

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

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| IN THE MATTER OF THE APPLICATION OF |) | ORDER GRANTING |
| JATO OPERATING TWO CORP. FOR A |) | CERTIFICATE OF |
| CERTIFICATE OF AUTHORITY TO PROVIDE |) | AUTHORITY |
| LOCAL EXCHANGE SERVICES IN SOUTH |) | |
| DAKOTA |) | TC99-077 |

On June 30, 1999, the Public Utilities Commission (Commission) received an application for a certificate of authority from JATO Operating Two Corp. (JATO).

JATO proposes to offer facilities-based competitive local telecommunications services. A proposed tariff was filed by JATO.

On July 1, 1999, the Commission electronically transmitted notice of the filing and the intervention deadline of July 16, 1999, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled September 8, 1999, meeting, the Commission considered JATO's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards, and subject to the condition that JATO not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-69 and ARSD 20:10:32:03. The Commission finds that JATO has met the legal requirements established for the granting of a certificate of authority. JATO has, in accordance with SDCL 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota.

The Commission approves JATO's application for a certificate of authority, subject to rural safeguards, and subject to the condition that JATO not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. The certificate of authority for JATO 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 JATO choose to provide local exchange services statewide, with respect to rural telephone companies, JATO 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 JATO's application for a certificate of authority to provide local exchange services, is granted, subject to the condition that JATO not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission; and it is

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

FURTHER ORDERED, that the Commission shall authorize JATO to offer its local exchange 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 14th day of September, 1999.

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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>Delaine Keeso</i></u> |
| Date: | <u>9/14/99</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