

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

IN THE MATTER OF THE FILING BY VCI)	ORDER GRANTING
COMPANY FOR DESIGNATION AS AN)	ELIGIBLE
ELIGIBLE TELECOMMUNICATIONS CARRIER)	TELECOMMUNICATIONS
)	DESIGNATION
)	TC04-225

On November 15, 2004, the Public Utilities Commission (Commission) received a Petition for Designation as an Eligible Telecommunications Carrier from VCI Company (VCI). On March 7, 2005, the Commission received a supplemental letter filing from VCI. VCI sought designation as an eligible telecommunications carrier (ETC) for all Qwest Corporation (Qwest) service areas. On April 7, 2005, VCI filed its Petition on Qwest Corporation and other interested carriers.

On November 18, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of December 3, 2004, to interested individuals and entities. No person or entity filed to intervene.

Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission. Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VCI stated in its Petition that it will provide the following services to all of its customers in the Qwest service areas:

1. Voice grade access to the public switched network;
2. Local exchange service, including an amount of local usage free of per minute charges under a flat-rated local service package;
3. Dual tone multi-frequency signaling;
4. Single party service;
5. Access to emergency services such as 911 or Enhanced 911 public services when such services are available;
6. Access to operator services;

7. Access to interexchange services;
8. Access to directory assistance; and
9. Toll block service to qualified low-income consumers.

With respect to the obligation to advertise the availability of services supported by the federal universal service support mechanism and the charges for those services using media of general distribution, VCI stated that it will advertise the availability of its local exchange services in media of general distribution, in annual bill inserts, on television, and on its website in all Qwest service areas. VCI stated it will offer the Lifeline and Link Up service discounts in all Qwest service areas.

Pursuant to its Petition, VCI requested ETC status in all Qwest service areas.

At its May 10, 2005, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 49-31, and 47 U.S.C. § 214. VCI stated that it will not request high cost support. The Commission finds that VCI will provide the following services or functionalities throughout all Qwest service areas: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling; (4) single-party service; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll blocking for qualifying low-income consumers.

The Commission finds that VCI intends to provide Lifeline and Link Up programs to qualifying customers throughout all Qwest service areas consistent with state and federal rules and orders. VCI will target Lifeline customers in order to assist low-income customers with receiving telephone service. The Commission finds it is in the public interest to designate VCI as an ETC for Qwest service areas.

The Commission finds that VCI shall advertise the availability of the services supported by the federal universal service support mechanism and the charges therefor throughout its service area using media of general distribution at least once each year.

The Commission designates VCI as an ETC for all Qwest service areas. It is therefore ORDERED, that VCI is designated as an ETC for all Qwest service areas; it is FURTHER ORDERED, that VCI shall follow the advertising requirements as listed above.

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

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u><i>Delaine Kalbs</i></u>
Date:	<u>5/26/05</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Gary Hanson
 GARY HANSON, Chairman

Robert K. Sahr
 ROBERT K. SAHR, Commissioner *dk*

Dustin M. Johnson
 DUSTIN M. JOHNSON, Commissioner