

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

<b>IN THE MATTER OF THE APPLICATION OF )</b>	<b>ORDER GRANTING</b>
<b>MIDCONTINENT COMMUNICATIONS FOR )</b>	<b>PETITION TO AMEND</b>
<b>APPROVAL TO EXPAND ITS CERTIFICATE OF )</b>	<b>CERTIFICATE OF</b>
<b>AUTHORITY TO PROVIDE LOCAL EXCHANGE )</b>	<b>AUTHORITY AND ORDER</b>
<b>SERVICE IN THE SERVICE TERRITORY OF )</b>	<b>GRANTING WAIVER</b>
<b>INTERSTATE TELECOMMUNICATIONS )</b>	
<b>COOPERATIVE, INC. )</b>	<b>TC03-068</b>

On April 17, 2003, the Public Utilities Commission (Commission) received an Application for an Amended Certificate of Authority from Midcontinent Communications (Midcontinent) for approval to provide local exchange service in the rural exchange area of Webster, South Dakota. Midcontinent also requested a waiver of ARSD 20:10:32:15. Midcontinent states that the application is a competitive response to the provision of video programming in the geographical area applied for by the incumbent carrier, Interstate Telecommunications Cooperative, Inc. (ITC). Midcontinent proposes to use a combination of ITC resold services, the structure to be determined by the final interconnection agreement between the parties, and the hybrid fiber coax (HFC) network of its cable plant to provide primary transport for residential services. Midcontinent also states that 47 U.S.C. § 251(f)(1)(C) is applicable to the application and as such, the exemption provided by 47 U.S.C. § 251(f)(1)(A) does not apply to ITC.

On April 24, 2003, the Commission electronically transmitted notice of the filing and the intervention deadline of May 2, 2003, to interested individuals and entities. On April 29, 2003, ITC filed its request for intervenor status. At a regularly scheduled meeting of May 6, 2003, the Commission found that the letter to intervene was timely filed and demonstrated good cause to grant intervention.

On November 12, 2003, the Commission received a Stipulation Regarding Application for Rural Certification signed by Midcontinent and ITC whereby the parties stipulated that ITC had no objection to Midcontinent providing local exchange services in ITC's Webster exchange only.

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 20:10:32:03. The Commission finds that Midcontinent has met the legal requirements established for the granting of an amended certificate of authority. Midcontinent 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. Further, the Commission finds that there is good cause to waive ARSD 20:10:32:15. Further, the Commission finds that pursuant to SDCL 49-31-69, an Amended Certificate of Authority shall be granted as it is in the public interest. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request for an Amended Certificate of Authority shall be granted to authorize Midcontinent to provide competitive local exchange service within the city of Webster; and it is

FURTHER ORDERED, that ARSD 20:10:32:15 shall be waived.

Dated at Pierre, South Dakota, this 17<sup>th</sup> day of December, 2003.

<b>CERTIFICATE OF SERVICE</b>
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>Mildred Kolbo</u>
Date: <u>12/19/03</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