



MONTANA PUBLIC SERVICE COMMISSION

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Helena, Montana 59620-2601
Telephone: (406) 444-6199
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http://www.psc.mt.gov

Greg Jergeson, Chairman
Doug Mood, Vice-Chairman
Brad Molnar
Bob Raney
Ken Toole

Received & Inspected

OCT 2 - 2008

FCC Mail Room

September 29, 2008

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TW - A306
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Karen Majcher
Vice President, High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street, NW, Suite 200
Washington, DC 20036

RE: Certification of Support for Rural and Non-Rural High-Cost Carriers Pursuant to 47 C.F.R Sections 54.313-314, CC Docket Nos. 96-45 and 00-256

Dear Ms. Dortch and Ms. Majcher:

The Montana Public Service Commission (PSC) hereby certifies that all federal high cost support provided to rural and non-rural carriers in Montana will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254 (e) of the Communications Act of 1934, as amended. This includes High Cost Loop support, Local Switching Support, High Cost Model Support, and high cost support received pursuant to the purchase of exchanges.

Attached are lists of rural and non-rural carriers certified by the Montana PSC pursuant to 47 C.F.R. §§ 54.313 and 54.314 of the FCC's rules, which require states to establish an annual certification process for rural and non-rural carriers receiving federal high-cost support. As requested by the Universal Service Administrative Company, listed beside each carrier is its assigned study area code (SAC).

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"An Equal Employment Opportunity Employer"



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Sincerely,

A handwritten signature in cursive script that reads "Greg Jergeson". The signature is written in black ink and has a long, horizontal flourish extending to the right.

Greg Jergeson
Chairman, Montana PSC

Attachments (2)

Attachment 1

Montana PSC 2008 Certification of ETC's for 2009 Federal USF Support

List of Certified Rural ETCs

1. Blackfoot Telephone Cooperative, Inc. -- 482235 and 483308
2. Cable and Communications Corporation -- 489005
3. Central Montana Communications, Inc. -- 483310
4. CenturyTel of Montana, Inc. -- 482249
5. Citizens Telecommunications Company of Montana,
 dba Frontier Communications of Montana -- 484322
6. Hot Springs Telephone Company -- 482241
7. InterBel Telephone Cooperative, Inc. -- 482242
8. Lincoln Telephone Company, Inc. -- 482244
9. Mid-Rivers Telephone Cooperative, Inc. -- 482246
10. MTPCS, LLC dba Cellular One -- 489009
11. Nemont Telephone Cooperative, Inc. -- 482247
12. Northern Telephone Cooperative, Inc. -- 482248
13. Project Telephone Company -- 482250
14. Range Telephone Cooperative, Inc. -- 482251
15. Reservation Telephone Cooperative -- 381632
16. Ronan Telephone Company -- 482252
17. RT Communications, Inc. -- 512251
18. Sagebrush Cellular, Inc. -- 489006
19. Southern Montana Telephone Company -- 482254
20. 3 Rivers Telephone Cooperative, Inc. -- 482255
21. Triangle Communication System, Inc. -- 489008
22. Triangle Telephone Cooperative Association, Inc. -- 482257
23. Tri County Telephone Association, Inc.,
 its subsidiary TCT West, Inc. -- 512296
24. West River Cooperative Telephone Company -- 391689

Attachment 2

Montana PSC 2008 Certification of ETC's for 2009 Federal USF Support

List of Certified Non-Rural ETCs

1. Mid-Rivers Telephone Cooperative, Inc. -- 489001
2. MTPCS, LLC dba Cellular One -- 489009
3. Qwest Corporation -- 485104
4. Range Telephone Cooperative, Inc. -- 489007
5. 3 Rivers Telephone Cooperative, Inc. -- 489003
6. WWC Holding Co., Inc., a subsidiary of Alltel Communications, Inc. -- 489004



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Karen M. Majcher
Universal Service Administrative Company
2000 L Street, N.W., Suite 200
Washington, D.C. 20036

**RE: Certification of Rate Comparability Pursuant to
47 C.F.R. § 54.316, CC Docket No. 96-45**

Dear Ms. Dortch and Ms. Majcher:

The Montana Public Service Commission (PSC) hereby certifies that the residential rates of Montana's one non-rural ILEC ETC, Qwest Corporation (SAC 485104), and Montana's three wireline CLEC ETCs serving in one or more wire centers within the ILEC ETC (Qwest) study area, Mid-Rivers Telephone Cooperative, Inc. (SAC 489001), Range Telephone Cooperative, Inc. (SAC 489007), and 3 Rivers Telephone Cooperative, Inc. (SAC 489003), are within (are below) the safe harbor benchmark.

The two remaining CLEC ETCs serving in one or more wire centers within the ILEC ETC (Qwest) study area, WWC Holding Co., Inc., a subsidiary of Alltel Communications, Inc. (SAC 489004) and MTPCS, LLC dba Cellular One (SAC 489009) are wireless CLEC ETCs. The rates of Alltel and Cellular One do not appear to be readily adaptable to the basic service rate template and need not be formally compared to the nationwide urban rate benchmark. ¶ 88, FCC's *Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order*, CC Docket No. 96-45, FCC 03-249, Release Date, October 27, 2004.

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This certification is pursuant to the FCC expanded rate certification requirements, as provided in the FCC's *Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order*, CC Docket No. 96-45, FCC 03-249, Release Date, October 27, 2004, and 47 C.F.R. § 54.316.

The Montana PSC interprets the requirement for rate comparability certification to extend to all non-rural ETCs and CETCs designated to serve a non-rural carrier's study areas. Again, each of the above-identified wireline carrier's rates are exceeded by the benchmark threshold for this year. That the benchmark exceeds each carrier's rates does not mean that the Montana PSC agrees with either the benchmark or the template used for this purpose. Also, as for the choice of rural areas, because Qwest's and the three wireline CETCs' residential rates are invariant with respect to wire centers or other political boundaries, it appears unnecessary to make any further geographic refinement. The FCC allows states to expand upon the template to take into account quality-of-service and scope-of-calling parameters. Just as the FCC chose not to tackle these adjustments because of the alleged "difficulty to quantify," the Montana PSC is also unable, based upon time and resource constraints, to quantify these parameters. The Montana PSC remains convinced that a proper comparison would include these and other parameters in any rate/benchmark comparison. If and when the Montana PSC chooses to take steps to modify the filings made pursuant to the FCC's template, it will include changes that reflect, in part, scope-of-calling and quality-of-service variations between rural and urban areas and may also attempt to analyze the rates of ETC-designated wireless carriers to enable a reasonable rate comparison.

The Montana PSC also notes that it is involved in an investigation of the use of federal universal service funds (FUSFs) by Montana's one non-rural ILEC ETC, Qwest Corporation. *Montana PSC Docket Nos. D2005.6.105 and D2008.1.6*. A decision is anticipated in January of 2009. In addition, the Montana PSC recently initiated an investigation of the use of FUSFs by one of Montana's CLEC ETCs, WWC Holding Co., Inc., a subsidiary of Alltel Communications, Inc. At this point in the investigations, the Montana PSC has not reached a determination involving either company's use of FUSFs. Montana PSC investigations of the use of FUSFs by other Montana ETC's may follow.

Sincerely,



Greg Jergeson
Chairman, Montana PSC