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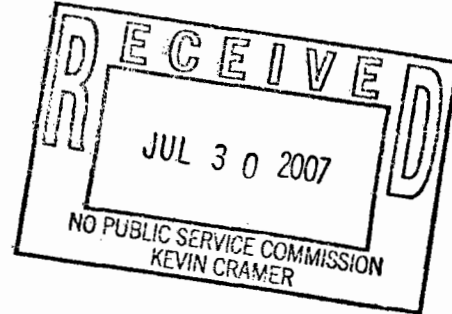
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July 30, 2007



North Dakota Public Service Commission
600 East Boulevard Avenue, Department 408
Bismarck, ND 58505-0480

DAKOTA CENTRAL TELECOMMUNICATIONS & DAKOTA CENTRAL TELCOM I

We hereby submit the enclosed Annual Report for Essential Telecommunications Carrier Certification to the North Dakota Public Service Commission (the Commission) on behalf of the above-named telecommunications companies (the Companies), which are Essential Telecommunications Carriers.

This submission is submitted pursuant to sections 69-09-05-12 and 69-09-05-12.1 of the North Dakota Administrative Code and section 49-21-01.7(12) of the North Dakota Century Code.

Thank you.

A handwritten signature in black ink, appearing to be 'Don Negaard', written over the 'Thank you.' text.

Don Negaard

jt

Enclosure

cc/enc: Dakota Central Telecommunications & Dakota Central Telcom I, Attention Keith Larson, Manager
Marlene H. Dortch, Secretary, Federal Communications Commission

ANNUAL REPORT TO THE NORTH DAKOTA PUBLIC SERVICE COMMISSION

ESSENTIAL TELECOMMUNICATIONS CARRIER CERTIFICATION

The undersigned, on behalf of the telecommunications company named below (the Company), does hereby state and certify, as follows:

1. The Company will provide service on a timely basis to requesting customers within the Company's designated service area where the Company's network already passes the potential customer's premises, and

2. The Company will provide service, within a reasonable period of time, if the potential customer is within the Company's designated service area but outside the Company's existing network coverage, if service can be provided at a reasonable cost by:

- a. Modifying or replacing the requesting customer's equipment;
- b. Deploying a roof-mounted antenna or other equipment;
- c. Adjusting the nearest cell tower;
- d. Adjusting network or customer facilities;
- e. Reselling services from another carrier's facilities to provide service;
or
- f. Employing, leasing, or constructing an additional cell site, cell extender, repeater, or other similar equipment.

3. The Company is able to remain functional in emergency situations and has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.

4. The Company is satisfying and will satisfy applicable consumer protection and service quality standards. (If wireless service is involved, the Company has and will comply with the Cellular Telecommunications and Internet Association's Consumer Code for wireless service. If a wireless service complies with another standard, that is explained herein.)

5. If the Company is a non-incumbent local exchange carrier, it will offer a local usage plan comparable to the one offered by the incumbent local exchange carrier in the designated service area.

6. The Company acknowledges that the North Dakota Public Service Commission (the Commission) may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the proposed designated service area. (If wireless carriage is involved, the Company acknowledges that the Federal Communications Commission may require the Company to provide equal access to long distance carriers in the event no other eligible telecommunications carrier is providing equal access within the designated service area.)

7. The Company has met and will meet the requirements of eligible telecommunications carrier advertising. This includes:

- a. A full description of available services in the Company's official telephone directory, including the process to be used by customers to qualify for lifeline and link-up service.
- b. Advertising of the availability of universal service in media of general circulation in the Company's designated service area. Availability may be advertised in newspapers, company newsletters, company or civic internet sites, bill stuffers, direct mailings, or other means intended to convey availability throughout the designated service area.

Exhibit A Information

The following information is provided in Exhibit A attached hereto and incorporated herein by reference:

1. A description of the amount of high-cost universal service support received by the Company in the prior calendar year and a description of how that support was used for the provision, maintenance, or upgrading of the Company's facilities and services. (An explanation of any changes from reports previously provided to the Commission is also included.)

2. An estimate of the amount of federal high-cost universal service support the Company anticipates receiving in the following calendar year (the calendar year following this report) and a description of how that support is projected to be used for the provision, maintenance, or upgrading of the Company's facilities and services pursuant to Section 254 of the Telecommunications Act of 1996.

3. Exhibit A also contains, for the prior calendar year and the subsequent calendar year (the calendar year following this report), identification of specific construction or upgrade projects; a description of how service will be improved by each project; the start date and completion date for each improvement; the amount of investment for cash improvement; the specific geographic area where each improvement was made or will be made; and the estimated population that will be served by each improvement. (For an

incumbent local exchange carrier (ILEC), this information is submitted at the study area level. For another eligible carrier, this information is submitted at the study area level of the ILEC. If a study area level or designated service area includes geographic areas in more than one state, the information is also submitted at the North Dakota level.)

4. Detailed information of any outage, as that term is defined in 47 C.F.R. § 4.5, of at least thirty (30) minutes in duration for each designated service area for any facilities the Company owns, operates, leases, or otherwise utilizes that potentially affect:

- a. At least ten percent (10%) of the end users served in a designated service area, or
- b. A 911 special facility, as defined in 47 C.F.R. § 4.5(e).

This report includes:

- a. The date and time of the onset of the outage,
- b. A brief description of the outage and its resolution,
- c. The particular services affected,
- d. The geographic areas affected by the outage,
- e. Steps taken to prevent a similar outage in the future, and
- f. The number of customers affected.

(If applicable, a copy of the FCC outage report that includes this information may be attached.)

5. The number of requests for service from potential customers within the designated service area that were unfilled during the past year. A detail of how the Company attempted to provide service to those potential customers is also included.

6. The number of complaints per thousand handsets or lines.

I hereby certify that the above information is true and correct and is submitted on behalf of the Company named below. The information is submitted in the year 2007.

Dakota Central Telecom I +
Dakota Central Telecommunicat
Company

By: Keir A Larson
Its: CEO / Gen Mgr

EXHIBIT A

1. The amount of high-cost universal support the Company received in the prior calendar year and estimate of the amount of high-cost universal support it anticipates receiving in the next calendar year (the calendar year following the date of this report) are listed below:

Year 2006 Federal Universal Service Receipts:

High Cost Loop Support	\$ 1,386,492
Local Switching Support	\$ 570,156
ICLS Support	\$ 888,552
Safety Net Additive Support	\$ 14,424
Safety Valve Loop Cost Adjustment	\$ 0
TOTAL	\$ 2,859,624

Estimated Year 2008 Federal Universal Service Receipts:

High Cost Loop Support	\$ 1,272,883
Local Switching Support	\$ 494,076
ICLS Support	\$ 1,046,552
Safety Net Additive Support	\$ 0
Safety Valve Loop Cost Adjustment	\$ 0
TOTAL	\$ 2,813,511

The changes, if any, from reports previously filed with the Commission are, as follows:
(For 2007, there are none. This is the first reporting year.)

a. **Prior Year's Support.** The ways this support from the prior calendar year was used for the provision, maintenance, or upgrading of the Company's facilities and services are, as follows:

	Actual 2006
Plant Specific Operations Expenses	
Network support (Accts 6110-16)	\$ 13,234
General support (Accts 6120-24)	\$ 261,070
Central office (Accts 6210-6232)	\$ 718,465
Cable and wire facilities (Accts 6410-41)	\$ 805,273
Network operations (Accts 6530-40)	\$ 386,975
Depreciation and amortization (Accts 6560-65)	\$2,180,158
Customer Operations Expenses	
Customer services (Accts 6620-28)	\$ 793,307
Corporate Operations Expenses	
Executive and planning (Accts 6710-12)	\$ 275,402
General and administrative (Accts 6720-28)	\$ 815,184
Total Years Supported Expenses, Before Return on Investment	\$6,249,068
Additions	
Central Office (Acct 2210-2232)	\$2,727,476
Cable and wire (Acct 2410)	<u>\$1,856,285</u>
Total	\$4,583,761
Total Supported Expenditures, Before Return on Investment	\$10,832,829

b. **Following Year's Support (the calendar year following the date of this report).** The ways the Company anticipates it will use the following calendar year's support for the provision, maintenance, or upgrading of the Company's facilities and services are, as follows:

	Estimated 2008
Plant Specific Operations Expenses	
Network support (Accts 6110-16)	\$ 13,125.00
General support (Accts 6120-24)	\$ 381,225.00
Central office (Accts 6210-6232)	\$ 723,650.00
Cable and wire facilities (Accts 6410-41)	\$ 923,050.00
Network operations (Accts 6530-35)	\$ 428,150.00
Depreciation and amortization (Accts 6560-65)	\$1,706,533.00
Customer Operations Expenses	
Customer services (Accts 6620-23)	\$ 880,125.00
Corporate Operations Expenses	
Executive and planning (Accts 6710-12)	\$ 260,550.00
General and administrative (Accts 6720-28)	\$ 805,050.00
Total Years Supported Expenses, Before Return on Investment	<u>\$6,108,333.00</u>
Additions	
Central Office (Acct 2210-2232)	\$ 256,385.00
Cable and wire (Acct 2410)	<u>\$ 1,553,125.00</u>
Total	\$1,809,510.00
Total Supported Expenditures, Before Return on Investment	\$7,917,843.00

