



Bob Sahr, Chair  
Dustin Johnson, Vice-Chair  
Gary Hanson, Commissioner

## SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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July 25, 2006

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

Karen Majcher  
Vice President of the High Cost and Low Income Division  
Universal Service Administrative Company  
2000 L Street, NW – Suite 200  
Washington, DC 20036

Re: Federal-State Joint Board on Universal Service, CC Docket No. 96-45,  
Designation of Eligible Telecommunications Carriers

Dear Ms. Dortch and Ms. Majcher:

Pursuant to section 214(e)(2) of the Communications Act of 1934, as amended and 47 C.F.R. section 54.210, the South Dakota Public Utilities Commission (SDPUC) has designated Midstate Telecom, Inc. (Midstate) as an eligible telecommunications carrier (ETC) for the Qwest exchange of Chamberlain, South Dakota. This exchange is located in a non-rural service area.

Enclosed is the SDPUC's Order granting ETC designation to Midstate. If you have any questions, please do not hesitate to contact us for further information.

Sincerely,

ROLAYNE AILTS WIEST  
Commission Attorney

Enc.

cc: Mr. Ryan J. Taylor

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

<b>IN THE MATTER OF THE FILING BY )</b>	<b>ORDER GRANTING</b>
<b>MIDSTATE TELECOM, INC. FOR )</b>	<b>ELIGIBLE</b>
<b>DESIGNATION AS AN ELIGIBLE )</b>	<b>TELECOMMUNICATIONS</b>
<b>TELECOMMUNICATIONS CARRIER WITHIN )</b>	<b>DESIGNATION</b>
<b>THE QWEST EXCHANGE OF CHAMBERLAIN )</b>	<b>TC06-017</b>

On February 27, 2006, the Public Utilities Commission (Commission) received a petition from Midstate Telecom, Inc. (MTI) for designation as an eligible telecommunications carrier (ETC) for the Chamberlain, South Dakota exchange. Qwest Corporation (Qwest) is the incumbent non-rural ETC currently serving the Chamberlain service area. On March 3, 2006, MTI filed a supplement to the filing.

On March 2, 2006, the Commission electronically transmitted notice of the filing and the intervention deadline of March 17, 2006, to interested individual and entities. Qwest filed a Petition to Intervene which it later withdrew stating it was filed mistakenly.

Pursuant to 47 U.S.C. section 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission. Pursuant to section 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a). As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

MTI stated in its Petition that it will provide the following services to all of its customers in the Chamberlain service area for which it seeks ETC designation:

1. Voice grade access to the public switched network;

2. Local exchange service, including unlimited local usage under a flat-rated local service package;
3. Dual tone multi-frequency signaling;
4. Single party service;
5. Access to emergency services such as 911 or Enhanced 911 public services when such services are available;
6. Access to operator services;
7. Access to interexchange services;
8. Access to directory assistance; and
9. Toll blocking and toll control service to all consumers.

With respect to the obligation to advertise the availability of services supported by the federal universal service support mechanism and the charges for those services using media of general distribution, MTI stated that it will advertise the availability of its local exchange services via bill inserts, website, newsletters, pamphlets, and newspapers in the Qwest service area for which it seeks ETC designation. MTI further stated it will offer and advertise the Lifeline and Link Up service discounts in the Chamberlain service area.

With respect to whether the designation is in the public interest, MTI states that it “has brought high speed Internet, video and calling features to the Chamberlain/Oacoma exchange that did not previously exist. MTI has made many improvements to the telecommunications services in the Chamberlain/Oacoma exchange. MTI also opened a customer service office in Chamberlain to provide better service to its customers.” MTI further stated that it is the only local provider to have a customer service office in the exchange.

At its July 11, 2006, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 49-31, and 47 U.S.C. § 214. The Commission finds that MTI will provide the following services or functionalities throughout the Chamberlain service area: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling; (4) single-party service; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll blocking and toll control for qualifying low-income consumers. The Commission finds that MTI intends to provide Lifeline and Link Up programs to qualifying customers throughout the Qwest service areas for which it seeks ETC designation consistent with state and federal rules and orders. The Commission finds that MTI shall advertise the availability of the services supported by the federal universal service support mechanism and the charges

therefor throughout its service area using bill inserts, website, newsletters, pamphlets, and newspapers. The Commission finds it is in the public interest to designate MTI as an ETC. Thus, the Commission designates MTI as an ETC for the Chamberlain service area. It is therefore

ORDERED, that MTI is designated as an ETC for the Qwest service area of Chamberlain.

Dated at Pierre, South Dakota, this 20th day of July, 2006.

<b>CERTIFICATE OF SERVICE</b>
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 Kaelbs</i></u>
Date: <u>7/21/06</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*Robert K. Sahr*

ROBERT K. SAHR, Chairman

*Dustin M. Johnson*

DUSTIN M. JOHNSON, Commissioner