

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott

Chair

Edward A. Garvey

Commissioner

Marshall Johnson

Commissioner

LeRoy Koppendrayer

Commissioner

Phyllis Reha

Commissioner

To: Service List

SERVICE DATE: AUGUST 20, 2002

DOCKET NO. P-402/DP-02-767;

P-504/DP-02-763;

P-403/DP-02-758;

P-404/DP-02-768;

P-545/DP-02-692;

P-518/DP-02-765;

P-520/DP-02-759;

P-415/DP-02-760;

P-481/DP-02-769;

P-552/DP-02-757;

P-427/DP-02-756;

P-562/DP-02-778;

P-428/DP-02-754;

P-528/DP-02-689;

P-571/DP-02-690

In the Matter of the Petition of Arvig Telephone Company, Benton Cooperative Telephone Company, Blue Earth Valley Telephone Company, Bridge Water Telephone Company, Christensen Communications Company, Eagle Valley Telephone Company, Eckles Telephone Company, Melrose Telephone Company, Mid-State Telephone Company, Osakis Telephone Company, Sherburne County

Rural Telephone Company, Sioux Valley Telephone Company, Sleepy Eye Telephone Company, Splitrock Telephone Cooperative, and Winnebago Cooperative Telephone Association for Approval of the Path 3 Elections of Federal High-Cost Universal Service Support Disaggregation Plans

The above entitled matter has been considered by the Commission and the following disposition made:

The Commission will not challenge the carriers' proposed plans for the disaggregation and targeting of universal service support at this time;

The Commission will retain continued oversight of the plans. In particular, in the future, the Commission may review one or more of the following issues in these plans;

The cost model used

The inputs (especially line counts) used in the cost model

The definition of the sub-exchange level zones

The method by which cost estimates for the sub-exchange zones are developed (e.g., how clusters are assigned to the city boundary)

The Commission asserts its ongoing authority to require, on its own motion, or upon petition by an interested party, the disaggregation and targeting of support in a different manner at any time;

Since the Commission has the authority to certify future Eligible Telecommunications Carriers (ETC's) in Minnesota, the Commission will consider the level of disaggregation of support in any such certification proceedings within the petitioning carriers' service area;

Since a disaggregation method for any state universal service fund (Docket No. P999/CI-00-829) has not yet been determined, the Commission will assert its authority to determine and rule upon a disaggregation and targeting method for state universal service funding independently of any method approved in the current dockets.

The Commission agrees with and adopts the recommendations of the Department of Commerce of July 2 and August 9, 2002, which are attached and hereby incorporated in the Order.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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