BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE PETITIONS OF ARMOUR **INDEPENDENT** TELÉPHONE BRIDGEWATER-CANISTOTA COMPANY. INDEPENDENT TELEPHONE COMPANY. GOLDEN WEST TELECOMMUNICATIONS COOPERATIVE, INC., KADOKA TELEPHONE COMPANY, SIOUX VALLEY TELÉPHONE COMPANY. UNION TELEPHONE COMPANY AND VIVIAN TELEPHONE COMPANY FOR PURSUANT TO THE ARBITRATION TELECOMMUNICATIONS ACT OF 1966 TO RELATING TO RESOLVE ISSUES INTERCONNECTION AGREEMENTS WITH WWC LICENSE L.L.C.

ORDER DENYING APPLICATION FOR RECONSIDERATION; ORDER REGARDING MOTIONS TCO6-036 TCO6-037 TCO6-038 TCO6-039 TCO6-040 TCO6-041 TCO6-041 TCO6-042

On May 3, 2006, Armour Independent Telephone Company, Bridgewater-Canistota Independent Telephone Company, Golden West Telecommunications Cooperative, Inc., Kadoka Telephone Company, Sioux Valley Telephone Company, Union Telephone Company and Vivian Telephone Company (Companies) filed petitions for arbitration of certain unresolved terms and conditions of proposed Interconnection Agreements between Companies and WWC License L.L.C. (WWC), pursuant to Section 252 of the Telecommunications Act of 1996, SDCL 49-31-81, and ARSD 20:10:32:29. Companies filed a list of unresolved issues consisting of: (1) Is the reciprocal compensation rate for Local Traffic proposed by Companies appropriate pursuant to 47 U.S.C. Section 252(d)(2)? (2) What is the appropriate Percent InterLATA Use factor to be applied to nonlocal traffic exchanged between the parties? (3) What is the appropriate manner by which the minutes of use of Local Traffic terminated by the parties, one to the other, should be calculated and billed? Companies "respectfully request that the Commission grant the following relief: A. Order arbitration of any unresolved issues between [Companies] and WWC; B. Issue an order directing [Companies] and WWC to submit to the Commission for approval an interconnection agreement reflecting: (i) the agreed-upon language in Exhibit A and (ii) the resolution in this arbitration proceeding of any unresolved issues in accordance with the recommendations made by [Companies] herein, at the hearing on such issues and in Exhibit A; C. Order the parties to pay interim compensation for transport and termination of telecommunications traffic from January 1, 2006 (the Effective Date set forth in Exhibit A) to the date on which the Commission approves the parties' executed interconnection agreement in accordance with Section 252(e) of the Act [footnote omitted]: D. Retain jurisdiction of this arbitration until the parties have submitted an executed interconnection agreement for approval by the Commission in accordance with Section 252(e) of the Act; and E. Take such other and further action as it deems necessary and appropriate." In accordance with ARSD 20:10:32:30, a non-petitioning party may respond to the petition for arbitration and provide additional information within 25 days after the Commission receives the petition. On May 15, 2006, the Commission received Motions for Consolidation from Companies. On May 30, 2006, the Commission received a Response of WWC to Petitions of Arbitration of the Golden West Companies.

By order dated June 5, 2006, the Commission granted the Motions for Consolidation and assessed a deposit on the parties not to exceed \$75,000.00, pursuant to SDCL 49-31-44. On June 6. 2006, the Commission received a petition to intervene from the South Dakota Telecommunications Association (SDTA). By order dated June 9, 2005, the Commission set a procedural schedule that had been agreed to by the parties. On June 16, 2006, the Commission received a Motion Seeking Order Requiring Payment of Interim Compensation from the Companies. On June 16, 2006, the Commission received a Request to Use Office of Hearing Examiners from WWC. On June 19, 2006, the Commission received a letter signed by WWC and the Companies in which the parties extended the nine month deadline by agreeing that the nine month period as set forth in 47 U.S.C. section 252(b)(4(C) will expire on December 31, 2006. On June 30, 2006, the Commission received the Companies' Brief in Opposition to the Request of WWC License LLC to Use the Office of Hearing Examiners (OHE) and comments from SDTA also opposing the request to use OHE, On July 5, 2006, the Commission received a letter from WWC regarding SDTA's Petition to Intervene. On July 7, 2006, the Commission received a response from WWC regarding the opposition of the Companies and SDTA to the use of OHE. On July 10, 2006, the Commission received a response from WWC to the Companies' Motion Seeking Order Requiring Payment of Interim Compensation. By order dated July 14, 2006, the Commission granted the request of WWC to use the OHE. On July 28, 2006, the Commission received from the Golden West Companies an Application for Reconsideration regarding the Commission's granting the request of WWC to use the OHE. On July 28, 2006, the Commission received a Motion to Suspend Procedural Schedule from the Golden West Companies. At its August 8, 2006 meeting, the Commission granted the Golden West Companies' request to suspend the procedural schedule.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-31, including 49-31-3 and 49-31-81, and 47 U.S.C. sections 251 and 252. The Commission may rely upon any or all of these or other laws of this state in making its determination.

At its August 23, 2006, meeting, the Commission considered the Application for Reconsideration. The Commission voted to deny the Application for Reconsideration regarding the use of the OHE. As it stated in its order granting WWC's request to use the OHE, the Commission finds that SDCL 1-26-18.3, in conjunction with SDCL Chapter 1-26D, gives WWC the right to use the OHE. The Commission also considered how to proceed in this matter. The Golden West Companies and SDTA argued that pending motions should be heard by the Commission found that since the case will be heard by the OHE, as the hearing examiner, all motions are properly before the OHE at this time, not the Commission.

It is therefore

ORDERED, that the Golden West Companies' Application for Reconsideration is denied; and it is

FURTHER ORDERED, that the OHE, as hearing examiner, shall rule on the motions made in these dockets.

Dated at Pierre, South Dakota, this <u>24</u> day of August, 2006.

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 prepare thereon.

By: Date (OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

ROBERT K. SAHR, Chairman

M. JOHNSON, Commissioner DT

b AANSON, Commissioner

3