

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

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| IN THE MATTER OF THE FILING BY U S WEST) COMMUNICATIONS, INC. FOR APPROVAL OF) AGREEMENT FOR SERVICE RESALE) BETWEEN KNIGHT COMMUNICATIONS, INC.) AND U S WEST COMMUNICATIONS, INC.) | ORDER REJECTING NEGOTIATED AGREEMENT FOR SERVICE RESALE TC98-140 |
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On July 29, 1998, U S WEST Communications, Inc. (U S WEST) filed for approval by the South Dakota Public Utilities Commission (Commission) of the negotiated Agreement for Service Resale dated July 10, 1998, between U S WEST and Knight Communications, Inc. (Knight).

On July 30, 1998, the Commission electronically transmitted notice of this filing to interested individuals and entities. The notice stated that any person wishing to comment on the parties' request for approval may do so by filing written comments with the Commission on or before August 19, 1998. Parties to the agreement had until September 8, 1998, to file written responses to the comments. No comments were received from interested individuals, entities or Commission staff.

At a duly noticed October 27, 1998, meeting, the Commission considered the Agreement for Service Resale. Commission Staff recommended rejection of the Agreement for Service Resale as it discriminates against other telecommunications carriers that are not a party to the agreement and it is not consistent with the public interest, convenience, and necessity. Knight does not hold a certificate of authority from the Commission and Commission Staff was unable to contact Knight during its review of the agreement.

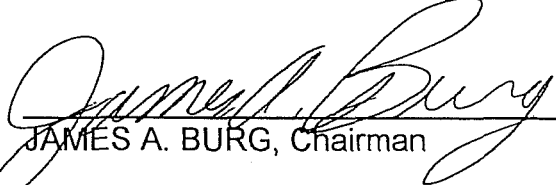


The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-81, and the Federal Telecommunications Act of 1996. Upon review of the agreement, the Commission found that, as required by 47 U.S.C. § 252(e)(2)(A), the agreement discriminates against other telecommunications carriers that are not a party to the agreement and it is not consistent with the public interest, convenience, and necessity. It is therefore

ORDERED, that pursuant to 47 U.S.C. § 252(e) and SDCL 49-31-81, the Commission rejects the Agreement for Service Resale between U S WEST and Knight.

Dated at Pierre, South Dakota, this 27th day of October, 1998.

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| 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>Helaine Kalbo</i></u> |
| Date: <u>10/28/98</u> |
| (OFFICIAL SEAL) |

BY ORDER OF THE COMMISSION:

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|  _____ JAMES A. BURG, Chairman |
|  _____ PAM NELSON, Commissioner |
|  _____ LASKA SCHOENFELDER, Commissioner |