

WC 06-185

OCT 02 2006

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVISORY

Approved by OMB
3060-0589
Page 1 of 1

STAMP AND RETURN

(1) LOCK BOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) SRT Communications, Inc.		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$895.00	
(4) STREET ADDRESS LINE NO 1 P.O. Box 2027			
(5) STREET ADDRESS LINE NO 2			
(6) CITY Minot		(7) STATE ND	(8) ZIP CODE 58702-2027
(9) DAYTIME TELEPHONE NUMBER (include area code) (701) 858-1200		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0004313342		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME SRT Communications, Inc.			
(14) STREET ADDRESS LINE NO 1 P.O. Box 2027			
(15) STREET ADDRESS LINE NO 2			
(16) CITY Minot		(17) STATE ND	(18) ZIP CODE 58702-2027
(19) DAYTIME TELEPHONE NUMBER (include area code) (701) 858-1200		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0004313342		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE \$895.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT			
I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE _____		DATE _____	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described			
SIGNATURE _____		DATE _____	

LUKAS, NACE, GUTIERREZ & SACHS

CHARTERED

1650 TYSONS BOULEVARD, SUITE 1500
MCLEAN, VIRGINIA 22102
703 584 8678 • 703 584 8696 FAX

WWW.FCCLAW.COM

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*NOT ADMITTED IN VA

Writer's Direct Dial
(703) 584-8661
dnace@fcclaw.com

October 2, 2006

Federal Communications Commission
Wireline Competition Bureau – CPD-21 Appls.
PO Box 358145
Pittsburgh, PA 15251-5145

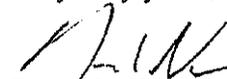
Re: Application for Domestic Section 214 Authority for SRT Communications, Inc
(FRN: 0004313342) to Acquire the Assets of North Dakota Telephone Company
(FRN: 0002638641) for the Velva Exchange in North Dakota

Dear Sir or Madam:

Transmitted herewith is an application requesting Section 214 authorization relating to SRT Communications, Inc.'s planned acquisition of assets of North Dakota Telephone Company for the Velva Exchange in North Dakota. This application does not qualify for streamlined processing in view of a separately filed request for waiver to change study area boundaries.

Attached is FCC Form 159 and a check in payment of the filing fee of \$895.00. Should any questions arise, please communicate with this office.

Very truly yours,


David L. Nace

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

In the Matter of)
)
SRT COMMUNICATIONS, INC.)
(FRN 0004313342)) File No. _____
)
An Incumbent Local Exchange Carrier in)
the State of North Dakota)
)
NORTH DAKOTA TELEPHONE COMPANY)
(FRN 0002638641))
)
An Incumbent Local Exchange Carrier)
in the State of North Dakota whose assets)
only for the Velva Exchange are to)
be Acquired)
)
Application for Domestic Section 214 Transfer)
of Control Authority for SRT Communications, Inc.)
to Acquire All Assets of North Dakota)
Telephone Company for the Velva Exchange)
in North Dakota)

**APPLICATION FOR DOMESTIC SECTION 214
TRANSFER OF CONTROL AUTHORIZATION FOR ACQUISITION OF
CERTAIN ASSETS OF A LOCAL EXCHANGE CARRIER**

Pursuant to the rules of the Federal Communications Commission (“Commission”), 47 C.F.R. Part 63, SRT Communications, Inc. (“SRT”) and North Dakota Telephone Company (“NDTC”) (jointly, the “Applicants”), hereby submit an application for approval for SRT’s planned acquisition of certain assets of NDTC. SRT and NDTC both provide landline telecommunications services in rural counties of North Dakota. This proposed asset sale relates solely to the Velva Exchange, which SRT proposes to acquire from NDTC. At such time as the transaction is completed, SRT will offer local exchange services to NDTC’s Velva Exchange customers. NDTC will

continue to be an operating local exchange carrier serving other exchanges in the State of North Dakota.

Summary of the Proposed Transaction:

SRT has been a provider of telecommunications services within the State of North Dakota since 1951, and is subject to regulation and general supervision by the Public Service Commission of North Dakota ("PSC"). SRT serves 26 rural exchanges in north central North Dakota. As of June 30, 2006, SRT provided service to 37,696 access lines. SRT desires to provide essential telecommunications service in the Velva exchange located in McHenry County, North Dakota. As of June 30, 2006, NDTC provided service to 720 access lines in the Velva exchange.

NDTC is based in Devil's Lake, North Dakota and owned by three North Dakota-based telephone cooperatives. They are: United Telephone Mutual Aid Corporation (40.5% equity owner), based in Langdon, North Dakota; Dakota Central Rural Telephone Cooperative (19% equity owner), based in Carrington, North Dakota; and Polar Communications Cooperative (40.5% equity owner), based in Park River, North Dakota. NDTC has nearly 20,000 access lines. NDTC acquired the Velva exchange on June 1, 1996.

SRT and NDTC have entered into a Purchase and Sale Agreement for SRT's purchase of NDTC's assets of the Velva exchange relating to provision of local exchange telecommunications service, exchange access and other local telecommunications service in the Velva exchange.¹ As of the closing date of the transaction (anticipated in late

¹ NDTC does not provide interstate or international telecommunications services. Subscribers to NDTC's local exchange service in Velva and elsewhere have the ability to select any of numerous interexchange carriers for such services. One of many options offered to NDTC customers are the services of North Dakota Long Distance in which NDTC and its owners collectively hold a non-controlling ownership

2006), NDTC intends to cease doing business as a provider of local exchange telecommunications service, exchange access and other local telecommunications services in the Velva exchange, at which time SRT will provide such services in the Velva exchange. There will be no interruption of telecommunications services to the public as the result of the proposed asset sale. SRT and NDTC have applied to the PSC for all necessary PSC authorization, including a Certificate of Public Convenience and Necessity, for SRT to acquire the NDTC Velva exchange assets and to provide such services in the Velva exchange.²

In accordance with Section 63.04(a) of the Commission's rules, the applicants are providing information responsive to the pertinent rules in Part 63 that concern "transfer of control" applications. A filing fee of \$895.00 is being submitted with FCC Form 159 for this application.

Application for "Transfer of Control" by means of a Proposed Acquisition of NDTC's Velva Exchange Assets by SRT:

The following information is submitted as required by Section 63.04(a) of the rules:

(1) The name, address and telephone number of each applicant:

SRT Communications, Inc.
P.O. Box 2027
Minot, ND 58702-2027
701-858-1200

interest. SRT will make available to customers of the Velva exchange, as one of their options for interexchange services, the services of SRT Long Distance which is an affiliate of SRT. No customers of the Velva exchange will be obligated to make any change in their selection of interstate or international service provider following the sale of the Velva assets of NDTC to SRT.

² SRT and NDTC intend to file a supplement to this application to provide a copy of the PSC's anticipated order that grants authorization for the transaction and SRT's provision of local exchange telecommunications service, exchange access and other telecommunications services in the Velva exchange.

North Dakota Telephone Company
P.O. Box 180
Devils Lake, ND 58301-0180
701-662-1700

(2) *The government, state, or territory under the laws of which each corporate or partnership applicant is organized:*

SRT is a North Dakota cooperative corporation. NDTC is a North Dakota corporation.

(3) *The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed:*

Please direct any correspondence or inquiries to federal telecommunications counsel for the Applicants:

David L. Nace, Esq.
Lukas, Nace, Gutierrez, & Sachs, Chtd.
1650 Tysons Blvd., Ste. 1500
McLean, VA 22102
(703) 584-8661

with a copy to:

David J. Hogue, Esq.
Pringle & Herigstad, P.C.
P.O. Box 1000
Minot, ND 58702-1000

(4) *The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one (1) percent):*

SRT is organized as a cooperative and is owned by its members, none of whom owns as much as a one percent (1%) interest in the company. NDTC is a corporation owned by three North Dakota based telephone cooperatives. Those three North Dakota cooperatives are: United Telephone Mutual Aid Corporation(40.5% equity owner); Dakota Central Rural Telephone Cooperative (19% equity owner); and Polar Communications Cooperative (40.5% equity owner). Each of the three owners of NDTC is a cooperative that is owned by its respective members. No natural person of SRT or of the three cooperatives that own NDTC has as much as a one percent (1%) interest in any of the companies.

(5) *Certification pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 USC §853.*

No party to this application is subject to a denial of Federal benefits under Section 5301 of the Anti-Drug Abuse Act of 1988.

(6) *A description of the transaction:*

SRT proposes to acquire all of the assets of NDTC related to the Velva exchange. The exchange consists of buried facilities, above ground facilities, and the right to serve customers, of which there are now approximately 720, in and near the city of Velva, North Dakota.

(7) *A description of the geographic areas in which the transfer and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:*

Attached to this application as Exhibit A is a map depicting the exchanges currently served by SRT. The Velva exchange of NDTC lies within the outer boundary of the exchanges served by SRT.

(8) *A statement as to how the application fits into one or more of the presumptive streamlined categories in this section or why it is otherwise appropriate for streamlined treatment.*

The Applicants do not request streamlined processing of this application in view of the fact that a "Petition for Waiver to Change Study Area Boundaries" is also being filed in connection with the proposed transaction.

(9) *Identification of all other Commission applications related to the same transaction:*

A "Petition of Waiver to Change Study Area Boundaries" is being filed to permit SRT to include the Velva exchange within the SRT study area upon completion of its acquisition of the Velva exchange.

(10) *A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:*

Not applicable.

(11) *Identification of any separately filed waiver requests being sought in conjunction with the transaction:*

Please see Applicants' response to item (9).

(12) *A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.*

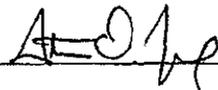
Public interest benefits will be recognized from the proposed acquisition of the Velva exchange by SRT. The Velva exchange is surrounded by SRT's existing landline exchanges. Customers in the Velva Exchange will be able to call the Minot community toll free under SRT's Extended Area Service Plan. Velva residents currently incur toll charges for calls to Minot. Minot is the economic hub city for the community of Velva. In addition, SRT already serves Velva exchange customers with wireless telephone services and cable television services. Velva exchange customers will now be able to obtain both landline and wireless services from one provider.

Conclusion:

As reflected herein, SRT is qualified to acquire the Velva exchange assets from NDTC and the transaction will benefit the customers and both entities. Accordingly, granting of the instant application is consistent with public interest considerations.

Respectfully submitted,

SRT COMMUNICATIONS, INC.

By:  _____

Name: Steve D. Lysne
Title: General Manager/CEO

NORTH DAKOTA TELEPHONE COMPANY

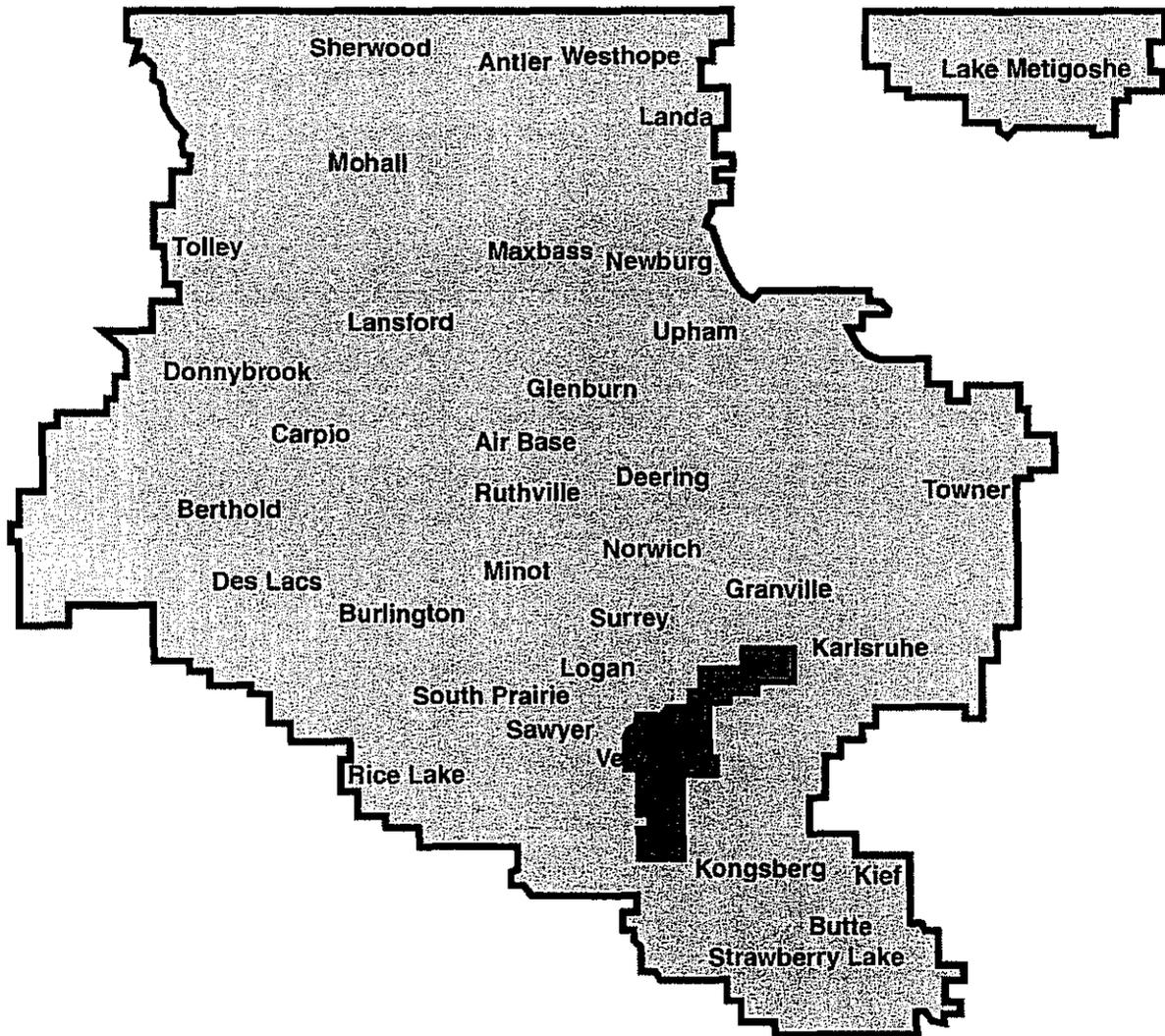
By:  _____

Name: David Direks
Title: General Manager

Date: October 2, 2006

Exhibit A

SRT Communications, Inc. Acquisition of Velva Exchange



- SRT's Current Exchanges
- SRT's Requested Velva Exchange