

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY GRANITE) TELECOMMUNICATIONS, LLC FOR APPROVAL) OF REVISIONS TO ITS ACCESS SERVICES) TARIFF NO. 3 (TRANSITIONAL RATE))	ORDER APPROVING TARIFF REVISIONS TC12-119
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On July 26, 2012, the Public Utilities Commission (Commission) received a filing from Granite Telecommunications, LLC (Granite) for approval of revisions to its South Dakota Switched Access Services Tariff No. 3. The purpose of this filing is to implement the Federal Communications Commission's (FCC) intercarrier compensation reforms as set forth in its Connect America Fund Order (Order), released November 18, 2011.¹ As part of its Order, the FCC adopted "bill-and-keep as the default methodology" and "end state" for all intercarrier compensation traffic, including intrastate traffic. The FCC further adopted a defined "transition path" for moving to this end state. The first reduction mandated by the FCC's Order requires a carrier to reduce its intrastate terminating access rate, if above the carrier's interstate access rate, by 50 percent of the differential between the carrier's intrastate rate and the carrier's interstate access rate. The reduced rates are required to be effective by July 3, 2012.² On August 24, 2012, Granite further requested waiver of ARSD 20:10:29:10, 20:10:29:12, and 20:10:29:16 to allow originating and termination switched access rates that are not equal.

Granite requested approval of the following tariff pages:

South Dakota Switched Access Services Tariff No. 3

Second Revised Sheet 2	Canceling First Revised Sheet 2
Second Revised Sheet 65	Canceling First Revised Sheet 65

On August 2, 2012, the Commission electronically transmitted notice of the filing and the intervention deadline of August 17, 2012, to interested individuals and entities. No parties filed to intervene.

At its regularly scheduled meeting of September 11, 2012, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31. Commission staff recommended approval of all requested tariff revisions. The Commission voted unanimously to approve the requested revisions to Granite's South Dakota Switched Access Services Tariff No. 3. It is therefore

ORDERED, that a waiver of the specific provisions of ARSD 20:10:29:10, 20:10:29:12, and 20:10:29:16 that specify "the per minute charge is equal for the originating and terminating traffic" is hereby granted. It is further

¹ *In the Matter of Connect America Fund et al.*, WC Docket Nos. 10-90, et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. November 18, 2011).

² *See In the Matter of Connect America Fund et al.*, WC Docket Nos. 10-90, et al., Order, DA 12-870 (rel. June 5, 2012) (allowing effective dates for intrastate filings to be extended from July 1, 2012 to July 3, 2012).

ORDERED, that the Commission approves the above referenced revisions to Granite's South Dakota Switched Access Services Tariff No. 3 effective as of July 3, 2012.

Dated at Pierre, South Dakota, this 13th day of September, 2012.

<p style="text-align: center;">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.</p> <p>By: <u>[Signature]</u></p> <p>Date: <u>Sept. 13, 2012</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>
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BY ORDER OF THE COMMISSION:

[Signature: Chris Nelson]
CHRIS NELSON, Chairman

[Signature: Kristie Fiegen]
KRISTIE FIEGEN, Commissioner

[Signature: Gary Hanson]
GARY HANSON, Commissioner