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Your business  
is our business.

17323

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**VIA HAND DELIVERY**

November 21, 2017

**ACCEPTED/FILED**

NOV 21 2017

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Federal Communications Commission  
Office of the Secretary

Attention: Wireline Competition Bureau

**Re: Venture Communications Cooperative Petition for Waiver of Sections  
51.909(a), 51.917(b)(1) and 51.917(b)(7) of the Commission's Rules**

Dear Ms. Dortch:

On behalf of Venture Communications Cooperative, please find enclosed the Petition for Waiver of Sections 51.909(a), 51.917(b)(1) and 51.917(b)(7) of the Commission's Rules to modify access rate bands and charges and 2011 Base Period Revenue in connection with merger of affiliated study areas in South Dakota.

Inquiries may be directed to the undersigned consultant for Venture Communications Cooperative.

Sincerely,

John Kuykendall  
Vice President  
[jkuykendall@jsitel.com](mailto:jkuykendall@jsitel.com)

Enclosures

Echelon Building II, Suite 200  
9430 Research Blvd., Austin, TX 78759  
phone: 512-338-0473, fax: 512-346-0822

Eagandale Corporate Center, Suite 310  
1380 Corporate Center Curve, Eagan, MN 55121  
phone: 651-452-2660, fax: 651-452-1909

6849 Peachtree Dunwoody Road  
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547 South Oakview Lane  
Bountiful, UT 84010  
phone: 801-294-4576, fax: 801-294-5124



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Federal Communications Commission  
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**Re: Request for Confidentiality  
Venture Communications Cooperative Petition for Waiver of Sections  
51.909(a), 51.917(b)(1) and 51.917(b)(7) of the Commission's Rules**

Dear Ms. Dortch:

JSI, on behalf of its client, Venture Communications Cooperative ("Company"), hereby requests, pursuant to Section 0.459 of the Commission's rules,<sup>1</sup> withholding from public inspection of the above referenced document. The Company provides the following in support of its request, numbered consistent with the subparagraphs of Section 0.459(b).<sup>2</sup>

1. The information for which the Company is seeking confidential treatment is switched access revenue information contained in the Petition for Waiver and switched access revenue, cost, demand, access line and eligible recovery details contained in Exhibits A and B of the Petition.
2. The Company is submitting the Petition for Waiver in order to implement the planned merger of two commonly-owned study areas. The Petition for Waiver is required to ensure compliance with FCC rules governing modification of access rate bands and charges and 2011 Base Period Revenue.<sup>3</sup>
3. The switched access revenue, cost, demand, access line and eligible recovery details in the Petition for Waiver for which the Company seeks the withholding from public inspection is confidential and proprietary financial data.
4. With respect to identifying the degree to which the Company's financial information concerns a service that is subject to competition, this type of information is highly sensitive and its public disclosure would place the Company at a competitive disadvantage in the telecommunications marketplace.

<sup>1</sup> 47 C.F.R. § 0.459.

<sup>2</sup> 47 C.F.R. § 0.459(b)(1) through (9).

<sup>3</sup> 47 C.F.R. § 51.909(a), § 51.917(b)(1) and (b)(7)

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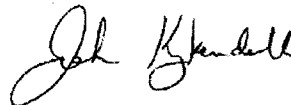
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5. With respect to identifying possible exposure to competitive harm, this information is provided on a study area-specific basis and could have economic value to potential competitors as it may provide competitors insight into the Company's market strategies and gain competitive advantage.
6. With respect to steps the Company has taken to ensure against unauthorized disclosure of its financial information, this information is maintained confidentially by the Company and is not available through any source other than the Company or its authorized agents.
7. The Company's financial information is not available to the public and has not been previously disclosed.
8. The Company requests the financial information be treated as confidential indefinitely. Because of the sensitive nature of the data, it would not be appropriate for public disclosure at any time in the foreseeable future.
9. The Commission has previously found that this type of information warrants protection under Protective Order for annual access tariff filings in which similar financial data is provided.<sup>4</sup>

Based on the preceding, JSI respectfully requests on behalf of the Company that the Commission grant confidential treatment under Section 0.459 to the financial data contained in the Company's Petition for Waiver and Exhibits. The Petition for Waiver is appropriately marked "Confidential-Not for Public Disclosure". Please contact the undersigned with any questions regarding this request.

Sincerely,



John Kuykendall  
Vice President  
301-459-7590  
[jkuykendall@jsitel.com](mailto:jkuykendall@jsitel.com)

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<sup>4</sup> See *Announcing Procedures for Obtaining Confidential Information for 2017 Annual Access Charge Tariff Filings and Corrections to TRP Spreadsheets*, WC Docket No. 17-65, Public Notice DA 17-550 rel. June 6, 2017.

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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of )  
 )  
Venture Communications Cooperative )  
 )  
Petition for Waiver of Sections 51.909(a), )  
51.917(b)(1) and 51.917(b)(7) of the Commission's )  
Rules to modify access rate bands and charges, )  
and 2011 Base Period Revenue in connection with )  
merger of affiliated study areas in South Dakota. )

**PETITION FOR WAIVER  
OF PART 51 ACCESS CHARGE AND CONNECT AMERICA FUND-  
INTERCARRIER COMPENSATION CALCULATIONS**

Pursuant to Section 1.3 of the rules of the Federal Communications Commission ("FCC" or "Commission"),<sup>1</sup> Venture Communications Cooperative, ("Petitioner") hereby requests a waiver of the Commission's Section 51.909(a) rules to recalculate the rate bands and charges for local switching, tandem switching and dedicated transport services for two commonly-owned and merged study areas in the same state—Venture Communications Cooperative Study Area Code 391680 ("Venture") and Venture Communications Cooperative Study Area Code 391688 ("Venture fka Western").<sup>2</sup> Petitioner also seeks waiver of Sections 51.917(b)(1) and 51.917(b)(7) of the rules to recalculate for the same combined study areas the 2011 Interstate Switched Access Revenue Requirement and 2011 Rate-of-Return Carrier Base Period Revenue necessary to determine Connect America Fund-Intercarrier Compensation ("CAF-ICC") support.<sup>3</sup>

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<sup>1</sup> 47 C.F.R. § 1.3.

<sup>2</sup> 47 C.F.R. § 51.909(a).

<sup>3</sup> 47 C.F.R. § 51.917(b)(1) and (b)(7).

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Grant of the requested waiver will allow Petitioner to implement the planned January 1, 2018 merger of the Venture fka Western study area into the Venture study area.

### I. INTRODUCTION AND SUMMARY

Venture fka Western represents the study area previously held by Western Telephone Company ("Western"). The Venture fka Western study area, Study Area Code 391688, is comprised of the rural Faulkton, Orient and Cresbard serving areas and operates approximately 920 access lines in the foregoing three South Dakota exchanges. Venture is a rate-of-return cost incumbent local exchange carrier ("ILEC") serving rural central and northeast South Dakota, and operates approximately 11,300 access lines in 26 South Dakota exchanges in Study Area Code 391680. Venture provides local telephone exchange, broadband, Internet, video, long distance and wireless services through its cooperative entity and subsidiaries.

Western was acquired by Venture as a wholly-owned subsidiary corporation in July 2008, was subsequently merged into the surviving Venture entity in January 2015, and has operated under a single corporate cooperative structure since that time. However, the Venture fka Western SAC 391688 and Venture SAC 391680 have remained as separate study areas. Both study areas are administered as cost companies receiving legacy support. To allow Venture the efficiency of managing switched access and CAF-ICC compliance for a single study area, SAC 391680, Venture will merge the Venture fka Western and Venture study areas effective January 1, 2018.<sup>4</sup> However, as

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<sup>4</sup> Letter to Ryan Palmer, Chief, Telecommunications Access Policy Division, FCC Wireline Competition Bureau, from Randy W. Houdek, Venture Communications Cooperative (Nov. 13, 2017), citing precedent that merger of commonly owned study areas within the same state may be implemented without a study area boundary waiver from the Commission.

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shown below, Venture fka Western and Venture are in differing rate bands for switched access services in the National Exchange Carrier Association ("NECA") Tariff F.C.C.

No. 5.

	<b>Local Switching</b>	<b>Local Transport</b>	<b>Tandem Switched Transport</b>
<b>Venture fka Western SAC 391688</b>	Rate Band 8	Rate Band 10	Rate Band 2
<b>Venture SAC 391680</b>	Rate Band 1	Rate Band 8	Rate Band 2

Therefore, Petitioner seeks waiver of Section 51.909(a) of FCC rules in order to establish consolidated rate bands and access rates for the merged study area. In addition, Petitioner seeks waiver of Section 51.917(b)(1) to combine the 2011 Interstate Access Switched Access Revenue Requirements for the combined study areas into a consolidated 2011 Interstate Access Switched Access Revenue Requirement, and waiver of Section 51.917(b)(7) to combine the 2011 Rate-of-Return Base Period Revenues for the combined study areas into a single 2011 Rate-of-Return Base Period Revenue amount for the merged study area.

## II. WAIVER STANDARD

In general, the FCC's rules may be waived for good cause shown.<sup>5</sup> Waiver is appropriate where the "particular facts would make strict compliance inconsistent with

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<sup>5</sup> 47 C.F.R. § 1.3.

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the public interest.”<sup>6</sup> The FCC may grant a waiver of its rules where the requested relief would not undermine the policy objective of the rule in question, special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest.<sup>7</sup>

### III. WAIVER IS JUSTIFIED

#### A. Merger of Venture fka Western and Venture Study Areas is in the Public Interest

The planned merger of Venture fka Western and Venture study areas is consistent with Commission policy encouraging consolidation of commonly owned study areas in the same state.<sup>8</sup> The public interest is served by the increased administrative and operational efficiencies gained by consolidating these study areas. Grant of the requested waiver prior to the planned January 1, 2018 study area merger will allow Venture to fully realize the benefits of its existing single-entity operations by adding the efficiencies of administering a single cost study and other regulatory compliance for a single study area.

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<sup>6</sup> See *AT&T Wireless Services, Inc. et al. v. Federal Communications Commission*, No. 00-1304 (D.C. Cir. 2001), citing *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (“*Northeast Cellular*”).

<sup>7</sup> See generally, *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969), *cert. denied*, 409 U.S. 1027 (1972); see also *Northeast Cellular* (D.C. Cir. 1990).

<sup>8</sup> See *In the Matter of American Samoa Government and the American Samoa Telecommunications Authority Petition for Waivers and Declaratory Rulings to Enable American Samoa to Participate in the Universal Service High Cost Support Program and the National Exchange Carrier Association Pools and Tariffs*, CC Docket No. 96-45, AAD/USB File No. 98-41, Order DA 99-1131, rel. June 9, 1999, para. 10.

**B. Impact of Switched Access Rate Band Consolidation is Minimal**

As indicated at Exhibit A, the consolidation would not result in significant rate band changes as proposed for switched access rate elements. While revenues will increase in some instances and decrease in others, the overall impact on switched access revenue is minimal. Based on the internal estimates, the company expects a net decrease of approximately [REDACTED] annually, which represents about 1.5% of total projected billed revenues of [REDACTED] shown on Exhibit B.

**C. Recalculation of 2011 Interstate Switched Access Revenue Requirement and Base Period Revenue Will Not Adversely Impact CAF-ICC**

Exhibit B provides a summary of the expected CAF-ICC support as calculated by NECA, and reflects combined data for the Venture fka Western and Venture study areas. Access Recovery Charges will remain unchanged and therefore will have no impact on CAF-ICC or on end users. As described above, the company expects a reduction of switched access revenue of approximately [REDACTED] per year, which will be replaced with CAF-ICC support. NECA projections indicate that the combined entity would receive [REDACTED] of CAF-ICC support, absent any changes to switched access rates, and as such, this change would represent a very small 1.6% increase in CAF-ICC for the test period.

**IV. Conclusion**

As demonstrated herein, "good cause" exists for grant of this waiver. Petitioners respectfully request the Commission act expeditiously to grant waiver of Section



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51.909(a), 51.917(b)(1) and 51.917((b)(7) of the rules in order that the Venture fka Western and Venture study area merger may be implemented January 1, 2018.

Respectfully Submitted,



By: Randy W. Houdek, General Manager and CEO  
VENTURE COMMUNICATIONS COOPERATIVE  
218 Commercial Avenue, SE  
P.O. Box 157  
Highmore, SD 57345-0157

11/20/, 2017

### Rate Band Placement

#### Local Switching

sar_id	sar_abbr	LSRRQ	LS Cost per Minute	LS Band	Forecasted Minutes	TP 201718 Proposed Terminating End Office Rate	TP 201718 Proposed Originating End Office Rate
391680	VENTURE COMM. COOP			1		\$0.003567	\$0.014645
391688	VENTURE COMM. COOP			8		\$0.003567	\$0.048822
Combined Company				1		\$0.003567	\$0.014645

Test Period 201112 (interstate frozen baseline) is from July 1, 2011 through June 30, 2012.

All Local Switching RRQ, Forecasted Minutes and Rate Band placements are from NECA's 2011 Annual Filing.

#### Tandem Switching

sar_id	sar_abbr	RRQ	Revenue	Retention Ratio	Band Placement	TP 201718 Proposed Tandem Switching Rate	TP 201718 Proposed Tandem Switched Termination Rate	TP 201718 Proposed Tandem Switched Transport Facility Rate
316880	VENTURE COMM. COOP			1.9034	2	\$0.005731	\$0.002272	\$0.000438
391688	VENTURE COMM. COOP			1.8232	2	\$0.005731	\$0.002272	\$0.000438
Combined Company				1.8976	2	\$0.005731	\$0.002272	\$0.000438

#### Dedicated Transport

sar_id	sar_abbr	RRQ	Revenue	Retention Ratio	Band Placement	TP 201718 Proposed Entrance Facility DS1 per Termination Rate
391680	VENTURE COMM. COOP			0.841075	8	\$232.97
391688	VENTURE COMM. COOP			1.625099	10	\$404.09
Combined Company				0.876045	8	\$232.97

Dedicated transport rate band is the same as the Special Access rate band for the test period July 1, 2011 through June 30, 2012

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## EXHIBIT B

Test Period 2017/2018 (Data are based on input provided by company in the CAF ICC Data Collection)

Interstate									
SRID	RRQ	CurrentEO Rate	ProposedEO Rate	Current Composite Rate	ProjectedMin	ProCurrentRev	TermLSMin	TermRevCurrent	TermRevProj
391680		\$0.005000	\$0.003567	\$0.08067					
391688		\$0.005000	\$0.003567	\$0.105469					
Combined		\$0.005000	\$0.003567	\$0.087559					

Intrastate				
SRID	YR1ActualRev	RRQ	TPForecastedMin	TPIntrastateER
391680				
391688				
Combined				

CMRS				
SRID	YR1_NetRecipCompR	TP_NetExpRecipCo	RRQ	CMRS_ER
391680				
391688				
Combined				

Non_CMRS				
SRID	YR1_NetRecipCompR	TP_NetExpRecipCo	RRQ	CMRS_ER
391680				
391688				
Combined				

Exogenous Costs				
SRID	TRS_Increment	Reg_Fees_Increment	NANPA_Increment	Total
391680				
391688				
Combined				

ARC Rate and Revenue						
SRID	Res Lines	SLB Lines	MLB Lines	Res_ARC Rev	SLB_ARC Rev	MLB_ARC Rev
391680						
391688						
Combined						

Net Impact of True-Up, Pre and Post ER and CAFICC									
SRID	ER_pretrueup	RESARC_pretrueup	SLBARC_pretrueup	MLBARC_pretrueup	TotalARC_pretrueup	CAFICC_pretrueup	Netimpact_T rue Up	ER	TotalARC Rev
391680									
391688									
Combined									

Revised CAF ICC Support Reduced by Imputed ARC Revenues on Broadband-only Lines			
SRID	CAFICC	Broadband-only Lines	Revised CAF ICC Support
391680			
391688			
Combined			