

COS-1(P)

Filing Date:

Filing Entity:

Transmittal Number :

COSA:

9/18/2018

South Dakota Network, LLC

13

SDSDAN01

COS-1(P)

Rate-of Return TRP

Cost Analysis Summary

Test Year, 7/18 to 6/19

COSA:

Page 1 of 7

	Total Company (A)	Part 64 Adjustments (B)	Other Adjustments (C)	Subject to Separations (D)	Total Interstate (E)	Billing & Collection (F)
Revenues						
100 Network Access	n/a	n/a	n/a	n/a	n/a	n/a
110 Uncollectibles	n/a	n/a	n/a	n/a	n/a	n/a
120 Common Line Support	n/a	n/a	n/a	n/a	n/a	n/a
130 Long Term	n/a	n/a	n/a	n/a	n/a	n/a
140 Transitional	n/a	n/a	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	n/a	n/a	n/a	n/a	n/a
160 Net Revenues	n/a	n/a	n/a	n/a	n/a	n/a
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Expenses						
170 Plant Specific	n/a	n/a	n/a	n/a	239,622	0
171 Network Support	0	0	0	0	0	0
172 General Support	27,858	0	0	27,858	17,918	0
173 Central Office	344,690	0	0	344,690	221,704	0
174 Operator Systems	0	0	0	0	0	0
175 COE Switching	344,690	0	0	344,690	221,704	0
176 COE Transmission	0	0	0	0	0	0
177 IOT	0	0	0	0	0	0
178 Cable & Wire Facilities	0	0	0	0	0	0
180 Plant Non-Sp. Less Dep/Amor	n/a	n/a	n/a	n/a	15,658	0
190 Depreciation / Amortization	196,891	0	0	196,891	126,640	0
200 Customer Operations	n/a	n/a	n/a	n/a	2,880	0
201 Marketing	0	0	0	0	0	0
202 Local Business Office	0	0	0	0	0	0
203 Revenue Accounting	0	0	0	0	0	0
204 Other Billing & Collection	0	0	0	0	0	0
210 Access	n/a	n/a	n/a	n/a	0	n/a
220 Corporate Operations	n/a	n/a	n/a	n/a	173,634	0
230 AFUDC	n/a	n/a	n/a	n/a	n/a	n/a
240 Other Exp. & Adjustments	n/a	n/a	n/a	n/a	0	0
250 Taxes Other than FIT	n/a	n/a	n/a	n/a	3,520	0
260 Total Exp and Other Taxes	n/a	n/a	n/a	n/a	561,953	0
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FIT Adjustments						
270 Adjustment for FIT	0	0	0	0	0	0
280 Amortized ITC	0	0	0	0	0	0
290 Federal Income Taxes	n/a	n/a	n/a	n/a	23,005	n/a
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300 Total Expenses & Taxes	n/a	n/a	n/a	n/a	584,958	n/a
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Telephone Plant in Service						
310 General Support	1,642,036	0	0	1,642,036	1,056,154	0
320 Central Office Equip-Switch	1,231,274	0	0	1,231,274	791,953	0
321 Operator Systems	0	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0	0
323 Local Switching Cat. 3	0	0	0	0	0	0
324 Equal Access	1,231,274	0	0	1,231,274	791,953	0
330 Central Office Equip-Trans	0	0	0	0	0	0
331 Subscriber Lines	0	0	0	0	0	0
332 Exchange Circuit	0	0	0	0	0	0
333 Interexchange Circuit	0	0	0	0	0	0
334 Host Remote	0	0	0	0	0	0
340 Cable & Wire	0	0	0	0	0	0
341 Subscriber Lines	0	0	0	0	0	0
342 Exchange	0	0	0	0	0	0
343 Interexchange	0	0	0	0	0	0
344 Host Remote	0	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	0	0	0	0
360 Amortizable Assets	70,122	0	0	70,122	45,102	0
370 Total Plant In Service	2,943,432	0	0	2,943,432	1,893,210	0
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Adjustments to TPIS						
380 Depr / Amor Reserve	1,551,181	0	0	1,551,181	997,717	0
390 Accum Deferred Income Tax	0	0	0	0	0	0
400 Other Rate Base Adjust.	n/a	n/a	n/a	n/a	17,815	0
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Return Data						
410 Average Rate Base	n/a	n/a	n/a	n/a	913,308	n/a
420 Return	n/a	n/a	n/a	n/a	n/a	n/a
430 Rate of Return	n/a	n/a	n/a	n/a	n/a	n/a

	Interstate Inter- exchange (G)	ROR Regulated I/S Access (H)	Pay Phone (I)	Inside Wire (J)	BFP (K)	Total Common Line (L)	Total Switched Traffic Sensitive (M)	Special Access (N)
Revenues								
100 Network Access	n/a	680,855		0	0	0	680,855	0
110 Uncollectibles	n/a	0	0	0	0	0	0	0
120 Common Line Support	n/a	0	0	0	0	0	n/a	n/a
130 Long Term	n/a	0	0	0	0	0	n/a	n/a
140 Transitional	n/a	0	0	0	0	0	n/a	n/a
150 Miscellaneous	n/a	0	0	0	0	0	0	0
160 Net Revenues	n/a	680,855	0	0	0	0	680,855	0
Expenses								
170 Plant Specific	0	239,622	0	0	0	0	239,622	0
171 Network Support	0	0	0	0	0	0	0	0
172 General Support	0	17,918	0	0	0	0	17,918	0
173 Central Office	0	221,704	0	0	0	0	221,704	0
174 Operator Systems	0	0	0	0	0	0	0	0
175 COE Switching	0	221,704	0	0	0	0	221,704	0
176 COE Transmission	0	0	0	0	0	0	0	0
177 IOT	0	0	0	0	0	0	0	0
178 Cable & Wire Facilities	0	0	0	0	0	0	0	0
180 Plant Non-Sp. Less Dep/Amor	0	15,658	0	0	0	0	15,658	0
190 Depreciation / Amortization	0	126,640	0	0	0	0	126,640	0
200 Customer Operations	0	2,880	0	0	0	0	2,880	0
201 Marketing	0	0	0	0	0	0	0	0
202 Local Business Office	0	0	0	0	0	0	0	0
203 Revenue Accounting	0	0	0	0	0	0	0	0
204 Other Billing & Collection	0	0	0	0	0	0	0	0
210 Access	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
220 Corporate Operations	0	173,634	0	0	0	0	173,634	0
230 AFUDC	n/a	0	0	0	0	0	0	0
240 Other Exp. & Adjustments	0	0	0	0	0	0	0	0
250 Taxes Other than FIT	0	3,520	0	0	0	0	3,520	0
260 Total Exp and Other Taxes	0	561,953	0	0	0	0	561,953	0
FIT Adjustments								
270 Adjustment for FIT	0	0	0	0	0	0	0	0
280 Amortized ITC	0	0	0	0	0	0	0	0
290 Federal Income Taxes	n/a	23,005	0	0	0	0	23,005	0
300 Total Expenses & Taxes	n/a	584,958	0	0	0	0	584,958	0
Telephone Plant in Service								
310 General Support	0	1,056,154	0	0	0	0	1,056,154	0
320 Central Office Equip-Switch	0	791,953	0	0	0	0	791,953	0
321 Operator Systems	0	0	0	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0	0	0	0
323 Local Switching Cat. 3	0	0	0	0	0	0	0	0
324 Equal Access	0	791,953	0	0	0	0	791,953	0
330 Central Office Equip-Trans	0	0	0	0	0	0	0	0
331 Subscriber Lines	0	0	0	0	0	0	0	0
332 Exchange Circuit	0	0	0	0	0	0	0	0
333 Interexchange Circuit	0	0	0	0	0	0	0	0
334 Host Remote	0	0	0	0	0	0	0	0
340 Cable & Wire	0	0	0	0	0	0	0	0
341 Subscriber Lines	0	0	0	0	0	0	0	0
342 Exchange	0	0	0	0	0	0	0	0
343 Interexchange	0	0	0	0	0	0	0	0
344 Host Remote	0	0	0	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	0	0	0	0	0	0
360 Amortizable Assets	0	45,102	0	0	0	0	45,102	0
370 Total Plant In Service	0	1,893,210	0	0	0	0	1,893,210	0
Adjustments to TPIS								
380 Depr / Amor Reserve	0	997,717	0	0	0	0	997,717	0
390 Accum Deferred Income Tax	0	0	0	0	0	0	0	0
400 Other Rate Base Adjust.	0	17,815	0	0	0	0	17,815	0
Return Data								
410 Average Rate Base	n/a	913,308	0	0	0	0	913,308	0
420 Return	n/a	95,897	0	0	0	0	95,897	0
430 Rate of Return	10.50%	10.50%	0.00%	0.00%	0.00%	0.00%	10.50%	0.00%

COS-1(H)
Filing Date: 9/18/2018
Filing Entity: South Dakota Network, LLC
Transmittal Number : 13
COSA: SDSDAN01

Rate-of Return TRP
Cost Analysis Summary
Historical, Calendar Year 2017

	Total Company (A)	Part 64 Adjustments (B)	Other Adjustments (C)	Subject to Separations (D)	Total Interstate (E)	Billing & Collection (F)
Revenues						
100 Network Access	n/a	n/a	n/a	n/a	n/a	n/a
110 Uncollectibles	n/a	n/a	n/a	n/a	n/a	n/a
120 Common Line Support	n/a	n/a	n/a	n/a	n/a	n/a
130 Long Term	n/a	n/a	n/a	n/a	n/a	n/a
140 Transitional	n/a	n/a	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	n/a	n/a	n/a	n/a	n/a
160 Net Revenues	n/a	n/a	n/a	n/a	n/a	n/a
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Expenses						
170 Plant Specific	n/a	n/a	n/a	n/a	242,428	0
171 Network Support	0	0	0	0	0	0
172 General Support	27,858	0	0	27,858	17,918	0
173 Central Office	349,052	0	0	349,052	224,510	0
174 Operator Systems	0	0	0	0	0	0
175 COE Switching	349,052	0	0	349,052	224,510	0
176 COE Transmission	0	0	0	0	0	0
177 IOT	0	0	0	0	0	0
178 Cable & Wire Facilities	0	0	0	0	0	0
180 Plant Non-Sp. Less Dep/Amor	n/a	n/a	n/a	n/a	5,380	0
190 Depreciation / Amortization	188,108	0	0	188,108	120,991	0
200 Customer Operations	n/a	n/a	n/a	n/a	1,920	0
201 Marketing	0	0	0	0	0	0
202 Local Business Office	0	0	0	0	0	0
203 Revenue Accounting	0	0	0	0	0	0
204 Other Billing & Collection	0	0	0	0	0	0
210 Access	n/a	n/a	n/a	n/a	0	n/a
220 Corporate Operations	n/a	n/a	n/a	n/a	363,858	0
230 AFUDC	n/a	n/a	n/a	n/a	n/a	n/a
240 Other Exp. & Adjustments	n/a	n/a	n/a	n/a	1,998	0
250 Taxes Other than FIT	n/a	n/a	n/a	n/a	3,516	0
260 Total Exp and Other Taxes	n/a	n/a	n/a	n/a	740,091	0
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FIT Adjustments						
270 Adjustment for FIT	0	0	0	0	1,998	0
280 Amortized ITC	0	0	0	0	0	0
290 Federal Income Taxes	n/a	n/a	n/a	n/a	51,150	n/a
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300 Total Expenses & Taxes	n/a	n/a	n/a	n/a	789,243	n/a
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Telephone Plant in Service						
310 General Support	1,630,528	0	0	1,630,528	1,048,752	0
320 Central Office Equip-Switch	5,687,795	0	0	5,687,795	3,658,379	0
321 Operator Systems	0	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0	0
323 Local Switching Cat. 3	0	0	0	0	0	0
324 Equal Access	5,687,795	0	0	5,687,795	3,658,379	0
330 Central Office Equip-Trans	13,181	0	0	13,181	8,478	0
331 Subscriber Lines	0	0	0	0	0	0
332 Exchange Circuit	0	0	0	0	0	0
333 Interexchange Circuit	13,181	0	0	13,181	8,478	0
334 Host Remote	0	0	0	0	0	0
340 Cable & Wire	51,217	0	0	51,217	32,943	0
341 Subscriber Lines	0	0	0	0	0	0
342 Exchange	0	0	0	0	0	0
343 Interexchange	51,217	0	0	51,217	32,943	0
344 Host Remote	0	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	0	0	0	0
360 Amortizable Assets	61,844	0	0	61,844	39,778	0
370 Total Plant In Service	7,444,565	0	0	7,444,565	4,788,330	0
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Adjustments to TPIS						
380 Depr / Amor Reserve	5,853,350	0	0	5,853,350	3,764,863	0
390 Accum Deferred Income Tax	0	0	0	0	0	0
400 Other Rate Base Adjust.	n/a	n/a	n/a	n/a	25,369	0
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Return Data						
410 Average Rate Base	n/a	n/a	n/a	n/a	1,048,836	n/a
420 Return	n/a	n/a	n/a	n/a	n/a	n/a
430 Rate of Return	n/a	n/a	n/a	n/a	n/a	n/a

	Interstate Inter- exchange (G)	ROR Regulated I/S Access (H)	Pay Phone (I)	Inside Wire (J)	BFP (K)	Total Common Line (L)	Total Switched Traffic Sensitive (M)	Special Access (N)
Revenues								
100 Network Access	n/a	899,079	0	0	0	0	899,079	0
110 Uncollectibles	n/a	0	0	0	0	0	0	0
120 Common Line Support	n/a	0	0	0	0	0	n/a	n/a
130 Long Term	n/a	0	0	0	0	0	n/a	n/a
140 Transitional	n/a	0	0	0	0	0	n/a	n/a
150 Miscellaneous	n/a	0	0	0	0	0	0	0
160 Net Revenues	n/a	899,079	0	0	0	0	899,079	0

Expenses								
170 Plant Specific	0	242,428	0	0	0	0	242,428	0
171 Network Support	0	0	0	0	0	0	0	0
172 General Support	0	17,918	0	0	0	0	17,918	0
173 Central Office	0	224,510	0	0	0	0	224,510	0
174 Operator Systems	0	0	0	0	0	0	0	0
175 COE Switching	0	224,510	0	0	0	0	224,510	0
176 COE Transmission	0	0	0	0	0	0	0	0
177 IOT	0	0	0	0	0	0	0	0
178 Cable & Wire Facilities	0	0	0	0	0	0	0	0
180 Plant Non-Sp. Less Dep/Amor	0	5,380	0	0	0	0	5,380	0
190 Depreciation / Amortization	0	120,991	0	0	0	0	120,991	0
200 Customer Operations	0	1,920	0	0	0	0	1,920	0
201 Marketing	0	0	0	0	0	0	0	0
202 Local Business Office	0	0	0	0	0	0	0	0
203 Revenue Accounting	0	0	0	0	0	0	0	0
204 Other Billing & Collection	0	0	0	0	0	0	0	0
210 Access	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
220 Corporate Operations	0	363,858	0	0	0	0	363,858	0
230 AFUDC	n/a	0	0	0	0	0	0	0
240 Other Exp. & Adjustments	0	1,998	0	0	0	0	1,998	0
250 Taxes Other than FIT	0	3,516	0	0	0	0	3,516	0
260 Total Exp and Other Taxes	0	740,091	0	0	0	0	740,091	0

FIT Adjustments								
270 Adjustment for FIT	0	1,998	0	0	0	0	1,998	0
280 Amortized ITC	0	0	0	0	0	0	0	0
290 Federal Income Taxes	n/a	53,376	0	0	0	0	53,376	0

300 Total Expenses & Taxes	n/a	791,469	0	0	0	0	791,469	0

Telephone Plant in Service								
310 General Support	0	1,048,752	0	0	0	0	1,048,752	0
320 Central Office Equip-Switch	0	3,658,379	0	0	0	0	3,658,379	0
321 Operator Systems	0	0	0	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0	0	0	0
323 Local Switching Cat. 3	0	0	0	0	0	0	0	0
324 Equal Access	0	3,658,379	0	0	0	0	3,658,379	0
330 Central Office Equip-Trans	0	8,478	0	0	0	0	8,478	0
331 Subscriber Lines	0	0	0	0	0	0	0	0
332 Exchange Circuit	0	0	0	0	0	0	0	0
333 Interexchange Circuit	0	8,478	0	0	0	0	8,478	0
334 Host Remote	0	0	0	0	0	0	0	0
340 Cable & Wire	0	32,943	0	0	0	0	32,943	0
341 Subscriber Lines	0	0	0	0	0	0	0	0
342 Exchange	0	0	0	0	0	0	0	0
343 Interexchange	0	32,943	0	0	0	0	32,943	0
344 Host Remote	0	0	0	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	0	0	0	0	0	0
360 Amortizable Assets	0	39,778	0	0	0	0	39,778	0
370 Total Plant In Service	0	4,788,330	0	0	0	0	4,788,330	0

Adjustments to TPIS								
380 Depr / Amor Reserve	0	3,764,863	0	0	0	0	3,764,863	0
390 Accum Deferred Income Tax	0	0	0	0	0	0	0	0
400 Other Rate Base Adjust.	0	25,369	0	0	0	0	25,369	0

Return Data								
410 Average Rate Base	n/a	1,048,836	0	0	0	0	1,048,836	0
420 Return	n/a	105,611	0	0	0	0	105,611	0
430 Rate of Return	0.00%	10.07%	0.00%	0.00%	0.00%	0.00%	10.07%	0.00%

COS-2

Filing Date:

9/18/2018

Filing Entity:

South Dakota Network, LLC

Transmittal Number:

13

COSA:

SDSDAN01

Rate-of-Return TRP

7/18- 6/19

Versus 2017 Actual

Page 5 of 7

	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/18- 6/19						
Revenue Requirement						
100 Depreciation/Amortization	0	126,640	0	0	126,640	196,891
105 Expense Less Dep & Amor	0	431,793	0	0	558,433	n/a
110 Taxes Less FIT	0	3,520	0	0	n/a	n/a
115 Return	0	95,897	0	n/a	n/a	n/a
120 FIT	0	23,005	0	n/a	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
130 Revenue Requirement	0	680,855	0	n/a	n/a	n/a
135 Access Service Revenue	0	680,855	0	n/a	n/a	n/a
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Rate Base						
140 Telephone Plant in Service	0	1,893,210	0	0	1,893,210	2,943,432
145 Rate Base Adjustments	0	17,815	0	0	17,815	n/a
150 Depreciation Reserves	0	997,717	0	0	997,717	1,551,181
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	0	913,308	0	0	913,308	n/a
Actual, 1/17- 12/17						
Revenue Requirement						
200 Depreciation/Amortization	0	120,991	0	0	120,991	188,108
205 Expense Less Dep & Amor	0	615,585	0	0	615,585	n/a
210 Taxes Less FIT	0	3,516	0	0	n/a	n/a
215 Return	0	105,611	0	n/a	n/a	n/a
220 FIT	0	53,376	0	n/a	n/a	n/a
225 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
230 Revenue Requirement	0	899,079	0	n/a	n/a	n/a
235 Access Service Revenue	0	899,079	0	n/a	n/a	n/a
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Rate Base						
240 Telephone Plant in Service	0	4,788,330	0	0	4,788,330	7,444,565
245 Rate Base Adjustments	0	25,369	0	0	25,369	n/a
250 Depreciation Reserves	0	3,764,863	0	0	3,764,863	5,853,350
255 Accum Deferred Income Tax	0	0	0	0	0	0
260 Average Rate Base	0	1,048,836	0	0	1,048,836	n/a
260 Average Rate Base	0	0	0	0	0	n/a

ERN-1

Filing Date:

9/18/2018

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South Dakota Network, LLC

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COSA:

SDSDAN01

Page 1 of 1

Rate-of-Return TRP

Rate-of-Return

Summary

	2016/2017 FCC Monitoring Period (A)	2017 Calendar Year (B)	7/18 - 6/19 Test Year (C)
100 Interstate Access, Total	11.00%	10.07%	10.50%
110 Carrier Common Line	0.00%	0.00%	0.00%
120 Special Access	0.00%	0.00%	0.00%
130 Local Switching	0.00%	0.00%	0.00%
140 Information	0.00%	0.00%	0.00%
150 Local Transport	0.00%	0.00%	0.00%
160 Traffic Sensitive Switched, Total	0.00%	0.00%	0.00%

**SOUTH DAKOTA NETWORK, LLC
INTERSTATE ACCESS RATE DEVELOPMENT
PROJECTIONS FOR YEAR ENDED JUNE 30, 2017**

<u>ACCESS RATE DEVELOPMENT</u>	<u>EQUAL ACCESS</u>	<u>TRANSPORT</u>	<u>TOTAL</u>
A. PROJECTED REVENUE REQUIREMENT	\$ 680,855	\$ -	\$ 680,855
B. LESS: MISCELLANEOUS REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
C. ACCESS REVENUE REQUIREMENT (A - B)	\$ 680,855	\$ -	\$ 680,855
D. PROJECTED ACCESS MINUTES OF USE	139,770,574	0	
E. ACCESS RATE PER MOU (C/D)	\$ 0.004871	\$ -	