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May 24, 2006

Patty Van Gerpen, Executive Director
South Dakota Public Utilities Commission
State Capitol Avenue
Pierre, SD 57501

Re: Docket TC06-043

Dear Ms. Van Gerpen:

Venture Communications Cooperative (Venture), by its attorney, hereby files comments in the above-referenced docket regarding the Reciprocal Compensation Agreement (Agreement) filed jointly by James Valley Cooperative Telephone Company (James Valley) and Alltel Communications, Inc. (Alltel), in which the Parties request approval by the South Dakota Public Utilities Commission (Commission) of the Agreement.

Venture's concerns are threefold: (1) Venture believes that establishment of a single rate for all traffic may be contrary to the nondiscrimination requirements and not consistent with the public interest, convenience, and necessity, and therefore subject to rejection by the Commission pursuant to Section 252(e)(2) of the Act; (2) Venture believes that this portion of the Agreement (Compensation, Section 6) may violate state statutes prohibiting discriminatory pricing and afford Alltel an excuse from complying with traffic identification requirements of South Dakota law; and (3) Venture is concerned that blanket approval by the Commission of the James Valley/Alltel Agreement may unwittingly set a precedent for current or future reciprocal compensation agreements between other parties that are arbitrated before this Commission.

Section 252(e)(2) of the Act provides in part as follows:

The State commission may only reject –

- (A) an agreement (or any portion thereof) adopted by negotiation under subsection (a) if it finds that-
 - (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or

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- (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity;

As discussed herein, Venture believes that portions of the Agreement in question may discriminate against other telecommunications carriers and that implementation of portions of the Agreement may not be consistent with the public interest, convenience and necessity. Specifically, the Agreement appears to provide for a blended compensation rate wherein Alltel will pay the same compensation rate for local traffic subject to reciprocal compensation, intrastate InterMTA traffic subject to intrastate access charges and interstate InterMTA traffic subject to interstate access charges.

Venture believes that the blended rate in this Agreement raises a question as to whether an unlawful discount on intrastate and interstate access charges will be provided to Alltel for traffic subject to such charges. The blended rate also raises a question as to whether this portion of the Agreement discriminates against other telecommunications carriers. Even if other telecommunications carriers opt-in to this Agreement, a discrimination question remains because, unless the other carriers' mix of local, intrastate InterMTA and interstate InterMTA traffic is the same as Alltel's, they will end up paying a different effective rate for traffic subject to access charges. If the Commission does not reject this portion of the Agreement on this basis, the Commission should make clear that it will not and cannot change a carrier's tariffed access charges through the Section 252 arbitration process.

Venture also believes that this portion of the Agreement raises a question as to whether Alltel will be in compliance with the unjust discrimination prohibitions and the traffic identification requirements contained in SDCL §§ 49-31-110 through 49-31-115. Even if the Parties can voluntarily agree not to raise questions of compliance with South Dakota law with respect to the exchange of traffic between themselves, the Commission should make clear that this Agreement in no way impacts the Parties obligation to comply with South Dakota law. Moreover, if the Commission does not reject this portion of the Agreement on this basis, the Commission should make clear that it will not and cannot alter a carrier's obligation to comply with South Dakota law through the Section 252 arbitration process.

Venture recognizes the latitude extended to each incumbent local exchange carrier under the Act to negotiate the terms and conditions of an interconnection agreement.¹ For the reasons noted above, Venture believes that the portions of the Agreement that establish a single rate for all traffic may be discriminatory and not consistent with the public interest, convenience, and necessity. If the Commission does not reject these portions of the

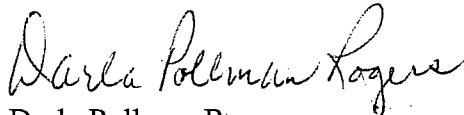
¹ Section 252(a)(1) of the Act provides in part, "Upon receiving a request for interconnection . . . pursuant to section 251, an incumbent local exchange carrier may negotiate and enter into a binding agreement with the requesting telecommunications carrier or carriers without regard to the standards set forth in subsections (b) and (c) of section 251."

Patty Van Gerpen, Executive Director
South Dakota Public Utilities Commission
May 24, 2006
Page 3

Agreement then, at a minimum, the Commission should make clear that the Agreement does not set any precedent for these provisions, or any other provisions (such as the point of interconnection provision) for agreements between other parties that are arbitrated before this Commission.

Finally, Venture, a member of South Dakota Telecommunications Association (SDTA), concurs with and endorses the separate comments submitted by SDTA.

Respectfully submitted,



Darla Pollman Rogers
Attorney for Venture

Cc: James Cremer
Talbot Wieczorek
Rich Coit
Client