

**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>DTG COMMUNITY TELEPHONE, INC. FOR A )</b>	<b>CERTIFICATE OF</b>
<b>CERTIFICATE OF AUTHORITY TO PROVIDE )</b>	<b>AUTHORITY</b>
<b>TELECOMMUNICATIONS SERVICES, )</b>	
<b>INCLUDING LOCAL EXCHANGE SERVICES, IN )</b>	<b>TC97-164</b>
<b>SOUTH DAKOTA )</b>	

On October 15, 1997, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, received an application for a certificate of authority from DTG Community Telephone, Inc. (DCT).

DCT stated in its filing: "Services in South Dakota will include, but are not limited to, local exchange service, and other telecommunications services incidental to local exchange service. DCT will be assuming the local exchange operations of Dakota Cooperative Telecommunications, Inc. for the following exchanges: Alsen (253), Beresford Rural (957), Chancellor (647), Davis (238), Flyger (327), Gayville (267), Hurley (238), Irene (263), Lennox (647), Monroe (297), Parker (297), Volin (267), Wakonda (267) and Worthing (372). . . . Because DCT will be assuming the obligations and benefits of the Eligible Telecommunications Carrier status which was granted to DTG in TC97-030, DCT will advertise its services in a manner consistent with its obligations as an Eligible Telecommunications Carrier." DCT has requested a waiver of ARSD 20:10:24:02(8) and (12). On May 22, 1998, DCT notified the Commission Staff that it had obtained the bond as requested by Staff.

On October 16, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of October 31, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled June 11, 1998, meeting, the Commission considered DCT's request for a certificate of authority. Commission Staff recommended granting DCT a certificate of authority as DCT had furnished the Commission with a surety bond, subject to rural safeguards. Commission Staff further recommended a waiver of 20:10:24:02(8) and (12).

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that DCT has met the legal requirements established for the granting of a certificate of authority. DCT has, in accordance with SDCL 49-31-1, 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 subparagraphs (8) and (12) of ARSD 20:10:24:02.

The Commission approves DCT's application for a certificate of authority, subject to rural safeguards. The certificate of authority for DCT shall authorize it to offer local

exchange services in the following exchanges in South Dakota: Alsen (253), Beresford Rural (957), Chancellor (647), Davis (238), Flyger (327), Gayville (267), Hurley (238), Irene (263), Lennox (647), Monroe (297), Parker (297), Volin (267), Wakonda (267) and Worthing (372). In the future, should DCT choose to provide local exchange services statewide, with respect to rural telephone companies, DCT 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 DCT's application for a Certificate of Authority to provide telecommunications services, including local exchange services, is granted, and it is

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

FURTHER ORDERED, that the Commission shall authorize DCT to offer its services in the following exchanges in South Dakota: Alsen (253), Beresford Rural (957), Chancellor (647), Davis (238), Flyger (327), Gayville (267), Hurley (238), Irene (263), Lennox (647), Monroe (297), Parker (297), Volin (267), Wakonda (267) and Worthing (372); and it is

FURTHER ORDERED, that the Commission finds good cause to waive subparagraphs (8) and (12) of ARSD 20:10:24:02.

Dated at Pierre, South Dakota, this 19<sup>th</sup> day of June, 1998.

<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>Delaine Kalls</u>
Date:	<u>6/19/98</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

# SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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## CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company  
Within The State Of South Dakota

Authority was Granted June 11, 1998  
Docket No. TC97-164

*This is to certify that*

**DTG COMMUNITY TELEPHONE, INC.**

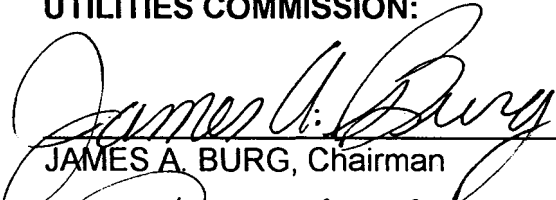
*is authorized to provide telecommunications services in South Dakota.*

This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 19<sup>th</sup> day of June, 1998.

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION:**



  
\_\_\_\_\_  
JAMES A. BURG, Chairman

  
\_\_\_\_\_  
PAM NELSON, Commissioner

  
\_\_\_\_\_  
LASKA SCHOENFELDER, Commissioner



RECEIVED

MAY 22 1998

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

May 21, 1998

Tammi Stangohr  
South Dakota Public Utilities Commission  
State Capitol Building  
500 East Capitol Avenue  
Pierre, South Dakota 57501-5070

Tradition

Technology

Talent

Teamwork

RE: SD PUC Docket TC97-164

Dear Ms. Stangohr:

Per your correspondence December 10, 1997 to Robert Marmet, I have enclosed a \$25,000 Indemnity Bond naming DTG Community Telephone, Inc., as principal.

If you have any questions, please contact Bill Heaston or myself.

Sincerely,

A handwritten signature in cursive script that reads "Kristie Lyngstad".

Kristie Lyngstad  
Administrative Assistant

Enclosure

HEADQUARTERS  
P.O. Box 66  
29705 453<sup>rd</sup> AVENUE  
IRENE, SOUTH DAKOTA  
57037-0066

605.263.3301  
800.239.7501  
FAX 605.263.3995

[www.dtg.com](http://www.dtg.com)

**INDEMNITY BOND**

Bond No. 68727276

Effective Date: May 13, 1998

**KNOW ALL PERSONS BY THESE PRESENTS:**

That we, DTG COMMUNITY TELEPHONE, INC., as Principal, and WESTERN SURETY COMPANY, a corporation authorized to do surety business in the State of South Dakota, as Surety, are held and firmly bound unto the South Dakota customers of the Principal in the sum of not to exceed TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00), for the payment of which well and truly to be made, we bind ourselves and our legal representatives, firmly by these presents.

THE CONDITION of the above obligation is such that WHEREAS the Principal has applied to the South Dakota Public Utilities Commission (the "Commission") for a Certificate of Authority to resell long-distance telecommunications services within the State of South Dakota and, as a condition of receiving such Certificate of Authority, has been required by the Commission to give this bond.

NOW, THEREFORE, if the Principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota state law and reimburse customers of the Principal for any prepayment or deposits such customers have made which the Principal may be unable or unwilling to return to such customers as a result of insolvency or other business failure, then this obligation to be void; otherwise to remain in full force and effect.

PROVIDED, this bond is continuous and may be cancelled by the Surety by giving thirty (30) days notice in writing to the Commission, and the Surety shall be relieved of any further liability under this bond thirty (30) days after such notice is sent by First Class U.S. Mail. Regardless of the number of years this bond shall continue in force, the number of claims made against this bond, and the number of premiums which shall be payable or paid, the Surety's total limit of liability shall not be cumulative from year to year or period to period, and in no event shall the Surety's total liability for all claims exceed the amount set forth above. Any revision of the bond amount shall not be cumulative.

Dated this 13th day of May, 1998.

DTG COMMUNITY TELEPHONE, INC.,  
Principal

By T.W. Herzog  
(Name and Title)

Countersigned by:

WESTERN SURETY COMPANY, Surety

Jander Bat  
South Dakota Resident Agent

By C. Langdon C. Langdon, Ass't. Sec.



PO Box 66  
Irene, SD 57037  
(605)263-3301

RECEIVED  
NOV 26 1997  
SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

November 24, 1997

Tammi Stangohr  
Utility Analyst  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, SD 57501

RE: Docket TC97-164  
Application of DTG Community Telephone, Inc.

Dear Ms. Stangohr:

I apologize for the confusion the DTG Community Telephone application caused at the Commission. I shall make every effort to clarify the application.

DTG Community Telephone ("DCT") is a newly created subsidiary of Dakota Telecommunications Group, Inc. ("DTG") Over the years, DTG has diversified into cable television, Internet services, data and long distance operations. Our current plan is to transfer the local telephone exchange ("LEC") assets of what used to be Dakota Cooperative Telecommunications, Inc. into the "new" DCT. As it stands today, the LEC operation owns the shares, and is ultimately responsible for the debt, of the cable television, long distance and Internet operations.

DTG will remain the employer of all a employees, and will retain ownership of administrative offices. This transfer will allow the company to better allocate the costs of employees to the appropriate subsidiary, and avoid any unintentional cross-subsidization by the regulated part of the company.

DCT will continue to own the local exchange carrier assets and operate the nine exchanges it has been operating for many years. In that sense, it is just a name change. However, instead of the LEC owning the shares of all of the other subsidiaries, it will become a subsidiary of DTG. In that sense, it is more than a name change.

Tammi Stangohr  
November 24, 1997  
Page 2

There will be no change in management. There will be no change in the technical operations. The only change in the financial capability of the company is to make DCT, the entity owning and operating the LEC, responsible for the LEC debts alone. This change should not affect the consumers in any way.

Because this is a continuation of an existing operation by a wholly owned subsidiary of the existing operator, DCT would respectfully request that the Commission waive its requirement of a bond. Dakota is well-known to the Commission and will not be changing its policies regarding customer deposits or pre-paid calling cards.

Please let me know if you have any further questions or requests.

Sincerely,



---

Robert G. Marmet

cc: Karen E. Cremer

OCT 15 1997

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

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION	)	
OF DTG COMMUNITY TELEPHONE, INC.	)	INITIAL PETITION
CERTIFICATE OF AUTHORITY TO	)	
PROVIDE TELECOMMUNICATIONS	)	DOCKET TC97-_____
SERVICES IN SOUTH DAKOTA.	)	

DTG Community Telephone, Inc. ("DCT"), hereby files its Application pursuant to SDCL §49-31-3 and ARSD 20:10:24:02, for the purpose of receiving a Certificate of Authority to provide telecommunications services, specifically including but not limited to, local exchange services in the State of South Dakota.

APPLICATION FOR CERTIFICATE OF AUTHORITY

In support of its application DCT provides the following information, pursuant to ARSD 20:10:24:02:

**1. Name, address and telephone number of applicant:**

DTG Community Telephone, Inc.  
29705 453<sup>rd</sup> Avenue, P.O. Box 66  
Irene, SD 57037-0066  
Phone: (605)-263-3301  
Facsimile: (605) 263-3995

**2. The name under which the Applicant will provide these services if different than in subdivision (1) of the section:**

Service may be provided under the name of "DTG", "DCT" or the full corporate name.

**3. If the applicant is a corporation:**

**(a) The state in which it is incorporated, the date of incorporation and a copy of its certificate of incorporation or, if it is an out-of-state corporation, a copy of its certificate of authority.**

DTG Community Telephone, Inc. is a South Dakota Corporation incorporated September 10, 1997 . See Attachment I, Articles of Incorporation.



**(b) The location of its principal office, if any, in this state and the name and address of its current registered agent.**

29705 453<sup>rd</sup> Avenue  
PO Box 66  
Irene, SD 57037-0066  
Registered Agent: Thomas W. Hertz

**(c) The names and addresses of any corporation, association, partnership, cooperative, or individual holding a 20 percent or greater ownership or management interest in the applicant corporation and the amount and character of the ownership or management interest:**

DTG Community Telephone, Inc. is a wholly-owned subsidiary of Dakota Telecommunications Group, Inc., a Delaware corporation, with principal offices at 29705 453<sup>rd</sup> Avenue, P.O. Box 66, Irene, South Dakota 57037-0066.

**(d) The names and addresses of subsidiaries owned or controlled by the applicant:**

None

**4. If the applicant is a partnership, the name, title, and business address of each partner, both general and limited:**

Not applicable

**5. A specific description of the telecommunications services the applicant intends to offer:**

Services in South Dakota will include, but are not limited to, local exchange service, and other telecommunications services incidental to local exchange service.

**6. A detailed statement of the means by which the applicant will provide its services, including the type and quantity of equipment to be used in the operation, the capacity, and the expected use of the equipment:**

DCT will have a new Lucent Technologies 5ESS switch, which will have Release 12 software by the end of the year. The new switch will provide telephone customers with services such as high-speed Internet access, Caller ID, Centrex, voice mail, fax storing and forwarding, answering services, 1-800/888 service, video conferencing, and ISDN, as well as future ATM capabilities.

**7. The geographic area in which the services will be offered, including a map describing the service area:**

DTG Community Telephone, Inc. will be assuming the local exchange operations of Dakota Cooperative Telecommunications, Inc. for the following exchanges: Alsen (253), Beresford Rural (957), Chancellor (647), Davis (238), Flyger (327), Gaywille (267), Hurley (238), Irene (263), Lennox (647), Monroe (297), Parker (297), Volin (267), Wakonda (267) and Worthing (372). Map is attached as Attachment II.

**8. Current financial statements; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; and a copy of applicant's tariff with the terms and conditions of service:**

A copy of the 1996 year-end income statements and balance sheets for Dakota Cooperative Telecommunications, Inc., the predecessor to Dakota Telecommunications Group, Inc., the parent corporation, is attached as Appendix G. DCT will not prepare a separate annual report or reports to stockholders. DCT would not be subject to regulation for its local service rates since it falls within the statutory exemption granted by SDCL 49-31-5.1 (less than 10,000 customers).

**9. The names and addresses of the applicant's representatives to whom all inquiries should be made regarding complaints and regulatory matters and a description of how the applicant handles customer billings and customer service matters:**

Tim Dupic  
DTG Community Telephone, Inc.  
PO Box 66  
Irene, SD 57037-0066

Customer billing and customer service matters will be handled in exactly the same manner as the parent company, DCT, currently handles them. These practices are well known by the Commission.

**10. A list of the states in which the applicant is registered or certified to do business and if the applicant has ever been denied registration or certification in any state and the reasons for the denial:**

DCT is only registered to do business in South Dakota. Dakota Telecommunications Group, Inc., the parent corporation, either on its own or through other subsidiaries, is registered to do business in Delaware, Iowa, Minnesota, Nebraska, North Dakota, Colorado and Illinois. There is an application pending in Wisconsin. Neither DCT nor its parent, DTG, nor any subsidiary of DTG has ever been denied registration or certification in any state.

**11. A detailed description of how the applicant intends to market its services, the qualifications of its marketing sales personnel, its target market, whether the applicant engages in any multilevel marketing, and the copies of any company brochures used to assist in the sale of services:**

DCT intends to continue the marketing practices of its predecessors, Dakota Cooperative Telecommunications, Inc. and Dakota Telecommunications Group, Inc. The Commission is familiar with those practices. Because DCT will be assuming the obligations and benefits of the Eligible Telecommunications Carrier status which was granted to DTG in TC97-030, DCT will advertise its services in a manner consistent with its obligations as an Eligible Telecommunications Carrier. Marketing will follow ethical procedures by qualified personnel (multilevel marketing will not be used).

**12. Cost support for rates shown in the company's tariff for all non-competitive or emerging competitive services:**

DCT will adopt all cost support data and pricing practices from its predecessor, Dakota Cooperative Telecommunications, Inc. and Dakota Telecommunications Group, Inc.

### CONCLUSION

This Application is a part of a corporate reorganization which is being undertaken by Dakota Telecommunications Group, Inc. to comply with Federal laws and regulations and to allow the company to provide enhanced services to its customers. Through service agreements with its parent corporation, DCT will employ qualified managers and technicians and have access to sufficient capital to allow it to continue the same high caliber of service to its local customers that it has provided over the last 45 years.

DCT respectfully requests that the Commission grant DTG Community Telephone, Inc. a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. Because the Commission is familiar with the operations of DCT throughout its 45 year existence, and because this Application seeks only to allow a different subsidiary corporation to continue to operate facilities which are presently being operated under a Certificate of Authority which has been in effect for many years, DCT respectfully requests that no testimony be required and that expedited consideration be given to this matter.

Dated this 14 day of October, 1997.

DTG Community Telephone, Inc.

By: T. W. Hertz  
Thomas W. Hertz  
President

VERIFICATION

Thomas W. Hertz, being of legal age and duly sworn, states that he is the President of Dakota Telecom, Inc., that he has read the foregoing Application, that he is familiar with the contents thereof, and that such is true, accurate, and correct to the best of his knowledge.

T.W. Hertz

Thomas W. Hertz  
President

State of South Dakota,  
  )SS.  
County of Clay.

Subscribed and sworn to before me this 14 day of October, 1997.

Kristie Lyngstad

Notary Public

(SEAL)

My Commission Expires: \_\_\_\_\_

**KRISTIE LYGSTAD**  
**Notary Public, South Dakota**  
**My Commission Expires June 7, 2001**

ATTACHMENT I

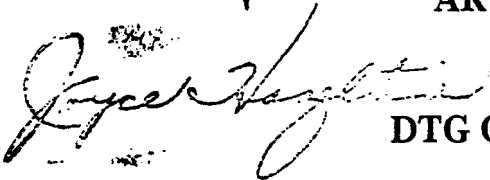
Filed this 10<sup>th</sup> day of Sept. 1997

**ARTICLES OF INCORPORATION**

**OF**

**DTG COMMUNITY TELEPHONE, INC.**

RECEIVED  
SEP 10 1997  
S.D. SEC. OF STATE



SECRETARY OF STATE

Executed by the undersigned for the purpose of forming a South Dakota business corporation under Chapter 47 of SDCL, and Acts Amendatory thereto.

**ARTICLE I**

**Name**

The name of the corporation is DTG Community Telephone, Inc.

**ARTICLE II**

**Period of Existence**

The period of existence is perpetual.

**ARTICLE III**

**Purposes and Powers**

The purpose or purposes for which the corporation is organized are:

1. To engage in the business of telecommunications, communications and other similar activities.
2. To engage in any other business incidental or related thereto, and such other business or business activities as shall be considered desirable by the directors, and to make and execute any and all agreements for the purposes outlined, including agreements for borrowing of money, to construct, own, purchase, maintain, operate, sell, lease or dispose of real and personal property which may be necessary or advisable for the carrying on of the business of the corporation; and to do all other things subsidiary, necessary, or contingent for carrying out and into effect the main purposes of the corporation; to enter into partnerships; and any and all other lawful purposes for which corporations may be incorporated under the South Dakota Business Corporation Act.

## ARTICLE IV

### Authorized Capital

The number of shares which the corporation shall have authority to issue, itemized by class, par value of shares, shares without par value, and series, if any, within a class:

Class	Series	Number of Shares Authorized	Par Value Per Share/ Statement That Shares Are Without Par Value
Common	None	2,000	No Par Value

Unless otherwise prohibited by any agreement authorized by the Board of Directors, all shares authorized under this Article IV may be issued from time to time at the sole discretion of the Board of Directors without the necessity of obtaining shareholder approval or consent.

## ARTICLE V

### Preferences, Etc.

The preferences, limitations, designations, and relative rights of the common stock: None.

## ARTICLE VI

### Capitalization

The corporation will not commence business until consideration of the value of at least \$1,000 has been received for the issuance of shares.

## ARTICLE VII

### Registered Office and Agent

The address of its registered office is DTG Community Telephone, Inc., East Highway 46, Irene, South Dakota 57037, and the name of its registered agent at such address is Thomas W. Hertz.

## ARTICLE VII

### Directors

The number of directors constituting the Initial Board of Directors is three, and the name and address of the persons who are to serve as directors until the first meeting of the shareholders or until their successors are elected and shall qualify are as follows:

Name	Address
Thomas W. Hertz	PO Box 66 29705 453 <sup>rd</sup> Avenue Irene, South Dakota 57037
Craig A. Anderson	PO Box 66 29705 453 <sup>rd</sup> Avenue Irene, South Dakota 57037
Timothy A. G. Dupic	PO Box 66 29705 453 <sup>rd</sup> Avenue Irene, South Dakota 57037

## ARTICLE IX

### Incorporator

The name and address of the incorporator is as follows:

Name	Address
Thomas W. Hertz	PO Box 66 29705 453 <sup>rd</sup> Avenue Irene, South Dakota 57037

## ARTICLE X

### Limitations

To the fullest extent permitted by South Dakota law governing this corporation as the same may exist or may hereafter be amended, no director of the corporation shall be personally liable for any monetary damages for breach of fiduciary duty as a director of the corporation; provided, however, that such limitation upon a director's liability shall not extend to any liability for any breach of the director's duty of loyalty to the corporation or its shareholders for (a) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of

the law, (b) any violation of SDCL Sections 47-15 to 47-5-19, inclusive or (c) for any transaction for which the director derived an improper personal benefit.

## ARTICLE XI

### Preemptive Rights

No holder of any class of stock in the corporation shall, as such holder, have the Preemptive or preferential right of subscription (a) to acquire any class of any unissued or treasury shares of the corporation or obligations of the corporation convertible into such shares which may be issued or sold or (b) to any right of subscription or to any warrant or option for the purchase of any such stock or convertible obligations, other than such rights (if any) as the Board of Directors, in its discretion, may determine from time to time.

These Articles may be amended in the manner authorized by law at the time of amendment.

[The remainder of this page is intentionally left blank]



CONSENT OF APPOINTMENT BY THE REGISTERED AGENT

Thomas Hertz hereby gives his consent to serve as the registered agent for DTG Community Telephone, Inc.

  
\_\_\_\_\_  
Thomas W. Hertz

Executed in duplicate on the 9<sup>th</sup> day of September, 1997.

T.W. Hertz  
Thomas W. Hertz, Incorporator

STATE OF SOUTH DAKOTA     )  
  : ss  
COUNTY OF CLAY            )

On this 9<sup>th</sup> day of September 1997 before me, the undersigned officer, personally appeared THOMAS W. HERTZ known to be or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purpose therein contained.

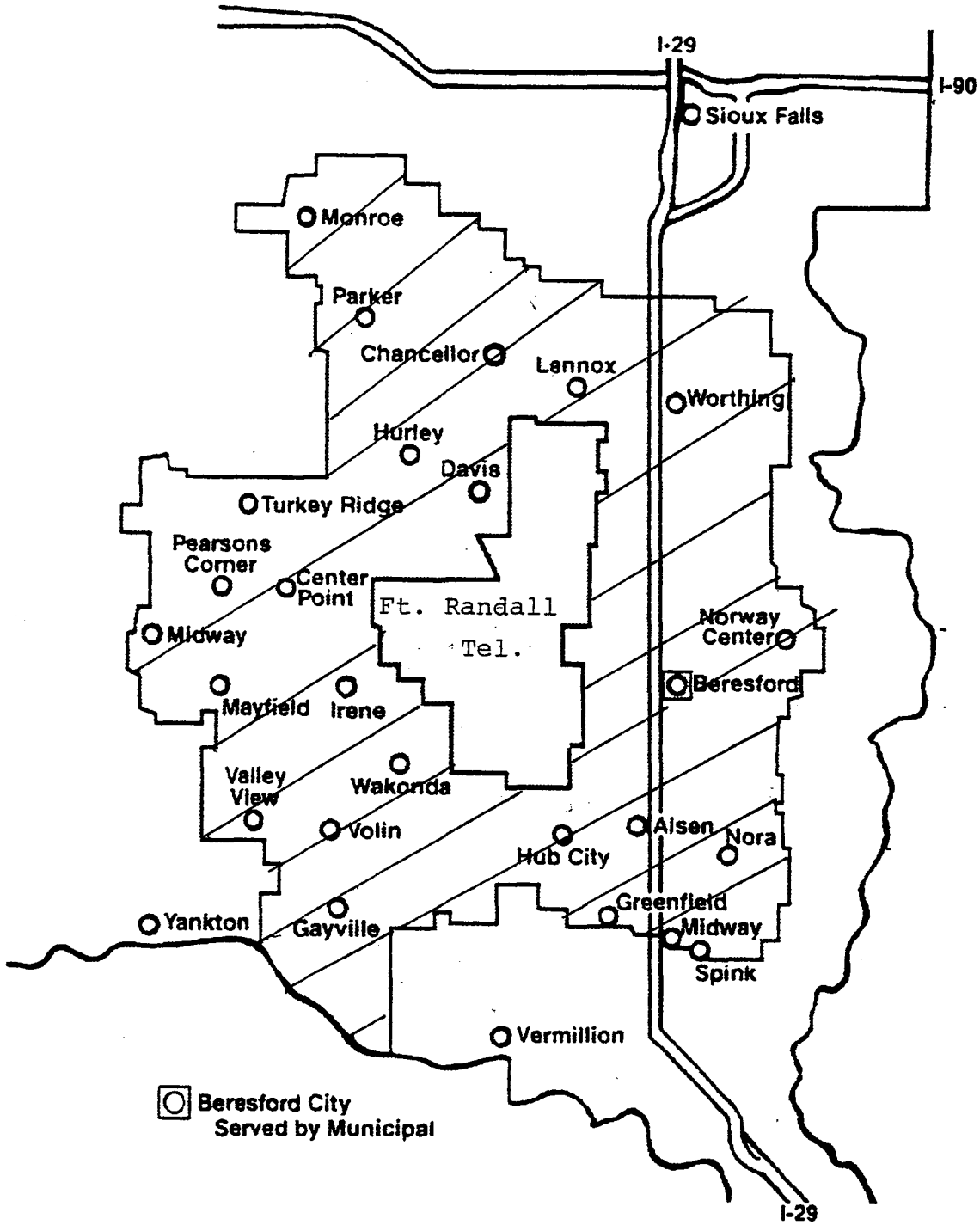
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Kristie Lyngstad  
Notary Public--South Dakota

(SEAL)  
My Commission Expires:

**KRISTIE LYNSTAD**  
Notary Public, South Dakota  
My Commission Expires June 7, 2001

ATTACHMENT II



RECEIVED

OCT 15 1997

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION	)	
OF DTG COMMUNITY TELEPHONE, INC.	)	REQUEST FOR
CERTIFICATE OF AUTHORITY TO	)	CONFIDENTIAL TREATMENT
PROVIDE TELECOMMUNICATIONS	)	OF INFORMATION
SERVICES IN SOUTH DAKOTA.	)	DOCKET TC97-_____

Pursuant to ARSD 20:10:01:41, DTG Community Telephone, Inc. ("DCT"), requests that the attached original and ten copies of Appendix G, Consolidated Financial Statements of Dakota Cooperative Telecommunications, Inc., be treated as confidential information, as contemplated by ARSD 20:10:01:40 through ARSD 20:10:01:45. In compliance with ARSD 20:10:01:41, DCT provides the following information:

1. The document in the attached envelope is a copy of the consolidated financial statement of Dakota Cooperative Telecommunications, Inc. for the year ending 12/31/96.
2. DCT requests that the information remain confidential for five (5) YEARS.
3. The name address and telephone number of the person to be contacted regarding the confidentiality request is:

Robert G. Marmet  
 PO Box 66  
 Irene, SD 57037-0066  
 (605) 263-3301

4. SDCL 37-29-1(4) provides as follows:

- (4) "Trade secret," information, including a formula, pattern, compilation, program, device, method, technique or process, that:
  - (i) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(ii) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

5. Financial information regarding DCT and its parent could potentially offer competitors an advantage in providing telecommunications services to consumers.

WHEREFORE, DCT respectfully requests that the South Dakota Public Utilities Commission treat the material contained in the attached envelope as confidential.

Dated this 14<sup>th</sup> day of October, 1997.

DTG Community Telephone, Inc.

  
By: \_\_\_\_\_

Robert G. Marmet  
PO Box 66  
Irene, SD 57037  
(605) 263-3301