 47 C.F.R. Section 54.315. Kennebec has selected Path 2 as described in Section 54.315(c).

On May 16, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of May 31, 2002, to interested individuals and entities. On May 31, 2002, South Dakota Telecommunications Association (SDTA) filed a Petition to Intervene. On June 11, 2002, SDTA withdrew its petition. At its regularly scheduled June 13, 2002, meeting, the Commission considered Kennebec's filing. Commission Staff recommended approving the disaggregation plan as filed.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31. The Commission finds that the plan filed by Kennebec is consistent with the general requirements stated in 47 C.F.R. Section 54.315(e) applicable to the disaggregation and targeting of universal service support. The Commission unanimously voted to approve the plan. It is therefore

ORDERED, that the plan as filed by Kennebec is hereby approved.

Dated at Pierre, South Dakota, this 19th day of June, 2002.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Delaine Kalbo</i></u>
Date: <u>6/21/02</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Robert K. Sahr
ROBERT K. SAHR, Commissioner