

THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF SOUTH DAKOTA

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IN THE MATTER OF THE FILING  
BY VCI COMPANY FOR DESIGNATION  
AS AN ELIGIBLE TELECOMMUNICATIONS  
CARRIER

TC04-225

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Transcript of Proceedings  
May 10, 2005

**ORIGINAL**

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BEFORE THE PUBLIC UTILITIES COMMISSION,  
GARY HANSON, CHAIRMAN  
BOB SAHR, VICE CHAIRMAN  
DUSTY JOHNSON, COMMISSIONER (by telephone)

COMMISSION STAFF  
Rolayne Ailts Wiest  
John Smith  
Karen Cremer  
Sara Greff  
Greg Rislov  
Harlan Best  
Keith Senger  
Dave Jacobson  
Michele Farris  
Jim Mehlhaff  
Tina Douglas  
Heather Forney  
Pam Bonrud

Reported By Cheri McComsey Wittler, RPR, CRR

**PRECISION REPORTING**  
**L I M I T E D**

1 THE PUBLIC UTILITIES COMMISSION  
 2 OF THE STATE OF SOUTH DAKOTA  
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 5 BY VCI COMPANY FOR DESIGNATION TC04-225  
 6 AS AN ELIGIBLE TELECOMMUNICATIONS  
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1 CHAIRMAN HANSON: TC04-225, In the  
 2 Matter of the filing by VCI Company for Designation  
 3 as an Eligible Telecommunications Carrier.  
 4 The questions before the Commission today are,  
 5 shall a Commission enter an Order designating VCI  
 6 as an ETC for its requested ETC service area, and,  
 7 secondly, shall the Commission provide the  
 8 certification to the Federal Communications  
 9 Commission and the Universal Service Administration  
 10 Company regarding the plan for the use of federal  
 11 universal services report (sic).  
 12 First up, Rolayne.  
 13 MS. AILTS WIEST: I just had a  
 14 couple of questions for -- is Mr. Efferding on the  
 15 line?  
 16 MR. EFFERDING: I'm here.  
 17 MS. AILTS WIEST: Thanks. This is  
 18 Rolayne Wiest. I was just wondering, it appears  
 19 that the purpose of your filing is you're really  
 20 targeting Lifeline and Link-up customers.  
 21 So my question is if a customer does not  
 22 qualify for Lifeline or Link-up, would you still  
 23 provide that customer service?  
 24 MR. EFFERDING: We do, and we offer  
 25 that in the other five states we do business.

1 APPEARANCES BY TELEPHONE  
 2 Colleen Sevold  
 3 Melissa Thompson  
 4 Bill Heaston  
 5 Dave Prazak  
 6 Larry Nelson  
 7 Kyle White  
 8 Alan Dietrich  
 9 Al Lunde  
 10 -----  
 11 TRANSCRIPT OF PROCEEDINGS, held in the  
 12 above-entitled matter, at the South Dakota State  
 13 Capitol, Room 412, 500 East Capitol Avenue, Pierre,  
 14 South Dakota, on the 10th day of May 2005, commencing  
 15 at 9:30 a.m.  
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1 MS. AILTS WIEST: Okay. And then  
 2 it's my understanding from the previous meeting  
 3 that you are not -- you do not request high-cost  
 4 support, you're merely requesting reimbursement for  
 5 Lifeline and Link-up. Is that correct?  
 6 MR. EFFERDING: That's correct.  
 7 MS. AILTS WIEST: So is it your  
 8 understanding that you actually do not need  
 9 certification to the FCC and USAC?  
 10 MR. EFFERDING: We do in order to  
 11 provide the Lifeline eligible consumer with the  
 12 waiver of the SLC charge which is reimbursed by  
 13 USAC. That's the \$6.50 federal access or  
 14 subscriber line charge in addition to the tier 2  
 15 and tier 3 support that we can extend those  
 16 discounts to the consumer and USAC can reimburse  
 17 those so we would have to be afforded eligibility  
 18 by the State in order for them to provide us those  
 19 discounts.  
 20 MS. AILTS WIEST: It's your  
 21 understanding that you actually need the  
 22 certification letter in addition to a designation  
 23 as an ETC?  
 24 MR. EFFERDING: I'm not familiar  
 25 with the difference. The FCC says if the state

1 designates us ETC eligible, that we can get what's  
2 called a spin number from the federal program and  
3 start providing service, receive those  
4 reimbursements. I'm not familiar with the other  
5 portion that you're mentioning.

6 MS. AILTS WIEST: Right. And the  
7 other states, have any of the other companies  
8 actually provided a certification letter to the FCC  
9 regarding the use of universal service support?

10 Do you know?

11 MR. EFFERDING: I'm not certain of  
12 the difference.

13 MS. AILTS WIEST: Okay.

14 MR. EFFERDING: I'm not certain.

15 MS. AILTS WIEST: With that, I guess  
16 I would recommend that the Commission approve VCI  
17 as an ETC for their requested service area, and  
18 we'll look into the certification issue to the  
19 extent they need certification that the Commission  
20 will issue that.

21 MR. EFFERDING: Usually once a  
22 Docket's ruled on and approved we just supply them  
23 with that information.

24 MS. AILTS WIEST: And that's usually  
25 sufficient?

1 MR. EFFERDING: Yes.

2 MS. AILTS WIEST: Because I was  
3 looking through the rules, and it seemed like the  
4 two processes were really distinct. The  
5 certification was really for high-cost support as  
6 opposed to reimbursement for Lifeline and Link-up.  
7 I just wanted to double-check with that.

8 MR. EFFERDING: Sure.

9 CHAIRMAN HANSON: Thank you,  
10 Rolayne. Anything further by staff on this item?  
11 If not, is there a Motion?

12 COMMISSIONER JOHNSON: Mr. Chairma  
13 I would ask -- I just want to make sure from  
14 Ms. Wiest that the Motion listed on the agenda is  
15 still appropriate, she wouldn't suggest any  
16 amendments to that.

17 CHAIRMAN HANSON: Okay. If you  
18 could speak up just a little more, Dusty, on your  
19 questions. Appreciate it.

20 MS. AILTS WIEST: I believe the  
21 Motion might be that the Commission would approve  
22 designating VCI as an ETC for its requested ETC  
23 service area and to the extent it's needed it would  
24 provide certification.

25 COMMISSIONER JOHNSON: Okay. I

1 would make that Motion, that the Commission enter  
2 an order designating VCI Company as an ETC for its  
3 requested ETC service area and to the extent  
4 necessary provide certification to the FCC and to  
5 the USAC regarding a plan for the use of federal  
6 universal service support.

7 VICE CHAIRMAN SAHR: Second.

8 CHAIRMAN HANSON: And I concur.

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1 STATE OF SOUTH DAKOTA )

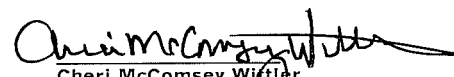
2 :SS CERTIFICATE

3 COUNTY OF HUGHES )

4  
5 I, CHERI MCCOMSEY WITTLER, a Registered  
6 Professional Reporter and Notary Public in and for the  
7 State of South Dakota:

8 DO HEREBY CERTIFY that as the duly-appointed  
9 shorthand reporter, I took in shorthand the proceedings  
10 had in the above-entitled matter on the 10th day of  
11 May 2005, and that the attached is a true and  
12 correct transcription of the proceedings so taken.

13 Dated at Pierre, South Dakota this 26th day  
14 of May 2005.

15  
16  
17   
18 Cheri McComsey Wittler,  
19 Notary Public and  
20 Registered Professional Reporter  
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23  
24  
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