

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Midcontinent Communications/North Dakota
Telephone Company
Rural Exemption
Investigation**

Case No. PU-05-451

ORDER APPROVING FINAL DISCOUNT RATE

October 12, 2006

On July 15, 2005, Midcontinent Communications (Midcontinent) filed a Notice of Bona Fide Request for Services under 47 U.S.C. § 251(f)(1)(A) requesting that the Commission conduct an inquiry for the purpose of determining whether Midcontinent's request for wholesale resold services from North Dakota Telephone Company (NDTC) under 47 U.S.C. § 251(c) is not unduly economically burdensome, is technically feasible, and is consistent with section 254 of the Act.

On April 26, 2006, the Commission issued its Findings of Fact, Conclusions of Law and Order and on June 7, 2006, the Commission issued its Order on Reconsideration and its Amended findings of Fact, Conclusions of Law and Order in this case. The Commission ordered that NDTC begin providing to Midcontinent retail services at wholesale prices for resale in the Devils Lake exchange under an interconnection agreement no later than July 26, 2006.

On July 26, 2006, the Commission issued its Findings of Fact, Conclusions of Law, and Order on Further Hearing on Interim Discount Rate setting an interim discount rate for wholesale resale services at 17 percent and ordering that a hearing to establish a final discount for wholesale resale services be held on January 8, 2007.

On August 29, 2006, the parties filed a Stipulation with the Commission in Case No. PU-06-345 which provides, among other things, that the final discount rate for wholesale resale under the resale agreement in this proceeding dated August 21, 2006 shall be seventeen percent (17%) for the initial term of the agreement. A copy of the Stipulation of the parties marked as Attachment 1 is attached to this order and is incorporated herein in its entirety.

The Commission finds the Stipulation of the parties is acceptable and hereby makes the following:

ORDER

The Commission orders:

1. The Stipulation is approved.

2. The final discount rate for wholesale resale under the resale agreement dated August 21, 2006, is seventeen percent (17%) for the initial term of the agreement.
3. The hearing scheduled for January 8, 2007, is cancelled.

PUBLIC SERVICE COMMISSION

Susan E. Wefald
Commissioner

Tony Clark
President

Kevin Cramer
Commissioner