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October 10, 2007

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Patty Van Gerpen Executive Director SD Public Utilities Commission 500 E Capitol Pierre SD 57501

Re: Docket #TC07-104

Dear Patty:

Attached please find a Petition for Intervention by AT&T Communications of the Midwest regarding this docket. Please note that I am filing this Petition for Intervention electronically pursuant to Rule while serving PrairiWave by mail.

If you have any questions, please feel free to let me know

Sincere Nan Camp liam M., at Law Attorney WVC:lrd

enclosures

cc: William Heaston Dan Foley

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

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In the Matter of the Filing by PrairieWave Community Telephone, Inc., for an Exemption from Developing Company Specific Cost-Based Switched Access Rates

Docket No. TC07-104

## PETITION FOR INTERVENTION BY AT&T COMMUNICATIONS OF THE MIDWEST, INC., AND LIMITED OPPOSITION TO PETITION OF PRAIRIEWAVE FOR AN EXEMPTION

Pursuant to ARSD Sec. 20:10:01:15.02, AT&T Communications of the Midwest, Inc., ("AT&T") petitions to intervene in the above captioned proceeding. In its Petition filed on September 17, 2007, PrairieWave Community Telephone, Inc., ("PrairieWave") requests that it be exempted from the Commission's regulation that requires a telecommunications company to develop "intrastate switched access rates based on company-specific costs." ARSD 20:10:27:11. PrairieWave requests that the exemption last until the Commission's rulemaking proceeding regarding its switched access rules is concluded.<sup>1</sup>

As an interexchange carrier, AT&T is required to pay intrastate switched access fees to local exchange carriers, such as PrairieWave, for toll calls that originate and terminate in the state. The amount paid by AT&T for switched access calls is a significant cost-component to its provision of interexchange services. Thus, AT&T has a substantial financial interest in ensuring that access fees are reasonable and consistent

<sup>&</sup>lt;sup>1</sup> In the Matter of Revisions and/or Additions to the Commission's Switched Access Rules Codified in ARSD 20:10:27 through 20:10:29, Docket No. RM05-002.

with the public interest. As such, granting a waiver to PrairieWave of the Commission's rule that requires company-specific, cost-based switched access rates could have an impact on AT&T. However, AT&T is aware of the pending rulemaking proceeding referenced by PraireWave. In fact, in September, both AT&T and Verizon submitted proposed regulations for consideration by the Commission in that proceeding.

While AT&T is hopeful that the generic switched access rates rulemaking docket will bring about substantial and sustainable reforms in the manner in which intrastate switched access rates are set today in South Dakota, such a rulemaking proceeding can take a long time to conclude because of the competing views of the participants and other priorities of the Commission. Therefore, while AT&T does not object to PrairieWave's request for an exception for 2007, it does object to an open ended time period that could potentially last for several years.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> Based on its application, PrairieWave is only requesting an exemption from providing company-specific cost support for its switched intrastate access rates. Further, PrairieWave is representing that it intends to maintain its current rates. At page 1 (para. 4) of its Petition, PrairieWave represents: "Until that docket [RM05-002, the generic switched access rate rulemaking proceeding] is complete, PrairieWave believes it would be prudent and in the customers' best interests to allow PrairieWave to **continue to charge the existing cost-based rates**." (Emphasis added.) As discussed, AT&T is not opposed to a one-year exemption to the company-specific cost support filing requirement; however, AT&T would be strongly opposed to any attempt by PrairieWave to use the exemption or the lack of company-specific cost data as the basis for PrairieWave to seek an increase in its current switched access rates based on some other methodology -- such as using industry-wide data or based on averages of supposedly similarly situated LECs operating in the state. If such an increase is sought in the future, PrairieWave should be required to fully comply with the statute.

WHEREFORE AT&T requests that it be granted intervention status in this

proceeding and that any an exemption granted in this proceeding be limited to the

calendar year 2007. If PrairieWave believes there is merit in obtaining a similar

exemption next year, it should be required to file a new petition.

Respectfully submitted this 10<sup>th</sup> day of October, 2007.

OLINGER, LOVALD, MCCAHREN & REIMERS, PC

<u>Is/ filed electronically</u> William M. Van Camp PO Box 66 Pierre, SD 57501 Telephone: (605) 224-8851 Attorneys for AT&T Communications of the Midwest, Inc.

## CERTIFICATE OF SERVICE

William M. Van Camp hereby certifies that on the 10th day of October 2007, he mailed by United States mail, first class postage thereon prepaid, a true and correct copy of the Petition for Intervention by AT&T Communications of the Midwest, Inc., and Limited Opposition to Petition of PrairieWave for an Exemption in the above-captioned action to the following at their last known addresses, to-wit:

> Mr. William P. Heaston 5100 South Broadband Lane Sioux Falls, SD 57108 (605) 965-9894 wheaston@,prairiewave.com

> > <u>Is/filed electronically</u> William M. Van Camp Olinger, Lovald, McCahren, and Reimers P.C. PO Box 66 Pierre, South Dakota 57501