



ELECTRONICALLY FILED

DATE AUG 09 2006

August 9, 2006

Ms. Patty Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, First Floor
500 East Capitol Avenue
Pierre, SD 57501

RE: Supplemental Filing In the Matter of the Request of PrairieWave Community Telephone, Inc. for Certification Regarding Its Use of Federal Universal Service Support
Docket No. TC06-128

Dear Ms. Van Gerpen:

On behalf of PrairieWave Community Telephone, Inc. enclosed for electronic filing is a Supplemental Filing to the Request for Certification Regarding Its Use of Federal Universal Service Support submitted for Commission approval. The signed original will be mailed via UPS overnight mail.

Sincerely,

A handwritten signature in cursive script that reads "Dawn Haase".

Dawn Haase
Legal Assistant

Enclosures

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE REQUEST OF
PRAIRIEWAVE COMMUNITY
TELEPHONE, INC. FOR
CERTIFICATION REGARDING ITS USE
OF FEDERAL UNIVERSAL SERVICE
SUPPORT.**

TC06-128

SUPPLEMENTAL FILING

PrairieWave Community Telephone, Inc. (the “Company”), by and through its attorney, makes this supplemental filing requesting certification from the South Dakota Public Utilities Commission (the “Commission”) as is required under 47 C.F.R. § 54.314 and to comply with the Commission’s new rules pertaining to ETCs, including the provisions of ARSD §§ 20:10:32:52, 20:10:32:53 and 20:10:32:54. In addition to the original filing, the Company offers the following supplemental information:

1. The provisions of ARSD § 20:10:32:54 addressing the annual “Certification requirements” set forth by this Commission indicate in part that the ETC must show “how much universal service support was received.” Accordingly, attached is a revised Exhibit A with the Estimated Year 2007 Federal Universal Service Receipts itemized by support category added.
2. Under ARSD 20:10:32:43.04, 20:10:33:31, 20:10:34:09 and 20:10:34:10 PrairieWave protects consumers by complying with all federal and state consumer protection laws and regulations and those consumer protections enumerated in ARSD 20:10:34. A subscriber’s bill contains a clear, concise description of all services billed, PrairieWave’s name and a toll free number where the subscriber can call with billing questions. PrairieWave changes rates, terms or conditions of service only after notifying customers of any such change in writing on the bill, a bill insert or a separate letter to each customer.

Under ARSD 20:10:33, PrairieWave provides service using modern digital switching and fiber optic, coaxial, and copper facilities to provide modern voice and data services. The network has emergency back-up power as prescribed by commission rule and is monitored 24 hour a day, 7 days a week, 365 days a year to ensure timely response to any system degradation or service outage. PrairieWave fully complies with all requirements for access to emergency service to include 911 and E911. PrairieWave is also fully compliant with all requirements for access to its network by law enforcement and homeland security agencies and with the requirements of CALEA. The network is configured as a SONET ring to that any system failure can be rerouted diversely to minimize the impact of any facility problem or outage. In a number of cases the system contains redundant cable facilities and redundant environmental and fire suppression capabilities to further ensure service availability at all times.

3. A revised Exhibit B and revised Exhibit C is attached indicating what the acronyms OSP/ISP stand for in the column with the heading Description of Capital Improvement.

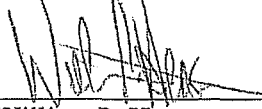
4. The 2005 switching improvements did occur. PrairieWave refocused its switching efforts in the year 2005 to implementing Internet Protocol (IP) technology and PrairieWave installed a new soft switch in Sioux Falls that supports all areas of the PrairieWave network as shown in Exhibit B. The improvements were not completed until late 2005 and early 2006 and the expenses and billing of that effort were not booked until 2006 and should appear in 2006 capital expenses.

5. With regard to the estimated 2005 Cable and Wire Improvements, the development and deployment of IP Technology, the roll out of DSL services in the ILEC and a billing conversion capitalized much of PrairieWave's time. All damaged and problem cables

were replaced, and facilities were installed in new construction but PrairieWave was forced to defer wire and cable upgrades due to personnel and time limitations.

Dated this 14th day of August 2006.

Respectfully submitted,



William P. Heaston
General Counsel

REVISED EXHIBIT A

PrairieWave Community Telephone, Inc.

Year 2005 Federal Universal Service Receipts:

High Cost Loop Support	\$ 553,058
Local Switching Support	\$1,524,041
Safety Net Additive support	\$
Safety Valve Loop Cost Adjustment	\$
TOTAL	\$2,077,099

Estimated Year 2007 Universal Service Receipts:

High Cost Loop Support	\$ 892,000
Local Switching Support	\$ 973,740
Safety Net Additive support	\$
Safety Valve Loop Cost Adjustment	\$
TOTAL	\$1,865,740

Actual and Estimated Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding:

Plant Specific Operations Expenses:

ILEC	Actual 2005	Estimated 2006	Estimated 2007	Estimated 2008
Beresford	\$ 415,938	\$ 392,428	\$ 392,030	\$ 390,438
Gayville	\$ 303,070	\$ 285,940	\$ 285,650	\$ 284,490
Hurley	\$ 361,594	\$ 341,156	\$ 340,810	\$ 339,426
Parker	\$ 994,907	\$ 938,672	\$ 937,720	\$ 933,912
Flyger	\$ 242,456	\$ 228,752	\$ 228,520	\$ 227,592
Irene	\$ 582,104	\$ 549,202	\$ 548,645	\$ 546,417
Wakonda	\$ 346,963	\$ 327,352	\$ 327,020	\$ 325,692
Lennox	\$1,466,233	\$1,383,358	\$1,381,995	\$1,376,343
Volin	\$ 209,014	\$ 197,200	\$ 197,000	\$ 196,200
Worthing	\$ 622,862	\$ 587,656	\$ 587,060	\$ 584,676
Alsen	\$ 272,763	\$ 257,346	\$ 257,085	\$ 256,041
Monroe	\$ 103,462	\$ 97,614	\$ 97,515	\$ 97,119
Davis	\$ 125,408	\$ 118,320	\$ 118,200	\$ 117,720
Chancellor	\$ 351,144	\$ 331,296	\$ 330,960	\$ 329,616
TOTAL	\$6,397,918	\$6,035,692	\$6,030,210	\$6,005,682

REVISED EXHIBIT B – 2005 ACTUAL CAPITAL EXPENDITURES & 2006 ESTIMATES
 ARSD 20:10:32:43.02

As part of its ongoing plan to upgrade and enhance its network, the Company anticipates the following capital expenditures over the next two years for OSP (Outside Plant) and ISP (Inside Plant). The Company believes that its planned capital additions will improve the reliability of switched calls for its customers, assure CALEA compliance and increase the Company's network capacity to serve remote customers. The upgraded facilities will also be more cost-effective for the Company to maintain. Any federal high-cost universal service support the Company receives will help defray the following estimated costs for plant improvements and upgrades.

Provide data for each wire center in the Company's service area where switching, exchange transmission equipment or cable and wire upgrades are planned.

Wire Center	Description of Capital Improvement	Est. Population Served by Improvement	Start Date	Completion Date	Actual Capital Expenditure 2005	Estimated Capital Expenditures Each Year 2006
BERESFORD	OSP/ISP	686	01/01-05/06	12/31-05/06	\$ 14,237	\$ 26,243
GAYVILLE	OSP/ISP	418	01/01-05/06	12/31-05/06	\$ 31,991	\$ 19,978
HURLEY	OSP/ISP	426	01/01-05/06	12/31-05/06	\$ 14,297	\$ 21,844
PARKER	OSP/ISP	1,031	01/01-05/06	12/31-05/06	\$ 38,984	\$ 48,680
FLYGER	OSP/ISP	440	01/01-05/06	12/31-05/06	\$ 11,462	\$ 16,636
IRENE	OSP/ISP	432	01/01-05/06	12/31-05/06	\$ 31,249	\$ 33,026
WAKONDA	OSP/ISP	374	01/01-05/06	12/31-05/06	\$ 13,489	\$ 23,440
LENNOX	OSP/ISP	2,037	01/01-05/06	12/31-05/06	\$ 55,614	\$ 80,589
VOLIN	OSP/ISP	207	01/01-05/06	12/31-05/06	\$ 11,326	\$ 6,665
WORTHING	OSP/ISP	585	01/01-05/06	12/31-05/06	\$ 60,496	\$ 36,112
ALSEN	OSP/ISP	573	01/01-05/06	12/31-05/06	\$ 47,467	\$ 21,350
MONROE	OSP/ISP	163	01/01-05/06	12/31-05/06	\$ 7,270	\$ 8,356
DAVIS	OSP/ISP	104	01/01-05/06	12/31-05/06	\$ 2,959	\$ 6,011
CHANCELLOR	OSP/ISP	328	01/01-05/06	12/31-05/06	\$ 5,197	\$ 14,065
TOTAL					\$ 346,038	\$ 362,995

Capital improvements are planned for all wire centers

REVISED EXHIBIT C – TWO-YEAR PLAN

ARSD 20:10:32:43.02

As part of its ongoing plan to upgrade and enhance its network, the Company anticipates the following capital expenditures over the next two years for OSP (Outside Plant) and ISP (Inside Plant). The Company believes that its planned capital additions will improve the reliability of switched calls for its customers, assure CALEA compliance and increase the Company's network capacity to serve remote customers. The upgraded facilities will also be more cost-effective for the Company to maintain. Any federal high-cost universal service support the Company receives will help defray the following estimated costs for plant improvements and upgrades.

Provide data for each wire center in the Company's service area where switching, exchange transmission equipment or cable and wire upgrades are planned.

Wire Center	Description of Capital Improvement	Est. Population Served by Improvement	Start Date	Completion Date	Estimated Capital Expenditures Each Year	
					2007	2008
BERESFORD	OSP/ISP	686	01/01- 07/08	12/31- 07/08	\$ 26,558	\$ 26,873
GAYVILLE	OSP/ISP	418	01/01- 07/08	12/31- 07/08	\$ 20,218	\$ 20,458
HURLEY	OSP/ISP	426	01/01- 07/08	12/31- 07/08	\$ 22,106	\$ 22,369
PARKER	OSP/ISP	1,031	01/01- 07/08	12/31- 07/08	\$ 49,266	\$ 49,848
FLYGER	OSP/ISP	440	01/01- 07/08	12/31- 07/08	\$ 16,837	\$ 17,037
IRENE	OSP/ISP	432	01/01- 07/08	12/31- 07/08	\$ 33,423	\$ 33,819
WAKONDA	OSP/ISP	374	01/01- 07/08	12/31- 07/08	\$ 23,723	\$ 24,004
LENNOX	OSP/ISP	2,037	01/01- 07/08	12/31- 07/08	\$ 81,558	\$ 82,524
VOLIN	OSP/ISP	207	01/01- 07/08	12/31- 07/08	\$ 6,745	\$ 6,824
WORTHING	OSP/ISP	585	01/01- 07/08	12/31- 07/08	\$ 36,547	\$ 36,980
ALSEN	OSP/ISP	573	01/01- 07/08	12/31- 07/08	\$ 21,607	\$ 21,864
MONROE	OSP/ISP	163	01/01- 07/08	12/31- 07/08	\$ 8,457	\$ 8,557
DAVIS	OSP/ISP	104	01/01- 07/08	12/31- 07/08	\$ 6,083	\$ 6,155
CHANCELLOR	OSP/ISP	328	01/01- 07/08	12/31- 07/08	\$ 14,235	\$ 14,402
TOTAL					\$ 367,363	\$ 371,714

Capital improvements are planned in all wire centers