TC97-081

KC/HB

DOCKET NO. TC97-081

In the Matter of IN THE MATTER OF THE FILING BY STATELINE TELECOMMUNICATIONS, INC. FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

## Public Utilities Commission of the State of South Dakota

| DATE | MEMORANDA |
|---|---|
| 6/16/97 | Received; |
| 6/17/97 | Docketed; |
| 6/19/97 | TC For Filing; |
| 11/7/97 | Order for and Notice of Hearing; |
| 12/2/97 | Transcript of Hearing Held on 11/19/97; |
| 12/17/97 | Findings of Fact, Conclusions of Law, Order and Notice of Entry of Order; |
| 12/17/97 | Docket Closed. |
| 12/26/97 | Lifeline and Link Up Plan for Stateline |

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3809

# TELECOMMUNICATIONS SERVICE FILINGS

**These are the telecommunications service filings that the Commission has received for the period of:**

## 06/13/97 through 06/19/97

**If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.**

| DOCKET NUMBER | TITLE/STAFF/SYNOPSIS | DATE FILED | INTERVENTION DEADLINE |
|---|---|---|---|
| | **REQUEST FOR CERTIFICATE OF AUTHORITY** | | |
| TC97-076 | Application by Journey Telecom International, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) | 06/13/97 | 07/07/97 |
| TC97-091 | Application by Calls for Less, Inc. d/b/a CfL for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) Applicant seeks authority to originate and terminate "intrastate, intraLATA and interLATA calls of business and residential customers, to operate as a Travel and Debit (Prepaid Caling) Card reseller, and to provide COCOT/COPT service." | 06/17/97 | 07/07/97 |
| TC97-103 | Application by Crystal Communications, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) Applicant seeks authority to provide local telecommunications services and interexchange telecommunications services. The Applicant will not offer any local telecommunications services within a Rural Telephone Company service area without seeking separate Commission authority. | 06/19/97 | 07/07/97 |
| TC97-104 | Application by Quintelco, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) Applicant "intends to subscribe to and resell all forms of inter-exchange and intra-exchange telecommunications services in the state of South Dakota, including local dial tone services, Message Telephone Service, Wide Area Telephone Service, WATS-like services, foreign exchange service, private lines, tie lines, access service, cellular service, local switched service and other services and facilities of communications common carriers and othe entities." | 06/19/97 | 07/07/97 |
| | **REQUEST FOR ELIGIBLE TELECOMMUNICATIONS COMPANY STATUS** | | |
| TC97-077 | Intrastate Telephone Company, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Intrastate Telephone Company is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Bradley (784), Castlewood (793), Clark (532), Florence (758), Hayti (783), Lake Norden (785), Waubay (947), Webster (345), Willow Lake (625) and Bryant (628). Intrastate Telephone Company, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/13/97 | 07/07/97 |

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| TC97-078 | Interstate Telecommunications Cooperative, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Interstate Telecommunications Cooperative is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Goodwin (795), Clear Lake (874), Gary (272), Estelline (873), Brandt (876), Astoria (832), Toronto (794), West Hendricks (479), Elkton (542), White (629), Brookings Rural (693), Sinai (826), Nunda/Rutland (586), Wentworth (483) and Chester (489). Interstate Telecommunications Cooperative, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/13/97 | 07/07/97 |
| TC97-080 | West River Cooperative Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. West River Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Bison (244), Buffalo (375), Camp Crook (605-797) and (406-972), Meadow (788) and Sorum (866). West River Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/16/97 | 07/07/97 |
| **TC97-081** | Stateline Telecommunications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Stateline is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Newell (456), Nisland (257) and Lemmon (605-374) and (701-376). Stateline, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/16/97 | 07/07/97 |
| TC97-083 | Accent Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Accent is the facilities-based exchange carrier presently providing local exchange telecommunications services in the following exchanges: Bristol (492), Doland (635), Frederick (329), Hecla (994), North Hecla (701-992) and Mellette (887). Accent, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/17/97 | 07/07/97 |
| TC97-084 | James Valley Cooperative Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. James Valley Cooperative Telephone Company is the facilities-based exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Andover (298), Claremont (294), Columbia (396), Conde (382), Ferney (395), Groton (397), Houghton (885) and Turton (897). James Valley Cooperative Telephone Company, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/17/97 | 07/07/97 |
| TC97-085 | Heartland Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Heartland Communications is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Platte/Geddes (337). Heartland Communications, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/17/97 | 07/07/97 |

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| TC97-086 | Midstate Telephone Company, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Midstate Telephone Company is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Academy (726), Delmont (779), Ft. Thompson (245), Gann Valley (293), Kimball (778), New Holland (243), Pukwana (894), Stickney (732) and White Lake (249). Midstate Telephone Company, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/17/97 | 07/07/97 |
| TC97-087 | Baltic Telecom Cooperative pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Baltic Telecom Cooperative is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Baltic (529) and Crooks (543). Baltic Telecom Cooperative, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/17/97 | 07/07/97 |
| TC97-088 | East Plains Telecom, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. East Plains Telecom, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Alcester (934), Hudson (984), and East Hudson (712-982). East Plains Telecom, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/17/97 | 07/07/97 |
| TC97-089 | Western Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Western Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Cresbard (324), Faulkton (598) and Orient (392). Western Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/17/97 | 07/07/97 |
| TC97-090 | Stockholm-Strandburg Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Stockholm is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Stockholm-Strandburg (676, Revillo (623) and South Shore (756). Stockholm, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/17/97 | 07/07/97 |
| TC97-092 | Kennebec Telephone Co. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Kennebec Telephone Co. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Kennebec (869) and Presho (895). Kennebec Telephone Co., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/18/97 | 07/07/97 |
| TC97-093 | Jefferson Telephone Co., Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Jefferson Telephone Co., Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange: Jefferson (966). Jefferson Telephone Co., Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/18/97 | 07/07/97 |

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| TC97-094 | Sully Buttes Telephone Cooperative, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Sully Buttes Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: West Onida (264), Hitchcock (266), Seneca (436), Tolstoy (442), Onaka (447), Wessington (458), Langford (493), Rosholt (537), Tulare (596), Highmore (852), Harrold (875), Ree Heights (943), Hoven (948), Blunt (962) and East Onida (973). Sully Buttes Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/19/97 | 07/07/97 |
| TC97-095 | Venture Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Venture Communications is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Onida (258), Bowdle (285), Roscoe (287), Pierpont (325), Britton (448), Britton, ND (701-443), Roslyn (486), Wessington Springs (539), Selby (649), Gettysburg (765) and Lebanon (768). Venture Communications, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/19/97 | 07/07/97 |
| TC97-096 | SANCOM, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. SANCOM is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Wolsey (883), Parkston (928) and Tripp (935). SANCOM, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/19/97 | 07/07/97 |
| TC97-097 | Sanborn Telephone Cooperative pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Sanborn Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Ethan (227), Mt Vernon (236), Letcher (248), Forestburg (495), Artesian (527), Woonsocket (796) and Alpena (849). Sanborn Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/19/97 | 07/07/97 |
| TC97-098 | Beresford Municipal Telephone Co. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Beresford Tel is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange: Beresford (763). Beresford Tel, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/19/97 | 07/07/97 |
| TC97-099 | Roberts County Telephone Cooperative Association pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Roberts County Telephone Cooperative Association is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: North New Effington, ND (701-634), New Effington (637) and Claire City (652). Roberts County Telephone Cooperative Association, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/19/97 | 07/07/97 |

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| TC97-100 | RC Communications, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. RC Communications is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: North Veblen, ND (701-634), Wilmot (938), Peever (932), Veblen (738) and Summit (398). RC Communications, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/19/97 | 07/07/97 |
| TC97-101 | Splitrock Properties, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Splitrock Properties, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Howard/Carthage (772) and Oldham/Ramona (482). Splitrock Properties, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/19/97 | 07/07/97 |
| TC97-102 | Splitrock Telecom Cooperative, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area. Splitrock Telecom Cooperative, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges: Brandon (582) and Garretson (605-594) and (507-597). Splitrock Telecom Cooperative, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/KC) | 06/19/97 | 07/07/97 |
| TC97-105 | Tri-County Telecom, Inc. pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Tri-County Telecom, Inc. is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Clayton (825) and Emery (443). Tri-County Telecom, Inc., to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange areas. (Staff: HB/CH) | 06/19/97 | 07/07/97 |
| **FILING OF TYPE 1 PAGING AGREEMENT** | | | |
| TC97-079 | U S WEST Communications, Inc. filed for approval by the Commission the Type 1 Paging Agreement between KJAM Mobile Paging and U S WEST. "This Agreement was reached through voluntary negotiations without resort to mediation or arbitration and is submitted for approval pursuant to Section 252(e) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996....KJAM Mobile Paging and U S WEST further request that the Commission approve this Agreement without a hearing and without allowing the intervention of other parties. Because this Agreement was reached through voluntary negotiations, it does not raise issues requiring a hearing and does not concern other parties not a part of the negotiations. Expeditious approval would further the public interest." | 06/16/97 | 07/07/97 |
| **NONCOMPETITIVE TELECOMMUNICATIONS FILINGS** | | | |
| TC97-082 | U S WEST Communications filed tariff sheets that remove references to exchanges that have been sold by U S WEST. The sale was effective June 1, 1997. In addition, this filing includes some text changes and clean-up items. U S WEST has requested an effective date of June 1, 1997, for this filing. (Staff: DJ/CH) | 06/17/97 | NA |

| FILING OF INFORMATIONAL INTRASTATE PAYPHONE TARIFFS | | | |
|---|---|---|---|
| NA | East Plains Telecom, Inc. on June 13, 1997 | NA | NA |

**Important Notice**: The Commission is compiling a list of internet addresses. If you have an internet address please notify the Commission by E-mailing it to Terry Norum at terryn@puc.state.sd.us. Faxing the address to the Commission at 605-773-3809

# South Dakota
# Public Utilities Commission

State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070

October 1, 1997

Mr. Richard D. Coit
Executive Director
SDITC
P. O. Box 57
Pierre, SD 57501

RE: Eligible Telecommunications Carrier application TC97-081
Stateline Telecommunications, Inc.

Dear Mr.Coit:

The above-referenced application has been reviewed by the staff of the Public Utilities Commission. The following additional information is needed in order for the Commission to consider this application:

1. Pursuant to 47 C.F.R. 54.101(a)(4), single-party service or its functional equivalent must be made available by an Eligible Telecommunications Carrier (ETC) to receive universal service support mechanisms. Does the above-referenced company have this service?

2. Pursuant to 47 C.F.R. 54.405 and 54.411, Lifeline and Link Up services must be made available by an ETC to qualifying low-income consumers. Does the applicant company, as referenced above, make these services available to qualifying consumers?

3. Please provide a verification by an authorized officer, under oath, to the Commission in which the applicant represents to the Commission that the facts stated in the Request for ETC Designation and the response to data request nos. 1 and 2, above, are truthful.

Please respond by October 14, 1997. Upon receipt of this information, it will be evaluated by staff and the matter will be scheduled for consideration by the Commission. Thank you for your attention to this matter.

PLEASE NOTE THAT STAFF'S POSITION IS THAT THE COMMISSION CAN ONLY MAKE AN ETC DESIGNATION FOR THOSE EXCHANGES WHICH ARE LOCATED IN SOUTH DAKOTA.

Sincerely,

Karen Cremer

Karen Cremer
Staff Attorney

cc: Harlan Best

**Capitol Office**
**Telephone (605)773-3201**
**FAX (605)773-3809**

**Transportation/**
**Warehouse Division**
**Telephone (605)773-5280**
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**Consumer Hotline**
**1-800-332-1782**

**TTY Through**
**Relay South Dakota**
**1-800-877-1113**

**Internet**
**billb@puc.state.sd.us**

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

| | | |
|---|---|---|
| IN THE MATTER OF THE FILINGS BY THE FOLLOWING TELECOMMUNICATIONS COMPANIES FOR DESIGNATION AS ELIGIBLE TELECOMMUNICATIONS CARRIERS: | ) ) ) ) ) | ORDER FOR AND NOTICE CF HEARING |
| VIVIAN TELEPHONE COMPANY | ) ) | TC97-068 |
| GOLDEN WEST TELECOMMUNICATIONS COOPERATIVE, INC. | ) ) | TC97-069 |
| VALLEY CABLE & SATELLITE COMMUNICATIONS, INC. | ) ) | TC97-070 |
| VALLEY TELECOMMUNICATIONS COOPERATIVE ASSOCIATION, INC. | ) ) | TC97-071 |
| SIOUX VALLEY TELEPHONE COMPANY | ) ) | TC97-073 |
| MOUNT RUSHMORE TELEPHONE COMPANY | ) ) | TC97-074 |
| FORT RANDALL TELEPHONE COMPANY | ) ) | TC97-075 |
| INTRASTATE TELEPHONE COMPANY COOPERATIVE, INC. | ) ) | TC97-077 |
| INTERSTATE TELECOMMUNICATIONS COOPERATIVE, INC. | ) ) | TC97-078 |
| WEST RIVER COOPERATIVE TELEPHONE COMPANY | ) ) | TC97-080 |
| STATELINE TELECOMMUNICATIONS, INC. | ) ) | TC97-081 |

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| ACCENT COMMUNICATIONS, INC. | ) | TC97-083 |
| | ) | |
| JAMES VALLEY COOPERATIVE TELEPHONE COMPANY | ) | TC97-084 |
| | ) | |
| HEARTLAND COMMUNICATIONS, INC. | ) | TC97-085 |
| | ) | |
| MIDSTATE TELEPHONE COMPANY, INC. | ) | TC97-086 |
| | ) | |
| BALTIC TELECOM COOPERATIVE | ) | TC97-087 |
| | ) | |
| EAST PLAINS TELECOM, INC. | ) | TC97-088 |
| | ) | |
| WESTERN TELEPHONE COMPANY | ) | TC97-089 |
| | ) | |
| STOCKHOLM-STRANDBURG TELEPHONE COMPANY | ) | TC97-090 |
| | ) | |
| KENNEBEC TELEPHONE CO., INC. | ) | TC97-092 |
| | ) | |
| JEFFERSON TELEPHONE CO., INC. | ) | TC97-093 |
| | ) | |
| SULLY BUTTES TELEPHONE COOPERATIVE, INC. | ) | TC97-094 |
| | ) | |
| VENTURE COMMUNICATIONS, INC. | ) | TC97-095 |
| | ) | |
| SANCOM, INC. | ) | TC97-096 |
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| SANBORN TELEPHONE COOPERATIVE | ) | TC97-097 |
| | ) | |
| BERESFORD MUNICIPAL TELEPHONE CO. | ) | TC97-098 |
| | ) | |
| ROBERTS COUNTY TELEPHONE COOPERATIVE ASSOCIATION | ) | TC97-099 |
| | ) | |
| RC COMMUNICATIONS, INC. | ) | TC97-100 |
| | ) | |
| SPLITROCK PROPERTIES, INC. | ) | TC97-101 |
| | ) | |
| SPLITROCK TELECOM COOPERATIVE, INC. | ) | TC97-102 |
| | ) | |
| TRI-COUNTY TELECOM, INC. | ) | TC97-105 |
| | ) | |
| FAITH MUNICIPAL TELEPHONE COMPANY | ) | TC97-108 |
| | ) | |
| ARMOUR INDEPENDENT TELEPHONE COMPANY | ) | TC97-113 |
| | ) | |
| BRIDGEWATER-CANISTOTA INDEPENDENT TELEPHONE COMPANY | ) | TC97-114 |
| | ) | |
| UNION TELEPHONE COMPANY | ) | TC97-115 |
| | ) | |
| MCCOOK COOPERATIVE TELEPHONE COMPANY | ) | TC97-117 |
| | ) | |
| KADOKA TELEPHONE COMPANY | ) | TC97-121 |
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| **BROOKINGS MUNICIPAL TELEPHONE** | ) | **TC97-125** |
| | ) | |
| **HANSON COMMUNICATIONS INC. D/B/A HANSON COUNTY TELEPHONE COMPANY** | ) | **TC97-130** |
| | ) | |
| **HANSON COMMUNICATIONS INC. D/B/A MCCOOK TELECOM** | ) | **TC97-131** |
| | ) | |
| **WEST RIVER TELECOMMUNICATIONS COOPERATIVE** | ) | **TC97-154** |
| | ) | |
| **MOBRIDGE TELECOMMUNICATIONS CO.** | ) | **TC97-155** |
| | ) | |
| **U S WEST COMMUNICATIONS, INC.** | ) | **TC97-163** |
| | ) | |
| **THREE RIVER TELCO** | ) | **TC97-167** |
| | ) | |

The South Dakota Public Utilities Commission (Commission) received requests from the above captioned telecommunications companies requesting designation as eligible telecommunications carriers.

The Commission electronically transmitted notice of the filings and the intervention deadlines to interested individuals and entities. On June 27, 1997, the Commission received a Petition to Intervene from Dakota Telecommunications Systems, Inc. (DTS) and Dakota Telecom, Inc.(DTI) with reference to Fort Randall Telephone Company (Docket TC97-075). On July 15, 1997, at its regularly scheduled meeting, the Commission granted intervention to DTS and DTI in Docket TC97-075. No other Petitions to Intervene were filed.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-31, including 1-26-18, 1-26-19, 49-31-3, 49-31-7, 49-31-7.1, 49-31-11, and 47 U.S.C. § 214(e)(1) through (5).

The issues at the hearing shall be as follows: (1) whether the above captioned telecommunications companies should be granted designation as eligible telecommunications carriers, and (2) what service areas shall be established by the Commission.

A hearing shall be held at 1:30 P.M., on Wednesday, November 19, 1997, in Room 412, State Capitol, Pierre, South Dakota. It shall be an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to be present and to be represented by an attorney. These rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place set for the hearing, the Final Decision will be based solely on the testimony and evidence provided, if any, during the hearing or a Final Decision may be issued by default pursuant to SDCL 1-26-20. After the hearing the Commission will consider all evidence and testimony that was presented at the hearing. The Commission will then enter Findings of Fact, Conclusions of Law, and a Final Decision regarding this matter. As a result of this hearing, the Commission may either grant or deny the request from any of the above captioned telecommunications companies requesting designation as an eligible telecommunications carrier, and the Commission shall establish service areas for eligible telecommunications carriers. The Commission's decision may be appealed by the parties to the state Circuit Court and the state Supreme Court as provided by law. It is therefore

ORDERED that a hearing shall be held at the time and place specified above on the issues of whether the above captioned telecommunications companies should be granted designation as eligible telecommunications carriers, and the Commission shall establish service areas for eligible telecommunications carriers.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 7th day of November, 1997.

**CERTIFICATE OF SERVICE**

**The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.**

By Delaine Kolbo

Date: 11/7/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:
Commissioners Burg, Nelson and Schoenfelder

WILLIAM BULLARD, JR.
Executive Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA



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| IN THE MATTER OF THE FILINGS BY THE FOLLOWING TELECOMMUNICATIONS COMPANIES FOR DESIGNATION AS ELIGIBLE TELECOMMUNICATIONS CARRIERS: | |
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| VALLEY TELECOMMUNICATIONS COOPERATIVE ASSOCIATES, INC. | TC97-071 |
| SIOUX VALLEY TELEPHONE COMPANY | TC97-073 |
| MOUNT RUSHMORE TELEPHONE COMPANY | TC97-074 |
| FORT RANDALL TELEPHONE COMPANY | TC97-075 |
| INTRASTATE TELEPHONE COMPANY COOPERATIVE, INC. | TC97-077 |
| INTERSTATE TELECOMMUNICATIONS COOPERATIVE, INC. | TC97-078 |
| WEST RIVER COOPERATIVE TELEPHONE COMPANY | TC97-080 |
| STATELINE TELECOMMUNICATIONS, INC. | TC97-081 |
| ACCENT COMMUNICATIONS, INC. | TC97-083 |
| JAMES VALLEY COOPERATIVE TELEPHONE COMPANY | TC97-084 |
| HEARTLAND COMMUNICATIONS, INC. | TC97-085 |
| MIDSTATE TELEPHONE COMPANY, INC. | TC97-086 |
| BALTIC TELECOM COOPERATIVE | TC97-087 |
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| KENNEBEC TELEPHONE CO., INC. | TC97-092 |
| JEFFERSON TELEPHONE CO., INC. | TC97-093 |
| SULLY BUTTES TELEPHONE COOPERATIVE, INC. | TC97-094 |
| VENTURE COMMUNICATIONS, INC. | TC97-095 |
| SANCOM, INC. | TC97-096 |
| SANBORN TELEPHONE COOPERATIVE | TC97-097 |
| BERESFORD MUNICIPAL TELEPHONE CO. | TC97-098 |
| ROBERTS COUNTY TELEPHONE COOPERATIVE ASSOCIATION | TC97-099 |
| RC COMMUNICATIONS, INC. | TC97-100 |
| SPLITROCK PROPERTIES, INC. | TC97-101 |
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| MCCOOK COOPERATIVE TELEPHONE COMPANY | TC97-117 |
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| THREE RIVER TELCO | TC97-167 |

HEARD BEFORE THE PUBLIC UTILITIES COMMISSION

PROCEEDINGS: November 19, 1997
1:30 P.M.
Room 412, Capitol Building
Pierre, South Dakota

PUC COMMISSION: Jim Burg, Chairman
Laska Schoenfelder, Commissioner
Pam Nelson, Commissioner

COMMISSION STAFF PRESENT: Rolayne Ailts Wiest
Camron Hoseck
Karen Cremer
Harlan Best
Bob Knadle
Gregory A. Rislov
David Jacobson

Reported by: Lori J. Grode, RMR

# APPEARANCES

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# INDEX

PROCEEDINGS

CHAIRMAN BURG: Okay. We'll go ahead and get started. I'll begin the hearing for the dockets relating to the eligible telecommunications carriers designation. The time is approximately 1:50. The date is November 19, 1997; and the location of the hearing is Room 412, State Capitol, Pierre, South Dakota.

I am Jim Burg, Commission Chairman. Commissioners Laska Schoenfelder and Pam Nelson are also present. I'm presiding over this hearing. The hearing was noticed pursuant to the Commission's Order For and Notice of Hearing issued November 7, 1997.

The issues at this hearing shall be as follows: One, whether the requesting telecommunications company should be granted designation as eligible telecommunications carriers; and, two, what service areas shall be established by the Commission.

All parties have the right to be present and to be represented by an attorney. All persons so testifying will be sworn in and subject to cross-examination by the parties. The Commission's final decision may be appealed by the parties to the State Circuit Court and the State Supreme Court.

Rolayne Wiest will act as Commission

counsel. She may provide recommended rulings on procedural and evidentiary matters. The Commission may overrule its counsel's preliminary rulings throughout the hearing. If not overruled, the preliminary rulings will become final.

At this time I'll turn it over to Rolayne for the hearing.

MS. WIEST: I'll take appearances of the parties. Rich, who do you represent?

MR. COIT: I'm here today representing all of the SDITC member companies, and also Kadoka which has recently applied for membership with the coalition. And Darla Rogers is here representing some companies, and I guess she could indicate for the record which ones she's representing.

MS. ROGERS: I'm here representing Valley; Stockholm-Strandburg; Golden West, including Vivian; and Sully Buttes and Venture.

MS. WIEST: Could you repeat those again? Valley, Stockholm-Strandburg, Vivian, Golden West.

MS. ROGERS: Golden West, Sully Buttes and Venture.

MS. WIEST: U S West.

MR. HEASTON: Bill Heaston and Tammy Wilka for U S West Communications.

MS. CREMER: Karen Cremer, Commission staff.

MR. HOSECK: Camron Hoseck, Commission staff.

MS. WIEST: We have had a request to take one of these dockets first and that's TC97-075. Do any of the parties want to make an opening statement before we begin?

Why don't you proceed with 075 then.

MR. COIT: Sure, that's fine. I really don't have an opening statement. There are a couple of exhibits that we would like to admit. And I understand there's also been some letters sent to the Commission that we would like to admit into the record as evidence on the ETC questions. And that would be Exhibit Number 1, which is the application of Fort Randall for ETC designation, and Exhibit No. 2, which is the response of Fort Randall to a data request from staff, dated, I believe, October 1st. And there are two letters. I don't know if we've marked those yet.

(EXHIBITS NO. 3 and 4 WERE MARKED FOR IDENTIFICATION.)

MR. COIT: There are two other exhibits that have been marked Exhibit No. 3. Kathy Marmet, is that the letter of Dakota or is Exhibit 3 the letter.

MS. MARMET: Exhibit 3 is the letter of

Dakota.

MR. COIT: So the Exhibit 3 is the letter from Robert Marmet to the Commission, and Exhibit 4 is a letter from Mike Bradley to the Commission.

MS. WIEST: What's the date of that letter, the letter from Bradley?

MR. COIT: November 18th.

MS. WIEST: Because I have one dated November 18th and one the 19th.

MR. COIT: I think so. Is that right, Exhibit 3, is that the 19th? Okay. I had a letter that was dated yesterday, but the ones we have marked for admission today, I believe both the letters are dated the 19th, November 19th.

MS. WIEST: So the letter from Mr. Bradley is dated the 19th?

MR. COIT: Yes. Sorry about that.

MS. WIEST: And that's Exhibit 4.

MR. COIT: I don't know why they're dated differently. The 19th is the one we're seeking admission on, I believe. Yes, they are identical so we're seeking admission of the 19th letter.

MS. WIEST: I think they're not exactly identical but we'll go with the 19th. Could I see the letter from Dakota? I don't believe we got copies of

that one. (Pause.) So at this time are you offering Exhibits 1, 2, 3 and 4?

MR. COIT: Yes, that's correct.

MS. WIEST: Is there any objection to those exhibits being admitted? If not, 1, 2, 3 and 4 have been admitted in TC97-075. Then at this time I would ask if any of the parties have any questions pertaining to TC97-075, including the Commissioners?

The only question I would have, Rich, is on the response to the data request, Exhibit 2. And the first question it talks about single party service. I guess it's not absolutely clear that it's available to all the customers the way that the statement is written and answered.

MR. COIT: Oh, because they said does the above-referenced company have this service.

MS. WIEST: Right.

MR. COIT: Yeah, I guess that is correct. And I am not here today to serve as a witness.

MS. WIEST: No.

MR. COIT: If that's a concern that you feel you need addressed, and I hate to say this, but I was led to believe that if there were some questions on applications and there was not a witness here to answer that, those questions could be dealt with between now

and December 2nd. There are witnesses here today for some of the other applications, but there is not a witness here today with respect to Fort Randall's application.

MS. WIEST: The only other thing I would suggest is that perhaps the Commission could just have it clarified by another affidavit from the person.

CHAIRMAN BURG: We could approve it on the basis of that clarification.

MS. WIEST: A late-filed exhibit just clarifying that since we are taking affidavits from the witnesses on other issues.

MR. COIT: I appreciate that option.

MS. WIEST: Otherwise, are there any other questions relating to 075?

CHAIRMAN BURG: Can we make bench decisions?

MS. WIEST: Staff will have something too. They'll have testimony on all of the cases. Does staff want to go now, or do you want to go at the very end?

MR. HOSECK: Originally we had planned to go after the applicants had.

MS. WIEST: All the applicants?

MR. HOSECK: Yes. And if these are treated en mass or something fairly close to that, then we would be prepared to put on our case in a similar

manner.

CHAIRMAN BURG: That's fine.

MS. WIEST: Let's just go through them and then we'll have Harlan as the witness. Let's go back to TC97-068. Does anyone have any questions on TC97-068?

CHAIRMAN BURG: Just a clarification. What data request response is this?

MS. WIEST: Yes. That would be in that packet.

MR. COIT: Is there a chance that we could consider or deal with these en mass as Mr. Hoseck has indicated or suggested?

MS. WIEST: I'd rather not just because on a few of them I have a couple questions on some of them.

MR. COIT: Okay. Should I go ahead and introduce the exhibits?

MS. WIEST: Yes.

MR. COIT: With respect to Docket TC97-068 there are two exhibits. Exhibit No. 1 is the actual ETC request filed by Vivian Telephone Company. And Exhibit No. 2 is the response of Vivian Telephone Company to a data request from Commission staff. We would move the admission of those exhibits. I do not have the dates. I don't have them here with me.

Okay. Yeah, the date on the Exhibit No. 1 is 6-1997, and the date on the response to the data request is 10-14-97.

CHAIRMAN BURG: 6-9; right, not 6-19?

MR. COIT: 6-19 -- 6-9, excuse me.

MS. WIEST: Okay. Is there any objection to admitting Exhibits 1 and 2 in 068? If not, they've been admitted. Again, Rich, on Exhibit 2, the first question. it says we provide single party service throughout. I guess I'll assume that means all customers?

MR. COIT: I would call Don Lee. Don Lee is here representing Vivian as well as some of the other companies. Don Lee, do you want to take a seat?

**DON LEE,**

called as a witness, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. COIT:

Q. Could you respond to Commission counsel's question, please?

A. Yes. The answer to your question is, yes, it does indicate that they provide service private line throughout the study area.

MS. WIEST: Single party to all customers?

It's available to all customers?

A. Right.

MS. WIEST: Thank you. That's the only question I have. Does anybody else have any questions for this witness for 068? If not, thank you. I did admit Exhibit 1 and 2. 069.

MR. COIT: We would move the admission of Exhibits No. 1 and 2 in 069, and that is an ETC request or application dated 6-9-97 and response to a staff data request dated 10-14-97.

MS. WIEST: Any objection? If not, they've been admitted.

COMMISSIONER SCHOENFELDER: Excuse me, I do not have the data request up here with me for some reason. I'm sorry about this, but I need to go back and ask Mr. Lee about the Lifeline, Link Up. I think was that covered in the data request? I'm sorry to be behind the eight ball, but I did not have that and so I need to know whether this company is doing Lifeline, Link Up now or whether you need to -- whether you intend to have that implemented by 1-1?

A. You're referring to the Vivian Telephone Company?

COMMISSIONER SCHOENFELDER: Yeah, Vivian is what we're doing now.

A. Vivian Telephone Company does provide Lifeline and Link Up throughout its system with the exception of the Vivian Exchange, and they anticipate providing it in the Vivian Exchange by January 1, 1998.

COMMISSIONER SCHOENFELDER: But anticipated and doing it are two different things. And I think I'm going to have to be assured that you're either going to do it or that you're going to ask for something from us.

A. Do you want a commitment that we will do it by that date?

COMMISSIONER SCHOENFELDER: I think that's one of the requirements, if I'm reading the Act right.

A. Yeah.

COMMISSIONER SCHOENFELDER: And I think that's important that we have that on the record.

A. Certainly, Commissioner. The answer is, yes, they are committed to providing it by 1-1-1998.

COMMISSIONER SCHOENFELDER: Thank you.

CHAIRMAN BURG: Just a question, a general one on that. On the toll, what do we call it toll control? Do we need a statement on those, too, or a request for a waiver?

MS. WIEST: They did actually request waivers

in their original applications.

MR. COIT: I was at the conclusion of going through, I guess, the questions and so forth, I was basically -- before the Commission acts on any of these, going to restate the request. But if the Commission has questions of Mr. Lee with respect to certain aspects of providing it, I would -- yeah, I would suggest you go ahead and ask it.

CHAIRMAN BURG: No, I don't have a problem as long as we know all of them that's going to apply to. In other words, if it applies to every one of them, then the statement at the end saying it applies on all of them is adequate for me. Or if you have some that already could do the toll control, we need to know that. I doubt if there are any at this time.

MR. COIT: No, we don't. And the waiver request is included in all the applications. But just to make sure it was ruled on, I was intending on bringing it up again at the end.

CHAIRMAN BURG: Okay. That's fine with me.

MS. WIEST: Any other questions of this witness regarding 068 and 069? If not, we will go to TC97-070.

MR. COIT: Again, I would move for the admission of two exhibits in TC97-070, and that is the

ETC application or request dated 6-10-97 and response to staff's data request dated 10-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. Are there any questions with regard to this docket? If not, let's go to TC97-071.

MR. COIT: We would move for the admission of Exhibits No. 1 and 2, request for ETC status dated 6-10-97 and response to data request of staff dated 10-9-97.

MS. WIEST: Any objection to Exhibits 1 and 2? If not, they've been admitted. Are there any questions regarding TC97-071? If not, we will go to TC97-073.

MR. COIT: We would move for the admission of Exhibit No. 1, ETC request dated 6-11-97 and Exhibit No. 2, response to staff data request dated 10-14-97.

MS. WIEST: Any objections to Exhibits 1 and 2 being admitted? If not, they have been admitted. Any questions regarding 073?

MR. COIT: I would note that Dennis Law, who is the current manager of Sioux Valley Telephone Company, is available if the Commissioners have any questions.

MS. WIEST: Any questions? If not, we'll go

to TC97-074.

MR. COIT: We would move for the admission of Exhibit No. 1, which is the ETC request dated 6-12-97 and Exhibit No. 2, response to staff data request dated 10-31-97.

MS. WIEST: Are there any objections? If not, 1 and 2 have been admitted. Are there any questions concerning 074? I have the same question on this one, Rich, with respect to the data request number one.

MR. COIT: Would an affidavit be adequate?

MS. WIEST: Yeah, as far as all customers.

MR. COIT: Okay. I will make sure that gets filed.

MS. WIEST: Any questions on 074? If not, let's go to TC97-077.

MR. COIT: We would move for the admission of Exhibit No. 1, which is the ETC request and that's dated 6-13-97. Also move for admission of Exhibit No. 2, which is a response to data request dated 10-9-97. And there is also an Exhibit No. 3 in this docket, a supplemental response to staff data request. It's dated 10-28-97. We move the admission of all three exhibits.

MS. WIEST: Any objection? If not, those

three exhibits have been admitted. Are there any questions regarding this docket?

MR. COIT: I believe Mr. Lee is representing ITC today as well?

MR. LEE: That's right.

MS. WIEST: Okay. Let's go to TC97-078.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request dated 6-13-97 and move for the admission of Exhibit No. 2, which is response to staff data request dated 10-9-97.

MS. WIEST: Any objection to those exhibits? If not, they've been admitted. Any questions concerning this docket? Let's go to TC97-080.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request dated 6-16-97, and also move for admission of response to staff data request Exhibit No. 2, which is dated 10-14-97.

MS. WIEST: Any objection to Exhibits 1 and 2? If not, they've been admitted. Any questions regarding this docket? If not, let's move to TC97-081.

MR. COIT: We move for the admission of ETC request dated 6-16-97, which is Exhibit No. 1, and also Exhibit No. 2, response to staff data request, dated 10-15-97.

MS. WIEST: Are there any objections to 1 and 2? If not, they've been admitted. Any questions regarding this docket? So, Rich, with respect to this one, you will be asking at the end about the waiver for the single party and all the other waivers; is that right?

MR. COIT: Is there a waiver request in the Stateline on the single party issue?

MS. WIEST: Yes.

MR. COIT: I wasn't aware of that. I understood there were some companies that had purchased U S West exchanges that were still in the process of converting some party lines. But, yes, if they need a waiver, I guess so. I'll renew that request. I don't have any factual information I can provide. I don't believe, Mr. Lee, are you here representing Stateline?

MR. LEE: I am. And in conversations with Stateline management yesterday, they indicated that they would likely need a waiver request until March, April time frame when they can finish the construction to provide all one party service.

MS. WIEST: And in their application they're actually asking for a one-year waiver; correct?

MR. LEE: But they're willing to shorten it up.

MS. WIEST: So you probably just need a waiver until June?

MR. LEE: That would be adequate.

MS. WIEST: June 1st?

CHAIRMAN BURG: Do we need to act on the waivers now?

COMMISSIONER SCHOENFELDER: Do you want a motion on the waiver now?

MS. WIEST: Let's talk about that. The thing is that all of these, I believe, are going to also need a motion on the waivers for the one year on the toll control, and we haven't been doing any of those motions at this time.

CHAIRMAN BURG: We have to take each of those separate motions, do you think, at the end for the toll control?

MS. WIEST: Yes. If we want to go --

MR. COIT: We could pick it up here now and start doing waivers. That might be the easiest way.

CHAIRMAN BURG: If we got to go through each one.

MR. COIT: Rule on them as you go through.

CHAIRMAN BURG: Easier than going back.

MS. WIEST: Okay. For 081 with respect to the waiver until June 1st, 1998, concerning single

party service to all customers, and the second waiver on toll control for one year -- one year from what date, Rich?

MR. COIT: I think I would guess that that would be from the date of the order.

MS. WIEST: Okay.

MR. COIT: On the toll control? You're speaking to the toll control; correct?

MS. WIEST: Yes, toll control.

COMMISSIONER SCHOENFELDER: I have a question as long as we're talking about the waivers both on toll control and on the single party service. As long as you're asking for waivers, let's make sure it's done properly and that we're not back here in two months asking for more waivers. I would hate to go through this process, or would not like to go through this process again. I think we need to be accurate when we're doing it. I also have a question about what meets the requirements of the Act? How much of a waiver can we give? I don't know as I know the answer to that.

MS. WIEST: Right. The time actually in the FCC Order is not specified. But it does say in paragraph 89, I believe, that the Commission must, upon a finding of exceptional circumstances, you can make a

waiver for single party services for a specified period of time. And also on the toll limitation the company must also show exceptional circumstances exist and need for additional time to upgrade. They should have to show individual hardship, individualized hardship or inequity warrants additional time to comply and that would better serve the public interest that is in strict adherence to the time period and it should extend only as long as the exceptional circumstances exist.

MR. COIT: I would note that in the applications, while we've requested a year, we've also indicated that within that period of time we would file some information with the Commission indicating, you know, when the capability is available. If the Commission -- what we have -- and Mr. Lee, I think, can answer some questions in the area of toll control that I can't answer. But we're faced with a situation today where the capabilities are just not available. If a year is too long, you know, from our perspective we really didn't know when it would be available and that's why we requested a year. But if there's better information on that, maybe the time period can be different. But right now we really don't know when the capability is going to be available.

COMMISSIONER SCHOENFELDER: I hate to belabor the point, and I know everyone wants to get through this, but to me it's very important that we do it right. And so if it means that we need to answer the question when we grant these waivers and we send these, or you send them on to the FCC, we need to be sure that you have spelled out why these companies -- at least this is what I'm understanding -- why these companies can't do toll control and why it's going to take that long of a period of time to do single party service. And so I think that should be in the application somewhere, or at least in our motion as we approve it, or we should have something on the record to support where we're going.

MS. WIEST: They do explain the reasons in their application, their original application, with respect to toll control.

COMMISSIONER SCHOENFELDER: Okay.

MS. WIEST: But if there are any further questions that the Commission would like to ask at this time, if you need more information on that, we could do that now.

COMMISSIONER SCHOENFELDER: I would like to know -- and this probably isn't true of all companies. But of the ones you're testifying for at least,

Mr. Lee, where they're at in deploying the technology that we need to do these two things and what kind of delays you might expect. Because I don't want this to not go forward the way that it's been perceived that it should go forward.

MR. LEE: Sure. Okay. I might respond to that in general; and then if there are specific questions, I'd be happy to do that. But the issue of toll limitation, which I believe under the FCC's description identifies a toll restriction and a toll control, and the issue at hand is in the toll control, which my understanding is to indicate that the end user subscriber is to be able to control the amount of its monthly bill, at which time a restriction automatically kicks in and disallows access to the long distance network. To my knowledge, there is no switch vendor in the United States today who provides that capability within its switch. I know that the vendors are working on it. I could not sit here with a clear conscience and indicate that on X date that I would expect it will be available. Given my honest opinion, I would doubt that it's available to the general population within a year's time period. And therein is the reason I believe that SDITC members ask for the one-year period because we don't anticipate it being available.

The second or alternative to that is a software provisioning of toll control. And, again, to my knowledge, there is no interface between a software system and a switch that has that capability. Primarily because it would take real time rating of a customer's usage; and because the customer control switch interexchange carrier it's choosing, there are a myriad of optional call plans and rate structures that would be applied. And, to my knowledge, there just is no technology, nor software, available to carry out that program.

COMMISSIONER SCHOENFELDER: And if I recall right, it doesn't -- it's not permissive, one or the other. You really to need to do all of the above.

MR. LEE: It includes both, that's correct.

COMMISSIONER SCHOENFELDER: I believe some companies have asked the FCC for clarification, that sort of thing. And as far as I know, you might have better information than I do that that decision has not been handed down by the FCC.

MR. LEE: A, I doubt I have better information; and, B, I agree it has not been handed down, to my knowledge. There is that clarification procedure request in front of the FCC.

COMMISSIONER SCHOENFELDER: Okay.

CHAIRMAN BURG: To my knowledge, everybody can offer toll limitation; right, from what we've had to get a general statement?

MR. LEE: I'm going to define as toll restriction, if I can, instead of toll limitation, yes.

CHAIRMAN BURG: Toll blocking is what I mean. Everybody can offer that?

MR. LEE: To my knowledge, that's a true statement.

CHAIRMAN BURG: And I guess my position is to me, the other -- I really don't see, you know, since you said it's not available, I can't see them implying it or even putting it into here. I think it satisfies all of our needs. I have no problem giving the full year or more as long as it gets through FCC, which at this time it appears it should. So I don't see this point to me in making it a shorter limit because I don't think it will interfere with the ETC establishment.

MR. LEE: I would agree with that and then would point out in the applications the companies have indicated that they will investigate and will work with their switch vendors so that when it does become available, they're willing to implement it. I think that the telephone companies feel that once it becomes

available, it is in the public interest and would be very supportive of that concept.

CHAIRMAN BURG: With that I'll move that we grant the one-year waiver on toll -- what is it called? Toll limitation? Toll control?

COMMISSIONER NELSON: I'd second.

COMMISSIONER SCHOENFELDER: I'm going to concur with that as long as the motion is understood that there will be some formal way to limit toll for these customers just so that everybody understands the motion.

CHAIRMAN BURG: I think in every application you agreed that you can do toll restriction --

MR. LEE: Right.

CHAIRMAN BURG: -- if I remember reading the applications, and that to me is satisfactory.

MR. LEE: Thank you.

CHAIRMAN BURG: Do you want them as a separate motion? Okay. I'll also move -- which one do we need on this one?

MS. WIEST: The single party service until June 1st.

CHAIRMAN BURG: I'll move that we grant a waiver in TC97-081 in the single party requirement until June 1, 1998.

COMMISSIONER NELSON: I'd second.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: Any other questions in 081? Do you want to go back now?

CHAIRMAN BURG: It might be easier to go back and get these others.

MR. COIT: Whatever.

MS. WIEST: We'll go back to 068, and the motion in 068 will be for the one-year waiver on toll control.

CHAIRMAN BURG: I'll move that we grant the waiver of toll control in TC97-075.

COMMISSIONER NELSON: I'd second.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 068.

CHAIRMAN BURG: I'll move we grant the toll -- I mean I'll move we grant the waiver for toll limitation.

MS. WIEST: Toll control. I'm sorry, we have to be accurate because what the FCC did is they call it combined toll control and toll blocking as toll limitation.

CHAIRMAN BURG: I'll move we grant the waiver for toll control in TC97-068.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: For one year?

CHAIRMAN BURG: Yes.

MS. WIEST: 069.

CHAIRMAN BURG: I'll keep making them. I'll move we grant the toll control waiver in TC97-069 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 070.

CHAIRMAN BURG: I'll move that we grant toll control in TC97-070 for one year, the waiver for one year.

COMMISSIONER NELSON: Second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 171.

CHAIRMAN BURG: I'll move that we grant toll control, the waiver for toll control, in TC97-071 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 073.

CHAIRMAN BURG: I'll move we grant the waiver for toll control in TC97-073 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 074.

CHAIRMAN BURG: I'll move we grant the waiver for toll control in TC97-074 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 077.

CHAIRMAN BURG: I'll move we grant the waiver for toll control in TC97-077 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 078.

CHAIRMAN BURG: I'll move we grant the waiver for toll control in TC97-078 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 080.

CHAIRMAN BURG: And I'll move we grant the waiver for toll control in TC97-080 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

CHAIRMAN BURG: We did 81; right, and we are done with 81.

MS. WIEST: Any further questions on 081? 083, TC97-083.

MR. COIT: We would move for the admission of the ETC request filed by Accent, dated 6-17-97, and Exhibit No. 2, the response to staff data request which is dated 10-8-97.

MS. WIEST: Any objection? If not, 1 and 2 have been admitted. Any questions regarding 083?

CHAIRMAN BURG: I'll move we grant the toll, the waiver for toll control in TC97-083 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-084.

MR. COIT: We move for the admission of the ETC request dated 6-17-97, which is marked Exhibit No. 1, and we move for the admission of Exhibit No. 2, the response to staff data request dated 10-8-97.

MS. WIEST: Are there any objections? If not, they've been admitted.

CHAIRMAN BURG: I'll move we grant the waiver for toll control in TC97-084 for one year.

COMMISSIONER NELSON: Seconded.

COMMISSIONER SCHOENFELDER: I'll concur. Does this have a single party question on this one?

MS. WIEST: No. They said in their original application that they are offering single party service to all consumers.

COMMISSIONER SCHOENFELDER: I got a sticky on it. Sorry. James Valley; right?

MS. WIEST: I believe in their -- okay. Yeah, that was Bob's question. And the reason he had the question is it was actually in the original application. So if you look at the original application on page two, under question number three, they do state that they provide single party service to all consumers in their service area. Number four down on that list.

COMMISSIONER SCHOENFELDER: Okay.

MS. WIEST: Thank you. Okay. Let's go to TC97-085.

MR. COIT: We move for admitting of Exhibit No. 1, the ETC request, dated 6-17-97, and Exhibit No. 2, the response to staff data request dated 10-10-97.

MS. WIEST: Any objections? If not, they've been admitted. I have the same question here with respect to question number one.

MR. COIT: Mr. Benton is available to respond to questions, I believe. Is this Heartland? Right? Or, Don, can you respond to any questions?

MR. LEE: Mark has asked me to respond on his behalf, which will be Heartland Communications, and they are offering all single.

MS. WIEST: Single party was offered to all customers? Any other questions concerning this docket? Is there a motion?

CHAIRMAN BURG: I'll move that we grant the waiver for toll control to TC97-089 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: 085, I believe.

CHAIRMAN BURG: Excuse me, 85.

MS. WIEST: TC97-086.

MR. COIT: We move for the admission of ETC request, Exhibit No. 1, dated 6-17-97, and response to staff data requests, Exhibit No. 2, which is dated 10-10-97.

MS. WIEST: Any objections? If not, they have been admitted. Same question, can you answer that, Mr. Lee?

MR. LEE: I'm sorry, I don't have the associated companies with the exhibit numbers. Which company are we referring to?

MR. COIT: Midstate.

MR. LEE: They are currently all private line services.

MR. COIT: Single party; correct?

MS. WIEST: Single party to all customers?

MR. LEE: Correct.

MS. WIEST: Any other questions in this docket?

CHAIRMAN BURG: I'll move we grant the toll control waiver in TC97-086 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-087.

MR. COIT: We move for the admission of Exhibit No. 1, ETC request, dated 6-17-97, and Exhibit No. 2, response to staff data request, dated 10-16-97.

MS. WIEST: Any objections? If not, Exhibits 1 and 2 have been admitted.

CHAIRMAN BURG: I'll move we grant toll control waiver in TC97-087 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: Again, I'd have a question on this one, Rich.

MR. COIT: Mr. Lee is representing Baltic as well.

MR. LEE: Baltic is currently all private line. I'm sorry, single party. I should use the right term, single party service.

MS. WIEST: To all customers?

MR. LEE: Correct.

MS. WIEST: Thank you. TC97-088.

MR. COIT: We move for the admission of Exhibit No. 1, ETC request dated 6-17-97, and response to staff data request, which is Exhibit No. 2, which is dated 10-17-97.

MS. WIEST: Any objections? If not, Exhibits 1 and 2 have been admitted.

CHAIRMAN BURG: I'll move we grant a waiver on toll control in TC97-088 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: Can you answer my question on this one, Mr. Lee?

MR. LEE: Company name, please?

MS. WIEST: East Plains.

MR. LEE: Currently is all single party service.

MS. WIEST: Thank you.

MS. WIEST: TC97-089.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request dated 6-17-97, and the admission of Exhibit No. 2, which is a response to staff data request, dated 10-21-97.

MS. WIEST: Any objections? If not, they've

been admitted. Same question.

MR. COIT: I don't believe that Mr. Lee is here representing Western today. What did they say in the response?

MS. WIEST: They said Western Telephone offers single party service. My question is do they offer to every customer again?

MR. COIT: Well --

MS. WIEST: Can you do a late-filed on that?

MR. COIT: We can do an affidavit on that one, I guess.

CHAIRMAN BURG: I'll move we grant a waiver on toll control for TC97-089 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: Okay. Let's go on to TC97-090.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request dated 6-17-97, and Exhibit No. 2, which is the response to staff data request dated 10-24-97.

MS. WIEST: Any objection? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move that we grant a waiver on toll control in TC97-090 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-092.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request of Kennebec Telephone Company dated 6-18-97, and move for the admission of Exhibit No. 2, which is the response to staff data request dated 10-10-97. And I would note that Mr. Rod Bauer is here to respond to any questions that the Commissioners or staff may have concerning their request.

MS. WIEST: Any questions concerning this docket? If not, do you have a motion?

CHAIRMAN BURG: Did we admit both those?

MS. WIEST: I'm sorry, I did not. I will admit Exhibit Numbers 1 and 2.

CHAIRMAN BURG: I'll move that we grant a waiver on toll control in TC97-092 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-093.

MR. COIT: We would move for the admission of Exhibit No. 1, which is the ETC request of Jefferson Telephone Company, dated 6-18-97, and move also for the admission of Exhibit No. 2, response to staff data request, which is dated 10-10-97. And I would note

that Mr. Dick Connors is available to answer any questions concerning the Jefferson request.

MS. WIEST: Any objection to the exhibits? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-093 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-094.

MR. COIT: We'd move for the admission of Exhibit No. 1, which is the ETC request dated 6-19-97, and move for the admission of Exhibit No. 2, which is the response to data request dated 10-15-97.

MS. WIEST: Any objection to Exhibits 1 and 2? If not, those exhibits have been admitted. Do you have any witnesses for this one?

MR. COIT: Mr. Lee is available for both Sully Buttes and Venture.

MS. WIEST: I just had a question, I guess, concerning single party service because in this one it does say should facilities not allow immediate single party service, Sully Buttes may offer multi-party service until the facilities are restored or installed to allow for single party service. Has that occurred

in the past?

A. Currently Sully Buttes Telephone has no multi-line. The fact is all single party service. I think they added that language such that if there were a disaster that they had to respond to, they wanted to reserve the right to offer party line under the emergency basis only. But they have for a number of years been all single party service.

MS. WIEST: Any other questions?

CHAIRMAN BURG: I'll move we grant a waiver on toll control for TC97-094 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Well, I'll concur.

MS. WIEST: TC97-095.

MR. COIT: We would move for the admission of ETC, Exhibit No. 1, dated 6-19-97, and admission of Exhibit No. 2, response to data request dated 10-15-97. I would point out that I believe that there might be an issue with respect to single party service waiver in this case as well.

MS. WIEST: Right. At this time are there any objections to Exhibit 1 and 2? If not, they've been admitted. Yes. And it would appear they would need a waiver. And my question for apparently they

have three multi-party customers and they plan to install single party service during the 1988 construction season. So I guess my question is apparently they haven't asked for a waiver. Are you doing so at this time?

MR. COIT: Yes, we would on their behalf. And I think Mr. Lee would be able to respond to questions on that. I assume so anyway.

MR. LEE: Sure. But that would be correct, we do need a waiver. The same June 1 date would be acceptable to us.

MS. WIEST: June 1, okay.

CHAIRMAN BURG: I'll move we grant a waiver in single party service to June 1, 1998, in TC97-095.

COMMISSIONER NELSON: I would second that.

COMMISSIONER SCHOENFELDER: Sure, I'll concur.

CHAIRMAN BURG: And I'll also move that we grant a waiver for toll control on TC97-095 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-096.

MR. COIT: I move for the admission of ETC request, Exhibit No. 1, dated 6-19-97, and move for the

admission of Exhibit No. 2, response to data request dated 10-10-97.

MS. WIEST: Any objections? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver on toll control in TC97-096 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-097.

MR. COIT: We move for the admission of Exhibit No. 1, ETC request, dated 6-19-97, and Exhibit No. 2, response to data request dated 10-10-97.

MS. WIEST: Any objections? If not, they've been admitted. Does anybody have any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-097 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-098.

MR. COIT: We move for the admission of ETC request dated 6-19-97, which is marked Exhibit No. 1, and admission of Exhibit No. 2, which is the response to data request dated 10-14-97.

MS. WIEST: Any objection to Exhibits 1 and

2? If not, they've been admitted. Are there any questions concerning this docket?

CHAIRMAN BURG: I'll move that we grant a waiver for toll control in TC97-098 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-099.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC dated 6-19-97, and admission of Exhibit No. 2, which is the response to data request dated 10-9-97.

MS. WIEST: Any objection? If not, they've been admitted. I have the same question on this one. The question is do we have single party service, and the answer is yes?

MR. COIT: Mr. Lee, are you here for Roberts County or not?

MR. LEE: No.

MR. COIT: Then we probably need to handle that, I suppose, by the affidavit.

MS. WIEST: Okay.

MR. LEE: Rich, are we talking about Roberts County or --

MR. COIT: Roberts County.

MR. LEE: I know from another source other

than this that as manager of the South Dakota Association of Telephone Co-ops and th daily requests we've had there that they do, in fact, provide all single party service throughout Roberts County Co-op, if that will suffice for your information here.

MS. WIEST: Is that sufficient?

MS. CREMER: That's sufficient.

MS. WIEST: Okay.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-099 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-100.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request dated 6-19-97, and admission of Exhibit No. 2, response to data request dated 10-9-97.

MS. WIEST: Any objection? If not, they've been admitted. Same question on this one.

MR. LEE: I don't know the answer.

MR. COIT: There is -- Mr. Lee is not here representing RC Communications today, so I suspect we'll have to deal with that with a late-filed exhibit if that's okay.

MS. WIEST: Okay.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-100 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-101.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC request dated 6-19-97, and Exhibit No. 2, response to staff data request dated 10-14-97.

MS. WIEST: Any objection? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant waiver for toll control in TC97-101 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-102.

MR. COIT: We move for the admission of Exhibit No. 1, which is the ETC dated 6-19-97, and Exhibit No. 2, which is a response to data request dated 10-14-97.

MS. WIEST: Any objections? If not, 1 and 2 have been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-102 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-105.

MR. COIT: We move for the admission of ETC request, Exhibit No. 1, dated 6-19-97, and admission of Exhibit No. 2, response to data request dated 10-14-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-105 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-108.

MR. COIT: We move for the admission of ETC request, Exhibit No. 1, dated 6-23-97, and the admission of Exhibit No. 2, response to staff data request dated 10-14-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. Same question. Can you, Mr. Lee, answer that one? Is that single party service available for --

MR. COIT: For Faith.

MR. LEE: I do not represent them, I'm sorry.

MR. COIT: We would request permission to

provide that via affidavit.

MS. WIEST: Okay.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-108 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-113.

MR. COIT: We move for the admission of Exhibit No. 1, ETC request dated 6-25-97, and Exhibit No. 2, response to data requests dated 10-9-97.

MS. WIEST: Any objection? If not, they've been admitted. I have the same question on this one.

MR. COIT: This is Armour. Bill Haugen can respond to your question.

MR. HAUGEN: Yes, I can answer that.

**BILL HAUGEN, JR.,**

called as a witness, being first duly sworn, was examined and testified as follows:

EXAMINATION

MR. HAUGEN: Good afternoon.

MS. WIEST: And I would just like to ask you if you currently provide single party service to all of your customers in your area.

MR. HAUGEN: Single party service is available to all of our customers in Armour Independent

Telephone Company service area. It has been since the late seventies.

MS. WIEST: Are there any others questions of this witness? Thank you.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-113 for one year.

COMMISSIONER NELSON: I'd second.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-114.

MR. COIT: We move for the admission of ETC request of the Bridgewater-Canistota Telephone Company, which is dated 6-25-97, that's Exhibit No. 1. And also move for the admission of Exhibit No. 2, which is response to data requests of staff dated 10-9-97. And Mr. Haugen is here as well to respond to any questions in this docket.

MS. WIEST: First of all, any objection to Exhibits 1 and 2? If not, they've been admitted. And I would ask the same question.

MR. HAUGEN: Single party service is available to all the customers in the Bridgewater-Canistota Exchanges.

MS. WIEST: Thank you. Any other questions of this witness?

CHAIRMAN BURG: I'll move we grant a waiver

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-105.

MR. COIT: We move for the admission of ETC request, Exhibit No. 1, dated 6-19-97, and admission of Exhibit No. 2, response to data request dated 10-14-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-105 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-108.

MR. COIT: We move for the admission of ETC request, Exhibit No. 1, dated 6-23-97, and the admission of Exhibit No. 2, response to staff data request dated 10-14-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. Same question. Can you, Mr. Lee, answer that one? Is that single party service available for --

MR. COIT: For Faith.

MR. LEE: I do not represent them, I'm sorry.

MR. COIT: We would request permission to

provide that via affidavit.

MS. WIEST: Okay.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-108 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-113.

MR. COIT: We move for the admission of Exhibit No. 1, ETC request dated 6-25-97, and Exhibit No. 2, response to data requests dated 10-9-97.

MS. WIEST: Any objection? If not, they've been admitted. I have the same question on this one.

MR. COIT: This is Armour. Bill Haugen can respond to your question.

MR. HAUGEN: Yes, I can answer that.

**BILL HAUGEN, JR.,**

called as a witness, being first duly sworn, was examined and testified as follows:

EXAMINATION

MR. HAUGEN: Good afternoon.

MS. WIEST: And I would just like to ask you if you currently provide single party service to all of your customers in your area.

MR. HAUGEN: Single party service is available to all of our customers in Armour Independent

Telephone Company service area. It has been since the late seventies.

MS. WIEST: Are there any others questions of this witness? Thank you.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-113 for one year.

COMMISSIONER NELSON: I'd second.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-114.

MR. COIT: We move for the admission of ETC request of the Bridgewater-Canistota Telephone Company, which is dated 6-25-97, that's Exhibit No. 1. And also move for the admission of Exhibit No. 2, which is response to data requests of staff dated 10-9-97. And Mr. Haugen is here as well to respond to any questions in this docket.

MS. WIEST: First of all, any objection to Exhibits 1 and 2? If not, they've been admitted. And I would ask the same question.

MR. HAUGEN: Single party service is available to all the customers in the Bridgewater-Canistota Exchanges.

MS. WIEST: Thank you. Any other questions of this witness?

CHAIRMAN BURG: I'll move we grant a waiver

for toll control in TC97-114 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-115.

MR. COIT: We would move the admission of Exhibit No. 1, the ETC request of Union Telephone Company, dated 6-25-97, and Exhibit No. 2, response to data request which is dated 10-9-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. And I would ask the same question in this docket.

MR. HAUGEN: Single party service is available to all the customers in the Union Telephone Company service area, Hartford and Wall Lake Exchanges, again, has been since late seventies.

MS. WIEST: Thank you. Any other questions of this witness?

CHAIRMAN BURG: I'll move we grant a waiver for toll restriction in TC97-115 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: Thank you. TC97-117.

MR. COIT: We move for the admission of Exhibit No. 1, ETC request dated 6-30-97, and Exhibit No. 2, response to data request dated 10-14-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-117 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-121.

MR. COIT: We move for the admission of Exhibit No. 1, the ETC request of Kadoka, dated 7-3-97, and the admission of Exhibit No. 2, response to data requests dated 10-28-97.

MS. WIEST: Any objections to Exhibits 1 and 2? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-121 for one year.

COMMISSIONER NELSON: I'll second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-125.

MR. COIT: We'd move for the admission of ETC request, Exhibit No. 1, dated 7-7-97, and Exhibit No. 2, response to data request of staff, which is dated 10-29-97.

MS. WIEST: Any objection to Exhibits 1 and

2? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-125 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-130.

MR. COIT: We would move for the admission of Exhibit No. 1, the ETC request dated 7-10-97, and Exhibit No. 2, the response to data request dated 10-14-97.

MS. WIEST: Any objection to Exhibits 1 and 2? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-130 for one year.

COMMISSIONER NELSON: I would second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-131.

MR. COIT: We would move the admission of ETC request Exhibit No. 1, which is dated 7-10-97, and Exhibit No. 2, response to data request dated 10-14-97.

MS. WIEST: Any objection to Exhibits 1 and 2? If not, they've been admitted. Any questions concerning this docket?

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-131 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: TC97-154.

MR. COIT: We would move into the record Exhibit No. 1, the ETC request, dated 9-10-97, and also Exhibit No. 2, the response to data request dated 10-16-97.

MS. WIEST: Any objection to Exhibit 1 and 2? If not, they have been admitted. Let's see, on this one this was one of a couple that no time period was requested for the waiver. I assume you still want the one year?

MR. COIT: Mr. Barfield is here. He could respond. He's Mr. Bob Barfield, manager for West River.

MS. WIEST: They request a waiver but this is one of the few ones that didn't ask for one year, as far as I can see, or any time period. So I was wondering if there was any different time period that was being requested.

**BOB BARFIELD,**

called as a witness, being first duly sworn, was examined and testified as follows:

EXAMINATION

MR. BARFIELD: In response to your question, since the vendor does not have a date, as far as we know, at this time to provide this, that's the reason we didn't ask for a certain time period on the waiver.

MS. WIEST: But we will need a time period.

MR. COIT: Would you be willing to accept the one-year time period that is being granted to other companies?

MR. BARFIELD: We sure would.

CHAIRMAN BURG: And I think the thought behind it is if there still isn't any solution, then it would be renewed or we'd request. With that, I'll move that we grant a waiver for toll control in TC97-154 for one year.

COMMISSIONER NELSON: I would second it.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: Let's go to TC97-155.

MR. COIT: We would request admission of Exhibit No. 1, which is the ETC request of Mobridge Telecommunications, which is dated 9-10-97, and also Exhibit No. 2, which is the response to data request dated 10-16-97.

MS. WIEST: Any objection? If not, Exhibits 1 and 2 have been admitted. And I would have the same

question with respect to the length of the waiver.

MR. BARFIELD: And the response would be the same. We would ask for a year on the waiver.

MS. WIEST: Thank you. Any other questions?

CHAIRMAN BURG: With that I'll move that we grant a waiver on toll control in TC97-155 for one year.

COMMISSIONER NELSON: I'd second it.

COMMISSIONER SCHOENFELDER: I concur.

MS. WIEST: Thank you. Let's skip to TC97-167.

MR. COIT: I would just note that Three River Telco is not an SDITC member company, so I'm not really here today to represent Three River Telco.

MS. WIEST: Nobody is here?

CHAIRMAN BURG: Do we have any questions on it, or do we have to have representation?

MS. WIEST: Somebody needs to move it in.

MR. COIT: Well, if you're looking for a body, I guess I can serve as the body.

MS. CREMER: Otherwise, I can move to admit the two exhibits, Number 1, 10-10-97, the request for ETC, and 11-7-97, the amended -- oh, I'm sorry, that's U S West. Let me try that again. 10-16 of '97 is the request and 11-13-97 is the amended request, and I

would ask that they be admitted in.

MS. WIEST: Any objection? If not, they've been admitted. Are there any questions concerning this docket? I would note that their application does request a waiver for one period for toll control.

CHAIRMAN BURG: There isn't a question on the single party line, though, is there?

MS. WIEST: No.

CHAIRMAN BURG: I'll move we grant a waiver for toll control in TC97-167 for one year.

COMMISSIONER NELSON: I'd second.

COMMISSIONER SCHOENFELDER: Concur.

MS. WIEST: At this time did you want to go to U S West, or is Harlan going to speak to these dockets?

MS. CREMER: We'll finish up these first.

MS. WIEST: Okay.

(STAFF'S EXHIBIT NO. 1 WAS MARKED FOR IDENTIFICATION.)

**HARLAN BEST,**

called as a witness, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HOSECK:

Q. Would you state your name for the record,

please.

A. Harlan Best.

Q. And what is your job?

A. I am deputy director of fixed utilities for the Public Utilities Commission, South Dakota.

Q. And have you been present in the hearing room this afternoon for the hearing on these applications?

A. Yes.

Q. And have you had the opportunity to review the caption in the notice of this hearing which lists the cases which are before the Commission on this date?

A. Yes.

Q. And are you familiar with the applications in each of these cases?

A. Yes.

Q. As a part of your job, have you reviewed those applications?

A. Yes, I have.

Q. You have before you an exhibit numbered Staff's No. 1; is that correct?

A. Yes.

Q. And is that an exhibit that you prepared in the course of your duties?

A. Yes, it is.

Q. Just briefly explain to the Commission,

please, what that exhibit entails.

A. What I have done on this exhibit is across the top is listed each of the companies requesting eligible telecommunications carrier status, the associated docket number, and the staff counsel that is assigned to the respective dockets. Down the side, the left-hand side, is the requirements that are set forth for ETC status. Populated within the columns is the responses that the respective companies gave within their exhibits 1 and Exhibit 2 that have been admitted into the record.

Q. And are there any changes or corrections to this exhibit that you would like to make at this time?

A. One that I am aware of is under Vivian Telephone, Docket TC97-068, under the Lifeline and Link Up it shows that it will be available 1-1-97. It should be 1-1-98. I'm not aware of any other corrections.

MR. HOSECK: Okay. At this point in time I would move Staff's Exhibit No. 1 into evidence. This is intended as testimony for all of the dockets en mass with the exception of U S West.

COMMISSIONER SCHOENFELDER: U S West is on here though.

MR. HOSECK: That would be handled later.

MS. WIEST: Is there any objection?

MR. COIT: My comment would be that I just received this so I haven't had an opportunity to go through to make sure this is all accurate. I guess I can take Mr. Best's word that it is accurate and I'll have to do that, I guess. Other than that, I don't have any comment.

MS. WIEST: Do you want an opportunity to look it over?

MR. COIT: Well, it might take me a while, so I don't have any objection.

MS. WIEST: Okay. Then Staff Exhibit No. 1 will be admitted into all of the dockets that we have gone through so far.

MR. HOSECK: Okay. Thank you.

Q. Based on the review of these dockets that you have done and relying to whatever extent you may on Staff's Exhibit No. 1, did the applicant companies meet the requirements of becoming an eligible telecommunications carrier?

A. Yes, they have, with the noted late-filed affidavits that will be done in a number of the dockets.

Q. And with regard to advertising services exchange-wide, do you have a recommendation to the

Commission for a provision to be included in an order which would come out of these proceedings?

A. Yes. Staff's recommendation for advertising would be that the ETC carrier be required to advertise at least once each year; and if they have any rate change, that that rate change be advertised when it does change.

Q. And in conclusion, do you have an opinion as to whether or not the applicants contained on Exhibit 1, with the exception of U S West which has not had its case heard yet at this time, whether or not those applicants meet the qualifications as an eligible telecommunications carrier?

A. With staff's review that has been undertaken, yes, they do meet the requirements for ETC status.

MR. HOSECK: I have no further questions of this witness.

MS. WIEST: Are there any questions of this witness? Mr. Coit?

CROSS-EXAMINATION

BY MR. COIT:

Q. I assume when you talked about advertising rate changes that you're referencing the rates just for the essential services that are supported by universal service?

A. Yes.

MR COIT: No further questions.

MS. WIEST: Ms. Rogers?

MS. ROGERS: No, no questions.

MS. WIEST: Mr. Heaston?

MR. HEASTON: No.

CHAIRMAN BURG: The only question I'd have is there any -- is advertising identified in any way? Is there any criteria for what advertising means in the context of this? Is the methods in the FCC Order as well?

MS. WIEST: I'm sorry, what was the question?

CHAIRMAN BURG: The question I had for Harlan or anybody else is, is there a meaning, is there a description, definition for advertising, what that constitutes?

MS. WIEST: Under the statute itself 214(e)(1)(B) they must advertise the availability of such services and if you're referring to the services that are supported by federal universal service and the charges therefore using media of general distribution.

CHAIRMAN BURG: Okay. I think that satisfies me.

COMMISSIONER NELSON: Does that mean for

Lifeline and Link Up, they have to advertise this once?

MS. WIEST: That would be under staff's recommendation, I believe.

A. Yes, once each year.

COMMISSIONER NELSON: Well, frankly, I don't think it's adequate.

COMMISSIONER SCHOENFELDER: Are you doing that? Are you -- to follow up -- excuse me, to follow up on Commissioner Nelson's question, are you recommending that they advertise once each year after? I believe our order said that you have to send an application to everyone once initially and then to every new customer. You're requesting this advertisement of Lifeline, Link Up in addition to, would that be accurate or not?

A. Right. The Lifeline, Link Up under TC97-150, which was issued yesterday, states that it shall be -- a form shall be, or a letter shall be sent to present customers, and then this would be an advertisement of it. They'd have to do advertisement of this for at least once each year.

COMMISSIONER SCHOENFELDER: Okay. Thank you.

COMMISSIONER NELSON: So is the answer to Laska's questions it's in addition to?

A. Yes. They would do it originally, and once a year after.

MS. WIEST: How would they advertise? Where?

A. Where would they advertise?

MS. WIEST: Yes.

A. Whatever general distribution it meets according, I assume, it means newspapers and those types of publications.

MS. WIEST: So it could be any type of general distribution media once a year?

A. Whatever is available within their given exchanges that they serve.

MS. WIEST: And it would only be for those services supported right now by federal universal service?

A. Yes.

MS. WIEST: And every time they changed a rate for one of those services, then that would have to be re-advertised at that time?

A. Yes.

MS. WIEST: Are there any other questions of this witness? If not, thank you. Actually, I do. Could you retake the stand, Harlan? I guess we have a question for you. Could you look at your exhibit for

Venture Communications, TC97-095?

A. Yes.

MS. WIEST: Does the answer to number four, single party service, we did grant them a waiver because currently they do not have single party service apparently to three customers?

A. Yes.

MS. WIEST: So would that be incorrect there, your question there?

A. It would be a clarification there to it, yes.

MS. WIEST: Okay. Thank you. Do you have anything further, Mr. Hoseck?

MR. HOSECK: Staff has nothing further. Thank you.

MS. WIEST: Do you want to take a short break until we go to U S West?

MR. COIT: When does the Commission -- are you going to wait until the end to rule on all of these with respect to the actual ETC designation?

MS. WIEST: That's why we're taking a short break.

(AT THIS TIME A SHORT RECESS WAS TAKEN.)

MS. WIEST: Let's get started again. And we will go to TC97-163.

MR. HEASTON: And I would move admission of

Exhibit 1, which is the request, and Exhibit 2, which is the amended request, and Exhibit 3, which is the service territory map. That's Exhibit 1, 2 and 3 respectively in the docket.

MS. WIEST: Any objection to Exhibits 1, 2 and 3? Do you have a copy of the service territory map? Are there any objections to Exhibits 1, 2 and 3? If not, they've been admitted. You may proceed, Mr. Heaston.

MR. HEASTON: We would also join in the motion on the toll control. The reason we did not seek a waiver in the initial application is because as I read Paragraph 388 of the Order in the DA 97-157 indicated that toll blocking would be sufficient in the meantime and it was dependent upon when you upgraded switches. And so we do not feel we need a waiver of toll control, but the common wisdom seems to be there needs to be a waiver, so we will follow the herd here and request the toll control waiver also.

And we are also one of the parties to the request of the FCC to reconsider the toll limitation, that this includes both toll blocking and toll control. And I guess we would also point out that with the implementation of number portability that is going to imoact toll control somewhat significantly. And so

while we agree with Bob Barfield in his observation that since we don't know when it's going to happen, that's why we wouldn't want a time limit on it, but we are willing to accept the one year with the understanding that if there is not the ability to implement it or if the ability is too expensive to implement, that we would be able to come back to this Commission and seek further waiver of that, of implementing toll control with part of the essential telecommunications carrier obligation.

MS. WIEST: Okay. Would the Commissioners --

CHAIRMAN BURG: Did we admit the exhibits?

MS. WIEST: Yes.

CHAIRMAN BURG: I'll move that we waive toll control for TC97-163 for one year.

COMMISSIONER NELSON: Well, I'm going to second it, but I heard an expansion of what we've been waiving in the past from giving them one year with the idea we're going to renew it. And the reason I was willing to grant it is because technology is not out there. Now, the Act requires that it be there and it didn't say anything about how much it cost. So I didn't hear anything about one of the reasons we were waiving it in the past was because that it might be cost prohibitive as much as because technology wasn't

there. I can understand why technology wasn't there, but I didn't -- I wasn't in Congress when they voted that was part of the Act.

MR. HEASTON: It's not part of the Act. I guess that's the first thing. It's an FCC --

COMMISSIONER NELSON: It's a rule.

MR. HEASTON: It's an FCC dictate.

COMMISSIONER NELSON: But it has the same weight as the rules and statute unless it's changed in court; right?

MR. HEASTON: That's true. But unless the FCC changes, as we've urged them to do.

COMMISSIONER NELSON: Right. So I'm seconding your motion with the understanding it's exactly as we had stated it originally; is that correct?

CHAIRMAN BURG: I mean the motion was for one year.

COMMISSIONER SCHOENFELDER: I believe the motion was for one year, a waiver for one year, and I didn't know that the motion had anything more than that. than just a waiver from toll control for one year.

CHAIRMAN BURG: It doesn't.

COMMISSIONER SCHOENFELDER: Then I'll concur.

COMMISSIONER NELSON: All I'm saying, though, is I voted for it and there will be a record that I voted for it; and the reason I voted for it was the technology wasn't available. And that's a lot different in my mind than it's cost prohibitive.

COMMISSIONER SCHOENFELDER: I think --

COMMISSIONER NELSON: Not that that wouldn't be an issue in my mind that you could debate. I don't want a record that I'm supporting something for a different reason than I did.

CHAIRMAN BURG: Just a comment that I'd make on it, I guess. If there isn't a technology, I really hate to see all 50 or 75 filings just for an extension. If there is some way we could certify there is no technology and extend it as we come up towards that year, I'd welcome that solution rather than go through this with this many of them. I, personally, in my own mind, cannot see a solution when we're going to have multiple companies in number portability. It boggles my mind to see how that's even going to happen that you could end up with any kind of toll limitation. So I'm guessing when we come up to the year, we're still not going to have a solution, and I'm not looking toward to requiring all of you -- I mean that's the name of a bureaucrat to file that many

pieces of paper. So if we can find a way to consolidate it at that time, I would welcome any suggestions. That's all I have.

MR. HEASTON: I have Mr. Lehner available here, and we do have a couple questions to ask him.

**JON LEHNER,**

called as a witness, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HEASTON:

Q. Mr. Lehner, in our application we described the issue of eliminating multi-party services and going to single party service throughout U S West service areas. Can you update the Commission on the status of that consistent with what we've already put in the application?

A. Yes. As of October 31 of this year the number of multi-party or two- and four-party customers in U S West's territory is 612. 612.

CHAIRMAN BURG: What was the date on that, Jon?

A. As of 10-31-97.

Q. And what can you tell the Commission about our continuing effort to eliminate the multi-party service?

A. The plan right now is to eliminate all of those 612 except for 52 of them. And the time frame for that will be by the end of the second quarter, which I suppose we could put for a date of 6-30 of '98. So all but 52 of those will be completed by 6-30 of '98.

Q. And what about the remaining 52?

A. The remaining 52 are extremely high cost upgrades. And until other technology or other means become available, there are no plans right now. We have no plans to move ahead with those 52.

Q. With that we still believe that it is appropriate for us to -- we still believe the waiver is appropriate in this case; is that correct?

A. That is correct.

MR. HEASTON: That's all the questions I have.

MS. WIEST: Ms. Cremer?

CROSS-EXAMINATION

BY MS. CREMER:

Q. Mr. Lehner, where are those 52 located? Are they spread throughout, or are they in a specific area, do you know?

A. I could read them off for you. There's about a dozen exchanges. Or I could give you a late-filed

exhibit. Let me just read them off. Arlington is four; Belle Fourche, six; De Smet, four; Huron, three; Lake Preston, one.

COMMISSIONER NELSON: Do you want to start over?

A. Arlington, four; Belle Fourche, six; De Smet, four; Huron, three; Lake Preston, one; Madison, two; Milbank, four; Pierre, two; Redfield, two; Sisseton, six; Spearfish, two; Volga, five; Watertown, ten; Yankton, one.

Q. Is there a particular reason? Is it like Anaconda line or something?

A. It's a combination of many factors, but you mean as far as the 52 are concerned?

Q. Yes.

A. It's a combination of many factors. We're talking about feeder distribution, we're talking about in some cases a PAIR GAIN systems like Anaconda that would need to be replaced.

MS. CREMER: Okay. That's all the questions I have.

CHAIRMAN BURG: Have you investigated any other technical solutions other than to a single party other than line extension?

A. You mean in order to provide a single party

service to these customers?

CHAIRMAN BURG: Yes.

A. Yes. I think the answer is we are constantly looking for a cheaper way to do this because in some cases, Commissioner, we're talking about over $100,000 to upgrade a single customer, and it just doesn't make sense to do that. And the answer would seem to lie probably in some form of wireless, but so far the wireless technologies, whether then satellite or fixed wireless, are still pretty expensive. I see that as the ultimate solution, though, to some of these.

CHAIRMAN BURG: I'm going to move to grant the waiver.

MS. WIEST: Just a second. Do the Commissioners have any other questions? As opposed to the other ones, I'm going to have to ask you some questions to verify things that were in the application because that was signed by Mr. Heaston. It wasn't signed by a witness with an affidavit, as all the others were. So bear with me for a second.

A. I've never trusted his signature either.

MS. WIEST: First one, does U S West provide voice grade access to the public switched network to all in its service area?

A. Yes.

MS. WIEST: And does it provide local usage?

A. Yes.

MS. WIEST: Do you provide dual tone multi-frequency signalling or its functional equivalent?

A. Yes.

MS. WIEST: Do you provide access to your emergency services?

A. Yes.

MS. WIEST: Do you provide access to operator services?

A. Yes.

MS. WIEST: Do you provide access to interexchange service?

A. Yes.

MS. WIEST: And do you provide access to directory assistance?

A. Yes.

MS. WIEST: And you've already talked about toll control and the waiver. Do you provide or are you able to provide toll blocking?

A. Yes.

MS. WIEST: Then getting back to your request for the waiver on single party service, I know in your application you talked about the ones that you have no

plans, you know, of providing service due to the cost and everything. My problem, I guess, is that I don't see that there is any de minimus exception within the FCC rules with respect to single party service. Have you been granted any of this type of de minimus exception to that requirement, do you know, in any of the other states?

A. I am not aware.

MS. WIEST: And what I'm getting at is that it appears, according to the FCC rules -- and I'm looking at 47 54.101(c), that in order to grant any additional time to complete network upgrades for single party or enhanced 911 or toll limitation, that the Commission does in fact have to set a time period for you to complete those network upgrades. Is your contention that we do not?

A. I would not make that contention. I'm going to let my attorney argue with you about that.

MS. WIEST: Well, then, I do have a couple other questions. My other question is on service area. And it is also a requirement of the state Commission to designate service areas as opposed to study areas for nonrural telecommunications companies. First of all, you would agree that you are a nonrural telecommunications company?

A. Yes.

MS. WIEST: And in the FCC's public notice 96-45 issued 9-29-97, it does state that we must send to USAC the names of the ETC's and the designated service areas for nonrural carriers no later than December 31st, 1997. And I know you made some reference to these things in your application, but I don't think you really told us what you want your service area to be. Because the FCC has told us that we better not adopt your study area as your service area for large ILEC's. Do you have service areas for your company that you want the Commission to adopt at this time?

A. Well, I suppose that -- and, Bill, jump in here, I guess, to help me with this. But I suppose that our service area ought to be our exchanges in the state of South Dakota. Now, the study area is a different issue and that has not been determined yet. But I would think that our service area would be our exchanges that we serve in the state of South Dakota.

MR. HEASTON: If I may from a legal standpoint, there is no definition yet; and certainly our service area would be those areas within which we are authorized to provide the supported services.

MS. WIEST: Right. And that's my question.

MR. HEASTON: From a general perspective, I guess, if that's what you're looking for is what you would designate to the FCC would not be anything outside the area where we're authorized or certified to provide service. When it comes to where the areas are going to be that would be where the services would be supported by a universal service fund, whether it's high cost or low income or libraries or whatever it happens to be, you know, that's an area that's currently under debate depending upon which proxy cost model is going to be accepted. And so that's why we are somewhat vague on that term because what this Commission has not done and nor has the FCC come out with any final decision as to what model it is going to accept. So I think if we're required to take a look at a "service area," I would do it from the standpoint of what Jon -- to comply with the law. If that's what we're looking for, to comply with the FCC requirement. I think that's what we would look at is an area, though, no larger than an exchange area, which we would equate to a wire center or an exchange area. And we have however many are on that.

MS. WIEST: He how many exchanges do you still have?

MR. HEASTON: It's on the list we submitted.

A. I can't answer that exactly. It's approximately 35.

MS. WIEST: It would be attached?

MR. HEASTON: It's on our exhibit to our application.

MS. WIEST: So however many with the amendment the three that were missed. That's how many service areas you would like the Commission to designate for U S West at this time?

A. I guess I'm not sure whether we would want to designate each exchange.

MS. WIEST: My problem is we are supposed to tell the FCC by December 31st what your designated service area is.

A. Then I suppose we ought to do it exchange by exchange.

MS. WIEST: If you want more time to think about it --

MR. HEASTON: Yes, I think I would. I mean this is not something that's come up in the other two states that I've done this in, and I had the same basic application. I will have to -- I will do a late-filed exhibit on that if I could with an affidavit from Jon.

MS. WIEST: Okay.

MR. HEASTON: What are you relying on again,

Rolayne?

MS. WIEST: Actually what as far as the FCC's public notice, that was docket 96-45 DA 97-1892 issued 9-29-97.

MR. HEASTON: 1892.

MS. WIEST: And I'm also relying on paragraphs 185, 192, 193 of the FCC's universal service order.

MR. HEASTON: 197, 175.

MS. WIEST: 157 or --

MS. CREMER: 185, 192.

MS. WIEST: The docket number for the FCC universal service.

MR. HEASTON: Not the docket number but the order number, the order number.

MS. WIEST: Okay. I was looking at 185, 192 and paragraph --

MR. HEASTON: I got those. Was it FCC 97-157?

MS. WIEST: 157, right. And the other thing you might want to address in paragraph 185, for example, it does say if a state PUC adopts its existing service areas for large ILEC's, their study area, this would erect significant barriers to entry. We are also encouraged to consider designating service areas that

require an ILEC to serve areas other than they have not traditionally served.

MR. HEASTON: Yes. And, see, this -- what the problem this causes is where you have not considered and have left to the FCC to determine how that's going to be modeled from a proxy standpoint. And, yes, we are advocating smaller geographic elements than the wire center for universal high cost support but I do not have a South Dakota specific look because this Commission decided not to do their own earlier this -- a couple months ago, as opposed to Wyoming and North Dakota where I do have that because those two are looking at doing their own, or suggesting their own cost study. So I do have the small grids, as we call it, and I could identify that for you. I cannot identify anything smaller than right now than a wire center.

MS. WIEST: Okay.

MR. COIT: Excuse me, may I comment briefly on this? And I understand that I'm not a party but I do believe it was my understanding today that the whole issue of disaggregated service areas for U S West or any other company may come up. But I would like to say we certainly have an interest in the issue. And I think that the FCC rules indicate that -- the orders

and the rules indicate that before changing an existing service area, that the Commission at the state level needs to find that it's consistent with universal service requirements. So I think it's a really involved -- involves a lot more than the review of actually looking at ETC service obligations. You're talking about making changes in a U S West service area that could significantly change the level of support it might receive under a federal universal service fund. Decisions on U S West service area disaggregation and so forth could certainly impact rural telephone companies as well. And I guess going into this proceeding it was our understanding that there are certain established incumbent LEC service areas, and we didn't understand, I guess, that we -- that the issue in this U S West docket or any of the other ones would be with regard to disaggregating service areas.

MS. WIEST: I'm not talking about disaggregating service areas. And I think you have to recognize the distinction that was made between nonrurals and rural companies with respect to service area. If we want to look at doing anything to rural companies with respect to disaggregation, we have to specifically petition the FCC. That's all I'm talking about, and that's the reason why I only brought up this

issue with respect to U S West. And it's just my understanding the Commission does have to do the service area in order for U S West to get your universal service money.

MR. HEASTON: If I could have until whatever date was suggested earlier on getting the additional affidavits in, I'll have a recommendation for you from U S West on that.

MS. WIEST: Okay. Are there any other questions of this witness? One more question, Mr. Lehner. Do you have any observation to what Mr. Best suggested as advertising requirements for your company?

A. I'm not sure that I understood exactly what he was requiring. If the requirement is to advertise it once a year in the newspaper, I don't think we have a problem with that.

MS. WIEST: And getting back to single party service is high cost, the only barrier is to provide single party service to those 52 customers?

A. Yes.

MS. WIEST: Is it also U S West's position that the settlement agreement that you've stated is suspended concerning single party service no longer applies where I believe you stated you would have

single party service to all customers by the year 2000?

A. Had the 121 investment program continued, I would have been out here talking to the staff and to you about these anyway, because as we honed down to some to the last few on some of these exchanges, it became obvious that this was -- this is foolish to spend that kind of money with the current technology. Just doesn't make any sense.

MS. WIEST: That's all I have. Mr. Heaston, you might also want to address the question of whether the Commission has the authority to provide any de minimus exception to the single party without putting the time line on it.

MR. HEASTON: I don't know that de minimus is the issue, but I do think that you could put a time line on it and make it renewable that we would have to come in. I think what the rule would allow you to do is require us to come in on a regularly-scheduled basis, maybe annually, maybe semi-annually, to update the Commission of where we are technologywise in taking care of these last 52. That would be my position on this is that that puts a time limit on and it makes it driven by the technology and the affordability of it.

MS. WIEST: Okay. Any other questions?

COMMISSIONER SCHOENFELDER: I have a question

of Mr. Lehner. And the reason I have a question is because in your amended application you might have addressed it, however, I don't have a copy of that and I apologize. But you addressed in here and you have an exhibit on your original application that regards Lifeline, Link Up. And basically what it is it's your tariff, or a page that looks like a tariff page to me. Now, U S West really intends to comply with the Commission order in Lifeline, Link Up?

A. Absolutely.

COMMISSIONER SCHOENFELDER: I need to know that.

A. And that page doesn't apply any more.

COMMISSIONER SCHOENFELDER: Thank you.

MS. WIEST: Any other questions? Thank you.

COMMISSIONER NELSON: I guess I have a question. You know, you -- when you were talking about why you shouldn't have to provide this single party systems for these areas that you listed like Spearfish and Pierre and all the list that you went through --

A. Yes.

COMMISSIONER NELSON: Why would it -- it just seems weird to me that it would be that expensive to provide those services in some areas. Like Pierre and Huron, those are pretty -- I mean can you explain that

to me a little bit because I find that a little odd.

A. The high cost we're talking about in many cases, not only replacing, we're talking about customers that were engineered probably back in the sixties and seventies to multi-party service with no intention of having single party service. So we're talking in many cases miles and miles of distribution cable, some cases six pair, 11 pair, maybe even greater pair. So we're talking about now having to replace that cable with probably 50 pair or a hundred pair cable. And we're also talking about many cases where at the end of that cable we have to extend what some people will call a drop, what I call a pair of wires, sometimes several miles. And in order to provide single party service -- well, I take that back in that case. The drop piece of that will be okay. I was thinking of if they have more than one line. But we're talking about distribution cable, we're talking about feeder, and we're talking in some cases about PAIR GAIN systems that are just plain full. I'm talking about systems that you've heard like Anaconda that are going to need to be replaced. It's expensive.

COMMISSIONER NELSON: I guess in my mind it seems to me that cost prohibitive -- I didn't exactly envision exactly what you were just explaining to me

because I was thinking maybe these lines had to be run out miles and miles and miles and there's nobody out there or something. But if this is in a fairly populated area, and it doesn't seem to me that these people should have to live with just two party telephone system when most of the world doesn't, as we know it in South Dakota, doesn't have to do that because the lines are all filled up. I mean I'm looking for some reason why that's acceptable, especially when some of those little companies are saying that they got maybe three or four people left that they don't have that service for and they've made every effort to say, well, we want a waiver but we will do it by the end of the year or whatever.

A. I think that most of the companies you've been listening to up until now -- and I obviously can't speak for them, but I think you're talking about engineering that was done probably 15, 20 years ago in most of these companies' cases where they at the time spent the money to do that. We did not do that. We provided distribution systems that were literally designed not to provide single party service. There are different funding mechanisms and different requirements that we've had. They've had the ability to spend that kind of money and recover it. Now, I can

spend $100,000 or $150,000 or 50,000, whatever it is, to do these, but somewhere that has to be recovered and it isn't going to be recovered from a customer. That customer isn't going to pay for that.

COMMISSIONER NELSON: It seems to me this flies in the face of what the governor's bill said last year. I mean here we're talking making available high technology to everybody in South Dakota. Basically that's what the bill says. And we're talking here some people that aren't even going to have single party telecommunication in this state.

A. Commissioner, all I can tell you is what the cost is. And I think that's -- I think that's, unless there's a recovery mechanism, it would make no sense to spend that kind of money. And I certainly wouldn't recommend it.

CHAIRMAN BURG: The question I have in the LEC industry when we have these kind of situations once in a while there's another provider that is closer that can do it. Would that be the case to any of these? Would that be a reasonable solution ever?

A. Yes, it would. And, Commissioner, if there is any company in this room that would like to serve any of these 52, I would be happy to negotiate.

CHAIRMAN BURG: I think maybe when we're down

to 52, we ought to get a list of those names and see if we could work it out. I share what Counsel has said. I'm not sure we can make the exception. I know that U S West's counsel has given us what I call a short term one, that in other words, we could give the waiver for a limited period of time, but I don't know that's an indefinite solution and we probably ought to work -- look at working together to meet and find the solution to meet the FCC rules I think if we can. But so many -- maybe, I guess, what I would like to request is the actual name and location of those 52 filed at some time. I don't care whether it's part of this docket or not.

A. I think that can be provided.

MS. WIEST: Any other questions? If not, thank you.

CHAIRMAN BURG: I suppose we do need some type of waiver in order to grant them an ETC status.

MS. WIEST: Sorry, for which now?

CHAIRMAN BURG: For single party.

MS. WIEST: At this time staff has a witness on this case first.

MS. CREMER: Staff would call Harlan Best.

**HARLAN BEST,**

called as a witness, being previously sworn,

was examined and testified as follows:

DIRECT EXAMINATION

BY MS. CREMER:

Q. Harlan, were you the analyst assigned to TC97-163, U S West's application?

A. Yes.

Q. And have you reviewed that application by U S West?

A. Yes.

Q. And would you agree with Mr. Lehner when he testified earlier that they met all the requirements of 47 CFR 54-101?

A. That they have met those?

Q. Yes.

A. Yes, with the discussion that we've had on single party.

Q. Right. Okay. And at your recommendation for advertising, would that be the same for U S West as it was for the others?

A. Yes.

Q. And what would your recommendation be for the Commission in defining a service area for U S West?

A. It would be the wire center.

MS. CREMER: That's all the questions I would have.

MS. WIEST: Any questions, Ms. Wilka?

MS. WILKA: No questions.

MS. WIEST: Commissioners?

CHAIRMAN BURG: The question I'd have is based on that, should we not -- I mean is this -- what do I call it? Is this a document that is filed in these hearings?

MS. CREMER: Yes.

CHAIRMAN BURG: I guess I think we ought to correct that exhibit to put no on each of those that we've made a waiver for on the single party because I believe the answer is no and we've made a waiver to satisfy that.

MS. CREMER: Okay.

CHAIRMAN BURG: Since that's filed.

COMMISSIONER SCHOENFELDER: We have not moved for a waiver in that area, have we?

CHAIRMAN BURG: Yes, for six months on one other company.

MS. WIEST: We have two single party waivers so far, but U S West we haven't moved yet; right?

CHAIRMAN BURG: But if we do and for any we do, since he's a witness on the stand and this is his document, I think that this document should be corrected to reflect, no, they do not meet that to

coincide with the waivers we've given.

MS. CREMER: Okay.

CHAIRMAN BURG: I guess I don't know. What do we need to do to make sure that correction is made?

MS. WIEST: I believe there are three companies that do not at this time provide single party service, so all they would have to do is change that yes to no for those Stateline, Venture, and U S West; right?

CHAIRMAN BURG: And the testimony on the record is adequate to accomplish that?

MS. WIEST: Yes.

CHAIRMAN BURG: Okay. That's all I wondered.

MS. WIEST: So how many wire centers does U S West have?

A. 38.

MS. WIEST: 38. Thank you. Any other questions of this witness?

MS. CREMER: No.

MS. WIEST: Would you like to admit this docket for the purposes of this docket? Before I only admitted it for the other dockets.

MS. CREMER: Actually I wasn't going to move it into this one because people testified to it, so I

didn't really need it in mine. But I can certainly move it.

MS. WIEST: It's up to you.

MS. CREMER: We don't need it in this docket.

MS. WIEST: Any other questions of this witness? Thank you. Anything else from any of the parties? At this time I believe the Commission will take these matters under advisement. We are waiting for some late-filed exhibits in some dockets, and it will be possible that perhaps the Commission will make the decisions either at a Commission meeting or at the December 2nd hearing on some other related ETC dockets. Are there any questions from anybody or any comments?

MR. COIT: I would just, for the record, like to formally request that the Commission designate each of the -- based upon the record, the affidavits yet to be submitted, that the Commission designate each of the rural telephone companies, SDITC member companies, as ETC's and that their study areas be designated as their service area. That's all I have.

MS. WIEST: Thank you. That will close the hearing.

(THE HEARING CONCLUDED AT 3:50 P.M.)

STATE OF SOUTH DAKOTA )
)
COUNTY OF HUGHES )

I, Lori J. Grode, RMR, Notary Public, in and for the State of South Dakota, do hereby certify that the above hearing, pages 1 through 89, inclusive, was recorded stenographically by me and reduced to typewriting.

I FURTHER CERTIFY that the foregoing transcript of the said hearing is a true and correct transcript of the stenographic notes at the time and place specified hereinbefore.

I FURTHER CERTIFY that I am not a relative or employee or attorney or counsel of any of the parties, nor a relative or employee of such attorney or counsel, or financially interested directly or indirectly in this action.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office at Pierre, South Dakota, this 1st day of December, 1997.

_____

Lori J. Grode, RMR

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | Vivian Telephone Company TC97-068 CH | Golden West Telecommunications Cooperative TC97-069 CH | Valley Cable & Satellite Communications TC97-070 CH | Valley Telecommunications Cooperative Assn. Inc. TC97-071 CH | Sioux Valley Telephone Company TC97-073 KC | Mount Rushmore Telephone Company TC97-074 CH | Fort Randall Telephone Company TC97-075 CH |
|---|---|---|---|---|---|---|---|
| 1. voice grade access to public switched network | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. local usage | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. single party service or its functional equivalent | Yes. 10/14/97 | Yes. 10/14/97 | Yes to business and residence customers 10/9/97 | Yes to business and residence customers 10/9/97 | Yes. 10/14/97 | Yes. 11/3/97 | Yes. 11/3/97 |
| 5. access to emergency services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 6. access to operator services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 7. access to interexchange services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 8. access to directory assistance | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year |
| 47 C.F.R. 54.405 and 54.411 make available Lifeline and Link Up services to qualifying low-income consumers | is offered in purchased USWC exchanges; not offered currently, but will 1/1/97 in accord with 47 CFR 54.400 - 54.417 and any SDPUC decisions 10/14/97 | GWCoop does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/14/97 | VCSC currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - 417 and any SDPUC decisions. 10/9/97 | Valley Coop does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/9/97 | SVTC does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/14/97 | Mt. Rushmore does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 11/3/97 | Ft. Randall currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - 417 and any SDPUC decisions. 11/3/97 |
| 47 U.S.C. 214(e)(3) designate service area (by NXX) | Yes<br>South Bonesteel, NE<br>South Burke, NE<br>South Gregory, NE | Yes<br>South Ardmore, NE<br>West Edgemont, WY<br>South Dakota, NE<br>White Clay, NE | Yes | Yes | Yes | Yes | Yes<br>Lake Andes 491 NE ?<br>487 SD ? |
| 47 U.S.C. 214(e)(1)(B) advertise services exchange wide | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by J. Brown | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by J. Brown | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97 oath by D. Quaschnick | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97 oath by D. Quaschnick | will do so on a going forward basis in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by P. Rasmusson | will do so on a going forward basis in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 11/3/97 oath by B. Hanson | will do so on a going forward basis in accordance with any specific advertising standards that the Commission may develop<br><br>Intervention granted to DTI and DTS - 7/29/97<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 11/3/97 oath by B. Hanson |

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | Interstate Telephone Company TC97-077 KC | Interstate Telecommunications Cooperative TC97-078 KC | West River Cooperative Telephone Company TC97-080 KC | Stateline Telecommunications Inc. TC97-081 KC | Accent Communications, Inc. TC97-083 CH | James Valley Cooperative Telephone Company TC97-084 CH | Heartland Communications, Inc. TC97-085 CH |
|---|---|---|---|---|---|---|---|
| 1. voice grade access to *public* switched network | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. local usage | Yes | Yes | Yes | Yes | Yes | Yes | Local exchange service |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. single party service or its functional equivalent | all will be single party by year end. 10/9/97 | all are single party and have been for many years. 10/9/97 | Yes. 10/14/97 | Yes, all but 10. Request one year waiver. 10/15/97 | Yes | Yes | Yes. 10/10/97 |
| 5. access to emergency services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 6. access to operator services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 7. access to interexchange services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 8. access to directory assistance | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year | -toll blocking<br><br>-toll control not provided. requesting a waiver for one year |
| 47 C.F.R. 54.405 and 54.411 make available Lifeline and Link Up services to qualifying low-income consumers | ITC currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/9/97 | ITC does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/9/97 | WRCoop does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/14/97 | Stateline currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/15/97 | ACI currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/8/97 | JVC does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/8/97 | Heartland currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/10/97 |
| 47 U.S.C. 214(e)(5) designate service area (by NXX) | Yes | Yes | Yes<br>West Camp Creek, WY | Yes<br>North Lemmon, ND | Yes<br>North Heide, ND | Yes | Yes |
| 47 U.S.C. 214(e)(1)(B) advertise services exchange wide | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97 oath by D. Anderson | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97 oath by D. Anderson | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by D. Henderson | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/15/97 oath by D. Henderson | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/8/97 oath by president of ACI | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/8/97 oath by president of Coop | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/10/97 oath by M. Benton |

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | Midstate Telephone Company TC97-086 CH | Baltic Telecom Cooperative TC97-087 KC | East Plains Telecom, Inc. TC97-088 KC | Western Telephone Company TC97-089 KC | Stockholm-Strandburg Telephone Company TC97-090 KC | Kennebec Telephone Co., Inc. TC97-092 CH | Jefferson Telephone Co., Inc. TC97-093 CH |
|---|---|---|---|---|---|---|---|
| 1. voice grade access to public switched network | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. local usage | Local exchange service | Local exchange service | Local exchange service | Yes | Yes | Yes | Yes |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. single party service or its functional equivalent | Yes. 10/10/97 | Yes. 10/16/97 | Yes. 10/16/97 | Yes. 10/21/97 | Yes. 10/24/97 | Single party in Presho and Kennebec areas. 10/10/97 | Yes. 10/10/97 |
| 5. access to emergency services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 6. access to operator services | Yes | Yes | Yes | Yes | Yes. 10/24/97 | Yes | Yes |
| 7. access to interexchange services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 8. access to directory assistance | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year |
| 47 C.F.R. 54.405 and 54.411 Make available Lifeline and Link Up services to qualifying low-income consumers | Midstate does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/10/97 | Baltic does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/16/97 | East Plains currently offers within its service area. 1/1/98 will be offered under new terms 47 CFR 54.400 - 417 and any SDPUC decisions. 10/16/97 | Western does offer service in exchanges purchased from USWC but does not currently offer within its old service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/21/97 | Stockholm does offer service in all of its exchange areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/21/97 | Kennebec does offer service in Presho service area but does not currently offer within its Kennebec service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/10/97 | Jefferson does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/10/97 |
| 47 U.S.C. 214(e)(3) designate service area (by NXX) | Yes | Yes | Yes<br>East Hudson, IA | Yes | Yes | Yes | Yes |
| 47 U.S.C. 214(e)(1)(B) advertise services exchange wide | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/10/97 oath by M. Benton | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/16/97 oath by president | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/16/97 oath by president | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/21/97 oath by H. Brown | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/24/97 oath by H. Nowick | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/10/97 oath by D. Johnstone | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/10/97 oath by R. Connors |



8-48M-M10-055

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | Sully Buttes Telephone Cooperative, Inc. TC97-094 CH | Venture Communications, Inc. TC97-095 CH | SANCOM, Inc. TC97-096 KC | Sanborn Telephone Cooperative TC97-097 KC | Beresford Municipal Telephone Company TC97-098 KC | Roberts County Telephone Cooperative Association TC97-099 KC | RC Communications, Inc. TC97-100 KC |
|---|---|---|---|---|---|---|---|
| 1. voice grade access to public switched network | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. local usage | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. single party service or its functional equivalent | Yes. 10/15/97 | Yes. 10/15/97 | Yes. 10/10/97 | Yes. 10/10/97 | Yes. 10/14/97 | Yes. 10/9/97 | Yes. 10/9/97 |
| 5. access to emergency services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 6. access to operator services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 7. access to interexchange services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 8. access to directory assistance | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year |
| 47 C.F.R. 54.405 and 54.411 make available Lifeline and Link Up services to qualifying low-income consumers | Sully Buttes does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/15/97 | Venture currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/15/97 | SANCOM currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/10/97 | Sanborn does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/10/97 | Beresford does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/14/97 | RC Coop does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/9/97 | RC currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/9/97 |
| 47 U.S.C. 214(e)(5) designate service area [by NXX] | Yes | Yes<br>North Britton, ND | Yes | Yes | Yes | Yes<br>North New Effington, ND | Yes<br>North Veblen, ND |
| 47 U.S.C. 214(e)(1)(B) advertise services exchange wide | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/15/97 oath by R. Houdek | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/15/97 oath by R. Houdek | will do so on a going forward basis in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/10/97 oath by R. Johnston | will do so on a going forward basis in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/10/97 oath by R. Johnston | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by W. Aaland | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97 oath by P. Harrington | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97 oath by P. Harrington |

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | Splitrock Properties, Inc.<br>TC97-101<br>KC | Splitrock Telecom Cooperative, Inc.<br>TC97-102<br>KC | Tri-County Telecom, Inc.<br>TC97-105<br>CH | Faith Municipal Telephone Company<br>TC97-106<br>KC | Armour Independent Telephone Company<br>TC97-113<br>CH | Bridgewater-Canistota Independent Telephone Company<br>TC97-114<br>CH | Union Telephone Company<br>TC97-115<br>CH |
|---|---|---|---|---|---|---|---|
| 1. voice grade access to public switched network | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. local usage | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes | | Yes | Yes | Yes | Yes |
| 4. single party service or its functional equivalent | Yes. 10/14/97 | Yes. 10/14/97 | Yes. 10/14/97 | Yes. 10/14/97 | Yes. 10/9/97 | Yes. 10/9/97 | Yes. 10/9/97 |
| 5. access to emergency services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 6. access to operator services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 7. access to interexchange services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 8. access to directory assistance | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year | -toll blocking<br><br>-toll control not provided, requesting a waiver for one year |
| 47 C.F.R. 54.405 and 54.411 make available Lifeline and Link Up services to qualifying low-income consumers | Splitrock Properties currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - 417 and any SDPUC decisions. 10/14/97 | Splitrock does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/14/97 | Tri-County does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/14/97 | Faith does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/14/97 | Armour does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/9/97 | B-C currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - 417 and any SDPUC decisions. 10/9/97 | Union does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - 417. 10/9/97 |
| 47 U.S.C. 214(e)(5) designate service area [by NXX] | Yes | Yes<br>East Garretson, MN | Yes | Yes | Yes | Yes | Yes |
| 47 U.S.C. 214(e)(1)(B) advertise services exchange wide | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97<br>oath by D. Snyders | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97<br>oath by D. Snyders | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97<br>oath by J. Ekstrand | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97<br>oath by V. Miller | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97<br>oath by B. Haugen, Sr. Pres | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97<br>oath by B. Haugen, Sr. Pres | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/9/97<br>oath by B. Haugen, Sr. Pres |

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | McCook Cooperative Telephone Company TC97-117 CH | Kadoka Telephone Company TC97-121 CH | Brookings Municipal Telephone TC97-125 KC | Hanson Communications Inc. d/b/a Hanson County Telephone Co. TC97-130 CH | Hanson Communications Inc. d/b/a McCook Telecom TC97-131 CH | West River Telecommunications Cooperative TC97-154 KC | Mobridge Telecommunications Co. TC97-155 CH |
|---|---|---|---|---|---|---|---|
| 1. voice grade access to public switched network | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. local usage | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. single party service or its functional equivalent | Yes. 10/14/97 | Yes. 10/28/97 | Yes | Yes. 10/14/97 | Yes. 10/14/97 | Yes. 10/16/97 | Yes. 10/16/97 |
| 5. access to emergency services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 6. access to operator services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 7. access to interexchange services | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 8. access to directory assistance | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br><br>-toll control not provided; requesting a waiver for one year | -toll blocking<br>-toll control not provided; requesting a waiver | -toll blocking<br>-toll control not provided; requesting a waiver |
| 47 C.F.R. 54.405 and 54.411 make available Lifeline and Link Up services to qualifying low-income consumers | McCook does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/14/97 | Kadoka does not currently offer within its service area. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/28/97 | Brookings does not currently offer within its service area. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/29/97 | Hanson County does not currently offer within its service areas. 1/1/98 will be offered under terms of 47 CFR 54.400 - .417. 10/14/97 | Hanson Communications currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/14/97 | West River currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/16/97 | Mobridge Telecommunications currently offers within its service areas. 1/1/98 will be offered under new terms 47 CFR 54.400 - .417 and any SDPUC decisions. 10/16/97 |
| 47 U.S.C. 214(e)(5) designate service area [by NXX] | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 47 U.S.C. 214(e)(1)(B) advertise services exchange wide | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by president | will do so going forward in accordance with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/28/97 oath by P. Morse | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/29/97 oath by C. Decog | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by L. Johnson | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/14/97 oath by president | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/16/97 oath by president | will do so going forward in accord with any specific advertising standards that the Commission may develop<br><br>10/1/97 letter; response due by 10/14/97<br><br>response 10/16/97 oath by president |

# ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

| 47 C.F.R. 54.101(a) | U S WEST TC97-163 KC | Three River Telco TC97-167 KC |
|---|---|---|
| 1. voice grade access to public switched network | Yes | Yes |
| 2. local usage | Yes | Yes |
| 3. dual tone multi-frequency signaling or its functional equal | Yes | Yes |
| 4. single party service or its functional equivalent | Yes | Yes |
| 5. access to emergency services | Yes | Yes |
| 6. access to operator services | Yes | Yes |
| 7. access to interexchange services | Yes | Yes |
| 8. access to directory assistance | Yes | Yes |
| 9. toll limitation for qualifying low-income consumers | -toll blocking | -toll blocking<br>-toll control not provided; requesting a waiver for one year |
| 47 C.F.R. 54.405 and 54.411<br>make available Lifeline and Link Up services to qualifying low-income consumers | Provides both plans to eligible subscribers. Programs to be offered are included in application | Currently provides Link Up service, but not Lifeline service. Will offer Lifeline as required by 47 CFR 54.400 - 417 beginning 1/1/98 |
| 47 U.S.C. 214(e)(5)<br>designate service area [by NXX] | Yes | Yes. North Naper, SD |
| 47 U.S.C. 214(e)(1)(B)<br>advertise services exchange wide | presently advertises availability of services throughout its certified territory | will do so going forward in accordance with any specific advertising standards that the Commission may develop |

elctrm.wk4

TC97-081

**Stateline**
**Telecommunications, Inc.**

Connecting the Lemmon, Newell and Nisland Exchanges to the World

June 12, 1997

RECEIVED
JUN 16 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

South Dakota Public Utilities Commission
State Capitol Building
500 E. Capitol Ave.
Pierre, SD 57501-5070

Attention: Mr. William Bullard

Dear Mr. Bullard:

Enclosed you will find one original and ten copies of our formal request to be designated as an eligible Telecommunications Carrier in the state of South Dakota.

If additional information is needed, I may be reached at 605-244-5236.

Sincerely,

Jerry Reisenauer
Administrative Assistant

JR:ss

Enclosure

P. O. Box 39, Bison, SD 57620, Phone: 605-244-5236, Fax: 605-244-7288

TC97-081

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



| | | |
|---|---|---|
| **IN THE MATTER OF THE REQUEST OF STATELINE TELECOMMUNICATIONS, INC. FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER** | ) ) ) ) | **REQUEST FOR ETC DESIGNATION** |

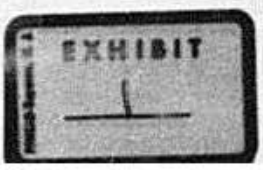
Stateline Telecommunications, Inc. ("Stateline") pursuant to 47 United States Code Section 214(e) and 47 Code of Federal Regulations Section 54.201 hereby seeks from the Public Utilities Commission ("Commission") designation as an "eligible telecommunications carrier" within the local exchange areas that constitute its service area in South Dakota. In support of this request, Stateline offers the following:

1. Pursuant to 47 U.S.C. § 214(e) it is the Commission's responsibility to designate local exchange carriers ("LECs") as "eligible telecommunications carriers" ("ETCs"), or in other words, to determine which LECs have assumed universal service obligations consistent with the federal law and should be deemed eligible to receive federal universal service support. At least one eligible telecommunications carrier is to be designated by the Commission for each service area in the State. However, in the case of areas served by "rural telephone companies", the Commission may not designate more than one LEC as an ETC without first finding that such additional designation would be in the public interest. Under 47 CFR § 54.201, beginning January 1, 1998, only telecommunications carriers that have received designation from the Commission to serve as an eligible telecommunications carrier within their service area will be eligible to receive federal universal service support.

2. Stateline is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges:

| | |
|---|---|
| Newell | 605-456 |
| Nisland | 605-257 |
| Lemmon | 605-374 and 701-376 |

Stateline to its knowledge is the only carrier today providing local exchange telecommunications services in the above identified exchange areas.



3. Stateline in accord with 47 CFR § 54.101 offers the following local exchange telecommunications services to all consumers throughout its service area:

- Voice grade access to the public switched network;
- Local exchange service including an amount of local usage free of per minute charges under a flat rated local service package and as part of a measured local service offering;
- Dual tone multi-frequency signaling;
- Access to emergency services such as 911 or enhanced 911 public services;
- Access to operator services;
- Access to interexchange service;
- Access to directory assistance; and
- Toll blocking service to qualified low-income consumers.

As noted above, Stateline does provide toll limitation service in the form of toll blocking to qualifying consumers, however, the additional toll limitation service of "toll control" as defined in the new FCC universal service rules (47 CFR § 54.400(3)) is not provided. Stateline is not aware that any local exchange carrier in South Dakota has a current capability to provide such service. The FCC gave no indication prior to the release of its universal service order (FCC 97-157) that toll control would be imposed as an ETC service requirement and, to our information and belief, as a result, LECs nationwide are not positioned to make the service immediately available. In order for Stateline to provide the service, additional usage tracking and storage capabilities will have to be installed in its local switching equipment. At minimum, the service requires a switching software upgrade and at this time Stateline is investigating and attempting to determine whether the necessary software has been developed and when it might become available.

Accordingly, Stateline is faced with exceptional circumstances concerning its ability to make the toll control service available as set forth in the FCC's universal service rules and must request a waiver from the requirement to provide such service. At this time, a waiver for a period of one year is requested. Prior to the end of the one year period, Stateline will report back to the Commission with specific information indicating when the necessary network upgrades can be made and the service can be made available to assist

low income customers. The Commission may properly grant a waiver from the "toll control" requirement pursuant to 47 CFR 54.101(c).

4. Stateline has previously and will continue to advertise the availability of its local exchange services in media of general distribution throughout the exchange areas served. Prior to this filing, Stateline has not generally advertised the prices charged for all of the above-identified services. It will do so going forward in accord with any specific advertising standards that the Commission may develop.

5. Based on the foregoing, Stateline respectfully request that the Commission:

(a) grant a temporary waiver of the requirement to provide "toll control" service; and

(b) grant an ETC designation to Stateline covering all of the local exchange areas that constitute its present service area.

Dated this 11th day of June, 1997

Stateline Telecommunications, Inc.

Darrell D. Henderson, General Manager

081

**Stateline**
**Telecommunications, Inc.**

Connecting the Lemmon, Newell and Nisland Exchanges to the World

October 13, 1997

RECEIVED
OCT 15 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

State of South Dakota
Public Utilities Commission
State Capitol
Pierre, SD 57501-5070

RE: Docket #TC97-081

Attention: Karen Cremer

Dear Ms. Cremer:

In response to your October 1, 1997 request, enclosed you will find verification of single-party service and link-up and lifeline programs provided by our company.

If you have any questions or if additional information is needed, I can be reached at (605) 244-5236.

Sincerely,

Darrell D. Henderson
General Manager

DDH:ss

Enclosure

EXHIBIT
2

P. O. Box 39, Bison, SD 57620, Phone: 605-244-5236, Fax: 605-244-7288

ADDITIONAL ITEMS TO BE INCLUDED II
DOCKET #TC 97-081

1. Stateline Telecommunications, Inc.(STI) has available single party service to most customers. At the present time, STI has ten customers with two-party service, some of which have requested to remain on two-party service. At this time, STI requests a waiver for one year to meet the requirements of single party service.

2. Stateline Telecommunications, Inc. currently offers lifeline and link up local service discounts within its exchange areas. Beginning January 1, 1998, the programs will be offered under new terms in accord with the FCC rules, 47CFR 54.400-54.417 and any PUC decisions concerning implementation of the expanded programs.

"Darrell D. Henderson, being duly sworn, states that he is the General Manager for the responding party, that he has read the initial ETC application and the foregoing, and the same are true to his own best knowledge, information and belief."

Date the 13th day of October, 1997 Signed Darrell D. Henderson

Title General Manager

STATE OF South Dakota )
: SS
COUNTY OF Perkins )

On this the 13th day of October, 1997, personally appeared before me DARRELL D. HENDERSON known to me to be the person who executed the foregoing instrument and acknowledged to me that he executed the same.

(SEAL)

Notary Public

My Commission Expires: Feb 16, 2001

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

| | | |
|---|---|---|
| IN THE MATTER OF THE FILING BY STATELINE TELECOMMUNICATIONS, INC. FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER | ) ) ) ) ) | FINDINGS OF FACT, CONCLUSIONS OF LAW, ORDER AND NOTICE OF ENTRY OF ORDER TC97-081 |

On June 16, 1997, the Public Utilities Commission (Commission) received a request for designation as an eligible telecommunications carrier (ETC) from Stateline Telecommunications, Inc. (STI). STI requested designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area.

The Commission electronically transmitted notice of the filing and the intervention deadline to interested individuals and entities. No person or entity filed to intervene. By order dated November 7, 1997, the Commission set the hearing for this matter for 1:30 p.m. on November 19, 1997, in Room 412, State Capitol, Pierre, South Dakota.

The hearing was held as scheduled. At the hearing, the Commission granted STI a one year waiver of the requirement to provide toll control service within its service area and a waiver until June 1, 1998, of the requirement to provide single party service. At its December 11, 1997, meeting, the Commission granted ETC designation to STI and designated its study area as its service area.

Based on the evidence of record, the Commission enters the following Findings of Fact and Conclusions of Law.

## FINDINGS OF FACT

I

On June 16, 1997, the Commission received a request for designation as an ETC from STI. STI requested designation as an ETC within the local exchange areas that constitute its service area. STI serves the following exchanges: Newell (605-456); Nisland (605-257); and Lemmon (605-374, 701-376). Exhibit 1.

II

Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission.

III

Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

IV

The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

V

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VI

STI offers voice grade access to the public switched network to all consumers throughout its service area. Exhibit 1.

VII

STI offers local exchange service including an amount of local usage free of per minute charges to all consumers throughout its service area. Id.

VIII

STI offers dual tone multi-frequency signaling to all consumers throughout its service area. Id.

IX

STI offers single party service to all but 10 consumers throughout its service area. Exhibit 2. STI requested a waiver of the requirement to provide single party service to all customers until June 1, 1998. Tr. at 19-20.

X

STI offers access to emergency services to all consumers throughout its service area. Exhibit 1.

XI

STI offers access to operator services to all consumers throughout its service area. Id.

XII

STI offers access to interexchange services to all consumers throughout its service area. Id.

XIII

STI offers access to directory assistance to all consumers throughout its service area. Id.

XIV

One of the services required to be provided by an ETC to qualifying low-income consumers is toll limitation. 47 C.F.R. § 54.101(a)(9). Toll limitation consists of both toll blocking and toll control. 47 C.F.R. § 54.400(d). Toll control is a service that allows consumers to specify a certain amount of toll usage that may be incurred per month or per billing cycle. 47 C.F.R. § 54.400(c). Toll blocking is a service that lets consumers elect not to allow the completion of outgoing toll calls. 47 C.F.R. § 54.400(b).

XV

STI offers toll blocking to all consumers throughout its service area. Exhibit 1.

XVI

STI does not currently offer toll control. Id. In order for STI to provide toll control, additional usage tracking and storage capabilities will have to be installed in its local switching equipment. STI is attempting to determine whether the necessary software has been developed and when it might become available. Id.

XVII

STI stated that it is faced with exceptional circumstances concerning its ability to make toll control service available and requested a one year waiver from the requirement to provide such service. Id. Prior to the end of the one year period, STI will report back to the Commission with specific information indicating when the network upgrades can be made in order to provide toll control. Id.

XVIII

With respect to the obligation to advertise the availability of services supported by the federal universal service support mechanism and the charges for those services using media of general distribution, STI stated that it advertises the availability of its local exchange services in media of general distribution throughout its service area. However, STI has not generally advertised the prices for these services. Id. STI stated its intention to comply with any advertising standards developed by the Commission. Id.

XIX

STI currently offers Lifeline and Link Up service discounts in its exchanges. Exhibit 2. STI will offer the Lifeline and Link Up service discounts in all of its service area beginning January 1, 1998, in accordance with 47 C.F.R. §§ 54.400 to 54.417, inclusive, and any Commission imposed requirements. Exhibit 2.

XX

The Commission finds that STI currently provides and will continue to provide the following services or functionalities throughout its service area: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling; (4) single-party service to all but 10 customers; (5) access to emergency services; (6) access to operator services; (7) access to

interexchange service; (8) access to directory assistance; and (9) toll blocking for qualifying low-income consumers.

XXI

The Commission finds that pursuant to 47 C.F.R. § 54.101(c) it will grant STI a waiver of the requirement to offer single party service until June 1, 1998. The Commission finds that exceptional circumstances prevent STI from meeting the single party service requirement and will allow a waiver of the requirement for the 10 remaining customers until June 1, 1998.

XXII

The Commission finds that pursuant to 47 C.F.R. § 54.101(c) it will grant STI a waiver of the requirement to offer toll control services until December 31, 1998. The Commission finds that exceptional circumstances prevent STI from providing toll control at this time due to the difficulty in obtaining the necessary software upgrades to provide the service.

XXIII

The Commission finds that STI intends to provide Lifeline and Link Up programs to qualifying customers throughout its service area consistent with state and federal rules and orders.

XXIV

The Commission finds that STI shall advertise the availability of the services supported by the federal universal service support mechanism and the charges therefor throughout its service area using media of general distribution once each year. The Commission further finds that if the rate for any of the services supported by the federal universal service support mechanism changes, the new rate must be advertised using media of general distribution.

XXV

Pursuant to 47 U.S.C. § 214(e)(5), the Commission designates STI's current study area as its service area.

## CONCLUSIONS OF LAW

I

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 49-31, and 47 U.S.C. § 214.

II

Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission.

III

Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also

advertise the availability of such services and the rates for the services using media of general distribution.

IV

The FCC has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

V

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VI

STI has met the requirements of 47 C.F.R. § 54.101(a) with the exception of the ability to offer toll control and the ability to offer single party service to all of its customers. Pursuant to 47 C.F.R. § 54.101(c), the Commission concludes that STI has demonstrated exceptional circumstances that justify granting it a waiver of the requirement to offer toll control until December 31, 1998 and a waiver of the requirement to offer single party service until June 1, 1998.

VII

STI shall provide Lifeline and Link Up programs to qualifying customers throughout its service area consistent with state and federal rules and orders.

VIII

STI shall advertise the availability of the services supported by the federal universal service support mechanism and the charges therefor using media of general distribution once each year. If the rate for any of the services supported by the federal universal service support mechanism changes, the new rate shall be advertised using media of general distribution.

IX

Pursuant to 47 U.S.C. § 214(e)(5), the Commission designates STI's current study area as its service area.

X

The Commission designates STI as an eligible telecommunications carrier for its service area.

It is therefore

ORDERED, that STI's current study area is designated as its service area; and it is

FURTHER ORDERED, that STI shall be granted a waiver of the requirement to offer single party service to all consumers until June 1, 1998; and it is

FURTHER ORDERED, that STI shall be granted a waiver of the requirement to offer toll control services until December 31, 1998; and it is

FURTHER ORDERED, that STI shall follow the advertising requirements as listed above; and it is

FURTHER ORDERED, that STI is designated as an eligible telecommunications carrier for its service area.

NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 17th day of December, 1997. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

Dated at Pierre, South Dakota, this 17th day of December, 1997.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By Delaine Kolbo

Date 12/18/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Laska Schoenfelder

LASKA SCHOENFELDER, Commissioner

TC97-081

**Stateline**
**Telecommunications, Inc.**

Connecting the Lemmon, Newell and Nisland Exchanges to the World

December 23, 1997

RECEIVED
DEC 26 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Bill Bullard
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501

Dear Mr. Bullard:

Enclosed you will find a signed copy of Stateline Telecommunications, Inc. Lifeline and Link-Up Plan and "Exhibit A" which is a copy of the South Dakota Public Utilities Commissions (SDPUC) Final Order and Decision regarding the South Dakota Lifeline and Link-Up program.

I have been assured by the South Dakota Public Utilities Commission that a copy of our Eligible Telecommunications Carrier designation has been provided to all appropriate agencies by the SDPUC.

If additional information or certification is needed, please advise at your earliest convenience.

Sincerely,

Darrell D. Henderson
General Manager

DDH:ss

Enclosure

P. O. Box 39, Bison, SD 57620, Phone: 605-244-5236, Fax: 605-244-7288

# LIFELINE AND LINK UP PLAN
# OF STATELINE TELECOMMUNICATIONS, INC.

The Stateline Telecommunications, Inc. submits this plan pursuant to 47 CFR § 54.401(d). Stateline Telecommunications, Inc. has been designated as an eligible te communications carrier by the South Dakota Public Utilities Commission ("SDPUC") and, as such, must make Lifeline and Link Up service available to qualifying low-income consumers as set forth in the Commission's *Final Order and Decision; Notice of Entry of Decision* dated November 18, 1997, issued in Docket TC97-150 (In the Matter of the Investigation into the Lifeline and Link Up Programs), which is attached as Exhibit A, and consistent with the criteria established under 47 CFR §§ 54.400 to 54.417, inclusive.

## A. General

1. The Lifeline and Link Up programs assist qualified low-income consumers by providing for reduced monthly charges and reduced connection charges for local telephone service. The assistance applies to a single telephone line at a qualified consumer's principal place of residence.

2. A qualified low-income consumer is a telephone subscriber who participates in at least one of the following public assistance programs:

   a. Medicaid
   b. Food Stamps
   c. Supplemental Security Income (SSI)
   d. Federal Public Housing Assistance
   e. Low-Income Home Energy Assistance Program (LHEAP)

3. A qualified low-income consumer is eligible to receive either or both Lifeline and LinkUp assistance.

4. Stateline Telecommunications, Inc. will advertise the availability of Lifeline and Link Up services and the charges therefore using media of general distribution and in accord with any rules that may be developed by the SDPUC for application to eligible telecommunications carriers.

5. In addition, Stateline Telecommunications, Inc., as required by the *Final Order and Decision; Notice of Entry of Decision* of the SDPUC (Exhibit A), will indicate in it's annual report to the SDPUC the number of subscribers within it's service area receiving Lifeline and/or Link Up assistance. In addition, this information will be provided to the Universal Service Administrative Company ("USAC").

6. Information as to the number of consumers qualifying for Lifeline and/or Link Up assistance cannot currently be provided by Stateline Telecommunications, Inc. because it has no access to the government information necessary to determine how many of its telephone subscribers are participating in the above referenced public assistance programs. Without this information, Stateline Telecommunications, Inc. cannot provide, at this time, even a reasonable estimate of the number of its subscribers who, after January 1, 1998, will be receiving Lifeline and/or Link Up service. Information as to the number of its low-

income subscribers qualifying for Lifeline and/or Link Up can be provided after applications for Lifeline and Link Up assistance have been received by Stateline Telecommunications, Inc.

7. In accord with the SDPUC's *Final Order and Decision; Notice of Entry of Decision*, Stateline Telecommunications, Inc. will make application forms available to all of its existing residential customers, to all new customers when they apply for residential local telephone service, and to other persons or entities upon their request.

**B. Lifeline**

1. Lifeline service means a retail local service offering for which qualified low-income consumers pay reduced charges.

2. Lifeline service includes voice grade access to the public switched network, local usage, dual tone multi-frequency signaling or its functional equivalent, single-party service or its functional equivalent, access to emergency services, access to operator services, access to interexchange service, access to directory assistance, and toll limitation.

3. Qualified low-income subscribers are required to submit an application form in order to receive Lifeline service. In applying for Lifeline assistance, the subscriber must certify under penalty of perjury that they are currently participating in at least one of the qualifying public assistance programs listed in Section A.2, above. In addition, the subscriber must agree to notify Stateline Telecommunications, Inc. when they cease participating in the qualifying public assistance program(s).

4. The total monthly Lifeline credit available to qualified consumers is $5.25. Stateline Telecommunications, Inc. shall provide the credit to qualified consumers by applying the federal baseline support amount of $3.50 to waive the consumer's federal End-User Common Line charge and applying the additional authorized federal support amount of $1.75 as a credit to the consumer's intrastate local service rate. The federal baseline support amount and additional support available, totaling $5.25, shall reduce Stateline Telecommunications, Inc. lowest tariffed (or otherwise generally available) residential rate for the services listed above in Section B.2. Per the attached SDPUC *Final Order and Decision; Notice of Entry of Decision*, the SDPUC has authorized intrastate rate reductions for eligible telecommunications carriers making the additional federal support amount of $1.75 available. The SDPUC did not establish a state Lifeline program to fund any further rate reductions. (Exhibit A, Findings of Fact VII and VIII; and Conclusions of Law II and III).

5. Stateline Telecommunications, Inc. will not disconnect subscribers from their Lifeline service for non-payment of toll charges unless the SDPUC, pursuant to 47 CFR § 54.401(b)(1), has granted the company a waiver from the non-disconnect requirement.

6. Except to the extent that Stateline Telecommunications, Inc. has obtained a waiver from the SDPUC pursuant to 47 CFR § 54.101(c), the company shall offer toll limitation to all qualifying low-income consumers when they subscribe to Lifeline service. If the subscriber elects to receive toll limitation, that service shall become part of that subscriber's Lifeline service.

7. Stateline Telecommunications, Inc. will not collect a service deposit in order to initiate Lifeline service if the qualifying low-income consumer voluntarily elects toll blocking on their telephone line. However, one month's local service charges may be required as an advance payment.

**C. Link Up**

1. Link Up means:

(a) A reduction in the customary charge for commencing telecommunications service for a single telecommunications connection at a consumer's principal place of residence. The reductions shall be 50 percent of the customary charge or $30.00, whichever is less; and

(b) A deferred schedule for payment of the charges assessed for commencing service, for which the consumer does not pay interest. The interest charges not assessed to the consumer shall be for connection charges of up to $200.00 that are deferred to a period not to exceed one year.

2. Charges assessed for commencing service include any charges that are customarily assessed for connecting subscribers to the network. These charges do not include any permissible security deposit requirements.

3. The Link Up program shall allow a consumer to receive the benefit of the Link Up program for a second or subsequent time only for a principal place of residence with an address different from the residence address at which the Link Up assistance was provided previously.

Stateline Telecommunications, Inc.
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Bison S D 57620
Telephone # (605) 244-5236

By_____, General Manager
Name

EXHIBIT "A"

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

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|---|---|---|
| IN THE MATTER OF THE INVESTIGATION INTO THE LIFELINE AND LINK UP PROGRAMS | ) ) ) ) | FINAL ORDER AND DECISION; NOTICE OF ENTRY OF DECISION TC97-150 |

At its August 18, 1997, regularly scheduled meeting, the Public Utilities Commission (Commission) voted to open a docket concerning the Federal Communications Commission's (FCC's) Report and Order on Universal Service regarding the Lifeline and Link Up programs. In its Report and Order, the FCC decided that it would provide for additional federal support in the amount of $1.75, above the current $3.50 level. However, in order for a state's Lifeline consumers to receive the additional $1.75 in federal support, the state commission must approve that reduction in the portion of the intrastate rate paid by the end user. 47 C.F.R. § 54.403(a). Additional federal support may also be received in an amount equal to one-half of any support generated from the intrastate jurisdiction, up to a maximum of $7.00 in federal support. 47 C.F.R. § 54.403(a). A state commission must file or require the carrier to file information with the administrator of the federal universal service fund demonstrating that the carrier's Lifeline plan meets the criteria set forth in 47 C.F.R. § 54.401.

By order dated August 28, 1997, the Commission allowed interested persons and entities to submit written comments concerning how the Commission should implement the FCC's rules on the Lifeline and Link Up programs. In their written comments, interested persons and entities commented on the following questions:

1. Whether the Commission should approve intrastate rate reductions to allow consumers eligible for Lifeline support to receive the additional $1.75 in federal support?

2. Whether the Commission should set up a state Lifeline Program to fund further reductions in the intrastate rate paid by the end user?

3. Whether the Commission should modify the existing Lifeline or Link Up Programs?

4. Shall the Commission file or require the carrier to file information with the administrator of the federal universal service fund demonstrating that the carrier's Lifeline plan meets the criteria set forth in 47 C.F.R. § 54.401(d)?

By order dated October 16, 1997, the Commission set public hearings to receive public comment on the questions listed above. The hearings were held at the following times and places:

RAPID CITY: Monday, October 27, 1997, 1:00 p.m., Canyon Lake Senior Citizens Center, 2900 Canyon Lake Drive, Rapid City, SD

PIERRE Tuesday, October 28, 1997, 1:30 p.m., State Capitol Building, Room 412, 500 East Capitol Avenue, Pierre, SD

SIOUX FALLS Wednesday, October 29, 1997, 9:00 a.m., Center for Active Generations, 2300 West 46th, Sioux Falls, SD

At its November 7, 1997, meeting, the Commission ruled as follows: On the first issue, the Commission authorized intrastate rate reductions to allow eligible consumers to receive the additional $1.75 in federal support. With respect to the second issue, the Commission decided to not set up a state Lifeline program to fund further reductions at this time. On the third issue, the Commission eliminated the existing TAP program that requires U S WEST and carriers that have purchased U S WEST exchanges to fund a $3.50 reduction of local rates to low income customers age 60 and over. The Commission further ruled that the South Dakota Link Up program follow the FCC rules. In addition, the Commission ordered that staff, in consultation with the carriers, develop a standard form for self-certification; that these forms be sent to all of their customers prior to January 1, 1998, and thereafter, to all new customers; and that the carriers make the forms available to any person or entity upon request. On the fourth issue, the Commission ruled that the carrier be required to file with the FCC the information demonstrating that the carrier's plan meets the applicable FCC criteria and that the carrier send an informational copy to the Commission. Further, that the carriers include in their annual report to the Commission the number of subscribers who receive Lifeline and Link Up support.

Based on the written comments and evidence and testimony received at the hearings, the Commission makes the following Findings of Fact and Conclusions of Law.

## FINDINGS OF FACT

I

The current state Lifeline program is referred to as the Telephone Assistance Plan (TAP). The current state Link Up program is referred to as the Link Up America program. The Commission implemented these programs in the U S WEST exchanges pursuant to its Decision and Order dated February 17, 1988, issued in Docket F-3703, In the Matter of the Investigation into Implementation of a Telephone Assistance Plan for South Dakota Customers. Exhibit 1 at page 1. Subsequent buyers of U S WEST exchanges were required to also offer the TAP and Link Up America programs. Id. at pages 1-2.

II

The amount of TAP assistance is $7.00, $3.50 of which is federally funded, with the remaining $3.50 funded by the local telecommunications carrier. Id. at page 3. Although U S WEST was originally allowed to charge a surcharge to fund the program, U S WEST subsequently gave up that right in Docket F-3647-8, In the Matter of the Public Utilities Commission Investigation into the Effects of the 1986 Tax Reform Act on South Dakota Utilities. Exhibit 5. In order to receive the TAP assistance, a member of the household

must be 60 years of age or older and participate in either the food stamp or the low-income energy assistance program. Exhibit 1 at page 2.

III

The Link Up America program provides assistance in an amount equal to one-half of the qualifying subscriber's telephone service connection charges up to a maximum of $30.00. Id. at page 3. In order to receive Link Up assistance, a customer must be receiving either food stamps or low-income energy assistance, must not presently have local telephone service and must not have been provided telephone service at his or her residence within the previous three months, and must not be a dependent for federal income tax purposes (dependency criteria does not apply to those 60 years of age or older). Id. The Link Up program is funded entirely out of federal funds. Id.

IV

The FCC revised the current Lifeline and Link Up programs in CC Docket No. 96-45, In the Matter of Federal-State Joint Board on Universal Service, adopted May 7, 1997. Beginning January 1, 1998, the FCC found that the federal baseline Lifeline support will be $3.50 per qualifying low-income consumer with an additional $1.75 in federal support if the state commission approves a corresponding reduction in intrastate local rates. 47 C.F.R. § 54.403(a). Additional federal Lifeline support in an amount equal to one-half the amount of any state Lifeline support (not to exceed $7.00) is also available. Id.

V

The FCC further found that the federal support for Link Up will continue to be a reduction in the telecommunications carrier's service connection charges equal to one half of the carrier's customer connection charge or $30.00, whichever is less. 47 C.F.R. § 54.413(b).

VI

Pursuant to the FCC's rules, if there is no state Lifeline or Link Up program, a consumer is eligible for support if the consumer participates in one of the following programs: Medicaid; food stamps; Supplemental Security Income; federal public housing assistance; or the Low-Income Home Energy Assistance Program. 47 C.F.R. §§ 54.409(b) and 54.415(b). In addition, if there is no state Lifeline or Link Up program, a customer must certify under penalty of perjury that the customer is receiving benefits from one of the programs listed above and agrees to notify the carrier if the customer ceases to participate in such program or programs. Id.

VII

The first issue is whether the Commission should approve intrastate rate reductions to allow consumers eligible for Lifeline support to receive the additional $1.75 in federal

support. The Commission finds that it shall authorize intrastate rate reductions for eligible telecommunications companies providing local exchange service to allow eligible consumers to receive the additional $1.75 in federal support. Thus, the total amount of federal support is $5.25 per eligible customer.

VIII

The second issue is whether the Commission should set up a state Lifeline program to fund further reductions in the intrastate rate paid by the end user. The Commission finds it will not set up a state Lifeline program to fund further reductions at this time.

IX

The third issue is whether to modify or eliminate the existing Lifeline program or Link Up program. With respect to the existing Lifeline program, the Commission finds that it shall eliminate the existing TAP program that requires U S WEST and carriers that have purchased U S WEST exchanges to fund a $3.50 reduction of local rates to low income customers age 60 and over. The Commission further finds that the South Dakota Lifeline and Link Up programs shall follow the FCC rules. See 47 U.S.C. §§ 54.400 to 54.417. The effect of following the FCC rules and not instituting further state funded reductions is that the FCC eligibility requirements and self-certification requirements will apply to the South Dakota Lifeline and Link Up programs. In addition, the Commission orders that the Commission staff, in consultation with the carriers, develop a standard form for self-certification. The carriers shall send these forms to each customer prior to January 1, 1998. The carriers shall also send a form to each of their new customers. Finally, the carriers shall make the forms available to any person or entity upon request.

X

The fourth issue is whether the Commission should file, or in the alternative, require the carrier to file information with the fund administrator. See 47 C.F.R. § 54.401(d). The Commission finds the carriers shall be required to file that information demonstrating that the carrier's plan meets the applicable FCC rules and that the carrier send an informational copy to the Commission. The carriers shall also be required to include in their annual report to the Commission the number of subscribers who receive Lifeline and Link Up support.

CONCLUSIONS OF LAW

I

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-1.1, 49-31-3, 49-31-7, 49-31-7.1, 49-31-11, 49-31-12.1, 49-31-12.2 and 12.4, and 47 C.F.R. §§ 54.400 to 54.417.

II

Pursuant to 47 C.F.R. § 54.403(a), the Commission authorizes intrastate rate reductions for eligible telecommunications companies providing local exchange service to allow eligible consumers to receive the additional $1.75 in federal support.

III

The Commission declines to institute a state Lifeline program to fund further reductions at this time. The existing South Dakota Lifeline and Link Up programs shall be modified to follow the FCC rules found at 47 U.S.C. §§ 54.400 to 54.417, inclusive, on January 1, 1998. The Commission staff, in consultation with the carriers, shall develop a standard form for self-certification. The carriers shall send these forms to each customer prior to January 1, 1998. The carriers shall also send a form to each of their new customers. Finally, the carriers shall make the forms available to any person or entity upon request.

IV

Pursuant to 47 C.F.R. § 54.401(d), the Commission finds the carriers shall be required to file that information demonstrating that the carrier's plan meets the applicable FCC rules and that the carrier send an informational copy to the Commission. The carriers shall also be required to include in their annual report to the Commission the number of subscribers who receive Lifeline and Link Up support.

It is therefore

ORDERED, that the Commission authorizes intrastate rate reductions for eligible telecommunications companies providing local exchange service to allow eligible consumers to receive the additional $1.75 in federal support; and it is

FURTHER ORDERED, that the Commission will not set up a state Lifeline program to fund further reductions at this time; and it is

FURTHER ORDERED, that the Commission shall eliminate the existing TAP program; that the South Dakota Lifeline and Link Up programs follow the FCC rules; that the Commission staff, in consultation with the carriers, develop a standard form for self-certification; that the carriers shall send these forms to all of their customers prior to January 1, 1998; that the carriers shall also send a form to each of their new customers; and that the carriers make the forms available to any person or entity upon request; and it is

FURTHER ORDERED, that the carrier shall file with the FCC the information demonstrating that the carrier's plan meets the applicable FCC rules and that the carrier send an informational copy to the Commission. The carriers shall also include in their annual report to the Commission the number of subscribers who receive Lifeline and Link Up support.

Dated at Pierre, South Dakota, this 18th day of Novemb r, 1997.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By Delaine Kolbo

Date 11/18/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner