BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE PETITION OF FIBER RING REVENUE-POOLING ASSOCIATION FOR APPROVAL OF A TIERRED RATE STRUCTURE FOR CERTAIN TRAFFIC CLASSES DOCKET NUMBER TC

PETITION

COMES NOW Darla Pollman Rogers, of Riter Rogers, LLP, 319 South Coteau Street, Pierre, South Dakota 57501, attorney for the Fiber Ring Revenue-Pooling Association ("FRRPA"), and represents and petitions the South Dakota Public Utilities Commission ("Commission") as follows:

BACKGROUND INFORMATION

1. Pursuant to SDCL § 49-31-83, FRRPA was organized on March 17, 1999, to provide a pooling mechanism for a collective, cost shared, cost averaged, nondistance sensitive fully-protected transport network for local exchange companies ("LECs") whose traffic is carried on any of the joint South Dakota LEC and South Dakota Network, LLC ("SDN") SONET ("Synchronous Optical Network") ring transport facilities. As a result of this pooling mechanism, the FRRPA members have had the benefit of survivable, distance insensitive, and highly reliable toll, public Internet transport, 911/E911 transport, extended area service transport, Ethernet, redundant capacity and large capacity internet port. The fully-integrated SONET ring transport facilities also enable the LECs in South Dakota to more efficiently meet the infrastructure deployment goals described in SDCL §§ 49-31-60 and 49-31-61.

2. FRRPA's pooling arrangement was first approved by this Commission on July 20, 2000 (Docket TC00-084). Since that time, FRRPA has filed Petitions with this Commission, including

amendment of rates, addition of traffic classes, and renewal of the pooling contracts among FRRPA, SDN and member LECS (*see* Dockets TC05-173, TC08-137, TC11-070, TC14-005, TC21-017 and TC21-115).

TIERED RATE STRUCTURE FOR INTERNET AND PNS TRAFFIC CLASSES

3. In the fall of 2022, FRRPA developed a five-year rate forecast for FRRPA's internet and PNS traffic classes. The forecast implements a tiered internet and PNS rate structure that annually decreases rates for these two classes of traffic to help offset increasing member company bandwidth needs. The purpose of this filing is to seek Commission approval of the tiered rate structure of internet and PNS traffic classes for the years of 2023-2026. Confidential Attachment A contains FRRPA's proposed tiered rate structure for internet and PNS traffic classes.

4. Approval by the Commission of this proposed tiered rate structure for FRRPA's internet and PNS traffic classes will eliminate the need for FRRPA to seek Commission approval for rate adjustments for these two traffic classes through 2026.

5. Upon approval by the Commission, FRRPA will amend Exhibits A and C of the RUL (Ring User LEC) contracts between FRRPA and member companies, reflecting the tiered rates. Attached as Confidential Attachments B and C are Exhibits A and C of the RUL contracts with red-lines demonstrating the amended Exhibits.

6. In the event FRRPA needs to amend any of the rates contained in Confidential Attachments A, B, and C, FRRPA will seek approval of the Commission prior to any changes/revisions.

7. All other traffic classes and rates are not impacted or changed as a result of this filing.

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8. The proposed tiered rate structure will be implemented by FRRPA upon approval by the Commission.

WHEREFORE, FRRPA requests that the Commission:

- 1. Find that the FRRPA pooling arrangement is in the public interest;
- 2. Approve the tiered rate structure for internet and PNS traffic classes, as set forth in the Confidential Attachments to this Petition; and
- 3. Grant such other and further relief as the Commission deems necessary to carry out the objectives of FRRPA and this filing.

DATED this <u>// the</u> day of May, 2023.

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