

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

IN THE MATTER OF THE FILING BY ESSEX)	ORDER GRANTING
COMMUNICATIONS, INC. D/B/A ELEC)	AMENDED CERTIFICATE OF
COMMUNICATIONS FOR APPROVAL OF)	AUTHORITY
RELIEF OF CERTIFICATION REQUIREMENT)	
TO POST SURETY BOND)	TC02-063

On August 9, 2000, the Public Utilities Commission (Commission) received an application for a certificate of authority from Essex Communications, Inc. d/b/a eLEC Communications (Essex).

Essex sought authority to provide inbound and outbound resold long distance telecommunications service, as well as facilities-based local exchange services to residential and business customers in South Dakota. A proposed tariff was filed by Essex.

On August 10, 2000, the Commission electronically transmitted notice of the filing and the intervention deadline of August 25, 2000, to interested individuals and entities. No petitions to intervene or comments were filed and at its January 4, 2001, meeting, the Commission granted Essex's request for a certificate of authority, subject to a continuous \$25,000 surety bond, subject to rural safeguards, and a waiver of ARSD 20:10:24:02(10) and ARSD 20:10:32:03(14).

On June 10, 2002, the Commission received notice that Hartford Fire Insurance Company would cancel Bond No. 16BSBAP2938 on July 10, 2002. On June 18, 2002, Essex filed for bond relief. Essex requested that the requirement to post a continuous \$25,000 bond be removed and agreed to restrictions on its certificate of authority from offering prepaid services and collecting customer deposits and advanced payments.

At its regularly scheduled July 9, 2002, meeting, Staff recommended that the Commission reconsider the terms and conditions of Essex's certificate of authority to remove the requirement that the certificate of authority be subject to a continuous \$25,000 bond and impose a new restriction that Essex 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 SDCL Chapter 49-31, specifically 49-31-3 and 49-31-69 and ARSD 20:10:24:02, 20:10:24:03 and 20:10:32:03. The Commission finds that Essex has met the legal requirements established for the granting of an amended certificate of authority. Essex has, in accordance with SDCL 49-31-3 and 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota.

The Commission approves Essex's application for an amended certificate of authority, subject to rural safeguards, and subject to the condition that Essex not offer a

prepaid calling card or require deposits or advance payments without prior approval of the Commission. The amended certificate of authority for Essex shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. It is therefore

ORDERED, that Essex's application for an amended certificate of authority to provide interexchange telecommunications services and local exchange services is granted, subject to the removal of the condition of a surety bond, and subject to the condition that Essex not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission; and it is

FURTHER ORDERED, that the Commission shall authorize Essex to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company.

Dated at Pierre, South Dakota, this 26th day of July, 2002

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>Melaine Kalbo</u>
Date: <u>8/1/02</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Robert K. Sahr
ROBERT K. SAHR, Commissioner