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PUBLIC SERVICE COMMISSION

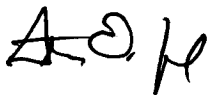
Darrell Nitschke
ND Public Service Commission
12th Floor State Capitol
600 East Boulevard Ave. Dept 408
Bismarck, ND 58505-0480

Re: USF Certification – Case Nos. PU-439-01-460 and PU-439-02-441

Dear Mr. Nitschke,

Enclosed for filing in accordance with the Commission's Order of August 28, 2002, in the above referenced proceeding, is an Essential Telecommunications Carrier Certification and Exhibit A certifying that all universal service support will only be used for the provision, maintenance, and upgrading of facilities and services for which the support is intended. In making this filing, the undersigned company is at this time neither contesting nor conceding the jurisdiction of the North Dakota Public Service Commission to act in the proceeding.

Sincerely,



Steven D. Lysne
CEO/General Manager

Enclosure

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

(Reference to Exhibit A in this document is not intended to waive any rights this company has to claim that Exhibit A contains confidential and proprietary 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 2011.

North Dakota Network Co.
Company

By: 
Its: Steven D. Lysne CEO/CM

**NORTH DAKOTA NETWORK CO.
PROPRIETARY AND CONFIDENTIAL**

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 2010 Federal Universal Service Receipts:

This information is separately provided on "Public Exhibit A."

Estimated Year 2012 Federal Universal Service Receipts:

High Cost Loop Support	\$ 0
Local Switching Support	\$180,000
Interstate Common Line Support	\$660,000
Safety Net Additive Support	\$120,000
Safety Valve Loop Cost Adjustment	\$ <u>0</u>
TOTAL	\$960,000

The changes, if any, are claimed to be "Trade Secret – Private" from reports previously filed with the Commission are, as follows:

Company Name: North Dakota Network Co.

- 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:

	<u>Actual</u> <u>2010</u>
Plant Specific Operations Expenses	
Network support (Accts 6110-16)	\$ 0
General support (Accts 6120-24)	\$ 13,586
Central office (Accts 6210-6232)	\$ 894,135
Cable and wire facilities (Accts 6410-41)	\$ 107,049
Network operations (Accts 6530-35)	\$ 135,450
Depreciation and amortization (Accts 6560-65)	\$1,663,273
Customer Operations Expenses	
Customer services (Accts 6620-23)	\$ 478,622
Corporate Operations Expenses	
Executive and planning (Accts 6710-12)	\$ 479
General and administrative (Accts 6720-28)	\$ 109,146
Total Years Supported Expenses, Before Return on Investment	<u>\$3,401,740</u>
Additions	
Switching (Acct 2210)	\$ 711,257
Cable and wire (Acct 2410)	<u>\$ 0</u>
Total	<u>\$ 711,257</u>
Total Supported Expenditures, Before Return on Investment	<u>\$4,112,997</u>

Company Name: North Dakota Network Co.

2010 Actual

Specific construction or upgrade projects are listed, as follows:

(All information is submitted at the study area level of the ILEC.)

(If a study area or designated service area includes geographic areas in more than one state, the information is also provided at the North Dakota level.)

Construction or Upgrade Project Name	Start Date	Completion Date	Amount of Investment	Geographic Area of Improvement	Estimated Population Served by Improvement	Description of How Service Will Be Improved
Software Upgrades – DAX and MTX17	Mar 2010	Oct 2010	\$190,128	All ILEC Study Areas in BTA299	Entire BTA299	Vendor Requirement
Batteries and Generators	Jan 2010	Dec 2010	\$144,430	All ILEC Study Areas in BTA299	Entire BTA299	Normal site maintenance
PCS Expansion - Plaza and Wilton	Jan 2010	May 2010	\$196,298	All ILEC Study Areas in BTA299	Entire BTA299	Greater coverage – expanded local calling scope
Tower Site Upgrades – New approach at Harvey, feedlines at Carpio	Dec 2010	Dec 2010	\$19,516	All ILEC Study Areas in BTA299	Entire BTA299	Normal site maintenance
EVDO – all sites	Oct 2010	Dec 2010	\$160,885	All IELC Study Areas in BTA299	Entire BTA299	3G Network – Enhanced wireless services

Company Name: North Dakota Network Co.

- 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:

	<u>Estimated</u> 2012
Plant Specific Operations Expenses	
Network support (Accts 6110-16)	\$ 0
General support (Accts 6120-24)	\$ 14,265
Central office (Accts 6210-6232)	\$ 938,842
Cable and wire facilities (Accts 6410-41)	\$ 112,401
Network operations (Accts 6530-35)	\$ 142,222
Depreciation and amortization (Accts 6560-65)	\$1,746,437
Customer Operations Expenses	
Customer services (Accts 6620-23)	\$ 502,553
Corporate Operations Expenses	
Executive and planning (Accts 6710-12)	\$ 503
General and administrative (Accts 6720-28)	\$ 114,603
Total Years Supported Expenses, Before Return on Investment	<u>\$3,571,828</u>
Additions	
Switching (Acct 2210)	\$1,000,000
Cable and wire (Acct 2410)	<u>\$ 0</u>
Total	\$1,000,000
Total Supported Expenditures, Before Return on Investment	<u>\$4,571,828</u>

Company Name: North Dakota Network Co.

**NORTH DAKOTA NETWORK CO.
PUBLIC**

EXHIBIT A

This Exhibit A is supplemented by a non-public Exhibit A labeled "Trade Secret – Private." The Company does not waive any rights to Trade Secret Protection by referencing this "Trade Secret – Private" information in this form.

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 2010 Federal Universal Service Receipts:

High Cost Loop Support	\$ 214,137
Local Switching Support	\$ 162,399
Interstate Common Line Support	\$1,150,320
Safety Net Additive Support	\$ 389,771
Safety Valve Loop Cost Adjustment	\$ <u>0</u>
TOTAL	\$1,916,627

The changes, if any, from reports previously filed with the Commission are, as follows (changes that are deemed proprietary are included on a non-public Exhibit A):

Company Name: North Dakota Network Co.

2. The number of requests for service from potential customers within the designated service area that were unfilled in the past year was _____.

The ways in which the Company attempted to provide services to these potential customers are, as follows:

Unsure of the specific number of requests, but if a customer questions why his/her PCS phone does not have signal in a certain area, SRT reviews the location to determine if there is a gap in coverage. It may be a low spot, environment obstacles, or an unfeasible spot for a cell site.

3. The number of complaints per one thousand handsets or lines was: **Less than 1%.**

Company Name: North Dakota Network Co.