

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

<b>IN THE MATTER OF THE FILING BY RC</b>	)	<b>FINDINGS OF FACT,</b>
<b>COMMUNICATIONS, INC. FOR DESIGNATION</b>	)	<b>CONCLUSIONS OF LAW,</b>
<b>AS AN ELIGIBLE TELECOMMUNICATIONS</b>	)	<b>ORDER AND NOTICE OF</b>
<b>CARRIER</b>	)	<b>ENTRY OF ORDER</b>
	)	<b>TC97-100</b>

On June 19, 1997, the Public Utilities Commission (Commission) received a request for designation as an eligible telecommunications carrier (ETC) from RC Communications, Inc. (RCC). RCC 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 RCC a one year waiver of the requirement to provide toll control service within its service area. At its December 11, 1997, meeting, the Commission granted ETC designation to RCC 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 19, 1997, the Commission received a request for designation as an ETC from RCC. RCC requested designation as an ETC within the local exchange areas that constitute its service area. RCC serves the following exchanges: North Veblen, ND (701-634); Veblen, SD (605-738); Wilmot, SD (605-938); Summit, SD (605-398); and Peever, SD (605-932). 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

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

VII

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

VIII

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

IX

RCC offers single party service to all consumers throughout its service area. Exhibit 2.

X

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

XI

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

XII

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

XIII

RCC 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

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

#### XVI

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

#### XVII

RCC 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, RCC 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, RCC stated that it advertises the availability of its local exchange services in media of general distribution throughout its service area. However, RCC has not generally advertised the prices for these services. Id. RCC stated its intention to comply with any advertising standards developed by the Commission. Id.

#### XIX

RCC currently offers Lifeline and Link Up service discounts in its exchanges. Exhibit 2. RCC 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 RCC 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; (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 RCC a waiver of the requirement to offer toll control services until December 31, 1998. The Commission finds that exceptional circumstances prevent RCC from providing toll control at this time due to the difficulty in obtaining the necessary software upgrades to provide the service.

XXII

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

XXIII

The Commission finds that RCC 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.

XXIV

Pursuant to 47 U.S.C. § 214(e)(5), the Commission designates RCC'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

RCC has met the requirements of 47 C.F.R. § 54.101(a) with the exception of the ability to offer toll control. Pursuant to 47 C.F.R. § 54.101(c), the Commission concludes that RCC has demonstrated exceptional circumstances that justify granting it a waiver of the requirement to offer toll control until December 31, 1998.

VII

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

VIII

RCC 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 RCC's current study area as its service area.

X

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

It is therefore

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

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

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

FURTHER ORDERED, that RCC 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 17<sup>th</sup> 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 17<sup>th</sup> day of December, 1997.

<p style="text-align: center;"><b>CERTIFICATE OF SERVICE</b></p> <p>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.</p> <p>By: <u>Alaine Kalbo</u></p> <p>Date: <u>12/18/97</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>
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BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner

Laska Schoenfelder  
LASKA SCHOENFELDER, Commissioner

# RC COMMUNICATIONS, INC.

PO BOX 196  
NEW EFFINGTON, SD 57255-0196  
PHONE: 605-637-5211 or toll free 888-668-0877

---

RECEIVED  
NOV 24 1997  
SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

November 21, 1997

Ms. Karen Cremer  
Staff Attorney  
Public Utilities Commissions  
Capitol Building, 1st Floor  
500 East Capitol Avenue  
Pierre, South Dakota 57501-5070


RE: Eligible Telecommunications Carrier (ETC) Application: TC97-100  
RC Communications, Inc.

Dear Ms. Cremer:

We are responding to the need for additional clarification regarding our single party service offering. RC Communications offers single party service to all of its subscribers.

My affidavit as to the validity of the information contained herein is provided below.

Yours truly,

  
Pamela Harrington  
General Manager

Pamela Harrington, being first duly sworn, states that she is the general manager for the responding party, that she has read the foregoing, and it is true to her own best knowledge, information and belief.

Signed: Pamela Harrington Date: 11/21/97  
Notary Public Signature: Just Boston Date: 11/21/97  
My term expires: 4-3-98

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

**IN THE MATTER OF THE FILINGS BY THE ) ORDER FOR AND NOTICE  
FOLLOWING TELECOMMUNICATIONS ) OF HEARING  
COMPANIES FOR DESIGNATION AS )  
ELIGIBLE TELECOMMUNICATIONS )  
CARRIERS: )**

**VIVIAN TELEPHONE COMPANY ) TC97-068  
)**

**GOLDEN WEST TELECOMMUNICATIONS ) TC97-069  
COOPERATIVE, INC. )**

**VALLEY CABLE & SATELLITE ) TC97-070  
COMMUNICATIONS, INC. )**

**VALLEY TELECOMMUNICATIONS ) TC97-071  
COOPERATIVE ASSOCIATION, INC. )**

**SIOUX VALLEY TELEPHONE COMPANY ) TC97-073  
)**

**MOUNT RUSHMORE TELEPHONE COMPANY ) TC97-074  
)**

**FORT RANDALL TELEPHONE COMPANY ) TC97-075  
)**

**INTRASTATE TELEPHONE COMPANY ) TC97-077  
COOPERATIVE, INC. )**

**INTERSTATE TELECOMMUNICATIONS ) TC97-078  
COOPERATIVE, INC. )**

**WEST RIVER COOPERATIVE TELEPHONE ) TC97-080  
COMPANY )**

**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
	)	
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
	)	

<b>SANBORN TELEPHONE COOPERATIVE</b>	)	<b>TC97-097</b>
	)	
<b>BERESFORD MUNICIPAL TELEPHONE CO.</b>	)	<b>TC97-098</b>
	)	
<b>ROBERTS COUNTY TELEPHONE</b>	)	<b>TC97-099</b>
<b>COOPERATIVE ASSOCIATION</b>	)	
<b>RC COMMUNICATIONS, INC.</b>	)	<b>TC97-100</b>
	)	
<b>SPLITROCK PROPERTIES, INC.</b>	)	<b>TC97-101</b>
	)	
<b>SPLITROCK TELECOM COOPERATIVE, INC.</b>	)	<b>TC97-102</b>
	)	
<b>TRI-COUNTY TELECOM, INC.</b>	)	<b>TC97-105</b>
	)	
<b>FAITH MUNICIPAL TELEPHONE COMPANY</b>	)	<b>TC97-108</b>
	)	
<b>ARMOUR INDEPENDENT TELEPHONE</b>	)	<b>TC97-113</b>
<b>COMPANY</b>	)	
<b>BRIDGEWATER-CANISTOTA INDEPENDENT</b>	)	<b>TC97-114</b>
<b>TELEPHONE COMPANY</b>	)	
<b>UNION TELEPHONE COMPANY</b>	)	<b>TC97-115</b>
	)	
<b>MCCOOK COOPERATIVE TELEPHONE</b>	)	<b>TC97-117</b>
<b>COMPANY</b>	)	
<b>KADOKA TELEPHONE COMPANY</b>	)	<b>TC97-121</b>
	)	

<b>BROOKINGS MUNICIPAL TELEPHONE</b>	)	<b>TC97-125</b>
	)	
<b>HANSON COMMUNICATIONS INC. D/B/A</b>	)	<b>TC97-130</b>
<b>HANSON COUNTY TELEPHONE COMPANY</b>	)	
<b>HANSON COMMUNICATIONS INC. D/B/A</b>	)	<b>TC97-131</b>
<b>MCCOOK TELECOM</b>	)	
<b>WEST RIVER TELECOMMUNICATIONS</b>	)	<b>TC97-154</b>
<b>COOPERATIVE</b>	)	
<b>MOBRIDGE TELECOMMUNICATIONS CO.</b>	)	<b>TC97-155</b>
	)	
<b>U S WEST COMMUNICATIONS, INC.</b>	)	<b>TC97-163</b>
	)	
<b>THREE RIVER TELCO</b>	)	<b>TC97-167</b>
	)	

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

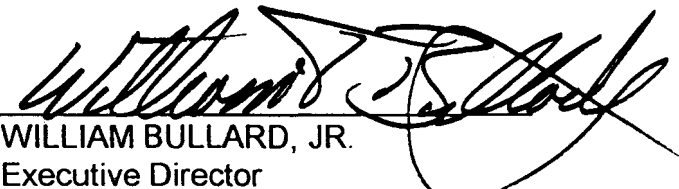
ORDERED that a hearing shall be held at the time and place specified above on the issues of whether the above captioned telecommunications companies should be granted designation as eligible telecommunications carriers, and the Commission shall establish service areas for eligible telecommunications 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 17<sup>th</sup> day of November, 1997.

<b>CERTIFICATE OF SERVICE</b>	
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:	<u>Delaine Kalbo</u>
Date:	<u>11/7/97</u>
(OFFICIAL SEAL)	

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

  
WILLIAM BULLARD, JR.  
Executive Director

Exh 2

**RC COMMUNICATIONS, INC.**



PO Box 196  
New Effington, SD 57255-0196  
605.637.5211  
Fax: 605.637.5302

October 8, 1997

**RECEIVED**

**OCT 09 1997**

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Ms. Karen Cremer  
Staff Attorney.  
Public Utilities Commission  
Capitol Building, 1st Floor  
500 East Capitol Avenue  
Pierre, SD 57501-5070

RE: Eligible Telecommunications Carrier application, TC97-100  
RC Communications, Inc.

Dear Ms. Cremer:

Per your request, we are responding to the additional questions and concerns on our ETC application.

- 1) Do we have single party service? Yes.
- 2) Do we make the Lifeline and Link Up services available to qualifying consumers? RC Communications 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, 47 CFR 54.400 - 54.417, and any PUC decisions concerning implementation of the expanded programs.

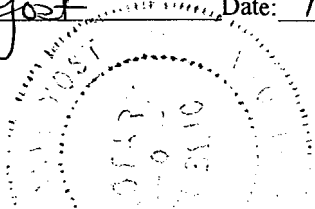
My affidavit as to the validity of the information provided in our original ETC application and the information herein, is provided below.

Sincerely,  
*Pamela Harrington*  
Pamela Harrington  
General Manager

Pamela Harrington, being first duly sworn, states that she is the general manager for the responding party, that she has read the initial ETC application and the foregoing, and the same are true to her own best knowledge, information and belief."

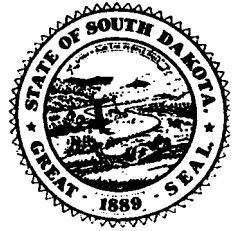
Signed: *Pamela Harrington* Date: 10/8/97

Notary public signature: *M. Daniel Yost* Date: 10-8-97  
My term expires August 18, 2000





# 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, TC97-100  
RC Communications, 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  
Staff Attorney

cc: Harlan Best

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

Transportation/  
Warehouse Division  
Telephone (605)773-5280  
FAX (605)773-3225

Consumer Hotline  
1-800-332-1782

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

Internet  
billb@puc.state.sd.us

♦  
Jim Burg  
Chairman  
Pam Nelson  
Vice-Chairman  
Laska Schoenfelder  
Commissioner

William Bullard Jr.  
Executive Director

Edward R. Anderson  
Harlan Best  
Martin C. Bettmann  
Charlie Bolle  
Sue Cichos  
Karen E. Cremer  
Marlette Fischbach  
Shirleen Fugitt  
Lewie Hammond  
Leni Healy  
Camron Hoseck  
Dave Jacobson  
Bob Knadle  
Delaine Kolbo  
Terri J. Lesmeister  
Jeffrey P. Lorensen  
Terry Norum  
Gregory A. Rislov  
Tammi Stangohr  
Steven M. Wegman  
Rolayne Ailts Wiest

♦

Exh 1

TC97-100

BEFORE THE PUBLIC UTILITIES COMMISSION OF

THE STATE OF SOUTH DAKOTA

RECEIVED  
JUN 19 1997  
SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

IN THE MATTER OF THE REQUEST OF )  
RC COMMUNICATIONS, INC. FOR DESIGNATION )  
AS AN ELIGIBLE TELECOMMUNICATIONS )  
CARRIER ) REQUEST FOR ETC  
DESIGNATION  
DOCKET TC97-

RC Communications, Inc. ("RCC") pursuant to 47 United States Code ("U.S.C.") Section 214(e) and 47 Code of Federal Regulations ("CFR") Section 54.201 hereby seeks from the Public Utilities Commission ("Commission") designation as an eligible telecommunications carrier ("ETC") within the local exchange areas that constitute its service area. In support of this request, RCC 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 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. RCC is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges:

- North Veblen, North Dakota (701) 634      Veblen, South Dakota (605) 738
- Wilmot, South Dakota (605) 938      Summit, South Dakota (605) 398
- Peever, South Dakota (605) 932

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

3. RCC in accordance 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;
- 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, RCC 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. RCC 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 RCC 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 RCC is investigating and attempting to determine whether the necessary software has been developed and when it might become available.

Accordingly, RCC 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, RCC 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).



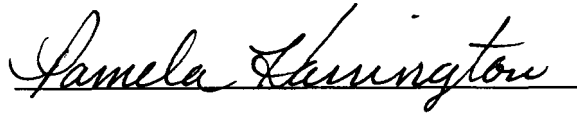
4. RCC has previously and will continue to advertise the availability of its local exchange services in media of general distribution throughout the exchange areas served. Prior to this filing, RCC has not generally advertised the prices charged for all of the above-identified services. It will do so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

5. Based on the foregoing, RCC respectfully requests that the Commission:

- a) grant a temporary waiver of the requirement to provide "toll control" service, and
- b) grant an ETC designation to RCC covering all of the local exchange areas that constitute its present service area.

Dated this 18<sup>th</sup> day of June, 1997.

RC Communications, Inc.

A handwritten signature in cursive script that reads "Pamela Harrington". The signature is written in black ink and is positioned above a solid horizontal line.

Pamela Harrington, Manager