

Exhibit B

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE
COMPLAINTS FILED BY CUSTOMERS
OF S&S COMMUNICATIONS**

) **AFFIDAVIT OF KEITH SENGER IN**
) **SUPPORT OF MOTION FOR**
) **SUMMARY DISPOSITION**
)

CT05-005

I, Keith Senger, state the following under oath as my sworn affidavit in the above-entitled matter:

1. My name is Keith Senger. I reside in Pierre, South Dakota, and my business address is: Bureau of Finance and Management, State Capitol Building, 500 East Capitol Ave., Pierre, South Dakota 57501. I am currently employed as the Director of Accounting Analysis and Financial Reporting for the Bureau of Finance and Management ("BFM") for the State of South Dakota and have served in this capacity since March of 2008. I received a degree in accounting from Northern State University in 1992, and I received my certificate as a certified public accountant in 1998. I was employed from 1992 until 1998 as an Auditor for the South Dakota Department of Legislative Audit and from 1998 until 1999 as Audit Manager for the South Dakota Department of Transportation ("DOT"). In January 1999, I joined the South Dakota Public Utilities Commission ("Commission") as a Utility Analyst and served in that capacity until March 2008, when I became the Director of Accounting Analysis and Financial Reporting for BFM.

2. I have prepared this Affidavit on behalf of the Commission's staff ("Staff") in support of Staff's Motion for Summary Disposition in the above entitled Docket. The information and opinions presented in this Affidavit have been prepared by me at the request of Staff and are offered solely on behalf of the Staff and not on behalf of BFM or the Executive Branch of the State of South Dakota. Staff has requested my assistance on this matter because while employed by the Commission, I was the Staff's Utility Analyst assigned to this Docket and to also to Dockets TC00-114, TC02-166 and TC05-047, all of which dealt with S&S Communications ("S&S"), it's problems and the consequences of S&S's actions and business failure on S&S's South Dakota customers. Because of the work that I performed on this docket during my employment with the Commission, my knowledge of the industry, and the work performed I have performed on various dockets and issues before the Commission and previously at Legislative Audit and DOT involving the review and analysis of contracts and financial information, Staff has sought my assistance in a consulting capacity to prepare the analyses and documentation to bring this matter on before the Commission for final resolution.

3. I am currently a Certified Public Accountant in accordance with the South Dakota Board of Accountancy, a member of the American Institute of Certified Public Accountants and a member of the South Dakota CPA society. At both Legislative Audit and DOT my duties involved auditing the books and records of various state agencies, including review of agency contracts and transactions. During my nine plus years at the Commission, I engaged in the analysis of hundreds of utility filings in connection with regulatory matters and financial transactions, including highly complex analyses of company financial records and transactions in connection with rate proceedings. Many of the rate case analyses I have performed have involved both the

creation of and use of sophisticated computer spread sheet mathematical analytical tools and models to perform the financial analyses. The training I have received on Microsoft Excel and the considerable experience I have had in performing spread sheet design and analysis has resulted in my having developed a high level of expertise in designing and using Excel spread sheets to organize and analyze large amounts of data. I have utilized that expertise to prepare and review the Excel spread sheets appended as Exhibits C and D to Staff's Motion for Summary Disposition. In my opinion, Exhibits C and D are complete and accurate analyses and portrayals of the claims asserted in the Complaints consolidated in this Docket, subject to the assumptions Staff employed in analyzing and recommending decisions regarding the Complaints.

4. My duties at the Commission also included the monitoring of the compliance of S&S with the conditions of its Certificate of Authority ("COA") issued in Docket TC00-114, including that it maintain one hundred percent bond coverage of all pre-paid amounts under contracts it entered into with South Dakota customers for telephone service. This ultimately led to the Staff initiating an enforcement proceeding, docketed as TC02-166, against S&S for non-compliance with these bond maintenance conditions. I then performed all of the financial analysis for the Staff of the compliance of S&S with its bonding conditions in Docket TC02-166, which ultimately resulted in the revocation of S&S's COA. At the hearing in Docket TC02-166, I presented the financial analysis testimony on behalf of Staff that demonstrated that S&S had not complied with the conditions of its COA to maintain continuous bonding coverage in an amount sufficient to secure performance of its obligations to South Dakota customers under contracts for pre-paid telephone service.

5. On March 20, 2003, the Commission in Docket TC02-166 issued an Order Granting Amended Certificate of Authority that amended S&S's original COA to prohibit S&S from offering pre-paid telephone service without approval of the Commission. On or about June 3, 2003, S&S ceased providing telecommunications services to South Dakota customers. On August 28, 2003, the Commission issued its decision in Docket TC02-166 revoking S&S's COA.

6. On June 16, 2003, the first formal complaint against S&S was filed with the Commission by Pharmco Industries in Docket CT03-010. On August 28, 2003, John Smith, Staff Counsel, mailed a letter to all persons who had contacted the Commission with an informal complaint against S&S advising them of certain options and rights regarding their complaints. At that point, the Commission had received 122 formal Complaints against S&S. Following this mailing, the Commission received an additional 23 formal Complaints for a total of 145 Complaints and numerous non-complaint claims ("Claims") against bond and other proceeds received for the benefit of customers of S&S ("Proceeds").

7. On March 2, 2005, Staff commenced Docket TC05-047 by filing a Petition requesting that the Commission establish procedures for giving notice to potential Claimants against Proceeds and that the Commission issue a final decision resolving Claims. In its Order Regarding Notice to Potential Claimants issued on March 17, 2005, the Commission decided that Complaints would be automatically treated as Claims against Proceeds. Following mailings by Staff in the summer and fall of 2005 to all persons who could be identified as potential customers of S&S, additional bond claim forms were filed with the Commission. A total of 384 Claims were received in Docket TC05-047. Following a hearing held on May 8, 2007, the Commission issued its Findings of Fact and Conclusions of Law in Docket TC05-047 as a result of which the Commission disbursed \$196,208.42 in Proceeds to Claimants, including to most of the Complainants in this Docket. All of the formal Complaint files in this Docket, all of the bond Claim files and all documentation filed or received by Staff in support of the Complaints and Claims were received into evidence in their entirety at the hearing in Docket TC05-047 as Staff Exhibits 1 through 384.

8. On April 15, 2005, Staff commenced Docket CT05-005 by filing a Motion to Consolidate the 145 formal Complaints against S&S. On May 17, 2005, the Commission issued its Order Granting Motion to

Consolidate pursuant to which all Complaints were consolidated into this single complaint proceeding in Docket CT05-005.

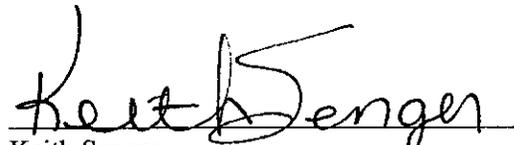
9. In connection with both this consolidated complaint proceeding and Docket TC05-047, I together with Staff Counsel conducted a thorough review and analysis of the Complaints, including supporting documents such as contracts and copies of checks, conducted extensive checks of the Complaint files against customer information provided by S&S and checked Complaints of customers who borrowed funds to finance pre-payments to S&S against data provided by S&S, AFC, Carroll Credit Corporation and Midland Leasing Corporation.

10. Staff Counsel and I employed certain decisions and assumptions in compiling and analyzing the information contained in the Complaint files and otherwise received by Staff in connection with its investigation of the Complaints. These decisions and assumptions are set forth in paragraphs 11, 15, 16 and 17 of Exhibit A. In my professional opinion, these decisions and assumptions are reasonable, apply equally to all Complaints and represent appropriate resolutions of the issues addressed by them given the circumstances attending S&S and this proceeding. In my professional opinion based upon my review of all of the Complaint information, these decisions and assumptions, taken together, will not have a material adverse effect on any Complainant's outcome in this matter.

11. Exhibits C and D were prepared either by me personally or under my supervision and review and in my professional opinion, completely and accurately reflect, analyze and display the data contained in the Complaint files. Incorporating the assumptions and decisions employed in the analysis, Exhibit C accurately reflects the damage award results of the Commission's decision to approve Staff's recommendations as set forth on Exhibit C. Exhibit D accurately reflects the damage award results of the Commission's rejecting Staff's recommendations regarding denials, dismissals and consolidations, but does not reflect damage awards for incidental and consequential type damages as Staff has no means of attributing a value to these types of claims.

12. I have read the statements of fact set forth in Exhibit A, Statement of Established Facts, and in my professional opinion, each of these statements is true, is supported by the documents contained in the Complaint files and the other documents and evidence contained in the Exhibits referenced in the Motion for Summary Disposition and is a statement of fact as to which there is no genuine factual dispute.

Dated this 12th day of September, 2008.


Keith Senger

On this 12th day of September, 2008, came before me, a Notary Public in and for the State of South Dakota, Keith Senger, who is well known to me and who, having been first duly sworn, executed the foregoing Affidavit in my presence.

(SEAL)


Notary Public

My Commission Expires: 7-1-2012

