

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

JUN 22 2005

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF THE)	
APPLICATION OF LOCAL EXCHANGE)	DOCKET NO. TC05-073
CARRIERS ASSOCIATION AND ITS)	
MEMBERS FOR WAIVER OF)	PETITION FOR INTERVENTION
SWITCHED ACCESS COST STUDY)	OF AT&T COMMUNICATIONS
)	OF MIDWEST, INC.

AT&T Communications of the Midwest, Inc. ("AT&T") hereby Petitions the Commission for Intervention in the above-captioned proceeding. As grounds therefore, AT&T states as follows:

1. On or about May 31, 2005, the Local Exchange Carriers Association ("LECA") filed an application with the Commission seeking the right to waive portions of rule ARSD 20:10:27:14.

2. ARSD "Chapters 20:10:27 to 20:10:29, inclusive, establish rules for the determination of switched access charges for intrastate switched access services provided by each carrier's carrier operating in this state."¹ LECA members are "carrier's carriers" within this context.

3. Rule ARSD 20:10:27:14 describes the manner in which the carriers will submit cost studies based upon "recent test year" results "for which actual costs have been recorded." This rule requires, among other things, that LECA and its members only make adjustments to their respective intrastate switched access rates where "they are based on changes in facilities, operations, or costs which are known with reasonable certainty and measurable with reasonable accuracy at the time of filing."

¹ ARSD 20:10:27:02. "The costs used to compute switched access charges are subject to the accounting and ratemaking determinations of the commission." ARSD 20:10:27:03

4. Instead of employing actual data, LECA and its members seek a waiver from the Commission allowing them to employ "projected" minutes in the "recent test year" study rather than the required actual minutes, which among other things, reflect most accurately their measurable cost.

5. LECA alleges, as support for its request, that the use of actual data means that at "a minimum [such data] is 8 months to 20 months old for companies filing cost studies in the current year."² As a consequence, LECA asserts it suffers a "shortfall totaled \$ 6.6M in 2003 and \$5.5M in 2004"³ in revenue.

6. AT&T, as an inter and intra state toll carrier in South Dakota, pays LECA members switched access rates and it is, therefore, directly impacted by any increase or adjustment made to LECA member access rates and their respective obligations to substantiate their costs.

7. AT&T believes that LECA members, like all other carriers in the wire-line industry today, may be experiencing some decrease in traffic due to wireless and internet usage.

8. LECA member loss in wire-line traffic may be due, in part, to their own action deploying VoIP service or wireless service. Carriers, such as AT&T, forced to pay ever-increasing access rates to LECA members should not be subject to the insult of paying higher access rates while LECA members or their affiliates also recover revenue for the same alleged traffic loss from their VoIP or wireless services.⁴

² LECA Application at 2.

³ *Id.*

⁴ AT&T, in discovery will seek information on proper imputation based upon its belief that LECA members and their affiliates may not, in fact, be properly imputing their own access rates to their services. See "Separated access costs and related access charges must be imputed to all intracompany toll service minutes of usage." ARSD 20:10:27:05

9. Injustice aside, in its Application, LECA also alleges that its members have not recovered \$6.6 million in 2003 and \$ 5.5 million in 2004 of “approved intrastate switched access costs” because they cannot employ “projected” loss of minutes as opposed to actual losses.⁵ AT&T disputes these claims and deserves an opportunity to prove them inaccurate as it, and its customers, will be called upon to pay higher access rates so that LECA members may enjoy increased revenue.

For the foregoing reasons and because LECA member use of “projected” minutes will result in unjust and unreasonable rates, AT&T respectfully requests that the Commission grant its request for intervention in the above-captioned proceeding.

Submitted this 21st day of June, 2005.

**AT&T COMMUNICATIONS OF THE
MIDWEST, INC.**

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with permission

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⁵ *Id.*

CERTIFICATE OF SERVICE


TC05-073

I hereby certify that on June 21, 2005, the original and 10 copies of AT&T Communications of the Midwest, Inc.'s Motion to Accept AT&T's Late-Filed Petition for Intervention and AT&T's Petition for Intervention were sent via fax and overnight delivery service to:

Pam Bonrud
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

and a true and correct copy was sent by U.S. Mail on June 21, 2005, addressed to:

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