

**Bantz, Gosch & Cremer, L.L.C.**  
◆ Attorneys at Law ◆

Douglas W. Bantz (1909-1983)  
Kenneth L. Gosch  
**James M. Cremer**  
Rory King  
Greg L. Peterson\*  
Melissa E. Neville  
Justin M. Scott  
Marshall C. Lovrien^  
Aaron N. Sandvig\*+  
Joshua G. Wurgler  
\*Also Licensed in North Dakota  
+Also Licensed in Minnesota  
^Also Licensed in Arizona



305 SIXTH AVENUE, S.E.  
P.O. BOX 970  
ABERDEEN, SD 57402-0970

Telephone (605) 225-2232  
Fax (605) 225-2497

www.bantzlzaw.com  
Writer's Email: [jcremer@bantzlzaw.com](mailto:jcremer@bantzlzaw.com)

August 29, 2017  
*VIA EMAIL*

08416-039  
Mr. Chris Nelson  
South Dakota Public Utilities Commission  
Capitol Building, 1st floor  
500 E. Capitol Avenue  
Pierre, SD 57501-5070

Re: James Valley Cooperative Telephone Company – ETC Application  
TC17-031

Dear Commissioner Nelson:

At the August 1, 2017, hearing on James Valley's ETC application, you requested information concerning its election of the ACAM model and the service obligations associated with it. The information you requested is contained in the USF Reform/ACAM Order released on March 30, 2016, at paragraph 32, pages 14-15, which is enclosed. The Order adopted the following deployment buildouts for various levels of service:

As shown in the chart below, we require carriers receiving model-based support to offer to at least 10/1 Mbps broadband service to 40 percent of the requisite number of high-cost locations in a state by the end of the fourth year, an additional 10 percent in subsequent years, with 100 percent by the end of the 10-year term. We do not set interim milestones for the deployment of broadband speeds of 25/3 Mbps; we require carriers receiving model-based support to offer at least 25/3 Mbps broadband service to 25 percent, 50 percent or 75 percent of the requisite locations by

the end of the 10-year term, depending upon the state-level density discussed above.

**Deployment Milestones for Rate-of-Return Carriers Receiving Model-Based Support**

|                       |             |
|-----------------------|-------------|
| <b>Year 1 (2017)</b>  | <b>**%</b>  |
| <b>Year 2 (2018)</b>  | <b>**%</b>  |
| <b>Year 3 (2019)</b>  | <b>**%</b>  |
| <b>Year 4 (2020)</b>  | <b>40%</b>  |
| <b>Year 5 (2021)</b>  | <b>50%</b>  |
| <b>Year 6 (2022)</b>  | <b>60%</b>  |
| <b>Year 7 (2023)</b>  | <b>70%</b>  |
| <b>Year 8 (2024)</b>  | <b>80%</b>  |
| <b>Year 9 (2025)</b>  | <b>90%</b>  |
| <b>Year 10 (2026)</b> | <b>100%</b> |

James Valley has 1,140 10/1 locations subject to the above schedule. It also has 379 25/3 locations that need to be in service by the end of the period. There are also 445 "capped" locations with a 4/1 obligation to be in service at the end of the period, with no interim buildout requirements. Furthermore, the 100% 10/1 requirement by Year 10 has been adjusted to 95% to allow for inaccuracies in the FCC's location database.

Sincerely,

*James M. Cremer*

JAMES M. CREMER

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Enclosure