

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
TELCO HOLDINGS, INC. D/B/A DIAL & SAVE)	CERTIFICATE OF
FOR A CERTIFICATE OF AUTHORITY TO)	AUTHORITY
PROVIDE TELECOMMUNICATIONS)	
SERVICES, INCLUDING LOCAL EXCHANGE)	TC97-129
SERVICES, IN SOUTH DAKOTA)	

On July 10, 1997, 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 Telco Holdings, Inc. d/b/a Dial & Save (Telco).

Telco proposes to provide resold local exchange service in South Dakota in existing U S WEST service areas on a resale basis. Services will include basic residential services, residential custom and class services, basic business exchange services, business custom calling and class features, adjunct provided features, and business and residential ancillary services.

On July 10, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of July 25, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled October 9, 1997, meeting, the Commission considered Telco's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards. Commission Staff further recommended a waiver of 20:10:24:02(6), (8) and (12). Dial & Save is to surrender its previously issued amended certificate of authority to the South Dakota Public Utilities Commission.

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 Telco has met the legal requirements established for the granting of a certificate of authority. Telco 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 subparagraphs (6), (8) and (12) of ARSD 20:10:24:02.

The Commission approves Telco's application for a certificate of authority, subject to rural safeguards. The certificate of authority for Telco 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 Telco choose to provide local exchange services statewide, with respect to rural telephone companies, Telco 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 Telco's application for a Certificate of Authority to provide telecommunications services, including local exchange services, is granted; and it is

FURTHER ORDERED, that Telco shall file informational copies of tariff changes with the Commission as the changes occur; and it is

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

FURTHER ORDERED, that the Commission finds good cause to waive subparagraphs (6), (8) and (12) of ARSD 20:10:24:02; and it is

FURTHER ORDERED, that Dial & Save surrender and return to the Commission its amended certificate of authority approved December 17, 1996, in Docket TC96-088.

Dated at Pierre, South Dakota, this 17th day of October, 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:	<u><i>Helene Kaelbo</i></u>
Date:	<u>10/20/97</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner