

TC98-101

LAW OFFICES
MORRILL THOMAS NOONEY & BRAUN, LLP

625 NINTH STREET - 8TH FLOOR
P.O. BOX 8108
RAPID CITY, SOUTH DAKOTA 57700-8108

TELEPHONE (605) 348-7516

FAX (605) 348-5852

May 15, 1998

[e-mail: jknooney@mtnlaw.com]

TIMOTHY L. THOMAS*
JOHN K. NOONEY*
SONNIE R. BRAUN
MICHAEL V. WHEELER
*ALSO LICENSED IN WYOMING

RECEIVED
MAY 14 1998
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION
OF COUNSEL
DAVID E. MORRILL

VIA FEDERAL EXPRESS

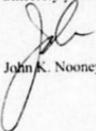
William Bullard, Jr.
Executive Director
Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

Re: Black Hills Fiber Systems, Inc.
Application for Certificate of Authority Consistent with SDCL 49-31-3

Dear Mr. Bullard:

Enclosed are the original and ten copies of the Application for Certificate of Authority of Black Hills Fiber Systems, Inc. Also enclosed is our check for \$250 for the filing fee.

Sincerely yours,



John K. Nooney

JKN:br

Enclosures

cc Gary R. Fish
Jim Feehan

TC98-101

RECEIVED

MAY 18 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSIONBEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Application of Black)
Hills Fiber Systems, Inc., for a Certificate)
of Authority Authorizing the Applicant to)
do Business as a Telecommunications)
Company)

Docket No. _____

APPLICATION FOR CERTIFICATE OF AUTHORITY
CONSISTENT WITH SDCL 49-31-3

Black Hills Fiber Systems, Inc., submits this Application consistent with the provisions of SDCL 49-31-3 and ARSD 20:10:24-2. Consistent with the provisions of ARSD 20:10:24-2, the Applicant hereby submits the following information for consideration by the South Dakota Public Utilities Commission.

1. **Name, address and telephone number of Applicant:** Black Hills Fiber Systems, Inc., 625 Ninth Street, P. O. Box 1400, Rapid City, SD 57709; 605-348-1700.
2. **Registered agent:** Roxann R. Basham, 625 Ninth Street, P. O. Box 1400, Rapid City, SD 57709.
3. **Applicant:**
 - (a) Black Hills Fiber Systems, Inc. ("Applicant"), is incorporated under the laws of the State of South Dakota and was incorporated by the South Dakota Secretary of State on April 23, 1998. A copy of its Certificate of Incorporation is attached hereto and incorporated herein as Exhibit A.
 - (b) Its principal office is located at 625 Ninth Street, Rapid City, South Dakota, and its registered agent is identified in paragraph 2 above.
 - (c) One hundred percent (100%) of the outstanding stock of Applicant is held by Black Hills Capital Group, Inc.
 - (d) There are no subsidiaries or other companies controlled or owned by the Applicant.
4. **Partnership.** Not applicable.

5. **Description of services.** Applicant intends to provide a broad range of communication services consistent with the capabilities of a fiber optic network and the needs of its customers.

6. **Equipment.** Applicant intends to construct, own, and operate a fiber optic network for retail and wholesale telecommunication purposes. Applicant has retained the services of GLA International, Inc., a company based out of Chesterfield, Missouri, which is a subsidiary of Brooks Fiber, to assist Applicant as it concerns design, engineering, operations, and administrative support of a communications network.

7. **Geographic area.** Applicant intends to provide telecommunication services to customers within the geographic boundaries of the state of South Dakota, limited to U. S. West properties.

8. **Financial statements.** As a newly formed corporation, no annual reports or reports to stockholders have been prepared. A report of the corporation's current capital structure is attached as **Exhibit B**, as is a copy of the resolution related to the capital structure and borrowing authority, attached as **Exhibit C**. Applicant requests a waiver as it concerns the filing of tariffs, as it does not anticipate that any of the services it will provide will be subject to regulation. In the event any services are in fact regulated, appropriate tariffs will be filed at such time.

9. **Regulatory matters.** All inquiries concerning Applicant shall be directed to John K. Nooney, 625 Ninth Street, 8th Floor, P. O. Box 8108, Rapid City, SD 57709, telephone number 605-348-7516, and facsimile number 605-348-5852.

Applicant has not yet constructed its fiber optic lines and, upon completion of those lines, will file further documents as necessary concerning construction and related matters.

10. **Other states.** None; no.

11. **Marketing Services.** Applicant intends to market its services through direct contact with existing and new customers. Applicant will market services to customers who will benefit from the service capabilities of the fiber optic network.

12. **Cost Support.** At this time, the Applicant does not offer noncompetitive or emerging competitive services. Applicant requests a waiver from this obligation until such time that noncompetitive or emerging competitive services are provided, at which time cost support for such tariffs shall be filed.

Dated this 15th day of May, 1998.

BLACK HILLS FIBER SYSTEMS, INC.

By Gary R. Fish
Its Vice President of Development

U. S. A. 104110

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF INCORPORATION BUSINESS CORPORATION

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Articles of Incorporation of BLACK HILLS FIBER SYSTEMS, INC. duly signed and verified, pursuant to the provisions of the South Dakota Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Incorporation and attach hereto a duplicate of the Articles of Incorporation of BLACK HILLS FIBER SYSTEMS, INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this April 23, 1998.

Joyce Hazeltine

JOYCE HAZELTINE
Secretary of State

EXHIBIT

A

0. 0. 4. 0. 4. 1. 0

Filed the 23rd Day of April 1999

Roxann R. Basham
STATE OF SOUTH DAKOTA

ARTICLES OF INCORPORATION

OF

BLACK HILLS FIBER SYSTEMS, INC.

RECEIVED

APR 23 1999

S.D. SEC. OF STATE

The undersigned incorporator for the purpose of forming a South Dakota business corporation under and by virtue of the South Dakota Business Corporation Act, makes and files these Articles of Incorporation.

FIRST The name of this Corporation shall be Black Hills Fiber Systems, Inc., and the place where its principal corporate offices are located shall be in Rapid City, South Dakota and its principal operating offices will be Rapid City, South Dakota, or elsewhere as designated by the Board of Directors from time to time.

SECOND The Corporation is formed for the purpose of engaging in the business of constructing and operating fiber optic lines for retail and wholesale telecommunication purposes. The Corporation shall have all the powers, rights and privileges as are provided by the laws of the State of South Dakota for business corporations.

THIRD The Corporation shall have perpetual existence.

FOURTH The Corporation shall have the authority to issue 500,000 shares of common stock, each having a par value of \$1 per share with all shares having equal voting rights of one vote for each share.

FIFTH The Corporation will not commence business until consideration of a value of at least \$1,000 has been received for the issuance of shares.

SIXTH The address of the incorporator and the registered office and the name of its registered agent at such address is:

Roxann R. Basham
625 Ninth Street
P. O. Box 1400
Rapid City, SD 57709

Roxann R. Basham does hereby consent to serve as the registered agent.

SEVENTH The business affairs of the Corporation shall be governed by a board of directors, the exact number, their qualifications and terms of office to be determined by the Bylaws of the Corporation. The initial board of directors shall consist of one person, and the

name and address of the person who is to serve as the initial director until the first meeting of the incorporator or until a successor is elected and qualified is as follows:

Roxann R. Basham
625 Ninth Street
P. O. Box 1400
Rapid City, SD 57709

EIGHTH. Each person who is or was a director or officer of the Corporation and each person who serves or served at the request of the Corporation as a director or officer shall be indemnified by the Corporation in accordance with and to the fullest extent authorized by the South Dakota Business Corporation Act of the State of South Dakota as the same now exists or may be hereafter amended. No amendment to or repeal of this Eighth Article shall apply to or have any effect on the rights of any individual referred to in this Eighth Article for or with respect to acts or omissions of such individual occurring prior to such amendment or repeal.

Dated April 21st 1998.

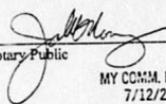

Roxann R. Basham

STATE OF SOUTH DAKOTA
COUNTY OF PENNINGTON

On the 21st day of April, 1998, before me, the undersigned officer, personally appeared Roxann R. Basham, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.




Notary Public

MY COMM. EXPIRES
7/12/2001

Black Hills Fiber Systems, Inc.
Balance Sheet
April 30, 1998

Current Assets	
Cash and Cash Equivalents	\$475,000
Receivables, net	
Customers	
Other	
Materials	<u>25,000</u>
Deposits/Prepayments	<u>\$500,000</u>

Liabilities and Capitalization

Capitalization	
Common Stock Equity	
Common stock \$1 par value;	
10,000 shares authorized;	
5,000 shares issued and outstanding	
	\$ 5,000
Additional Paid-In Capital	495,000
Retained Earnings	<u>\$500,000</u>

EXHIBIT

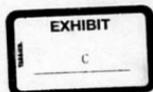
B

0144990444

I, Roxann R. Basham, Corporate Secretary of Black Hills Fiber Systems, Inc., a South Dakota corporation, do hereby certify that the attached is a true copy of the preambles and resolutions adopted at a meeting of the Board of Directors of Black Hills Fiber Systems, Inc., duly called and held and at which a quorum was present on the 21st day of April, 1998, and that said resolutions are in full force and effect.

WITNESS my hand and seal of the Company this 15th day of May, 1998.


Roxann R. Basham, Secretary



0
1
4
9
·
4
6
·
1
8

BLACK HILLS FIBER SYSTEMS, INC.
RESOLUTIONS FORMING BLACK HILLS FIBER SYSTEMS, INC.
April 21, 1998

Mr. Nooney advised the Board he was in the process of filing the Company's Articles of Incorporation with the Secretary of State of South Dakota

Ms. Basham stated the normal resolutions would need to be approved to establish the Company.

After discussion, motion was duly made, seconded and carried adopting the following resolutions:

RESOLVED, That the attached Bylaws are adopted as the Bylaws of the Company.

FURTHER RESOLVED, That the Company is authorized to sell up to 10,000 shares of Common Stock of the Company to Black Hills Capital Group, Inc. for a total consideration of \$1,000,000 (\$100 per share).

FURTHER RESOLVED, That the Company is authorized to borrow up to \$5,000,000 from Wyodak Resources Development Corp. from time to time at floating prime

FURTHER RESOLVED, That the following individuals are elected as Officers of the Company.

Daniel P. Landguth	Chairman, President and Chief Executive Officer
Gary R. Fish	Vice President - Development
Roxann R. Basham	Vice President - Finance and Secretary/Treasurer
Mark T. Thies	Controller and Assistant Secretary/Treasurer

FURTHER RESOLVED, That Roxann R. Basham is appointed Resident Agent for the Company.

FURTHER RESOLVED, That US Bank is designated as the depository of the Company's funds

0
1
4
9
.
4
5
.
1
1

FURTHER RESOLVED, That the funds deposited shall be subject to withdrawal upon check when signed by one facsimile signature.

FURTHER RESOLVED, That the Chief Executive Officer is authorized to designate those persons who can sign checks manually and by facsimile signature in the name of the Company.

FURTHER RESOLVED, That the Chief Executive Officer and any Vice President or Treasurer or person designated by the Chief Executive Officer by and they are hereby authorized to invest from time to time the cash money of the Company in money market investments such as (but not limited to) savings accounts, certificates of deposit, money repurchase agreements, commercial paper and Eurodollars, money market preferreds, convertible adjustable preferreds, municipal bonds having a "put" feature and tax-exempt floating-rate optional-tender bonds, and at such rates of interest and on such terms as said officers shall determine.

8149.46.12

12383

MORRILL THOMAS NOONEY & BRAUN, LLP

TRUST ACCOUNT
625 - 6TH ST. - 6TH FLOOR
P. O. BOX 8108 348-7516
RAPID CITY, SD 57709-8108

DATE May 15, 1998

15-88
314

PAY
TO THE
ORDER OF

South Dakota Public Utilities Commission

\$ ***250.00***

Two Hundred Fifty and no/100ths-----

DOLLARS



Norwest Bank South Dakota, N.A.
625 St. John Street
P.O. Box 1040
Rapid City, SD 57709

FOR

Jelly

⑆0⑆2383⑆ ⑆09⑆400046⑆ 0880026⑆47⑆

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (605) 773-3705
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

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

05/15/98 through 05/21/98

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
NEGOTIATED INTERCONNECTION AGREEMENT FILED			
TC98-100	U S WEST Communications filed for approval by the Commission the negotiated Agreement for Service Resale between U S WEST Communications, Inc. and Comm South Companies, Inc. Any person wishing to comment on the parties' request for approval may do so by filing written comments with the Commission and the parties to the agreement no later than June 10, 1998. Parties to the agreement may file written responses to the comments no later than July 1, 1998.	05/15/98	Response Due 06/10/98
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC98-101	Application by Black Hills Fiber Systems, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: CB/EM) Black Hills Fiber Systems, Inc. intends to provide a broad range of communication services consistent with the capabilities of a fiber optic network and the needs of its customers. Black Hills Fiber Systems, Inc. intends to construct, own, and operate a fiber optic network for retail and wholesale telecommunication purposes.	05/18/98	06/05/98

You may receive this listing and other PUC publications via our website or via internet e-mail. You may subscribe to the PUC mailing list at <http://www.state.sd.us/state/executive/puc/puc.htm>

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
BLACK HILLS FIBER SYSTEMS, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
TELECOMMUNICATIONS SERVICES,)	
INCLUDING LOCAL EXCHANGE SERVICES, IN)	TC98-101
SOUTH DAKOTA)	

On May 18, 1998, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10.24.02, received an application for a certificate of authority from Black Hills Fiber Systems, Inc. (Black Hills).

Black Hills intends to construct, own, and operate a fiber optic network for retail and wholesale telecommunications purposes in order to provide a broad range of communication services consistent with the capabilities of a fiber optic network and the needs of its customers.

On May 21, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of June 5, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled July 23, 1998, meeting, the Commission considered Black Hills' request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards. Commission Staff further recommended granting a waiver of Black Hills having to submit a tariff pursuant to ARSD 20:10.24.02(8) until October 1, 1998.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10.24.02 and 20:10.24.03. The Commission finds that Black Hills has met the legal requirements established for the granting of a certificate of authority. Black Hills has, in accordance with SDCL 49-31-1, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive the requirement in ARSD 20:10.24.02(8) that Black Hills file a tariff until October 1, 1998.

The Commission approves Black Hills' application for a certificate of authority, subject to rural safeguards and filing a tariff by October 1, 1998. The certificate of authority for Black Hills shall authorize it to offer local exchange services in those areas in South Dakota where U S WEST Communications, Inc., is the incumbent local exchange carrier. In the future, should Black Hills choose to provide local exchange services statewide, with respect to rural telephone companies, Black Hills will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible telecommunications carrier. In

addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that Black Hills' application for a Certificate of Authority to provide telecommunications services, including local exchange services, is granted; it is

FURTHER ORDERED, that Black Hills shall file a tariff with the Commission by October 1, 1998, and that Black Hills shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize Black Hills to offer its local services in those areas in South Dakota where U S WEST Communications, Inc., is the incumbent local exchange carrier.

Dated at Pierre, South Dakota, this 5th day of August, 1998.

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	<u>William Kales</u>
Date	<u>8/6/98</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Paul Schoenfelder
LASKA SCHOENFELDER, Commissioner

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State Of South Dakota

Authority was Granted July 23, 1998
Docket No. TC98-101

This is to certify that

BLACK HILLS FIBER SYSTEMS, INC.

is authorized to provide telecommunications services in South Dakota.

This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20.10.24.02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 5th day of August, 1998

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Laska Schoenfelder

LASKA SCHOENFELDER, Commissioner

Black Hills FiberCom

P.O. Box 2115 625 NINTH STREET
RAPID CITY, SOUTH DAKOTA 57709

http://www.blackhillsfiber.com
e-mail: kdwhite@bhfigo@go.blackhillscom

Kyle D. White
VICE PRESIDENT OF MARKETING
AND REGULATORY AFFAIRS

Telephone
(605) 348-1701
(605) 348-9749 FAX

September 29, 1998

Mr. William Bullard, Jr.
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, South Dakota 57501-5070

RECEIVED

SEP 30 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Dear Mr. Bullard:

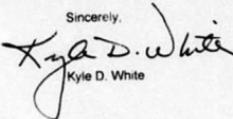
Subject: Black Hills Fiber Systems, Inc., Terms and Conditions of Service Tariff (TC98-101)

The Commission, by order dated July 23, 1998, granted Black Hills Fiber Systems, Inc., a certificate of authority to conduct business as a telecommunications provider within the state of South Dakota. Since the Commission's order, Black Hills Fiber System's, Inc., has changed its corporate name to Black Hills FiberCom, Inc., and will conduct its business within the state of South Dakota under the assumed business name of Black Hills FiberCom (Black Hills).

A condition of the Commission's order was that Black Hills file no later than October 1, 1998, a tariff with the terms and conditions of service in accordance with ARSD 20 10 24 02(6). Black Hills herewith submits an original and ten copies of its General Terms and Conditions for its telecommunications services. Black Hills is currently seeking customers for its services and requests Commission approval of the tariff at its earliest convenience.

If you have questions or require additional information, please contact me.

Sincerely,



Kyle D. White

KDW.MJH
Enclosures
c. Jim Feehan, BH FiberCom Project Director
John Nooney, BHC General Counsel

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 1

GENERAL TERMS AND CONDITIONS
TELECOMMUNICATIONS SERVICE

1.0 APPLICABILITY

This tariff contains the descriptions and regulations applicable to the furnishing of service or facilities for telecommunications services furnished by Black Hills FiberCom, Inc., which does business under the assumed name of Black Hills FiberCom. Principle business offices are currently at 2045 Samco Road, Rapid City, SD 57702. This tariff is on file with the South Dakota Public Utilities Commission (Commission). Copies may be inspected, during normal business hours, at the Company's principle place of business. Due to the early stage of this business, customers are advised to make an appointment prior to visiting the Black Hills FiberCom offices.

2.0 PURPOSE OF THE COMPANY

Black Hills FiberCom provides telecommunications services as described herein to residential, commercial, and governmental customers. Black Hills FiberCom is a switching, facilities-based provider of directly connected and resale telecommunications services (network and switching facilities are under construction and resale arrangements are being negotiated). Black Hills FiberCom intends to offer local and long-distance telephone, high-speed data and video, high-speed Internet access and distance learning services, as well as, cable television service. In addition, Black Hills FiberCom may lease customer specific equipment necessary to receive service from the network. Black Hills FiberCom intends to provide high quality services that meet or exceed industry reliability standards. Services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the state of South Dakota.

3.0 AVAILABILITY

Black Hills FiberCom is authorized by the South Dakota Public Utilities Commission to offer local telecommunications services in those areas in South Dakota where US WEST Communications, Inc. is the incumbent local exchange carrier. A key element of the Black Hills FiberCom business plan is the construction of a switched fiber optic and hybrid fiber coaxial communications network to serve customers within the following communities:

Rapid City
Black Hawk
Piedmont

Sturgis
Whitewood
Spearfish

Belle Fourche
Deadwood
Lead

DATE FILED September 30, 1998

EFFECTIVE DATE:

ISSUED BY:

Kyle D. White

Kyle D. White
Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 2

4.0 LIMITATIONS

- 4.1 Black Hills FiberCom reserves the right to discontinue service, or limit the use of service for non-payment of charges; or when the customer's use of a service becomes or is in violation of the law or the provisions of the tariff.
- 4.2 Black Hills FiberCom offers service to all customers equally and on a non-discriminatory basis. Service is offered subject to the availability of the facilities and services of Black Hills FiberCom.

5.0 LIABILITIES OF COMPANY

- 5.1 Black Hills FiberCom will endeavor to provide continuous service but does not guarantee uninterrupted service. Black Hills FiberCom will not be responsible for any loss or damage resulting from the interruption or disturbance of service for any cause other than gross negligence of Black Hills FiberCom. Black Hills FiberCom will not be liable for any loss of profits or other consequential damages resulting from the use of service or any interruption or disturbance of service.
- 5.2 Black Hills FiberCom assumes no liability for damages caused by interruption, delays, defects in the transmission of customer's telecommunications traffic due to acts of God, fire, war, civil disturbance, act of government, or due to any other causes beyond Black Hills FiberCom's control.
- 5.3 Black Hills FiberCom's liability for such damages, not caused by willful misconduct by Black Hills FiberCom or its agents, in no case will exceed an amount equivalent to the proportionate charge to the customer for the period during which such interruptions, delays, mistakes, or defect in transmission occurred.

6.0 INTERRUPTION OF SERVICE

- 6.1 It shall be the customer's obligation to notify Black Hills FiberCom of any interruption of service for credit. The customer should check to insure that any action or trouble within the customer's control or equipment does not cause the trouble.
- 6.3 Service outage due to such failure as caused by or occurs due to Black Hills FiberCom's control are limited to a credit for the outage as defined in Section 5.

DATE FILED: September 30, 1998

EFFECTIVE DATE:

ISSUED BY: _____

Kyle D. White

Kyle D. White
Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 3

7.0 DEPOSITS

Black Hills FiberCom does not require a deposit from its customers, but reserves the right to require such a deposit, not to exceed two months estimated, or if known, two month's historical charges for service, whenever the financial circumstances of the customer so warrants. Black Hills FiberCom will return any deposits required, plus the applicable 7% simple interest, after one year of consistent timely payments by the customer. Up to the full amount of deposit shall be applied to any charges unpaid after thirty days from the invoice date. Should a deposit be required of the customer, the customer may choose a paid-by-bank payment option in lieu of making a deposit.

8.0 PAYMENT AND BILLING

- 8.1 Service is provided and billed on a monthly or annual basis. Usage charges are billed in arrears. Recurring fixed charges are billed monthly in advance.
- 8.2 All billings presented for payment by Black Hills FiberCom will show the type of service rendered, the related charges, and the total bill for such services.
- 8.3 Bills are payable and due upon receipt. A late charge calculated at a rate of one and one-half percent per month will be charged on any amount unpaid after thirty days from rendering.
- 8.4 A Non-Sufficient Funds Check Charge of \$30.00 will be added to the customer's current amount due, if a check for payment of services is returned for any reason, such as non-sufficient funds or closed account.
- 8.5 If Black Hills FiberCom service has been discontinued for nonpayment, the customer will be required to pay any unpaid balance due to Black Hills FiberCom before service is restored.
- 8.6 If a customer's service is disconnected for nonpayment of sum due to Black Hills FiberCom, and customer wishes to reconnect service, a one-time charge of \$50.00 for the re-establishment of service will be billed to the customer. Payment of the re-establishment charge and any outstanding amounts will be due in full prior to reconnection of service.

DATE FILED: September 30, 1998

EFFECTIVE DATE:

ISSUED BY: _____

Kyle D. White

Kyle D. White
Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 4

9.0 DISCONNECTION OF SERVICE BY CUSTOMER

During the disconnection process the customer is responsible for payment of any charges incurred during the relevant time period.

10.0 ADVANCE PAYMENTS

10.1 Black Hills FiberCom does not require an advance payment, but reserves the right to collect an amount not to exceed one month's estimated charges as an advance payment for service whenever the financial circumstances of the customer may warrant. When required, such advance payment shall be applied against the next month's charges and if necessary a new advance payment will be collected for the following month.

10.2 All "Disconnection of Service" requests by the customer are subject to the terms and conditions of the service contract between Black Hills FiberCom and the customer.

11.0 TAXES

Federal, State, and Local taxes are separate line items and are not included in Black Hills FiberCom's rates for service.

12.0 EXCESS CONSTRUCTION

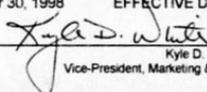
12.1 Black Hills FiberCom will provide services only where facilities exist and are capable of providing such services without construction of additional facilities or enhancement of existing facilities. If the customer requests service where facilities do not exist or require upgrading, customer will be notified of related construction charges. The customer may elect to order service and pay for the related construction charges, for which 100% will be due upon order.

12.2 Black Hills FiberCom may offer the customer terms to include such costs as part of the monthly payment.

DATE FILED: September 30, 1998

EFFECTIVE DATE:

ISSUED BY: _____


Kyle D. White
Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 5

13.0 BUSINESS INQUIRIES AND COMPLAINTS

- 13.1 Business inquiries or complaints regarding service or billings may be made in writing or by phone to Black Hills FiberCom at:

Kyle D. White
Vice President, Marketing and Regulatory Affairs
P. O. Box 2115
Rapid City, South Dakota 57709
1-605-348-1701

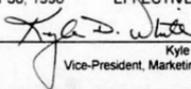
- 13.2 If the customer is dissatisfied with Black Hills FiberCom's response to a complaint or inquiry, they may file with the South Dakota Public Utilities Commission for resolution of the conflict. The South Dakota Public Utilities Commission can be reached at:

South Dakota Public Utilities Commission
500 East Capitol
Pierre, South Dakota 57501-5070
1-605-773-3201

DATE FILED September 30, 1998

EFFECTIVE DATE:

ISSUED BY:



Kyle D. White
Vice-President, Marketing & Regulatory Affairs

Black Hills FiberCom

P.O. Box 2115 625 NINTH STREET
RAPID CITY, SOUTH DAKOTA 57709

<http://www.blackhillsfiber.com>
e-mail: kdwhite+bhpi@go.blackhillscorp.com

TC98-101

Kyle D. White
VICE PRESIDENT OF MARKETING
AND REGULATORY AFFAIRS

Telephone
(605) 348-1701
(605) 348-9749 FAX

October 21, 1998

Mr. Dave Jacobsen
South Dakota Public Utilities Commission
500 East Capitol
Pierre, South Dakota 57501-

RECEIVED
OCT 22 1998
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Dear Dave:

Enclosed are an original and three copies of the Black Hills FiberCom General
Terms and Conditions Telecommunications Service tariff.

Please contact me if you have any questions.

Sincerely,



Kyle D. White

KDW:MJH
Enclosures 4

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTASECTION NO. 1
ORIGINAL SHEET NO. 1GENERAL TERMS AND CONDITIONS
TELECOMMUNICATIONS SERVICE1.0 APPLICABILITY

This tariff contains the descriptions and regulations applicable to the furnishing of service or facilities for telecommunications services furnished by Black Hills FiberCom, Inc., which does business under the assumed name of Black Hills FiberCom. Principle business offices are currently at 2045 Samco Road, Rapid City, SD 57702. This tariff is on file with the South Dakota Public Utilities Commission (Commission). Copies may be inspected, during normal business hours, at the Company's principle place of business. Due to the early stage of this business, customers are advised to make an appointment prior to visiting the Black Hills FiberCom offices.

2.0 PURPOSE OF THE COMPANY

Black Hills FiberCom provides telecommunications services as described herein to residential, commercial, and governmental customers. Black Hills FiberCom is a switching, facilities-based provider of directly connected and resale telecommunications services (network and switching facilities are under construction and resale arrangements are being negotiated). Black Hills FiberCom intends to offer local and long-distance telephone, high-speed data and video, high-speed Internet access and distance learning services, as well as, cable television service. In addition, Black Hills FiberCom may lease customer specific equipment necessary to receive service from the network. Black Hills FiberCom intends to provide high quality services that meet or exceed industry reliability standards. Services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the state of South Dakota.

3.0 AVAILABILITY

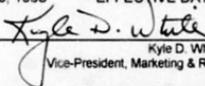
Black Hills FiberCom is authorized by the South Dakota Public Utilities Commission to offer local telecommunications services in those areas in South Dakota where US WEST Communications, Inc., is the incumbent local exchange carrier. A key element of the Black Hills FiberCom business plan is the construction of a switched fiber optic and hybrid fiber coaxial communications network to serve customers within the following communities:

Rapid City	Sturgis	Belle Fourche
Black Hawk	Whitewood	Deadwood
Piedmont	Spearfish	Lead

DATE FILED: September 30, 1998

EFFECTIVE DATE: October 1, 1998

ISSUED BY: _____



Kyle D. White
Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 2

4.0 LIMITATIONS

- 4.1 Black Hills FiberCom reserves the right to discontinue service, or limit the use of service for non-payment of charges, or when the customer's use of a service becomes or is in violation of the law or the provisions of the tariff.
- 4.2 Black Hills FiberCom offers service to all customers equally and on a non-discriminatory basis. Service is offered subject to the availability of the facilities and services of Black Hills FiberCom.

5.0 LIABILITIES OF COMPANY

- 5.1 Black Hills FiberCom will endeavor to provide continuous service but does not guarantee uninterrupted service. Black Hills FiberCom will not be responsible for any loss or damage resulting from the interruption or disturbance of service for any cause other than gross negligence of Black Hills FiberCom. Black Hills FiberCom will not be liable for any loss of profits or other consequential damages resulting from the use of service or any interruption or disturbance of service.
- 5.2 Black Hills FiberCom assumes no liability for damages caused by interruption, delays, defects in the transmission of customer's telecommunications traffic due to acts of God, fire, war, civil disturbance, act of government, or due to any other causes beyond Black Hills FiberCom's control.
- 5.3 Black Hills FiberCom's liability for such damages, not caused by willful misconduct by Black Hills FiberCom or its agents, in no case will exceed an amount equivalent to the proportionate charge to the customer for the period during which such interruptions, delays, mistakes, or defect in transmission occurred.

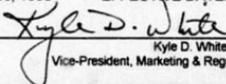
6.0 INTERRUPTION OF SERVICE

- 6.1 It shall be the customer's obligation to notify Black Hills FiberCom of any interruption of service for credit. The customer should check to insure that any action or trouble within the customer's control or equipment does not cause the trouble.
- 6.3 Service outage due to such failure as caused by or occurs due to Black Hills FiberCom's control are limited to a credit for the outage as defined in Section 5.

DATE FILED: September 30, 1998

EFFECTIVE DATE: October 1, 1998

ISSUED BY:



Kyle D. White

Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 3

7.0 DEPOSITS

Black Hills FiberCom does not require a deposit from its customers, but reserves the right to require such a deposit, not to exceed two months estimated, or if known, two month's historical charges for service, whenever the financial circumstances of the customer so warrants. Black Hills FiberCom will return any deposits required, plus the applicable 7% simple interest, after one year of consistent timely payments by the customer. Up to the full amount of deposit shall be applied to any charges unpaid after thirty days from the invoice date. Should a deposit be required of the customer, the customer may choose a paid-by-bank payment option in lieu of making a deposit.

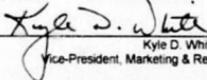
8.0 PAYMENT AND BILLING

- 8.1 Service is provided and billed on a monthly or annual basis. Usage charges are billed in arrears. Recurring fixed charges are billed monthly in advance.
- 8.2 All billings presented for payment by Black Hills FiberCom will show the type of service rendered, the related charges, and the total bill for such services.
- 8.3 Bills are payable and due upon receipt. A late charge calculated at a rate of one and one-half percent per month will be charged on any amount unpaid after thirty days from rendering.
- 8.4 A Non-Sufficient Funds Check Charge of \$30.00 will be added to the customer's current amount due, if a check for payment of services is returned for any reason, such as non-sufficient funds or closed account.
- 8.5 If Black Hills FiberCom service has been discontinued for nonpayment, the customer will be required to pay any unpaid balance due to Black Hills FiberCom before service is restored.
- 8.6 If a customer's service is disconnected for nonpayment of sum due to Black Hills FiberCom, and customer wishes to reconnect service, a one-time charge of \$50.00 for the re-establishment of service will be billed to the customer. Payment of the re-establishment charge and any outstanding amounts will be due in full prior to reconnection of service.

DATE FILED: September 30, 1998

EFFECTIVE DATE: October 1, 1998

ISSUED BY: _____


Kyle D. White

Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 4

9.0 DISCONNECTION OF SERVICE BY CUSTOMER

During the disconnection process the customer is responsible for payment of any charges incurred during the relevant time period.

10.0 ADVANCE PAYMENTS

10.1 Black Hills FiberCom does not require an advance payment, but reserves the right to collect an amount not to exceed one month's estimated charges as an advance payment for service whenever the financial circumstances of the customer may warrant. When required, such advance payment shall be applied against the next month's charges and if necessary a new advance payment will be collected for the following month.

10.2 All "Disconnection of Service" requests by the customer are subject to the terms and conditions of the service contract between Black Hills FiberCom and the customer.

11.0 TAXES

Federal, State, and Local taxes are separate line items and are not included in Black Hills FiberCom's rates for service.

12.0 EXCESS CONSTRUCTION

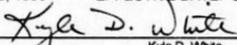
12.1 Black Hills FiberCom will provide services only where facilities exist and are capable of providing such services without construction of additional facilities or enhancement of existing facilities. If the customer requests service where facilities do not exist or require upgrading, customer will be notified of related construction charges. The customer may elect to order service and pay for the related construction charges, for which 100% will be due upon order.

12.2 Black Hills FiberCom may offer the customer terms to include such costs as part of the monthly payment.

DATE FILED: September 30, 1998

EFFECTIVE DATE: October 1, 1998

ISSUED BY: _____


Kyle D. White
Vice-President, Marketing & Regulatory Affairs

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

BLACK HILLS FIBERCOM
RAPID CITY, SOUTH DAKOTA

SECTION NO. 1
ORIGINAL SHEET NO. 5

13.0 BUSINESS INQUIRIES AND COMPLAINTS

13.1 Business inquiries or complaints regarding service or billings may be made in writing or by phone to Black Hills FiberCom at:

Kyle D. White
Vice President, Marketing and Regulatory Affairs
P. O. Box 2115
Rapid City, South Dakota 57709
1-605-348-1701

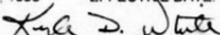
13.2 If the customer is dissatisfied with Black Hills FiberCom's response to a complaint or inquiry, they may file with the South Dakota Public Utilities Commission for resolution of the conflict. The South Dakota Public Utilities Commission can be reached at:

South Dakota Public Utilities Commission
500 East Capitol
Pierre, South Dakota 57501-5070
1-605-773-3201

DATE FILED: September 30, 1998

EFFECTIVE DATE: October 1, 1998

ISSUED BY: _____



Kyle D. White

Vice-President, Marketing & Regulatory Affairs