

**BEFORE THE  
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

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

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**TC09-069  
PETITION FOR WAIVER**

Knology Community Telephone, Inc. (“Knology” or, “Company”), by and through the undersigned, and pursuant to ARSD 20:10:32:56, files the this Petition for Waiver of ARSD 20:10:32:43.02 from the South Dakota Public Utilities Commission (“the Commission”) in the above reference docket.

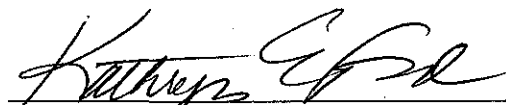
1. On June 1, 2009, Knology filed its request for certification regarding its use of federal universal service support.
2. ARSD 20:10:32:43.02 requires, among other things, that an applicant submit “. . . a two-year plan that describes with specificity proposed improvements or upgrades to the applicant’s network on a wire center-by-wire center basis. . . .”
3. ARSD 20:10:32:56 states: “[u]pon petition of a telecommunications company, the commission may grant a waiver, after notice and opportunity for hearing, of any certification requirement contained in §§ 20:10:32:52 to 20:10:32:54, inclusive. In determining whether to grant a waiver, the commission shall consider whether the requirement is unduly burdensome and unnecessary for the commission to certify that the carrier is using federal high cost support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.”
4. Knology requests a waiver of the two-year wire center-by-wire center requirement. Knology prepares a budget each year. This budget is not prepared, nor are the company books kept on, a wire center by wire center basis. Nevertheless, the information Knology does submit to the Commission sets forth the overall amounts the Company has spent in the ILEC in the year in question, as well as the overall amounts the Company anticipates spending in subsequent years, both in terms of amounts used to offset ongoing operational expenses as well as amounts for upgrades or additions. This

information is sufficient to show that Knology is, in fact, using federal high cost support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

5. Knology is required annually to submit cost studies and other information at the federal level (to NECA and USAC) which is then used to determine the actual USF funding the company will receive. The information is subject to audit and gives the Commission further assurance that Knology will not collect more than it is entitled to receive based on actual amounts spent.
6. Based on the foregoing, and to the extent the Commission deems it necessary, Knology requests a waiver from the requirement that it submit a two-year detailed plan on a wire center basis. As it has done in the past, Knology would intend to continue to provide the Commission with total actual amounts invested, allocated to each wire center, as well as a two year plan with total amounts projected to be spent, allocated to each wire center.

Dated this 24th day of July, 2009.

Respectfully submitted,



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Kathryn E. Word  
Director of Legal Affairs