

October 4, 2007

13865 Sunrise Valley Drive  
Herndon, VA 20171

Ms. Patricia Van Gerpen, Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, SD 57501-5070

Re: XO Communications Services, Inc. Petition for Exemption of ARSD 20:10:27:07 and  
ARSD 20:10:27:12

Dear Ms. Van Gerpen:

XO hereby petitions this Commission for an additional three year exemption of ARSD 20:10:27:07 which requires carriers to "file cost data in support of its switched access service tariff no less than every three years." XO Communications Services, Inc. ("XO") was granted a three-year exemption from developing company-specific cost-based switched access rates as set forth in ARSD 20:10:27:11 by a Commission Order issued in Docket No. TC04-145 on December 12, 2004. XO requests this exemption pursuant to ARSD 20:10:27:11, in that XO "lacks the necessary financial, technical and managerial resources needed to determine company-specific cost-based intrastate switched access rates and the additional cost associated with developing company-specific access rates outweigh any benefit to the consumer or customer." XO also requests an exemption from ARSD 20:10:27:12 and ARSD 20:10:27:13.

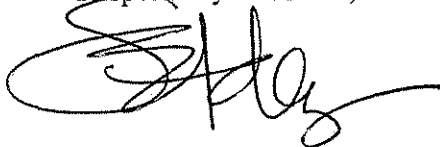
XO's Switched Access local switching composite rate of \$0.016763 was developed using the rate elements in Qwest Corporation Access Service Tariff for the State of South Dakota. The Qwest rate elements are as follows:

Tandem Switched Fixed (8-25 mile band)	\$0.000273
Tandem Switched per mile (8-25 mile band)	\$0.000018*10 miles
Tandem Switching	\$0.007700
Local Switching	\$0.004681

XO believes Qwest's tariff rate elements are a reasonable proxy for XO's cost and that the additional costs to XO for developing company-specific cost based intrastate switched access rates would outweigh any benefits to the customer. Therefore, XO requests the Commission enter an Order granting XO's request for a waiver of ARSD 20:10:27:07; ARSD 20:10:27:11, ARSD 20:10:27:12 and ARSD 20:10:27:13.

Please date-stamp and return the enclosed extra copy of this cover letter in the self-addressed, postage paid envelope provided. Should any questions regarding this matter arise, please contact the undersigned at 703-547-2615 or via email at [sharon.e.adams@xo.com](mailto:sharon.e.adams@xo.com).

Respectfully submitted,



Sharon Adams  
Senior Regulatory Analyst