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June 9, 2008

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission Capitol Building, 1st Floor 500 East Capitol Avenue Pierre, SD 57501

RE: TC08-084 Response to Inquiries

Dear Ms. Van Gerpen:

On behalf of Knology Community Telephone, Inc., enclosed for electronically filing is the Company's responses to Staff's inquiries for the ETC filing in Docket TC08-084.

Please contact Knology if you have any questions.

Sincerely,

Fristie Lyngstad Kristie Lyngstad

Paralegal Phone: 605-965-9361 Email: <u>Kristie.lyngstad@knology.com</u>

Enclosures

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE REQUEST OF
KNOLOGY COMMUNITY TELEPHONE,
INC. FOR CERTIFICATION
REGARDING ITS USE OF FEDERAL
UNIVERSAL SERVICE SUPPORT.

TC08-084 RESPONSE TO INQUIRIES

Knology Community Telephone, Inc. (the "Company"), by and through its attorney, responds to the South Dakota Public Utilities Commission Staff's inquiries received June 4, 2008, regarding the above reference docket.

1. Please explain why 2007 actual capital expenditures for all exchanges were less than estimated in last year's filing.

RESPONSE:

Knology's acquisition of PrairieWave closed in April, 2007. Once the transaction closed Knology re-evaluated total company estimated capital expenditures. Based on this re-evaluation it made adjustments to actual capital expenditures in order to continue to fulfill its ETC obligations in South Dakota.

2. Did any of the capital improvement targets not get fulfilled during 2007? If yes, identify which target and explain why the target was not met.

RESPONSE:

PrairieWave had a strong focus on providing superior telecommunications service to its customers. Since its acquisition of PrairieWave, Knology has continued this focus. It is Knology's opinion that based on the level of service provided by PrairieWave/Knology during 2007; the capital improvements that were made throughout the year enabled the company to meet its target.

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3. Please explain why the 2008 and the 2009 estimated capital expenditures have been reduced from last year's filing.

RESPONSE:

As described in its response to number one above, Knology has re-evaluated all historically forecasted capital expenditures. Based on this re-evaluation, Knology feels the reduced 2008 and 2009 estimated capital expenditures are a more accurate representation at the present time. Knology continues to perform routine maintenance and should a need arise for additional capital expenditures, the forecast will be re-evaluated.

Dated this 9th day of June, 2008.

Respectfully submitted,

<u>/s/ filed electronically</u> Kathryn E. Ford Director of Legal Affairs