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February 2, 2012

PUBLIC SERVICE COMMISSION

Darrell Nitschke
North Dakota Public Service Commission
State Capitol
600 East Boulevard Avenue, Dept 408
Bismarck, ND 58505-0480

Dear Mr. Nitschke:

Due to the December 29, 2011 release of the FCC's National Broadband Plan, SRT Communications, Inc. ("SRT") is required to make revisions to our Intrastate Switched Access Service Tariff. The FCC now allows local exchange carriers to tariff rates equal to federal switched access rates for Toll VoIP-PSTN traffic absent a negotiated agreement. These revisions will reflect the FCC's mandate that interstate access rates apply to intrastate toll VoIP-PSTN traffic.

I have attached Section 13 of SRT's Intrastate Access Service Tariff. Verbiage was added to Sheets 1-3 to better describe the Intrastate Switched Access Service rate elements (no rate changes were made), Sheets 4-8 will include the new Toll VoIP-PSTN information, and Sheets 9-11 are general definitions that have been added.

Since the transition for Toll VoIP-PSTN to interstate rates became effective on December 29, 2011, you will notice that the effective date of the tariff revisions is December 29, 2011 as well.

Please give me a call at 701-858-5233 if you have any questions.

Thank you,

A handwritten signature in cursive script that reads "Julie Lizotte".

Julie Lizotte
Director of Regulatory Affairs

Enclosure

1 **PU-12-61** Filed: 2/3/2012 Pages: 12
**VOIP-PSTN Traffic, switched access descriptions
and definitions**

SRT Communications, Inc.

INTRASTATE ACCESS SERVICE

A. Switched Access Rate Elements**GENERAL**

Switch Access Service, which is available to customers for their use in furnishing their services to end users, provides a communications path between a customer's premises and an end user's premises. It provides for the use of common terminating, switching and trunking facilities, and both common subscriber plant and unshared subscriber plant (ie., WATS access lines) of the Telephone Company. Switched Access Service provides for the ability to originate calls from an end user's premises in the LATA where it is provided.

Rates and charges for Switched Access Service are listed below.

		Rates Per Access Minute	
		<u>Originating</u>	<u>Terminating</u>
1.	Local Transport (Non-LTR)		
	0 to 1 call miles	\$0.0076	\$0.0076
	Over 1 to 8 miles	\$0.0134	\$0.0134
	Over 8 to 16 call miles	\$0.0310	\$0.0310
	Over 16 to 25 call miles	\$0.0574	\$0.0574
	Over 25 to 50 call miles	\$0.0620	\$0.0620
	Over 50 to 100 call miles	\$0.0579	\$0.0579
	Over 100 call miles	\$0.0597	\$0.0597
	Installation (nonrecurring charge - \$180.40)		

Intrastate Switched Access Local Transport services carries Intrastate switched access traffic between the Telephone Company's ("SRT") end office switches (26) to the Interexchange Carrier Serving Wire Center ("SWC"), BSMRNDBCDSO.

Non-Local Transport Restructure (Non-LTR) Intrastate Local Transport Service is mileage based sensitive and is billed on a per minute of use basis on Intrastate originating and terminating traffic. Mileage is based on the air miles between the Telephone Company's end office switches (26) to the SWC, BSMRNDBCDSO. NECA Tariff 4 will be used to determine air miles.

2.	Local Switching		
	Feature Group A&B (non-premium)	\$0.0067	\$0.0067
	Feature Group C&D	\$0.0105	\$0.0105

The Local Switching rate element provides for the use of the end office access switching arrangement.

This rate is billed on a per minute of use basis for both originating and terminating Intrastate traffic.

A. Switched Access Rate Elements

		Rates Per Access Minute	
		<u>Originating</u>	<u>Terminating</u>
3.	Line Termination	\$0.0085	\$0.0085
<p>Line Termination Charge provides for the termination of end user lines in the local end offices.</p> <p>This rate is billed on a per minute of use basis for both originating and terminating Intrastate traffic.</p>			
4.	Intercept – per 100 Access Minutes	\$0.0162	\$0.0162
<p>Intercept Charge provides for the use of the local end office intercept functions.</p> <p>This rate is billed on a per minute of use basis for both originating and terminating traffic.</p>			
5.	Carrier Common Line	\$0.0108412	\$0.0108412
<p>The Carrier Common Line Charge (CCL) provides the local end office switching functions associated with the various access switching arrangements. CCL covers a portion of the costs associated with the local loop.</p> <p>This rate is billed on a per minute of use basis for both originating and terminating traffic.</p>			
6.	Access Adjustment Rate (AAR) (intralata only)	\$0.0054	\$0.0144
7.	Tandem Switching Charge	\$0.005734	\$0.005734
<p>The Tandem Switching rate recovers a portion of the costs of switching traffic through the Telephone Company's Access Tandem (MNOTNDXA01T).</p> <p>This rate is applied on a per minutes of use basis for all originating and terminating Intrastate minutes of use switched at the access tandem, MNOTNDXA01T.</p>			

8. 800 Data Base Access Service Queries –

800 Data Base Access Service is provided to all customers in conjunction with FGC and FGD switched access service. A Basic or Vertical Feature Query charge is assessed for each query launched to the 800 data base. The Basic Query provides the identification of the customer to whom the call will be delivered and includes area of service routing which allows routing of 800 calls by telephone companies to different interexchange carriers based on the Local Access Transport Area (LATA) in which the call originates. The Vertical Feature Query provides this same customer identification function in addition to vertical features which may include: 1) call validation (ensuring that call originates from subscribed service area); 2) POTS translation of 800 numbers (which is generally necessary for the routing of 800 calls); 3) alternate POTS translation (which allows subscribers to vary the routing of 800 calls based on factors such as time of day, place of origination of the call, etc.); and 4) multiple carrier routing based on factors similar to those in 3.

	<u>Rates Per Query</u>
Basic	\$0.0080
Vertical Feature	\$0.0084

B. Switched Access - Toll VoIP-PSTN Traffic**GENERAL**

This section governs the identification of Toll VoIP-PSTN Traffic which the FCC in its Report and Order in WC Dockets Nos. 10-90, etc., F.C.C. Release No. 11-161 (November 18, 2011) (F.C.C. Order) has allowed it to be tariffed in both federal and state access tariffs unless the parties have a negotiated agreement.¹ The Telephone Company recognizes that according to the FCC Order all VoIP-PSTN traffic is governed by section 251(b)(5) Framework including Toll PSTN VoIP Traffic which is included in this tariff.

For the purposes of this Tariff, Toll VoIP-PSTN Traffic is defined as interexchange traffic exchanged between a Telephone Company end user and the customer in Time Division Multiplexing (TDM) format that originates and/or terminates in Internet Protocol (IP) format. Toll VoIP-PSTN traffic originated and/or terminates in IP format when it originates from and/or terminates to an end user customer of a service that requires IP-compatible customer premises equipment.

The customer shall deliver all Toll VoIP-PSTN traffic on its facilities that deliver other voice access traffic. Toll VoIP-PSTN traffic shall not be delivered on local trunk groups. Specifically, this section establishes the method of separating Toll VoIP-PSTN Traffic from the customer's traditional intrastate access traffic, so that Toll VoIP-PSTN Traffic can be billed in accordance with the F.C.C. Order.

Toll VoIP-PSTN Traffic identified in accordance with this tariff section will be billed at rates equal to the Telephone Company's applicable tariffed interstate switched access rates as set forth in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 5. If the F.C.C. Order is stayed or overturned, Toll VoIP-PSTN Traffic that is jurisdictionally intrastate will be billed at rates under this tariff. This Section is to comply with the F.C.C. Order.

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Effective Date: 12/29/11

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¹ Although the Company has taken the position that this tariff, by its own terms, already applies to VoIP-PSTN traffic, as defined herein, the Company has included this Section in the tariff out of an abundance of caution to prevent any claim that it does not so apply, and to implement the decision by the Federal Communications Commission in its Report and Order in WC Docket Nos. 10-90, etc., FCC Release No. 11-161 (Nov. 18, 2011) ("FCC Order") that VoIP-PSTN access traffic should be exchanged at interstate access rates (unless the parties have agreed otherwise). By its terms, the FCC Order is prospective only, and does not address preexisting law with regard to the applicability of intercarrier compensation or the enhanced service providers ("ESP") exemption to VoIP-PSTN Traffic.

B. Switched Access - Toll VoIP-PSTN Traffic

1. Calculation and Application of Percent-VoIP- Usage Factors

- a. The Telephone Company will determine the number of intrastate Toll VoIP-PSTN Traffic minutes of use (MOU) to which interstate rates will be applied by applying an originating Percent Toll VoIP-PSTN Usage (PVU) factor to the total intrastate access MOU originated by a Telephone Company end user and delivered to the customer, and by applying a terminating PVU factor to the total intrastate access MOU terminated by a customer to the Telephone Company's end user.
- b. The customer will calculate and furnish to the Telephone Company an originating PVU factor representing the whole number percentage of the customer's total originating intrastate access MOU that the customer exchanges with the Telephone Company in the state that is received from the Telephone Company and that is terminated in IP format and that would be billed by the Telephone Company at interstate rates.
- c. The customer will calculate and furnish to the Telephone Company a terminating PVU factor representing the whole number percentage of the customer's total terminating intrastate access MOU that the customer exchanges with the Telephone Company in the state that is sent to Telephone Company and which originated in IP format and that would be billed by the Telephone Company as interstate access MOU.
- d. The customer shall not modify their reported PIU factor to account for Toll VoIP-PSTN Traffic.
- e. Both the customer provided originating PVU and the terminating PVU shall be based on information such as the number of the customer's retail Toll VoIP subscriptions in the state (e.g. as reported on F.C.C. Form 477), traffic studies, actual call detail or other relevant and verifiable information which will be provided to the Telephone Company upon request.
- f. The customer shall retain the call detail, work papers, and information used to develop the PVU factors for a minimum of one year.

B. Switched Access - Toll VoIP-PSTN Traffic

1. Calculation and Application of Percent-VoIP- Usage Factors

- g. If the Customer does not furnish the Telephone Company with a PVU factor according to Section 13.(B), the Telephone Company will utilize a PVU equal to zero.

2. PVU Factor

The customer may provide a PVU to Telephone Company upon the effective date of this Tariff or with an initial order. Such PVU shall be implemented in the billing cycle following the receipt of the PVU. The customer may update the PVU factors quarterly using the method set forth in Section 13.(B). If the customer chooses to submit such updates, it shall forward to the Telephone Company, no later than 15 days after the first day of January, April, July and/or October of each year, revised PVU factors based on data for the prior three months, ending the last day of December, March, June and September, respectively. The revised PVU factors will serve as the basis for future billing and will be effective on the bill date of each such month and shall serve as the basis for subsequent monthly billing until superseded by new PVU factors. No prorating or back billing will be done based on the updated PVU factors.

PVU Factor Verification

- a. Not more than twice in any year, the Telephone Company may request from the customer an overview of the process used to determine the PVU factors, the call detail records, description of the method for determining how the end user originates and terminated call in IP format, and other information used to determine the customer's PVU factors furnished to the Telephone Company in order to validate the PVU factors supplied. The customer shall comply, and shall reasonably supply the requested data and information within 15 days of the Telephone Company's request.

B. Switched Access - Toll VoIP-PSTN Traffic

2. PVU Factor

The Telephone Company may dispute the Customer's PVU factor based upon:

A review of the requested data and information provided by the customer,

The Telephone Company's reasonable review of other market information, F.C.C. reports on VoIP lines, such as F.C.C. Form 477 or state level results based on the F.C.C. Local Competition Report or other relevant data.

A change in the reported PVU factor by more than five percentage points from the preceding quarter.

- b. If after review of the data and information, the customer and the Telephone Company established revised PVU factors, the Telephone Company will begin using those revised PVU factors with the next bill period.
- c. If the dispute is unresolved, the Telephone Company may initiate an audit. The Telephone Company shall limit audits of the customer's PVU factor to no more than twice per year. The customer may request that the audit be conducted by an independent auditor. In such cases the associated auditing expenses will be paid by the customer.

In the event that the customer fails to provide adequate records to enable the Telephone Company or an independent auditor to conduct an audit verifying the customer's PVU factors, the Telephone Company will bill the usage for all contested periods using the most recent undisputed accepted PVU factors reported by the customer. These PVU factors will remain in effect until the audit can be completed.

During the audit, the most recent undisputed PVU factors from the previous reporting period will be used by the Telephone Company.

B. Switched Access – Toll VoIP-PSTN Traffic**2. PVU Factor**

- d. The Telephone Company will adjust the customer's PVU factors based on the results of the audit and implement the revised PVU in the next billing period or quarterly report date, whichever is first. The revised PVU factors will apply for the next two quarters before new factors can be submitted by the customer.

If the audit supports the customer's PVU factors, the usage for the contested periods will be adjusted to reflect the customer's audited PVU factors.

As used in this Section, "Toll VoIP-PSTN Traffic" is defined as interexchange traffic exchanged between a Telephone Company end user and the customer in Time Division Multiplexing (TDM) format that originates and/or terminates in Internet Protocol (IP) format. Toll VoIP-PSTN traffic originated and/or terminates in IP format when it originates from and/or terminates to an end user customer of a service that requires IP-compatible customer premises equipment.

C. Presubscription

		<u>Nonrecurring Charge</u>	<u>Billing Code</u>
1.	PIC Change		
a.	Per Telephone Exchange Service Link or Trunk	\$ 5.50	SOPCN
b.	This charge is billed to the end user who is the Subscriber to the Telephone Exchange Service.		
c.	This charge applies per LATA PIC changed.		
d.	In the event an end user is incorrectly presubscribed due to misassignment on the part of the Company, no charge shall apply. In the event an end user is incorrectly presubscribed due to misassignment of the part of the IC, and the IC is unable to document such an assignment, the Company will apply the charge to the IC responsible for the misassignment of the end user and assign the end user to an IC of the end user's choice.		

DEFINITIONSCustomer Message

A completed intrastate call originated by a customer's end user. A customer message begins when answer supervision from the premise of the ordering customer is received by Telephone Company recording equipment indicating that the called party answered. A message ends when disconnect supervision is received by Telephone Company recording equipment from either the premise of the ordering customer or the customer's end user premise from which the call originated.

Customer Designated Premises

The premises specified by the customer for the provision of Access Service.

Customers

Any individual, partnership, association, joint-stock company, trust, corporation, or governmental entity or other entity which orders to the services offered under this tariff, including Local Exchange Carrier(s), Interexchange Carrier(s) (IC's), providers of originating and terminating VoIP-PSTN traffic and End Users(s).

Initial Billing Company

A telephone company who bills Local Transport access charges to Interexchange Carriers on behalf of one or more Local Exchange Carriers.

Interconnection Point

This is a point where a facility of the Telephone Company meets facilities of a connecting exchange telephone company. This point can be defined as the Vertical and Horizontal coordinate of this location as calculated in NECA Tariff #4 online system.

Interexchange Carrier (IC) or Interexchange Common Carrier

Any individual, partnership, association, joint-stock company, trust, governmental entity or corporation engaged for hire in intrastate communication by wire or radio, between two or more exchanges.

Internet Protocol (IP)

The term "Internet Protocol" denotes a packet data-oriented protocol used for communicating call signaling information.

Interstate Call

A term which denotes both interstate and foreign communications.

Intrastate Call

Any toll communications which originates and terminates in the same state.

Originating Direction

The use of access service for the origination of calls from an End User Premises to an IC Premises or a Customer's Premises.

DEFINITIONS

Pay Telephone

Telephone Company, or privately provided instruments and related facilities that are available to the general public for public convenience and necessity, including public and semipublic telephones, and coinless telephones.

Point of Termination

The point of demarcation within a customer-designated premises at which the Telephone Company's responsibility for the provision of Access Service ends.

Premises

A building or building on continuous property (except Railroad Right-of-Way, etc.) not separated by a public highway.

Public Switch Telephone Network (PSTN)

Public Switch Telephone Network refers to the local, long distance and international phone system which we use every day. In the United States, PSTN refers to the entire interconnected collection of local, long distance and international phone companies, which could be thousands.

Remote Switching Modules and/or Remote Switching Systems

Small, remotely controlled electronic end office switches which obtain all or part of their call processing capability from a Host Office. The Remote Switching Modules and/or Remote Switching Systems cannot accommodate direct trunks.

Termination Direction

The use of Access Service for the completion of calls from an IC premises or a Customer's premises to an End User Premises.

Toll VoIP-PSTN Traffic

The term "toll VoIP-PSTN Traffic" denotes a customer's interexchange voice traffic exchanged with the Telephone Company in Time Division Multiplexing format over PSTN facilities, which originates and/or terminates in Internet Protocol (IP) format. "Toll VoIP-PSTN Traffic" originates and/or terminates in IP format when it originates from and/or terminates to an end user customer of a service that requires IP-compatible customer premises equipment.

Trunk

A communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

Trunk Group

A set of trunks which are traffic engineered as a unit for the establishment of connections between switching Systems in which all of the communications paths are interchangeable.

DEFINITIONS

Trunk Side Connection

The connection of a transmission path to the trunk side of a local exchange switching system. This type of connection is used when providing FGC and FGD Switched Access Service.

VoIP-PSTN Traffic

VoIP-PSTN Traffic is defined as traffic exchanged between the Company end user and the Customer in TDM format that originates and/or terminates in IP signaling format. VoIP- PSTN traffic includes tariff that is jurisdictionally local, intrastate IntraLATA, Intrastate InterLATA and interstate.

Wire Center

A building in which one or more central offices, used for the provision of Telephone Exchange Services, are located.