

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
CI², INC. FOR A CERTIFICATE OF AUTHORITY)	CERTIFICATE OF
TO PROVIDE LOCAL EXCHANGE SERVICES)	AUTHORITY
IN SOUTH DAKOTA)	TC02-173

On October 28, 2002, the Public Utilities Commission (Commission) received an application for a certificate of authority from CI², Inc. (CI²).

CI² proposes to provide resold local exchange service to end users without using its own network facilities or the unbundled network elements, but those of an underlying local exchange carrier. CI² intends to provide service in those areas served by Qwest. A proposed tariff was filed by CI².

On October 31, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of November 15, 2002, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled June 3, 2003, meeting, the Commission considered CI²'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 CI² not offer a prepaid calling card or require or accept 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 49-31-69 and ARSD 20:10:32:03. The Commission finds that CI² has met the legal requirements established for the granting of a certificate of authority. CI² 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 CI²'s application for a certificate of authority, subject to rural safeguards, and subject to the condition that CI² not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission. The certificate of authority for CI² shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should CI² choose to provide local exchange services statewide, with respect to rural telephone companies, CI² 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 CI²'s application for a certificate of authority to provide local exchange services is granted, subject to the condition that CI² not offer a prepaid calling card or require or accept deposits or advance payments without prior approval of the Commission; and it is

FURTHER ORDERED, that CI² shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize CI² 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 10th day of June, 2003.

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 Kolbo</u>
Date:	<u>6/10/03</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner