

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Application of
**NORTHERN VALLEY
COMMUNICATIONS, L.L.C.** for
Approval of Extension of its Current
Exemption from Developing Company-
Specific Cost-Based Switched Access
Rates

TC 09-_____

REQUEST FOR EXTENSION OF TIME
OF EXEMPTION FROM DEVELOPING
COMPANY-SPECIFIC COST-BASED
SWITCHED ACCESS RATES

Northern Valley Communications, L.L.C. (NVC), by and through its undersigned attorney, hereby petitions the South Dakota Public Utilities Commission (Commission) for an extension of its exemption from developing company-specific cost-based switched access rates granted by the Commission in its Order dated June 5, 2006, in TC 05-197, based on the following:

1. On June 5, 1998, the Commission granted NVC authority to provide competitive local exchange services in South Dakota.
2. On December 12, 2005, NVC filed an Application (TC 05-197) for an exemption from filing cost-based switched access rates under the requirements of A.R.S.D. 20:10:27:11. NVC further requested that its switched access rates be determined in a manner consistent with the requirements of A.R.S.D. 20:10:27:12.
3. In TC 05-197, pursuant to an agreement with Commission Staff, a Joint Motion for Approval of Settlement Stipulation and Settlement Stipulation were filed with the Commission on May 19, 2006.
4. In TC 05-197, by Order dated June 5, 2006, the Commission approved the Joint Motion, the agreed-upon Access Rate Settlement Stipulation, NVC's request for an exemption from establishing company-specific cost-based switched access rates, and NVC's Switched Access Tariff No. 1.
5. The terms of the approved Settlement Stipulation set out the intrastate switched access rate to be used by NVC and the timeframe within which those rates were effective. Pursuant to the Settlement Stipulation and Order, NVC's intrastate switched access rate was set as follows:
 - a. Effective July 1, 2006 – \$0.125; and
 - b. Effective July 1, 2007, to date – \$0.115.

Furthermore, the Settlement Stipulation and Order provided that the \$0.115 rate was to remain effective until the earlier of:

(1) FCC Action. The effective date of FCC mandated rate changes that are the result of its current intercarrier compensation (ICC) docket (CC Docket No. 01-92 – In the Matter of Developing a Unified Intercarrier Compensation Regime);

(2) Commission Action. The effective date of any Commission mandated rate changes in rulemaking docket (RM 05-002 – In the Matter of Revisions and/or Additions to the Commission's Switched Access Rules Codified in A.R.S.D. 20:10:27 through 20:10:29); or

(3) Three years from the date hereof;

provided further, that the rate is not in conflict with any new FCC rules or new Commission rules in the above referenced dockets. Once the rate freeze period ended, NVC shall request an additional extension, or file to update its intrastate switched access rate with the Commission in accordance with rules current at the time of such filing.

6. To date, neither condition (1) or (2) as set forth in paragraph 5 above has occurred. However, the date on which the terms of the Order and Settlement Stipulation expire is **June 5, 2009**.

7. The Commission does not currently have in place rules which specifically address rate development for competitive local exchange carriers ("CLECs"). However, on January 14, 2009, the Commission changed the focus of a rule making docket previously opened, specifically RM 05-002, in order to propose and implement new rules governing the development of switched access rates for CLECs. The rulemaking docket remains open at this time and no new rules have yet been disseminated to the public for review and comment.

8. Under the circumstances, NVC is not in a position to either develop a cost study or renew its request for an extension of the exemption contained in A.R.S.D. 20:10:27:11. NVC believes that either endeavor would be time-consuming, costly and inefficient in light of the pending rulemaking docket.

Wherefore, NVC requests the following:

1. That the Commission continues NVC's current exemption from developing a company specific cost-based switched access rate for a period of three months after the effective date of the new rules to be adopted under RM 05-002; and

2. That the Commission approves NVC's rate set forth in its current Switched Access Tariff No. 1, as modified by the terms and conditions of the Order and Settlement Stipulation, for the duration of any extension granted.

Dated this 21st day of May 2009.

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