

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

IN THE MATTER OF THE FILING BY RC)	ORDER GRANTING
COMMUNICATIONS, INC. D/B/A RC SERVICES)	ELIGIBLE
FOR DESIGNATION AS AN ELIGIBLE)	TELECOMMUNICATIONS
TELECOMMUNICATIONS CARRIER WITHIN)	DESIGNATION; ORDER
THE QWEST EXCHANGE OF MILBANK)	GRANTING CERTIFICATION
)	TC06-052

On May 19, 2006, the Public Utilities Commission (Commission) received a petition from RC Communications, Inc. d/b/a RC Services (RC Services) for designation as an eligible telecommunications carrier (ETC) for all Qwest Communications' local exchange service areas in South Dakota. On June 2, 2006, RC Services filed a corrected petition seeking designation as an ETC within the Qwest Corporation (Qwest) local exchange service area of Milbank. Qwest is the incumbent non-rural ETC currently serving the Milbank service area.

On May 25, 2006, the Commission electronically transmitted notice of the filing and the intervention deadline of June 9, 2006, to interested individual and entities. No Petitions to Intervene were filed.

Pursuant to 47 U.S.C. section 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 section 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.

RC Services stated in its Petition that it will provide the following services to all of its customers in the Milbank service area:

1. Voice grade access to the public switched network;
2. Local exchange service, including unlimited local usage 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 blocking service to all consumers.

In addition, RC Services provided the information required by ARSD 20:10:32:43.01 through 20:10:32:43.07. RC Services states that it will offer the services utilizing its own facilities or a combination of its own facilities and resale of another carrier's facilities. RC Services also stated that it will advertise the availability of its services and the charges for the services in media of general distribution throughout the service area. RC Services further stated it will offer Lifeline and Link Up services.

With respect to whether the designation is in the public interest, RC Services states that "the public will benefit from greater consumer choice created through the broadening of telecommunications service alternatives and affordable rates maintained by competitive pressure. Further, the Company is offering state-of-the-art facilities to consumers in Milbank and its customer service team is local, not located in a distant city; hence, the Company is able to respond quickly to customer requests and to relate on a personal level to customers' issues."

RC Services also requested that certification be sent to the FCC and the Universal Service Administrative Company (USAC) stating that RC Services will use the federal universal service support only for the provision, maintenance, and upgrading of facilities and services for which the support was intended.

At its October 31, 2006, 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. The Commission voted to designate RC Services as an ETC in the Milbank service area and to provide certification to the FCC and USAC. The Commission finds that RC Services will provide the supported services or functionalities throughout the

Milbank service area. The Commission finds that RC Services has demonstrated its commitment to provide service throughout the service area, has submitted its two year plan, has demonstrated its ability to remain functional in emergency situations, has demonstrated its ability to satisfy consumer protection and service quality standards, will offer a comparable local usage plan, and will be able to provide equal access. The Commission further finds that RC Services intends to provide Lifeline and Link Up programs to qualifying customers throughout the Milbank service area consistent with state and federal rules and orders and will advertise the availability of its other services. The Commission finds it is in the public interest to designate RC Services as an ETC. Thus, the Commission designates RC Services as an ETC for the Milbank service area. The Commission also approves RC Services' request for certification regarding the use of its federal universal service support. It is therefore

ORDERED, that RC Services is designated as an ETC for the Qwest service area of Milbank; and it is further

ORDERED, that RC Services is eligible to receive federal support as it states it will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended; and it is further

ORDERED, that the Commission approves RC Services' request for certification regarding its use of federal universal service support.

Dated at Pierre, South Dakota, this 17th day of November, 2006.

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>Melaine Kalbo</u>
Date:	<u>11/21/06</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Dustin M. Johnson
DUSTIN M. JOHNSON, Commissioner

Gary Hanson
GARY HANSON, Commissioner