

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

IN THE MATTER OF THE APPLICATION FOR)	ORDER GRANTING
TRANSFER OF CERTIFICATES OF)	TRANSFER OF
AUTHORITY FROM TRANS NATIONAL)	CERTIFICATES
COMMUNICATIONS INTERNATIONAL, INC. TO)	OF AUTHORITY
TNCI OPERATING COMPANY LLC)	
)	TC13-038

On May 7, 2013, the Public Utilities Commission (Commission) received a Joint Application on behalf of TNCI Operating Company LLC (TNCI-OpCo) and Trans National Communications International, Inc. (Debtor-in-Possession) (TNCI-DIP) (collectively, Applicants) for approval of the transfer of the local and interexchange certificates of authority held by TNCI-DIP to TNCI-OpCo. Applicants request approval or such other authority as may be necessary or required to complete a transaction whereby TNCI-OpCo would acquire the customers (including customers' contracts) and certain assets through a sale pursuant to Section 363 of the United States Bankruptcy Code (the Transaction). As a result of the Transaction, TNCI-DIP's customers will be transferred to TNCI-OpCo, which will become the service provider for those customers.

On May 9, 2013, the Commission electronically transmitted notice of the filing and the intervention deadline of May 24, 2013, to interested individuals and entities. No petitions to intervene or comments were filed. On May 20, 2013, Applicants filed their response to data request 1 wherein they requested a waiver of ARSD 20:10:24:02(9) and 20:10:32:03(12).

At its regularly scheduled meeting of June 4, 2013, the Commission considered the request for the transfer of the certificates of authority. Commission staff recommended granting the transfer of the certificates of authority from TNCI-DIP to TNCI-OpCo with restrictions, for retail purposes, from offering prepaid calling cards or accepting customer deposits or advance payments without prior approval of the Commission, and that the Applicant be subject to rural safeguards. Commission staff further recommended a waiver of ARSD 20:10:24:02(9) and 20:10:32:03(12).

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and 49-31-71 and ARSD 20:10:24:02, 20:10:24:04.01, 20:10:32:02, and 20:10:32:08. The Commission finds that TNCI-OpCo has met the legal requirements established for the transfer of the certificates of authority. TNCI-OpCo 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 20:10:24:02(9) and 20:10:32:03(12).

The Commission approves Applicant's request for a transfer of the certificates of authority, subject to the condition that TNCI-OpCo, for retail purposes, not offer any prepaid services (including prepaid calling cards) and not accept or require any deposits or advance payments without prior approval of the Commission, and subject to rural safeguards. The certificate of authority for TNCI-OpCo shall authorize it to provide local exchange telecommunications service in South Dakota, except in those areas served by a rural telephone company. In the future, should TNCI-OpCo choose to provide local exchange services in areas served by a rural telephone company, TNCI-OpCo 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). This 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 TNCI-OpCo's application for a transfer of the certificates of authority to provide local exchange services is granted, subject to the condition that TNCI-OpCo, for retail purposes, not offer any prepaid services (including prepaid calling cards) and not accept or require any deposits or advance payments without prior approval of the Commission. It is further

ORDERED, that this certificate of authority authorizes TNCI-OpCo to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company. It is further

ORDERED, that TNCI-OpCo's request for waiver of ARSD 20:10:24:02(9) and 20:10:32:03(12) is hereby granted. It is further

ORDERED, that this order constitutes TNCI-OpCo's certificate of authority as described above.

Dated at Pierre, South Dakota, this 10th day of June, 2013.

<p align="center">CERTIFICATE OF SERVICE</p> <p>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, electronically.</p> <p>By: <u>Joy Lashley</u></p> <p>Date: <u>06/10/13</u></p> <p align="center">(OFFICIAL SEAL)</p>
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BY ORDER OF THE COMMISSION:

Gary Hanson

GARY HANSON, Chairman

Chris Nelson

CHRIS NELSON, Commissioner

Kristie Fiegen

KRISTIE FIEGEN, Commissioner