

Black Hills FiberCom

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RECEIVED

NOV 16 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

FAX Received NOV 12 1998

Mr. William Bullard, Jr.
Executive Director
South Dakota Public Utilities Commission
500 East Capitol
Pierre, South Dakota 57501

Dear Mr. Bullard:

Subject: Comments Regarding Proposed Revisions to the South Dakota Public Utilities Commission Administrative Rules for Telecommunications

Black Hills FiberCom, an authorized telecommunications provider within the state of South Dakota, provides the following comments regarding the proposed revisions to the Commission's administrative rules:

Chapter 20:10:25, TELECOMMUNICATIONS FACILITY CONSTRUCTION NOTICE RULES

Black Hills FiberCom supports the repeal of this entire section, as it would reduce our administrative costs to construct new facilities to provide the services desired by our customers.

Chapter 20:10:32:11, LOCAL CALLING SCOPE FOR ALTERNATIVE PROVIDERS

Black Hills FiberCom believes that the addition of this rule will unnecessarily restrict the benefits that competition can bring to consumers. Extended area service or local calling options are a key way for telecommunications companies to differentiate themselves in the marketplace. Consumers may prefer alternative calling packages that could include no extended area service outside of their community or greatly expanded toll-free calling. The new competitive telecommunications provider should not be boxed into the incumbent provider's decisions of how best to serve the market. Consumers preferring the incumbent's calling plan can continue to take service from the incumbent.

To be successful, the competitive telecommunications provider will need to determine and meet the needs and wants of consumers. Meeting the local area calling commitments of the incumbent may make it impossible to cost-effectively provide calling options desired by consumers. Competition is intended to bring more innovation to the market place. The proposed rule inhibits the desired innovation competition is expected to bring. The proposed rule may be the result of concerns regarding possible practices of unscrupulous resellers. Black Hills FiberCom is constructing facilities to better serve our markets. We are here for the long-haul and, in order to be successful, will need full marketing freedom to differentiate ourselves in the minds of the consumers. We believe the market should be given the opportunity to work.

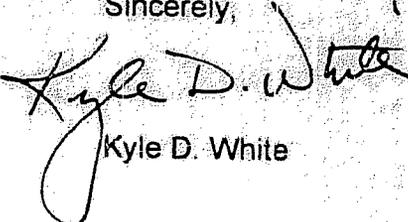
Chapter 20:10:32:13

Black Hills FiberCom is concerned about the detail required by this rule regarding its business results and financial condition. We believe reporting requirements should be limited to information necessary for the Commission to meet its statutory obligations. In a competitive environment, business results are proprietary and could be used by competitors to formulate marketing plans adverse to the reporting telecommunications provider.

These are the key areas of concern that we felt a need to comment on. Overall, we request that the Commission revise its telecommunications rules so that, as much as possible, competition is favored and regulation is minimized.

If you have any questions regarding the comments of Black Hills FiberCom or our business plan, please feel free to contact me.

Sincerely,



Kyle D. White

Kyle D. White

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c: Ron Schaible, VP and General Manager