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# TC00-084

# Meyer & Rogers

ATTORNEYS AT LAW P.O. BOX 1117 • 320 EAST CAPITOL • PIERRE, SOUTH DAKOTA 57501-1117 • TELEPHONE 605-224-7889 • FACSIMILE 605-224-9060

BRIAN B. MEYER DARLA POLLMAN ROGERS

May 17, 2000

William T. Bullard, Executive Director PUBLIC UTILITIES COMMISSION State Capitol Building 500 East Capitol Avenue Pierre, South Dakota 57501

Re: FRRPA

Dear Mr. Bullard:

Please find enclosed herein the original and ten copies of the Fiber Ring Revenue-Pooling Association's petition, with attached exhibits.

Very truly yours,

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Brian B. Meyer Attorney at Law

BBM/ph

Enclosures



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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

# TC00-084

# BEFORE THE PUBLIC UTILITIES COMMISSION

# OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF

Docket No.

PETITION

COMES NOW Brian B. Meyer, of Meyer & Rogers, 320 East Capitol Avenue, Pierre, South Dakota 57501, attorney for the Fiber Ring Revenue-Pooling Association (hereinafter referred to as FRRPA), and represents and petitions to the South Dakota Public Utilities Commission (hereinafter referred to as Commission) as follows:

1. FRRPA has been organized to provide a pooling mechanism for a collective, cost shared, cost averaged, nondistance sensitive fully-protected transport network for local exchange companies whose traffic is carried on any of the joint South Dakota local exchange company and SDN SONET (Synchronous Optical Network) ring transport facilities and thus enables pooling to create a level playing field for ubiquitous survivable transport of telecommunications for a major portion of rural South Dakota. The FRRPA users have the benefit of survivable, distance insensitive transport for the public switched access network while offering low-cost, distance insensitive, and highly reliable public Internet transport, educational and library Internet transport, educational video, 911/E911 transport, and extended area service transport.

05-10-2000

2. The South Dakota Legislature, in SDCL 49-31-60, describes its vision for a "public communications network infrastructure" to meet the advanced communication needs of the State's individual citizens, and for its communities of interest including schools, medical facilities, business and government entities. This vision includes a network that is "based upon a fully integrated backbone of interconnected switched survivable rings." Further, the Legislature through SDCL 49-31-59.1 gives recognition to the fact that telecommunications infrastructure costs are higher in a rural state like South Dakota, and indicates that the Legislature favors cooperation among telecommunications companies to more efficiently meet the State's infrastructure deployment goals. More specifically, in SDCL 49-31-59.1, the Legislature encourages telecommunications companies to "more efficiently meet the infrastructure deployment goals described ..... for a fully integrated SONET backbone of interconnected survivable rings" by "jointly providing facilities and entering into revenue-pooling arrangements between and among themselves."

3. Pooling arrangements to assist telecommunications companies also find favor by the South Dakota Legislature as expressed in SDCL 49-31-83. This statute states in part that "the commission may not prohibit telecommunications companies from voluntarily forming an association . . . to engage in the pooling of access costs and revenues in a manner which is consistent with preserving and advancing universal service throughout this State or consistent with the public communications network infrastructure policy set forth in Sections 49-31-60 through 49-31-68, inclusive." The Legislature has clearly declared that its intent is to enable companies in South Dakota to provide infra-

structure such as the SONET interconnected survivable rings, such as are the subject of this petition.

4. By establishing a joint provisioning arrangement, coordinating construction, and providing a centralized administration system of the ring facilities, the independent local exchange companies in South Dakota are able to construct, implement, provision and maintain a system of interconnected survivable rings that can serve nearly all independent local exchange company areas and more than 70 percent of the geography of the State of South Dakota, thereby bringing those types of services anticipated and expected by the State of South Dakota as expressed in the legislation referred to herein.

5. FRRPA is a South Dakota non-profit corporation organized under SDCL 47-22, and was issued a charter by the Secretary of State of the State of South Dakota on March 17, 1999. A copy of the Certificate of Incorporation and Articles of Incorporation of FRRPA is attached hereto as Exhibit 1.

6. The FRRPA Board of Directors named in the original Articles of Incorporation adopted Bylaws for the corporation. A copy of said Bylaws is attached hereto as Exhibit 2.

7. In order to more efficiently meet the infrastructure deployment goals described in SDCL 49-31-60 to 49-31-68, inclusive, the local exchange companies in South Dakota, together with South Dakota Network, LLC (SDN), have constructed and provisioned a fully-integrated SONET backbone of interconnected survivable rings. A diagram showing the approximate location of the FRRPA rings is attached hereto as Exhibit 3.

8. In order to achieve the State's legislative goals, SDN and the local exchange companies that own portions of the rings provided those facilities through a contractual agreement between the company and FRRPA. Said contractual agreements are referred to as SONET Ring Provider (SRP) Agreements, and each company providing facilities executed an SRP Agreement. Sample copies of SRP Agreements for SDN and a local exchange company are attached hereto as Exhibits 4 and 5, respectively.

9. SDN and local exchange companies in South Dakota that use FRRPA facilities executed Ring User Local (RUL) Exchange Company Agreements. Sample copies of RUL Agreements for SDN and a local exchange company are attached hereto as Exhibits 6 and 7, respectively.

10. Thirty-three local exchange companies currently participate in FRRPA as an RUL or an SRP. A list of said local exchange companies is attached hereto as Exhibit 8.

11. The revenue-pooling arrangements between and among the telecommunications companies that use FRRPA facilities are reflected in the FRRPA Administrative Rules attached hereto as Exhibit 9. It is not necessary for the Commission to approve any cost studies as a part of this docket, since the cost studies are part of a separate Local Exchange Carriers Association (LECA) process already in place.

WHEREFORE, FRRPA prays that the Commission do the following:

1. Find that the FRRPA pooling arrangements are in the public interest;

2. Review and approve the pooling arrangements between FRRPA and the RULs as represented in the RUL agreements and between FRRPA and the SRPs as represented in the SRP Agreements; and

3. Accordingly, issue an Order approving said arrangements, as provided

in SDCL 49-31-59.1.

DATED this 15<sup>th</sup> day of May, 2000.

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Brian B. Meyer Meyer & Rogers P. O. Box 1117 Pierre, South Dakota 57501

# **EXHIBITS**

- Exhibit 1: FRRPA Certificate of Incorporation
- Exhibit 2: FRRPA Bylaws
- Exhibit 3: Diagram of FRRPA Pooled Facilities
- Exhibit 4: SDN SRP Agreement
- Exhibit 5: LEC SRP Agreement
- Exhibit 6: SDN RUL Agreement
- Exhibit 7: LEC RUL Agreement
- Exhibit 8: List of FRRPA Companies
- Exhibit 9: FRRPA Administrative Rules

Exhibit 1:

# CERTIFICATE OF INCORPORATION

# NONPROFIT CORPORATION

# FIBER RING REVENUE-POOLING ASSOCIATION



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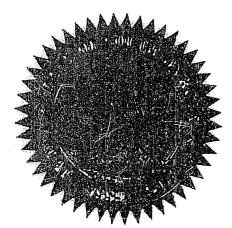


# OFFICE OF THE SECRETARY OF STATE

# CERTIFICATE OF INCORPORATION NONPROFIT CORPORATION

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Articles of Incorporation of FIBER RING REVENUE-POOLING ASSOCIATION duly signed and verified, pursuant to the provisions of the South Dakota Corporation Act, have been received in this office and are found to conform to law.

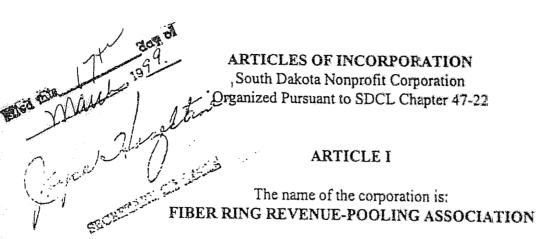
ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issued this Certificate of Incorporation and attach hereto a duplicate of the Articles of Incorporation.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this March 17, 1999.

Jagetine

JOYCE HAZELTINE



## ARTICLE II

The period of existence is perpetual.

# ARTICLE III

The purpose or purposes for which the corporation is organized is to provide, implement and manage, on a nonprofit basis, a revenue-pooling arrangement between and among local exchange companies which are jointly provisioning fully integrated SONET interconnected survivable ring transport facilities, as provided in SDCL 49-31-59.1, and all other lawful activities as provided in SDCL 47-22 to SDCL 47-26 inclusive as amended.

#### ARTICLE IV

The corporation shall have voting members.

# ARTICLE V

The corporation shall have three classes of membership, which are as fol-

lows:

Class A Members Class B Members Class C Members COLEC with more than 13,000 access lines COLEC with 3,000 to 13,000 access lines COLEC with under 3,000 access lines

For purposes of the above, a commonly operated LEC (Local Exchange Carrier), (COLEC) refers to a local exchange carrier and local exchange affiliates or subsidiaries which share common ownership and control.

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Eligibility for membership in any of the above classes of membership is as follows:

1. The member must be a local exchange company based in South Dakota.

2. The member must be a local exchange company that delivers or is committed to deliver all of its Public Network Switched (PNS) Traffic over which it has control to South Dakota Network's LATA Access Tandem for a period of not less than seven years, commencing January 1, 1999.

3. The member must have agreed to pay the SONET Transport-Pooling Assessment (STPA) as determined by the Board of Directors from time to time.

## **ARTICLE VI**

The directors of the corporation shall be elected for one-year terms each year by the members in each membership class.

#### ARTICLE VII

The corporation shall be managed by the Board of Directors named herein until the first Annual Meeting of the corporation to be held in the year 2000, at which time a Board of Directors shall be elected and shall take over as the directors of the corporation. The directors named herein shall serve as the Board of Directors until that time. In the event of dissolution or final liquidation of the corporation, assets shall be distributed back to the members in proportion to the amounts contributed by each member; if it is not possible to determine said proportionate amounts, then the assets shall be distributed back to the members in equal shares.

#### **ARTICLE VIII**

The street address of the corporation is 320 East Capitol Avenue, Pierre, South Dakota 57501; its initial registered agent is Brian B. Meyer of Meyer & Rogers, P.O. Box 1117, 320 East Capitol Avenue, Pierre, South Dakota 57501; and attached hereto is his written consent to the appointment.

## **ARTICLE IX**

The number of directors constituting the initial board of directors is seven, and the names and addresses of the persons who are to serve as the initial directors are as follows:

# Name

- 1. Darrell Henderson
- 2. Jack Brown

3. Don Snyders

4. Randy Houdek

5. Dean Anderson

6. Dianna J. Quashnick

7. Craig Osvog

# Address

Main Street N. P. O. Box 39 Bison, SD 57620

410 Crown St. P. O. Box 411 Wall, SD 57790

612 Third St. P. O. Box 349 Garretson, SD 57030

218 Commercial S.E. P. O. Box 157 Highmore, SD 57345

312 West Fourth St. P. O. Box 920 Clear Lake, SD 57226

102 South Main St. P. O. Box 7 Herreid, South Dakota 57632

525 Western Ave. P. O. Box 588 Brookings, SD 57006

# ARTICLE X

The names and addresses of the incorporators are:

## <u>Name</u>

# Address

1. Darrell Henderson

2. Jack Brown

Main Street N. P. O. Box 39 Bison, SD 57620

410 Crown St. P. O. Box 411 Wall, SD 57790 3. Don Snyders

4. Randy Houdek

5. Dean Anderson

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612 Third St. P. O. Box 349 Garretson, SD 57030

218 Commercial S.E. P. O. Box 157 Highmore, SD 57345

312 West Fourth St. P. O. Box 920 Clear Lake, SD 57226

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

EXECUTED in duplicate on this <u>25th</u> day of February.

STATE OF SOUTH DAKOTA) )SS. COUNTY OF DAVISON )

On this, the <u>25th</u> day of February, 1999, before me, the undersigned Notary Public, personally appeared Darrell Henderson, Jack Brown, Don Snyders, Randy Houdek and Dean Anderson, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

My Commission Expires: 2-5-04 (SEAL)

Notary Public

# CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, Brian B. Meyer, of Meyer & Rogers, P.O. Box 1117, 320 East Capitol Avenue, Pierre, South Dakota 57501, do hereby consent to serve as registered agent of FIBER RING REVENUE-POOLING ASSOCIATION, a South Dakota Nonprofit Business Corporation organized under Chapter 47 of the South Dakota Codified Laws.

DATED this 25th day of February, 1999.

6 Me

Brian B. Meyer

Exhibit 2:

# BYLAWS

OF

# FIBER RING REVENUE-POOLING ASSOCIATION

# BYLAWS OF THE FIBER RING REVENUE-POOLING ASSOCIATION

# **ARTICLE I**

## Section 1. Membership.

A local exchange company may become a member of the **FIBER RING REVENUE**-**POOLING ASSOCIATION** by doing and performing all of the following:

(a) Membership is limited to local exchange carriers (LECs) based in South Dakota which provide local exchange service to subscribers in South Dakota.

(b) Delivers or has committed to deliver all of its Public Network Switched (PNS) Traffic over which it has control to the South Dakota Network's LATA Access Tandem located in Sioux Falls, South Dakota, for a period of not less than seven years, commencing January 1, 1999.

(c) Paying all dues and SONET transport pooling assessments (STPAs) as determined, from time to time, by the Board of Directors.

(d) Abiding by these Bylaws, and all rules and regulations adopted by the Board of Directors.

#### Section 2. Termination of Membership.

(a) Failure to pay dues or assessments within sixty (60) days after the time specified by the Board of Directors under the authority given the Board of Directors by virtue of Article VI shall result in the automatic suspension of a member. During any period of automatic suspension, the suspended member shall have no right to vote. If such failure to pay the dues or any assessment shall continue for three (3) months from the date of such automatic suspension, the Board of Directors may, by an affirmative vote of not less than two-thirds of the members thereof, expel the delinquent member and terminate such membership. No member expelled for the non-payment of dues or assessments shall be reinstated without first paying in full the amount of delinquent dues and assessments and have received the affirmative vote of not less than two-thirds of the members of the Board of Directors approving such reinstatement.

(b) A Member may also be expelled by the affirmative vote of two-thirds of the members of the Board of Directors or by a majority vote of the members voting upon such expulsion for failure to comply with the Articles of Incorporation, the Bylaws, or other rules and regulations of this association; provided, however, at least two (2) weeks notice of the proposed expulsion, together with the reasons therefor, must be given to such member by mailing notice setting forth the time and place that a vote will be taken so that the member shall have a fair opportunity to appear and be heard at the meeting at which time its expulsion is to be considered. Any member expelled may thereafter be reinstated subject to such conditions established by the Board of Directors or the members, either upon an affirmative vote of two-thirds of the Board of Directors or upon the majority vote of the members voting on the reinstatement.

(c) Withdrawal or resignation: A member may withdraw voluntarily from membership in the association upon sixty (60) days written notice mailed to the Secretary of the association. A member may not withdraw any of its pooled transport facilities from the Fiber Ring Revenue-Pooling Association pool prior to the expiration of the seven-year time period as set forth in the Articles of Incorporation of the Fiber Ring Revenue-Pooling Association.

(d) Withdrawal or expulsion of a member will not relieve the member of its obligations to maintain or upgrade any of its pooled transport facilities prior to the expiration of the seven-year term set forth in the Articles of Incorporation of the Fiber Ring Revenue-Pooling Association.

(e) Termination of membership from the Fiber Ring Revenue-Pooling Association for whatever reason shall operate as a complete release of all of the rights, title and interest of the member in the property and assets of the association, but shall not release the member from any debts or liabilities such member owes to the association, including the obligation to pool facilities or the obligation to deliver traffic as set forth in ARTICLE I, Section 1, (b) of these Bylaws.

#### ARTICLE II

#### **Members Meetings**

#### Section 1. Annual Meeting.

The annual meeting of the members of the Fiber Ring Revenue-Pooling Association shall be held annually at such place and at such time as may be determined by the Board of Directors and designated in the Notice of Annual Meeting.

#### Section 2. Special Meetings.

Special meetings of the members of the Fiber Ring Revenue-Pooling Association may be called by the president or by a resolution adopted by a majority of the Board of Directors. Special meetings of the members may also be called upon a written mandate by twenty percent (20%) or more of all members, and upon receipt of such mandate, it shall there-upon be the duty of the secretary of the association to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the state of South Dakota specified in the Notice of Special Meeting.

# Section 3. Notice of Members Meetings.

Notice of all annual meetings and special meetings shall be given by or at the direction of the secretary of the association, or upon default by the secretary of the association, then by or at the direction of the president of the association. Such notice shall be in writing, stating the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, and shall be delivered either personally or by mail to each member at its address as shown on the records of the association not less than ten (10) nor more than fifty (50) days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the member at its address as it appears on the records of the association, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at such meeting.

#### Section 4. Quorum.

The presence of delegates, or in lieu of any delegate the alternate delegate, consisting of twenty percent (20%) of the members shall constitute a quorum for the transaction of all business at all meetings of the members. If less than a quorum is present at any meeting, a majority of the members represented may adjourn the meeting from time to time without further notice provided the secretary shall notify the members of the time and place of such adjourned meeting.

#### Section 5. Proxy Voting and Signed Votes.

Voting by proxy or by signed votes by mail shall not be permitted, provided this is not intended to nullify the power or provisions of SDCL 1991 Chapter 47-23-6; and the association may utilize the provisions of SDCL 1991 Chapter 47-23-6.

#### Section 6. Others Present.

Any employee or individual member of a corporate member shall be entitled to be present at any meeting of the members of this association and shall have the right to be heard, but such persons shall not be entitled to vote.

#### Section 7. Voting Members.

A voting member of this association is any duly elected delegate or alternate delegate from a corporate member, the president of a corporate member, the managing general partner of any limited partnership, any general partner of any general partnership, or any other person duly authorized by the member. Each voting member shall have only one vote.

## **ARTICLE III**

#### **Board of Directors**

#### Section 1. Qualifications.

No person shall be eligible to become or remain a director who (a) is not authorized to be a director by a member in good standing in the Fiber Ring Revenue-Pooling Association or (b) is in any way employed by or financially interested in an organization or enterprise in opposition or competition with the purposes of this association.

## Section 2. Nominations and Election of Directors.

The Board of Directors shall be comprised of seven (7) directors, three (3) of whom shall be nominated and elected by and from Class A members, two (2) of whom shall be nominated and elected by and from Class B members, and two (2) of whom shall be nominated and elected by and from Class C members of the Fiber Ring Revenue-Pooling Association. Cumulative voting shall not be allowed for the election of directors.

#### Section 3. Tenure of Office.

Each director shall serve for a term of one (1) year.

## Section 4. Vacancies.

Unless otherwise specifically provided for in the Articles of Incorporation or the Bylaws, vacancies occurring on the Board of Directors, other than by the expiration of a term, may be filled for the unexpired term by the affirmative vote of a majority of the remaining directors.

#### Section 5. Compensation of Directors.

Directors shall be compensated in such amounts and for such services and expenses as determined by duly adopted resolution of the Board of Directors.

#### Section 6. Regular Meetings.

Regular meetings of the Board of Directors shall be held at such time and place in the state of South Dakota as the Board of Directors may provide by resolution.

#### Section 7. Special Meetings.

A special meeting may be called by the president or by any three (3) directors, who shall also fix the time and place of the meeting.

#### Section 8. Notice of Directors' Meetings.

Written notice of the time, place and special purpose, if any, of any directors' meetings shall be delivered to each director not less than ten days previous thereto, by mail, by or at the direction of the secretary, or upon a default in duty by the secretary, by the president or the directors calling the meeting.

#### Section 9. Quorum.

A majority of the Board of Directors shall constitute a quorum.

#### Section 10. Executive Committee or Committees.

The Board of Directors, by a resolution adopted by a majority of the directors in office, may designate one or more executive committees, each of which shall consist of two or more directors, which committees, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Fiber Ring Revenue-Pooling Association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon him by law. Other committees not having and exercising the authority of the Board of Directors in the management of the association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present.

#### **ARTICLE IV**

#### Officers

#### Section 1. Number.

The officers of the Fiber Ring Revenue-Pooling Association shall be a president, vice president, secretary-treasurer and such other officers as may be determined by the Board of Directors from time to time. The office of secretary-treasurer shall be held by the same person.

#### Section 2. Election and Term of Office.

The officers shall be elected by ballot, annually by and from the Board of Directors at the meeting of the Board of Directors held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold the office until the first meeting of the Board of Directors following the next succeeding annual meeting of the members or until his successor shall have qualified. A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the term.

#### Section 3. Removal of Officers and Agents by Directors.

Any officer or agent elected or appointed may be removed by the persons authorized to elect or appoint such officer whenever in their judgment the best interests of the Fiber Ring Revenue-Pooling Association will be served thereby. The removal of an officer or agent shall take a majority vote and shall be without prejudice to contract rights, if any, of the officer or agent so removed. Election or appointment of an officer or an agent shall not of itself create any contract or rights.

## Section 4. President.

The president shall be the principal executive officer of the association and shall, in addition to the duties usual to such office, perform such other duties as the Board of Directors may from time to time assign to him by appropriate action; provided, however, he shall not be obligated either to devote his full time to the association or to actively supervise its ordinary business.

#### Section 5. Vice President.

In the absence or disability of the president, the vice president shall perform the duties of the president. The vice president shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

#### Section 6. Secretary-Treasurer.

The secretary-treasurer shall perform the duties usual to such office and shall at the expense of the association forward a copy of the Articles of Incorporation and the Bylaws and any amendments thereto of this association to each member. In addition, the secretary-treasurer shall be responsible for all funds and securities of the Fiber Ring Revenue-Pooling Association and shall be responsible for the receipt of and the issuance of receipts for all moneys due and payable to the association, and for the deposit of all such moneys in the name of the association in such bank or banks as shall be selected in accordance with the provisions of these Bylaws. The secretary-treasurer shall also performsuch other and additional duties as may be required of him by the Board of Directors or an executive committee.

## Section 7. Compensation.

The powers, duties and compensation of officers, agents and employees shall be fixed by the Board of Directors, subject to the provisions of Bylaws with respect to compensation for directors.

#### ARTICLE V

#### Committees

The Board of Directors may, upon its own initiative, but shall upon resolution duly adopted by the members at a members meeting, establish committees to make studies and recommendations on particular matters, including but not to the exclusion of any other subject, safety training, rates, taxation, legislation, connecting company agreements and all matters of joint concern to the members of the association. The committees shall be appointed by the Board of Directors. The committees shall meet upon call of their chairman, and shall record the proceedings of the committee meetings and shall submit reports to and at any meeting of the directors or of the members of the association. The duration of any committee shall be established by resolution of the Board of Directors.

#### **ARTICLE VI**

#### **Receipts and Expenditures**

#### Section 1. Receipts.

The receipts of the Fiber Ring Revenue-Pooling Association shall include, but not be limited to, SONET transport pooling assessments, membership dues, annual dues or fees, and special assessments or other assessments as determined by the Board of Directors.

#### Section 2. Expenditures.

At the discretion of the Board of Directors, expenditures may be made in conformance with a budget to be adopted by the Board of Directors annually. The Board of Directors shall not incur any financial obligation or enter into any financial commitments unless funds are available or have been pledged for the purpose of defraying the expenses in connection therewith at the time such obligation or commitment is entered into.

#### **ARTICLE VII**

#### **Financial Transactions**

#### Section I. Contracts.

Except as otherwise provided in the Articles of Incorporation and Bylaws, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract, or execute and deliver any instrument in the name and on behalf of the association, and such authority may be general or confined to specific instances.

#### Section 2. Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the association shall be signed by such officer or officers, agent or agents, employee or employees of the association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

#### Section 3. Deposits.

All funds of the Fiber Ring Revenue-Pooling Association shall be deposited from time to time to the credit of the association in such bank or banks as the Board of Directors may select.

## Section 4. Business Year.

The business year of the Fiber Ring Revenue-Pooling Association shall be the calendar year, i.e., it shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

## ARTICLE VIII

#### Miscellaneous

#### Section 1. Waiver of Notice.

Any member or director may waive in writing any notice of any Board of Directors meeting or any members meeting required to be given. The attendance of a member or director at any meeting shall constitute a Waiver of Notice of such meeting unless such director or member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened, and then such special appearance and objection shall be in writing and served on an officer of the association.

#### Section 2. Rules and Regulations.

(a) The Board of Directors shall adopt administrative rules, not inconsistent with the law or the Articles of Incorporation or these Bylaws. A LEC may be a RUL without being a member of FRRPA. A RUL shall meet, at a minimum, the following requirements:

i) A Ring User LEC (RUL) shall deliver, or commit to deliver, all of its PNS Traffic, over which it has control, to SDN's LATA Access Tandem for (a) a period of not less than seven years for original RULs or (b) the unexpired term of the original RULs for all subsequent RULs.

ii) A RUL shall have traffic transported on one or more of the SONET

Rings.

iii) A RUL agrees to utilize the Ring facilities and capacity in an efficient manner in accordance with sound engineering practices.

(iv) A RUL agrees to pay all dues or STPAs as determined, from time to time, by the Board of Directors.

# ARTICLE IX

## Amendments

These Bylaws may be altered, amended or repealed as provided for by South Dakota law which pertains to nonprofit corporations.

Exhibit 3:

# DIAGRAM OF FRRPA POOLED FACILITIES

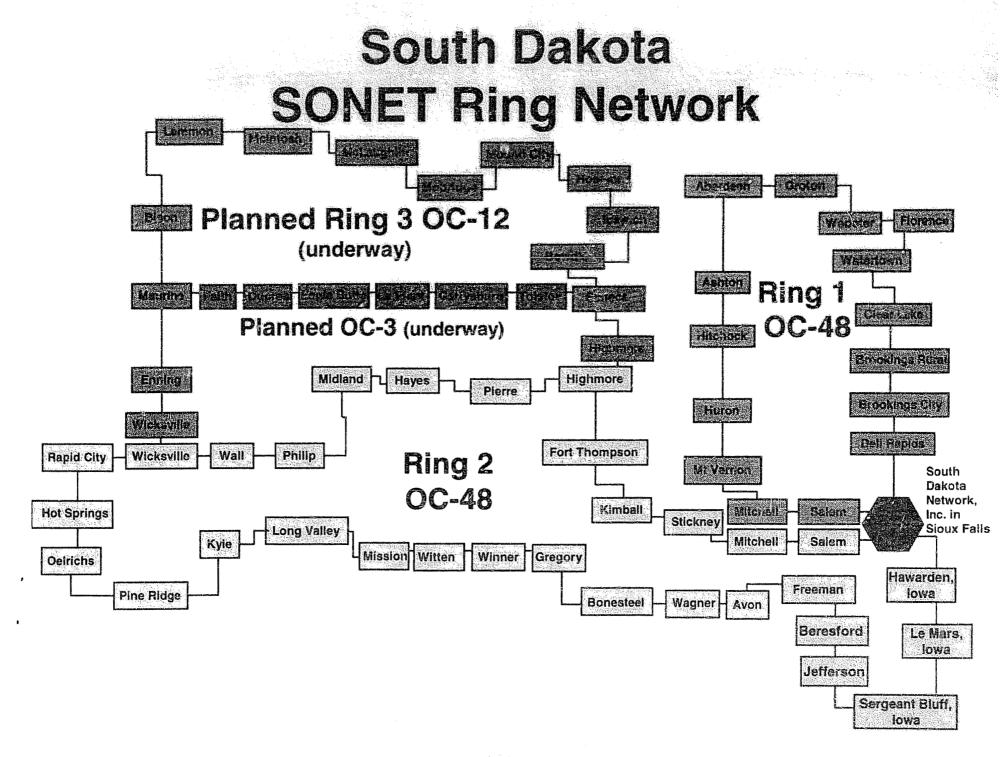


Exhibit 3:

# DIAGRAM OF FRRPA POOLED FACILITIES

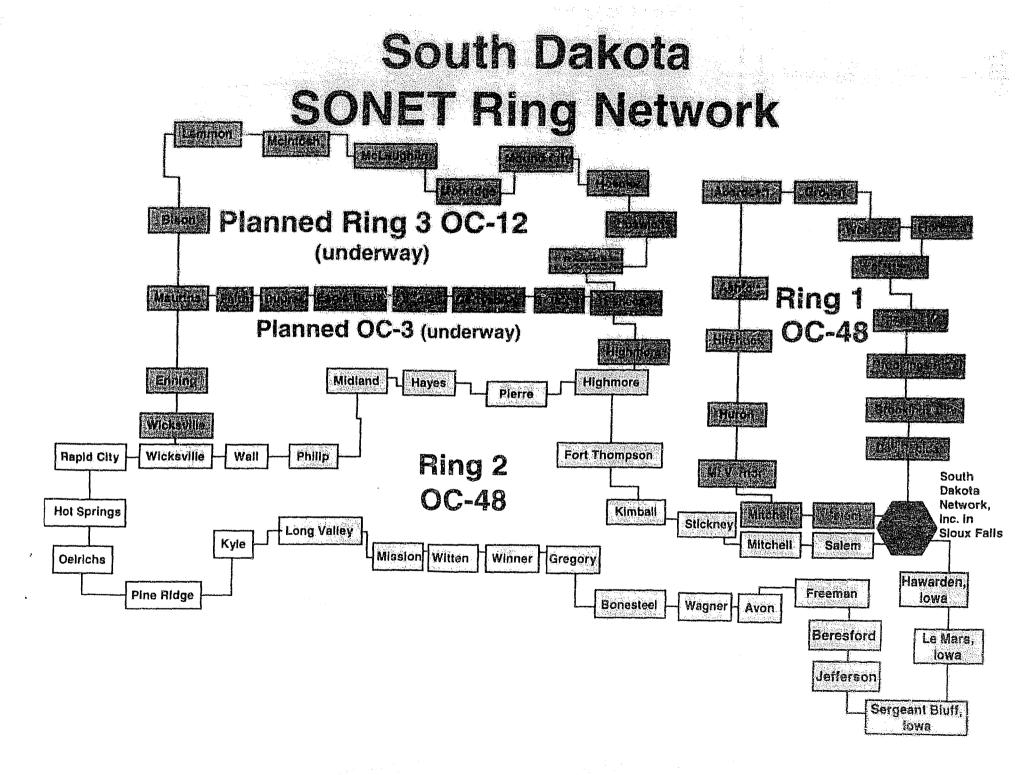


Exhibit 4:

# SDN SRP AGREEMENT

# SONET RING FACILITIES POOLING AGREEMENT FOR SONET RING PROVIDERS

THIS AGREEMENT is made and entered into this <u>24th</u> day of <u>March</u>, 1999, by and between SOUTH DAKOTA NETWORK, INC. of 2900 West 10th St., Sioux Falls, South Dakota 57104, hereinafter referred to as Company. a SONET Ring Provider (SRP), and the Fiber Ring Revenue-Pooling Association, hereinafter referred to as FRRPA, a South Dakota nonprofit corporation which acts as a revenue-pooling administrator as provided in SDCL 49-31-59.1.

WHEREAS, the provisions of SDCL 49-31-60 through 49-31-68 call for the establishment of three communications networks in South Dakota (narrowband, wideband, and broadband networks) all based on SONET backbone facilities capable of providing "ubiquitous, feature rich, standard, secure, private, survivable, robust, addressable, switched, symmetric," and "affordable" communication services.

WHEREAS, Company has provided transport facilities for the purpose of transporting telecommunications traffic at Company's expense; and

WHEREAS, Company has provided transport facilities along with other SRPs for the purpose of providing a pooling mechanism for a collective, cost-shared, cost-averaged, nondistance sensitive, fully-protected transport network, thus enabling a joint provisioning of transport facilities and ubiquitous, survivable transport of telecommunications for a major portion of rural South Dakota; and

WHEREAS, the telecommunications network in South Dakota is eahanced through cooperation with other SRPs by providing protection in the case of failure of any single network element in the interconnected network; and

WHEREAS, this pooling arrangement is an economically feasible method to provide network survivability for the benefit of telecommunications users in the State of South Dakota:

#### WITNESSETH:

Company hereby agrees to pool those transport facilities described in Exhibit 1 in accordance with the terms and conditions set forth herein, and pursuant to the Articles of Incorporation, Bylaws, and any pool administration rules that may be adopted by FRRPA.

1. <u>Term</u>. The term of this agreement shall be from January 1, 1999, through December 31, 2005.

2. <u>Pooled Facility Compensation</u>. Pooled Facility Compensation to Company for its pooled transport facilities shall be in the amounts set forth in Exhibit 2 attached hereto, payable in advance monthly, commencing on \_\_\_\_\_\_\_\_, and payable on the first day of each month thereafter throughout the term of this agreement. The pooled facility compensation may be adjusted as described in Exhibit 2 as transport facilities are added or removed from the pool.

A. Company shall keep its pooled transport facilities available at all times for use by Ring User LECs ("RULs" as defined in the Bylaws), and shall indemnify FRRPA and its members against any legal or judicial process which would impede the use of the transport facilities.

B. Company shall cause its pooled transport facilities to be operated and maintained by competent and qualified personnel in accordance with the applicable vendors' or manufacturers' instructions and in accordance with sound operating and maintenance procedures. This shall be performed at no additional cost to FRRPA. If FRRPA's negligence or wrongful action causes an event necessitating maintenance or repair, FRRPA shall pay the costs of such maintenance or repair.

C. Company agrees to install, construct or cause to be constructed, additional pooled transport facilities in accordance with FRRPA objectives and requirements.

D. Company agrees that South Dakota Network, Inc. (SDN) may configure and coordinate the pooled transport facilities.

#### 3. Ownership and Use.

A. The pooled transport facilities as described on Exhibit 1 shall at all times be the sole and exclusive property of Company. FRRPA shall neither offer nor provide any telecommunications services through the pooled transport facilities and shall have no right or property interest in the pooled transport facilities.

B. The pooled transport facilities are and shall remain the personal property of Company, even if installed in or attached to real property. Company may not withdraw its pooled transport facilities prior to expiration of the term of this agreement. Upon expiration of the term of this agreement, Company shall have the right to segregate its property from the pooled transport facilities of other SRPs.

4. <u>Force Majeure</u>. A party shall be excused from performance if its performance is prevented by acts or events beyond the parties' reasonable control including but not limited to: severe weather and storms, earthquakes or other natural occurrences, strikes or other labor unrest, power failures, computer failures, nuclear or other civil or military emergencies, or acts of legislative, judicial, executive, or administrative authorities.

5. <u>Default by FRRPA</u>. Default under this agreement shall occur in the event: (1) FRRPA shall fail to pay when due any part of the pooled facility compensation hereunder; or (2) FRRPA shall fail, after thirty (30) days notice hereof, to correct any failure in the due performance and observance of any other covenants and obligations of FRRPA.

In the event of any such default, Company shall have no further obligation to provide the pooled transport facilities and, at the option of Company, all rights of FRRPA thereunder to administer such pooled transport facilities shall forthwith terminate. In addition, Company may retain as liquidated damages all pooled facility compensation received. The remedies in this pooling agreement provided in favor of Company shall not be deemed exclusive or alternative, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The failure of Company to exercise any rights thereunder shall not constitute a waiver of those rights.

6. <u>Default by Company</u>. In the event of any breach by Company, or its subcontractors, of this pooling agreement, other than failure of pooled transport facilities as set forth in Section 7, FRRPA shall give Company written notice thereof. Company shall have thirty (30) days following receipt of such notice to cure such default. If such default cannot reasonably be cured within thirty (30) days, Company shall take reasonable steps to cure such default within the shortest time possible.

In the even a breach of this agreement is caused by the failure of Company to take reasonable steps to cure such default, then in addition to the remedies provided in this pooling agreement in favor of FRRPA, FRRPA shall be entitled to recover all costs and expenses incurred by FRRPA in the enforcement of its rights and remedies under this agreement.

Company agrees to comply with all applicable federal, state, and local laws and regulations. Company further agrees to indemnify and hold FRRPA harmless from all damages and costs, including attorneys' fees, resulting from Company's failure to comply with any laws and regulations or order of any federal or state regulatory agency. FRRPA shall provide written notice to Company of any event for which FRRPA may assert.

FRRPA shall provide prior written notice to Company before incurring any cost, including without limitation, attorneys' fees, or making any expenditure for which it may request indemnification thereunder. FRRPA shall take all reasonable actions to minimize the costs, including without limitation, attorneys' fees, and any expenditures for which it may seek indemnification thereunder.

7. <u>Failure of Pooled Transport Facilites</u>. In the event the pooled transport facilities do not meet the specifications set forth in Exhibit 3, FRRPA shall give Company notice thereof. Company shall have ten (10) hours following receipt of such notice to cure such specification noncompliance. If it cannot reasonably be cured within ten (10) hours, Company shall take reasonable steps to cure such specification noncompliance within the shortest time possible. In the event of the failure of Company to substantially cure such specification noncompliance or take reasonable steps to cure such specification noncompliance, FRRPA shall take measures to have the pooled transport facilities brought into specification compliance. Company shall be responsible for all expenses associated with bringing the facilities into specification compliance.

8. <u>General</u>. Company retains the right to subcontract to third parties the operation and maintenance of the pooled transport facilities subject to this agreement; however, no subcontract will relieve Company of its responsibilities and obligations thereunder. This agreement is the entire agreement between the parties and supersedes all prior agreements and understandings between the parties concerning the subject matter herein. It may be modified only by a written agreement signed by duly authorized persons for each party and any party to whom this agreement has been assigned. This agreement shall be subject to and construed in conformance with the laws of the State of South Dakota. The provisions of this agreement are severable, and if any provisions hereof are declared to be void by a court or governmental entity of competent jurisdiction, the provision shall be severed from this agreement and the remaining provisions shall, if commercially feasible, be effective as if the void term were not included herein.

9. <u>Notices</u>. Any notice, request, instruction or other document pertaining to this pooling agreement shall be in writing and shall be delivered to the following parties:

| If to Company: | Richard K. Scott, General Manager<br>SOUTH DAKOTA NETWORK, INC.<br>2900 West 10th St.<br>Sioux Falls, South Dakota 57104 |
|----------------|--|
|                |  |

If to FRRPA: Randy Houdek Sully Buttes Telephone Cooperative, Inc. 218 Commercial S.E. P.O. Box 157 Highmore, SD 57345

10. <u>Waiver</u>. Any failure of a party to assert any of its rights under any provision of this pooling agreement shall not constitute a waiver of termination of such rights.

11. <u>Entire Agreement</u>. This agreement, together with all Exhibits, notices, appendices and any jointly executed written supplements to this agreement, constitute the entire agreement and the complete understanding between the parties. No other verbal or written representation of any kind affects the rights or the obligations of the parties regarding any of the provisions in this agreement.

| Its PRESINGER                            | Its: Director                            |  |
|--|--|--|
| Date 7/21 (97                            | Date: March 24, 1999                     |  |
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12. <u>Conflict</u>. In the event of a conflict between the terms and conditions contained in the body of this pooling agreement and the terms and conditions contained in any attachments, the terms and conditions contained in the body of this agreement shall control.

13. <u>Amendments</u>. This pooling agreement can be amended by written agreement of the parties.

Company:

Fiber Ring Revenue-Pooling Association:

By h Greich Lording

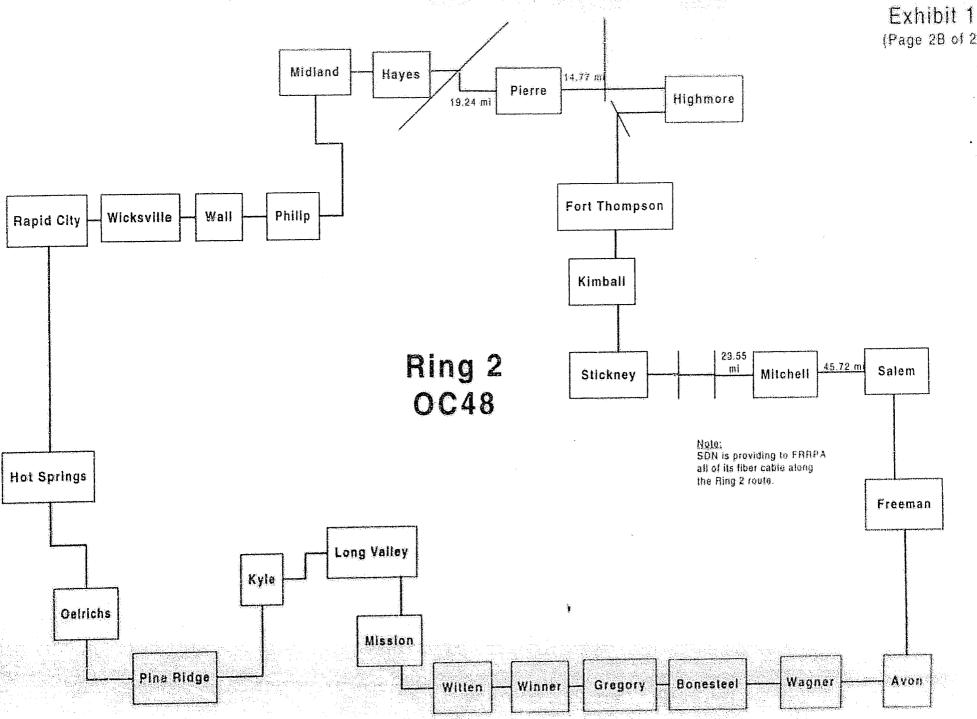
By-

# FRRPA Pooled Transport Facilities

Company agrees to pool the fiber electronics and/or the fiber cable windows shown on the attached sketch(es).

For the fiber cable windows, Company agrees to provide and maintain one window in each of two fibers (unless designated differently on the attached sketch(es)) as required for FRRPA to provide the SONET ring facilities for the RULs.

For the fiber electronics, Company agrees to provide the fiber electronics, maintenance, power, and space, etc. at the locations indicated on the attached sketch(es) as required for FRRPA to provide the SONET ring facilities for the RULs.



(Page 2B of 2)

# FRRPA Pooled Facility Compensation for <u>South Dakota Network, Inc.</u> (Company)

FRRPA agrees to compensate Company on a monthly basis for the pooled transport facilities it provides.

FRRPA may adjust, on a monthly basis, the Pooled Facility Compensation amount for fiber electronics when more than \$20,000, or 25% of the current annualized fiber electronics compensation amount (whichever is less), of cumulative additions or upgrades are provided and submitted by Company to FRRPA for consideration.

FRRPA may adjust the Pooled Facility Compensation amount for fiber cable windows, on a monthly basis, when more or less route miles are provided by Company.

Pooled Facility Compensation Monthly Amount is \$143,909.

The SRP shall ensure that the transport facilities meet the requirements of this exhibit at all times.

#### 3.1 Fiber Cable

All fiber cables that contain the fiber windows provided by the SRP to FRRPA shall be maintained according to the manufacturers specifications and sound cable maintenance and engineering practices. All fiber cable windows shall meet the requirements in this section.

### 3.1.1 Fiber Cable Loss

The SRP shall meet or exceed the loss requirements set forth in the following paragraphs for the fiber cable windows provided to FRRPA.

### 3.1.1.1 Loss in the 1310 nm Window

The loss of the 1310 fiber window shall not exceed 0.45 dB/km.

### 3.1.1.2 Loss in the 1550 nm Window

The loss of the 1550 fiber window shall not exceed 0.35 dB/km.

### 3.1.2 Overall Loss

The overall loss between any two pieces of SONET electronics, when the fiber cables, patch panels, wave division multiplexers, etc. are included shall allow for at least 3 dB of margin above the minimum receive threshold of the equipment.

#### 3.1.3 Fiber Splicing

All fiber cuts shall be promptly repaired using industry standard techniques that minimize the additional losses due to the splice. Mechanical splices shall be used on a temporary basis only.

#### 3.2 Electronics

All SRP provided electronics shall be maintained according to the manufacturers specifications and sound engineering practices. All electronics shall meet the requirements in this section.

### 3.2.1 Performance

The SRP shall ensure that the electronics meet the manufacturer specifications at all times.

### 3.2.2 Environment and Power

The SRP shall provide an environmentally controlled facility for the electronics, which shall be within the manufacturer's environmental specifications at all

### Exhibit 3

times. The SRP shall provide all power, including standby battery power to the electronics.

# 3.2.3 Hardware and Software Upgrades

The SRP shall maintain the electronics to have the latest software and hardware revisions, as required by FRRPA. Hardware and software updates shall be coordinated with FRRPA and the other SRPs, to ensure systemwide compatibility Exhibit 5:

# LEC SRP AGREEMENT

#### SONET RING FACILITIES POOLING AGREEMENT FOR SONET RING PROVIDERS

THIS AGREEMENT is made and entered into this <u>24th</u> day of <u>March</u>, 1999, by and between Sully Buttes Telephone Cooperative. Inc., of Highmore, South Dakota, hereinafter referred to as Company; a SONET Ring Provider (SRP), and the Fiber Ring Revenue-Pooling Association, hereinafter referred to as FRRPA, a South Dakota nonprofit corporation which acts as a revenue-pooling administrator as provided in SDCL 49-31-59.1.

WHEREAS, the provisions of SDCL 49-31-60 through 49-31-68 call for the establishment of three communications networks in South Dakota (narrowband, wideband, and broadband networks) all based on SONET backbone facilities capable of providing "ubiquitous, feature rich, standard, secure, private, survivable, robust, addressable, switched, symmetric," and "affordable" communication services.

WHEREAS, Company has provided transport facilities for the purpose of transporting telecommunications traffic at Company's expense; and

WHEREAS, Company has provided transport facilities along with other SRPs for the purpose of providing a pooling mechanism for a collective, cost-shared, cost-averaged, nondistance sensitive, fully-protected transport network, thus enabling a joint provisioning of transport facilities and ubiquitous, survivable transport of telecommunications for a major portion of rural South Dakota; and

WHEREAS, the telecommunications network in South Dakota is enhanced through cooperation with other SRPs by providing protection in the case of failure of any single network element in the interconnected network; and

WHEREAS, this pooling arrangement is an economically feasible method to provide network survivability for the benefit of telecommunications users in the State of South Dakota:

#### WITNESSETH:

Company hereby agrees to pool those transport facilities described in Exhibit 1 in accordance with the terms and conditions set forth herein, and pursuant to the Articles of Incorporation, Bylaws, and any pool administration rules that may be adopted by FRRPA.

1. <u>Term</u>. The term of this agreement shall be from January 1, 1999, through December 31, 2005.

2. <u>Pooled Facility Compensation</u>. Pooled Facility Compensation to Company for its pooled transport facilities shall be in the amounts set forth in Exhibit 2 attached hereto, payable in advance monthly, commencing on \_\_\_\_\_\_, and payable on the first day of each month thereafter throughout the term of this agreement. The pooled facility compensation may be adjusted as described in Exhibit 2 as transport facilities are added or removed from the pool.

A. Company shall keep its pooled transport facilities available at all times for use by Ring User LECs ("RULs" as defined in the Bylaws), and shall indemnify FRRPA and its members against any legal or judicial process which would impede the use of the transport facilities.

B. Company shall cause its pooled transport facilities to be operated and maintained by competent and qualified personnel in accordance with the applicable vendors' or manufacturers' instructions and in accordance with sound operating and maintenance procedures. This shall be performed at no additional cost to FRRPA. If FRRPA's negligence or wrongful action causes an event necessitating maintenance or repair.

C. Company agrees to install, construct or cause to be constructed, additional pooled transport facilities in accordance with FRRPA objectives and requirements.

D. Company agrees that South Dakota Network, Inc. (SDN) may configure and coordinate the pooled transport facilities.

3. Ownership and Use.

A. The pooled transport facilities as described on Exhibit 1 shall at all times be the sole and exclusive property of Company. FRRPA shall neither offer nor provide any telecommunications services through the pooled transport facilities and shall have no right or property interest in the pooled transport facilities.

B. The pooled transport facilities are and shall remain the personal property of Company, even if installed in or attached to real property. Company may not withdraw its pooled transport facilities prior to expiration of the term of this agreement. Upon expiration of the term of this agreement, Company shall have the right to segregate its property from the pooled transport facilities of other SRPs.

4. <u>Force Majeure</u>. A party shall be excused from performance if its performance is prevented by acts or events beyond the parties' reasonable control including but not limited to: severe weather and storms, earthquakes or other natural occurrences, strikes or other labor unrest, power failures, computer failures, nuclear or other civil or military emergencies, or acts of legislative, judicial, executive, or administrative authorities.

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5. <u>Default by FRRPA</u>. Default under this agreement shall occur in the event: (1) FRRPA shall fail to pay when due any part of the pooled facility compensation hereunder; or (2) FRRPA shall fail, after thirty (30) days notice hereof, to correct any failure in the due performance and observance of any other covenants and obligations of FRRPA.

In the event of any such default, Company shall have no further obligation to provide the pooled transport facilities and, at the option of Company, all rights of FRRPA thereunder to administer such pooled transport facilities shall forthwith terminate. In addition, Company may retain as liquidated damages all pooled facility compensation received. The remedies in this pooling agreement provided in favor of Company shall not be deemed exclusive or alternative, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The failure of Company to exercise any rights thereunder shall not constitute a waiver of those rights.

6. <u>Default by Company</u>. In the event of any breach by Company, or its subcontractors, of this pooling agreement, other than failure of pooled transport facilities as set forth in Section 7, FRRPA shall give Company written notice thereof. Company shall have thirty (30) days following receipt of such notice to cure such default. If such default cannot reasonably be cured within thirty (30) days, Company shall take reasonable steps to cure such default within the shortest time possible.

In the event a breach of this agreement is caused by the failure of Company to take reasonable steps to cure such default, then in addition to the remedies provided in this pooling agreement in favor of FRRPA, FRRPA shall be entitled to recover all costs and expenses incurred by FRRPA in the enforcement of its rights and remedies under this agreement.

Company agrees to comply with all applicable federal, state, and local laws and regulations. Company further agrees to indemnify and hold FRRPA harmless from all damages and costs, including attorneys' fees, resulting from Company's failure to comply with any laws and regulations or order of any federal or state regulatory agency. FRRPA shall provide written notice to Company of any event for which FRRPA may assert.

FRRPA shall provide prior written notice to Company before incurring any cost, including without limitation, attorneys' fees, or making any expenditure for which it may request indemnification thereunder. FRRPA shall take all reasonable actions to minimize the costs, including without limitation, attorneys' fees, and any expenditures for which it may seek indemnification thereunder.

7. <u>Failure of Pooled Transport Facilites</u>. In the event the pooled transport facilities do not meet the specifications set forth in Exhibit 3, FRRPA shall give Company notice thereof. Company shall have ten (10) hours following receipt of such notice to cure such specification noncompliance. If it cannot reasonably be cured within ten

3

(10) hours. Company shall take reasonable steps to cure such specification noncompliance within the shortest time possible. In the event of the failure of Company to substantially cure such specification noncompliance or take reasonable steps to cure such specification noncompliance, FRRPA shall take measures to have the pooled transport facilities brought into specification compliance. Company shall be responsible for all expenses associated with bringing the facilities into specification compliance.

8. <u>General</u>. Company retains the right to subcontract to third parties the operation and maintenance of the pooled transport facilities subject to this agreement; however, no subcontract will relieve Company of its responsibilities and obligations thereunder. This agreement is the entire agreement between the parties and supersedes all prior agreements and understandings between the parties concerning the subject matter herein. It may be modified only by a written agreement signed by duly authorized persons for each party and any party to whom this agreement has been assigned. This agreement shall be subject to and construed in conformance with the laws of the State of South Dakota. The provisions of this agreement are severable, and if any provisions hereof are declared to be void by a court or governmental entity of competent jurisdiction, the provision shall be severed from this agreement and the remaining provisions shall, if commercially feasible, be effective as if the void term were not included herein.

9. <u>Notices</u>. Any notice, request, instruction or other document pertaining to this pooling agreement shall be in writing and shall be delivered to the following parties:

If to Company:

Sully Buttes Telephone Cooperative, Inc. 218 Commercial S.E. P.O. Box 157 Highmore, SD 57345

If to FRRPA:

Randy Houdek Sully Buttes Telephone Cooperative, Inc. 218 Commercial S.E. P.O. Box 157 Highmore, SD 57345

10. <u>Waiver</u>. Any failure of a party to assert any of its rights under any provision of this pooling agreement shall not constitute a waiver of termination of such rights.

11. <u>Entire Agreement</u>. This agreement, together with all Exhibits, notices, appendices and any jointly executed written supplements to this agreement, constitute the entire agreement and the complete understanding between the parties. No other verbal or written representation of any kind affects the rights or the obligations of the parties regarding any of the provisions in this agreement. 12. <u>Conflict</u>. In the event of a conflict between the terms and conditions contained in the body of this pooling agreement and the terms and conditions contained in any attachments, the terms and conditions contained in the body of this agreement shall control.

13. <u>Amendments</u>. This pooling agreement can be amended by written agreement of the parties.

Company:

Date 4

By Narry Thomas Its president

-22-99

Fiber Ring Revenue-Pooling Association:

Bv= Randy Houdek

Its: Director

Date: March 24, 1999

## PLEASE NOTE:

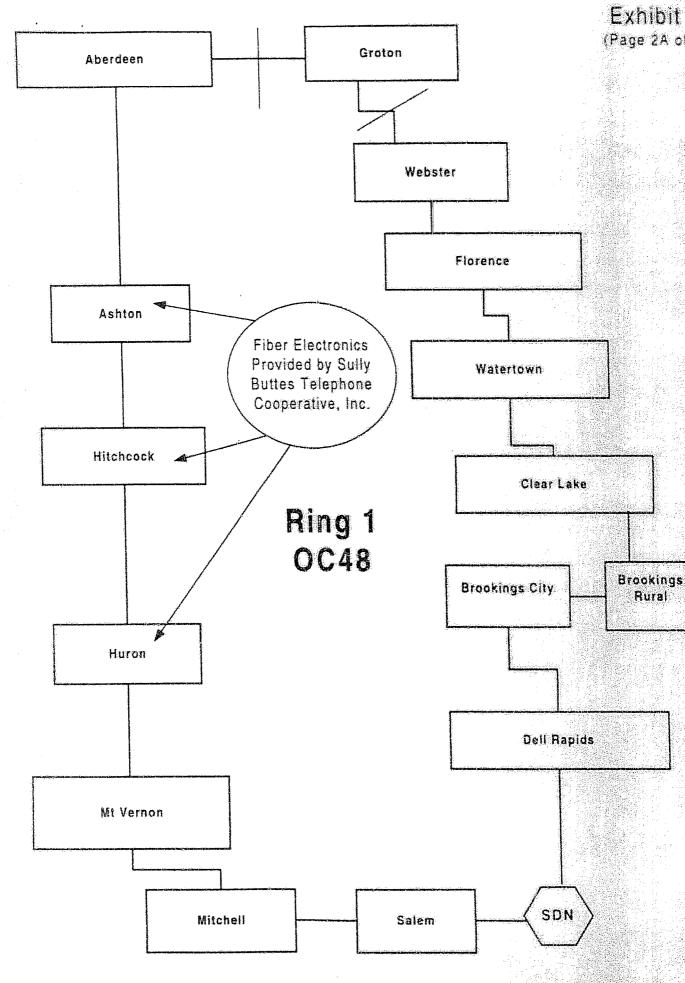
The financial data contained in the following exhibits and attachments is company specific. Each company has different financial date contained in the exhibits and attachments to that company's contract.

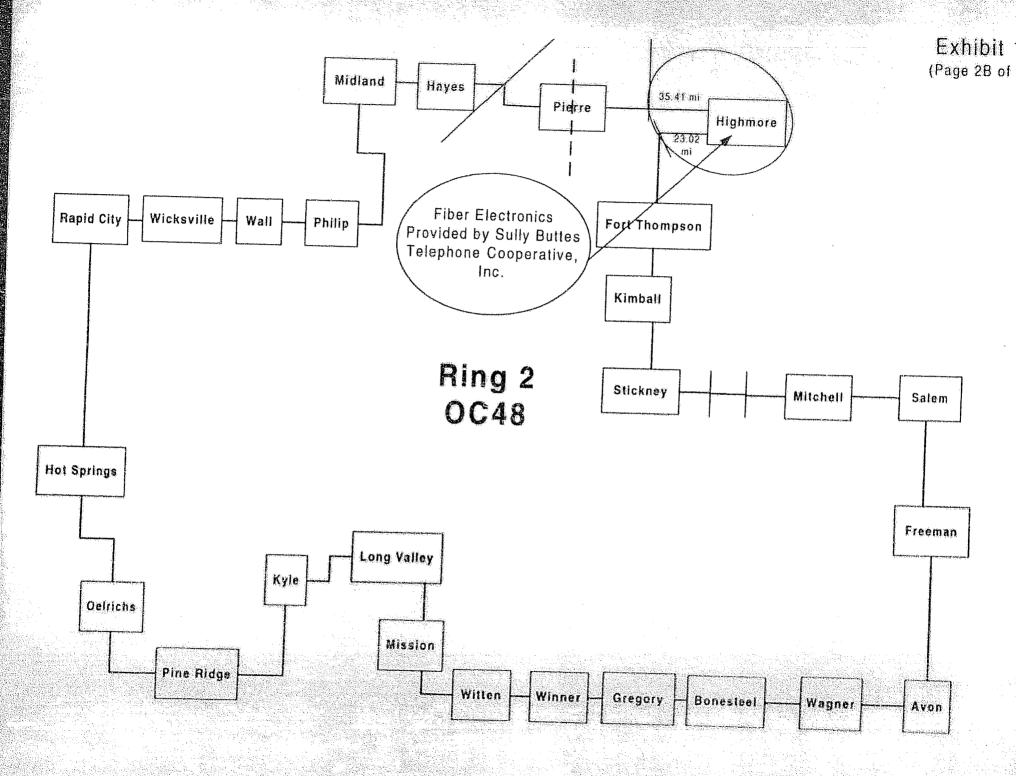
# FRRPA Pooled Transport Facilities

Company agrees to pool the fiber electronics and/or the fiber cable windows shown on the attached sketch(es).

For the fiber cable windows, Company agrees to provide and maintain one window in each of two fibers (unless designated differently on the attached sketch(es)) as required for FRRPA to provide the SONET ring facilities for the RULs.

For the fiber electronics, Company agrees to provide the fiber electronics, maintenance, power, and space, etc. at the locations indicated on the attached sketch(es) as required for FRRPA to provide the SONET ring facilities for the RULs.





### FRRPA

# Pooled Facility Compensation for <u>Sully Buttes Telephone Cooperative, Inc.</u>(Company)

FRRPA agrees to compensate Company on a monthly basis for the pooled transport facilities it provides.

FRRPA may adjust, on a monthly basis, the Pooled Facility Compensation amount for fiber electronics when more than \$20,000, or 25% of the current annualized fiber electronics compensation amount (whichever is less), of cumulative additions or upgrades are provided and submitted by Company to FRRPA for consideration.

FRRPA may adjust the Pooled Facility Compensation amount for fiber cable windows, on a monthly basis, when more or less route miles are provided by Company.

Pooled Facility Compensation Monthly Amount for:

| Fiber Electronics           | <u>\$ 8,847</u>  |
|-----------------------------|------------------|
| Fiber Cable Windows         | <u>\$ 1.461</u>  |
| <b>Total Monthly Amount</b> | <u>\$ 10,308</u> |

The SRP shall ensure that the transport facilities meet the requirements of this exhibit at all times.

### 3.1 Fiber Cable

All fiber cables that contain the fiber windows provided by the SRP to FRRPA shall be maintained according to the manufacturers specifications and sound cable maintenance and engineering practices. All fiber cable windows shall meet the requirements in this section.

#### 3.1.1 Fiber Cable Loss

The SRP shall meet or exceed the loss requirements set forth in the following paragraphs for the fiber cable windows provided to FRRPA.

#### 3.1.1.1 Loss in the 1310 nm Window

The loss of the 1310 fiber window shall not exceed 0.45 dB/km.

### 3.1.1.2 Loss in the 1550 nm Window

The loss of the 1550 fiber window shall not exceed 0.35 dB/km.

#### 3.1.2 Overall Loss

The overall loss between any two pieces of SONET electronics, when the fiber cables, patch panels, wave division multiplexers, etc. are included shall allow for at least 3 dB of margin above the minimum receive threshold of the equipment.

#### 3.1.3 Fiber Splicing

All fiber cuts shall be promptly repaired using industry standard techniques that minimize the additional losses due to the splice. Mechanical splices shall be used on a temporary basis only.

#### 3.2 Electronics

All SRP provided electronics shall be maintained according to the manufacturers specifications and sound engineering practices. All electronics shall meet the requirements in this section.

#### 3.2.1 Performance

The SRP shall ensure that the electronics meet the manufacturer specifications at all times.

#### 3.2.2 Environment and Power

The SRP shall provide an environmentally controlled facility for the electronics, which shall be within the manufacturer's environmental specifications at all

### Exhibit 3

times. The SRP shall provide all power, including standby battery power to the electronics.

### 3.2.3 Hardware and Software Upgrades

The SRP shall maintain the electronics to have the latest software and hardware revisions, as required by FRRPA. Hardware and software updates shall be coordinated with FRRPA and the other SRPs, to ensure systemwide compatibility.

### SONET RING FACILITIES POOLING AGREEMENT FOR SONET RING PROVIDERS

#### Amendment No. 1

THIS AMENDMENT AGREEMENT is made and entered into this day of March, 2000, by and between Sully Buttes Telephone Cooperative, Inc., of Highmore, South Dakota, hereinafter referred to as Company; a SONET Ring Provider (SRP), and the Fiber Ring Revenue-Pooling Association, hereinafter referred to as FRRPA, a South Dakota nonprofit corporation which acts as a revenuepooling administrator as provided in SDCL 49-31-59.1.

WHEREAS, Company has acquired numerous telephone exchanges in South Dakota from Venture Communications, Inc.; and

WHEREAS, the parties hereto are desirous of amending the SONET RING FACILITIES POOLING AGREEMENT FOR SONET RING PROVIDERS to incorporate the new exchanges acquired by Company;

#### WITNESSETH:

The parties hereby amend the SONET RING FACILITIES POOLING AGREEMENT FOR SONET RING PROVIDERS by striking Exhibits 1, 2 and 3, and replacing said Exhibits with Amended Exhibits 1, 2 and 3.

The effective date of this Amendment shall be January 1, 2000.

### SULLY BUTTES TELEPHONE COOPERATIVE, INC.:

By: K

Harry Thomas . President

Date: S-2/-a

FIBER RING REVENUE-POOLING ASSOCIATION:

By: C Randy/W/Houdek, President

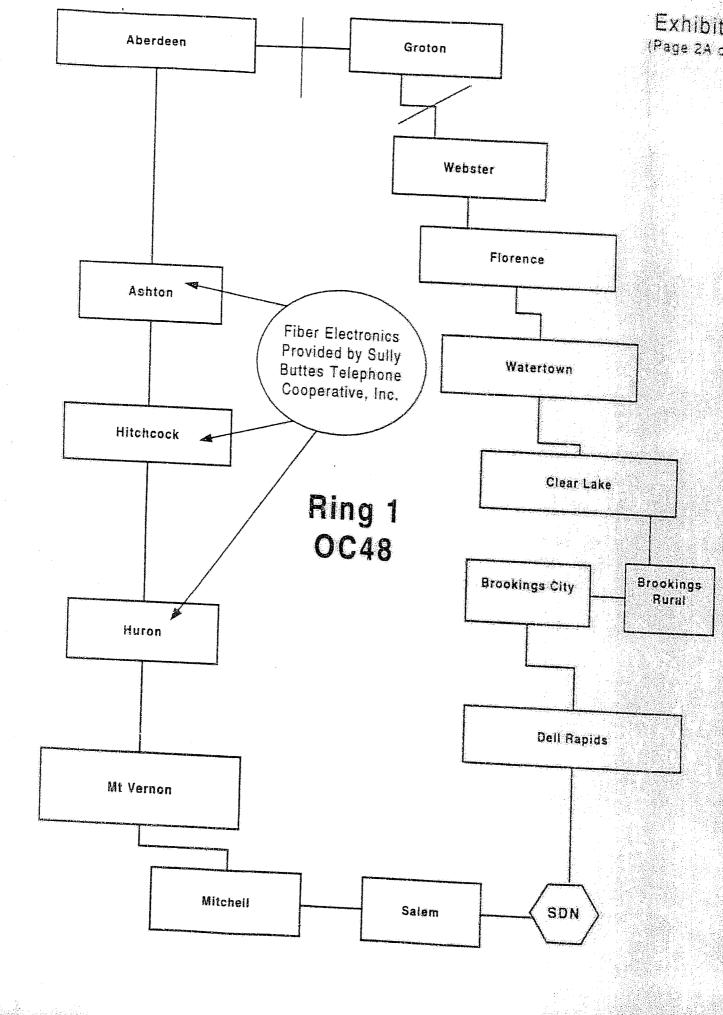
Date: 3/21/00

# FRRPA Pooled Transport Facilities

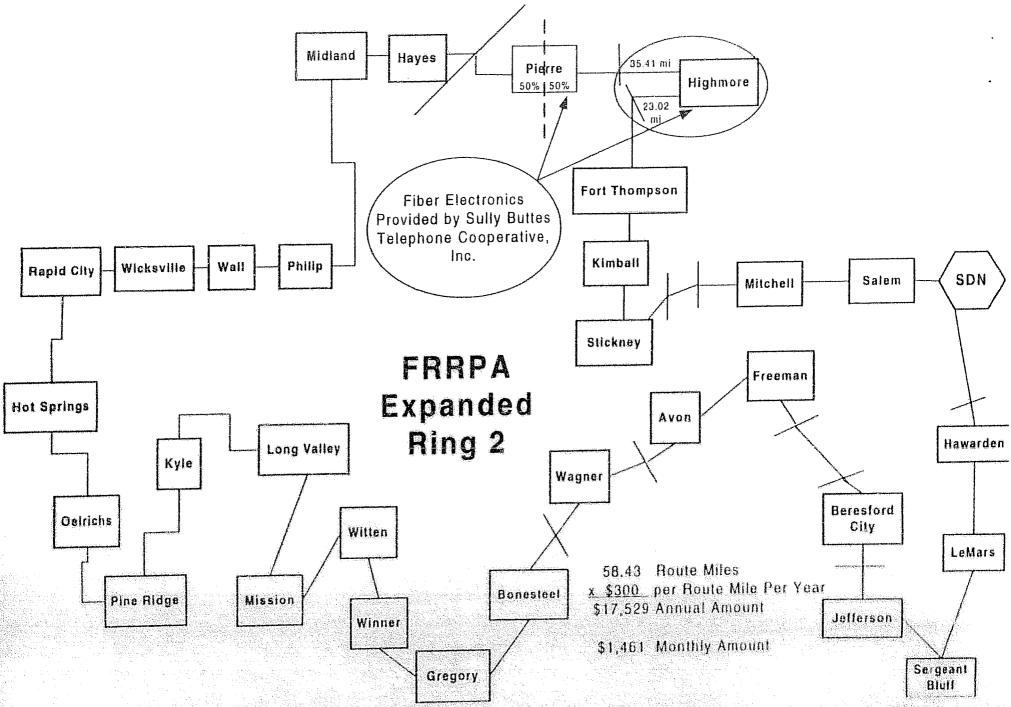
Company agrees to pool the fiber electronics and/or the fiber cable windows shown on the attached sketch(es).

For the fiber cable windows, Company agrees to provide and maintain one window in each of two fibers (unless designated differently on the attached sketch(es)) as required for FRRPA to provide the SONET ring facilities for the RULs.

For the fiber electronics, Company agrees to provide the fiber electronics, maintenance, power, and space, etc. at the locations indicated on the attached sketch(es) as required for FRRPA to provide the SONET ring facilities for the RULs.



## Exhibit 1 (Page 2B of 2)



### FRRPA

# Pooled Facility Compensation for <u>Sully Buttes Telephone Cooperative</u>, <u>Inc.</u>(Company)

FRRPA agrees to compensate Company on a monthly basis for the pooled transport facilities it provides.

FRRPA may adjust, on a monthly basis, the Pooled Facility Compensation amount for fiber electronics when more than \$20,000, or 25% of the current annualized fiber electronics compensation amount (whichever is less), of cumulative additions or upgrades are provided and submitted by Company to FRRPA for consideration.

FRRPA may adjust the Pooled Facility Compensation amount for fiber cable windows, on a monthly basis, when more or less route miles are provided by Company.

Pooled Facility Compensation Monthly Amount for:

| Fiber Electronics    | <u>\$ 10,691</u> |
|----------------------|------------------|
| Fiber Cable Windows  | <u>\$ 1,461</u>  |
| Total Monthly Amount | \$ 12,152        |

The SRP shall ensure that the transport facilities meet the requirements of this exhibit at all times.

#### 3.1 Fiber Cable

All fiber cables that contain the fiber windows provided by the SRP to FRRPA shall be maintained according to the manufacturers specifications and sound cable maintenance and engineering practices. All fiber cable windows shall meet the requirements in this section.

#### 3.1.1 Fiber Cable Loss

The SRP shall meet or exceed the loss requirements set forth in the following paragraphs for the fiber cable windows provided to FRRPA.

#### 3.1.1.1 Loss in the 1310 nm Window

The loss of the 1310 fiber window shall not exceed 0.45 dB/km.

### 3.1.1.2 Loss in the 1550 nm Window

The loss of the 1550 fiber window shall not exceed 0.35 dB/km.

#### 3.1.2 Overall Loss

The overall loss between any two pieces of SONET electronics, when the fiber cables, patch panels, wave division multiplexers, etc. are included shall allow for at least 3 dB of margin above the minimum receive threshold of the equipment.

#### 3.1.3 Fiber Splicing

All fiber cuts shall be promptly repaired using industry standard techniques that minimize the additional losses due to the splice. Mechanical splices shall be used on a temporary basis only.

#### 3.2 Electronics

All SRP provided electronics shall be maintained according to the manufacturers specifications and sound engineering practices. All electronics shall meet the requirements in this section.

#### 3.2.1 Performance

The SRP shall ensure that the electronics meet the manufacturer specifications at all times.

#### 3.2.2 Environment and Power

The SRP shall provide an environmentally controlled facility for the electronics, which shall be within the manufacturer's environmental specifications at all

times. The SRP shall provide all power, including standby battery power to the electronics.

### 3.2.3 Hardware and Software Upgrades

The SRP shall maintain the electronics to have the latest software and hardware revisions, as required by FRRPA. Hardware and software updates shall be coordinated with FRRPA and the other SRPs, to ensure systemwide compatibility.

# Exhibit 6:

# SDN RUL AGREEMENT

### SONET RING FACILITIES POOLING AGREEMENT FOR RING USER (RU)

Exhibit

THIS AGREEMENT is made and entered into this <u>24th</u> day of <u>March</u>, 1999, by and between SOUTH DAKOTA NETWORK, INC. of 2900 West 10th St., Sioux Falls, South Dakota 57104, hereinafter referred to as Company, a Ring User (RU); and the Fiber Ring Revenue-Pooling Association, hereinafter referred to as FRRPA, a South Dakota nonprofit corporation which acts as a revenue-pooling administrator as provided in SDCL 49-31-59.1.

WHEREAS, the provisions of SDCL 49-31-60 through 49-31-68 call for the establishment of three communications networks in South Dakota (narrowband, wideband, and broadband networks) all based on SONET backbone facilities capable of providing "ubiquitous, feature rich, standard, secure, private, survivable, robust, addressable, switched, symmetric," and "affordable" communication services.

WHEREAS, certain LECs, hereinafter referred to as SONET Ring Providers (SRPs), have provided pooled transport facilities for the purpose of transporting telecommunications traffic; and

WHEREAS, numerous SRP's have provided transport facilities for the purpose of providing a pooling mechanism for a collective, cost-shared, cost-averaged, nondistance sensitive, fully-protected transport network, thus enabling a joint provisioning of transport facilities and ubiquitous, survivable transport of telecommunications for a major portion of rural South Dakota; and

WHEREAS, the telecommunications network in South Dakota is enhanced through cooperation of SRPs by providing protection in the case of failure of any single network element in the interconnected network; and

WHEREAS, this pooling arrangement is an economically feasible method to provide affordable network survivability for the benefit of telecommunications users in the State of South Dakota:

#### WITNESSETH:

1. <u>ERRPA agrees</u> to provide, implement and manage on a nonprofit basis the pooling arrangement which effectively allows for a joint provisioning of SONET transport facilities by LECs and brings ubiquitous, survivable transport for telecommunications to a major portion of South Dakota.

2. <u>Traffic Commitment</u>. Company will utilize or has committed to utilize the pooled transport facilities for the term defined herein.

3. <u>Term</u>. The term of this agreement shall be from January 1, 1999 through December 31, 2005.

4. Company agrees to utilize the ring facilities and capacity in an efficient manner and in accordance with sound engineering practices. Company also agrees to comply with FRRPA Administrative Rules.

5. <u>SONET Transport Pooling Assessment (STPA)</u>. Company agrees to pay STPAs in amounts set forth in the exhibits attached hereto, commencing on \_\_\_\_\_\_, and to be received by FRRPA on or before the 25<sup>th</sup> day of each month thereafter throughout the term of this agreement.

A. Traffic to be carried on the pooled transport facilities is that traffic identified as PNS traffic (see Exhibit A), and such other classes of traffic as may be determined by FRRPA, including the following:

(i) Intracompany transport use (such as host-remote links, end office to intermediate tandem trunks, etc.) (See Exhibit B).

(ii) Public Internet transport use (See Exhibit C).

(iii) Educational and library Internet transport use (See Exhibit D).

(iv) 911/E911 transport use (See Exhibit E).

(v) Extended area service (EAS) transport use (See Exhibit F).

(vi) Discretionary spare capacity use (See Exhibit G).

B. The FRRPA Board of Directors may revise the STPAs from time to

time.

6. <u>Use of Facilities</u>. FRRPA shall neither offer nor provide any telecommunications services through the pooled transport facilities.

7. <u>Force Majeure</u>. A party shall be excused from performance if its performance is prevented by acts or events beyond the parties' reasonable control including but not limited to: severe weather and storms, earthquakes or other natural occurrences, strikes or other labor unrest, power failures, computer failures, nuclear or other civil or military emergencies, or acts of legislative, judicial, executive, or administrative authorities. 8. <u>Default by Company</u>. Default under this agreement shall occur in the event: (1) Company shall fail to pay when due any part of the STPA hereunder; or (2) Company shall fail, after thirty (30) days written notice hereof, to correct any failure in the due performance and observance of any other covenants and obligations of Company.

In the event of any such default, FRRPA may retain as liquidated damages STPAs received, and FRRPA shall also recover from Company all STPAs owed during the term defined in Paragraph 3, all costs and expenses, including attorneys' fees, incurred by FRRPA in the enforcement of its rights and remedies under this agreement. The remedies in this pooling agreement provided in favor of FRRPA shall not be deemed exclusive or alternative, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The failure of FRRPA to exercise any rights thereunder shall not constitute a waiver of those rights.

9. <u>Default by FRRPA</u>. In the event the pooled transport facilities do not meet the specifications set forth in Attachment A, Company shall give FRRPA notice thereof. FRRPA shall have fifteen (15) hours following receipt of such notice to cure such specification noncompliance. If such specification noncompliance cannot reasonably be cured within fifteen (15) hours, FRRPA shall take reasonable steps to cure the same within the shortest time possible.

FRRPA agrees to comply with all applicable federal, state, and local laws and regulations. FRRPA further agrees to indemnify and hold Company harmless from all damages and costs, including attorneys' fees, resulting from FRRPA's failure to comply with any laws and regulations or order of any federal or state regulatory agency. Company shall provide written notice to FRRPA of any event for which Company may assert.

Company shall provide prior written notice to FRRPA before incurring any cost, including without limitation, attorneys' fees, or making any expenditure for which it may request indemnification thereunder. Company shall take all reasonable actions to minimize the costs, including without limitation, attorneys' fees, and any expenditures for which it may seek indemnification thereunder.

10. <u>General</u>. This agreement is the entire agreement between the parties and supersedes all prior agreements and understandings between the parties concerning the subject matter herein. It may be modified only by a written agreement signed by duly authorized persons for each party and any party to whom this agreement has been assigned. This agreement shall be subject to and construed in conformance with the laws of the State of South Dakota. The provisions of this agreement are severable, and if any provisions hereof are declared to be void by a court or governmental entity of competent jurisdiction, the provision shall be severed from this agreement and the remaining provisions shall, if commercially feasible, be effective as if the void term were not included herein. 11. <u>Notices</u>. Any notice, request, instruction or other document pertaining to this pooling agreement shall be in writing and shall be delivered to the following parties:

| If to Company: | Richard K. Scott, General Manager<br>SOUTH DAKOTA NETWORK, INC.<br>2900 West 10th St. |
|----------------|---|
|                | Sioux Falls, South Dakota 57104   |

If to FRRPA: Randy Houdek Sully Buttes Telephone Cooperative, Inc. 218 Commercial S.E. P.O. Box 157 Highmore, SD 57345

12. <u>Waiver</u>. Any failure of a party to assert any of its rights under any provision of this pooling agreement shall not constitute a waiver of termination of such rights.

13. <u>Entire Agreement</u>. This agreement, together with all Exhibits, Attachments, notices, appendices and any jointly executed written supplements to this agreement, constitute the entire agreement and the complete understanding between the parties. No other verbal or written representation of any kind affects the rights or the obligations of the parties regarding any of the provisions in this agreement.

14. <u>Conflict</u>. In the event of a conflict between the terms and conditions contained in the body of this pooling agreement and the terms and conditions contained in any attachments, the terms and conditions contained in the body of this agreement shall control.

15. <u>Amendments</u>. This pooling agreement can be amended by written agreement of the parties.

Company:

ESIDENT Its 7/21/99 Date

Fiber Ring Revenue-Pooling Association:

Its tor

Date March 24, 1999

# Exhibit A

## **PNS\* Traffic Use**

### I. Terms and Conditions

 The following rates apply to the COLEC\*\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities. When one of the Add/Drop locations is at the SDN switch in Sioux Falls, then all facilities and termination equipment required for connection to the SDN tandem switch are included.

Transport facilities are provided and provisioned in DS-1 increments.

 Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.

4. This STPA Traffic Class will be provided where facilities are available.

5. This PNS Traffic rate does not apply to Intracompany Transport.

| Number of<br>DS-1's at<br>Add/Drop<br>Location<br>For COLEC | Total<br>Monthly<br><u>STPA</u> | Number of<br>DS-1's at<br>Add/Drop<br>Location<br>For COLEC | Total Monthly<br><u>STPA</u>                |
|---|---------------------------------|---|---|
| 1   | \$1,336                         | 14  | \$15,630                                    |
| 2   | \$2,672                         | 15  | \$16,605                                    |
| 3   | \$4.008                         | 16  | \$17,580                                    |
| 4   | \$5,344                         | 17  | \$18,529                                    |
| 5   | \$6,413                         | 18  | \$19,478                                    |
| 6   | \$7,482                         | 19  | \$20,427                                    |
| 7   | \$8,551                         | 20  | \$21,376                                    |
| 8   | \$9,620                         | 21  | \$22,311                                    |
| 9   | \$10,635                        | 22  | \$23,246                                    |
| 10  | \$11,650                        | 23  | \$24,181                                    |
| 11  | \$12,665                        | 24  | \$25,116                                    |
| 12  | \$13,680                        | 25  | \$26,038                                    |
| 13  | \$14,655                        | Over 25   | Add \$922 Per DS-1<br>equivalent bandwidth. |
|   |                                 |   |   |

### II. Monthly Cost

\* PNS (Public Network Switched) traffic refers to network traffic on the end office side of a  $1 \ge 7$  success random consisting of Feature Group A. B.  $1 \ge 7$  D traffic over with a single along from or terminating to a central office located in South Dakota.

"For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier affiliates or subsidiaries which share common ownership and control.

# Exhibit B

### Intracompany\* Transport Use

#### I. Terms and Conditions

- 1. The following rates apply to the COLEC\*\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.

#### II. Monthly Cost

\$79 per DS-1 equivalent bandwidth

\* Intracompany Transport refers to transport utilized to carry a South Dakota LEC's originating or terminating traffic to another location for the same COLEC (such as host to remote transport, end office to intermediate random transport, etc.

beal exchange carrier and local exchange carrier affiliates or subsidiaries which share common ownership and control.

# Exhibit C

# Public Internet Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. This STPA Traffic Class is for traffic to or from providers serving the general public located in a RUL service area.
- 6. Requests for more than four (4) DS-1 circuits in this STPA Traffic Class per provider per Add/Drop location will be considered on an individual case basis.

### II. Monthly Cost

\$67 per DS-1 equivalent bandwidth

For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) COL2C: 11 7 - 1 1.0021 menange carrier and local exchange carrier atfiliates or subsidiaries which share common ownership and control.

# Exhibit D

## Educational and Library Internet Transport Use

#### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. This STPA Traffic Class is for K-12 Institutions and Public Libraries located in an RUL service area.
- 6. Requests for more than one (1) DS-1 circuit in this STPA Traffic Class per school campus or Public Library will be considered on an individual case basis.

#### II. Monthly Cost

\$0 per DS-1 equivalent bandwidth

 For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) (COLEC) seters so it can exchange converting of a menance carrier influees in upsicarries when care common dividenting and control.

# Exhibit E

## 911/E911 Transport Use

#### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. The 911 or E911 transport is provided to consumers located in a RUL service area.
- 6. 911 and E911 will never be tandemed more than one time while the call is under the control of SDN.

#### II. Monthly Cost

\$0 per DS-0 equivalent bandwidth

<sup>\*</sup> For surposes of the above, a Commonly Operated LEC (Local Exchange Carriert (COLEC) refers to a set including carrier and local exchange carrier atfiliates or subsidiaries which share common ownership and control.

# Exhibit F

## Extended Area Service (EAS) Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. One or both of the locations where the EAS originates or terminates must be in an RUL service area.

#### II. Monthly Cost

\$79 per DS-1 equivalent bandwidth

Our purposes of the anomal of monor thermed LIC Local Inchange furries. Office of entries and the source of the so

# Exhibit G

## **Discretionary Spare Capacity Use**

#### I. Terms and Conditions

- 1. The following rates apply to transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. This STPA Traffic Class will be provided where facilities are available.
- 3. User will pay FRRPA for the residual DS-1s that are available on the DS-3s used by other RULs to FRRPA Add/Drop locations. Note: (The number of "Residual DS-1s" available to User may be reduced in the future due to growth in use by other RULs.)
- 4. User will pay a monthly amount to FRRPA in order for FRRPA to reserve discretionary spare capacity for User.
- 5. User will pay FRRPA for additional capacity on a DS-3 or DS-3 equivalent basis. Monthly amounts are based on long term, volume discount, nondistance sensitive rates for the total number of DS-3s or DS-3 equivalents used by User.

#### II. Monthly Cost

| 1. | "Residual DS-1s" on DS-3s   | \$ 2,311 |
|----|---|----------|
| 2. | Capacity Reservation Assessment   | \$ 2,217 |
| ŋ. | First 15 DS-3s or DS-3 Equivalents used by User,<br>Lump Sum of   | \$20,614 |
| 4. | Next (6) DS-3s or DS-3 Equivalents used by User,<br>Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User, | \$1,237  |
|    | Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User,   | \$1,099  |
|    | Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User,   | S 962    |
|    | Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User,   | \$ 824   |
|    | Rate Per DS-3 or DS-3 Equivalent of   | \$ 687   |

## Attachment A

Any circuits shall meet the following performance requirements while on the FRRPA pooled transport facilities.

### A.1 Protected Transport

All circuits shall be protected and unaffected by cable cuts or electronics failures, to the greatest extent practical.

### A.2 Bit Error Rate

All circuits on FRRPA pooled transport facilites shall have a minimum bit error rate (BER) of  $10^{-3}$  or better.

### A.3 Availability

All circuits shall have an annual availability of 0.9998 or better, excluding any planned outages.

Exhibit 7:

# LEC RUL AGREEMENT

### SONET RING FACILITIES POOLING AGREEMENT FOR RING USER LOCAL EXCHANGE CARRIER (LEC)

THIS AGREEMENT is made and entered into this <u>24th</u> day of <u>March</u>. 1999, by and between Sully Buttes Telephone Cooperative, Inc., of Highmore, South Dakota, hereinafter referred to as Company, a Ring User LEC (RUL); and the Fiber Ring Revenue-Pooling Association, hereinafter referred to as FRRPA, a South Dakota nonprofit corporation which acts as a revenue-pooling administrator as provided in SDCL 49-31-59.1.

WHEREAS, the provisions of SDCL 49-31-60 through 49-31-68 call for the establishment of three communications networks in South Dakota (narrowband, wideband, and broadband networks) all based on SONET backbone facilities capable of providing "ubiquitous, feature rich, standard, secure, private, survivable, robust, addressable, switched, symmetric," and "affordable" communication services.

WHEREAS, certain LECs, hereinafter referred to as SONET Ring Providers (SRPs), have provided pooled transport facilities for the purpose of transporting RUL telecommunications traffic; and

WHEREAS, numerous SRP's have provided transport facilities for the purpose of providing a pooling mechanism for a collective, cost-shared, cost-averaged, nondistance sensitive, fully-protected transport network, thus enabling a joint provisioning of transport facilities and ubiquitous, survivable transport of telecommunications for a major portion of rural South Dakota; and

WHEREAS, the telecommunications network in South Dakota is enhanced through cooperation of SRPs by providing protection in the case of failure of any single network element in the interconnected network; and

WHEREAS, this pooling arrangement is an economically feasible method to provide affordable network survivability for the benefit of telecommunications users in the State of South Dakota:

#### WITNESSETH:

1. <u>FRRPA agrees</u> to provide, implement and manage on a nonprofit basis the pooling arrangement which effectively allows for a joint provisioning of SONET transport facilities by LECs and brings ubiquitous, survivable transport for telecommunications to a major portion of South Dakota.

2. <u>Traffic Commitment</u>. Company is a local exchange company that delivers or has committed to deliver all of its Public Network Switched (PNS) Traffic over which it has control to South Dakota Network's LATA Access Tandem for the term defined herein. Public Network Switched (PNS) Traffic is defined in the FRRPA Administrative Rules as adopted by the FRRPA Board of Directors.

3. <u>Term</u>. The term of this agreement shall be from January 1, 1999 through December 31, 2005.

4. Company agrees to utilize the ring facilities and capacity in an efficientmanner and in accordance with sound engineering practices. Company also agrees to comply with FRRPA Administrative Rules.

5. <u>SONET Transport Pooling Assessment (STPA)</u>. Company agrees to pay STPAs in amounts set forth in the exhibits attached hereto, commencing on \_\_\_\_\_\_, and to be received by FRRPA on or before the 25<sup>th</sup> day of each month thereafter throughout the term of this agreement.

A. Traffic to be carried on the pooled transport facilities is that traffic identified as PNS traffic (see Exhibit A), and such other classes of traffic as may be determined by FRRPA, including the following:

(i) Intracompany transport use (such as host-remote links, end office to intermediate tandem trunks, etc.) (See Exhibit B).

- (ii) Public Internet transport use (See Exhibit C).
- (iii) Educational and library Internet transport use (See Exhibit D).
- (iv) 911/E911 transport use (See Exhibit E).
- (v) Extended area service (EAS) transport use (See Exhibit F).

(vi) Discretionary spare capacity use (See Exhibit G).

B. The FRRPA Board of Directors may revise the STPAs from time to

time.

6. <u>Use of Facilities</u>. FRRPA shall neither offer nor provide any telecommunications services through the pooled transport facilities. The RUL shall continue to provide the STPA traffic classes ii), iii), and iv) to applicable outside parties.

7. <u>Force Majeure</u>. A party shall be excused from performance if its performance is prevented by acts or events beyond the parties' reasonable control including but not limited to: severe weather and storms, earthquakes or other natural occurrences, strikes or other labor unrest, power failures, computer failures, nuclear or other civil or military emergencies, or acts of legislative, judicial, executive, or administrative authorivies. 8. <u>Default by Company</u>. Default under this agreement shall occur in the event: (1) Company shall fail to pay when due any part of the STPA hereunder; or (2) Company shall fail, after thirty (30) days written notice hereof, to correct any failure in the due performance and observance of any other covenants and obligations of Company.

In the event of any such default, FRRPA may retain as liquidated damages STPAs received, and FRRPA shall also recover from Company all STPAs owed during the term defined in Paragraph 3, all costs and expenses, including attorneys' fees, incurred by FRRPA in the enforcement of its rights and remedies under this agreement. The remedies in this pooling agreement provided in favor of FRRPA shall not be deemed exclusive or alternative, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The failure of FRRPA to exercise any rights thereunder shall not constitute a waiver of those rights.

9. <u>Default by FRRPA</u>. In the event the pooled transport facilities do not meet the specifications set forth in Attachment A, Company shall give FRRPA notice thereof. FRRPA shall have fifteen (15) hours following receipt of such notice to cure such specification noncompliance. If such specification noncompliance cannot reasonably be cured within fifteen (15) hours, FRRPA shall take reasonable steps to cure the same within the shortest time possible.

FRRPA agrees to comply with all applicable federal, state, and local laws and regulations. FRRPA further agrees to indemnify and hold Company harmless from all damages and costs, including attorneys' fees, resulting from FRRPA's failure to comply with any laws and regulations or order of any federal or state regulatory agency. Company shallprovide written notice to FRRPA of any event for which Company may assert.

Company shall provide prior written notice to FRRPA before incurring any cost, including without limitation, attorneys' fees, or making any expenditure for which it may request indemnification thereunder. Company shall take all reasonable actions to minimize the costs, including without limitation, attorneys' fees, and any expenditures for which it may seek indemnification thereunder.

10. <u>General</u>. This agreement is the entire agreement between the parties and supersedes all prior agreements and understandings between the parties concerning the subject matter herein. It may be modified only by a written agreement signed by duly authorized persons for each party and any party to whom this agreement has been assigned. This agreement shall be subject to and construed in conformance with the laws of the State of South Dakota. The provisions of this agreement are severable, and if any provisions hereof are declared to be void by a court or governmental entity of competent jurisdiction, the provision shall be severed from this agreement and the remaining provisions shall, if commercially feasible, be effective as if the void term were not included herein.

3

11. <u>Notices</u>. Any notice, request, instruction or other document pertaining to this pooling agreement shall be in writing and shall be delivered to the following parties:

| If to Company: | Sully Buttes Telephone Cooperative, Inc. 218 Commercial S.E. |
|----------------|--|
|                | 210 Commercial S.E.  |
|                | P.O. Box 157   |
|                | Highmore, SD 57345   |

If to FRRPA: Randy Houdek Sully Buttes Telephone Cooperative, Inc. 218 Commercial S.E. P.O. Box 157 Highmore, SD 57345

12. <u>Waiver</u>. Any failure of a party to assert any of its rights under any provision of this pooling agreement shall not constitute a waiver of termination of such rights.

13. <u>Entire Agreement</u>. This agreement, together with all Exhibits, Attachments, notices, appendices and any jointly executed written supplements to this agreement, constitute the entire agreement and the complete understanding between the parties. No other verbal or written representation of any kind affects the rights or the obligations of the parties regarding any of the provisions in this agreement.

14. <u>Conflict</u>. In the event of a conflict between the terms and conditions contained in the body of this pooling agreement and the terms and conditions contained in any attachments, the terms and conditions contained in the body of this agreement shall control.

15. <u>Amendments</u>. This pooling agreement can be amended by written agreement of the parties.

Company:

Mary Thomas

Date 4-2

Fiber Ring Revenue-Pooling Association:

Its Director

Date March 24, 1999

# PLEASE NOTE:

The financial data contained in the following exhibits and attachments is company specific. Each company has different financial date contained in the exhibits and attachments to that company's contract.

# Exhibit A

## **PNS\*** Traffic Use

#### I. Terms and Conditions

- The following rates apply to the COLEC\*\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities. When one of the Add/Drop locations is at the SDN switch in Sioux Falls, then all facilities and termination equipment required for connection to the SDN tandem switch are included.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- This STPA Traffic Class will be provided where facilities are available.
- 5. This PNS Traffic rate does not apply to Intracompany Transport.

| Number of<br>DS-1's at<br>Add/Drop<br>Location<br>For COLEC | Total<br>Monthly<br><u>STPA</u> | Number of<br>DS-1's at<br>Add/Drop<br>Location<br>For COLEC | Total Monthly<br><u>STPA</u> |
|---|---------------------------------|---|------------------------------|
| 1   | \$1,336                         | 14  | \$15,630                     |
| 2   | \$2,672                         | 15  | \$16,605                     |
| 3   | \$4,008                         | 16  | \$17,580                     |
| 4   | \$5,344                         | 17  | \$18,529                     |
| 5   | \$6,413                         | 18  | \$19,478                     |
| 6   | \$7,482                         | 19  | \$20,427                     |
| 7   | \$8,551                         | 20  | \$21,376                     |
| 8   | \$9,620                         | 21  | \$22,311                     |
| 9   | \$10,635                        | 22  | \$23,246                     |
| 10  | \$11,650                        | 23  | \$24,181                     |
| 11  | \$12,665                        | 24  | \$25,116                     |
| 12  | \$13,680                        | 25  | \$26,038                     |
| 13  | \$14,655                        | Over 25   | Add \$922 Per DS-1           |
|   |                                 |   | equivalent bandwidth.        |

#### II. Monthly Cost

\* PNS (Public Network Switched) traffic refers to network traffic on the end office side of a LATA access randem consisting of Feature Group A, B, T, or D traffic types, either originating from or terminating to a central office located in South Dakota.

\*\*For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier affiliates or subsidiaries which share common ownership and control.

# Exhibit B

## Intracompany\* Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\*\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.

### II. Monthly Cost

\$79 per DS-1 equivalent bandwidth

\* Intracompany Transport refers to transport utilized to carry a South Dakota LEC's originating or terminating traffic to another location for the same COLEC (such as host to remote transport, end office to intermediate tandem transport, etc.).

\*\*For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier affiliates or subsidiaries which share common ownership and control.

# Exhibit C

## Public Internet Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. This STPA Traffic Class is for traffic to or from providers serving the general public located in a RUL service area.
- 6. Requests for more than four (4) DS-1 circuits in this STPA Traffic Class per provider per Add/Drop location will be considered on an individual case basis.

### II. Monthly Cost

\$67 per DS-1 equivalent bandwidth

\* For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier atfiliates or subsidiaries which share common ownership and control.

# Exhibit D

# Educational and Library Internet Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. This STPA Traffic Class is for K-12 Institutions and Public Libraries located in an RUL service area.
- Requests for more than one (1) DS-1 circuit in this STPA Traffic Class per school campus or Public Library will be considered on an individual case basis.

#### II. Monthly Cost

\$0 per DS-1 equivalent bandwidth

\* For purposes of the above, a Commonly Overated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier atfiliates or subsidiaries which share common ownership and control.

# Exhibit E

## 911/E911 Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. The 911 or E911 transport is provided to consumers located in a RUL service area.
- 6. 911 and E911 will never be tandemed more than one time while the call is under the control of SDN.

#### II. Monthly Cost

50 per DS-0 equivalent bandwidth

 For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier affiliates or subsidiaries which share common ownership and control.

# Exhibit F

## Extended Area Service (EAS) Transport Use

### I. Terms and Conditions

- 1. The following rates apply to the COLEC\* for transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. Transport facilities are provided and provisioned in DS-1 increments.
- Circuits containing traffic from different STPA Traffic Classes can be combined on the same DS-1. The STPA for the DS-1 will be based on the highest priced STPA Traffic Class on the DS-1.
- 4. This STPA Traffic Class will be provided where facilities are available and in accordance with sound engineering practices.
- 5. One or both of the locations where the EAS originates or terminates must be in an RUL service area.

### II. Monthly Cost

\$79 per DS-1 equivalent bandwidth

<sup>\*</sup> For purposes of the above, a Commonly Operated LEC (Local Exchange Carrier) [COLEC] refers to a local exchange carrier and local exchange carrier affiliates or subsidiaries which share common ownership and control.

# Exhibit G

## **Discretionary Spare Capacity Use**

### I. Terms and Conditions

- The following rates apply to transport on FRRPA facilities between any two FRRPA ring locations with Add/Drop capabilities.
- 2. This STPA Traffic Class will be provided where facilities are available.
- User will pay FRRPA for the residual DS-1s that are available on the DS-3s used by other RULs to FRRPA Add/Drop locations. Note: (The number of "Residual DS-1s" available to User may be reduced in the future due to growth in use by other RULs.)
- 4. User will pay a monthly amount to FRRPA in order for FRRPA to reserve discretionary spare capacity for User.
- 5. User will pay FRRPA for additional capacity on a DS-3 or DS-3 equivalent basis. Monthly amounts are based on long term, volume discount, nondistance sensitive rates for the total number of DS-3s or DS-3 equivalents used by User.

#### II. Monthly Cost

| 1. | "Residual DS-1s" on DS-3s   | \$ 2,311 |
|----|---|----------|
| 2. | Capacity Reservation Assessment   | \$ 2,217 |
| 3. | First 15 DS-3s or DS-3 Equivalents used by User,<br>Lump Sum of   | \$20,614 |
| 4. | Next (6) DS-3s or DS-3 Equivalents used by User,<br>Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User, | \$1,237  |
|    | Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User,   | \$1,099  |
|    | Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User,   | S 962    |
|    | Rate Per DS-3 or DS-3 Equivalent of<br>Next (6) DS-3s or DS-3 Equivalents used by User.   | S 824    |
|    | Rate Per DS-3 or DS-3 Equivalent of   | \$ 687   |

## Attachment A

Any circuits shall meet the following performance requirements while on the FRRPA pooled transport facilities.

### A.1 Protected Transport

All circuits shall be protected and unaffected by cable cuts or electronics failures, to the greatest extent practical.

### A.2 Bit Error Rate

All circuits on FRRPA pooled transport facilites shall have a minimum bit error rate (BER) of  $10^{-3}$  or better.

### A.3 Availability

All circuits shall have an annual availability of 0.9998 or better, excluding any planned outages.

Exhibit 8:

# LIST OF FRRPA COMPANIES

# Fiber Ring Revenue – Pooling Association (FRRPA) Listing of Local Exchange Companies

Exhibit Page 1 o

| Name of Company                                      | RUL | SRP |
|--|-----|-----|
| Accent Communications, Inc.                          | х   |     |
| Armour Independent Tel. Co.                          | х   |     |
| Beresford Municipal Tel. Co.                         | х   | X   |
| Bridgewater-Canistota                                | х   |     |
| Brookings City Telephone                             | Х   | x   |
| Cheyenne River Sioux Tribal Tele-<br>phone Authority | х   |     |
| East Plains Telecom, Inc.                            | х   |     |
| Fort Randall Telephone Company                       |     | X   |
| Golden West Telecom. Coop.                           | х   | X   |
| Hanson County Telephone                              | х   |     |
| Interstate Telecom. Coop., Inc.                      | Х   | X   |
| James Valley Cooperative Telephone                   | Х   | X   |
| Jefferson Telephone                                  | x   | X   |

# Fiber Ring Revenue – Pooling Association (FRRPA) Listing of Local Exchange Companies

| Name of Company                | RUL | SRP  |
|--------------------------------|-----|--|
| Kennebec Telephone Co., Inc.   | x   |  |
| McCook Coop Tel. Co.           | X   | Х  |
| McCook Telecomm., Inc.         | x   |  |
| Midstate Telephone Co.         | х   | х  |
| RC Communications, Inc.        | X   |  |
| Roberts County Telephone       | X   |  |
| Sanborn Telephone Coop.        | X   | Х  |
| Sancom, Inc.                   | X   |  |
| Sioux Valley Telephone         | X   | Х  |
| Splitrock Properties, Inc.     | X   | <u>al</u>  |
| Stateline Telecom, Inc.        | х   | na na ann an Anna anna an Anna anna an |
| Stockholm-Strandburg Telephone | Х   | nan dan mana kana yang dalam dari yang dan dan yang dan dari yang dan dari yang dan dari yang dan dari yang da |
| Sully Buttes Telephone         | х   | Х  |
| Tri-County                     | x   |  |

## Fiber Ring Revenue – Pooling Association (FRRPA) Listing of Local Exchange Companies

Exhibit 8 Page 3 of 3

|                                 |     | -   |
|---------------------------------|-----|-----|
| Name of Company                 | RUL | SRP |
| Union Telephone Company         | X   |     |
| Valley Telecom                  | Х   |     |
| Vivian Telephone Company        | X   | x   |
| West River Cooperative Tel. Co. | X   |     |
| West River Telecom. Coop.       | X   |     |
| Western Telephone               | X   |     |

# Exhibit 9:

# FRRPA ADMINISTRATIVE RULES

# Fiber Ring Revenue-Pooling Association (FRRPA)

### **Administrative Rules**

#### I. Statement of Purpose

To provide a pooling mechanism for a collective, cost shared, cost averaged, nondistance sensitive fully-protected transport network for LECs whose traffic is carried on any of the joint South Dakota LEC and SDN SONET Ring transport facilities and thus enables pooling to create a level playing field for ubiquitous survivable transport of telecommunications for a major portion of rural South Dakota.

#### **II.** Definitions

- 1. SONET Ring Provider (SRP): SDN and LECs who provide any portion of the SONET ring facilities.
- 2. Ring User LEC (RUL): Any LEC whose intracompany or intercompany traffic is carried on one or more of the SONET rings.
- 3. Commonly Operated LEC (COLEC): A local exchange carrier and local exchange carrier affiliates or subsidiaries, which share common ownership and control.
- 4. Intercompany Transport: Transport utilized to carry a South Dakota LEC's originating or terminating traffic to or from other LECs.
- 5. Intracompany Transport: Transport utilized to carry a South Dakota COLEC's originating or terminating traffic to another location for the same COLEC (such as host to remote transport, end office to intermediate tandem transport, etc.)
- 6. SONET Transport Pooling Assessment (STPA): An amount assessed by FRRPA to any RUL or SDN to accomplish a collective, cost shared, cost averaged, and nondistance sensitive basis for SONET Ring transport.
- 7. Public Network Switched (PNS) Traffic: Network traffic on the end office side of a LATA access tandem consisting of Feature Group A, B, C, or D traffic types either originating from or terminating to a central office located in South Dakota.
- 8. Discretionary Spare Capacity: The capacity on the pooled transport facilities that is not designated for use or reserved for use for a RUL.
- 9. Internet Transport Use: Transport for Internet service that is offered to the general public located in a RUL service area.

#### III. Facilities Administered by FRRPA

- 1. FRRPA will administer SONET ring facilities provided by the SRPs.
- 2. The term between FRRPA and the SRPs for pooled transport facilities:
  - a) for the original SRPs shall be not less than 7 years
  - b) for subsequent SRPs shall be equal to the unexpired term of the original SRPs
- 3. The SRPs agree to maintain, configure, and upgrade all pooled facilities administered by FRRPA.
- 4. At the direction of FRRPA, SDN will provide network configuration services.

# Fiber Ring Revenue-Pooling Association (FRRPA)

## Administrative Rules

- 5. SRPs agree to install, construct or cause to be constructed facilities as required by FRRPA to provide for future growth in ring usage.
- 6. A uniform fiber electronics and fiber window pooled facility compensation structure will be established by FRRPA and this pooled fiber electronics and pooled fiber window compensation will be paid to each SRP (except SDN, who is compensated under a separate agreement). The pooled facility compensation will include all costs associated with the pooled fiber electronics and cable, including the equipment, cables, space, power, maintenance, required upgrades, etc. to maintain the equipment and cable as required by FRRPA. Fiber Electronics pooled facility compensation may be adjusted on a monthly basis when more than \$20,000, or 25% of the current annualized pooled facility compensation payment (whichever is less), of cumulative additions or upgrades are provided and submitted by the SRP to FRRPA. Fiber window pooled facility compensation may be adjusted on a monthly basis when more or less route miles are provided by the SRP.

#### **IV. FRRPA Membership Eligibility and Requirements**

- 1. Membership in the nonprofit Corporation is strictly voluntary; neither SRPs nor RULs are required to be a member of FRRPA.
- 2. Membership Qualifications for Charter Members include all of the following:
  - a) A LEC based in South Dakota.
  - b) A LEC that delivers or has committed to deliver, all of its PNS traffic over which it has control to SDN's LATA Access Tandem for a period of not less than 7 years.
  - c) A LEC that has agreed to pay the STPAs as determined by FRRPA from time to time.
- 3. Membership Qualifications for Future Members
  - a) On an individual case basis (ICB) as determined by FRRPA.
  - b) A LEC that delivers or has committed to deliver, all of its PNS traffic over which it has control to SDN's LATA Access Tandem for a period not less than the unexpired term of the Charter Members.

#### V. RUL Requirements

- 1. A LEC may be a RUL without being a member of FRRPA.
- 2. A RUL shall deliver, or commit to deliver, all of its PNS traffic over which it has control to SDN's LATA Access Tandem for
  - a) a period of not less than 7 years for the original RULs
  - b) the unexpired term of the original RULs for all subsequent RULs
- 3. A LEC who has traffic carried on one or more of the SONET rings.

# Fiber Ring Revenue-Pooling Association (FRRPA)

## **Administrative Rules**

4. A LEC who has agreed to utilize the ring facilities and capacity in an efficient manner in accordance with sound engineering practices. FRRPA will make an effort to accommodate the LECs' requests concerning routing of traffic. FRRPA retains the right to make changes in routing of traffic as needed due to network constraints or other reasons.

#### VI. Transport Service Guidelines and Pricing

- 1. FRRPA shall have the following STPA traffic classes:
  - a) PNS Traffic Use.
  - b) Intracompany Transport Use (such as host remote links, end office to intermediate tandem trunks, etc.).
  - c) Public Internet Transport Use.
  - d) Educational and Library Internet Transport Use.
  - e) 911/E911 Transport Use.
  - f) Extended Area Service (EAS) Transport Use.
  - g) Discretionary Spare Capacity Use.
  - h) Educational Video Transport Use.
- FRRPA will assess a collective, cost shared, cost averaged, nondistance sensitive amount (STPA) for transport services on the SONET rings.
  - a) The STPA may be different for each of the STPA traffic classes.
  - b) FRRPA will offer its facilities to nonFRRPA member LECs using the same STPA as it does to FRRPA members.
  - c) FRRPA will assess the STPA to the LECs and SDN. The LECs may act as an agent in providing STPA traffic classes c), d), and e) to applicable outside parties.
  - d) FRRPA will assess to the RUL the rates based on STPA traffic class quantities in service on the last business day of each month. On or before the 10<sup>th</sup> of each month, the RUL will be notified via e-mail by FRRPA of any change in the amount due. The amount due is to be received by FRRPA by the 25<sup>th</sup> of each month.
- Discretionary Spare Capacity Use on the rings may be provided on an STPA basis by FRRPA to SDN on a long term, volume discount nondistance sensitive basis at FRRPA's discretion. FRRPA may require that SDN pay a recurring amount for FRRPA to reserve spare capacity for SDN. Pricing is detailed in a separate agreement.
- All facilities administered by FRRPA will be configured to be survivable for PNS traffic of <u>all</u> RULs.

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

IN THE MATTER OF THE PETITION OF FIBER ) RING REVENUE-POOLING ASSOCIATION ) FOR APPROVAL OF REVENUE POOLING ) ARRANGEMENTS ) ORDER APPROVING PETITION

#### TC00-084

On May 17, 2000, the Fiber Ring Revenue-Pooling Association (FRRPA) filed a petition requesting the Commission 1) find that FRRPA's pooling arrangements are in the public interest; 2) review and approve the pooling arrangements between FRRPA and the Ring User Local (RUL) Exchange Companies as represented in the RUL agreements and between FRRPA and the SONET Ring Providers (SRP) as represented in the SRP Agreements; and 3) issue an Order approving said arrangements, as provided in SDCL 49-31-59.1. According to the petition FRRPA has been organized to provide a pooling mechanism for a collective, cost shared, cost averaged, non-distance sensitive, fully-protected transport network for local exchange companies whose traffic is carried on any of the joint South Dakota local exchange companies and SDN SONET ring transport facilities.

On May 25, 2000, the Commission electronically transmitted notice of this filing to interested individuals and entities. The notice stated that any person wishing to comment on the parties' request for approval had until June 9, 2000, to do so. No comments were filed.

At its duly noticed July 13, 2000, meeting, the Commission considered whether to approve the petition. Commission Staff recommended its approval.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-59.1. The Commission unanimously voted to approve the petition. It is therefore

ORDERED, that the Commission approves the petition.

Dated at Pierre, South Dakota, this \_\_\_\_\_ day of July, 2000.

#### 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.

Ву:\_\_\_\_\_

Date:

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

LASKA SCHOENFELDER, Commissioner

#### South Dakota Public Utilities Commission WEEKLY FILINGS For the Period of May 18, 2000 through May 24, 2000

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

#### **TELECOMMUNICATIONS**

### TC00-084 In the Matter of the Petition of Fiber Ring Revenue-Pooling Association for Approval of Revenue Pooling Arrangements.

The Fiber Ring Revenue-Pooling Association (FRRPA) filed a petition on May 17 requesting the Commission 1) find that FRRPA's pooling arrangements are in the public interest: 2) review and approve the pooling arrangements between FRRPA and the Ring User Local (RUL) Exchange Companies as represented in the RUL agreements and between FRRPA and the SONET Ring Providers (SRP) as represented in the SRP Agreements; and 3) issue an Order approving said arrangements, as provided in SDCL 49-31-59.1. FRRPA has been organized to provide a pooling mechanism for a collective, cost shared, cost averaged, non-distance sensitive, fully-protected transport network for local exchange companies whose traffic is carried on any of the joint South Dakota local exchange company and SDN SONET ring transport facilities.

Staff Analyst: Heather Forney Staff Attorney: Karen E. Cremer Date Docketed: 05/17/00 Intervention Deadline: 06/09/00

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

### IN THE MATTER OF THE PETITION OF FIBER RING REVENUE-POOLING ASSOCIATION FOR APPROVAL OF REVENUE POOLING ARRANGEMENTS

ORDER APPROVING PETITION

#### TC00-084

On May 17, 2000, the Fiber Ring Revenue-Pooling Association (FRRPA) filed a petition requesting the Public Utilities Commissions (Commission) to: 1) find that FRRPA's pooling arrangements are in the public interest; 2) review and approve the pooling arrangements between FRRPA and the Ring User Local (RUL) Exchange Companies as represented in the RUL agreements and between FRRPA and the SONET Ring Providers (SRP) as represented in the SRP Agreements; and 3) issue an Order approving said arrangements, as provided in SDCL 49-31-59.1 According to the petition, FRRPA has been organized to provide a pooling mechanism for a collective, cost shared, cost averaged, non-distance sensitive, fully-protected transport network for local exchange companies whose traffic is carried on any of the joint South Dakota local exchange companies and SDN SONET ring transport facilities.

On May 25, 2000, the Commission electronically transmitted notice of this filing and the intervention deadline of June 9, 2000, to interested individuals and entities. No petitions to intervene or comments were filed.

At its duly noticed July 13, 2000, meeting, the Commission considered whether to approve the petition. Commission Staff recommended its approval.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-59.1. The Commission unanimously voted to approve the petition. It is therefore

ORDERED, that the Commission approves the petition.

Dated at Pierre, South Dakota, this 20th day of July, 2000.

#### 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.

Date (OFFICIAL SEAL)

BY ORDER OF THE COMMISSION.

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

LASKA SCHOENFELDER, Commissioner