

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

IN THE MATTER OF THE COMPLAINT OF
SOUTH DAKOTA NETWORK, LLC,
AGAINST SPRINT COMMUNICATIONS
COMPANY LP

DOCKET NUMBER TC 09-098

IN THE MATTER OF THE THIRD PARTY
COMPLAINT OF SPRINT
COMMUNICATIONS COMPANY LP
AGAINST SPLITROCK PROPERTIES, INC.,
NORTHERN VALLEY
COMMUNICATIONS, INC., NORTHERN
VALLEY, INC., AND CAPITAL
TELEPHONE COMPANY

**DECLARATION OF JAMES GROFT IN
SUPPORT OF NORTHERN VALLEY
COMMUNICATIONS, LLC'S
OPPOSITION TO SPRINT'S MOTION
FOR PARTIAL SUMMARY
JUDGMENT**

James Groft, first being duly sworn, states under oath as follows:

1. I am the CEO of Northern Valley Communications, LLC ("Northern Valley").
2. Northern Valley is an independent telephone company serving less than fifty thousand local exchange subscribers. Northern Valley therefore qualifies for the exemptions provided by SDCL § 49-31-5.1, including exemption from rate of return regulation.
3. Northern Valley is a competitive local exchange carrier. As such, its rates for intrastate access services are price regulated in accordance with the Commission's rules. ARSD 20:10:27:02.01. Specifically, Northern Valley's rates mirror those of the "intrastate switched access rate of the Regional Bell Operating Company operating in the state." *Id.*
4. Northern Valley provides intrastate access services to Sprint Communications Company, LP and other interexchange carriers when their customers make long distance calls to Northern Valley's customers. These customers include, *inter alia*, free conference calling service providers, which Sprint refers to as "call connection companies" or "CCCs".

5. The conference calling service providers are Northern Valley's customers. Northern Valley has agreements in place with these customers whereby Northern Valley has agreed to pay the conference calling service provider a portion of the switched access revenue received by Northern Valley for calls destined to their assigned telephone numbers.

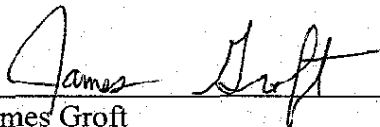
6. The conference calling service providers are not Northern Valley's "partners," however, as none share proportionally in Northern Valley's profits or losses.

7. Because Northern Valley is not rate-of-return regulated, it has not calculated its costs associated with switching Sprint's calls to Northern Valley's conference calling customers. In order to complete this analysis, Northern Valley would need additional time to finalize its selection of an expert witness and then have an opportunity to consult with that witness. For this reason, I am unable to confirm Sprint's approximation of Northern Valley's switching costs.

8. In any event, even if Northern Valley's cost associated with "switching" was known, it would not reflect Northern Valley's true cost associated with delivering calls to conference call providers, however. Rather, Northern Valley incurs additional costs, including other facilities and labor costs, which would be required if such an analysis were relevant to this case.

I declare under the penalty of perjury that the foregoing is truthful and correct to the best of my knowledge, information, and belief.

Dated: March 28th, 2012


James Groft

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served electronically on the 28th day of March 2012 upon the following:

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