

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Public Service Commission
USF Use Certification 47 CFR 54.314 (2013)
Compliance

Case No. PU-12-236

ORDER CERTIFYING USE OF FEDERAL UNIVERSAL SERVICES SUPPORT

September 27, 2012

Section 254(e) of the Telecommunications Act of 1996 (Act) requires telecommunications carriers to use universal service support “only for the provision, maintenance, and upgrading of facilities and services for which support is intended.” On May 23, 2001, the Federal Communications Commission (FCC) released its Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256 (Fourteenth R&O). The Fourteenth R&O requires that each state public utility regulatory authority file an annual certification with the FCC to ensure that rural telecommunications carriers receiving federal funds under the program use the support only as provided in Section 254(e) of the Act. State certification must be filed no later than October 1 of each year in order for certified telecommunications carriers to receive support for the following year, 47 C.F.R. § 54.314(d).

On August 28, 2002, the North Dakota Public Service Commission (NDPSC) issued an order in Case No. PU-439-02-441 indicating that any telecommunications carrier providing local exchange service in North Dakota that desires to have NDPSC certification to the FCC under 47 C.F.R. §54.314 shall file an affidavit with the NDPSC by September 14 of each year, as described in the order, certifying that federal support they receive is used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended as required by Section 254(e). The NDPSC further ordered that affidavits filed with the NDPSC will be the basis for the NDPSC’s certification to the FCC.

Affidavits regarding use of federal universal service support were filed with the NDPSC by the companies listed in the ordering clause below.

Under North Dakota law, the NDPSC has limited jurisdiction over rural telecommunications carriers. The FCC in its order recognized that some states have only limited regulatory oversight to ensure that federal universal support is reflected in intrastate rates and concluded that such states may nonetheless certify to the FCC that carriers in the state had accounted to the state commission for receipt of federal support, and that the support will be used as required under Section 254(e). (See Fourteenth R&O at ¶ 188). The FCC also recognized that some carriers may not be

subject to the jurisdiction of a state regulatory authority, and in those instances carriers can certify directly to the FCC by means of a sworn affidavit executed by a corporate officer attesting to the use of the support only for purposes permitted under the Act. (See Fourteenth R&O at ¶ 189).

Based on the foregoing, the NDPSC issues the following:

Order

The NDPSC orders:

1. The NDPSC certifies that the following Eligible Telecommunications Carriers providing local exchange service in North Dakota have accounted to the NDPSC by affidavit that all federal support that was used in the preceding calendar year and all federal support that will be used in the coming calendar year will be used for the provision, maintenance, and upgrading of facilities and services for which the support is intended, under and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.101, throughout the company's study area.

Absaraka Co-operative Telephone
Company, Inc.
BEK Communications Cooperative pc
Consolidated Telcom
Dakota Central Telecom I, Inc.
Dakota Central Telecommunications
Cooperative
Dickey Rural Telephone Cooperative
Griggs County Telephone Company
Halstad Telephone Company
Inter-Community Telephone Company,
LLC
Midstate Communications Inc.
Midstate Telephone Company
Missouri Valley Communications, Inc.
Moore & Liberty Telephone Company

Nemont Telephone Cooperative Inc.
North Dakota Network Co.
North Dakota Telephone Company
Northwest Communications Cooperative,
a Cooperative Association
Polar Communications Mutual Aid
Corporation
Polar Telcom, Inc.
Qwest Corporation
Reservation Telephone Cooperative
Sagebrush Cellular, Inc.
SRT Communications, Inc.
Turtle Mountain Communications, Inc.
United Telephone Mutual Aid Corporation
West River Telecommunications
Cooperative
Wolverton Telephone Company

2. The NDPSC certifies that the following Eligible Telecommunications Carriers providing local exchange service in North Dakota have accounted to the NDPSC by affidavit that all federal support that was used in calendar year 2011 and all federal support received in calendar year 2013 will be used for the provision, maintenance, and upgrading of facilities and services for which the support is intended, under and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.101, throughout the company's study area.

Citizens Telecommunications Company
of Minnesota, LLC

West River Cooperative Telephone
Company

3. The NDPSC certifies that the following Eligible Telecommunications Carriers providing local exchange service in North Dakota have accounted to the NDPSC by affidavit that all federal support that was used in calendar year 2012 and all federal support received in calendar year 2013 will be used for the provision, maintenance, and upgrading of facilities and services for which the support is intended, under and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.101, throughout the company's study area.

Mid-Rivers Telephone Cooperative Inc.

4. The NDPSC certifies that the following Eligible Telecommunications Carriers providing local exchange service in North Dakota have accounted to the NDPSC by affidavit that all federal support that will be used in calendar year 2013 will be used for the provision, maintenance, and upgrading of facilities and services for which the support is intended, under and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.101, throughout the company's study area.

Loretel Systems, Inc.
Midcontinent Communications
Red River Rural Telephone Association

Roberts County Telephone Cooperative
Association
RC Communications, Inc.
Venture Communications Cooperative

5. The NDPSC certifies that the following Eligible Telecommunications Carriers providing local exchange service in North Dakota have accounted to the NDPSC by affidavit that federal support received has been and will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, under and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.101, throughout the company's study area.

Badlands Cellular of North Dakota
Limited Partnership
Bismarck MSA Limited Partnership
James Valley Telecommunications
New Cingular Wireless PCS, LLC

North Central RSA 2 of North Dakota
Limited Partnership
North Dakota 5 – Kidder Limited
Partnership
North Dakota RSA 3 of North Dakota
Limited Partnership
Northwest Dakota Cellular of North
Dakota Limited Partnership

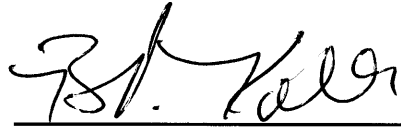
6. The NDPSC certification is based upon the affidavits filed by the foregoing named Eligible Telecommunications Carriers.

7. The North Dakota Public Service Commission will send a copy of each of the filed affidavits to the Federal Communications Commission and the Universal Service Administrative Company.

PUBLIC SERVICE COMMISSION



**Kevin Cramer
Commissioner**



**Brian P. Kalk
Chairman**



**Bonny M. Fetch
Commissioner**