

at the September 2, 2014 meeting, and in further response to data requests from Staff, Clarity submits this Supplemental Filing in further support of its request to be designated as an ETC in the Knology CT and Knology Black Hills areas.

1. **Clarity's Application Satisfies the Requirements for an ETC under 47 C.F.R. § 54.201.**

A. Section 54.201(d) of the FCC's rules provide that carriers designated as ETCs shall, throughout the designated ETC service area, (1) offer the services that are supported by federal universal service support mechanisms either using their own facilities or a combination of their own facilities and resale of another carrier's services, and (2) advertise the availability of such services and the charges therefore using media of general distribution. The nine services which are supported by the federal USF are:

1. voice grade access to the public switched network;
2. local usage;
3. dual tone multi-frequency signaling or its functional equivalent;
4. single-party service or its functional equivalent;
5. access to emergency services;
6. access to operator services;
7. access to interexchange services;
8. access to directory assistance; and
9. toll limitation for qualifying low-income consumers.

B. Knology CT's predecessor was granted ETC designation in the exchanges of Alsen, Beresford Rural, Chancellor, Davis, Flyger, Gayville, Hurley, Irene, Lennox, Monroe, Parker, Volin, Wakonda, and Worthing in Docket TC97-030. In its Order the Commission found that Knology CT's predecessor provided or would in the near future would provide all of the above services.

C. Knology Black Hills' predecessor was granted ETC designation in the Qwest service areas of Belle Fourche, Black Hawk, Lead/Deadwood, Spearfish, Sturgis, and Whitewood in Docket TC04-133. The Commission found that Knology Black Hills' predecessor

provided all of the above services.

D. In accordance with the Purchase Agreement, Clarity will acquire substantially all of the assets of Knology CT and Knology Black Hills and will continue to provide all of the services currently provided by these companies. “There will be no discontinuance, reduction of impairment of any of the services” offered by Knology CT or Knology Black Hills following the purchase by Clarity (Jt. App. pg. 6). Therefore, Clarity will provide all of the services listed above. (Jt. App. Pgs. 5-8).

E. Clarity will advertise the availability of each of the supported services, throughout the service areas, by media of general distribution. The methods of advertising may include website, radio, television, and newspapers. (Jt. App. pg. 11). In addition, Clarity will advertise the availability of Lifeline and Linkup benefits throughout the service areas in the same manner as its predecessors. (See attached Exhibits 1 and 2).

2. Description of commitment to provide service.

Clarity certifies that it will:

A. Provide service on a timely basis to requesting customers within its proposed designated service area where its network already provides coverage to the potential customer’s premises (Jt. App. Pg. 6); and

B. If the potential customer is within Clarity’s proposed designated service area but outside its existing network, it will provide service within a reasonable period of time, if the service does not impose excessive or unreasonable cost, by

1. Modifying or replacing the requesting customers equipment;
2. Extending facilities, such as constructing or expanding its facilities;
3. Adjusting network or customer facilities;
4. Reselling services of another carrier’s facilities to provide service; or
5. Employing, leasing, or constructing additional network facilities.

3. **Two-Year Plan.**

A. Knology CT Service Area

1. Clarity acknowledges that Knology CT submitted a five year plan in its annual certification docket (TC14-032). Clarity recognizes the concerns expressed by the Commission at the September 2, 2014 meeting about unavailability and inadequacy of broadband services to some customers in the Knology CT service area. Accordingly, Clarity intends to submit a two year capital investment plan for this service area which will be filed at a later date. Clarity requests a waiver of the requirement to submit a five year plan for this year, as the closing of the transaction has not yet occurred. Once Clarity has acquired the assets and provided services to the customers in this service area, it will be in a better position to submit a five-year plan and will do so in future filings.

2. The service quality, coverage, and capacity will improve due to Clarity's capital investment plan.

3. The estimated amount of investment for Knology CT's service area will be set forth in the two year Capital Investment Plan.

B. Knology Black Hills Service Area

Clarity will initially adopt Knology Black Hills's two year plan submitted with its 2014 Annual ETC Certification (Docket TC14-031) and make adjustments as appropriate in future filings. (See Confidential Exhibit 3).

4. **Ability to Remain Functional in Emergency Situations.**

As previously noted, Clarity is purchasing substantially all of the assets of WOW! South Dakota and will thus have the same ability as its predecessor to function in emergency situations. (Jt. App. pg. 6).

Knology CT and Knology Black Hills Service Areas: The voice and broadband network is designed to remain functional in emergency situations without an external power source, and is able to reroute traffic around damaged facilities. Clarity will be able to change call routing transactions as needed to reroute traffic around damaged facilities. Changing call routing translations will also allow Clarity to manage traffic spikes throughout its network, as emergency situations require. Clarity will maintain Knology's contingency plan to prevent or minimize service interruptions due to the catastrophic loss of a central office switch, toll switching office, or tandem switching office.

Each central office building is supplied with standby generators and battery back-up that enable the central office to keep running until power is restored so long as fuel is available, or until system changes are made to reroute traffic. Clarity's central offices will be able to maintain 8 hours (plus or minus 15%) of battery reserve rated for peak traffic load requirements, and a permanent auxiliary or mobile power unit is installed that can be delivered and connected within four hours. Clarity will have battery back-up in all office locations and in the electronic equipment sites capable of running for a minimum of 8 hours (plus or minus 15%). Length of run time is determined by the equipment serving the area and the number of customers working out of the equipment. Generators are installed at all central office locations and can run as long as fuel is accessible. Clarity will test the batteries at least once per year.

5. Ability to Satisfy Consumer Protection and Service Quality Standards.

Clarity will comply with all applicable regulation for services, including consumer protection and service quality standards, as did its predecessor. (Jt. App. pg. 8).

Knology CT and Knology Black Hills Service Areas: Clarity will be subject to consumer protection obligations under both federal and South Dakota law, including but not limited to the following: (1) filing a Local Exchange Tariff pursuant to the requirements of the South Dakota

Administrative Rule 20:10:27:07 which discloses rates, terms and conditions of service to customers (Jt. App. pgs. 2 and 13);¹ (2) adherence to state requirements that the Company satisfies and certifies annually that it complies with consumer protection and service quality standards pursuant to South Dakota Administrative Rules (20:10:32:54.06), including South Dakota Administrative Rules regarding transmittal of bills (20:10:07:03), billing requirements (20:10:34:09), billing disputes (20:10:07:04), refunds for service interruptions (20:10:07:05), service quality standards for local exchange companies (20:10:33), and notification of adverse changes in rates, terms, or conditions (SDCL 49-31-12.8); (3) truth-in-billing requirements; and (4) CPNI, Red Flag Rules and other applicable federal and state requirements governing the protection of customers' privacy.

Clarity will be subject to consumer protection obligations for broadband services under federal law. These obligations include, but are not limited to, the following: public disclosure of accurate information regarding network management practices, performance, and commercial terms of broadband internet access services; as a means of providing sufficient information for consumers to make informed choices regarding use of such services, and for content, application service and device providers to develop, market, and maintain internet offerings as specified in 47 CFR § 8.3.

6. Offering of Comparable Local Usage Plans.

Clarity will continue to offer the same rate plans as its predecessors, (Jt. App. pg. 6). The rate plans in Knology Black Hills service areas are comparable with the plans offered by the incumbent local exchange carrier, CenturyLink.

¹ At the Commission meeting on September 2, 2014, Clarity committed to filing amended tariff pages to Knology's tariffs, once this docket is finalized and the sale is closed.

7. Provisioning of Equal Access.

Clarity will be able to provide equal access within its service areas, in the same manner as its predecessor. (Jt. App. pg. 7).

8. Clarity's Application is in the Public Interest.

The Commission previously determined the public interest will be served by this transaction. (See Order Approving Sale of Exchanges; Order Approving Transfer of Certificates of Authority (TC14-073)). As noted in the Joint Application, the public interest of the customers affected by this transaction will be protected because transfer of the assets from WOW! South Dakota to Clarity will be a seamless change for the customers. Clarity will continue to provide all of the same services to customers. The public interest will be enhanced, however, because Clarity plans to upgrade the network infrastructure to improve Internet speeds and enhance the quality of voice services for residential and commercial customers. (Jt. App. pgs. 4-5).

9. Certificate of Service.

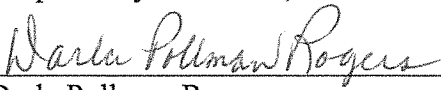
Clarity has provided proper notice of the Joint Application, as indicated in the attached Affidavit of Service (Exhibit 4).

Wherefore, Clarity requests that the Commission:

1. Approve relinquishment of the ETC designations of Knology CT and Knology Black Hills and designate Clarity as an ETC within those service areas; and
2. Certify to the FCC that Clarity will use the support for its intended purpose.

Dated this 10th day of September, 2014.

Respectfully submitted,



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