



July 31, 2006

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

RE: In the Matter of the Request of PrairieWave Community Telephone, Inc. for
Certification Regarding Its Use of Federal Universal Service Support

Dear Ms. Van Gerpen:

On behalf of PrairieWave Community Telephone, Inc. enclosed for electronic filing is 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 blue ink that reads "Dawn Haase". The signature is written in a cursive, flowing style.

Dawn Haase
Legal Assistant

Enclosures

the FCC and USAC on or before October 1, 2006. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the State are eligible to receive federal support during the 12-month period and must certify that the carriers listed will only use the support for the provision, maintenance and upgrading of facilities and services for which the support is intended.

3. The Company is a rural telephone company that has previously been designated by this Commission as an ETC. The Company provides local exchange telephone services, including all of the essential services that are included in the federal definition of universal service, to approximately 6,117 access lines within its established rural service area in South Dakota.

4. As is required by the provisions of ARSD § 20:10:32:43.01, the Company is committed to providing service throughout its existing rural service area, or study area, to all customers making a reasonable request for service. The Company is the incumbent local exchange carrier within its established service area and has operated as a “carrier of last resort” in such area. As the carrier of last resort, the Company already has extended wireline local exchange network facilities throughout its service area as necessary to make all essential local exchange services that are supported by federal universal service available to all end-user customers within its service area. Consistent with its past practice, the Company hereby certifies that it will provide service on a timely basis to all requesting customers within its designated ETC service area. In certain cases, the provisioning of this service may require a customer in a new location to first meet the requirements of the Company’s line extension policies. These line extension policies are, however, consistent with the requirement under both federal and state law to meet all reasonable requests for service.

5. The Company has the ability to remain functional in emergency situations as required by the provisions of ARSD § 20:10:32:43.03. The Company is currently in compliance with this Commission's "auxiliary and battery power requirements" set forth in ARSD 20:10:33:19.

6. 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 hereto as "Exhibit A" is information indicating "Year 2005 Federal Universal Service Receipts" received by the Company. This same Exhibit also shows total operating expenditures of the Company in 2005 related to the provision, maintenance and upgrading of the facilities and services that are supported by Federal Universal Service Funding and further estimates these same expenditures for calendar years 2006, 2007 and 2008. Consistent with federal universal service principles, the Company will use federal universal service amounts received in those years to offset expenditures for those years. This use of federal universal service support will enable the Company to: (1) maintain rates for its local exchange services that are affordable and reasonably comparable to rates being charged for the same services in urban areas; and (2) to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements and maintain high quality service. The use of federal universal service support for these purposes is clearly consistent with the federal universal service provisions.

7. In addition to the information included in Exhibit A, the following information is provided to meet the Commission's "Certification requirements" set forth in 20:10:32:54:

- The Company's service quality improvement plan is to continue to upgrade its telecommunications facilities and equipment as necessary to meet evolving service

requirements and maintain high quality service throughout its service area. As an incumbent local exchange carrier and the carrier of last resort in its service area, the Company upgrades and replaces facilities and equipment as necessary. In furtherance of its service quality improvement plan, the Company will use any high-cost universal service amounts received by it to offset expenditures incurred as it continues to upgrade and replace facilities and equipment. The Company's actual 2005 Capital Expenditures and Year 2006 Estimated Capital Expenditures are attached hereto as "Exhibit B" and 2007 and 2008 two-year service quality improvement plan required under the provisions of ARSD 20:10:32:54, is attached hereto as "Exhibit C."

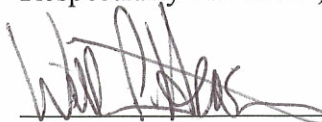
- During calendar year 2005, the Company experienced no service outages affecting at least 10 percent of its end user customers, for a period lasting longer than 30 minutes:
- The Company was able to provide service to all potential customers that requested service during 2005, and as of December 31, 2005, the Company had no unfulfilled requests for service.
- During 2005, 3 complaints were received by PrairieWave Community Telephone.
- Attached as "Exhibit D" is a document containing other certifications, including those required under the provisions of ARSD §§ 20:10:32:54(5), 20:10:32:54(6), 20:10:32:54(7) and 20:10:32:54(8).

8. Based on all of the foregoing information, including the information provided in Exhibits A, B, C and D the Company requests that this Commission issue an appropriate certification to the FCC and USAC indicating that PrairieWave Community Telephone, Inc. is in compliance with 47 U.S.C. § 254(e) and should receive all federal universal service support determined for distribution to the Company in 2007. In order to ensure that this certification is

issued to the FCC prior to October 1, 2006, the Company would further ask the Commission to expedite the process that is initiated based on this filing.

Dated this 31st day of July 2006.

Respectfully submitted,



William P. Heaston
General Counsel

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

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

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

Capital improvements are planned for all wire centers

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. 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

