



MONTANA PUBLIC SERVICE COMMISSION

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Received & Inspected

SEP 28 2010

FCC Mail Room

September 21, 2010

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 - 12th Street, S.W., Room TW - A306
Washington, D.C. 20554

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 one remaining CLEC ETC serving in one or more wire centers within the ILEC ETC (Qwest) study area, MTPCS, LLC dba Cellular One (SAC 489009) is a wireless CLEC ETC. The rates of 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 completed an investigation of the use of federal universal service funds (FUSFs) by one of Montana's CLEC ETCs, WWC Holding Co., Inc., a subsidiary of Alltel Communications, Inc. Alltel filed a Notice of Relinquishment of its designation as an eligible telecommunications carrier on July 30, 2010, as it no longer has customers or facilities in Montana. The Montana PSC has not yet granted that relinquishment, but Alltel is no longer being designated as an ETC. Alltel in Montana was acquired by AT&T which did not file for Montana ETC designation.

Sincerely,



Greg Jergeson
Chairman, Montana PSC