

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

RTCG
Intrastate Access Tariff

BEK Communications Cooperative Switched Access	Case No. PU-12-160
Consolidated Telecom Switched Access	Case No. PU-12-199
Dakota Central Telecom I, Inc. Switched Access	Case No. PU-12-201
Dakota Central Telecommunications Cooperative Switched Access	Case No. PU-12-200
Dickey Rural Access, Inc. Switched Access	Case No. PU-12-233
Dickey Rural Communications, Inc. Switched Access	Case No. PU-12-203
Dickey Rural Telephone Cooperative Switched Access	Case No. PU-12-202
Griggs County Telephone Co. Switched Access	Case No. PU-12-204
Inter-Community Telephone Company, L.L.C. Switched Access	Case No. PU-12-205
Missouri Valley Communications, Inc. Switched Access	Case No. PU-12-206
Moore and Liberty Telephone Company Switched Access	Case No. PU-12-207
Nemont Telephone Cooperative, Inc. Switched Access	Case No. PU-12-208
North Dakota Telephone Company Switched Access	Case No. PU-12-209
Northwest Communications Cooperative Switched Access	Case No. PU-12-210
Polar Communications Mutual Aid Corporation Switched Access	Case No. PU-12-211
Red River Rural Telephone Association Switched Access	Case No. PU-12-212
Reservation Telephone Cooperative Switched Access	Case No. PU-12-213
SRT Communications, Inc.	Case No. PU-12-286
Turtle Mountain Telephone Company Switched Access	Case No. PU-12-214
United Telephone Mutual Aid Corporation Switched Access	Case No. PU-12-215
West River Telecommunications Cooperative Switched Access	Case No. PU-12-216
Wolverton Telephone Company Switched Access	Case No. PU-12-217

RECOMMENDED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

June 26, 2012

Appearances

Commission Chairman Brian P. Kalk

David J. Hogue, Pringle & Herigstad P.C., 2525 Elk Drive, Minot, ND 58702-1000, on behalf of Rural Telephone Group

Mark Gruman and Patrick Fahn, Public Service Commission, State Capitol, 600 E. Boulevard, Bismarck, North Dakota 58505 on behalf of the North Dakota Public Service Commission

Patrick Ward, Zuger Kirmis & Smith Law Firm, PO Box 1695, 316 North Fifth Street, Bismarck, ND 58502-1695, appearing as substantive hearing officer

Preliminary Statement

On November 18, 2011, the Federal Communications Commission (“FCC”) issued its Universal Service/Intercarrier Compensation Reform Order - FCC 11-161 (“Transitional Order”). See *Connect America Fund, et al., WC Docket NO. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCcd 11-161 (rel. Nov. 18, 2011)*. The Transitional Order requires a series of transitional intrastate access charge reductions for both price cap and rate of return carriers with the first reduction to be effective July 1, 2012. Twenty one (21) rate of return carriers and one price cap carrier (SRT Communications, Inc.) filed intrastate North Dakota tariffs with the North Dakota Public Service Commission.

Following the November 2011 Transformation Order, the FCC issued an order on June 5, 2012 in the same docket that clarified rural LECs’ duty to reduce intrastate access charges. The June 5, 2012 order granted rural LECs considerable flexibility in meeting the step one intrastate access revenue reductions.

The following companies filed tariffs for approval reflecting that transitional intrastate access charge reduction:

1. BEK Communications Cooperative filed its Intrastate Access Tariff on April 20, 2012, Case No. PU-12-160;
2. Consolidated Telecom filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-199;
3. Dakota Central Telecom I, Inc. filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-201;
4. Dakota Central Telecommunications filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-200;
5. Dickey Rural Access, Inc. filed its Intrastate Access Tariff on May 29, 2012, Case No. PU-12-233;

6. Dickey Rural Communications, Inc. filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-203;
7. Dickey Rural Telephone Cooperative filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-202;
8. Griggs County Telephone Co. filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-204;
9. Inter-Community Telephone Company, L.L.C. filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-205;
10. Missouri Valley Communications, Inc. filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-206;
11. Moore and Liberty Telephone Company filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-207;
12. Nemont Telephone Cooperative, Inc. filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-208;
13. North Dakota Telephone Company filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-209;
14. Northwest Communications Cooperative filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-210;
15. Polar Communications Mutual Aid Corporation filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-211;
16. Red River Rural Telephone Association filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-212;
17. Reservation Telephone Cooperative filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-213;
18. SRT Communications, Inc. filed its Intrastate Access Tariff on June 7, 2012, Case No. PU-12-286;
19. Turtle Mountain Telephone Company filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-214;
20. United Telephone Mutual Aid Corporation filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-215;

21. West River Telecommunications Cooperative filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-216;
22. Wolverton Telephone Company filed its Intrastate Access Tariff on May 15, 2012, Case No. PU-12-217.

Several companies subsequently filed technical corrections to the filed Intrastate Access Tariffs prior to evidentiary hearing.

The Commission scheduled an evidentiary hearing regarding this matter for June 21, 2012 at 8:30 am CST at the Commission hearing room by Notice of Consolidated Hearing dated May 30, 2012. The filing companies appeared at the hearing with counsel, David Hogue. The Commission was represented by Mark Gruman and Patrick Fahn. The issue to be considered was whether the intrastate switched access price schedules filed by each of the companies in the cases enumerated should be approved by the North Dakota Public Service Commission. A prehearing conference as held June 7, 2012. The filing companies presented pre-filed testimony from Douglas Meredith of JSI. Mr. Meredith's pre-filed testimony was offered and received into evidence as Exhibit 1, along with two attachments to his testimony, Exhibits 2 and 3. Mr. Meredith appeared in person and provided live testimony. No third parties intervened in this matter or appeared at the evidentiary hearing.

Findings of Fact

1. The tariffs filed by the twenty one (21) rate of return companies referenced above and SRT Communications, Inc., a price cap company, comply with the FCC requirements found in CFR §51.907(b) (for Price Cap Carriers) and CFR §51.909(b) (for Rate-of-Return Carriers), and follow all necessary guidelines for adjustment required by FCC order.

Conclusions of Law


1. The Commission has jurisdiction over the parties and subject matter and the rate of return companies who have filed intrastate access tariffs in this consolidated case.
2. The Commission does not possess subject matter jurisdiction over SRT Communications, Inc. as a price cap carrier.
3. The Commission takes Administrative Notice of all revised tariffs filed by the Companies herein pursuant to new FCC rules cited above.
4. The Tariffs filed by all companies, and subsequent technical corrections referenced above are just and reasonable and should be approved to become effective July 1, 2012.

Recommendation

The ALJ hereby recommends that the Commission Order:

The tariffs filed by the rate of return companies and SRT Communications, Inc. are in accordance with federal law and guidelines and should be accepted and approved to become effective July 1, 2012.

Dated: June 26, 2012


Patrick J. Ward
Administrative Law Judge and
Substantive Hearing Officer