

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

IN THE MATTER OF THE APPLICATION OF)
 STERLING INTERNATIONAL FUNDING, INC.)
 D/B/A RECONEX FOR A CERTIFICATE OF)
 AUTHORITY TO PROVIDE LOCAL)
 EXCHANGE TELECOMMUNICATIONS)
 SERVICES IN SOUTH DAKOTA)

**ORDER DENYING
 CERTIFICATE OF
 AUTHORITY**

TC97-160

On September 24, 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 Sterling International Funding, Inc. d/b/a Reconex (Reconex).

Reconex proposes to offer service in the areas and exchanges currently being served by U S WEST. Reconex is an alternative telephone company primarily furnishing prepaid local dial tone service to individuals who have had their telephone disconnected, have voluntarily left their local exchange provider, or for money management reasons, prefer to address their local calling needs in a prepaid fashion at a set fee. A proposed tariff was filed by Reconex. The Commission has classified long distance service as fully competitive.

On September 25, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of October 10, 1997, to interested individuals and entities. No petitions to intervene or comments were filed. On October 14, 1997, Commission Staff sent Reconex a request for additional data. Staff never received the requested information. Staff sent a second letter on April 27, 1998, which was returned on April 28, 1998. A copy of the Commission's May 28, 1998, agenda was electronically transmitted to Reconex on May 21, 1998. At its regularly scheduled May 28, 1998, meeting, the Commission considered Reconex's request for a certificate of authority. Commission Staff recommended denying the certificate of authority and closing the docket as Staff had not been able to establish contact with Reconex since the initial filing and had no way of contacting the company.

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 Reconex has not met the legal requirements established for the granting of a certificate of authority. Reconex has not, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission voted to deny Reconex's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Reconex's application for a certificate of authority is hereby denied.

Dated at Pierre, South Dakota, this 4th day of June, 1998.

<p>CERTIFICATE OF SERVICE</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 first class mail, in properly addressed envelopes, with charges prepaid thereon.</p> <p>By: <u>Delaine Kalbo</u></p> <p>Date: <u>6/5/98</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

James A. Burg
 JAMES A. BURG, Chairman

Pam Nelson
 PAM NELSON, Commissioner

Laska Schoeneelder
 LASKA SCHOENEELDER, Commissioner