

TC04-079

KC/M*

TC04-079

DOCKET NO. _____

In the Matter of IN THE MATTER OF THE
APPLICATION OF RC
COMMUNICATIONS, INC. FOR A
CERTIFICATE OF AUTHORITY TO
PROVIDE LOCAL EXCHANGE
SERVICES IN THE TERRITORY OF
QWEST CORPORATION

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
4/15 04	Filed and Docketed;
4/22 04	Weekly filings;
5/7 04	Tariff;
6/30 04	Order Granting COA;
6/30 04	Docket Closed.

TC 04-079

TELEC CONSULTING
RESOURCES

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9300 Underwood Avenue
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April 14, 2004

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

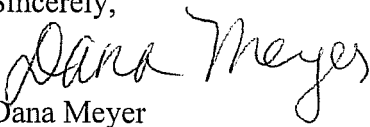
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APR 15 2004
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Ladies and Gentlemen:

On behalf of our client, RC Communications, Inc., enclosed is an Application for Authority to provide local exchange services in competition with Qwest Communications in Corona, South Dakota. With its application, RC Communications has attached a copy of its Certificate of Incorporation, Certificate of Amendment, price list, and financial statements.

I have provided an original and ten copies, pursuant to ARSD 20:10:01:02:05. Please contact me if you have any questions or require additional information. You may reach me by phone at (402) 398-0062 or by e-mail at dmeyer@telec-consulting.com.

Sincerely,


Dana Meyer

Encl.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH
DAKOTA

RECEIVED

APR 15 2004

In the Matter of the Application of)
RC Communications, Inc. for Authority to)
Provide Local Exchange Service in Competition)
with Qwest Communications in the State of)
South Dakota)

Application No. _____
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

APPLICATION AND REQUEST FOR AUTHORITY

Pursuant to the provisions of SDCL 49-31-76 and ARSD 20:10:32:03, RC Communications, Inc. ("Applicant") hereby applies for a Certificate of Authority to provide local exchange services in competition with Qwest Communications ("Qwest") in the community of Corona, South Dakota, now part of Qwest's Milbank exchange.

1. RC Communications, Inc. is a wholly owned subsidiary of Roberts County Telephone Cooperative Association ("RCTCA"). Applicant's legal name, address of its principal office, phone number and e-mail address are:

RC Communications, Inc.
205 Main Street, P.O. Box 196
New Effington, SD 57255
Phone: (605) 637-5211
Fax: (605) 637-5302
e-mail: RCC@rctel.net

2. Following are the directors of Applicant, all of whom may be contacted at the business address listed above:

William F. Koeppe, President
Robert N. Meyer, Vice President
Jeffrey M. Bartnick, Secretary
Keith R. Bostrom, Treasurer
Judi A. Fritz, Director
Jerald L. Krueger, Director
Daren W. Medenwald, Director

3. Applicant will provide local exchange services as RC Communications, Inc. Its current registered agent is Pamela Harrington whose address is the same as that described in item 1. No shareholders own twenty percent or more of the interest in the business. The applicant is incorporated in South Dakota. Its Certificate of Incorporation was granted on December 6, 1994. A Certificate of Amendment was granted on November 8, 1996. Copies of the certificate and amendment are attached hereto as Exhibit A. Applicant's federal Tax Identification Number is 46-0434741.

4. Applicant's parent company, RCTCA, has been providing telecommunications services to parts of northeastern South Dakota for almost 48 years. Applicant began serving the telephone exchanges of Wilmot, Summit, Peever and Veblen in 1996, when it purchased those exchanges from U S WEST. Applicant provides local telephone service and access to long-distance telephone service through its local network in those exchanges.

5. RCTCA has holdings in addition to Applicant. RC Technologies, another wholly owned subsidiary of RCTCA, has provided Internet services in northeastern South Dakota since 1996. A division of RC Technologies is RCTv, which offers cable television services to New Effington and Summit, South Dakota. RCTCA and its family of companies are located at 205 Main Street, P.O. Box 196, New Effington, SD 57255.

6. Applicant will serve Corona as a facilities-based provider of competitive local exchange services including:

- voice grade access to the public switched telephone network,
- flat-rated local exchange service, free of per minute charges,
- dual tone multifrequency signaling,

- access to 911 emergency services,
- access to operator services,
- access to interexchange services,
- access to directory assistance,
- access to Telecommunications Relay Service, and
- toll blocking

Applicant will use its switch in Wilmot to serve Corona customers. The communities will be connected with a fiber from the Wilmot switch. Copper and fiber backbone will be constructed in the town of Corona to serve individual customers. Access to 911, operator services, interexchange services, directory assistance and telecommunications relay service will be provided in the same manner as in Applicant's Wilmot exchange. For a complete list of services and pricing, see Exhibit B. Cost support for Applicant is not necessary, as Applicant serves fewer than fifty thousand local exchange subscribers in the state.

7. Because Applicant already provides telecommunications services in Wilmot, Summit, Peever and Veblen, it already possesses the technical competence to provide competitive local exchange service. The Corona geographic area to be served is the same as depicted in Qwest's service area map on file with the Commission.

8. The CLEC management team includes:

Pamela Harrington, General Manager
22 years of experience
Associate Degree in Business Administration and Marketing

Scott Bostrom, Plant Manager
16 years of experience

Paul Gravidahl, Comptroller

8 years of experience
Master of Science Degree in Engineering
Bachelors of Science Degree in Electrical Engineering
30 hours of additional college credits in Accounting

Becki Dale, Marketing and Sales Manager
One year of experience
Associate of Science Degree in Agriculture
Bachelor of Science Degree in Agricultural Communications
Master of Arts Degree in Communications

Melanie Yost, Internet Support Manager.
8 years of experience
Associate Degree in Early Childhood Development

Kathie Bragg, Customer Service and Billing Manager
8 years of experience
Associate of Arts Degree Office Administration

9. Applicant plans to provide customer service through RCTCA's New Effington business office. Corona customers may call (888) 668-0877, toll-free, for customer service. Normal business hours of the New Effington office are 8:00 a.m. to 5:00 p.m., Monday through Friday. The toll-free number, however, is answered 24 hours per day, seven days per week. Two techs based in Wilmot will serve Corona customers. On May 3, 2004, Applicant will open an office in Wilmot to be staffed one day per week that will also serve Corona customers.

10. Applicant is financially capable of establishing and maintaining service. Financial information is presented in Exhibit C.

11. Applicant will be competing with Qwest Communications, not with rural telephone companies. Applicant plans interconnection with Qwest, and negotiations will begin in the next 6 weeks.

12. Applicant will market directly to residential and business customers. Marketing efforts will include door-to-door visits and direct mail pieces. The applicant will not engage in multilevel/pyramid plans.

13. In addition to South Dakota, Applicant is certified in North Dakota and is in good standing with the North Dakota Public Service Commission.

14. Customer complaints and regulatory questions may be directed to the following individuals:

Kathie Bragg, kbragg@rctel.net
Scott Bostrom, sbostrom@rctel.net
RC Communications, Inc.
205 Main Street, P.O. Box 196
New Effington, SD 57255
Phone: (605) 637-5211
Fax: (605) 637-5302

15. Billing and collection for local exchange services will be handled through Applicant's billing vendor, Mid America Computer Corporation of Blair, Nebraska.

16. Applicant plans to implement anti-slamming procedures in its competitive local service operations. It will follow the same procedures as used in its ILEC territory. No complaints have been filed against applicant with any state or federal regulatory commission for unauthorized service changes.

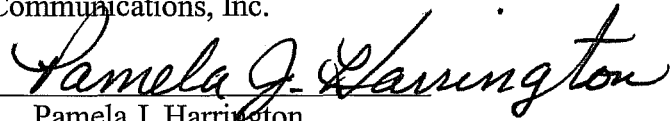
17. The information contained in this application and its exhibits fully describes Applicant's business and its ability to provide end user customers in South Dakota with a viable and economical alternative local exchange telecommunications service, and Applicant demonstrates that it has the resources and ability to provide its services for the benefit of the public.

WHEREFORE, RC Communications, Inc. requests that the Public Utilities Commission of the State of South Dakota enter an order granting a certificate authorizing RC Communications, Inc. to operate as a competitive local exchange telecommunications provider.

Respectfully submitted this 14th day of April, 2004.

RC Communications, Inc.

By:



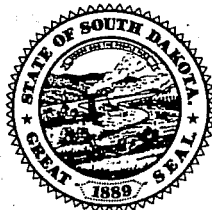
Pamela J. Harrington
General Manager.

EXHIBIT A

Certificate of Incorporation

Certificate of Amendment

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

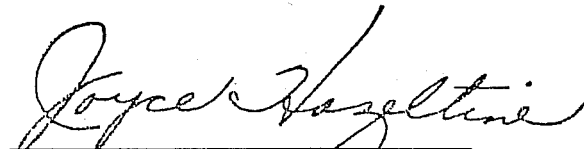
CERTIFICATE OF AMENDMENT

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Articles of Amendment to the Articles of Incorporation of RC COMMUNICATIONS, INC. duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, 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 issue this Certificate of Amendment to the Articles of Incorporation and attach hereto a duplicate of the Articles of Amendment of RC COMMUNICATIONS, INC.

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 November 8, 1996.




JOYCE HAZELTINE
Secretary of State

Filed this 6th day of Dec. 19 94
Secretary of State

ARTICLES OF INCORPORATION
OF
RC COMMUNICATIONS, INC.

COPY RECEIVED
DEC 06 1994
Secretary of State

ARTICLE I
NAME

The name of this Corporation is: RC Communications, Inc.

ARTICLE II
DURATION

The period of the Corporation's duration is perpetual.

ARTICLE III
PURPOSE

The purposes for which this Corporation is organized are:
(a) To participate in and operate nonregulated telecommunication and information services as they presently exist or may hereafter be developed; and (b) To do and transact any or all lawful business for which corporations may be organized under the South Dakota Business Corporation Act.

ARTICLE IV
POWERS

The Corporation shall have and exercise all powers and rights conferred upon corporations by the South Dakota Business Corporation Act and any enlargement of such powers conferred by subsequent legislative acts; and, in addition thereto, the Corporation shall have and exercise all powers and rights, not otherwise denied corporations by the laws of the State of South Dakota, as are necessary, suitable, proper, convenient, or expedient to the attainment of the purposes set forth in Article III above.

ARTICLE V
AUTHORIZED SHARES

The aggregate number of shares which the Corporation shall have authority to issue is 25,000 shares of common stock and the par value of each of the shares shall be \$.01.

ARTICLE VI

COMMENCEMENT OF BUSINESS

The Corporation shall not commence business until consideration of the value of at least One Thousand Dollars (\$1,000.00) has been received for the issuance of its shares of capital stock.

ARTICLE VII

RESTRICTIONS ON STOCKHOLDER'S SALE OF STOCK

By unanimous agreement, the stockholders may provide restrictions upon the sale and transfer of issued and outstanding stock in the Corporation by the holders thereof, giving to other holders of issued and outstanding shares of stock in the Corporation or to the Corporation itself, rights to purchase any such shares as may be sought to be sold or transferred. The Corporation may become a party to any such agreement. Any such agreement shall be recorded in the minute book of the Corporation, on file in the principal office of the Corporation and open to inspection by any person having a legitimate interest in the provisions thereof, whether as a holder of, one interested in any way in, or one interested in purchasing or otherwise acquiring interests in shares of stock of the Corporation or warrants, options, or other instruments evidencing rights to subscribe for, purchase, or otherwise acquire such shares. The existence of any such agreement and its availability for inspection shall be stated upon each certificate representing the shares issued by the Corporation.

ARTICLE VIII

PREEMPTIVE RIGHTS

The shareholders of the Corporation shall have preemptive rights with respect to any capital stock of the Corporation.

ARTICLE IX

PRIVATE PROPERTY OF STOCKHOLDERS

The private property of the stockholders shall not be subject to payment of Corporation debts but shall be exempt from liability therefor.

ARTICLE X

BOARD OF DIRECTORS

The affairs of the Corporation shall be conducted by a Board of Directors which shall have and shall exercise all the

powers of the Corporation. Directors need not be stockholders. The number of directors which shall constitute the Board of Directors shall be such as from time to time shall be fixed by, or in the manner provided in the Bylaws. Directors shall be elected by the stockholders at the annual meeting and shall take office as provided from time to time by the Bylaws. Additional directors may be elected at any special meeting of the stockholders, pursuant to the Bylaws. Election of directors shall be by written ballot if so requested by any person entitled to vote. Each shareholder shall have and shall exercise cumulative voting rights in the manner provided in the Bylaws.

Any director may be removed by vote of the holders of the majority of the capital stock at any special meeting of the stockholders called for that purpose; provided, that any such removal of one director shall cause the terms of offices of all directors to terminate, and, at the meeting at which a director is so removed, new directors shall be elected to serve until they are removed or until their successors are elected and qualified.

ARTICLE XI

OFFICERS

The officers of the Corporation shall be a President, Vice President, Secretary, Treasurer, and such subordinate officers as may be appointed by the officers, who shall be chosen by the officers in such manner as may be provided from time to time in the Bylaws. Each officer, insofar as permissible under law, and as provided in the Bylaws or resolutions of the Board of Directors, shall be relieved of responsibility for exercise of authority or performance of duties incident to his or her office, the exercise or performance of which has been assigned to subordinate officers.

ARTICLE XII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Each director, officer, employee or agent of the Corporation, whether or not then in office or acting in such capacity, shall be indemnified by the Corporation against all costs and expenses reasonably incurred by or imposed upon him or her in connection with or resulting from any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, to which he or she may be made a party by reason of his or her being or having been a director, officer, employee or agent of the Corporation, or because he or she is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including such costs and expenses that may be incurred in settling, compromising, or otherwise adjusting any such action, suit, or proceeding (including a right to reimbursement of costs), if he or she acted in good

faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. This indemnification provision shall not be exclusive of other rights to which such person may be entitled as a matter of law. The indemnification of each director, officer, employee or agent of the Corporation shall be allowed to the fullest extent permitted by the South Dakota Business Corporation Act.

No amendment to or repeal of this Article shall apply to or have any effect on the right of a person entitled to indemnification hereunder to indemnification from the Corporation for or with respect to any acts or omissions of such person occurring prior to such amendment or repeal.

ARTICLE XIII

PERSONAL LIABILITY OF DIRECTORS

A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) for any violation of §§ 47-5-15 to 47-5-19, inclusive, of the South Dakota Business Corporation Act; (iv) for any transaction from which the director derived an improper personal benefit; and (v) for any act or omission occurring prior to the effect date of this provision.

No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal. If the South Dakota Business Corporation Act is amended after approval of this Article by the stockholders to authorize the further elimination or limitation of the liability of directors, then the liability of directors shall be eliminated or limited to the full extent authorized by the South Dakota Business Corporation Act, as so amended.

ARTICLE XIV

BYLAWS

The initial Bylaws of the Corporation shall be adopted by the Board of Directors. Thereafter, unless otherwise provided under the South Dakota Business Corporation Act, Bylaws may be adopted, amended, or repealed either by the shareholders or by the Board of Directors at any regular or special meeting.

ARTICLE XV

MEETINGS OF SHAREHOLDERS

The time and place of the annual meeting of the stockholders of the Corporation shall be fixed from time to time in the Bylaws. Special meetings of the stockholders may be called at such time and in such manner as may be provided from time to time in the Bylaws.

ARTICLE XVI

INITIAL BOARD OF DIRECTORS

The initial Board of Directors shall consist of seven (7) members. The names and addresses of the members of the initial Board of Directors are:

<u>NAME</u>	<u>ADDRESS</u>
Charles Struck	Rural Route 1, Box 73 New Effington, SD 57255
Tim Gleason	Rural Route 1, Box 55 Veblen, SD 57270
Jeffrey Bartnick	Rural Route 1, Box 146 New Effington, SD 57255
Eddie Yost	Rural Route 1, Box 94 Sisseton, SD 57262
Jerome Lakness	Rural Route 1, Box 185A New Effington, SD 57255
Wallace Evenson	Box 68 New Effington, SD 57255
Keith Bostrom	Rural Route 1, Box 164 New Effington, SD 57255

The initial Board of Directors shall serve as directors until the first annual meeting of shareholders or until their successors be elected and qualify.

ARTICLE XVII

INITIAL REGISTERED OFFICE AND INITIAL REGISTERED AGENT

There is no street address for the registered office of the Corporation, but the mailing address of the registered office is Main Street, Box 197, in the City of New Effington, County of Roberts, State of South Dakota 57255; and the name of its registered agent at such address is Pamela Harrington.

ARTICLE XVIII

NAME AND ADDRESS OF INCORPORATOR

The name and address of the Incorporator is Steven M. Maun, 1500 Woodmen Tower, Omaha, Nebraska 68102.

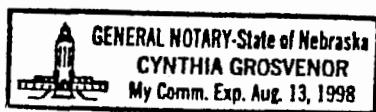
I, the undersigned, being the Incorporator hereinbefore named, for the purpose of forming a corporation under the South Dakota Business Corporation Act, adopt, sign, and acknowledge these Articles of Incorporation this 5th day of December, 1994.

Steven M. Maun

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that Steven M. Maun, whose name as incorporator of RC Communications, Inc., is signed to the foregoing Articles of Incorporation, and who is known to me to be such incorporator, appeared before me this date and executed the above Articles of Incorporation in his capacity as such incorporator with full authority, and acknowledged such to be his voluntary act and deed as such incorporator and the voluntary act and deed of the said Corporation.

WITNESS my hand and seal this 5 day of December,
1994.



Cynthia Grosvenor
Notary Public
My Commission Expires: 8-13-98

CONSENT OF REGISTERED AGENT

I, Pamela Harrington, hereby acknowledge and consent to the appointment of me as the registered agent of the Corporation (RC Communications, Inc.).

Pamela Harrington
Pamela Harrington

STATE OF SOUTH DAKOTA)
) ss.
COUNTY OF ROBERTS)

Subscribed and sworn to before me, a Notary Public in and for said County and State, on this 1st day of December, 1994.

Just Bottom
Notary Public

My Commission Expires: 4-3-98

EXHIBIT B

SERVICE AND PRICE LIST

Service and Price List

	<u>Rate per Line</u>
Residential Access Service	\$15.70/month
Business Access Service	\$26.00/month
End User Common Line	\$ 6.50/month
Telecommunications Relay Service	\$.15/month
9-1-1 Service	\$.75/month
900 Blocking	\$11.20 set-up
Anonymous Call Rejection	\$ 1.00/month
Automatic Call Back	\$ 1.00/month
Automatic Recall	\$ 1.00/month
Blocking	No Charge
Call Forwarding/Call Forwarding Remote Access	\$ 1.75/month
Call Forwarding/Busy Signal	\$ 1.75/month
Call Forwarding/No Answer	\$ 1.75/month
Calling Number	\$ 3.75/month
Calling Name and Number	\$ 5.95/month
Collect Blocking	No Charge
Distinctive Ringing/Call Waiting	\$ 2.00/month
Distinctive Ringing List	\$ 1.00/month
Do Not Disturb	\$ 1.00/month
International Blocking	No Charge
Third Party Blocking	No Charge
PIC Freeze	No Charge
PIN Restricted Toll Denial	\$ 1.00/month
Selective Call Acceptance	\$ 1.00/month
Selective Call Rejection	\$ 1.00/month
Selective Call Forwarding	\$ 1.00/month
Speed Calling, 8 Numbers	\$.50/month
Speed Calling, 30 Numbers	\$ 1.00/month
Telemarketer Screening	\$ 2.50/month
Toll Denial	\$ 3.00/month
3-Way Calling	\$ 1.75/month
Voice Mail-Residential	\$ 3.95/month
Voice Mail-Business	\$ 5.95/month

Packages

Call Waiting/Call Forwarding/3-Way Calling	\$ 3.75/month
The Right Pack (includes v-mail, calling name and number, call waiting, telemarketer screening, automatic recall, 3-way calling and call forwarding)	\$ 10.75/month

For any 2 or more \$1.00 features ordered, the price per feature is reduced to \$0.75.

Applicant also plans to offer service packages that bundle such products as custom calling features, RC Long Distance minutes, dial-up internet services, and DSL internet services with basic dial tone.

EXHIBIT C
FINANCIAL INFORMATION

RC COMMUNICATIONS, INC.

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT**

NOVEMBER 30, 2003

RC COMMUNICATIONS, INC.

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RC COMMUNICATIONS, INC.

BOARD OF DIRECTORS, OFFICERS AND MANAGER

William F. Koepe	President
Robert N. Meyer	Vice President
Jeffrey M. Bartnick	Secretary
Keith R. Bostrom	Treasurer
Judi A. Fritz	Director
Jerald L. Krueger	Director
Daren W. Medenwald	Director
Pamela J. Harrington	Manager

INDEPENDENT AUDITORS' REPORT

Board of Directors
RC Communications, Inc.
New Effington, South Dakota

We have audited the accompanying balance sheet of RC Communications, Inc. (a wholly owned subsidiary of Roberts County Telephone Cooperative Association of New Effington, South Dakota) as of November 30, 2003 and 2002, and the related statements of income and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RC Communications, Inc. as of November 30, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 9, 2004, on our consideration of RC Communications, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

January 9, 2004

Olsen Thielen & Co., Ltd.

RC COMMUNICATIONS, INC.

BALANCE SHEET
NOVEMBER 30, 2003 AND 2002

ASSETS		
	<u>2003</u>	<u>2002</u>
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 1,054,453	\$ 532,247
Cash - RUS Construction Fund	8	10
Accounts Receivable, Less Allowance of \$5,000 and \$25,003	147,913	136,967
Other Current Assets	677	442
Total Current Assets	<u>1,203,051</u>	<u>669,666</u>
INVESTMENTS	<u>251,791</u>	<u>239,476</u>
PROPERTY AND PLANT, NET	<u>5,875,230</u>	<u>5,797,849</u>
TOTAL ASSETS	<u>\$ 7,330,072</u>	<u>\$ 6,706,991</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Current Portion of Long-Term Debt	\$ 340,400	\$ 289,000
Accounts Payable	10,156	11,361
Payable to Parent Company	187,586	213,745
Accrued Taxes	53,092	49,626
Other Current Liabilities	27,119	24,737
Total Current Liabilities	<u>618,353</u>	<u>588,469</u>
LONG-TERM DEBT	<u>4,593,310</u>	<u>4,273,618</u>
DEFERRED INCOME TAXES	<u>526,985</u>	<u>451,222</u>
STOCKHOLDER'S EQUITY:		
Common Stock - \$.01 Par Value, 25,000 Shares Authorized, 10,000 Shares Issued and Outstanding	100	100
Paid in Capital	299,900	299,900
Retained Earnings	1,291,424	1,093,682
Total Stockholder's Equity	<u>1,591,424</u>	<u>1,393,682</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 7,330,072</u>	<u>\$ 6,706,991</u>

The accompanying notes are an integral part of the financial statements.

RC COMMUNICATIONS, INC.

STATEMENT OF CASH FLOWS
YEARS ENDED NOVEMBER 30, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 197,742	\$ 132,632
Adjustments to Reconcile Net Income to Net Cash Provided		
By Operating Activities:		
Depreciation and Amortization	595,766	563,475
CoBank Patronage Refund	(12,315)	(20,683)
Other Current Assets	(11,181)	(31,526)
Payable to Parent Company	(26,159)	67,739
Other Current Liabilities	4,643	(23,340)
Deferred Income Taxes	75,763	131,126
Net Cash Provided By Operating Activities	<u>824,259</u>	<u>819,423</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Plant Additions, Net of Salvage	(673,147)	(456,780)
Cash – RUS Construction Fund	2	150,000
Net Cash Used In Investing Activities	<u>(673,145)</u>	<u>(306,780)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Issuance of Long-Term Debt	662,568	–
Principal Payments of Long-Term Debt	(291,476)	(198,558)
Net Cash Provided By (Used In) Financing Activities	<u>371,092</u>	<u>(198,558)</u>
NET INCREASE IN CASH	522,206	314,085
CASH AND CASH EQUIVALENTS at Beginning of Year	<u>532,247</u>	<u>218,162</u>
CASH AND CASH EQUIVALENTS at End of Year	<u>\$ 1,054,453</u>	<u>\$ 532,247</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash Paid for:		
Interest	\$ 197,947	\$ 212,244
Income Taxes	\$ 20,186	\$ –
NONCASH OPERATING ACTIVITIES:		
Change in Accounts Payable and Long-Term Debt for Purchase of Telecommunications Plant	\$ –	\$ (39,216)

The accompanying notes are an integral part of the financial statements.

RC COMMUNICATIONS, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Company is a wholly owned subsidiary of Roberts County Telephone Cooperative Association of New Effington, South Dakota (RCTCA) with the principal line of business providing local telephone service, access to long-distance telephone service through its local exchange network. The revenues reported on the statement of income reflect the relative importance of each type of service. The principal market for these telecommunications services are local residential and business customers residing in northeastern South Dakota. The Company has no employees and RCTCA furnishes management, accounting, labor and other services.

Financial Statement Presentation

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States of America including certain accounting practices prescribed by the Federal Communications Commission and the South Dakota Public Service Commission. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all temporary cash investments of three months or less as cash and cash equivalents for the purposes of the statement of cash flows.

Receivables

Receivables are stated at the amount the Company expects to collect from outstanding balances. The Company provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Company has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable accounts. Changes in the valuation allowance have not been material to the financial statements.

Investments

Long-term investments in companies that are not intended for resale or are not readily marketable are valued at the lower of cost or net realizable value.

Property, Plant and Depreciation

Property and equipment are recorded at original cost. Additions, improvements or major renewals are capitalized. If the assets are sold, retired or otherwise disposed of in the ordinary course of business, the average book cost less net salvage is charged to accumulated depreciation.

Depreciation is computed using the straight-line method based on estimated service or remaining useful lives. Composite depreciation rates for telecommunications plant were 5.8% in 2003 and 2002.

Plant Acquisition Adjustment

The excess of the original cost of telecommunications plant acquired in 1996 over the purchase price is \$2,335,716 and is being amortized equally over 15 years. Accumulated amortization is \$1,162,988 and \$1,007,206 at November 30, 2003 and 2002. Amortization of the acquisition adjustment of \$155,792 was recorded as other income in 2003 and 2002.

RC COMMUNICATIONS, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - LONG-TERM DEBT

Long-term debt is as follows:

	<u>2003</u>	<u>2002</u>
CoBank, ACB (Cobank) Variable Rate, Current Rate 3.48%	\$ 2,115,526	\$ 2,317,297
Rural Utilities Service (RUS), Fixed Rate 5.0%	<u>2,818,184</u>	<u>2,245,321</u>
Total	4,933,710	4,562,618
Less Amount Due Within One Year	<u>340,400</u>	<u>289,000</u>
Long-Term Debt	<u>\$ 4,593,310</u>	<u>\$ 4,273,618</u>

The mortgage notes payable to RUS and to CoBank are secured by substantially all assets of the Company. The fixed rate CoBank note was converted to a variable rate loan in December 2002. The CoBank notes are payable in monthly installments ranging between \$17,645 and \$36,066 and mature April 2012. The RUS loans are payable in monthly installments of principal and interest ranging between \$4,009 and \$7,208 and mature October 2019.

Unadvanced RUS loan funds available to the Company as of November 30, 2003 total \$2,693,021. Unadvanced loan funds will be used to finance future construction and engineering costs. All RUS loan funds are deposited in the RUS construction fund and disbursements are restricted to construction costs and other expenditures authorized by the loan contract, subject to RUS approval.

In accordance with the CoBank loan, the Company must purchase non-voting equity in the CoBank, which entitles the Company to patronage refunds. These refunds are recorded when declared and are reflected as interest and dividend income in the statement of income.

Principal payments required to service the present debt during the next five years are: 2004 - \$340,400; 2005 - \$367,300; 2006 - \$396,300; 2007 - \$427,600; and 2008 - \$462,100.

Long-term debt agreements contain restrictions on dividends and redemption of equity capital. Retained earnings available for dividend distribution totaled \$98,871 as of November 30, 2003.

NOTE 4 - RELATED PARTY TRANSACTIONS

The Company has an agreement with its parent, Roberts County Telephone Cooperative Association of New Effington, South Dakota (RCTCA), whereby RCTCA is to furnish management, accounting, labor and other technical assistance. Compensation for such services is at cost plus 5%. The agreement is to continue in force until terminated by either party giving 30 days notice in writing of its desire to terminate the agreement. Total costs allocated to the Company under this agreement were \$300,706 and \$305,636 for 2003 and 2002. The Company also purchased storage space, circuit rental, and leased fiber from RCTCA. Total costs were \$114,016 and \$114,532 for 2003 and 2002.

The Company also leased fiber to RC Technologies Corporation (a subsidiary of RCTCA). Total revenues were \$16,520 and \$12,014 for 2003 and 2002.

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
RC Communications, Inc.
New Effington, South Dakota

Our report on our audits of the basic financial statements of RC Communications, Inc. (a wholly owned subsidiary of Roberts County Telephone Cooperative Association of New Effington, South Dakota) as of November 30, 2003 and 2002, appears on page 2. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole.

The supplementary information on pages 11-12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information, except for that portion marked "not audited", on which we express no opinion, has been subjected to the procedures applied in the audits of the basic financial statements and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

St. Paul, Minnesota
January 9, 2004

Olsen Thielen & Co., Ltd.

RC COMMUNICATIONS, INC.

SCHEDULE OF PLANT AND ACCUMULATED DEPRECIATION
YEAR ENDED NOVEMBER 30, 2003

	Depreciation Rates	Plant			Accumulated Depreciation		
		Balance 11/30/02	Additions	Retirements	Balance 11/30/03	Balance 11/30/03	Percent to Plant
TELECOMMUNICATIONS PLANT IN SERVICE:							
Land	—%	\$ 5,662	\$	\$	\$ 5,662	\$ —	—%
Organization	—	1,544			1,544	1,544	100.0
Vehicles	9.19	36,612	27,364		63,976	22,744	35.6
Work Equipment - Tools	14.29	35,387			35,387	12,638	35.7
Work Equipment - Construction	14.29	51,870			51,870	47,664	91.9
Buildings	3.00	384,571			384,571	164,373	42.7
Furniture	10.00	4,450			4,450	—	—
Office Equipment	14.29	609			609	609	100.0
Communications Equipment	13.40	1,061			1,061	943	88.9
General Office Digital Switching	10.00	1,809,676	57,115		1,866,791	1,151,497	61.7
Circuit Equipment:	10.00	823,283	175,622	17,984	980,921	450,740	46.0
COE Light Wave	10.00	1,234,175			1,234,175	945,502	76.6
Other Terminal Equipment	14.31	16,191			16,191	13,013	80.4
Buried Cable	4.20	3,468,822	61,133	3,902	3,526,053	2,356,101	66.8
Fiber Optic Cable	4.00	4,784,254	344,641		5,128,895	1,157,938	22.6
Total Plant In Service		12,658,167	665,875	21,886	13,302,156	6,325,306	47.6%
UNDER CONSTRUCTION		47,196	23,902	—	71,098	—	
TOTAL TELECOMMUNICATIONS PLANT		12,705,363	\$689,777	\$21,886	13,373,254	\$6,325,306	
ACCUMULATED DEPRECIATION		5,579,005			6,325,306		
NET PLANT, Before Plant Acquisition Adjustment		7,126,358			7,047,948		
PLANT ACQUISITION ADJUSTMENT, NET OF AMORTIZATION		(1,328,510)			(1,172,718)		
NET PLANT		\$5,797,848			\$5,875,230		

RC COMMUNICATIONS, INC.

STATISTICAL AND ANALYTICAL INFORMATION YEARS ENDED NOVEMBER 30, (Not Audited)

	2003	2002	2001	2000
ACCESS LINES:				
Residence	1,293	1,235	1,248	1,238
Business	267	322	300	306
Total	<u>1,560</u>	<u>1,557</u>	<u>1,548</u>	<u>1,544</u>
TELECOMMUNICATIONS PLANT STATISTICS:				
In Service (Thousands)	\$ 13,302	\$ 12,658	\$ 12,290	\$ 10,404
Per Access Line	\$ 8,527	\$ 8,130	\$ 7,939	\$ 6,738
Per Dollar of Operating Revenue	\$ 7.1	\$ 7.3	\$ 7.3	\$ 6.0
Plant Additions and Acquisition (Thousands)	\$ 690	\$ 417	\$ 1,553	\$ 1,610
Percent Depreciated to Date	47.6%	44.1%	39.6%	40.4%
Composite Depreciation Rate	5.8%	5.8%	6.0%	5.9%
FINANCIAL STATISTICS:				
Operating Revenues Per Access Line	\$ 1,198	\$ 1,113	\$ 1,086	\$ 1,120
Operating Income Per Access Line	\$ 176	\$ 132	\$ 153	\$ 391
Net Income Per Access Line	\$ 127	\$ 85	\$ 119	\$ 206
Net Income to Beginning Equity	14.2%	10.5%	17.1%	42.0%
Equity to Total Assets	21.7%	20.8%	15.5%	15.5%
Debt to Total Assets	67.3%	63.7%	58.6%	53.0%
Cost of Long-Term Debt	4.4%	4.5%	5.8%	7.6%
Current Ratio	1.8	1.1	1.0	0.4
Times Interest Earned Ratio	2.0	2.3	1.8	2.3
SUMMARY OF STATEMENT OF INCOME (Thousands):				
Local Network Revenue	\$ 431	\$ 429	\$ 401	\$ 401
Network Access Revenue	1,386	1,288	1,242	1,290
Other Revenue	52	17	39	38
Total Operating Revenues	<u>1,869</u>	<u>1,734</u>	<u>1,682</u>	<u>1,729</u>
Total Operating Expenses	<u>1,594</u>	<u>1,529</u>	<u>1,446</u>	<u>1,126</u>
Operating Income	275	205	236	603
Other Income, Net	214	227	266	131
Interest Expense	(197)	(209)	(235)	(252)
Income Taxes	(94)	(90)	(83)	(164)
Net Income	<u>\$ 198</u>	<u>\$ 133</u>	<u>\$ 184</u>	<u>\$ 318</u>
BOOK VALUE PER SHARE OF COMMON STOCK	\$ 159	\$ 139	\$ 126	\$ 108

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Board of Directors
RC Communications, Inc.
New Effington, South Dakota

We have audited the financial statements of RC Communications, Inc. as of and for the years ended November 30, 2003 and 2002, and have issued our report thereon dated January 9, 2004. We conducted our audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Company's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit we considered the Company's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

We also noted other matters involving the internal control over financial reporting which we have reported to the management of the Company in a separate letter dated January 9, 2004.

This report is intended solely for the information and use of the Board of Directors, audit committee, management, the Rural Utilities Service and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

January 9, 2004

Olsen Thielens & Co., LTD.

INDEPENDENT AUDITORS' MANAGEMENT LETTER
FOR TELECOMMUNICATIONS BORROWERS

Board of Directors
RC Communications, Inc.
New Effington, South Dakota

We have audited the financial statements of RC Communications, Inc. for the year ended November 30, 2003, and have issued our report thereon dated January 9, 2004. We conducted our audit in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service (RUS) Borrowers*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of the Company for the year ended November 30, 2003, we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting that we consider to be a material weakness as defined above.

Section 1773.33 requires comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters. We have grouped our comments accordingly. In addition to obtaining reasonable assurance about whether the financial statements are free from material misstatements, at your request, we performed tests of specific aspects of the internal control over financial reporting, of compliance with specific RUS loan and security instrument provisions, and of additional matters. The specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and additional matters tested include, among other things, the accounting procedures and records, materials control, compliance with specific RUS loan and security instrument provisions set forth in Section 1773.33(e)(2), and related party transactions and investments. In addition, our audit of the financial statements also included the procedures specified in Sections 1773.38 through 1773.45 in all material respects. Our objective was not to provide an opinion on these specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, or additional matters, and accordingly, we express no opinion thereon.

No reports (other than our independent auditors' report and our independent auditors' report on compliance and on internal control over financial reporting, all dated January 9, 2004) or summary of recommendations related to our audit have been furnished to management.

Our comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters as required by Section 1773.33 are presented below.

I. COMMENTS ON CERTAIN SPECIFIC ASPECTS OF THE INTERNAL CONTROL OVER FINANCIAL REPORTING

We noted no matters regarding the Company's internal control over financial reporting and its operation that we consider to be a material weakness (as previously defined) with respect to the accounting procedures and records, the process for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts, and the control of materials and supplies.

II. COMMENTS ON COMPLIANCE WITH SPECIFIC RUS LOAN AND SECURITY INSTRUMENT PROVISIONS

At your request, we have performed the procedures enumerated below with respect to compliance with certain provisions of laws, regulations, contracts, and grants. The procedures we performed are summarized as follows:

- A. Procedures performed with respect to the requirement for a borrower to obtain written approval of the mortgagee to enter into any contract, agreement or lease between the borrower and an affiliate of the Company for the year ended November 30, 2003.
 - 1. Obtained and read a borrower-prepared schedule of new written contracts, agreements or leases entered into during the year between the borrower and an affiliate as defined in Section 1773.33(e)(2)(i).
 - 2. Reviewed Board of Director minutes to ascertain whether board-approved written contracts are included in the borrower-prepared schedule.
 - 3. Noted the existence of written RUS approval of each contract listed by the borrower.
- B. Procedure performed with respect to the requirement to submit RUS Form 479 to the RUS:
 - 1. Agreed certain amounts reported in Form 479 to the Company's records.

The results of our tests indicate that, with respect to the items tested, the Company complied, in all material respects, with the specific RUS loan and security instrument provisions referred to below. The specific provisions tested, as well as any exceptions noted, include the requirements that:

- A. The borrower has obtained written approval from the RUS to enter into any contract, agreement or lease with an affiliate as defined in Section 1773.33(e)(2)(i); and,
- B. The borrower has submitted its Form 479 to the RUS, and Form 479, Financial and Statistical Report as of December 31, 2002, represented by the borrower as having been submitted to the RUS, appears reasonable based upon the audit procedures performed as of November 30, 2003.

III. COMMENTS ON OTHER ADDITIONAL MATTERS

In connection with our audit of the financial statements of RC Communications, Inc., nothing came to our attention that caused us to believe that the Company failed to comply with respect to:

- A. The reconciliation of subsidiary plant records to the controlling general ledger plant accounts addressed at Section 1773.33(c)(1), except that the continuing property records have not been updated since December 31, 2000;
- B. The clearing of the construction accounts and the accrual of depreciation on completed construction addressed at Section 1773.33(c)(2);
- C. The retirement of plant addressed at Section 1773.33(c)(3) and (4);
- D. The approval of the sale, lease or transfer of capital assets and disposition of proceeds for the sale of plant, material, or scrap addressed at Section 1773.33(c)(5);

- E. The disclosure of material related party transactions, in accordance with Statement of Financial Accounting Standards No. 57, *Related Party Transactions*, for the year ended November 30, 2003 in the financial statements referenced in the first paragraph of this report addressed at Section 1773.33(f); and,
- F. The detailed schedule of investments.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The detailed schedule of investments required by Section 1773.33(i), and provided below, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

	CoBank (2)	South Dakota Network, LLC (1)
Investment Cost	\$ 139,656	\$ 96,413
Cumulative Earnings (Losses) as of December 1, 2002	-	-
Cumulative Distributions as of December 1, 2002	-	-
Book Value of Investment as of December 1, 2002	139,656	96,413
Purchase of Patronage Certificates	14,532	-
Earnings (Losses) in 2003	-	-
Distributions in 2003	-	-
Book Value of Investment as of November 30, 2003	<u>\$ 154,188</u>	<u>\$ 96,413</u>

Company (1) is 1.4% owned limited liability corporation that leases cable facilities to and from rural telephone companies. The investment is accounted for using the cost method. In 2003, income distributions of \$10,680 was received from Company (1) and recorded as income under the cost method of income. Distributions received and recorded as income in prior years totaled \$23,344.

Company (2) is a cooperative that makes loans to utilities. The investment in the cooperative is minor. Patronage certificates are purchased each year pursuant to the loan agreement. The investment is accounted for using the cost method. In 2003 and 2002, cash distributions of \$6,228 and \$3,613 were received and recorded as income under the cost method.

This report is intended solely for the information and use of the Board of Directors, management, and the Rural Utilities Service and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

RC COMMUNICATIONS
BALANCE SHEET

Line #		Present Year Year To Date	Previous Year Year To Date	*Increase/ Decrease*	Previous Year Year Ending
ASSETS					
CURRENT ASSETS					
1	CHECKING A/C NEW	\$146,674.50	\$187,319.18	(\$40,644.68)	\$187,319.18
2	WILMOT STATE BANK	\$992.76	\$992.76	\$0.00	\$992.76
3	TRUSTEE, RUS	\$8.00	\$9.90	(\$1.90)	\$9.90
4	MERRILL LYNCH ACCOUNT	\$21,790.46	\$4,571.16	\$17,219.30	\$4,571.16
5	FIRST SAVING BANK-VEBLEN	\$94,427.27	\$93,539.97	\$887.30	\$93,539.97
6	TEMPORARY CASH	\$825,000.00	\$250,000.00	\$575,000.00	\$250,000.00
7	DUE FROM CUSTOMERS	\$23,453.28	\$21,139.08	\$2,314.20	\$21,139.08
8	COLLECTIONS IN PROGRESS	\$5,017.84	\$1,978.28	\$3,039.56	\$1,978.28
9	DUE FROM CUSTOMERS -	(\$2,738.29)	(\$6,304.41)	\$3,566.12	(\$6,304.41)
10	NSF CHECKS	\$764.74	\$1,320.34	(\$555.60)	\$1,320.34
11	TOLL ADJUSTMENTS	(\$377.16)	(\$377.16)	\$0.00	(\$377.16)
12	UNBILLED ACCESS	\$22,500.00	\$22,500.00	\$0.00	\$22,500.00
13	A/R ALLOWANCE -	(\$5,000.00)	(\$5,000.00)	\$0.00	(\$5,000.00)
14	OTHER ACCT'S RECEIVABLE	(\$331.90)	(\$300.00)	(\$31.90)	(\$300.00)
15	OTHER ACCT'S RECEIVABLE-	\$534.93	\$482.03	\$52.90	\$482.03
16	ACCT'S RECEIVABLE QWEST	\$2,140.33	\$2,928.50	(\$788.17)	\$2,928.50
17	ACCT'S RECEIVABLE AT&T	\$23,626.50	\$36,241.95	(\$12,615.45)	\$36,241.95
18	ACCT'S RECEIVABLE OTHER	\$58,130.62	\$81,929.23	(\$23,798.61)	\$81,929.23
19	UNCOLLECTIBLE	\$0.03	(\$20,022.97)	\$20,023.00	(\$20,022.97)
20	A/R - RC TECHNOLOGIES	\$799.98	\$479.98	\$320.00	\$479.98
21	A/R-RCTCA	\$0.00	\$84,807.32	(\$84,807.32)	\$84,807.32
22	A/R RCTCA-NECA	\$0.00	\$16,902.00	(\$16,902.00)	\$16,902.00
	PREPAID INSURANCE	\$0.02	\$0.01	\$0.01	\$0.01
24	PREPAID LEASE	\$14,998.50	\$14,998.50	\$0.00	\$14,998.50
25	OTHER PREPAYMENTS	\$3.43	\$0.07	\$3.36	\$0.07
26	PREPAID GIFT CERTIFICATES	(\$5.00)	(\$5.00)	\$0.00	(\$5.00)
27	TOTAL	\$1,232,410.84	\$790,130.72	\$442,280.12	\$790,130.72
NONCURRENT ASSETS					
28	INVESTMENT IN COBANK	\$154,187.98	\$139,656.33	\$14,531.65	\$139,656.33
29	INVESTMENTS IN	\$96,413.00	\$96,413.00	\$0.00	\$96,413.00
30	NONREGULATED INVEST.	(\$55.50)	(\$55.50)	\$0.00	(\$55.50)
31	NONREG. INVESTMENT	\$3,770.00	\$15,520.16	(\$11,750.16)	\$15,520.16
32	NONREG-ACCUM DEPR-	(\$2,569.66)	(\$12,242.47)	\$9,672.81	(\$12,242.47)
33	DEFERRED CHARGES	(\$1,943.42)	(\$1,943.42)	\$0.00	(\$1,943.42)
34	TOTAL	\$249,802.40	\$237,348.10	\$12,454.30	\$237,348.10
REGULATED PLANT					
35	PLANT UNDER CONSTRUCT -	\$48,146.90	\$58,484.64	(\$10,337.74)	\$58,612.30
36	PLANT UNDER CONST -	\$31,399.88	\$4,614.13	\$26,785.75	\$4,614.13
37	TOTAL	\$79,546.78	\$63,098.77	\$16,448.01	\$63,226.43
GOODWILL					
38	GOODWILL	(\$2,335,715.98)	(\$2,335,715.98)	\$0.00	(\$2,335,715.98)
39	ACCUMULATED	\$1,175,980.86	\$1,020,188.58	\$155,792.28	\$1,020,188.58
40	TOTAL	(\$1,159,735.12)	(\$1,315,527.40)	\$155,792.28	(\$1,315,527.40)
TELECOM PLANT IN SERVICE					

RC COMMUNICATIONS
BALANCE SHEET

Line #		Present Year Year To Date	Previous Year Year To Date	*Increase/ Decrease*	Previous Year Year Ending
	LAND	\$5,662.13	\$5,662.13	\$0.00	\$5,662.13
42	MOTOR VEHICLES	\$63,976.23	\$36,612.25	\$27,363.98	\$36,612.25
43	OTHER WORK EQUIPMENT -	\$35,386.70	\$35,386.70	\$0.00	\$35,386.70
44	WORK EQUIPMENT -	\$51,870.00	\$51,870.00	\$0.00	\$51,870.00
45	BUILDINGS	\$384,570.71	\$384,570.71	\$0.00	\$384,570.71
46	FURNITURE	\$4,450.37	\$4,450.37	\$0.00	\$4,450.37
47	OFFICE SUPPORT EQUIPMENT	\$608.84	\$608.84	\$0.00	\$608.84
48	COMPANY	\$1,061.24	\$1,061.24	\$0.00	\$1,061.24
49	CENTRAL OFFICE DIGITAL	\$1,866,790.75	\$1,809,675.68	\$57,115.07	\$1,809,675.68
50	CENTRAL OFFICE CIRCUIT	\$980,920.65	\$823,283.42	\$157,637.23	\$823,283.42
51	CENTRAL OFFICE - LIGHT	\$1,234,174.71	\$1,234,174.71	\$0.00	\$1,234,174.71
52	OTHER TERMINAL EQUIPMENT	\$16,190.90	\$16,190.90	\$0.00	\$16,190.90
53	BURIED CABLE FILLED	\$3,526,230.05	\$3,470,164.78	\$56,065.27	\$3,470,164.78
54	BURIED CABLE - FIBER OPTI	\$5,128,894.70	\$4,784,254.11	\$344,640.59	\$4,784,254.11
55	ORGANIZATION	\$1,543.80	\$1,543.80	\$0.00	\$1,543.80
56	TOTAL	\$13,302,331.78	\$12,659,509.64	\$642,822.14	\$12,659,509.64

DEPRECIATION & AMORTIZATION

57	ACCUMULATED DEP MOTOR	(\$23,234.15)	(\$18,612.29)	(\$4,621.86)	(\$18,612.29)
58	ACCUMULATED DEP OTHER	(\$12,638.10)	(\$12,638.10)	\$0.00	(\$12,638.10)
59	ACCUMULATED DEP. WORK	(\$48,282.08)	(\$40,864.52)	(\$7,417.56)	(\$40,864.52)
60	ACCUMULATED DEP	(\$165,334.36)	(\$153,797.20)	(\$11,537.16)	(\$153,797.20)
61	ACCUMULATED DEP OFFICE	(\$608.84)	(\$572.94)	(\$35.90)	(\$572.94)
62	ACCUMULATED DEP COMP.	(\$955.97)	(\$804.17)	(\$151.80)	(\$804.17)
63	ACCUM. DEP. CENTRAL OF	(\$1,168,426.88)	(\$985,616.94)	(\$182,809.94)	(\$985,616.94)
	ACCUM. DEP CO. CIRCUIT	(\$459,056.83)	(\$374,410.55)	(\$84,646.28)	(\$374,410.55)
65	ACCUM. DEP CO. LIGHT	(\$955,786.69)	(\$832,374.13)	(\$123,412.56)	(\$832,374.13)
66	ACCUM. DEP OTHR	(\$13,206.13)	(\$10,890.73)	(\$2,315.40)	(\$10,890.73)
67	ACCUM. DEP. BURIED CABLE	\$2,368,442.58	(\$2,226,575.49)	(\$141,867.09)	(\$2,226,575.49)
68	ACCUM. DEP BURIED CABLE	\$1,175,032.51	(\$982,532.78)	(\$192,499.73)	(\$982,532.78)
69	ACCUMULATED AMORT -	(\$1,543.80)	(\$1,543.80)	\$0.00	(\$1,543.80)
70	TOTAL	(\$6,392,548.92)	(\$5,641,233.64)	(\$751,315.28)	(\$5,641,233.64)

71	TOTAL ASSETS	\$7,311,807.76	\$6,793,326.19	\$518,481.57	\$6,793,453.85
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LIABILITIES & STOCKHOLDERS EQUITY

CURRENT LIABILITIES

72	A/P RC TECHNOLOGIES	\$26,985.33	\$8,264.21	\$18,721.12	\$8,264.21
73	A/P RC TECH CELL	\$0.00	(\$13.56)	\$13.56	(\$13.56)
74	RCT PAYABLE MONTHLY	\$150.00	\$0.00	\$150.00	\$0.00
75	ACCOUNTS PAYABLE	\$3.97	\$3.97	\$0.00	\$131.63
76	OTHER ACCOUNTS PAYABLE	(\$609.87)	\$3,957.53	(\$4,567.40)	\$3,957.53
77	A/P EXCISE TAX	\$1,822.57	\$1,796.29	\$26.28	\$1,796.29
78	A/P SALES TAX	\$2,593.58	\$2,383.99	\$209.59	\$2,383.99
79	A/P STATE SALES TAX -	\$217.19	\$196.34	\$20.85	\$196.34
80	A/P 9-1-1 SURCHARGE	\$3,298.36	\$3,304.30	(\$5.94)	\$3,304.30
81	A/P COMMUNICATNS	\$420.67	\$419.92	\$0.75	\$419.92
82	A/P COMMUNICATNS	\$1.97	\$1.68	\$0.29	\$1.68
83	A/P QWEST	\$128.14	\$251.61	(\$123.47)	\$251.61
84	A/P AT&T	\$2,417.37	(\$791.17)	\$3,208.54	(\$791.17)
85	A/P NECA	\$732.30	\$608.69	\$123.61	\$608.69
	A/P OTHER CARRIERS	\$1.47	\$1.47	\$0.00	\$1.47
	A/P E911 SURCHARGE	\$32.89	\$36.00	(\$3.11)	\$36.00

RC COMMUNICATIONS
 BALANCE SHEET

Line #		Present Year Year To Date	Previous Year Year To Date	*Increase/ Decrease*	Previous Year Year Ending
	ACCOUNTS PAYABLE -	\$48,851.06	\$241,334.46	(\$192,483.40)	\$241,334.46
89	CUSTOMER DEPOSITS	\$17,930.00	\$16,000.00	\$1,930.00	\$16,000.00
90	ACCRUED FEDERAL INCOME	\$88,208.56	\$50,767.68	\$37,440.88	\$50,767.68
91	ACCRUED TAXES GROSS	\$58,259.55	\$53,988.13	\$4,271.42	\$53,988.13
92	ACCRUED INTEREST RUS	\$4,739.99	(\$0.01)	\$4,740.00	(\$0.01)
93	ACCRUED INTEREST - BANK	\$8,767.68	\$9,572.34	(\$804.66)	\$9,572.34
94	TOTAL	\$264,952.78	\$392,083.87	(\$127,131.09)	\$392,211.53
LONG TERM DEBT					
95	RUS NOTES	\$5,501,656.29	\$5,593,972.36	(\$92,316.07)	\$5,593,972.36
96	COBANK NOTES	\$2,097,880.48	\$2,301,165.35	(\$203,284.87)	\$2,301,165.35
97	RUS NOTES UNADVANCED	(\$2,693,021.00)	(\$3,355,589.00)	\$662,568.00	(\$3,355,589.00)
98	TOTAL	\$4,906,515.77	\$4,539,548.71	\$366,967.06	\$4,539,548.71
OTHER LIABILITES & DEFERRED CREDITS					
99	DEFERRED TAX	\$526,985.00	\$451,222.00	\$75,763.00	\$451,222.00
10	TOTAL	\$526,985.00	\$451,222.00	\$75,763.00	\$451,222.00
MEMBERS EQUITY					
10	CAPITAL STOCK	\$100.00	\$100.00	\$0.00	\$100.00
10	PAID IN CAPITAL	\$299,900.00	\$299,900.00	\$0.00	\$299,900.00
10	RETAINED EARNINGS	\$1,313,354.21	\$1,110,471.61	\$202,882.60	\$1,110,471.61
10	TOTAL	\$1,613,354.21	\$1,410,471.61	\$202,882.60	\$1,410,471.61
10	TOTAL LIABILITIES & EQUITY	\$7,311,807.76	\$6,793,326.19	\$518,481.57	\$6,793,453.85

RC COMMUNICATIONS
OPERATING STATEMENT

Line #		Present Year Current Period	%	Previous	Present Year Year To Date	%	Previous Year To Date
LOCAL NETWORK SERVICE REVENUE							
1	BASIC SERVICE LOCAL ACCESS	\$27,684.47	16.20	\$27,982.22	\$338,236.88	17.82	\$339,694.28
2	BASIC SERVICE - LIFE LINE	\$1,205.00	0.70	\$1,219.00	\$12,681.00	0.66	\$9,541.00
3	PUBLIC TELEPHONE	\$17.68	0.01	\$17.68	\$214.15	0.01	\$99.45
4	LOCAL PRIVATE LINE	\$191.40	0.11	\$191.40	\$2,296.80	0.12	\$2,296.80
5	LOCAL OPERATOR SERVICE	\$0.00		\$0.00	\$0.16		\$0.56
6	SERVICE CONNECTION	\$1,415.00	0.82	\$1,040.00	\$11,493.00	0.60	\$10,451.00
7	TERMINATING WIRELESS	\$6,517.49	3.81	\$2,293.15	\$39,050.19	2.05	\$23,659.10
8	OPTIONAL SERVICE CWT	\$356.34	0.20	\$368.70	\$4,269.70	0.22	\$4,030.16
9	OPTIONAL SERVICE CFW	\$103.73	0.06	\$98.00	\$1,236.28	0.06	\$1,206.89
10	OPTIONAL SERVICE 3WC	\$48.47	0.02	\$41.46	\$526.86	0.02	\$492.93
11	OPTIONAL SERVICE SC8	\$2.50		\$2.50	\$32.98		\$29.68
12	OPTIONAL SERVICE SC30	\$0.00		\$0.00	\$0.00		\$15.00
13	OPTIONAL SERVICE CC PACKAGE	\$20.00	0.01	\$18.75	\$169.25		\$238.48
14	OPTIONAL SERVICE TR	\$313.10	0.18	\$281.07	\$3,587.51	0.18	\$3,612.01
15	OPTIONAL SERVICE 0 PLUS	\$27.00	0.01	\$27.00	\$326.70	0.01	\$150.00
16	OPTIONAL SERVICE TEEN SERVICE	\$70.00	0.04	\$70.00	\$782.61	0.04	\$617.64
17	CLASS FEATURE AUTO CALL BACK	\$32.93	0.01	\$35.80	\$445.60	0.02	\$473.01
18	CLASS FEATURE AUTO RECALL	\$10.34		\$7.32	\$93.38		\$121.23
19	CLASS FEAT SELECTIVE CALL	\$3.00		\$3.00	\$29.64		\$23.90
20	CLASS FEAT SELECT CALL	\$3.83		\$4.17	\$38.43		\$36.30
21	CLASS FEAT SELECT CALL	\$0.00		\$0.00	\$4.60		\$12.00
22	CLASS FEAT ANONY CALL	\$7.33		\$8.00	\$95.99		\$97.07
23	CLASS FEATURE CALLER ID & NAME	\$2,828.56	1.65	\$2,811.49	\$32,266.79	1.70	\$28,654.78
24	AIN-TELEMARKETER SCREENING	\$295.23	0.17	\$288.46	\$2,735.01	0.14	\$1,666.19
	AIN-DO NOT DISTURB	\$0.00		\$0.00	\$0.00		\$1.96
25	TELE ASSISTANCE PLAN - FEDERAL	(\$721.93)	-0.42	(\$672.97)	(\$7,672.02)	-0.40	(\$5,743.49)
27	TELE ASSISTANCE PLAN - STATE	(\$194.37)	-0.11	(\$181.19)	(\$2,146.80)	-0.11	(\$1,860.91)
28	ENHANCED LIFELINE ASSISTANCE-	(\$227.92)	-0.13	(\$177.41)	(\$2,157.06)	-0.11	(\$1,034.72)
29	TOTAL	\$40,009.18	23.43	\$35,777.60	\$438,637.63	23.12	\$418,582.30
NETWORK ACCESS SERVICES REVENUE							
30	END USER RESIDENCE	\$7,846.68	4.59	\$7,945.62	\$92,596.76	4.88	\$81,715.56
31	END USER BUSINESS	\$2,800.11	1.63	\$2,804.86	\$33,238.25	1.75	\$32,320.71
32	FUSC-BASIC RATE PER LINE CHARGE	\$1,214.73	0.71	\$1,222.25	\$12,291.94	0.64	\$4,138.58
33	FUSC-SPECIAL ACCESS SERVICES	\$0.00		\$0.00	\$0.00		\$63.92
34	INTERSTATE COMMON LINE	\$15,065.00	8.82	\$14,977.00	\$187,632.43	9.89	\$174,363.61
35	INTER DA INFORMATION SURCHARGE	\$69.02	0.04	\$69.54	\$792.09	0.04	\$1,139.88
36	INTERSTATE LOCAL SWITCHING	\$8,965.38	5.24	\$9,566.30	\$117,232.02	6.17	\$96,830.60
37	INTERSTATE PIC CHARGES	\$80.00	0.04	\$140.00	\$1,595.00	0.08	\$2,045.00
38	INTERSTATE LOCAL TRANSPORT	\$10,101.70	5.91	\$10,207.98	\$144,054.97	7.59	\$198,686.65
39	INTERSTATE TRAFFIC SENSITIVE	\$10,748.52	6.29	\$11,161.52	\$79,633.34	4.19	\$41,506.11
40	INTERSTATE DATA BASE QUERY	\$197.00	0.11	\$203.44	\$2,637.35	0.13	\$2,549.08
41	INTERSTATE INTERCONNECTION CHG	\$0.00		\$0.00	\$0.00		\$8.29
42	INTERSTATE DSL REVENUE	\$3,064.34	1.79	\$3,031.39	\$21,522.79	1.13	\$0.00
43	INTERSTATE SPECIAL ACCESS	\$5,232.67	3.06	\$5,310.61	\$54,185.39	2.85	\$50,753.28
44	INTRASTATE COMMON LINE	\$15,350.95	8.98	\$13,866.73	\$146,163.80	7.70	\$125,302.90
45	INTRASTATE DA INFORMATION	\$48.07	0.02	\$48.71	\$653.15	0.03	\$882.31
46	INTRASTATE LOCAL SWITCHING	\$8,488.76	4.97	\$8,168.95	\$94,509.59	4.98	\$71,002.71
47	INTRASTATE PIC CHARGES	\$90.00	0.05	\$130.00	\$1,509.17	0.07	\$1,770.00
48	INTRASTATE LOCAL TRANSPORT	\$10,754.19	6.29	\$9,716.32	\$107,770.00	5.68	\$99,075.44
	INTRASTATE REV - LECA	\$47,156.27	27.61	\$47,349.71	\$532,057.32	28.04	\$496,305.00
50	INTRASTATE REV-LECA DIFFERENC	(\$30,014.33)	-17.57	(\$29,715.33)	(\$322,775.54)	-17.01	(\$287,573.54)

RC COMMUNICATIONS
OPERATING STATEMENT

Line #	Present Year		%	Present Year		Previous	
	Current Period			Previous	Year To Date	% Year To Date	Year To Date
	INTRASTATE DATABASE QUERY	\$0.09		\$0.07	\$2.07		\$3.13
52	INTRASTATE SPECIAL ACCESS REV	\$1,004.42	0.58	\$1,153.87	\$12,803.01	0.67	\$13,409.48
53	EXPRESS REVENUE	\$7,246.13	4.24	\$6,770.15	\$85,703.31	4.51	\$86,930.72
54	TOTAL	\$125,509.70	73.49	\$124,129.69	\$1,405,808.21	74.10	\$1,293,229.42
MISCELLANEOUS REVENUE							
55	DIRECTORY REVENUE	\$0.00		\$0.00	\$0.00		\$1,600.00
56	DIRECTORY REV LOCAL	\$700.60	0.41	\$640.03	\$7,662.74	0.40	\$6,892.93
57	DIRECTORY REV. FOREIGN	\$0.00		\$0.00	\$160.28		\$80.96
58	DIRECTORY REV NATIONAL	\$0.00		\$0.00	\$28.39		\$3.25
59	RENT REVENUE	\$57.37	0.03	\$57.37	\$635.87	0.03	\$760.84
60	OTHER MISC REVENUE	\$1,384.86	0.81	\$0.00	\$1,664.86	0.08	\$10.00
61	OTHER MISC REVENUE-FIBER LEASE	\$1,501.80	0.87	\$1,501.80	\$16,519.80	0.87	\$13,516.20
62	MISC. REVENUE RC LONG DISTANCE	\$5.00		\$5.00	\$60.00		\$60.00
63	MISC REV-LATE CHG/COMM IMP	\$640.00	0.37	\$780.00	\$9,540.00	0.50	\$6,670.00
64	OTHER MISC REV - US INTELCO	\$0.00		\$0.00	\$261.83	0.01	\$427.50
65	INTRASTATE BILLING & COLLECTION	\$480.43	0.28	\$470.26	\$5,621.28	0.29	\$6,344.27
66	INTERSTATE BILLING & COLLECTION	\$300.19	0.17	\$290.33	\$3,800.42	0.20	\$4,081.83
67	AOS/OSP BILLING & COLLECTION	(\$335.73)	-0.19	\$1,335.38	\$2,724.80	0.14	\$3,024.87
68	OTHER CARRIERS BILLING &	\$539.88	0.31	(\$68.65)	(\$1,769.03)	-0.09	(\$171.16)
69	UNCOLLECTIBLES	\$0.00		\$2,684.68	\$497.15	0.02	(\$30,927.89)
70	RETURNED TOLL	\$0.00		\$0.00	\$5,263.43	0.27	\$4,209.55
71	TOTAL	\$5,274.40	3.09	\$7,696.20	\$52,671.82	2.78	\$16,583.15
72	TOTAL OPERATING REVENUE	\$170,793.28	100.00	\$167,603.49	\$1,897,117.66	100.00	\$1,728,394.87
PLANT SPECIFIC OPERATIONS EXPENSE							
73	MOTOR VEHICLE EXPENSE	\$0.00		\$0.00	\$936.85	0.04	\$14.94
74	OTHER WORK EQUIP EXPENSE -	(\$474.40)	-0.27	\$17.84	\$0.00		\$0.00
75	WORK EQUIPMENT EXPENSE -	\$1.83		\$1.83	\$67.42		\$29.39
76	GENERAL SUPPORT EXPENSE	\$1,156.00	0.67	\$121.22	\$10,537.23	0.55	\$10,019.64
77	GENERAL PURPOSE COMPUTER	\$91.17	0.05	\$140.69	\$2,511.29	0.13	\$1,419.10
78	CO DIGITAL EXPENSE	\$9,719.05	5.69	\$9,255.42	\$127,582.64	6.72	\$162,319.81
79	CO DIGITAL EXPENSE -	\$0.00		\$0.00	\$0.00		\$53.00
80	CO CIRCUIT EQUIPMENT EXPENSE	\$1,669.68	0.97	\$26,584.18	\$26,190.65	1.38	\$15,267.35
81	CIRCUIT EQUIP. LIGHT WAVE EXP	\$66.92	0.03	\$66.92	\$803.04	0.04	\$515.29
82	PUBLIC TELEPHONE TERM EQUIP. EXP.	\$0.00		\$0.00	\$6.55		\$0.00
83	OTHER TERMINAL EQUIP. EXPENSE	\$611.81	0.35	\$320.77	\$16,538.53	0.87	\$8,083.96
84	BURIED CABLE EXPENSE	\$3,893.87	2.27	\$9,931.11	\$90,923.91	4.79	\$69,105.77
85	BURIED CABLE EXP. FIBER	\$1,427.76	0.83	\$1,764.13	\$22,043.30	1.16	\$18,667.36
86	TOTAL	\$18,163.69	10.63	\$48,204.11	\$298,141.41	15.72	\$285,495.61
PLANT NONSPECIFIC OPERATIONS EXPENSE							
87	NETWORK OPERATIONS EXPENSE	\$8,809.33	5.15	\$3,868.44	\$51,635.52	2.72	\$43,261.20
88	DATABASE QUERY EXPENSE	\$1,622.57	0.95	\$447.26	\$6,670.11	0.35	\$2,592.37
89	ENGINEERING EXPENSE	\$0.00		\$0.00	\$25.00		\$986.96
90	EXPRESS EXPENSE	\$4,238.26	2.48	\$4,508.00	\$49,942.59	2.63	\$49,859.77
91	USAC ACCESS EXPENSE	\$0.00		\$1,258.37	\$9,709.55	0.51	\$2,693.79
92	DEP & AMOR EXP	\$67,241.53	39.37	\$62,577.76	\$754,352.96	39.76	\$729,029.04
93	TOTAL	\$81,911.69	47.96	\$72,659.83	\$872,335.73	45.98	\$828,423.13
CUSTOMER OPERATIONS EXPENSE							
94	MARKETING EXPENSE	\$1,518.91	0.88	\$2,136.03	\$15,445.58	0.81	\$14,391.03

RC COMMUNICATIONS
OPERATING STATEMENT

Line #	Present Year			Present Year		Previous	
	Current Period	%	Previous	Year To Date	% Year To Date		
	MARKETING EXP-RC LONG DISTANCE	\$165.00	0.09	\$5.00	\$554.22	0.02	\$571.83
96	DIRECTORY EXPENSE	\$607.90	0.35	\$318.97	\$13,511.38	0.71	\$15,437.31
97	DIRECTORY EXPENSE LOCAL	\$311.18	0.18	\$0.00	\$311.18	0.01	\$302.81
98	SERVICE EXP-END USER-SERVICE	\$1,019.97	0.59	\$1,042.18	\$14,329.45	0.75	\$12,926.53
99	SERVICE EXP-END USER-PAYMENT &	\$631.47	0.36	\$407.35	\$6,544.61	0.34	\$3,819.74
10	SERVICE EXP-END USER-BILLING	\$1,136.26	0.66	\$1,078.98	\$14,148.11	0.74	\$13,050.98
10	SERVICE EXP-CARRIER-PAYMENT &	\$134.43	0.07	\$105.21	\$1,135.69	0.05	\$684.30
10	SERVICE EXPENSE-CARRIER BILLING	\$0.00		\$0.00	\$32.66		\$0.00
10	SERVICE EXP-END USER BILLING	\$3,579.18	2.09	\$2,960.29	\$42,856.76	2.25	\$35,888.71
10	SERVICE EXP-CARRIER ACCESS	\$969.08	0.56	\$969.08	\$11,460.46	0.60	\$10,879.20
10	SERVICE EXP-OTHER CUSTOMER	\$327.83	0.19	\$1,118.55	\$4,551.54	0.23	\$4,448.75
10	SERVICE EXPENSE - NECA TRS FUND	\$0.00		\$0.00	\$227.97	0.01	\$80.00
10	SERVICE EXP-PIC CHANGES	\$85.65	0.05	\$86.92	\$1,427.95	0.07	\$2,019.55
10	SERVICE EXPENSE - END USER - E911	\$75.00	0.04	\$29.23	\$1,361.98	0.07	\$1,763.76
10	SERVICE EXP-END USER-RC LONG	\$38.41	0.02	\$0.00	\$551.94	0.02	\$592.30
11	SERVICE EXP-OTHER-RC LONG	\$62.01	0.03	\$87.61	\$1,093.21	0.05	\$716.89
11	SERVICE EXP-PIC CHANGES-RC	\$62.64	0.03	\$42.96	\$718.60	0.03	\$873.05
11	total	\$10,724.92	6.28	\$10,388.36	\$130,263.29	6.87	\$118,446.74

CORPORATE OPERATIONS EXPENSE

11	EXECUTIVE EXPENSE	\$4,232.53	2.47	\$4,162.91	\$41,368.39	2.18	\$37,270.93
11	MANAGEMENT FEE	\$1,163.86	0.68	\$1,384.10	\$16,025.86	0.84	\$16,291.78
11	PLANNING EXPENSE	\$150.67	0.08	\$0.00	\$10,712.70	0.56	\$5,850.01
11	ACCOUNTING & FINANCE EXPENSE	\$5,062.28	2.96	\$10,040.30	\$67,390.46	3.55	\$62,350.06
11	EXTERNAL AFFAIRS EXPENSE	\$1,429.31	0.83	\$1,291.00	\$38,574.87	2.03	\$29,513.99
	EXT AFFAIRS RC LONG DISTANCE	\$0.00		\$0.00	\$0.00		\$25.42
	EXTERNAL AFFAIRS EXP -	\$150.00	0.08	\$150.00	\$1,950.00	0.10	\$1,800.00
12	EXTERNAL AFFAIRS EXP -	\$833.51	0.48	\$712.31	\$7,655.76	0.40	\$24,641.77
12	INFORMATION MANAGEMENT	\$153.54	0.08	\$115.37	\$1,348.17	0.07	\$841.06
12	LEGAL EXPENSE	\$0.00		\$0.00	\$7,203.52	0.37	\$1,442.73
12	OTHER GENERAL & ADMIN. EXPENSES	\$1,946.86	1.13	\$3,995.65	\$39,077.26	2.05	\$64,818.14
12	TOTAL	\$15,122.56	8.85	\$21,851.64	\$231,306.99	12.19	\$244,845.89

OTHER OPERATING INCOME & EXPENSE

12	CUSTOM WORK INCOME	(\$100.00)	-0.05	(\$60.80)	(\$387.75)	-0.02	(\$1,347.10)
12	CUSTOM WORK EXPENSE	\$0.00		\$0.00	\$0.00		\$506.13
12	TOTAL	(\$100.00)	-0.06	(\$60.80)	(\$387.75)	-0.02	(\$840.97)

12	TOTAL OPERATING EXPENSES	\$125,822.86		\$153,043.14	\$1,531,659.67		\$1,476,370.40
12	OPERATING INCOME	\$44,970.42	26.33	\$14,560.35	\$365,457.99	19.26	\$252,024.47

OPERATING TAXES

13	FEDERAL INCOME TAX EXPENSE	\$11,300.34	6.61	(\$5,097.62)	\$101,161.08	5.33	\$77,828.02
13	GROSS EARNINGS TAX	\$5,483.78	3.21	\$4,998.95	\$58,026.84	3.05	\$50,638.71
13	PUC - GROSS EARNINGS TAX	\$0.00		\$0.00	\$1,766.05	0.09	\$1,667.61
13	TOTAL	\$16,784.12	9.83	(\$98.67)	\$160,953.97	8.48	\$130,134.34

13	NET OPERATING INCOME	\$28,186.30	16.50	\$14,659.02	\$204,504.02	10.78	\$121,890.13
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NONOPERATING INCOME & EXPENSE

13	DIVIDENDS	\$1,697.37	0.99	\$0.00	\$30,909.29	1.62	\$39,983.79
13	INTEREST INCOME	\$82.66	0.04	\$61.89	\$1,127.37	0.05	\$1,785.29
	INTEREST INCOME - TAX FREE	\$699.36	0.40	\$494.60	\$3,279.23	0.17	\$2,866.20
13	NEGATIVE AMMORTIZATION	\$12,982.69	7.60	\$12,982.69	\$155,792.28	8.21	\$155,792.28

RC COMMUNICATIONS
 OPERATING STATEMENT

Line #	Present Year		%	Present Year		Previous	
	Current Period			Previous	Year To Date	% Year To Date	
	CONTRIBUTIONS	\$0.00		\$0.00	\$100.00		\$0.00
14	PENALTIES AND FINES	\$0.00		\$0.00	\$9.83		\$0.00
14	TOTAL	\$15,462.08	9.05	\$13,539.18	\$190,998.34	10.07	\$200,427.56
NONOPERATING TAXES							
14	TOTAL	\$0.00		\$0.00	\$0.00		\$0.00
INTEREST & RELATED ITEMS							
14	INTEREST TO RUS	\$16,704.45	9.78	\$13,644.71	\$122,158.31	6.43	\$112,881.46
14	INTEREST TO COBANK	\$6,336.84	3.71	\$6,178.45	\$78,788.34	4.15	\$91,320.15
14	OTHER INTEREST	\$0.00		(\$2,416.00)	(\$2,416.00)	-0.12	\$0.00
14	TOTAL	\$23,041.29	13.49	\$17,407.16	\$198,530.65	10.46	\$204,201.61
NON REGULATED INCOME & EXPENSE							
14	DSL LEASE INCOME	\$0.00		\$0.00	(\$2,485.00)	-0.13	(\$3,640.00)
14	NONREGULATED INCOME REPAIR	\$0.00		\$0.00	(\$305.00)	-0.01	(\$605.00)
14	NONREGULATED EXPENSE REPAIR	\$43.41	0.02	\$0.00	\$599.67	0.03	\$778.87
15	NONREGULATED EXPENSE LEASING	\$0.00		\$0.00	\$49.54		\$0.00
15	NONREG INCOME INSIDE WIRE MAIN	\$1,767.48		(\$1,773.87)	(\$21,485.62)		(\$22,195.42)
15	NONREG EXPENSE INSIDE WIRE	\$283.78	0.16	\$82.47	\$3,151.46	0.16	\$3,692.82
15	NONREG INCOME INSTALLATION	(\$315.00)	-0.18	(\$147.00)	(\$2,124.00)	-0.11	(\$2,710.00)
15	NONREGULATED EXPENSE	\$436.03	0.25	\$402.79	\$3,527.06	0.18	\$4,572.45
15	NONREG INCOME - VOICE MAIL	(\$547.34)	-0.32	(\$571.97)	(\$6,065.64)	-0.31	(\$5,167.97)
15	NONREG EXPENSE - VOICE MAIL	\$5.84		\$38.89	\$327.34	0.01	\$210.00
15	NONREG INCOME - PAY PHONE	\$0.00		\$0.00	(\$6,035.58)	-0.31	(\$2,515.90)
15	NONREG EXPENSE - PAY PHONE	\$487.03	0.28	\$600.34	\$8,398.73	0.44	\$6,466.16
15	NONREG EXP-PAY PHONES-DEPR	\$44.88	0.02	\$184.77	\$2,077.35	0.10	\$1,142.31
16	TOTAL	\$1,328.85	0.78	\$1,183.58	\$20,369.69	1.07	\$19,971.68
16	NET PROFIT	\$21,935.94	12.84	\$11,974.62	\$217,341.40	11.46	\$138,087.76

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of April 15, 2004 through April 21, 2004

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 report. Phone: 605-773-3201

RULEMAKING

**RM04-001 In the Matter of the Petition of Midcontinent Communications to Amend ARSD
20:10:33:19.**

On April 15, 2004, Midcontinent Communications (Midcontinent) filed a Petition For Rulemaking to amend ARSD 20:10:33:19. Midcontinent states that advances in technology and consumer preference have made the rule impractical. Midcontinent has filed proposed amendments to the rule.

Staff Analyst: Harlan Best
Staff Attorney: Karen E. Cremer
Date Filed: 04/15/04

TELECOMMUNICATIONS

**TC04-078 In the Matter of the Filing for Approval of an Amendment to an Interconnection
Agreement between Qwest Corporation and MCImetro Access Transmission
Services, LLC.**

On April 15, 2004, the Commission received a filing for approval of a Qwest DSL (with discount) provided with UNE-P Amendment to the Interconnection Agreement between Qwest Corporation and MCImetro Access Transmission Services, LLC. According to the parties, the Amendment adds terms, conditions and rates for Qwest DSL (with discount) provided with UNE-P. Any party wishing to comment on the Amendment may do so by filing written comments with the Commission and the parties to the Amendment no later than May 5, 2004. Parties to the Amendment may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Rolayne Ailts Wiest
Date Filed: 04/15/04
Initial Comments Due: 05/05/04

**TC04-079 In the Matter of the Application of RC Communications, Inc. for a Certificate of
Authority to Provide Local Exchange Services in the Territory of Qwest Corporation.**

On April 15, 2004, RC Communications, Inc. filed for Commission approval to provide competitive local exchange services in Corona, South Dakota. RC Communications, Inc. is a facilities-based provider currently providing service in Wilmot, Summit, Peever and Veblen. The customers in Corona will be connected with a fiber from the Wilmot switch. Copper and fiber backbone will be constructed in the town of Corona to serve individual customers.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer

Date Filed: 04/15/04
Intervention Deadline: 05/07/04

TC04-080 In the Matter of the Filing for Approval of an Agreement for Terms and Conditions for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of Telecommunications Services between Qwest Corporation and AT&T Communications of the Midwest, Inc.

On April 16, 2004, the Commission received a filing for approval of an Agreement for Terms and Conditions for Interconnection, Unbundled Network Elements, Ancillary Services, and Resale of Telecommunication Services Between Qwest Corporation (Qwest) and AT&T Communications of the Midwest, Inc. (AT&T). According to the parties, the "Agreement is a negotiated agreement which sets forth the terms, conditions and prices under which Qwest will provide services for resale to AT&T for the provision of local exchange services." Any party wishing to comment on the Agreement may do so by filing written comments with the Commission and the parties to the Agreement no later than May 6, 2004. Parties to the Agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Rolayne Ailts Wiest
Date Filed: 04/16/04
Initial Comments Due: 05/06/04

TC04-081 In the Matter of the Application of Midcontinent Communications for Approval to Expand its Certificate of Authority to Provide Local Exchange Service in the Waubay Exchange of the Service Territory of Interstate Telecommunications Cooperative, Inc.

On April 20, 2004, Midcontinent Communications filed an application to amend its certificate of authority to provide local exchange service and long distance services in the Waubay exchange of Interstate Telecommunications Cooperative, Inc. (ITC), a rural telecommunications carrier. In the Waubay exchange Midcontinent Communications will use a combination of ITC resold services and the hybrid fiber coax of its cable plant to provide primary transport for residential telephone service. Midcontinent Communications will also provide intrastate and interstate interexchange services for commercial and residential customers. Midcontinent Communications has requested interconnection pursuant to 47 U.S.C. Section 251(f)(1)(A) with ITC, requests confidential treatment of its financial information, and requests a waiver from providing service to the entire ITC service area to provide local exchange service in the Waubay exchange of ITC.

Staff Analyst: Harlan Best
Staff Attorney: Karen E. Cremer
Date Docketed: 04/20/04
Intervention Deadline: 05/07/04

TC04-082 In the Matter of the Filing for Approval of a Business Escalation Agreement between Qwest Corporation and MCI WorldCom Network Services, Inc. and its Affiliates.

On April 21, 2004, the Commission received a filing for approval of a Business Escalation Agreement between MCI WORLDCOM Network Services, Inc. and its affiliates and Qwest Corporation. According to the parties, the Agreement "is made to agree to attend and participate in executive meetings as necessary, the purpose of which will be to address and discuss issues, open items or disputes and future business needs." Any party wishing to comment on the Agreement may do so by filing written comments with the Commission and the parties to the Agreement no later than April 29, 2004. Parties to the Agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Rolayne Ailts Wiest

Date Filed: 04/21/04

Initial Comments Due: 05/11/04

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TELECOM CONSULTING
RESOURCES INC.

TC04-079
Suite 310, Embassy Tower
9300 Underwood Avenue
Omaha, NE 68114
402.398.0062
Fax 402.398.0065

RECEIVED

APR 26 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

233 South 13th Street, Suite 1225
Lincoln, NE 68508
402.441.4315
Fax 402.441.4317

April 23, 2004

South Dakota Public Utilities Commission
Attn: Michele Farris
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501-5070

RE: RC Communications' Application for Authority

Dear Ms. Farris:

On April 14, 2004, I submitted an Application for Authority on behalf of my client, RC Communications, Inc. (RCC) to provide local exchange services in competition with Qwest Communications in Corona, South Dakota. RCC wishes to modify its application so that statewide authority is granted in Qwest territory. RCC will not operate in areas of the state served by rural telecommunications companies.

Please contact me if you need additional information.

Sincerely,


Dana Meyer

cc: Pamela Harrington, RC Communications, Inc.

RECEIVED

MAY 07 2004

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

233 South 13th Street, Suite 1225
Lincoln, NE 68508
402.441.4315
Fax 402.441.4317

May 5, 2004

South Dakota Public Utilities Commission
Attn: Michele Farris
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501-5070

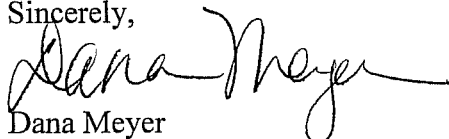
RE: RC Communications' Application for Authority

Dear Ms. Farris:

On April 14, 2004, I submitted an Application for Authority on behalf of my client, RC Communications, Inc. (RCC) to provide local exchange services in competition with Qwest Communications in South Dakota. RCC included a price list in its application but did not attach terms and conditions with its filing. RCC intends to add the Corona exchange to its general exchange tariff for RC Communications, Inc. For your convenience, I have enclosed a copy of that tariff.

Please contact me if you need additional information.

Sincerely,


Dana Meyer

cc: Pamela Harrington, RC Communications, Inc.

encl.

RECEIVED

MAY 07 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

GENERAL EXCHANGE TARIFF

FOR

TELEPHONE SERVICE

Applying to the Intrastate Telephone Services

Furnished Within The

States of South Dakota

and

North Dakota

Explanation of Symbols:

The following Symbols are applicable to all sections of this Tariff schedule:

- (C) - Change in listing Regulation or Condition which may affect a Rate or Charge.
- (D) - Discontinued Rate, Charge, Regulation or Condition.
- (I) - Increase in Rate or Charge.
- (N) - New Rate, Charge, Regulation or Condition.
- (R) - Reduction in Rate or Charge.
- (T) - Changed text with no effect on Rate, Charge, Regulation or Condition.
- (U) - Updated to current existing Rate.

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GENERAL REGULATIONS

1. GENERAL

- A. The regulations set forth herein apply to intrastate services and facilities furnished within the State of South Dakota by ROBERTS COUNTY TELEPHONE COOPERATIVE ASSOCIATION hereinafter referred to as the Company, subject to the jurisdiction of the South Dakota Public Utilities Commission.
- B. When services and facilities are provided in part by the Company and in part by other companies, the regulations of the Company apply to that portion of the service or facilities furnished by it.

2. UNDERTAKING OF THE COMPANY

The Company undertakes to provide the services offered in this Tariff on the terms and conditions and at the rates and charges specified. This undertaking is dependent upon the availability of facilities. The facilities used to provide a particular service shall be chosen by the Company and are not represented to be suitable for any one service. The Company does not undertake to transmit messages.

3. LIABILITY OF THE COMPANY

- A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission occurring in the course of furnishing service and not caused by negligence of the customer, shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistakes, omissions, interruptions, delays or errors or defects in transmission occur. No other liability shall in any case attach to the Company. The above described remedies in favor of customer are exclusive and in no event shall the Company, its contractors and agents be liable or responsible to customer, or any other person or entity, with respect to any other liability, loss or damage, arising out of, caused or alleged to be caused, directly or indirectly, by the Company, including but not limited to any death, bodily injury, an interruption of service, loss of business or profits or any indirect, special, or consequential damages.
- B. The customer indemnifies and saves the Company harmless (including costs and reasonable attorneys' fees) against the following:

GENERAL REGULATIONS

3. LIABILITY OF THE COMPANY (Continued)

1. Acts or omissions of other companies when their facilities are used in connection with the Company's facilities to provide service.
 2. Any defacement or damage to the customer's premises resulting from the existence of the Company's instruments, apparatus and associated wire on such premises, or from the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company, or its employees.
 3. Any accident, injury, or death occasioned by its equipment or facilities when such is not due to negligence of the Company.
 4. Claims for libel, slander, or infringement of copyright arising directly or indirectly from the material transmitted or recorded over its facilities; claims or infringement of patents arising from combining with, or using in connection with, facilities of the Company, apparatus, systems and their associated wiring of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by the Company.
 5. Liability for failure to provide service.
- C. The customer indemnifies and saves the Company harmless against any accident, injury or death caused through the use of telephone apparatus which fail to meet the dielectric requirements as established by the Company when such apparatus is provided by the customer. The Company has the right of refusing to, or ceasing to, render telephone service to a customer if at any time any of the telephones, appliances, lines or apparatus on the customer's premises shall be considered unsafe by Company personnel, or if the use of the service shall be prohibited by or forbidden under any law, ordinance or regulation.
- D. Customer Owned Equipment:

Upon request of subscriber for trouble visit a charge will be made if trouble is found to be in subscriber provided systems.

The Telephone Company shall not be responsible for the installation, operation, or maintenance of any customer-provided systems. Exchange and message toll telephone services are not represented as adapted to the use of customer-provided systems where such systems are connected to the Telephone Company facilities. The responsibility of the Telephone Company shall be limited to the furnishing of facilities suitable for exchange and message toll telephone services and to the maintenance and operation of such facilities in a manner proper for such telephone services; subject to this responsibility the Telephone Company shall not be responsible for the through transmission of signals generated by the customer-provided systems or for the quality of, or defects in, such transmission or the reception of signals by customer-provided systems.

GENERAL REGULATIONS

3. LIABILITY OF THE COMPANY (Continued)

D. (Continued)

The Telephone Company shall not be responsible to the customer or otherwise if changes in the criteria, or in any of the facilities, operations or procedures of the Telephone Company render any customer provided facilities obsolete or require modification or alteration of such facilities or otherwise affect its use or performance. Where it is reasonably foreseeable to the Telephone Company that such changes may affect customer provided facilities, the Telephone Company shall provide reasonable notice.

E. Emergency Services:

The customer also agrees to release, indemnify and hold harmless the Telephone Company for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion to use of E911 service features and the equipment associated therewith, or by any services furnished by the Telephone Company in connection therewith, including but not limited to, the identification of the telephone number, address or name associated with the telephone used by persons accessing 911 service thereunder, and which arises out of the negligence or other wrongful act of the customer, its user, agencies or municipalities, or the employees or agents of any one of them.

Under no circumstances shall the Telephone Company or its officers, directors, employees or agents have any liability to the county, a person placing an emergency call on the system or to any other person or entity for any loss, damage, injury or liability which they may suffer, sustain, incur or become subject to, arising out of, based upon or resulting from any negligence on the part of the telco or its officers, directors, employees or agents in preparing or furnishing, or any delay in preparing or furnishing any E911 listings and/or updates to the county and/or in responding and/or delay in responding to an emergency call, including but not limited to any death or bodily injury or any direct, indirect, incidental, special, consequential or other damages.

F. Public Safety and Subscriber Protection:

The Company recommends that the subscribers should be aware of the following possible hazards that exist while using the telephone:

GENERAL REGULATIONS

3. LIABILITY OF THE COMPANY (Continued)

USE OF THE TELEPHONE NEAR WATER

The telephone should not be used while you are in a bathtub, shower or pool. Immersion of the telephone or handset in water could cause an electrical shock.

USE OF THE TELEPHONE DURING AN ELECTRICAL STORM

You should avoid using a telephone during an electrical storm in your immediate area; calls of an urgent nature should be brief. Although all companies use protective measures to limit abnormal electrical surges from entering your home, absolute protection is impossible. There is a risk of a dangerous electrical shock from lightning when using the telephone during a nearby electrical storm.

USE OF THE TELEPHONE TO REPORT A GAS LEAK

If you think you've found a gas leak, you should not use a telephone in the vicinity of the leak until the leak is repaired. The telephone contains electrical contacts that could generate a tiny spark when you lift the handset and dial. It may be possible for this spark to trigger an explosion if the gas concentration is high enough.

G. Directories

1. The liability of the Company for damages arising out of mistakes, omissions, or errors in directory listings and not caused by negligence of the customer, shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistakes, omissions, or errors in directory listing have occurred. No other liability shall in any case attach to the Company.

4. USE OF SERVICE

A. General

Service is furnished for use by the customer and may be used only by others as specifically provided elsewhere in this Tariff.

GENERAL REGULATIONS

4. USE OF SERVICE (Continued)

B. Unlawful Use of Service

Service shall not be used for any unlawful purpose. The Company may refuse to furnish service to an applicant or may disconnect the service of a customer when:

- 1) A government law enforcement agency, acting within its jurisdiction, advises the Company that such service is being used or will be used unlawfully or for an unlawful purpose, or
- 2) The Company has other information which reasonably causes it to believe that such service is being used or will be used unlawfully or for an unlawful purpose.

C. Obscenity

Service shall not be used to make any oral or written comment, request, suggestion or proposal, or to transmit any nonverbal material which is obscene, lewd, lascivious, filthy or indecent.

D. Impersonation

Service shall not be used to impersonate another person with fraudulent or malicious intent.

E. Harassment

Service shall not be used to call another person so frequently or at such times of day or in any other manner so as to annoy, abuse, threaten or harass such other person.

F. Fraudulent Use

- 1) Service shall not be used to transmit a message, to locate a person, or to otherwise give or obtain information without payment of the charges applicable to such use.
- 2) No device shall be used by a customer with the service or facilities of the Company for the purpose of avoiding payment of the applicable charge.

GENERAL REGULATIONS

4. USE OF SERVICE (Continued)

G. Interference With or Impairment of Service

Service shall not be used in any manner which interferes with another person in the use of his service, prevents another person from using his service, or otherwise impairs the quality of service to other customers.

H. Subscribing to Adequate Service

If a customer's use of service interferes unreasonably with the service of other customers, he will be required to take service in sufficient quantity or of a different class or grade.

I. Resale of Service

The resale of service is not permitted unless the customer is in compliance and certified under Section 214 of the Communications Act, and as may be excepted in this Tariff.

J. Location of Service

Service, except Coin Telephone Service, shall not be so located in such a manner as to enable other than authorized users to use the service.

5. APPLICATIONS FOR SERVICE

A. An application for service made in writing establishes the contract between the Company and the customer on the terms and conditions set forth in this Tariff. Neither the contract nor any rights acquired thereunder may be assigned or in any manner transferred.

B. Any change in rates or regulations prescribed by the South Dakota Public Utilities Commission modifies the terms and regulations of contracts to the extent of such change.

6. MINIMUM CONTRACT PERIODS

A. Except as otherwise provided, the minimum contract period is one month for all services furnished.

GENERAL REGULATIONS

6. MINIMUM CONTRACT PERIODS (Continued)
- B. Where monthly construction charges are involved, such charges are payable as set forth in Section 5, GENERAL SERVICES.
 - C. The length of minimum contract period for directory listings, and for Joint User Service, where the listing actually appears in the directory, is the directory period. The directory period is from the day on which the directory is first distributed to the customers to the day the succeeding directory is first distributed to customers.
 - D. The Company may require a minimum contract period longer than one month at the same location in connection with special (nonstandard) types or arrangements of equipment, or for unusual construction, necessary to meet special demands and involving extra costs.
7. CANCELLATION OF APPLICATION FOR SERVICE PRIOR TO ESTABLISHMENT OF SERVICE
- A. Where the applicant cancels an order for service prior to the start of installation or special construction of facilities, no charge applies.
 - B. Where installation of facilities, other than those provided by special construction, has been started prior to the cancellation, the lower of the following charges applies:
 - 1) The total costs (including overheads) in connection with providing and removing such facilities.
 - 2) The monthly charges for the entire initial contract period of the service ordered by the customer as provided in this Tariff plus the full amount of any installation and termination charges applicable.
 - C. Where special construction of facilities has been started prior to cancellation, and there is another requirement for the specially constructed facilities in place, no charge applies.
 - D. Where special construction of facilities has been started prior to the cancellation, and there is no other requirement for the specially constructed facilities, a charge equal to the costs incurred in the special construction (including overhead) applies. Where one or more, but not all, of the service involved in the special construction are canceled, a charge equal to the cost (including overheads) incurred for the discontinued service applies.

GENERAL REGULATIONS

7. CANCELLATION OF APPLICATION FOR SERVICE PRIOR TO ESTABLISHMENT OF SERVICE
(Continued)

- E. Installation or special construction of facilities for a customer starts when the Company incurs any expense in connection therewith which would not otherwise have been incurred and the customer has advised the Company to proceed with the installation or special construction.

8. ADVANCE PAYMENTS

- A. At the time an application for service is made, an applicant is required to pay an amount equal to at least one month's service and/or installation charges which may be applicable, in addition to such special construction and installation charges as are to be borne by the applicant. The amount of the advance payment is credited to the customer's account on the first bill rendered.
- B. Federal, State or Municipal governmental agencies may not be required to make advance payments.

9. CREDIT POLICY

A. Deposit and Guarantee Requirements

The Company reviews the telephone service payment history for all subscribers. Such payment history serves as the basis for establishing a credit rating for each subscriber. The Company may require a deposit or guarantee of payment from any customer or applicant who has not established a credit rating, or a credit rating which does not meet the minimum standards established from time to time by the Company. Deposit or guarantee of payment requirements as prescribed by the Company based upon standards which bear a reasonable relationship to the assurance of payment. The Company may determine whether a customer has established an acceptable credit rating with the Company, except as herein restricted:

- 1) The customer, who within the last 12 months has not had his service disconnected for nonpayment of a bill and has not been liable for disconnection of service for nonpayment of a bill, and the bill is not in dispute, shall be deemed to have established good credit.
- 2) The Company shall not require a deposit or a guarantee of payment based upon income, home ownership, residential location, employment tenure, nature of occupation, race, color, creed, sex, marital status, age, national origin, or any other criteria which does not bear a reasonable relationship to the assurance of payment or which is not authorized by this chapter.

GENERAL REGULATIONS

9. CREDIT POLICY (Continued)

- 3) The Company shall not use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer. Any credit history so used shall be mailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a telephone company or other utility shall not affect the determination by the Company as to that customer's credit history.
- 4) Qualifying applicants for Lifeline Service may initiate service without paying a deposit upon application for service. Such customers must voluntarily elect to have Toll Blocking on their line and any required deposit can be paid over a three month period. Toll Blocking will be provided at no charge to Lifeline customers.

B. Deposit

When required, a customer must assure payment by submitting a deposit of \$100. The Company shall not require a deposit or a guarantee of payment without explaining why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. The deposit shall be refunded to the customer after 12 consecutive months of prompt payment according to established guidelines, of all bills to the Company. The Company may, at its option, refund the deposit by direct payment or as a credit on the bill. Any deposit of a customer shall be applied by the Company to a bill when the bill has been determined by the Company to be delinquent. The receipt of a bill showing the credited deposit amount is sufficient notice to the customer. The Company shall issue a written receipt of deposit to each customer from whom a deposit is received and shall provide a means whereby a depositor may establish a claim if the receipt is unavailable.

C. Guarantee of Payment

The Company may accept, in lieu of deposit, a contract signed by a guarantor satisfactory to the Company whereby payment of a specified sum, not exceeding the deposit requirement is guaranteed. The term of such contract shall be for no longer than 12 months, but shall automatically terminate after the customer has closed and paid the account with the Company, or at the guarantor's request upon 60 days' written notice to the Company. Upon termination of a guarantee contract or whenever the Company deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required for good cause upon reasonable written notice to the customer.

GENERAL REGULATIONS

10. CUSTOMER BILLING

- A. Regular bills will be issued periodically (monthly, quarterly). For billing purposes each month is presumed to have thirty days.
- B. Special bills for long distance telecommunications service may be issued at any time when charges are unusually high and the Company is uncertain as to the customer's ability to pay such charges.
- C. Services which are charged for at monthly rates are billed in advance for one month's service.
- D. Services which are charged for at other than monthly rates are billed in arrears, except when payment for messages is made by cash deposit in the coin telephone.
- E. Detail call information, such as the time at which made, duration and destination may be provided for long distance telecommunications message service.
- F. Retroactive billing adjustments will not be made for a period exceeding one year.

11. PAYMENT FOR SERVICE

- A. The customer is responsible for the payment of rates and charges for all services furnished including, but not limited to, calls originated or accepted at a customer's service location.
- B. Bills are due when rendered and may be paid at any of the Company's public business offices or other authorized payment locations.
- C. Charges for a message originated or accepted at a coin telephone shall be paid by cash deposit in the coin telephone unless arrangements for billing have been made.
- D. Non-sufficient Fund or No Account Checks

When a customer pays the monthly bill with a non-sufficient fund or no account check, a charge (see Section 6) will be made to that customer to cover the administrative costs incurred in handling the transaction.

GENERAL REGULATIONS

11. PAYMENT FOR SERVICE (Continued)

E. Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

P. O. Box 197
New Effington, SD 57255-0197
(605) 637-5211

Any objection to billed charges should be reported promptly to the Company. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled.

12. FAILURE TO PAY FOR SERVICE

A. Regular Monthly Bills

- 1) A customer is considered to be delinquent in the payment of a regular monthly bill when the sum due is not received on or before the tenth calendar day following the day the bill is either mailed or delivered by other means.
- 2) When a customer is delinquent in the payment of a regular monthly bill, the Company may disconnect the service not sooner than five days after mailing or delivery of written notice of intention to disconnect.

B. Special Bills

- 1) A customer is delinquent in the payment of a special bill, as described in 11.B. preceding, when the sum due is not paid upon presentation.

GENERAL REGULATIONS

13. RESTORAL OF SERVICE

- A. If a customer's service is restored after having been disconnected in accordance with this Tariff and a Company service order to terminate such service has not been completed when such service is restored, the customer will be required to pay Service Charges specified in Section 6 of this Tariff. Monthly service rates will not apply for the period between the disconnection and reconnection.
- B. When a customer's service has been disconnected in accordance with this Tariff and the service has been terminated through the completion of a Company service order, service will be re-established only upon the basis of an application for new service.

14. TELEPHONE NUMBERS

The customer has no proprietary right in a telephone number; and the Company may change the telephone number of a customer whenever, in the conduct of its business, it deems it desirable to do so.

15. DIRECTORIES

- A. The Company will furnish to its customers, without charge, its directory as necessary for the efficient use of the service. Copies of other directories may be provided at a nominal charge.
- B. Directories regularly furnished to customers remain the property of the Company. No binder, holder or auxiliary cover, except as provided or authorized by the Company, shall be used in conjunction with any directory furnished by the Company.
- C. No liability for damages arising from errors in or omissions of directory listings, or listings obtained from the Directory Assistance operator, shall attach to the Company. In the case of additional or extra listings for which a charge is made, its liability shall be limited to the monthly rate for each such listing for the charge period during which the error or omission continues.

16. OWNERSHIP OF FACILITIES

Facilities furnished by the Company remain the property of the Company until transferred or abandoned.

GENERAL REGULATIONS

17. ACCESS TO FACILITIES

The customer shall provide employees and agents of the Company access to Company facilities, at all reasonable times.

18. REARRANGEMENT, REPAIR, MAINTENANCE, DISCONNECTION AND REMOVAL OF FACILITIES

- A. All facilities owned by the Company will be maintained by it, except where such facilities are situated, in the judgment of the Company, in hazardous or inaccessible locations.
- B. Customers may not rearrange, disconnect, remove or otherwise tamper with, or permit others to rearrange, disconnect, remove or tamper with any facilities owned by the Company, except with the Company's written consent, or as specified elsewhere in this tariff.

19. DAMAGE, LOSS OR DESTRUCTION OF COMPANY FACILITIES

All ordinary expense of maintenance and repair of Company facilities, unless otherwise specified in this Tariff, is borne by the Company. If any of the Company's facilities are damaged, lost or destroyed and not due to ordinary wear and tear, the customer is held responsible for the cost of replacing the lost or destroyed facilities or restoring the damaged facilities to their original condition, except when caused by the negligence of the Company.

20. POWER SUPPLY

The customer is responsible for providing a suitable supply of commercial electrical power, including outlets, when and where required by the Company for the operation of any Company-provided telecommunications equipment on the customer's premises.

21. INTERRUPTIONS TO SERVICE

- A. When service is interrupted and the interruption exceeds a 24-hour period (as measured from the time the interruption is reported to or detected by the Company, whichever occurs first, unless otherwise stated in another Section of this Tariff or that of a connecting company which governs), a credit allowance will be made, at the customer's request, for the service which is rendered useless and inoperative due to the interruption.

GENERAL REGULATIONS

21. INTERRUPTIONS TO SERVICE (Continued)

B. A credit allowance will not be given for:

- 1) Interruptions caused by the negligence or willful act of the customer.
- 2) Interruptions caused by customer-provided facilities.
- 3) Interruptions caused by electric power failure where the customer furnishes such electric power.

C. The credit allowance will be based upon the ratio of the duration of the service interruption (measured from the time the interruption is reported to or detected by the Company, whichever occurs first) to the total time in a 30 day month. That ratio, multiplied by the monthly rate for the service affected shall determine the amount of the credit allowance. No other liability shall attach to the Company in consideration of such interruption to service. Retroactive billing adjustments will not be made for a period exceeding one year.

22. IDENTIFICATION OF PARTIES TO COMMUNICATIONS

The calling party shall establish his identity as often as may be necessary in the course of any communication.

The calling party shall be solely responsible for establishing the identity of the party with whom connection is made at the called station or stations.

23. LIMITING OF COMMUNICATIONS

The Company may limit communications over its facilities during emergencies which result in a shortage of facilities.

GENERAL REGULATIONS

24. TERMINATION OF SERVICE

- A. Service may be terminated prior to the expiration of the minimum contract period upon notice being given to the Company in advance and upon payment of the termination charges given below in addition to all charges due for service which has been furnished.
- 1) In the case of service which the minimum contract period is one month, the termination charges are the charges due for the balance of the initial month.
 - 2) In case of additional directory listings and Joint User Service, where the listing has appeared in the directory, the termination charges are the charges due to the end of the directory period. In the following cases, however, charges will continue only to the date of termination of the extra listing or Joint User Service, subject to a minimum charge for one month:
 - a. The contract for the main service is terminated.
 - b. The listed party or joint user becomes a customer to telephone exchange service.
 - c. The listed party moves to a new location.
 - d. The listed party or joint user dies.
 - 3). In the case of special equipment for which the minimum contract period is in excess of one month at the same location, such proportion of the sum of the cost of the equipment and of its installation, plus the cost of removal, less the salvage value of the equipment removed, as the unexpired portion of the minimum contract period bears to the full minimum contract period.
- B. Service may be terminated after the expiration of the minimum contract period, upon the Company being notified in advance and upon payment of all charges due to the date of termination of the service.
- C. Telecommunications service will not be disconnected on any Friday, Saturday, Sunday, or legal holiday, or at any time when the company's business offices are not open to the public, except where an emergency exists.

GENERAL REGULATIONS

25. DISCONNECTION OF SERVICE

- A. The company may discontinue service to a customer without notice under the following conditions:
- 1) In the event of tampering with the company's equipment;
 - 2) In the event of a condition determined to be hazardous to the customer, to other customers of the company, to the company's equipment, the public, or to employees of the company;
 - 3) In the event of a customer's use of equipment in such a manner as to adversely affect the company's equipment or the company's service to others; or
 - 4) In the event a customer does not follow payment policies as established from time to time by the company.
- B. The company may discontinue telecommunications service to a customer under the following conditions after giving customer, at minimum, five (5) business days notice:
- 1) For failure of the customer to pay a bill for service when due;
 - 2) For failure of the customer to meet the company's deposit and credit requirements;
 - 3) For failure of the customer to make proper application for service;
 - 4) For customer's violation of any of the company's rules included with this Tariff;
 - 5) For failure of the customer to provide the company reasonable access to its equipment and property;
 - 6) For customer's breach of the contract for service between the company and the customer;
 - 7) For a failure of the customer to furnish such service, equipment, and/or rights-of-way necessary to serve said customer as shall have been specified by the Company as a condition of obtaining service; or
 - 8) When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

GENERAL REGULATIONS

26. REFUSAL OF SERVICE

A. The Company may refuse to furnish service if:

It has reasonable cause to believe that the service will be used in violation of, or noncompliance with, any of the regulations or other conditions contained in this Tariff governing the furnishing of such service. If the Company so refuses to furnish service it will inform the applicant of his right to complain to the South Dakota Public Utilities Commission. If the Commission shall, upon hearing such complaint, determine that the service will not be used in violation of any of the regulations or other conditions contained in this Tariff, the service will be promptly furnished.

27. APPLICATION OF RATES AND CHARGES

A. General

- 1) Determination as to whether subscriber's service should be classified as business or residence service is based upon the character of the use which is to be made of the service.
- 2) While the location at which service is furnished is, in most cases, a dependable index of the character of use and rates for business and residence service are generally applied on this basis, the character of use is controlling in all instances regardless of the location.
- 3) Flat rate and message rate services are not furnished in the same premises unless it is established that neither service will be used to supplement the other.
- 4) Classification and application of rates for business and residence services offered to customers, rather than for collective use, are set forth herein. (Collective use would include services such as semi-public, public or service station service.)

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

B. Business Use

- 1) Business rates apply to any service provided for customer use in any premise regularly used in whole or in part for any business, trade or professional use, or:
 - a. For both business and residence use.
 - b. To such service for which a business type of directory listing or other indication, such as advertising in any form apply.
 - c. Where the customer engaged in a business, trade or profession is not a customer to or authorized user of business telephone service in the same exchange.
- 2) Where the place of business and residence of a customer are in the same premises and no telephone is installed in the place of business, the business rate shall be charged for the telephone installed in the residence.
- 3) Service to Churches - see D. below.

C. Residence Use

- 1) Residence rates apply to service provided for customer use in the residence of an individual or family, (such as single residence, or a private dwelling, apartment house or hotel, or other building, trailer, etc.), where the service will be used solely by the customer or members of his family, and such use will be primarily for personal, social and domestic purposes and only incidentally for business purposes, and/or:
 - a) The listings furnished include no designation, title or other matter indicating the business, trade or profession in which the customer or any other authorized user of his service is engaged.

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

C. Residence Use (Continued)

- b) The customer or other authorized user of the residence service is a person with a doctor's degree who is engaged in the practice of medicine, surgery, dentistry, optometry, osteopathy, etc., and is also a customer to, or an authorized user of business service in the same or another premise in the same exchange, in which case the title may be included in any listing of the residence service if necessary for purposes of identification of such person but not of value for any business purpose.
 - c) The customer or other authorized user of the service is employed as a clergyman, military or naval officer, is a retired clergyman, officer or professional man; in which cases a title, such as Rev., Father, Rabbi, Capt., Dr., etc., if necessary for purposes of identification of such person but not of value for any business purpose, may be included in the listing.
 - d) When in the judgment of the Company a descriptive title or designation is included in a listing as is necessary to properly identify the customer or an authorized user of his service, but not of value for any business purpose.
- 2) Residence rates also apply to service provided for customer use in the following cases where the use of the service is primarily for personal, social or domestic and only incidentally for business purposes or:
- a) At lodging or rooming houses where the total tenants never exceeds five (5) or at boarding houses where the total patrons never exceed ten (10).
 - b) To station services in college fraternity or sorority houses where the members lodge or board.
 - c) To station service in quarters of clubs, including civic organizations and fraternal societies, where an attendant is not regularly provided, or where the quarters are neither continuously nor frequently open or in use, and use of the service is primarily for personal, social or domestic purposes and only incidentally for business purposes.
 - d) To boarding or sleeping rooms at a monastery where the use of the service is primarily for personal, social or domestic purposes.

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

C. Residence Use (Continued)

3) Service to Churches - see D. below.

D. Service to Churches

1) Business rates apply for service in churches when:

- a) The telephone is located in the church and used in the administration of the church and its activities.
- b) A telephone is located in an outer office of the study for the use of a secretary or others.
- c) The telephone in the church includes a type of telephone intercommunicating system or a signaling system, (excluding hold only feature).
- d) Service is furnished in a residence of a clergyman and one or more extension telephones connected to the service are located in the church where business rates would normally apply.

2) Residence rates apply when:

- a) A telephone is located in the clergyman's residence and is not an extension off a line located at the church as described in D.d. above.
- b) See C.2.d. above.

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

E. Additional Location (Combined Access Line Service -Bridged)

- 1) Combined access line service may be provided only in the form of two (2) permanently bridged, individual flat rate, access lines located in the same exchange; and when equipment and facilities are available.
- 2) Service may be provided, only as equipment and facilities are available, under one of the following standard plans.
 - a) One telephone number assigned to both access lines or when desired by the customer a separate number may be assigned to each access line. Station signals (bells, buzzers, etc.) at both stations ring when either station is called. Neither code or selective ringing is provided.
 - b) For full selective ringing a separate telephone number is assigned to each station. Each station bell rings only at the station called. An extension bell or other auxiliary signaling device with or without a cut-off feature may be installed at each station. Or if desired, the bell may be arranged to ring only at one of the two (2) stations and connected to the station line in such a manner as to indicate calls to the other station. Code ringing is not provided.

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

E. Additional Location (Combined Access Line Service-Bridged) (Continued)

- 3) Under each of the plans shown above, the telephone number or numbers assigned and the associated central office facilities, must be connected to the same central office. Each combined access line may be separately billed for both local service and long distance charges.
- 4) Each station of a combined access line service is classed and rated as a flat rate individual access line.
- 5) Combined access line service will not normally be furnished in cases where:
 - a) An off-premise extension station, automatic answering and recording equipment, or transfer service can be provided and would be a better means of meeting the customer's service need.
 - b) The access lines combined are not contracted for by the same customer or individually by a principal and his employee or agent.
- 6) Combined access line service is not furnished in connection with basic coin, PBX trunk, foreign exchange service or at any location where the frequency or duration of use of service is sufficient to warrant separate rather than combined access line service.
- 7) Combination of telephone services is not in accord with the general plan of furnishing telephone service and is provided only under special conditions when warranted by the circumstances involved and when suitable facilities are available. A special construction charge may be applied for equipment as may be required at any time.

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

F. Service to Schools and Public Libraries

1) Definitions:

- a) "School" means a public, non-public, and church or religious organization school that has classes within the range from kindergarten to grade 12 that meets state compulsory attendance requirements.
- b) "Public Library" means a library available to the public which is operated by a county or other local government.
- c) "Basic Service to School Classrooms" means access to the local network and tone dial service.
- d) "Basic and Advanced Service" includes any service for which the Company may receive compensation from, or a set off against its obligation to, the Federal universal service fund and/or any South Dakota universal service fund as a result of the discount provided pursuant to this tariff position.

2) Basic and Advanced Services to Schools and Public Libraries

A discount rate may be provided upon request, to a school or public library for basic and advanced services. If a request is received by the Company for a discounted rate before the requirements for the Company to receive compensation from, or a set off of its obligations to, the federal or state universal service fund are determined, the Company, in its sole discretion, may determine whether to provide any discount of its services. If a request is received by the Company for a discounted rate after the requirements for the Company to receive compensation from, or a set off of its obligations to, the federal or state universal service fund are determined, both the Company and the requesting school or library shall comply with all applicable requirements.

GENERAL REGULATIONS

27. APPLICATION OF RATES AND CHARGES (Continued)

3) Limitations on Resale

- a) A school or public library receiving discounted services may not resell, sub-lease or in any other manner allow entities that would not qualify for the discount to obtain those services.

- b) A telecommunications provider, telephone company, or an authorized agent of the school or public library possessing all authorization needed to provide telecommunications service to the school or library may request that the Company provide the service to the telecommunications provider, telephone company or agent at the discounted rate for the exclusive purpose of providing the requested service to a qualifying school or public library that has requested the service. A telecommunications provider, telephone company, or an authorized agent shall not be entitled to any additional discount on services qualifying for a discount under this tariff and the discounted rate offered by the Company shall not be considered its retail rate for this service.

GENERAL REGULATIONS

28. SPECIAL CONSTRUCTION

A. Property

- 1) An average amount of entrance and distribution facilities may be furnished by the Company, provided the facilities are of the standard type normally furnished for the particular location or kind of service.
- 2) If additional entrance or distribution facilities are required; if the conditions are such as to require special equipment, maintenance or methods of construction; if the stability of the customer has not been established; if the installation is for a temporary or semi-permanent purpose or if for any other reason the construction costs are excessive as compared with the revenue to be derived, the applicant shall be required to pay the costs over and above those applicable for a normal installation.
- 3) The customer will provide the Company without charge written permission for the placing of the Company's facilities on the property.

B. Underground

- 1) When feasible, conduit will be furnished by the Company at cost, or conduit may be provided by the applicant subject to the Company's specifications. Conduit used for Company facilities may not be used for any other purpose without the consent of the Company. The distance between the conduit and an electric light or power conduit or conductor shall be in accordance with the Company's specifications. The customer shall be required to pay the entire cost of maintenance of conduit including subsequent excavations and replacements necessary because of damage resulting from negligence on the part of the customer or his representatives or from freezing or improper drainage.
- 2) The cost of relocating underground entrance facilities at the customer's request will be borne by the customer.

GENERAL REGULATIONS

29. SPECIAL ASSEMBLIES OF EQUIPMENT OR SPECULATIVE PROJECTS

- A. Special Assemblies of Equipment or Speculative Projects, for which provision is not otherwise made in this Tariff or those involving unusual costs, may be provided where practicable, if not detrimental to any of the services furnished by the Company.
- 1) The charge for such facilities may be in the form of an installation charge, a monthly charge, a termination charge or any combination thereof, and will include, but not be limited to, when applicable, one or more of the following estimated expense items associated with the special equipment or service provided:
 - a) Maintenance expense
 - b) Depreciation expense - including reusable and non-recoverable items
 - c) Administration expense
 - d) Taxes - including Federal Income Tax
 - e) Any other specific items of expense that may be associated with the facility provided
 - f) A reasonable return on investment
 - 2) The estimated installation cost used in the derivation of the various expense items shall include but not be limited to, the following:
 - a) Material
 - b) Material overhead
 - c) Installation labor
 - d) Installation labor overhead
- B. In connection with Marketing and Sales studies or programs, the Company reserves the right to waive Service Charges within specified areas for such periods of time as designated by the Company and filed with the Commission.

GENERAL REGULATIONS

30. ADJUSTMENTS FOR MUNICIPALITY PAYMENTS

If at any future time a municipality acquires the legal right to impose an occupation tax, license tax, permit fee, franchise fee or other similar charge upon the Company and imposes the same by ordinance or otherwise, such taxes, fees or charges shall be billed to the customers receiving service within the territorial limits of such municipality. Such billing shall allocate the tax, fee or charge among customers uniformly on the basis of each customer's monthly charges for the types of service made subject to such tax, fee or charge.

31. CUSTOMER PREMISES INSIDE WIRING

- A. Inside Wiring (I/W) is the facility used to extend the Exchange Carrier (EC) network from the demarcation point to the location where the connection is made to the Customer's Premise Equipment (CPE).
- B. Inside Wiring is deregulated and detariffed January 1, 1987, as ordered by the F.C.C.
- C. Customers must make their own arrangements for provisioning of inside wire with the option for them to provide I/W themselves, arrange I/W installation, removal, replacement, rearrangement or maintenance with a vendor of their choice, or request the telephone company to perform their service request. The telephone company provides maintenance and installation of I/W on a deregulated basis.
- D. Telephone company specific rates and charges may be obtained from the business office.
- E. See Section 5 for the definition of the demarcation point. The demarcation point is the point where regulated access terminates.
- F. In the event that the customer, or someone on the customer's behalf, provides, maintains or attempts to provide or maintain inside wire, the customer shall indemnify and hold the Company harmless from any and all liability for damage to property or death or injury to any person or persons directly or indirectly arising out of or caused, in whole or in part, by the customer's acts or those of anyone acting on the customer's behalf.

GENERAL REGULATIONS

31. CUSTOMER PREMISES INSIDE WIRING (Continued)

G. Responsibility of the Customer

- 1) The installation of inside wire must be in accordance with technical standards which may be obtained from the Company business office.
- 2) The customer assumes the risk of loss of service, damage to property or death to or injury of the customer or anyone acting on behalf of the customer.

H. Violation of Regulations

- 1) Where any customer-provided inside wire and jacks have been installed or any inside wire and jacks have been maintained by the customer in violation of the technical standards, the Company will promptly notify the customer of the violation and will take such immediate action, including the disconnection of service, as is necessary for the protection of the telecommunications network and Company employees.
- 2) The customer shall discontinue use of the customer-provided inside wire and jacks or correct the violation and notify the Company in writing within ten days after receipt of such notice that the violation has been corrected.
- 3) Failure of the customer to discontinue such use or to correct the violation will result in the suspension of the customer's service until such time as the customer complies with the provisions of the Tariff.

32. PROVISION OF EQUIPMENT

- A. Customer Premises Equipment (CPE) is deregulated and detariffed effective 12/31/87. After this date, customers must make their own arrangements for premises equipment with the option for them to provide the equipment themselves, arrange the provision and maintenance of equipment with a vendor of their choice, or request the telephone company to provide and/or maintain their premises equipment.
- B. Telephone company rates and changes for the purchase, lease and maintenance of customer premises equipment may be obtained from the business office. The Company provides these services on a deregulated basis.

GENERAL REGULATIONS

32. PROVISION OF EQUIPMENT (Continued)

- C. Customer provided equipment may be connected at the customer's premises to facilities of the Company for use with individual line, multiparty line, PBX and key systems exchange service in compliance with FCC regulations, provided any device so used does not:
- 1) Endanger the safety of Company employees or the public;
 - 2) Damage, require change in or alteration of, or involve direct electrical connection to, the equipment or other facilities of the Company, unless as provided for elsewhere in this Tariff;
 - 3) Interfere with the proper functioning of the equipment or facilities of the Company;
 - 4) Impair the operation of the communication system;
 - 5) Otherwise injure the public in its use of the Company's services.
- D. Customers may connect equipment or systems registered or grand-fathered by the FCC directly to the Company network subject to the provisions as stated elsewhere in this Tariff.
- E. Responsibility of the Customer
- 1) Upon notification from the Company that the customer provided equipment is causing or is likely to cause harm, the customer shall make such change as is necessary to remove such harm. Failure to make such change will result in disconnection of service until such change is completed to the satisfaction of the Company.
 - 2) The customer will be responsible for the payment of maintenance visit charges for service calls by Company employees to the customer's premises where a service difficulty or trouble report results from customer provided equipment and/or inside wire.
 - 3) The customer may be required, as a condition of service, to pay in full all sums due the Company including, but not limited to, installation charges, service charges, termination charges, minimum charges, and reimbursement for loss or damage to Company facilities as may apply.

GENERAL REGULATIONS

32. PROVISION OF EQUIPMENT (Continued)

F. Responsibility of the Company

- 1) The technical criteria relative to provision of customer provided systems and equipment is contained in tariffs on file with the FCC.
- 2) The Company shall not be responsible to the customer for changes in the technical criteria or in any of the facilities, operations or procedures initiated by the Company or appropriate regulatory agencies which might render any customer provided equipment obsolete or require modification or alteration of such equipment or otherwise affect its use or performance. The Company will make a reasonable effort to notify a customer in advance of changes in technical criteria, operations or procedures which might affect customer provided equipment or systems.
- 3) The Company shall not be responsible for the installation, operation or maintenance of any customer provided communications systems or equipment.
- 4) The Company will make reasonable attempts, where practicable, to notify the customer that temporary discontinuance of service may be required to eliminate service difficulty resulting from customer provided equipment and Service Charges will apply. However, where prior notice is not practicable, the Company may temporarily discontinue the service in accordance with FCC rules.

33. CONSTRUCTION CHARGES

A. GENERAL

- 1) Lines will be extended in accordance with Section 5 of this tariff-LINE EXTENSION CHARGES.
- 2) Construction Charges are applicable to customers under certain conditions for the establishment or rearrangement of communications services when suitable plant facilities are not available or when the construction of the necessary facilities involves excessive costs.
- 3) Construction charges are applicable under certain conditions as hereinafter set forth and are in addition to the rate for the class of service furnished and any Service Charge, installation charge, nonrecurring charge, mileage charge or other similar charges that may apply as specified in this tariff.

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Continued)

A. GENERAL (Continued)

- 4) Construction charges are payable upon application for service or when billing is rendered as the Company, at its option, may require.
- 5) The word "cost" when used in this section, means the in-plant cost consisting of labor, materials, supervision and other overhead expenses associated with the construction. Estimated cost will be used; however, where the subscriber requests, actual cost will be used where practicable.
- 6) Except as otherwise provided herein, the regulations in this tariff contemplate that the type of construction required to provide the quantity and class of service involved will be determined by the Company. The applicant may be required to pay additional costs involved where a different type of construction than that proposed by the Company is desired.
- 7) When an applicant is so located that it is necessary to use private right-of-way to furnish service and the Company is unable to obtain the required right-of-way without cost, the applicant may be required to pay the costs incurred in securing, clearing, and retaining such right-of-way.
- 8) When an applicant is so located that it is necessary to use public right-of-way to furnish service and the Company is required to pay user fees, utility permit application fees, or other costs to secure the right-of-way, the applicant may be required to pay the fees or costs incurred in securing, clearing, and retaining such right-of-way.
- 9) When a charge is applicable for construction on either a public road or on private property, the customer may undertake, where in the opinion of the Telephone Company it is practicable for him to do so, such construction in whole or in part, in lieu of the construction charges which apply. In all cases of construction by the customer, the material furnished and the method of construction are subject to the approval of the Telephone Company, no charge applying for the Telephone Company's supervision.
- 10) Any poles, conduit, underground construction or other plant provided at the expense of the customer, on either a public road or on private property, shall not be used by the customer for any purpose other than service furnished by the Telephone Company or the support of cable, wire or other apparatus of the Telephone Company, except upon approval of the Telephone Company.

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Continued)

A. GENERAL (Continued)

- 11) Where builders or developers required advance construction of facilities for the anticipated use of others, a guaranty or payment bond satisfactory to the Telephone Company to cover the cost of such construction, may be required before construction work is started.

B. REGULATIONS

The following regulations are subject to the conditions set forth in LINE EXTENSION CHARGES section 5 of this tariff.

1) Scope

- a. Construction Charges apply when one or more of the following conditions are present, and whenever more than one of such conditions are present, the charge for each condition applies, when the customer's request for service requires:
- (1) Construction for permanent service on public road to serve one or more customers or on private property to serve customers in general.
 - (2) Construction for permanent service on private property to serve, a single customer.
 - (3) Facilities (including house cabling or inside wiring) of a type other than that which the Telephone Company would otherwise utilize in order to provide service for the customer.
 - (4) A greater quantity of facilities than that which the Telephone Company would otherwise construct in order to fulfill the customer's initial requirements for service.
 - (5) Routing of facilities other than that which the Telephone Company would normally utilize in order to provide service for the customer.
 - (6) The Telephone Company to expedite construction of the facilities at greater expense than would otherwise be incurred. (e.g. Wintertime when underground construction in not practical.)

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Cont'd)

B. REGULATIONS (cont'd)

1. Scope (Cont'd)

- (7) Construction for temporary service and there is no immediate prospect of reusing the facilities provided.
- (8) Distribution construction on continuous property.
- (9) The Telephone Company to relocate existing facilities at the request of the customer or other party.

2. Usual Construction for Permanent Service

The regulations contained herein contemplate usual construction, i.e., the type of construction which the Telephone Company would provide for the area and for the quantity and class of service involved if the decision rested solely with the Telephone Company. The Telephone Company will place either aerial or underground construction and will determine, in each case, which is the usual type of construction to be used to furnish service.

In all cases of usual construction on public road to serve one or more customers or on private property to serve customers in general, ownership of the poles, conduit, and other plant must be vested either in the Telephone Company or some other company with which the Telephone Company has a joint use arrangement. All plant is maintained and replaced at the expense of the Telephone Company.

3. Construction Provided by the Customer

When the construction is provided by the customer, any poles, conduit and underground construction necessary to furnish service shall be maintained and replaced at the expense of the customer and shall remain the property of the customer.

In case the customer prefers to use the poles, conduit and underground construction of another company or individual and such poles, conduit and underground construction are suitable in the opinion of the Telephone Company, the customer may do so provided any attachment or other charges made for the use of such poles, conduit and underground construction are paid by the customer.

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Cont'd)

B. REGULATIONS (Cont'd)

4. Special Construction for Permanent Service

a. When it is necessary for the Telephone Company to provide outside plant construction, either on a public road or on private property, or house cabling or inside wiring, which is other than that usually provided for the area and class of service furnished, the customer or other party requiring such special construction is required to pay the difference between the estimated cost of usual construction and the estimated cost of the type of construction provided under the conditions specified herein. Such special construction includes:

- (1) underground construction where aerial construction would usually be provided,
- (2) submarine cable
- (3) greater quantity or a different type of facilities than that which the Telephone Company would otherwise construct in order to fulfill the customer's initial requirements for service,
- (4) routing facilities different from that which the Telephone Company would normally utilize,
- (5) expedition of the construction of facilities at greater expense than would otherwise be incurred,
- (6) concealed inside wiring, etc.

b. The Telephone Company will, in all cases, bear the same amount of the cost as in the case of usual construction provided under paragraph 2 preceding.

(1) Outside Plant Construction

(a) On Public Roads or on Private Property

The customer or other party requiring the special construction is required to pay the difference between the total estimated cost of such special construction and the amount to be borne by the Telephone Company. All plant is maintained and replaced at the expense of the Telephone Company, except where poles or conduit are owned by the customer, in which case the customer is required to maintain such poles or conduit.

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Cont'd)

B. REGULATIONS (Cont'd)

(1) Conduit and Trenching

Except as provided as usual construction by the Telephone Company, the provision, maintenance and replacement of conduit and underground construction on private property for one or more customers is the responsibility of the customer. The Telephone Company will install and maintain the associated wire facilities at its expense. The cost of conduit replacement or of opening and closing the trench in connection with the maintenance and replacement of the wire facilities shall be the responsibility of the customer.

(2) House Cabling or Inside Wiring

- (a) The standard method of wiring a building or structure for telephone service is by exposed wiring. It is the responsibility of the customer to provide a means of entrance into the building which is satisfactory to the Telephone Company and to provide space for mounting the necessary terminal and station protection equipment and, where riser cable is required, a reusable means to reach each floor and each suite or office on each floor where the telephone service is desired.

Where customer-provided telephone systems and facilities within a building or structure are to be interconnected with Telephone Company provided facilities, the Telephone Company will provide house cabling or inside wiring, if required, to the nearest point of the customer's premises, which is satisfactory to the Telephone Company, within a building or structure.

- (b) Any required conduit or similar type construction involved in furnishing concealed wiring must be installed and maintained at the expense of the customer. Such construction must be installed in a manner which is acceptable to the Telephone Company.

- (c) Where, due to the type of construction of the building or the conditions imposed by the customer, abnormal expense is incurred by the Telephone Company, the customer is required to pay the difference between the estimated expense which would normally have been incurred for the installation.

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Cont'd)

B. REGULATIONS (Cont'd)

5. Temporary Construction

When construction is required for temporary service (for a period less than 3 years), and there is no immediate prospect (within 6 months of service disconnection) of reusing the plant provided, the customer is required to bear all of the cost of such construction.

The regulations applying to ownership and maintenance of such temporary construction are the same as apply to usual construction for permanent service.

6. Distribution Construction on Continuous Property

When communications services such as private branch exchange stations or extensions, tie line or private line services are extended to another building or point on the same continuous property of a customer, the construction required such as poles and conduit, including trenching, shall be the customer's responsibility. Such construction by the customer shall be furnished in a manner acceptable to the Telephone Company and shall be maintained and replaced by the customer. The Telephone Company will install and maintain the associated wire facilities at its expense. The cost of pole or conduit replacement or of opening and closing the trench in connection with maintenance and replacement of the wire facilities shall be the responsibility of the customer.

7. Rearrangement or Relocation of Existing Construction

When the Telephone Company is requested to move or change existing construction, the customer or other party requiring the move or change is required to pay the entire cost incurred by the Telephone Company properly attributable to such relocation.

When a political subdivision of the State, or any agency thereof, requires by ordinance, franchise provision, administrative ruling or otherwise that existing aerial facilities be relocated underground, the entire cost incurred by the Telephone Company properly attributable to such relocation, after deducting there from any reimbursement received, any increase in value of the new facility and any salvage value derived from the old facility, will be charged pro rata to the exchange customers receiving service within the political subdivision.

GENERAL REGULATIONS

33. CONSTRUCTION CHARGES (Cont'd)

B. REGULATIONS (Cont'd)

8. Refunds

When the construction for which the Telephone Company has made a cash construction charge is utilized by the Telephone Company for the purpose of serving additional customers within a period of three years from the date it was placed in service, refunds, without interest, will be made to those customers who have paid such charges, provided they are still serviced by such construction. The amount of such refunds to a particular customer will be based on the difference between the construction charge actually paid by that customer and the construction charge which he would have paid if all customers served through that construction within such three-year period had been connected at the time the construction serving that customer was placed in service.

Where the construction is used within a period of three years for supporting local or long distance facilities connecting central offices, the total amount of cash construction charges paid by the customers will be refunded, without interest.

C. RATES

To extend single line main station service on continuous property, for the convenience of the customer, in a normal (usual) construction situation, a charge of \$50.00, plus \$.25 per foot of material used, plus the appropriate Service Connection Charges will apply.

GENERAL SERVICES

ACCESS LINE - A line which connects a customer to the central (switching point) office of an exchange through which local calls can be made without additional charge.

ACOUSTICAL CONNECTION - A connecting arrangement without electrical connections that permits transmission of sound between a telephone instrument and customer-provided equipment.

ADDITIONAL LISTING - Any listing of a name or information in connection with a customer's telephone number beyond that to which he is entitled without additional charge in connection with his regular service.

ADJACENT EXCHANGE SERVICE - Local exchange service furnished from a contiguous exchange, in addition to the customer's primary (home) exchange service.

APPLICATION - A request made orally or in writing for telephone service.

AUTHORIZED USER - A person, firm or corporation (other than the customer) on whose premise a telephone, Private Branch Exchange, or private line service or channel is located and who may communicate over such channels in accordance with the terms of the tariff.

BUSINESS SERVICE - Telephone service furnished to customers where the actual or obvious use is principally or substantially of a business, professional, or occupational nature.

CENTRAL OFFICE - A switching unit in a telephone system which provides service to the general public, having the necessary equipment and operating arrangements for the terminating and interconnecting customer lines and trunks or trunks only. There may be more than one central office in a building or exchange.

CENTRAL OFFICE LINE - A circuit directly connecting an individual or party line main station, private branch exchange switchboard or an intercommunicating system with a central office.

CHANNEL - A path for communication between two or more stations, or Company offices, furnished in such a manner as the Company may elect, whether by wire, radio or a combination thereof and whether or not by a single physical facility or route.

CIRCUIT - A channel used for the transmission of electrical energy in the furnishing of telephone and other communications service.

GENERAL SERVICES

CLASS OF SERVICE - The various categories of service generally available to the customer, such as business or residential.

COIN SUPERVISION ADDITIVE SERVICE - Provides the capability of central office line equipment to pass signals and/or tones from a local exchange service line to a trunk terminating at the payphone service provider's (PSP's) operator service provider. These signals enable an operator service provider to recognize coin deposits and return coins to the pay telephone user. Coin Supervision Additive Service also permits a suitably equipped operator service provider to automatically ring back the originating local exchange service line upon completion of a call.

COIN TELEPHONE SERVICE - See Public Telephone.

COMMISSIONS - A percentage of collections paid as a fee in consideration of service rendered to the Company.

COMMUNICATIONS SYSTEM - Channels and other facilities which are capable, when not connected to exchange telecommunications service, of two-way communications between customer-provided terminal equipment or company stations.

COMPANY - A corporation, association, partnership, or individual engaged in the business of furnished telephone service to the public under the jurisdiction of the South Dakota Public Utilities Commission.

CONNECTING ARRANGEMENT - The equipment provided by the Company to accomplish the direct electrical connection of customer-provided facilities with the facilities of the Company or of facilities of the Company with other facilities of the Company.

CONNECTING COMPANY - A corporation, association, partnership or individual owning or operating one or more exchanges and with who communications services are interchanged.

CONNECTOR - See "Switch".

CONNECTION CHARGE - See "Service Connection Charge".

CONSTRUCTION CHARGE - A separate non-recurring charge made for the construction of facilities in excess of that contemplated under the rates quoted in the exchange tariffs.

CONTINUOUS PROPERTY - The plot of ground, together with any buildings thereon, occupied by the customer, which is not divided by public highways or separated by property occupied by others.

CONTRACT - Refers to the agreement between a customer and the Company under which service and facilities are furnished in accordance with the applicable provisions of the Tariffs.

COST - The cost of labor and materials, which includes appropriate amounts to cover the Company's general operating and administrative expenses.

GENERAL SERVICES

CUSTOMER - The individual, partnership, association or corporation which contracts for telephone service and is responsible for the payment of charges and compliance with the rules and regulations of the Company.

CUSTOMER OWNED PAY TELEPHONE SERVICE - Customer provided, customer owned coin or non-coin operated telephones at locations accessible to the public, e.g., store, business places, including boarding or rooming houses, employee lounges and school or college buildings, where desired by the owner.

CUSTOMER-PROVIDED EQUIPMENT - Devices, apparatus, and/or associated wiring provided by a customer.

DATA ACCESS ARRANGEMENT - A protective connecting arrangement for use with the network control signaling unit; or in lieu of the connecting arrangement, and arrangement to identify a central office line and protective facilities and procedures to assure proper operation and protection of the telecommunications network.

DEMARCATION POINT - The point of connection, provided and maintained by the Telephone Company, at which the Telephone Company service and the property owner's or customer's facilities are connected. This Demarcation Point is to be mutually agreeable to the Telephone Company and the subscriber or property owner, and is normally located near the point where the Telephone Company facilities enter the building or property, on the subscriber's side of the Company's protector, or its equivalent.

The Telephone Company will provide a Demarcation Point for each residential structure having a separate ground level entrance. Residential structures sharing common walls, but not sharing common entrances or common space, such as hallways or basements, will have separate Demarcation Points.

Multitenant residential structures sharing common entrances or common space will have one Demarcation Point per structure. "Residential structure" does not include garages, barns, or other buildings situated on residential property but not intended for human habitation.

For multiple buildings constructed on continuous business property, such as shopping centers, condominiums, industrial parks, and campuses, the Telephone Company may establish a single Demarcation Point or may designate one of the existing terminating connections on a property as a main Demarcation Point. Where feasible, one or more alternate Demarcation Points may be placed or reinforced by the Company at the request of the business customer or property owner. Charges will be applied to cover additional costs of placing or reinforcing alternate Demarcation Points. The property owner or customer is responsible for service on the customer side of the Demarcation Point.

GENERAL SERVICES

DIRECT CONNECTION - Connection of terminal equipment to the telephone network by means other than acoustic or inductive coupling.

DIRECTORY LISTING - A publication in the Company's alphabetical directory of information relative to a customer's name or other identification and telephone number.

DISCONNECT NOTICE - The written notice sent to a customer following billing notifying him that his service will be discontinued if charges are not satisfied by the date specified on the notice.

DROP WIRE - That portion of a circuit between the pole line or cable distributing box and the demarcation point of the building in which the station or switchboard is located.

END USER - Any customer of an interstate or foreign telecommunications service that is not a carrier, except that a carrier shall be deemed to be an "end user" to the extent that such carrier uses a telecommunications service for administrative purposes, without making such service available to others, directly or indirectly.

ENTRANCE FACILITIES - Facilities extending from the point of entrance on private property to the demarcation point of the premises in which service is furnished.

EXCHANGE - A basic geographical unit established for the administration of telephone service in a specified area, called the "Exchange Area," which usually embraces a city, town or village, and its environs. It may consist of one or more central offices, together with the associated plant, equipment, and facilities used in furnishing communication service within that area.

EXCHANGE AREA - The territory served by an exchange.

EXCHANGE LINE - Any circuit directly or indirectly connecting an exchange station with a central office.

EXCHANGE SERVICE - The furnishing of facilities for the telephone communication within an exchange area, in accordance with the regulations and charges specified in the Local or General Exchange Tariffs. Exchange facilities are used to establish and maintain connection between the exchange station and the other telephone plant and facilities in connection with toll calls, or extended service calls.

EXCHANGE STATION - A station connected with a central office of the Company over its own lines.

EXTENDED AREA SERVICE - Interexchange telephone service furnished at flat or per minute rate between one or more exchange areas.

EXTENSION AND P.B.X. STATION MILEAGE - The charges made for the additional circuit required to furnish such stations beyond the allowable distance from the access line or P.B.X. switchboard.

GENERAL SERVICES

EXTENSION LINE - A circuit connecting a primary station with an extension station, or a circuit connecting a private branch exchange station with a private branch exchange switchboard. An extension line may terminate on a key in lieu of an instrument.

EXTRA EXCHANGE LINE MILEAGE - The measurement on which charges are based for that portion of the circuit extending beyond the Base Rate Area but within the Exchange Area, which is used to furnish urban classes of service in the Suburban or Rural Area.

EXTRA LISTING - See Additional Listing.

FOREIGN ATTACHMENT - Equipment or facilities not owned or furnished by the Company which are attached or connected to, and used with, exchange telephone service.

FOREIGN CENTRAL OFFICE - Any central office other than that which serves the area in which the customer is located.

FOREIGN EQUIPMENT - See "Foreign Attachment".

FOREIGN EXCHANGE LINE MILEAGE - The measurement applying to that portion of a central office line connecting a customer with a foreign central office, from the common boundary line to the customer's station, for which a monthly charge is made in addition to the base rate for exchange service.

FOREIGN EXCHANGE SERVICE - Telephone exchange service furnished to a customer through a central office of an exchange other than the exchange regularly serving the area in which the customer is located.

GRADE OF SERVICE - The term used in describing exchange service with respect to the number of main telephones which may be connected to a central office line. (One-party, two-party, four-party, multi-party).

GRANDFATHERED EQUIPMENT - Equipment so designated by the FCC which may be connected to services of the Company.

HARM - Harm consists of hazards to personnel, damage to Company equipment, and impairment of service to persons other than the user of the customer-provided equipment. Types of harm include, but shall not be limited to, voltages dangerous to personnel, destruction of or damage to equipment, induced noise or cross talk, incorrect dial pulsing, failure of supervision, false answer, incorrect billing, absence of voice band transmission path for call progress signals, and loss of capability to answer an incoming call.

INDIVIDUAL LINE - An exchange line coupled with the inside wire necessary for the connection of a telephone set.

GENERAL SERVICES

INDUCTIVE CONNECTION - Electromagnetic coupling between customer - provided equipment and Company equipment by means of mutual inductance between an inductor in the Company equipment and a customer - provided inductor external to the Company equipment.

INITIAL SERVICE PERIOD - The minimum length of time for which a customer is obligated to pay for service, facilities, and equipment, whether or not retained by the customer for such minimum length of time.

INTERCOMMUNICATING SYSTEM - An arrangement involving two or more stations which enables a user to signal and connect with other stations in the system.

INTERCONNECTION - The method by which telecommunications facilities of the Company are arranged to transmit to, or receive information from, customer - provided equipment.

JOINT USER SERVICE - An arrangement whereby an individual, firm or corporation whose telephone needs are not such as to justify the provision of separate customer service is permitted to use the service of a customer.

LIMITED SERVICE - Service which is limited to customers at existing locations.

LINE CONSTRUCTION CHARGES - The charges applied for additions to existing central office line facilities outside a Base Rate Area to provide service to business or residence customers.

LINE EXTENSION - A circuit extending from a main terminal to an auxiliary terminal such as a line from a PBX switchboard to a telephone set or to a key.

LOCAL CHANNEL - Applies to that portion of a channel which connects a station to an interexchanging channel. A channel connecting two or more stations within an exchange area.

LOCAL EXCHANGE SERVICE - Telephone communication within Exchange Areas in accordance with the provision of the Company's Tariffs.

LOCAL MESSAGE - A completed communication between customer's stations located within the same Exchange Area.

LOCAL SERVICE AREA - The area within which telephone service is furnished under a specific schedule of rates without the application of specific charges for each message.

MAIN TERMINAL - The termination of a central office line on a customer's premises, usually at a protector.

MAINTENANCE VISIT CHARGE - A charge applied when a service difficulty or trouble report results from customer provided equipment and/or inside wiring and not from the telephone company's facilities.

MESSAGE - A completed customer telephone call.

GENERAL SERVICES

MILEAGE - The measurement upon which charges are computed for extension, tie, private lines and for lines serving exchange stations located outside the base rate area or outside the central office area of the connecting central office.

MINIMUM CONTRACT PERIOD - The minimum length of time for which a customer is obligated to pay for service, facilities and equipment, whether or not retained by the customer for such minimum length of time.

MODULAR CONNECTING DEVICE - A type of jack and plug arrangement as defined by the FCC.

MULTI-PARTY LINE - A single circuit furnished by the Company for rendering exchange service to a number of primary stations outside the base rate area.

NETWORK ACCESS POINT - A connector, outlet, or wiring termination on a customer's premises which affords connection to the services of the Company.

NETWORK CONTROL SIGNALING UNIT - The terminal equipment furnished, installed and maintained by the Company for the provision of network control signaling.

NON-RECURRING CHARGE - A one-time charge associated with certain installations, change or transfer of services, either in lieu of or in addition to recurring monthly charges.

PARTY LINE - A single central office line designed to connect more than one primary station with the central office.

PREMISES - The buildings, portion or portions of a building on continuous property used and/or occupied at one time by the customer in the conduct of his business or as a residence. Where floor space in adjoining buildings is made continuous at one or more floor levels, all floor space in both buildings is considered as the same premises insofar as the customer who uses and occupies such continuous floor space is concerned, the two buildings otherwise being considered as separate buildings.

PRIVATE BRANCH EXCHANGE - A "Private Branch Exchange", or "Private Branch Exchange System", is an arrangement of equipment consisting of a switchboard or switching equipment situated on a customer's premises, stations connected with the switchboard or switching equipment, and connected by trunks with a central office, all of which provide for selective signaling and interconnection of such stations with each other, and for communication with the general exchange system of the Company and for toll service.

P.B.X. TRUNKS - A circuit connecting a P.B.X. system with a central office.

GENERAL SERVICES

PRIVATE LINE - A circuit provided to furnish communication only between two or more terminals directly connected to it. Such terminals do not have access to the general exchange and interexchange networks.

PUBLIC TELEPHONE - An exchange station, either attended or equipped with a coin collecting device, designed and placed for use by the public in general, at locations chosen or accepted by the Company.

REGISTERED TERMINAL EQUIPMENT - Terminal equipment registered in accordance with FCC regulations which may be connected to access services of the Company.

RESIDENCE SERVICE - Telephone service furnished to customers when the actual or obvious use is for domestic purposes.

RURAL AREA - See "Suburban Area."

RURAL SERVICE - Base Rate classes and grades of service furnished to customers in certain sections outside the Base Rate Area but within the Exchange Area

SELECTOR - See Switch.

SEMI-PUBLIC TELEPHONE - An exchange station equipped with a coin collecting device, designed for a combination of customer and public usage at locations more or less public in character.

SERVICE CONNECTION CHARGE - The charge a customer is required to pay at the time of the establishment of a class of telephone service or subsequent additions to that service.

SERVICE, MEASURED RATE - Telephone service in which a subscriber's calls are counted automatically and a charge made based on their number.

SERVICE STATION - See Telephone Station.

SERVICE, 800 - A bulk billed service which provides a customer a monthly flat rated message service for incoming station-to-station calling from telephones within a preset calling area. This service is offered without charge to the dialing party. This service was originally called In-WATS.

SPECIAL RATE AREA - A portion of an exchange in which Special Base Rates apply.

STATION - Specific identifying number associated with a location on a communications system.

SUBSCRIBER - See Customer.

GENERAL SERVICES

SUBURBAN AREA - The territory surrounding the Base Rate Area in which Suburban and Rural Service are furnished and in which urban classes of service are furnished at established rates, plus Extra Exchange Line Mileage Charges.

SUBURBAN SERVICE - A type of multi-party line service furnished to customers outside the Base Rate or Special Rate Area(s), but within the exchange area.

SWITCH - A unit of dial switching equipment which provides interconnection between station lines or trunks.

TARIFF - The rates, charges, rules and regulations adopted and filed by the Company with the South Dakota Public Utilities Commission.

TELEPHONE COMPANY - See Company.

TELEPHONE STATION - A telephone instrument, consisting of a transmitter, receiver and associated apparatus, connected so as to permit transmission and receiving of telephone messages.

TERMINATION CHARGE - A charge applied under certain conditions, when a contract for service is terminated by the customer before the expiration of the minimum contract period.

TERMINAL EQUIPMENT ACCESSORIES - Devices, apparatus and their associated wiring, provided by a customer, which do not constitute a communications system and which when connected to the telecommunications system of the Company are connected electrically, acoustically or inductively.

TIE LINE - A circuit connecting two private branch exchange systems for the purpose of interconnection between the stations connected with such systems.

TIE LINE MILEAGE - The measurement on which the rates for tie lines connecting customer's switchboard is based.

TOLL CENTER - A telephone switching center at which the operations function (message timing, switching and recording) takes place in connection with the provision of toll message service.

TOLL LINE - A circuit used exclusively for the transmission of messages between points located in different exchange areas where specific charges for each such message are applicable.

GENERAL SERVICES

TOLL MESSAGE - A message between stations in different exchange areas and furnished under the provisions of the applicable toll tariff.

1. **Person-to-Person Toll Message:** A toll message in which the user stipulates a desire for communication with a specified person or extension station at a specified location.
2. **Station-to-Station Toll Message:** A toll message in which the user stipulates a desire for communication only with a specified telephone or switchboard.
3. **Collect Message:** A toll message in which the charge may be reversed provided the charge is accepted at the called station. A collect call may be billed to a Credit Card or third-party number. In case of a public or semi-public coin telephone the charges must be billed to a Credit Card or third-party number, or the call may be re-originated from the called station.
4. **Third Number Message:** A toll message in which associated charges are billed neither to the calling station nor to the called station but rather to a station not involved in the message.
5. **Calling Card Message:** A toll message in which associated charges are billed to a credit card number assigned by a telephone company and issued to either the called or calling party.

TOLL RATE - The initial period charge prescribed for toll messages usually based upon the duration of the initial period and distance between exchanges.

TOLL SERVICE - Toll service is that part of the total telephone service rendered by the Company which is furnished between customers in different exchange areas in accordance with the rates and regulations specified in the Company's Toll Tariff.

TRUNK LINE - A circuit over which a customer's messages are sent between two central offices or between a central office and a private branch exchange system.

UNDERGROUND SERVICE CONNECTION - A customer's "drop" wire which is run underground from a pole line, or an underground distributing cable.

UPGRADES IN SERVICE - Represents an improved grade of service provided to the subscriber. For example, the conversion from 2-party to 1-party service.

WATS (WIDE AREA TELECOMMUNICATIONS SERVICE) - The furnishing of inward or outward switched telephone communications service between a wide area service line and specified service areas or bands.

LOCAL EXCHANGE SERVICE

In addition to services offered within this price list, the Company shall offer individually priced services. Individually priced services shall be established in a non-discriminatory manner.

The rates for Local Exchange Service are subject to the conditions set forth herein and the General Regulations governing provision of service. The General Regulations are set forth in Section 2 of this tariff book.

Local Exchange Service

- A. The Local Exchange Service Rates are for service only and do not include any terminal equipment beyond the point of demarcation.
- B. The rates applicable to Local Exchange Service are composed of a Line Access Rate component plus (where applicable) an Extended Area Service component.
- C. Service Upgrades
 - 1) At the option of the Company, services will be upgraded to business individual line and residence individual line or two party services as facilities for the provision of such services permit.
 - 2) Upgrading of business and residence services may be accomplished on a line by line basis at the option of the Company.
 - 3) As an exchange is upgraded, as set forth in 1) above, the rates shown on the appropriate rate schedule will be applied.
- D. Extended Area Service
 - 1) Establishment and discontinuance of EAS will be contingent upon Commission authorization.
 - 2) Extended Area Service rate component.
 - a) EAS is a premium-type service offering made by the Company to certain exchanges, under specific conditions.
 - b) The Extended Area Service rate component, where applicable, may be included in the Local Exchange Service Rate.

LOCAL EXCHANGE SERVICE

Local Exchange Service (continued)

E. Taxes

- 1) Applicable taxes levied by state, county and local taxing authorities are in addition to the rates set forth in this tariff. (See also General Regulations, Section 2).

Basic Rates

Class of Service

Business:

One Party	\$	26.00
Basic Coin Telephone Service		26.00

Residence:

One Party		15.70
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All rates are billed in advance. Payment for service is due when the statement is rendered.

Seasonal service is available for customers requiring less than 12 months of service per year.

LOCAL EXCHANGE SERVICE

RESERVED FOR FUTURE USE

GENERAL SERVICES

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GENERAL SERVICES

CALL TRACING

A. General

Call Tracing allows for the identification and recording of the telephone numbers of some or all of the incoming calls to the telephone line of a customer.

B. Definitions

1. Call Tracing - Company implemented trace that records some or all incoming calls to a customer's telephone line. Customer or law enforcement officials may initiate the request.
2. Customer - means a person, firm, partnership, limited liability company, corporation, municipality, cooperative association or organization, governmental agency, or other entity receiving telecommunications service.
3. Customer-originated call-tracing service - means a customer-activated, call-specific form of call tracing available as part of a set of services called Custom Local Area Signaling Services (CLASS).
4. Emergency - means a situation that appears to present immediate danger to person or property.
5. Investigative or law enforcement officer - means an officer of the United States, a state, or a political subdivision of the United States or a state, or an attorney authorized by law to prosecute those crimes.

C. Terms and Conditions

1. Call Tracing will be provided when requested by both a customer and an investigative or law enforcement officer and the customer has provided consent. Normally written consent will be required. In emergencies, call tracing will be provided upon receiving oral consent from the customer. The customer will be requested to provide written consent promptly and advised to seek the assistance of an investigative or law enforcement officer.
2. Information regarding the originating telephone numbers will be disclosed only to investigative or law enforcement officers, not to customers receiving call-tracing services.
3. The company will work with investigative or law enforcement officers to determine how long call-tracing services should be provided.
4. The company may provide customer-originated call-tracing service (CLASS Call Trace) as an alternative to Call Tracing in response to a Call Tracing request from a customer who is located in an exchange where CLASS Call Trace is available and where Class Call Trace will function as accurately as Call Tracing.

GENERAL SERVICES

CUSTOM CALLING FEATURES

A. General

1. The specific custom calling features available are:
 - a. **Call Waiting/Cancel Call Waiting** - provides notification to the subscriber while a conversation is in process that there is another call awaiting the subscriber. The subscriber has the option of temporarily canceling the call waiting notification until reactivated by the subscriber.
 - b. **Call Forwarding with Remote Access** - allows the subscriber to transfer calls automatically to a preprogrammed number from any touch tone phone. Calls forwarded beyond the local (toll free) calling area will be charged to the customer at the direct dial station-to-station rate.
 - c. **Three Way Calling with Call Transfer** - allows the subscriber to call a third party and initiate a conference call. The subscriber has the option to drop out of the call while the other two parties remain connected.
 - d. **Speed Calling** - allows a subscriber to place a call dialing a one or two digit number. This feature is available on the basis of a short list which comprises 8 numbers and also a long list which comprises 30 numbers.
 - e. **Circular Hunt** - permits a complete hunt of incoming calls over all the lines in a Multiline Hunt Group (MLHG) regardless of which line in the group is dialed.*
 - f. **Uniform Call Distribution** - provides the ability to equally distribute incoming calls among all available lines in an MLHG. A Multiline Hunt Group (MLHG) is a group of lines usually associated with one directory number. A call completing to the directory number will hunt over the lines in the group until an idle line is found. This service includes Circular Hunt.
 - g. **Distinctive Ring** - provides a distinctive ring or Call Waiting/Cancel Call Waiting tone pattern that allows the subscriber to determine the nature of an incoming call.
 - h. **Call Forward Busy Line** - This feature for residential and business subscribers provides forwarding capability to incoming calls that encounter a busy state. The forwarded-to number is programmed by the subscriber by dialing an access code followed by the number. This capability can be activated or deactivated from a remote location.

GENERAL SERVICES

CUSTOM CALLING FEATURES (Continued)

A. General (Continued)

- i. **Call Forward Busy Line No Answer** - The same features as Call Forward Busy Line in h. above, with the additional option of having a call forwarded when there is a no-answer state at the subscriber's premise. The subscriber programs the number of rings before transfer to designate a no-answer state.

- j. **Warm Line** - An automatic line feature which gives the subscriber 30 seconds after going off-hook to dial a number before it automatically dials a predesignated number. This allows the residential subscriber to use the telephone normally, but to go to a designated number simply by staying off-hook. This may be important, for example, for immediate access to emergency numbers in the case of sick, handicapped, or elderly individuals needing help but unable to dial a telephone number.

GENERAL SERVICES

CUSTOM CALLING FEATURES (Continued)

B. Rates

	Monthly Rate	Installation Charge
1. Single Feature Service		
a. Call Waiting/Cancel Call Waiting	\$ 1.75	(a)
b. Call Forwarding with Remote Access:		
	1.75	(a)
c. Three-Way Calling with Call Transfer	1.75	(a)
d. Speed Calling:		
8 number list	.50	(a)
30 number list	1.00	(a)
e. Circular Hunt		
Each Line	1.75	(a)
f. Uniform Call Distribution	3.00	(a)
g. Distinctive Ring	2.00	(a)
h. Call Forward Busy Line	1.75	(a)
i. Call Forward No Answer	1.75	(a)
j. Warm Line	1.00	(a)

2. Multiple Feature Package Discounts using Custom Calling Features Only:

	Monthly Rate	Installation Charge
a. Three Custom Calling Services: Call Waiting/Cancel Call Waiting, Call Forwarding with Remote Access, and 3-Way Calling with Call Transfer	\$ 3.75	(a)

(a) Regular applicable service connection charges apply.

GENERAL SERVICES

CUSTOM CALLING FEATURES (Continued)

C. Conditions

1. The initial service period for all features is one month.
2. Rates above are in addition to regular local service rates.
3. Transmission on calls forwarded and three-way calling may vary depending on the distance and routing necessary; therefore, transmission may not meet normal standards.

GENERAL SERVICES

ADVANCED SERVICES

A. General

1. The advanced services available are:

- a. **Telemarketer Call Screening** - intercepts telemarketer calls before the phone even rings and announces that the customer does not accept calls from telemarketers.
- b. **Do Not Disturb** - allows a customer to define a time period every day during which incoming calls can be restricted. Calls can be completed if calling party inputs a special override code.
- c. **Voice Mail** - an answering machine that is owned, operated, and maintained by the telephone company. It stores greetings and messages depending upon the reason, either busy or no answer. It allows for access to the system from any touch tone telephone and now through your e-mail. It is tailored for individual and business needs.
- d. **Voice Mail Daily Notification** - allows customer to be notified at a specific time of the day that a new message has been received.
- e. **Voice Mail Pager Notification** - allows the customer to be notified by pager or phone of new messages.
- f. **Budget Calling** - allows customer to determine the amount of toll billed each month. A warning tone is played while a call is in progress and the available talk time is less than 1.5 minutes.
- g. **Find Me** - this feature puts you in reach wherever you go. Your home phone, office phone, and your wireless phone can ring at the same time, so you can answer your calls even if you are away from your main phone.

GENERAL SERVICES

ADVANCED SERVICES (continued)

B. Rates

	Monthly Rates	Installation Charges
a. Telemarketer Call Screening	\$2.50	(a)
b. Do Not Disturb	1.00	(a)
c. Voice Mail - Residential	3.95	(a)
Voice Mail - Business	5.95	(a)
d. Voice Mail Daily Notification	1.00	(a)
e. Voice Mail Pager Notification	2.00	(a)
f. Budget Calling	.00	(a)
g. Find Me	2.50	(a)

(a) Regular applicable service connection charges apply.

C. Conditions

1. The initial service period for all features is one month.
2. Rates above are in addition to regular local service rates.

GENERAL SERVICES

DIRECTORY ASSISTANCE SERVICE

A. General

1. Telephone calls by customers for telephone number listings will be answered and numbers given if the requested number is listed in the Directory Assistance records.
2. The rates below apply for calls to Directory Assistance of the customers local calling area, except as provided below. The charges also apply to customers within such local calling areas in adjacent states that are subject to this Tariff.
3. The Company shall not be liable for any errors or omissions, whether arising through negligence or otherwise, in the information furnished; and the customer shall indemnify and save the Company harmless against all claims (including costs) and reasonable attorney's fees) that may arise from the use of such information.

B. Rates

1. The charge for each direct dialed call to Directory Assistance is \$.95.
2. Requests placed through the operator when normal Directory Assistance service is available are subject to the rate for direct dialed calls plus the charge for other operator station-to-station Local Operator Assistance, as specified in this section.
3. Charges for Directory Assistance Service are not applicable to calls placed from hospitals or from customers whose physical, visual, mental or reading handicaps prevent them from using the telephone directory. The method of exempting those handicapped customers shall be via the completion of an exemption form and the telephone company's acceptance of that form.

GENERAL SERVICES

DIRECTORY LISTINGS

A. General

The following rates are applicable to the alphabetic section of the Telephone Directory, for business or residence customers.

B. Rates

		Monthly Rate	Non- recurring
1. Additional or alternate listing, per listing		\$	
	Residential	1.50	
	Business	6.00	
2. Unlisted service, per listing		2.00	
3. Nonpublished service, per listing		3.00	
4. Foreign exchange or non-subscriber service, per listing (See Condition 4)		5.00	
5. Service Charge to change an existing listing		\$	5.00

GENERAL SERVICES

DIRECTORY LISTINGS (Continued)

C. Conditions

1. A Primary listing, which may include the name, address and telephone number of the individual, organization, firm or corporation for whom the service has been contracted, will be furnished at no charge.
 - a. Listings will be limited to such information as is necessary for proper identification.
 - b. The length of a listing may be limited by the use of abbreviations where the clarity of the listing and the identification of the customer will not be impaired.
 - c. The Company may refuse to insert any listing, which in its judgment does not facilitate the use of the directory.
2. An additional listing may include the same address and telephone number as the primary listing, except that a different address may be shown for off-premises stations located on other premises occupied solely by the customer.
 - a. Additional listings may be furnished with business or residence service for persons who occupy the same premises at the rates shown above (See Joint User Service).
3. An alternate call listing refers a calling party to certain other telephone numbers after business hours or on Sundays or holidays or if there is no answer on the first listed number.
 - a. Where the alternate call number is to be that of another customer, the listing will be furnished only with written approval of the other customer.
4. A foreign or non-subscriber listing may be furnished customers requesting that their listing be included in a directory of an exchange other than that from which service is rendered. The rate for a foreign company listing will be the rate of the company in whose directory the listing appears.
 - a. Bold type foreign listings appearing in the serving company's directories will be billed in accordance with the directory company's rates for "bold type listings".

GENERAL SERVICES

DIRECTORY LISTINGS (Continued)

C. Conditions (Continued)

5. Unlisted service is the omission of a customer's listing from the telephone directory only. It may be obtained from the information operator.
6. Nonpublished service is the omission of a customer's listing from both the telephone directory and information records.
 - a. When nonpublished service is to be furnished, the customer will hold the Company harmless from any damages which might arise, and will absolve the Company from any responsibility for the failure of the customer to receive calls because of the nonpublished listings.
 - b. The rate for a nonpublished service is specified in B. above.
 - c. No charge will apply to nonpublished numbers for customers having other listed services.
7. The charge for additional, alternate, unlisted or nonpublished listings begin on the day the information records are posted.
8. The length of contract period for directory listings, where the listing actually appears in the directory, is the directory period. The directory period is from the day on which the directory is distributed to the customers to the day the succeeding directory is distributed to the customers. Unless the listing no longer serves the customer because of disconnection, removal, etc., of the service, the minimum contract period will be for at least 30 days.
9. A non-recurring fee will be charged to change an existing listing's name, address, or number when requested by the customer. The one exception will be in the case of the death of one of the parties under Joint Use Service, as for an example, a spouse.

GENERAL SERVICES

"911" EMERGENCY SERVICE (911)

A. General

1. "911 Emergency Service, also known as 911, is a telephone exchange communication service whereby one (1) or more Public Safety Answering Points (PSAP) designated by the customer may receive telephone calls dialed to the telephone number 911.
2. "911" Service is offered subject to availability of facilities.
3. The 911 customer may be a municipality, other state or local governmental unit or an authorized agent of one or more municipalities or other state of local government units to whom authority has been lawfully delegated. The customer must be legally authorized to subscribe to the service and have public safety responsibilities by law to respond to telephone calls from the public for emergency police, fire or other emergency services within the telephone central office areas arranged for 911 calling.

B. Definition of Terms

1. Automatic Location Identification (ALI) - A feature by which the name and address associated with the party's telephone number (identified by ANI feature later defined) is forwarded to the PSAP for display. Additional telephones with the same number as the calling party's (secondary locations, off premise, etc.) will be identified with the address of the telephone number at the main premises.
2. Local Location Identification (LLI) - The process of locating the origin of calls to a 911 system by means of a periodically updated database located and maintained at the PSAP.
3. Automatic Number Identification (ANI) - A feature by which the calling party's ANI telephone number only is forwarded to the PSAP display and transfer units via the telephone company 911 central office.
4. Public Safety Answering Point (PSAP) - An answering location for 911 calls originating in a given area. A PSAP may be designated as primary or secondary, which refers to the order in which calls are directed for answering. Primary PSAP's respond first.
5. Selective Routing (SR) - A feature that routes a 911 call from a central office to the primary PSAP based on the identified number and/or address of the calling party.

GENERAL SERVICES

"911" EMERGENCY SERVICE (911) (Continued)

C. Rules and Regulations

1. 911 service is classified as Business Exchange Service and arranged for one-way incoming service to the PSAP.
2. This service is limited to the use of central office telephone number 911 as the universal emergency telephone number. Only one 911 Service will be provided within any one governmental locality.
3. The 911 emergency number is not intended to be a total replacement for local telephone service utilized by the various public safety agencies. These agencies will subscribe to Exchange Telephone Service as provided in the Local Exchange Tariff and other tariffs of the company.
4. This service is furnished to the customer only for the purpose of receiving emergency reports from the public.
5. 911 service is provided solely for the benefit of the customer operating the PSAP. The provision of 911 service by the Company shall not be interpreted, construed or regarded (either expressly or implied) as being for the benefit of or creating any Company obligation toward any third person or legal entity other than the customer.
6. The Company does not undertake to answer and forward 911 calls, but furnishes the use of its facilities to enable the customer's personnel to respond to such calls on the customer's premises.
7. 911 information consisting of the names, addresses and telephone numbers of subscribers whose listings are not published in directories or listed in Directory Assistance, is Company proprietary.
8. The calling party forfeits the privacy afforded by Private and Semiprivate Service to the extent that the telephone number, address and name associated with the originating telephone number location are furnished to the PSAP.

GENERAL SERVICES

"911" EMERGENCY SERVICE (911) (Continued)

C. Rules and Regulations (Continued)

9. The rates charged for 911 Service do not contemplate the inspection or constant monitoring of facilities to discover errors, defects and malfunctions in the service, nor does the Company undertake such responsibility. The customer shall make such operational test, in the judgment of the customer, as required to determine whether the system is functioning properly for its use. The customer shall notify the Company promptly in the event the system is not performing properly.
10. The Company's liability for any loss or damage arising from any errors, interruptions, defects, failures of equipment, service or malfunctions of this service or any parts thereof (whether caused by the negligence of the Company or otherwise) shall not exceed the greater of \$50.00 or an amount equivalent to the prorata charges for the service affected during the period of time that the service was fully or partially inoperative. These limited damages shall be in addition to any credit which may be given for an out-of-service condition as specified elsewhere in this tariff.
11. Each customer agrees to release, indemnify, defend, and hold harmless the Company from any and all loss, claims, demands, suits, other actions including attorneys' fees or any liability whatsoever, whether suffered, instituted or asserted by the customer or death of a person(s) or for any loss, damage or destruction of any property whether owned by the customer or others.
12. Because the Company's filed service boundaries and political subdivision boundaries may not coincide, it is the obligation of the customer to make arrangements to handle all 911 calls that originate from telephones served by central offices in the local service area, whether or not the calling telephone is situated on property within the geographical boundaries of the customer's public safety jurisdiction.
13. Application for 911 service must be in writing by each customer. If application for service is made by an agent, the Company must be provided in writing with satisfactory proof of appointment of the agent by the customer. At least one local law enforcement agency must be included among the participating agencies in any 911 offering.
14. The customer is required to furnish the Company its agreement to the following terms and conditions:
 - a. All 911 calls will be answered on a twenty-four (24) hour day, seven (7) day week basis.

GENERAL SERVICES

"911" EMERGENCY SERVICE (911) (Continued)

C. Rules and Regulations (Continued)

14. (Continued)

- b. The customer responsible for dispatching the appropriate emergency service within the 911 service area will undertake to transfer all 911 calls received to the governmental agency with responsibility for dispatching such services, to the extent that such services are reasonably available.
- c. The customer will establish a procedure for handling calls not requiring public safety response.
- d. The customer will subscribe to Local Exchange Service at the PSAP location for administrative purposes, for placing outgoing calls and for receiving other calls.
- e. The customer will subscribe to or provide telephone equipment with a capacity adequate to handle the number of incoming 911 lines recommended by the Company.

15. When the selective routing feature is provided, the customer is responsible for identifying primary and secondary PSAP locations and the unique combinations of police, fire and ambulance or any other appropriate agencies responsible for providing emergency service in the 911 serving area, and for associating the Company-provided Emergency Service Numbers (ESN) with the street address ranges or other criteria for selective routing of calls. ESNs will be carried in the Data Management System (DMS) to permit routing of 911 calls to the primary and secondary PSAP's responsible for handling of calls from each telephone in the 911 serving area. The following terms define the customer's responsibility in providing this information:

- a. Initial and subsequent ESN assignments by street name, address range and area or other mutually agreed upon routing criteria shall be furnished by the customer to the Company prior to the effective date of service.
- b. After the establishment of service, it is the customer's responsibility to continue to verify the accuracy of routing information contained in the master address file and to advise the Company of any changes in street names, establishment of new streets, changes in address numbers used on existing streets, closing and abandonment of streets, changes in police, fire, ambulance or other appropriate agencies jurisdiction over any address, annexations and other changes in municipal and county boundaries, incorporation of new cities or any other matter that will affect the routing of 911 calls to the proper PSAP.

GENERAL SERVICES

"911" EMERGENCY SERVICE (911) (Continued)

C. Rules and Regulations (Continued)

15. (Continued)

- c. The Company will provide to the customer on request (maximum of two requests per year) a complete written copy of the master address file to permit the customer to verify accuracy of the police, fire and ambulance PSAP routing designations.
- d. Changes, deletions and additions which the customer desires to have made in the master address file should be submitted on an "as occurred" basis.
- e. The Company will furnish a written copy to the customer for verification showing each change, deletion and addition to the master address file.

GENERAL SERVICES

"911" EMERGENCY SERVICE (911) (Continued)

D. Rates and Charges

9-1-1 Service is provided under contract with the customer. Billing for the service will be retroactive to the date the service was available for use by the customer.

1. Central Office, Trunking, Facilities and Special Features

Those costs are covered within the "Agreement for Implementation of County 911 System".

	Non-Recurring Charges	Monthly Rates (Recurring)
Conversion or Modification	ICB	NA
2. 9-1-1 Trunks (Outswitching)		
a. Digital Central Office trunk charge	\$ 265	\$ 45.96 each
3. Inter-Exchange Outswitch VG Circuit		
a. Channel Mileage Termination		14.10
b. Channel Mileage Facility (Distance Sensitive per mile charge)		2.41
4. 9-1-1 Features		
a. Emergency ring-back (rering)	NA	(included in 2)
b. Selective Routing	NA	NA
c. Called Party Control	NA	(included in 2)
d. Forced Disconnect	NA	(included in 2)
e. Automatic Number Identification (ANI)	NA	(included in 2)
f. Access Order Charge	\$ 50	
5. Access Line Data Base		
a. Initial Listing Issue	\$.25	NA
b. On-Going Updates	NA	\$.35*

ICB - Individual Case Basis

*Per Access Line per exchange based upon an annual measurement date to be determined on an individual case basis.

GENERAL SERVICES

ADJACENT EXCHANGE SERVICE

A. General

Service of a given exchange may be provided to an applicant of an adjacent exchange who resides not more than two miles from the exchange boundary of the serving exchange subject to the concurrence of both exchanges.

B. Rates

1. Local service rate of the serving company.
2. Appropriate mileage charge of the local company.
 - a. When this company is the local company, the mileage charge is \$5.00 per month for each mile, or fraction thereof, measured along the airline route from the exchange boundary to the applicant's premises.

C. Conditions

1. Any construction required to provide such extensions of rural lines will be paid for by the applicant. Title to any such plant will be conveyed to the telephone company in whose territory it is located.
2. The serving telephone company shall be responsible for all billing, including applicable mileage charges. Mileage charges for circuits provided by the local company will be remitted to the local company by the serving company.

GENERAL SERVICES

1. LINK-UP SERVICE CONNECTION PROGRAM-SOUTH DAKOTA

1.1 Benefits

The Link-Up Service Connection Program is a federally sponsored lifeline assistance program designed to make telephone service accessible to low-income residential households who are currently not on the public switched network. Through this program, the service connection charge for the initial installation of the main access line, as described in Section 6, page 1, paragraph B, will be discounted to the applicant at a rate of 50 percent, not to exceed \$30.00. The remaining portion of the service connection charge may be installment billed over a period not to exceed four monthly billing statements.

1.2 Eligibility Requirements

- a. This discount applies on a primary single line at the principal place of residence for the applicant.
- b. The consumer can receive the benefit of the Link-Up Service Connection Program for a second or subsequent time only for a principal place of residence with an address different from the residence address at which Link-Up assistance was provided previously.
- c. Applicant meets income requirements under criteria "d" and "e" below.
- d. Applicant can certify current participation in one of the following assistance programs to his or her local exchange company:
 - Medicaid (e.g. Title XIX/Medical, State Supplemental Assistance)
 - Federal Housing Assistance
 - Food Stamps
 - Low Income Energy Assistance; or
 - Supplemental Security Income (SSI).
- e. **Proof of eligibility.** Eligibility will be established by the Company by obtaining from a customer a document signed by the customer certifying, under penalty of perjury, that the customer receives benefits from one of the above programs and identifying the program or programs from which the customer receives benefits. On the same document, a qualifying low-income customer must also agree to notify the Company if the customer ceases to participate in the program or programs.

GENERAL SERVICES

1. LINK-UP SERVICE CONNECTION PROGRAM-SOUTH DAKOTA (Continued)

1.3 Credit and Collections

(A) Credit Reference

Credit verification procedures used for all applicants who apply for service with the Company will also be used for applicants who apply for service under the Link-Up program.

(B) Deposits

No service deposit will be collected if the qualifying subscriber voluntarily elects toll blocking. If the qualifying subscriber does not voluntarily elect toll blocking, the deposit standards used for all applicants will apply.

(C) Collection Standards

Once service has been established for a Link-Up applicant, he or she will be expected to adhere to the same bill payment policies expected of any other customer of the Company.

2. LINK-UP SERVICE CONNECTION PROGRAM-NORTH DAKOTA

2.1 Benefits

The Link-Up Service Connection Program is a federally sponsored assistance program designed to make telephone service accessible to low-income residential households who are currently not on the public switched network. Through this program, the service connection charge for the initial installation of the main access line, as described in Section 6, page 1, paragraph B, will be discounted to the applicant at a rate of 50 percent, not to exceed \$30.00. The remaining portion of the service connection charge, up to \$200, may be installment billed, interest free, over a period not to exceed one year. The charges do not include any permissible security requirements.

2.2 Eligibility Requirements

- a. This discount applies on a primary single line at the principal place of residence for the applicant.
- b. The consumer can receive the benefit of the Link-Up Service Connection Program for a second or subsequent time only for a principal place of residence with an address different from the residence address at which Link-Up assistance was provided previously.
- c. Applicant meets income requirements under criteria "d" and "e" below.

GENERAL SERVICES

LINK UP SERVICE CONNECTION PROGRAM - NORTH DAKOTA (Continued)

2.2 Eligibility Requirements (Continued)

- d. Applicant can certify current participation in one of the following assistance programs to his or her local exchange company:
- Medicaid
 - Food Stamps
 - Low Income Energy Assistance Program
 - Low Income Home Energy Assistance Program
 - Supplemental Security Income (SSI)
- e. **Proof of eligibility.** The North Dakota Department of Human Service will verify a customer's eligibility to participate in Link-Up.

2.3 Credit and Collections

(a) Credit Reference

Credit verification procedures used for all applicants who apply for service with the Company will also be used for applicants who apply for service under the Link-Up program.

(b) Deposits

No service deposit will be collected if the qualifying subscriber voluntarily elects toll blocking. If the qualifying subscriber does not voluntarily elect toll blocking, the deposit standards used for all applicants will apply.

(c) Collection Standards

Once service has been established for a Link-Up applicant, he or she will be expected to adhere to the same bill payment policies expected of any other customer of the Company.

GENERAL SERVICES

LOCAL OPERATOR SERVICE

A. General

1. Local Operator Service is furnished to customers upon their request in order to complete local calls.
2. There are five classes of local service offered; Credit Card Calling, Operator Station Calls, Person to Person, Busy Line Verification and Busy Line Interrupt. When Operator assistance is required to complete a local call, the rates appears under B. Rate will apply.

a. Credit Card Calling

Customer dialed "0+" calls and completed by the caller or completed by the operator that will be billed to the caller's credit card instead of the telephone originating the call.

b. Operator Station Calls

Customer dialed "0-" calls where the operator completes the call and arranges billing. Can be billed to the originating telephone number, credit card, collect or to a third number. Includes operator placed calls to Directory Assistance.

c. Person-to-Person calls

Customer dialed "0-" calls where the operator completes the call and arranges billing. Can be billed to the originating telephone number, credit card, collect or a third number.

d. Busy Line Verify

Customer requested operator assistance in determining if a called line is actually busy or out-of-service.

e. Busy Line Interrupt

Calls wherein the customer requests the operator to interrupt conversation on a busy line and give a message to the person whose line is being interrupted.

3. Customers who identify themselves as being disabled and unable to dial the call, will not be required to pay local operator service charges for sent paid station-to-station calls from public and semipublic coin telephones.

GENERAL SERVICES

LOCAL OPERATOR SERVICE (Continued)

B. Rates

	South Dakota Charge per Call
Credit Card Call	\$.75
Operator Station Call	1.85
Person-to-Person Call	3.50
Busy Line Verify	2.00
Busy Line Interrupt	2.50

GENERAL SERVICES

MILEAGE CHARGES

A. General

This service involves the furnishing of off premises extension service on premises other than that on which the access line for the class and grade of service is located within the exchange area of the Company. Mileage Rates apply for extending standard voice grade intra-exchange service between locations on the same premises or between separate premises or for the same customer.

B. Rates

	Monthly Rate
1. Up to 150 feet	\$ 1.90
2. Next 150 feet to ¼ mile	3.00
3. Each Additional ¼ mile	ICB

C. Conditions

1. Mileage applicable to off premises business, residence, Centrex, PBX or Key extension stations located on premises, other than those on which the main stations or switchboard are located, will be determined in the following manner:
 - a. When the terminals are located in the same Central Office area, the off premises mileage measurement is the air-line distance between the terminals.
 - b. If the line passes through a Central Office, the air-line mileage must include the Central Office.
2. The total monthly rate for mileage service will be the sum of the basic rate for the primary service furnished, as set forth in local exchange tariffs, and the appropriate mileage charges above.
3. When facilities must be constructed to provide service to applicant, charges shall be determined as set forth under Line Extension Charges filed in this section.

GENERAL SERVICES

900 BLOCKING SERVICE

A. General

900 Blocking Service provides residence and business customers with the ability to block access from a particular network access line to all telephone numbers for which 900 must be dialed.

B. Regulations

1. 900 Blocking Service is offered only where central office facilities permit.
2. 900 Blocking Service is available only for blocking access to all 1+ 900 telephone numbers from a particular network access line, and not for blocking access to specific 900 telephone numbers.
3. Nonpayment of 900 charges shall not result in the termination or in the threat of termination of local service.

C. Rates and Charges

1. The 900 Blocking Service for residence and business network access line customers is provided upon request without a recurring charge.
2. Service Order charges do not apply on first request to add or remove blocking service. If subsequent requests to change blocking status, Service Order charges will apply.

GENERAL SERVICES

PAYPHONE PROVIDER SERVICE

A. Description

1. Payphone Provider Service provides for the use of customer-provided coin operated or coinless telephones. Payphone Provider Service utilizes a voice grade business access line, Basic Coin Telephone Service, to connect the customer-provided equipment to the Company's central office.

2. Definitions

1. Basic Coin Transmission Dial Tone Line - A network access line used to connect customer-provided coin operated or coinless telephone equipment to and from the telecommunications network.
2. Coin Collection and Return - This coin signaling is provided by the network. Coin collection occurs when a call is completed. Coin return will return the coins to the calling party when a busy signal, or no answer is encountered.
3. Coin Supervision Additive - This is an optional feature provided from central offices that are equipped to provide this feature. The feature is provided when payphone equipment connected to the Basic Coin Transmission Dial Tone Line requires central office coin supervision capability. This feature provides the capability of central office line equipment to pass signals and/or tones from the Basic Coin Transmission Dial Tone Line to a trunk terminating at the Payphone Provider's operator service provider. These signals enable the operator service provider to recognize coin deposits and coin returns to the pay telephone user. The Coin Supervision Additive feature also permits a suitably equipped operator service provider to automatically ring back the originating local exchange service line upon completion of call.
4. Company - Is the utility named above.
5. Payphone Provider - Is the customer, or the Company, that subscribes to the Payphone Provider Service.

GENERAL SERVICES

PAYPHONE PROVIDER SERVICE (Continued)

C. Rules and Regulations

1. The Payphone Provider Service is classified as business service. It is subject to the terms, rates and conditions applicable to business service as described elsewhere in this Tariff.
2. Payphone Provider Service is provided on a fixed rate basis.
3. The maximum of one payphone instrument may be connected to one Basic Coin Transmission Dial Tone Line. Extensions to this line are not permitted. A Payphone Provider must use a separate line for each payphone instrument installed and will be billed the tariffed rate for each line. Off-premise extensions are not permitted.
4. Directory listings may be provided under the regulations which provide for the furnishing of listings for business service.
5. Directories will be provided to the Payphone Provider on the same basis as business access lines.
6. The Company shall not be liable for shortages of coins deposited and/or collected from the Payphone Provider's payphone instrument.
7. The Company shall not be liable for the end-user fraud of any nature occurring at, or in association with, the Payphone Provider's payphone equipment.
8. Responsibility of the Payphone Provider
 - a. The Payphone Provider is responsible for the installation, operation and maintenance of the customer-provided instrument and any associated equipment such as booths, shelves, directories and any other ancillary equipment. The Payphone Provider is responsible for complying with the requirements of the Americans with Disabilities Act. The Payphone Provider is responsible for providing terminal equipment that is hearing aid compatible and meets all standards for handicapped users as required by law, including height restrictions.

GENERAL SERVICES

PAYPHONE PROVIDER SERVICE (Continued)

C. Rules and Regulations (Continued)

8. Responsibility of the Payphone Provider (Continued)

- b. It is the responsibility of the Payphone Provider to insure its terminating equipment is properly equipped if it desires the optional feature, Coin Supervision Additive.
- c. The Payphone Provider is responsible for the payment of all charges originating, or accepted at this service, incurred through the use of the Basic Coin Transmission Dial Tone Line including local messages, toll messages, and calls to directory assistance. The Payphone Provider is responsible for any federal, state, or local taxes on the customer-provided payphone, or on calls made from that payphone.
- d. The customer-provided payphone must be registered in compliance with Part 68 of the FCC's Registration program.
- e. The Payphone Provider is responsible for providing at no charge to the caller and without depositing coins:
 - (1) Access to dial tone,
 - (2) Access to 911 emergency services,
 - (3) Access to operators,
 - (4) Access to 800, 8XX numbers,
 - (5) Access to 101XXXX numbers, and
 - (6) Access to telecommunications relay service calls for the hearing disabled.
- f. The Payphone Provider is responsible for posting and prominently displaying all information required by the Federal Communications Commission, or the South Dakota Public Utilities Commission.
- g. The Payphone Provider is responsible for compliance with the Rules and Regulations of the South Dakota Public Utilities Commission, or the Federal Communications Commission related to payphone service and equipment.
- h. Disconnection of Payphone Provider service due to a violation of the tariff will be pursuant to the Company's disconnection procedures.

GENERAL SERVICES

PAYPHONE PROVIDER SERVICE (Continued)

D. Rates and Charges

The following rates and charges are for Payphone Provider Service only and are in addition to the rates and charges for any other service(s) required to furnish a communications system.

	Non-Recurring Charge	Per Month
1.Basic Coin Transmission Dial Tone Line ¹	(a)	\$26.00
2.Optional Features		
a.Coin Supervision Additive	\$ 15.00	\$ 2.21
b. Custom 0+ Screening	50.00	3.00
(1) Changes or additions in code restrictions	50.00	

¹Tariffed charges/rates for a business access line as found in other sections of the Company's tariffs will also apply to Payphone Provider Service.

(a) Regular applicable service connection charges apply.

GENERAL SERVICES

SPECIAL PROMOTIONS

A. General

The Company may, from time to time, make promotional offerings to enhance the marketing of its services. The offerings may be limited to certain dates, times and locations.

LIFELINE PROGRAM

1. Definitions.

Lifeline is the local service offering that is available to low income consumers, for which such consumers pay reduced monthly charges as a result of the federal support described in 47 CFR § 54.403 and that includes the services required to be provided for federal universal service support eligibility under 47 C.F.R. § 54.101.

2. Eligibility for Lifeline.

- a. To qualify for Lifeline the customer must be a participant in at least one of the following programs:
 - Medicaid;
 - Food stamps;
 - Supplemental Security Income;
 - Federal public housing assistance; or
 - Low-Income Home Energy Assistance Program.
- b. Eligibility will be established by the Company obtaining from a customer a document signed by the customer certifying under penalty of perjury that the customer receives benefits from one of the above programs and identifying the program or programs from which the customer receives benefits. On the same document, a qualifying low-income customer must also agree to notify the Company if the customer ceases to participate in the program or programs.
- c. When the Company is notified by the customer that the Customer no longer participates in such a program, the Lifeline discounts to that customer's monthly charges shall cease beginning with the start of the billing cycle beginning in the month after the month in which notification is received.

GENERAL SERVICES

LIFELINE PROGRAM (Continued)

4. Application of the Federal Lifeline

- a. Lifeline customers receive a local service reduction of \$7.75 per month from the Lifeline program. This reduction consists of a waiver of the \$6.00 Subscriber Line Charge plus a monthly reduction of \$1.75 in local service charges.
- b. The Lifeline reduction will begin with the first billing date after the Company is notified by applicants who qualify for benefits or when a new service is established by a qualifying customer.
- c. Lifeline reductions shall apply only to a customer's principal residence line.
- d. Lifeline service is offered in all exchanges served by the Company.
- e. Toll limitation service, in the form of toll blocking, is offered to qualifying consumers at no charge.
- f. No service deposit will be collected in order to initiate Lifeline service, if the qualifying low-income consumer voluntarily elects toll blocking. If the qualifying low-income consumer does not voluntarily elect toll blocking, a service deposit may apply.
- g. A Lifeline customer's local service will not be disconnected for non-payment of toll charges, however, a Lifeline customer's toll service may be disconnected for non-payment of toll charges.

5. Regulations

- a. Lifeline reductions will begin at the customer's earliest possible billing cycle but no later than the second billing cycle after the date the application for Lifeline is received by the telephone company.

6. Funding

Lifeline is funded through the federal universal service program.

GENERAL SERVICES

TOLL RESTRICTION SERVICE

A. GENERAL

1. Toll restriction service provides denial of outgoing long distance calls for central office access lines or trunks.
2. Pin restricted service gives the customer control over long distance calling. Only those that know the customer's pin number can make long distance calls.
3. These services are provided only where central office capabilities permit the offering.
4. Customers that qualify for the Lifeline Assistance Plan (under this section), may opt to have toll restriction service at no charge.
5. Customers that have been disconnected for non-payment may have toll restriction service put on their line at the Company's discretion and no charges will apply in this case. Toll restriction service will be lifted once the past due amount is paid in full plus any other penalties or fees that may be applicable.

B. RATES

	Monthly Rate	Nonrecurring Charge
1. Toll Restriction Service (outgoing calls only)	\$3.00	*
2. Lifeline Customers	.00	
3. Nonpayment Customers	.00	
4. Pin Restricted Toll	1.00	

C. CONDITIONS

1. The customer shall not be permitted to place all calls beginning with a 1, 101XXXX, 0, or 011 numbers. Telephone lines can still receive incoming toll calls and can be used to call toll-free numbers (1-800, 1-888, 1-877, 1-866, 1-8XX) or third party calls, and prepaid calling card calls.
2. Incoming calls are not restricted.

* See applicable service charges.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS)

I. GENERAL

- A. Custom Local Area Signaling Services (CLASS) is a group of central office call management features offered in addition to basic telephone service. These enhanced custom calling features described below, allow customers to effectively manage call flow. This management is accomplished by the central office Signaling System 7 technology, which routes the calling party's telephone number from the central office originating the call to the terminating central office serving the called party. That telephone number is held in network memory affording the called party options including identifying the calling number, answering the call and calling back to the call originator.
- B. The available features are described using the terminology used by the switch manufacturer. Marketing and promotional literature could contain less technical terms to describe the same features to the general public.

II. FEATURE DESCRIPTIONS

- A. **Automatic Callback** - allows a customer to dial a code that will automatically redial the last number called from the customer's station. This applies regardless of whether the original call was answered, unanswered, or encountered a busy tone. The system monitors the calling and called lines and attempts to connect the call for up to 30 minutes or until completion or cancellation. Once both lines are idle, a distinctive ringing alerts the customer that the call is ready to be set up.

Call setup is performed when the calling subscriber answers the ringing. This feature will not work on 800, 8XX, or 900 prefixed numbers, international calls, calls to a number with call forwarding active or lines with a non-unique directory number. To use per call blocking on a call placed using Automatic Callback, the customer **must activate the per call blocking prior** to activating the Automatic Callback feature.

- B. **Distinctive Ringing/Call Waiting/Cancel Call Waiting** - this incoming call feature allows subscribers to define a list of 32 calling directory numbers, that provide the subscriber with special incoming call treatment. Any incoming calls on this list are indicated by a distinctive ringing pattern or a distinctive Call Waiting/Cancel Call Waiting tone if the subscriber has Call Waiting/Cancel Call Waiting. Terminating calls from telephone numbers which are not on the list, or which cannot be identified, will receive standard termination treatment.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

II. FEATURE DESCRIPTIONS (Continued)

- C. **Selective Call Acceptance** - with this feature, the customer generated screening list routes calls not on the list to an announcement and shall be treated as calls that are not answered. Incoming calls on the screening list receive standard termination treatment. The feature can be activated or deactivated by the subscriber. The screening list can contain up to 32 directory numbers.

Call Forwarding will not work if the directory number is not contained on the Selective Call Acceptance screening list. Selective Call Forwarding and Selective Call Rejection take precedence over Selective Call Acceptance.

- D. **Selective Call Forwarding** - allows the subscriber to use a screening list to store 32 directory numbers. Calls terminating from a number on this screening list are forwarded to an alternate directory number. Terminating calls from telephone numbers which cannot be identified or have not been indicated on the screening list will be given standard termination treatment. The feature can be activated or deactivated by the subscriber.

Selective Call Rejection takes precedence over Selective Call Forwarding. This feature cannot forward calls to "950" or "101XXXX" dialing patterns.

- E. **Selective Call Rejection** - allows a customer to define a list of 32 calling directory numbers. The calling party on the rejection list receives an announcement stating the call is not presently being accepted by the called party and shall be treated as calls that are not answered. Incoming calls not on the screening list receive standard termination treatment. The feature can be activated or deactivated by the subscriber. The customer does not need to know the number of the incoming call in order to add it to this screening list.

This feature takes precedence over Selective Call Acceptance, Selective Call Forwarding and Caller Identification features. Automatic Recall will not function for directory numbers contained on the Selective Call Rejection list.

- F. **Customer Originated Trace** - establishes a record of the originating directory number, time and date of a call when the subscriber activates this feature. Only the last incoming number can be traced. If a Call Waiting/Cancel Call Waiting tone is received during a call the customer desires to trace, the Call Waiting/Cancel Call Waiting call will be traced rather than the original call.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

II. FEATURE DESCRIPTIONS (Continued)

F. (Continued)

All customers receive this feature. Information on traced calls will only be released in accordance with Company and law enforcement procedures. See Section 5, pg. 3 of this tariff for the complete Customer Originated Trace procedures.

G. **Calling Number and/or Calling Name and Number Delivery** - will enable the customer to receive the 10-digit telephone number of the calling person, as well as the date and time of the incoming calls. Subscribers with Calling Name and Number Delivery will also see the name assigned to the calling station number appear. In the event that a name is unavailable, the location in which the call originates may be displayed. The number and/or name is displayed on the customer-provided equipment capable of recognizing CLASS functions. If the calling party has marked their directory number as private, or if the directory number is unavailable, the called party's display is modified appropriately. Subscribers with the appropriate premise equipment can store and display the date, time and calling number of unanswered calls. International calls are generally incompatible with this feature.

H. **Calling Number or Calling Name and Number Delivery Blocking** - for outgoing calls, a customer can prevent the delivery of their directory number to the called party. The called party receives a "private" message instead of the calling party's number. Operator and 9-1-1 services take priority over calling number identification blocking. The code for this feature must be dialed prior to either Automatic Callback or Automatic Recall or the calling directory number will be displayed on the terminating end.

1. **Calling Number Delivery Blocking - Per Call** - allows a customer to control the disclosure of the incoming telephone number to a subscriber of Calling Number Delivery Blocking on a per call basis. **The customer must dial a code to activate per call blocking prior to making a call.**
2. **Calling Identification Blocking - Per Line** - the name and number of that line will not be delivered to any subscriber of Calling Number Delivery Blocking. Once blocking is established on the customer's line, the "blocked" status can be deactivated **by the customer by dialing a code, before each call.** This action will result in displaying the telephone number to another subscriber of Calling Number Delivery.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

II. FEATURE DESCRIPTIONS (Continued)

- I. **Anonymous Call Rejection** - While this feature is activated, incoming blocked calls are routed to an announcement in the central office that will indicate that the called party has chosen to reject blocked calls and the call will not be completed.

- J. **Automatic Recall** - by dialing an activation code, a subscriber directs the switch to recall the directory number of the last incoming call to the subscriber's set. At this time, the subscriber hears the directory number of the call prior to deciding whether or not to recall the number. If the call has been blocked, the subscriber will hear a recording indicating the caller is "Private" or "Anonymous." Automatic Recall will not work on blocked calls. If the called station is busy, the system scans the called line for an idle condition. The scan continues for 30 minutes or until completion or cancellation. The calling station receives a distinctive ring when the called station is idle. Call setup is performed when the calling subscriber answers the ringing. This feature will not work on 800, 8XX, or 900 prefixed numbers, international calls, calls to a number with call forwarding active or lines with a non-unique directory number. Only the last incoming call can be returned. To use per call blocking on a call placed using Automatic Recall, the customer must activate the per call blocking prior to activating the Automatic Recall.

III. CONDITIONS - GENERAL

- A. CLASS services are available to customers having technically compatible premise equipment. The Company is not responsible for the compatibility of products and services of outside vendors. The Company reserves the right to restrict or otherwise limit CLASS features where, in the Company's determination; (a) the feature(s) may create a potential incompatibility or, (b) provision of the feature(s) would require the establishment of new or additional Company procedures.

The Company has compatible CLASS products available for lease or purchase.

- B. CLASS services may not be available with CENTREX and PBX equipment.
- C. CLASS services, including blocking, are not available on public and semi-public telephone services.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

III. CONDITIONS - GENERAL (Continued)

- D. Customers of Calling Number Delivery or Calling Name and Number Delivery may not, without the permission of the calling party, publicize or disclose to third parties telephone number information obtained through the use of these services. Failure to comply with this condition may subject the customer to termination of these services.
- E. CLASS features require Signaling System 7 to function. Therefore, the offering of these features are restricted to those central offices properly equipped. These features are currently available in the following central office locations:
- Summit - (605) 398
Veblen - (605) 738, (701) 736
Peever - (605) 932
Wilmot - (605) 938
- F. Un-listed numbers will be revealed unless the customer **activates blocking before each call**, or subscribes to per line blocking.
- G. Non-published numbers will not be revealed unless the customer activates the proper code for taking off the blocking.
- H. These services are only available to single party Business and Residential customers.

IV. CONDITIONS - BLOCKING

A. **Per Call**

1. Blocking enables a customer to control the disclosure of telephone numbers to a subscriber of Calling Number or Calling Name and Number Delivery. A customer **must dial an activation code before each call** to block delivery of number information.
2. Customers do not have to subscribe to Calling Number or Calling Name and Number Delivery to use per call blocking.
3. Per call blocking is available to all customers at no charge.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

IV. CONDITIONS - BLOCKING (Continued)

B. **Per Line**

1. Per line blocking provides a permanent private indicator on a customer's line. The number of that line will not be delivered to any subscriber of Calling Number or Calling Name and Number Delivery. Emergency 911 calls will not be affected.
2. The blocked status can be deactivated by the customer on a per call basis by dialing an activation code, **before** the call to be unblocked is dialed.

C. **Liability**

1. The Company cannot guarantee that Calling Number or Calling Name and Number Delivery blocking, per call or per line will be successful. The sole liability of the Company due to errors, omissions, or mistakes, with respect to residential per line blocking, shall be to refund the non-recurring charge for the residential per-line blocking.
2. The Company will not be liable for damages whether consequential, incidental or special.

V. CUSTOMER ORIGINATED TRACE (Call Trace)

- A. If a trace is successful, the Telephone Company's equipment will record the incoming call detail (not the conversation).
- B. The called party will not have access to the traced number, but this information will be available to law enforcement officials. The practices of law enforcement officials vary, and the Company does not represent that any action will be taken by such officials with regard to the traced number.
- C. The Company is not liable for damages if a trace attempt is not successful.
- D. If a customer makes or receives another call or Call Waiting/Cancel Call Waiting indication after hanging up from the annoying call, prior to activating the trace, Call Trace will not record the correct number.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

V. CUSTOMER ORIGINATED TRACE (Continued)

- E. When trace is initiated, the telephone number of the tracing party is printed in a secure location along with the telephone number of the last received calling telephone number whether or not either number is non-published. Therefore, the tracing party waives the right to privacy of their telephone number in this instance.

After dialing the code, the customer receives a recording that indicates the trace was successful. The customer must then call the telephone company's local business office to further proceed with Call Trace. There the customer may speak to a telephone company representative about the harassing call. The representative advises the customer that the originating telephone numbers of calls identified as harassing shall be released only to investigative or law enforcement officers.

Information on originating telephone numbers identified as harassing are released verbally or in writing to law enforcement. In the case where there has been no complaint filed by the customer, the law enforcement agencies are required to present a subpoena to obtain records.

- F. The customer that subscribes to the Call Trace service will be billed \$.50 per month.

Appropriate service connection charges will apply. The Call Trace record will be stored for a minimum of 1 year after a successful activation of call trace.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

VI. RATE SCHEDULE

- A. The rates shown below are per feature, per line equipped. Additional rates and charges are applicable for Service Connection Charges as shown in the Service Connection section of this tariff.

<u>CLASS Feature - One Per Line</u>	Monthly Rate		Non Recurring Charge
	Business	or Residence	
Automatic Callback	\$ 1.00		(3)
Automatic Recall	1.00		(3)
Call Trace	.50		(3)
Screening Features:			
Distinctive Ringing	2.00		(3)
Selective Call Acceptance	1.00		(3)
Selective Call Forwarding with Remote Access	1.00		(3)
Selective Call Rejection	1.00		(3)
Calling Number Delivery	3.95		(3)
Calling Name and Number Delivery:	5.95		(3)
Anonymous Call Rejection	1.00		(3)

1. Business Line blocking will be available at **no charge** for the following types of customers: Law enforcement agencies, shelters for battered persons, government agencies engaged in undercover operations and business customers who have been accepted as having demonstrated a need for nondisclosure.

GENERAL SERVICES

CUSTOM LOCAL AREA SIGNALING SERVICES (CLASS) (Continued)

VI. RATE SCHEDULE (Continued)

1. (Continued)

Other business customers that do not fit the above requirements shall demonstrate to the Company a special need under criteria set forth below:

"Line blocking for business customers is available only for those business customers demonstrating a need. The demonstration of need is waived for law enforcement centers, programs for battered persons, and government agencies engaged in undercover operations. Other business customers wanting line blocking must demonstrate in writing that disclosure of the calling number could endanger the caller, other persons, or property. The Company will promptly notify the customer of its decision. A business customer who does not agree with the Company's decision may appeal in writing to the South Dakota Public Utilities Commission."

2. Per Call blocking will be provided at **no charge** to residential and business customers and will be provided on any line where it is technically possible.
3. The non-recurring charges will consist of the Service Ordering Charge and Computer Charge per line, as shown in the Service Connection section of this Tariff. One non-recurring charge covers all CLASS services purchased at one time.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE

A. General

requirement. It is a Meridian Digital Centrex Service provided from centrally equipped Telephone Company digital central office facilities.

2. The equipment permits the direct dialing between lines connected to the service and the direct dialing of outgoing calls. Incoming calls are received by direct inward dialing from the calling party to the station line or through an attendant console. Access to and from the Local Exchange, or to Interexchange Carriers, is through Network Access Registers.
3. Meridian Digital Centrex Service (MDC) consists of basic lines configured in "groups", equipped with standard features, plus a number of optional features. Attendants consoles and station equipment are to be provided by the customer, or can optionally be leased from an authorized Telephone Company agent. Network Access Registers (NARs) must always be purchased to provide local exchange access to each customers line group.
4. References to the "Telephone Company" in this document refer to the Roberts County Telephone Cooperative Association or an agent authorized by the same.
5. An MDC customer's lines are configured as a line group, in the range of 2- 3000 lines, based on line size and services required.

B. MDC FEATURES

Announcement Services

- Customer Premises
- Central Office, Predesignated and Customer-Specified

Attendant Services

- Non-Data Link Consoles

Automatic Identification of Outward Dialing (AIOD)

Automatic Line

Call Forward, All Calls

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

B. MDC Features (Continued)

Call Forward, Busy

Call Forward, Busy Enhancements

- Call Forward, Busy - Incoming Only
- Call Forward, Busy - Intragroup
- Call Forward, Busy - All

Call Forward, No Answer

Call Forward, Remote Access

Call Hold

Call Park

Call Pick-Up

- Directed Call Pick-UP (DCPU)
- DCPU Non Barge-In
- DCPU Barge-In Exempt
- DCPU Exempt
- DCPU Any Station

Call Waiting, Enhancements

- Call Waiting, Incoming Only
- Call Waiting, Intragroup
- Call Waiting, Originating
- Dial Call Waiting
- Inhibit Call Waiting

Cancel Call Waiting

Class Of Service (COS) Restrictions

- Denied Originating Services
- Denied Terminating Services
- Local Only (LOCO) Within Group
- Toll Restricted Services
- Unrestricted Services

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

B. MDC Features (Continued)

Code Restrictions

- Customer Assignable Options 1-4
- RES1 and RES2
 - Fully Restricted Services
 - Semi Restricted Services

Common Control Switching Arrangement (CCSA) Access

Consultation Hold/Three-Way Conferencing/Call Transfer

Dictation Access and Control Dual Tone Multifrequency (DTMF) only

Direct Inward Dialing (DID)

Direct Outward Dialing (DOD)

Directory Number Hunt (DNH)

- First
- Circular
- Sequential
- Distributed
- Line Hunt Overflow to DN
- Line Hunting, Random Make Busy
- Line Hunting, Stop Hunt
- Line Hunting, Random Make Busy

Distinctive Call Waiting Tones

Distinctive Ringing

Message Detail Recording

Message Waiting Indication

- Special Dial Tone (audible)
- Light (visual)

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

B. MDC Features (Continued)

Off Premise Stations

Paging Access

- Loudspeaker
- Radio

Private Facility Access

- Line Side Termination
- Trunk Side Termination

Ring Again

Single Line Extension

Station-to-Station Calling

Speed Calling

- Group Speed Calling
- Individual Short List
- Individual Long List

Virtual Facilities Group Control

- Virtual Facilities Group Access
- Virtual Facilities Group WATS Access

C. MDC RATES AND CHARGES

1. The following rates and charges apply for a fixed period of time from 12 months to 60 months. The customer is required to pay the monthly rate for the number of months in the service period selected. This is a guaranteed rate which will remain unchanged until the end of the contract period. If the customer decides to discontinue service before the end of the selected service period, a termination charge will apply as specified in paragraph D.7.

a. Network Access

(1) Local Exchange Access

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

Access (Continued)

(1) Local Exchange Access (Continued)

(a) Each MDC Group shall subscribe to and be equipped with the minimum number of Network Access Register (NARs), as specified in paragraph C.2.

(b) The rate structure for each NAR is:

<u>Service Period</u>	<u>NAR</u>
12 Months (minimum)	\$21.10
36 Months	\$21.10
60 Months	\$21.10

(c) The customer may optionally subscribe to additional NARs at the above rate.

(2) Line Side Private Facility Access Terminations

The following line side private facility access connections are available at the rates specified below. Additional service facilities charges may apply, as specified in other sections of this tariff.

(a) Code Call Access - permits users and attendants to dial a line station number and a called party code to activate customer provided audible and visible signaling devices.

(b) Dial Dictation Access - Provides station user access to customer provided dictation recording equipment by dialing a line station number.

(c) Loudspeaker Paging Access - provides access to customer provided loudspeaker paging via a line station number.

(d) Radio Paging Access - Allows stations and attendants to access customer provided radio paging equipment located on the customer's premises by dialing a line station number.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC RATES AND CHARGES (Cont'd)

a. Network Access (Cont'd)

Charges for Private facilities terminated as lines in an MDC system.

	<u>Per Facility Installation</u>	<u>Terminated Monthly</u>
Analog facility terminated as 1 line	\$10.00	\$4.00

(3) Trunk Side Private Facility Access Terminations

(a) The following trunk side private facility access connections are available at the rates specified below. Additional service facilities charges may apply, as specified in other sections of this tariff.

- (1) Advanced Private Line Access - used to connect tie lines, private line facilities and access lines from switched private line services to PBX dial switching equipment. It may also be used when compatible with and required for termination of facilities of Other Common Carriers (OCC's).
- (2) Common Channel Switching Arrangement (CCSA) Access - enables a station user to gain access to the CCSA government network by using special access codes.
- (3) Foreign Exchange/Feature Group A Access (FX/FGA) - provides access to/from an FX/FGA line. Station users have the ability to transfer an FX call.
- (4) Loudspeaker Paging Access - provides access to customer provided loudspeaker paging via a special access code.
- (5) Radio Paging Access - Allows stations and attendants to access customer provided radio paging equipment located on the customer's premises by dialing a special access code.
- (6) OUTWATS Access - Allows station user access to OUTWATS services dedicated to a customer group by dialing an access code.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

a. Network Access (Continued)

(7) Tandem Tie Line Access - Allows tandem connection of special service circuits dedicated to a customer group.

(8) Tie Line Access - Allows connection of special access circuits dedicated to a customer group.

(3) Trunk Side Private Facility Access Terminations

Charges for Private facilities terminated as trunks in an MDC system.

	<u>Per Facility Installation</u>	<u>Terminated Monthly</u>
Analog facility terminated as 1 analog trunk	\$75.00	\$29.95
DS-1 Digital facility terminated as a group of 24 digital trunks	\$750.00	\$375.00

2. MDC customers must subscribe to a minimum number of Network Access Registers (NARs) for Local Exchange Access according to the following NAR-PBX trunk equivalent table, but may subscribe to additional NARs at their option:

<u>MDC Lines in Use (Excluding fully restricted lines)</u>	<u>NAR-PBX Trunk Equivalents</u>
2	2
3-7	3
8-9	4
10-11	5
12-15	6
16-21	7
22-28	8
29-36	9
37-45	10

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

a. Network Access (Continued)

46-54	11
55-64	12
65-75	13
76-86	14
87-98	15
99-111	16
112-125	17
126-139	18
140-155	19
156-171	20
172-189	21
190-207	22
208-225	23
226-243	24
244-262	25
263-281	26
282-300	27

Each additional 18 lines or 1 additional trunk
 fraction thereof.

3. Line Rates

The following rates include standard line features and local service facilities. When the MDC line extends between different central office serving areas, special access charges will also apply, as specified in other sections of this tariff.

The monthly basic rate structure for MDC customers is:

Service	MDC
<u>Period</u>	<u>Lines</u>
12 Months (minimum)	2 - 3,000 \$4.00
36 Months	4.00
60 Months	4.00

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

a. Network Access (Continued)

4. The following monthly rates apply on a per line or per system basis, as specified for optional features. The same rate applies to all service periods, 12 Months, 36 Months and 60 Months. "N/C" (no charge) indicates the feature is included in the basic MDC rate at no additional monthly charge. Service Charges may apply, as appropriate.

<u>Optional Feature</u>	<u>Rate</u>
a. Call Handling Enhancements, per line	
Call Forward, Busy Enhancements	N/C
Directed Call Pick-Up (DCPU)	N/C
Ring Again	N/C
b. Call Waiting Enhancements, per line	N/C
c. Call Forward, Remote Access, per line	N/C
d. Call Park, per arrangement	Negotiated
e. Message Detail Recording, per group	Negotiated
Message Detail Recording, per line	N/C
f. Virtual Facility Group Control, per group	N/C
g. Message Waiting Indication, per line	
Audible	N/C
Visual	N/C
h. Single Line Extension, per extension	\$2.00

5. Announcement Services

Announcements can be utilized with MDC to provide general and special intercept announcements. Charges will be cost based. Appropriate line, trunk, feature or service facility rates may be charged, as specified in other sections of this tariff. Two announcement arrangements are available.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

- a. Customer Premises Announcements - provide an interface to the customer premises announcing equipment for a recorded announcement.
- b. Central Office Recorded Announcements - Predesignated Company announcements are provided at no charge. Customer-specified announcements can be provided at negotiated, cost-based charges.

6. Optional Lump Sum Payments

The customer has the option of making a partial lump sum payment (PLSP) or total lump sum payment (TLSP) at the time of installation or at any other time during the term of the service period selected.

The partial payment will reduce the MDC monthly rate per line by the monthly annuity amount per line of the lump sum payment. The monthly annuity amount is the annualized partial payment amount divided by 12.

7. Subsequent Additions

- a. Customers can add to their existing contracted MDC at normal service and installation charges. All additions will be coterminous with the original contract. MDC lines can be added, where facilities permit, at the rates selected by the customer at the initial installation of the service. MDC system features may be added at any time and are subject to the current tariff rate at the time of installation.
- b. Upon growth to another capacity category, the customer may designate a new service period that is equal to, or greater than, the remaining life of an existing service period. The customer becomes liable for the then current monthly rates tariffed for the newly chosen capacity category, for all MDC lines and system features in use. These rates will not be subject to Telephone Company initiated rate increases.
- c. Should the customer elect not to contract for a larger capacity category, the monthly rate for the additional MDC lines will be at rates appropriate to the capacity category of the customer's contracted service period.

8. Change in Length of Service Period

Subsequent to the establishment of service furnished under a selected service period and prior to the completion of that period, the existing service period may be replaced by another service period at the prevailing rates specified in C.(1) through C.(6) preceding, subject to the following conditions:

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

8. Change in Length of Service Period (Continued)

- a. No credit will be given for payments made during the formerly selected period. However, nonrecurring charges will not be reapplied.
- b. The new service period begins with the date requested.
- c. No termination charge applies for a change in the length of the service period provided the customer selects a new service period equal to or longer than the time remaining under the former service period. Otherwise, a termination charge applies for the former service period.

9. Renewal Options

The customer has the following renewal options:

- a. Prior to completion of the current service period, the customer may select any service period offered. The rates in effect for new customers at the time the renewal is effective will apply. The customer will be charged the current rate for the newly selected service period, commencing the day following completion of the prior service period.
- b. If the customer does not elect an additional service period and does not request discontinuance of service, service will be continued at the monthly rate currently in effect for the twelve month service period and will be subject to all prevailing rules and regulations of the offering.

10. Service Charges

- a. Normal service charges not specified here do apply for MDC lines, as specified in other sections of this tariff for multiline business customers. The cost to construct additional drop wire or drop cable serving the customer premise may be one of these charges.
- b. One nonrecurring Service Order charge shall be assessed per customer group for initial order, addition order or changes order, at the rate specified in other sections of this tariff for multiline business customers.
- c. Nonrecurring charges apply for the preparation and entry of translations that activate, change or rearrange features.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

10. Service Charges (Continued)

d. The charges below apply in addition to other applicable nonrecurring charges and one or more may apply at the same time.

(1) Charges for the first 2-100 lines and single line extensions of new MDC service or changes to existing MDC service:

<u>Additions</u>	<u>Initial Installation</u>	or	<u>Changes Installation</u>
Standard Features, per line	\$10.00		\$4.00
Call Handling Enhancements, per line			\$4.00
Call Waiting Enhancements, per line			\$4.00
Call Forward Remote Access, per line			\$4.00
Message Detail Recording, per line			\$4.00
Single Line Extension	\$10.00		

(2) Charges for the next 101-200 lines of new MDC service or changes to existing MDC service:

<u>Additions</u>	<u>Initial Installation</u>	or	<u>Changes Installation</u>
Standard Features, per line	\$9.00		\$3.00
Call Handling Enhancements, per line			\$3.00
Call Waiting Enhancements, per line			\$3.00
Call Forward Remote Access, per line			\$3.00
Message Detail Recording, per line			\$3.00
Single Line Extension	\$9.00		

(3) Charges for the next 201-3,000 lines of new MDC service or changes to existing MDC service:

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

C. MDC Rates and Charges (Continued)

10. Service Charges (Continued)

<u>Additions</u>	<u>Initial Installation</u>	or	<u>Changes Installation</u>
Standard Features, per line	\$8.00		\$2.00
Call Handling Enhancements, per line			\$2.00
Call Waiting Enhancements, per line			\$2.00
Call Forward Remote Access, per line			\$2.00
Message Detail Recording, per line			\$2.00
Single Line Extension	\$8.00		

(4) Charges for the following new MDC service or changes to existing MDC service, regardless of group line size:

<u>Additions</u>	<u>Initial Installation</u>	or	<u>Changes Installation</u>
Call Park, per arrangement	\$45.00		\$45.00
Message Detail Recording, per system	Negotiated		
Virtual Facility Group, per group	\$45.00		\$45.00
MDC Translations			\$36.00/hr

11. Credits and Surcharges

- a. Each MDC customer will receive a credit proportionate to and based on the number of MDC lines subscribed to. The credit amount will be determined by multiplying the number of MDC lines in the MDC group times the monthly MDC per line rate of paragraph C.3. However, the total credit received may not exceed the cost of the NARs subscribed to. The credit will not include the cost of any federal or state surcharges assessed on MDC lines.
- b. MDC lines are subject to an End User Common Line Charge (EUCL) as filed in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 5. The customer will be responsible for all increases and decreases in the EUCL charge, as authorized by the Federal Communications Commission. The monthly EUCL rates will be assessed on a per line basis.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

Rates and Charges (Continued)

- c. MDC lines are subject to state surcharges, like "911" and the Hearing Impaired Telecommunications Relay Service. The customer will be responsible for all increases and decreases in these charges, as authorized by the State of South Dakota. The monthly state surcharges will be assessed on a per line basis.

12. Training

Training will be performed at either the customer location or at a Company location. The customer is responsible for all expenses associated with travel to and from the Telephone Company location. There will be no charge for one 4-hour training session performed by Telephone Company personnel. Additional training sessions may be performed on a cost basis.

D. REGULATIONS

1. MDC is provided to business customers with two or more lines. This service is furnished subject to availability. In those cases where the Telephone Company determines that additional equipment must be provided on the customer's premises, the customer will be required to furnish the suitable space and environmental conditions as determined by the Telephone Company.
2. The MDC line rates for customers with 2-3,000 lines apply as specified. An individual service agreement will specify length of service and applicable rate. In addition, customers who subscribe to MDC for 100 or more lines may at the Telephone Company's option, be offered customer specific pricing on a contract basis. This rate will be offered to the customer for its acceptance in writing. With the exception of the customer specific rates, all other rates, charges, rules and regulations, specified herein, continue to apply.
3. The MDC line rates include the service facilities used to connect the customer premises to the serving central office, excluding the drop wire or drop cable, for a cable route mile distance up to 1.5 miles out from the serving central office. Customers who subscribe to MDC and are more than 1.5 miles from their serving central office, may at the Telephone Company's option, be offered customer specific pricing on a contract basis. An individual service agreement will specify length of service and applicable rate. This rate will be offered to the customer for its acceptance in writing. With the exception of the customer specific rates, all other rates, charges, rules and regulations, specified herein, continue to apply.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

Rates and Charges (Continued)

- c. MDC lines are subject to state surcharges, like "911" and the Hearing Impaired Telecommunications Relay Service. The customer will be responsible for all increases and decreases in these charges, as authorized by the State of South Dakota. The monthly state surcharges will be assessed on a per line basis.

12. Training

Training will be performed at either the customer location or at a Company location. The customer is responsible for all expenses associated with travel to and from the Telephone Company location. There will be no charge for one 4-hour training session performed by Telephone Company personnel. Additional training sessions may be performed on a cost basis.

D. REGULATIONS

1. MDC is provided to business customers with two or more lines. This service is furnished subject to availability. In those cases where the Telephone Company determines that additional equipment must be provided on the customer's premises, the customer will be required to furnish the suitable space and environmental conditions as determined by the Telephone Company.
2. The MDC line rates for customers with 2-3,000 lines apply as specified. An individual service agreement will specify length of service and applicable rate. In addition, customers who subscribe to MDC for 100 or more lines may at the Telephone Company's option, be offered customer specific pricing on a contract basis. This rate will be offered to the customer for its acceptance in writing. With the exception of the customer specific rates, all other rates, charges, rules and regulations, specified herein, continue to apply.
3. The MDC line rates include the service facilities used to connect the customer premises to the serving central office, excluding the drop wire or drop cable, for a cable route mile distance up to 1.5 miles out from the serving central office. Customers who subscribe to MDC and are more than 1.5 miles from their serving central office, may at the Telephone Company's option, be offered customer specific pricing on a contract basis. An individual service agreement will specify length of service and applicable rate. This rate will be offered to the customer for its acceptance in writing. With the exception of the customer specific rates, all other rates, charges, rules and regulations, specified herein, continue to apply.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

D. REGULATIONS (Cont'd)

4. Customers can network multiple locations together into a single MDC line group. Line and feature rates and charges will apply to the single line group, as specified in this tariff. The multiple locations may reside within or outside of the same serving central office boundary.

The customer must designate one location as the primary location and additional locations as secondary locations. Normal service charges may apply to each individual location, as specified in other sections of this tariff for multiline business customers. The drop wire or drop cable serving each customer premise location may be one of these charges.

Additional service facilities charges may apply, as specified in other sections of this tariff, e.g. single line extension in another location than the MDC line. MDC for secondary locations residing outside of the central office boundary serving the primary location will be limited by the availability of facilities.

5. One directory listing for every increment of 50 MDC lines is provided without charge for each MDC line group. Additional directory listings may be provided at rates specified in other sections of this tariff.
6. The monthly rate for MDC lines and features covered under a monthly service period plan is guaranteed against Telephone Company-initiated change and will apply for the selected service period. The minimum service period is 12 months.
7. If the service is canceled in whole or part by the customer after installation of the service but prior to the completion of the service period, the customer shall be obligated to pay the remaining payments, as contracted.
8. The prepayment of charges in no way constitutes a purchase of the equipment, and the Company retains full ownership of all equipment covered by the prepayment.
9. MDC station lines may be connected to a customer-provided PBX system, key system, attendant console or other like premise equipment. Such lines may be either ground start or loop start and may have any standard treatment. Transmission quality over MDC lines of this type is not guaranteed. Additional transmission improvements requested by the customer will be provided by the Telephone Company at charges based on cost.
10. Station Message Detail Recording (MDR) is not represented to be a provision of billing detail.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

D. REGULATIONS (Continued)

11. When using Call Forwarding and Call Transfer, the MDC customer is responsible for the payment of the tariff station-to-station charge for each call connected over the exchange system between the MDC and the telephone at which the call is answered. The charge is applied to each call answered, including the call establishing the Call Forwarding mode, and collect and person-to-person calls which are refused at the answering telephone.
12. Unless specifically exempted, this service is subject to all general regulations applicable to the provision of service by the Telephone Company as stated in the general tariff.

E. DEFINITIONS

1. Announcement Services - Allows for the automatic rerouting of calls that cannot be completed as dialed or otherwise desired to be routed to a recorded announcement. The recorded announcement may be provided by customer premise equipment or Company central office equipment. It may be a Telephone Company predesignated announcement or customer-specified.
2. Attendant Services - Services are provided entirely by the non-data link customer premise attendant console. MDC features will work in conjunction with the console.
3. Automatic Identification of Outward Dialing (AIOD) - records each outgoing, billable call against the MDC line originating the call.
4. Automatic Line - Provides an automatic connection between a calling MDC station that goes off-hook and a preassigned directory number.
5. Call Forward, All Calls - Allows incoming calls (intragroup and DID) directed to a station line to be routed to a user-defined line inside or outside the customer group or the attendant.
6. Call Forward, Busy - Permits incoming calls (originating from an outside group) attempting to terminate to a busy station line to be redirected to a predetermined line inside the customer group.
 - a. Call Forward, Busy - All - Provides for forwarding of any call (incoming or intragroup) that terminates within the group to be automatically transferred when a busy condition is encountered.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

E. DEFINITIONS (Cont'd)

- b. Call Forward, Busy - Incoming Only - Allows incoming calls (those which originate outside the group) directed to a busy station line to be routed to a predetermined line within the same customer group.
- c. Call Forward, Busy - Intragroup - Permits calls that originate and terminate within the customer group and attempting to terminate to a busy station line to be redirected to a predetermined line inside the customer group.
7. Call Forward, No Answer - Provides for forwarding of incoming calls to a predetermined line inside the customer group when the called station line does not answer within a predefined ringing cycle.
8. Call Forward, Remote Access - Allows subscribers to activate or deactivate the Call Forward option on their telephone from a remote station. This will be accomplished by dialing a dedicated directory number and personal security code, along with the directory number being acted upon, and then the Call Forward activation/deactivation codes. It requires the use of DTMF dialing at the remote station.
9. Call Hold - Allows the user to hold one call for any length of time provided that neither party goes on-hook.
10. Call Park - Allows a station line to park a call against a specific number, to attendant paging or at the location of the parked number.
11. Call Pick-Up - Allows a station line to answer incoming calls to another station line within a defined call pick-up group. Call pick-up is provided on individual station lines within a customer group.
12. Call Waiting - Allows an incoming call (within or outside the customer group) to apply a call waiting tone on a busy station line which has been assigned the call waiting feature.
 - a. Call Waiting, Incoming Only - Call Waiting tones will be applied to the busy station only if the call originated from outside the customer group.
 - b. Call Waiting, Intragroup - Call Waiting tones will be applied to the busy station only if the call originated from within the customer group.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

E. DEFINITIONS (Cont'd)

- c. Call Waiting, Originating - Permits a station line user to automatically impose call waiting on a busy station line within the customer group.
- d. Dial Call Waiting - Permits a station line to impose call waiting on a busy station line by dialing the call waiting feature activation code, followed by the station number. This feature is an originating line feature that is applicable to intragroup calls only.
- 13. Cancel Call Waiting - A line option that allows a user, by dialing a code, to prevent, on a per-call basis, any incoming calls from call waiting on his/her line.
- 14. Class of Service - Provides the capability to allow or deny individual station line features. The treatments can be arranged to control all calls originating or terminating on station lines.
- 15. Common Control Switching Arrangement (CCSA) Access - Enables station line users in the customer group to gain access to the government CCSA by using special access codes and dialing reserved number exchange (RNX) patterns.
- 16. Dictation Access and Control Dual Tone Multifrequency (DTMF) - Provides MDC station access to customer-provided dictation or recording equipment by dialing an access code.
- 17. Direct Inward Dialing - Allows incoming calls from the exchange network to reach a specific MDC customer group station without attendant assistance.
- 18. Direct Outward Dialing - Allows MDC lines to place calls to the exchange network without attendant assistance, by dialing an access code.
- 19. Directed Call Pick-Up (DCPU)
 - a. DCPU Non Barge-In - Permits a station line user to answer a call that is ringing any other line within the same customer group by dialing a code followed by the station number of the ringing line. If the called station line has already been answered, the initiating station line will be connected to a reorder tone.
 - b. DCPU Barge-In - Permits a station line user to answer a call that is ringing any other line within the same customer group by dialing a code followed by the station number of the ringing line. If the called station line has already been answered, the initiating station line may barge-in to the answered call and be connected into a three-way call.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

E. DEFINITIONS (Cont'd)

- c. DCPU Any Station - This is a terminating line option. A call to a station assigned the DCPUA option can be picked-up by any other member, from any phone within the defined customer group.
 - d. DCPU Barge-In Exempt - This is a terminating line option that blocks any attempt by another station to barge-in.
 - e. DCPU Exempt - This is a terminating line option that blocks any attempt by another station to pick up a call by means of DCPU, either barge-in or non barge-in.
20. DTMF Station Signaling - Permits station equipment to utilize dial tone multifrequency signaling tones, instead of dial pulses to transmit called numbers, access codes, etc., to the central office entity, including the "#" and "*" digits.
21. Distinctive Call Waiting Tones - Permits a called station line user to determine whether an incoming waiting call is external or internal to the customer group by providing different tone cadences for the two situations.
22. Distinctive Ringing - Provides a unique pattern of ringing to permit the station line user to distinguish between intragroup and DID calls.
23. Entity - A central office entity is one central office switching system located within a central office building or remote equipment cabinet, that provides services to the same geographic service area within a telephone exchange.
24. Group Speed Calling - Allows MDC subscribers shared use of a speed calling list of up to 30 stored numbers. A control station will add, change or delete telephone numbers from the list for the group.
25. Message Detail Recording - Provides an SMDR formatted record of chargeable and non-chargeable calls for each MDC group. The type of calls recorded will be specified per MDC group. The MDR feature will be assignable on a per group basis, with the ability to assign a station option to deactivate the feature on the original station within a group. MDR reports can be furnished to the customer in two ways:
- a. Magnetic tape or printed reports monthly; or
 - c. Using customer premise equipment which can provide near real time reports.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

E. DEFINITIONS (Cont'd)

26. Message Waiting Indication - Allows the serving central office to provide an audible and a visible signal on a specific MDC station line, in response to messaging signals received by the central office from message desk equipment on the exchange network. The audible signal is a special dial tone. The visible signal is a CLASS-compatible data signal.
27. Network Access Register (NAR) - A virtual facility trunk (PBX equivalent trunk) used to provide access to the Local Exchange and Interexchange or International Carriers.
28. Off-Premise Stations - MDC lines extended by service facility to customer locations other than the designated primary location or secondary locations. Additional service facility Service Charges or special access charges may apply, as specified in other sections of this tariff.
29. Paging Access - Provides line or trunk side access to customer premise paging and zone control equipment, either loudspeaker or radio paging.
30. Private Facility Access - Provides interconnection to the customer's private or special access facility, either by MDC station line connection or trunk connection. A station line user accesses the private facility by dialing an access code.
31. Ring Again - Allows a station line user calling a busy station line to be automatically connected to the called line when the line becomes idle.
32. Single Line Extension - Extends an MDC station line to a second customer phone. Both phones have the same directory (extension) number. Each phone must reside in either a primary location or a secondary location, as defined by the customer at the time of initial MDC system service. Each phone may reside in a different primary or secondary location.
33. Speed Calling Individual Long List - Permits a station line user to dial selected numbers by using fewer digits than normally required. This is accomplished through the assignment of abbreviated codes to frequently called numbers. The speed calling list is customer-changeable. Allows a station line user to add, change or delete telephone numbers from a list. A list of 30 numbers may be dedicated to the individual station line user.

GENERAL SERVICES

MERIDIAN DIGITAL CENTREX SERVICE (Continued)

E. DEFINITIONS (Cont'd)

34. Speed Calling Individual Short List - Permits a station line user to dial selected numbers by using fewer digits than normally required. This is accomplished through the assignment of abbreviated codes to frequently called numbers. The speed calling list is customer-changeable. Allows a station line user to add, change or delete telephone numbers from a list. A list of eight numbers may be dedicated to the individual station line user.
35. Station-to-Station Calling - Allows iDC customer group stations to complete calls to other stations within the group by using one to four digits without the assistance of an attendant.
36. Three-Way Conference - Allows a station line user to add a third party to an existing conversation.
37. Three-Way Conference/Call Transfer - Allows a user with or without the three-way calling feature assigned to form a three-way conference during a call.
38. Virtual Facilities Group Control
 - a. Virtual Facilities Group Access - Allows a business to limit the number of simultaneous incoming or outgoing trunk calls.
 - b. Virtual Facilities Group WATS Access - Enables station users in a customer group to gain access to WATS facilities by dialing an access code.

GENERAL SERVICES

SWITCHED 56 SERVICE

A. GENERAL

Switched 56 Service is a single-party, four wire conditioned service which is capable of switching and transmitting 56 kilobits per second of digital data. This service will allow for the transmission of 56 kilobits of data per circuit, both intraLATA and interLATA.

B. TERMS and CONDITIONS

1. Switched 56 is ordered on a month-to-month basis.
2. Local usage for Switched 56 is a bulk summary statement on the bill.
3. Moves

Moves will be treated as a discontinuance and start of new service and all associated discontinuance and nonrecurring charges will apply. The customer will remain responsible for satisfying all outstanding charges for the discontinued service. Moves may be eligible for portability, as described in the following:

a. Portability

Portability allows the fixed-period rate service to be moved without incurring discontinuance charges. Moves made under portability are subject to facility availability. Under portability, a customer may choose to move either a portion of or the entire existing service without incurring discontinuance charges, providing the following conditions are met:

- (1) Both the existing and the new services are provided solely by the Telephone Company.
- (2) The customer's request for both the disconnect order for the existing service and the new connect order for the new service are received at the same time and must specifically request portability.
- (3) The customer's request for the disconnect order for the existing service must reference the new connect order.

GENERAL SERVICES

SWITCHED 56 SERVICE (Cont'd)

B. TERMS and CONDITIONS (Cont'd)

3. Moves (Cont'd)

a. Portability (Cont'd)

(4) The due date of the new connect order must be within 30 days of the due date of the disconnect order. Should changes to either the disconnect order or the new connect order for portability exclude one or more of the conditions above, applicable discontinuance charges will be assessed. The monthly rates for the new service will be those rates in effect at the time the new service is installed. All nonrecurring charges apply for the new service.

4. Rates

Switched 56 Service has three rate elements; a nonrecurring charge, a monthly rate and usage charge that applies for all minutes of local use. IntraLATA and interLATA usage is based on intraLATA and interLATA toll rates.

	<u>Nonrecurring Charge</u>	<u>Monthly Rate</u>
a. Switched 56 Service per 56 Kbit/s line		
Month-to-Month	\$155.60	\$58.00
Usage, per minute		\$.02
Jack Wiring, CPE Installation	(Billed @ custom rates)	

b. Long-Term Discounts

Long-term, contracted discounts for month-to-month apply as follows:

3 Year	\$47.00
5 Year	\$42.00

* A penalty for termination of the Long-term agreement will apply in the amount of 15% of remaining month-to-month rate in the contract.

GENERAL SERVICES

DIRECT INWARD DIALING

A. REGULATIONS

1. Direct Inward Dialing (DID) services will be provided as facilities permit.
2. Specially computed charges based upon the costs incurred may apply where the Company must add facilities to provide DID service to meet customer(s) needs where in the judgment of the Company, it would not otherwise be economical to provide such facilities.
3. The charges applicable to Direct Inward Dialing services contemplate the use of standard Telephone Company equipment and serving arrangements. When equipment or service of a special type is requested and provided, rates and charges based on additional costs involved to meet the requirements of each case will apply.
4. Direct Inward Dialing will be provided on all central office trunks arranged for inward service.
5. The initial service period for Direct Inward Dialing services (covering central office equipment) will begin on the date service is installed and will continue for a period of three years in the same central office. A termination contract may be required.
6. One primary directory listing will be furnished with Direct Inward Dialing service. Additional listings of departments, locations, titles and individuals may be provided at the charges and in accordance with the regulations set forth in Part III, Section 6 of this tariff.
7. The rates and charges specified are in addition to the rates and charges for other services or facilities with which this service is associated.
8. The Telephone Company will assign station numbers for Direct Inward Dialing in blocks of 10 numbers. When additional station numbers are required, they will be made available as the Telephone Company has equipment available for this purpose. The Telephone Company does not guarantee that station numbers nor sequential station numbers will be made available in all cases.

GENERAL SERVICES

DIRECT INWARD DIALING (Continued)

B. RATES

	Charges	
	<u>Non-Recurring</u>	<u>Monthly</u>
1. Line Number Charges		
a. Initial minimum number group of 10 line numbers assigned	\$70.00	-0-
b. Subsequent group of line numbers assigned (1) 10 line numbers	\$35.00	
c. Add, change to or from, or rearrangement	\$35.00	
d. Service Order		
(1) Initial	\$20.00	
(2) Subsequent	\$10.00	

GENERAL SERVICES

EMERGENCY CONFERENCE SERVICE

A. GENERAL

Emergency Conference Service is furnished in the interest of the public safety by means of equipment located in a central office of the Company through which any exchange customer may make an announcement to several exchange stations simultaneously.

B. RATES*

	<u>Monthly Rate</u>	<u>Installation or Move Charge</u>
1. Automatic Type		
a. 10-18 Stations (Min. 10) Per Station	\$3.20	\$50.00
b. 18 or More (Min. 20)	\$3.20	\$50.00
<p>The company offers 2 levels of service. Ten to eighteen station service where the minimum billing is for 10 station, or eighteen or more station service where the minimum billing is for 20 stations.</p>		
c. Equipment additions (C-4)		\$25.00
2. Siren Control		
a. Control relay, per siren	\$2.40	\$5.00
b. Siren Switch	\$0.60	\$5.00

* Includes equipment and telephone number associated with the service, and provides station house service at the option of the department.

C. CONDITIONS

1. A contract or agreement for Emergency Conference Service will be for a minimum service period of three (3) years.

GENERAL SERVICES

EMERGENCY CONFERENCE SERVICE

C. CONDITIONS (cont'd)

2. Equipment, instruments and lines on the customer's premises, furnished by the Company, shall be and remain the property of the Company whose agents and employees shall have the right to enter said premises at any reasonable hour for the purpose of installing, inspecting, or repairing equipment, instruments and lines.
3. Such Emergency Conference equipment is not to be used for performing any function other than the reporting or dissemination of information of an emergency nature.
4. This equipment will be installed to the customer's specification.
5. Changes, requested by a customer, with respect to who receives this services will be handled on a service order, and service connection charges will apply. Individual or a group of changes can be included on one service order.

GENERAL SERVICES

SET RECOVERY PLAN

A. GENERAL

The Set Recovery Plan permits residence customers to disconnect and remove all eligible telephones from their previous service location within the area served by the Telephone Company and deliver these telephones to the Telephone Company representative at their new service location or the Telephone Company business office. The Set Recovery Plan also pertains to residence customers who move away from the Telephone Company service area and who deliver Telephone Company owned eligible telephones leased to the customer to the Telephone Company business office. Residence customers who elect to participate in the plan will receive a credit allowance on their telephone bill upon delivery of the telephones.

B. REGULATIONS

1. The Set Recovery Plan is available only:
 - a. In connection with residence services;
 - b. In connection with those types of residence services which contemplate removal of Telephone Company owned telephones, at the time of customer residence relocations, as a normal work operation; or
 - c. When the residence customer moves away from the Telephone Company service area; and
 - d. Where the residence customer agrees to deliver all such telephones to the Telephone Company representative at the new service location or the Telephone Company business office prior to the completion of the installation work or disconnection, whichever the case may be; and
 - e. In compliance 3. below regarding eligible phones under the Set Recovery Plan.
2. The customer must deliver all telephones to the Telephone Company representative at the new service location prior to the completion of the installation work in order to receive credit, or to the Telephone Company business office prior to work being done.

GENERAL SERVICES

SET RECOVERY PLAN (Continued)

B. REGULATIONS (Cont'd)

3. Eligible phones include: 1) all Telephone Company phones that are leased by the customer; and 2) of a modular style utilizing an RJ11 jack connection.
4. The customer shall indemnify and save the Telephone Company harmless from any and all liability, damages, losses, claims or demands of any kind arising out of any action or omission of the customer or any other person in connection with the removal or return of the telephones to the Telephone Company.

C. CREDIT

Credit Allowance \$5.00

Only one credit allowance will be given per customer, per residence location, regardless of the number of lines or telephones disconnected.

GENERAL SERVICES

PRIVATE LINE SERVICE

A. GENERAL

Private line service is telephone service between two or more main stations, none of which are connected to or otherwise made available for service to any local exchange switching facilities. Such service is not in accord with the general plan of furnishing telephone service and such service is provided only under special conditions where warranted by the circumstances, including availability of facilities involved. The rates and conditions outlined in this Section apply to burglar alarms, metering channels, tie lines and other private line services.

B. CONDITIONS

An applicant for private line service extending beyond this Telephone Company's service area, who is located in the Telephone Company's area will normally contract for service with the Company and be treated as its subscriber, however such procedure is not mandatory. The Company's service responsibility is limited to that furnished by its own facilities.

C. RATES

	<u>Charges (1)</u>	
	<u>Non-recurring</u>	<u>Monthly</u>
1. Voice Grade 2 wire	\$161.00 (a)	\$ 3.00
2. Voice Grade 4 wire	\$161.00 (a)	\$ 8.55
3. Moves or rearrangements within same building	\$81.00 (a)	

(a) Regular applicable service connection charges will apply as well.

GENERAL SERVICES

SINGLE LINE RESIDENCE AND BUSINESS INSIDE WIRE

A. GENERAL

Roberts County Telephone Cooperative Association proposes to transfer ownership of existing inside station wire to all single line business and residence customers. This transfer will take place on the effective date of this tariff at no cost to the business or resident customer.

The company will also offer single line business and residence customers an ongoing maintenance agreement for repair and upkeep of that existing inside station wire.

B. DEFINITIONS

1. EXISTING INSIDE STATION WIRING - Means wiring located on the customer's premise beyond the demarcation point which is in existence prior to the transition date.
2. NEW INSIDE STATION WIRING - Means wiring, in whole or in part, installed on the customer's premise beyond the demarcation point by Roberts County Telephone Cooperative Association or other supplier on and after transition date.
3. OTHER SUPPLIER - Means the customer or any entity other than Roberts County Telephone Cooperative Association providing, repairing, or maintaining new inside station wiring or repairing or maintaining existing inside station wiring.
4. TRANSITION DATE - Means effective date of this tariff, which requires, subject to commission acceptance, customers to provide, repair and maintain new inside station wiring and repair and maintain existing inside station wiring.
5. DEMARCATION POINT - The term "Demarcation Point" means the point of connection, provided and maintained by the Telephone Company, at which the Telephone Company service and the property owner's or customer's facilities are connected. This Demarcation Point is to be determined by the Telephone Company and is normally located near the point where the Telephone Company facilities enter the building or property, on the subscriber's side of the Company's protector, or its equivalent.

GENERAL SERVICES

SINGLE LINE RESIDENCE AND BUSINESS INSIDE WIRE (Continued)

5. DEMARCATION POINT (Continued)

The Company will provide a Demarcation Point for each residential structure having a separate ground level entrance. Residential structures sharing common walls, but not sharing common entrances or common space, such as hallways or basements, will have separate Demarcation Points.

Multi-tenant residential structures sharing common entrances or common space will have one Demarcation Point per structure. "Residential structure" does not include garages, barns, or other buildings situated on residential property but not intended for human habitation.

6. PREMISE - Means the space occupied by an individual customer in a building, in adjoining buildings occupied entirely by that customer, or on contiguous property owned by the customer separated only by a public thoroughfare, a railroad right of way or a natural barrier.

C. RULES

1. TREATMENT OF EXISTING AND NEW INSIDE STATION WIRING

- a. On and after the transition date the Telephone Company shall, if new inside station wiring is offered, provide, sell or lease the new inside station wiring as non-utility functions. The repair and maintenance of existing and new inside station wiring shall be non-utility functions on and after the transition date. The Company shall on and after the transition date. The Company shall on and after the transition date, be required to provide, sell, lease, install, maintain or repair new station wiring or maintain or repair existing inside station wiring. The cost and revenues associated therewith shall not be included in the Company's revenue requirement for the rate making purposes.
- b. The Company shall be responsible for making all connections at the protector or providing a facility to permit customer connection with new inside wiring at the demarcation point. Nothing contained in these shall rules require or necessitate changes or modifications to the Telephone Company connection with existing inside station wiring.

GENERAL SERVICES

C. RULES (cont'd)

1. TREATMENT OF EXISTING AND NEW INSIDE STATION WIRING (Continued)

c. The Company shall maintain its accounting records to separately account for those costs and revenues associated with utility functions and those costs and revenues associated with non-utility functions. Identifiable costs and associated overheads will be directly assigned; common and joint costs will be allocated on a consistent basis between utility and non-utility functions. The Company shall have the burden of proof to establish that directly assigned and allocated costs are recorded in the appropriate accounts.

2. SUPPLIERS

Customers may secure new inside station wiring from the Company or from any other supplier. Customers may secure repair and maintenance for existing or new inside station wiring from the Company or from any other supplier.

3. AMORTIZATION OF EXISTING INSIDE STATION WIRING

Complete expensing of sub-accounts 232 and 2321 shall be accomplished through the use of an amortization period commencing with the effective date of these rules. The amortization period shall be the depreciation period established in the last rate preceding completed prior to January 1, 1982, for 10 years, whichever is less.

Existing inside station wiring, upon expiration of the amortization period for the respected sub-accounts, shall be excluded from the Company's regulated books of account. The Company shall be permitted to sell existing inside station wiring during the amortization period for the respective accounts, or at any time thereafter. The Company shall be permitted to lease existing inside station wiring after the expiration of the amortization period.

4. RISER CABLE INSIDE BUILDING

Cable entering a building but not serving more than one individual customer within that building shall not constitute existing or new inside station wiring. This cable shall constitute distribution cable and shall be accounted for as outside plant.

GENERAL SERVICES

SINGLE LINE RESIDENCE AND BUSINESS INSIDE WIRE (Cont'd)

C. RULES (cont'd)

5. TELEPHONE COMPANY CABLE TREATED AS OUTSIDE PLANT

All Company existing cable between two or more buildings on the same premise shall constitute for as outside plant. However, an individual customer may, without limitation, provide cable between two or more buildings on the same premise.

6. STANDARDS APPLICABLE TO THE EXISTING AND NEW INSIDE STATION WIRING

The following technical standards must be complied with:

- a. Intra-system wiring in customer provided PBX and key telephone system shall be in compliance with applicable registration standards promulgated by the federal communications commission.
- b. All existing and new inside station wiring must comply with applicable national, state or local buildings and electrical codes including national electrical code, NFPA Number 70-1978 (Article 800, communication circuits), and accepted good engineering practice in the communication industry to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished and safety of persons and property.
- c. The Company shall generally endeavor to answer any questions concerning the installation, repair and maintenance of new inside wiring and the repair and maintenance of existing inside station wiring. Upon request, the Telephone Company shall distribute to their customers or other interested parties, explanatory printed materials on new inside station wiring, including an explanation of how compliance with the above standards can be accomplished.
- d. Upon the individual customer's request and upon the Company's subsequent notification to the customer of the associated tariff charge, the Company shall perform a service check. If the service check determines difficulty to be on the Company's side of the demarcation point, no charge shall be assessed for the service check. If the service check determines difficulty to be on the individual customer's side of the demarcation point, a charge may be assessed for the service check when the difficulty is associated with existing or new inside station wiring or terminal equipment which is not the responsibility of the Company to replace, repair or maintain. Only one service charge may be assessed for each difficulty which is detected regardless of the number of tests which are conducted. No service charges will apply if the customer subscribes to the Company's Inside Wire Maintenance Plan.

GENERAL SERVICES

SINGLE LINE RESIDENCE AND BUSINESS INSIDE WIRE (Cont'd)

C. RULES (cont'd)

6. STANDARDS APPLICABLE TO THE EXISTING AND NEW INSIDE STATION WIRING (cont'd)

- e. Inside Wire Maintenance Plan is an agreement between the customer and the Company prior to a customer's request for repair or maintenance, whereby the Company will repair and maintain, at the specific request of the customer, the inside wiring on the customer's premise, and no service charge will apply. In lieu of the service charge, a monthly recurring charge of \$2.25 applies.

GENERAL SERVICES

CUSTOMER-PROVIDED EQUIPMENT

A. GENERAL

1. Customer-provided terminal equipment and communications systems may be used with the facilities furnished by the Telephone Company for telecommunication services, subject to the conditions in this tariff.
2. The customer is required to furnish the Telephone Company with a record of all customer-provided communications equipment to be connected to the Telephone Company's facilities.
3. Terminal equipment must be registered in accordance with the rules and regulations of the Federal Communications Commission or connected through registered protective circuitry which is registered in accordance with the rules and regulations of the Federal Communications Commission.
4. Except for Telephone Company-provided equipment, all connections to the telephone network shall be made through standard plugs and standard Telephone Company-provided jacks, in such a manner as to allow for easy and immediate disconnection to the terminal equipment. Standard jacks shall be so arranged that if the plug connected thereto is withdrawn, no interference to the operation of equipment at the customer's premises which remains connected to the telephone network shall occur by reason of such withdrawal.
5. Where a customer desires to connect data equipment which has been registered, he shall notify the Telephone Company of each telephone line to which he intends to connect such equipment. The Telephone Company after determining the attenuation of each such telephone line between the interface and the Telephone Company central office will make such connections as necessary in each program data jack which it will install so as to allow the maximum signal power delivered by such data equipment to the Telephone Company's central office to reach but not exceed the maximum allowable signal power permitted to the Telephone Company's central office.
6. Should terminal equipment cause harm to the telephone network, the Telephone Company shall where practicable notify the customer that temporary discontinuance of service may be required, however, where prior notice is not practicable, the Telephone Company may temporarily discontinue service forthwith if such action is reasonable in the circumstances. In case of such temporary discontinuance, the Telephone Company shall:

GENERAL SERVICES

CUSTOMER-PROVIDED EQUIPMENT (Cont'd)

A. GENERAL (Cont'd)

4. (Cont'd)

- a. Promptly notify the customer of such temporary discontinuance
 - b. Offer the customer the opportunity to correct the situation which gave rise to the temporary discontinuance and
 - c. Inform the customer of his right to bring a complaint to the South Dakota Public Utilities Commission.
7. For service or calls on customer-owned equipment when trouble is found to be in the customer-owned equipment, a charge per visit will apply during regular working hours. Calls at night or after normal working hours, on weekends, holidays, or Sundays will apply at the current over-time rate for such calls per visit.
8. The Telephone Company shall not be responsible to the customer except to notify that customer if changes in any of the facilities, operations or procedure of the Telephone Company render any customer-provided equipment or a communication system incompatible.
9. Where any customer-provided equipment or system is used with telecommunication service in violation of any of the provisions in this tariff, the Telephone Company will terminate service or take other action as necessary to protect its services and will promptly notify the customer of the violation.
10. For unregistered equipment, the Telephone Company may at its discretion require whatever interface and connecting facilities at the service point necessary to assure:
- a. The safety of the public and the Telephone Company's employees and customers
 - b. Proper signaling of both originating and terminating calls
 - c. Proper transmission
 - d. Compatibility with other Telephone Company services.

GENERAL SERVICES

CUSTOMER-PROVIDED EQUIPMENT (Cont'd)

A. GENERAL (cont'd)

11. For unregistered terminal equipment, the Telephone Company will have the right to either furnish interfacing equipment or allow the customer to furnish such interfacing equipment.
12. As mentioned previously in this tariff, all terminal equipment will require the use of plugs and jacks. The Telephone Company will provide the necessary jacks at charges covered by other tariffs of the Telephone Company.
13. The Telephone Company shall not be responsible for the installation or maintenance of any customer-provided equipment. Where customer-provided equipment is connected to Telephone Company facilities, the responsibility of the Telephone Company shall be limited to the furnishing of facilities suitable for exchange and message toll telephone services and to the maintenance and operation of such facilities in a manner proper for such telephone services. Subject to this responsibility, the Telephone Company shall not be responsible for a through transmission of signals generated by the customer-provided systems or equipment or for the quality of or defects in such transmission or the reception of signals by customer-provided equipment.

GENERAL SERVICES

LINE EXTENSION CHARGES

A. GENERAL

The furnishing of service to all applicants, without the burden of the prohibitive aid to construction changes is the essence of the Telephone Company's obligation.

The following charges will assure this obligation to Rural America is met.

B. REGULATIONS

Advance payments may be required, as outlined in Section 2, "Advance Payments" of the General Regulations Section Tariff to protect the investment made to provide service in those situations where the permanency of service is not certain.

C. CHARGES

	<u>Charge</u>
1. If cost of construction is less than 7 times the annual primary service revenue	No Charge
2. If cost of construction exceeds 7 times the annual primary service revenue	Total Cost Less 7 times the annual primary revenue to be received.

GENERAL SERVICES

LINE EXTENSION CHARGES (Cont'd)

C. CHARGES (Cont'd)

3. Formula for computing charges:
 - a. Outside Plant, net value in last Telephone Company financial report. Elements to include:
 - (1) Plant Under Construction
 - (2) Pole Lines
 - (3) Aerial Cable
 - (4) Underground Cable
 - (5) Buried Cable
 - (6) Aerial Wire
 - (7) Underground Conduit
 - b. Number of main stations, at same date as Item a above.
 - c. Divide Item a by Item b equals Item d.
 - d. Average Outside Plant, per main station
 - e. Determine total cost of Outside Plant extension.
 - f. Subtract Item d from Item e (if possible) equals Item g.
 - g. Result is the dollar amount of the line extension due from the customer.

GENERAL SERVICES

LINE EXTENSION CHARGES (Cont'd)

D. CONDITIONS

1. Route and type of facilities.

- a. The Telephone Company shall determine the route and type of construction which will be used in the extension of its facilities within an exchange. All such lines or extensions shall be owned and maintained by the Company.
- b. The Telephone Company will be responsible for the route of the proposed line extension facilities upon which costs will be developed. Such routes will include the last pole on public or on private property but will exclude the drop wire (maximum of 300') and inside wiring for the building in which the telephone service is to be located.
- c. Any difference in costs of the type of construction proposed by the Company for use on a line extension and the type of construction requested by the customer will be charged at actual cost for the difference between the two.
- d. When two (2) or more applicants mutually agree they may be considered as a "group". Line extension charges will be established in order to determine the amount of construction which needs to be provided. Line extension charges computed for the total extension, less allowable costs, may be proportionately divided among the applicants making up the "group".

2. Obligation of the Telephone Company

- a. The Telephone Company's obligation to provide service through line extensions is solely dependent upon its ability to secure, retain and maintain suitable rights-of-way without unreasonable expense.
- b. The Telephone Company will survey all prospective customers who could receive service from each proposed line extension project prior to its construction.

GENERAL SERVICES

LINE EXTENSION CHARGES (Cont'd)

D. CONDITIONS (Cont'd)

3. Line extension charges are in addition to the rates and charges applicable to the class and grade of service provided (including mileage when applicable).
4. Payment of charges applicable to line extensions may be paid in advance or on a recurring monthly basis including any applicable carrying charges, over a maximum 36 month period.
 - a. A customer paying the charges on a monthly basis who discontinues service within the three (3) year term, is obligated to pay a termination charge which equals the monthly charges remaining in the original three (3) year term. An Agreement setting forth the terms of payment shall be executed between the Telephone Company and the customer.
5. Applicants requesting service which can be provided from a previously established line extension project;
 - a. Within 12 months from the time service was initially provided by means of such extensions, initial charges will be recomputed by the Company and the applicant will pay a proportionate share of such charges as if he were one of the initial applicants and appropriate refunds will be made to the original customer(s).
 - b. After 12 months from the time service was initially provided, such applicant(s) will be responsible for the charges and conditions applicable to the establishment of line extension facilities required to serve him (or them) alone.
6. Except as provided elsewhere in this tariff, refunds of line extension charges will not be paid by the Telephone Company.
7. Supersedure of service provided from a line extension and any adjustment in an amount paid by a customer discontinuing such service during the initial three (3) year term and an applicant superseding such service will be a matter of negotiation between the disconnecting customer, who has obligated himself for the line extension charge, and the superseding applicant.

GENERAL SERVICES

LINE EXTENSION CHARGES (Cont'd)

D. CONDITIONS (Cont'd)

8. The Telephone Company will have the option to specify the type of construction to be used when line extensions are requested for service into real-estate subdivisions or mobile home parks. Any difference in costs of types of plant facilities used by the Telephone Company or requested by the subdivider will be a matter of negotiation between the two.
9. When the line extension proposed contains growth potential to provide for anticipated future service demands, the proposed customer(s) will only be obligated for that portion of such line extension costs as would be necessary to serve him, or them, alone. It will be to that segregated amount that the Formula for average Outside Plant costs will be applied.
10. Line extensions of a temporary or speculative nature
 - a. Extension of the Telephone Company's facilities may be made to provide service of a temporary or speculative nature. The contract period for an applicant whose service is considered speculative or temporary in nature will be charged an advance payment covering the same period.

SERVICE CONNECTION CHARGES

A. GENERAL

1. Service connection charges are those charges associated with work performed by the Telephone Company in connection with the provisions of service for a customer.
2. Service connection charges are in addition to any other scheduled rates and charges. They apply in addition to and not in lieu of non-recurring charges or construction charges.
3. The charges herein do not contemplate work being performed by Company employees at a time when overtime wages apply due to the request of the customer, nor do they contemplate work begun being interrupted by a customer. If the customer requests overtime labor to be performed or interrupts work once begun, a charge in addition to the specified charge will be made equal to the additional cost involved.
4. The charges do not include work related to the installation or repair of customer owned equipment or inside wiring.

B. CHARGES

- | | | |
|-------------------------|--------------------|----------|
| 1. Service Order Charge | - New Service | \$ 20.00 |
| | - Existing Service | \$ 10.00 |

This charge includes the time and materials for the establishment of business office records and operator information records. Specifically, time involved in taking request, credit check, preparation and process of order, completing customer line screen, completing customer information screen and related records and files, completing maintenance sheet, computer entries, as well as all work involved in modifying an existing record.

- | | |
|--|----------|
| 2. Central Office Connection Charge (Per Line) | \$ 10.00 |
|--|----------|

This charge will apply whenever work is required in Central Office. Includes time for frame wiring, testing, and routing of C.O.E., preparation or changes of associated records.

- | | |
|-------------------------|----------|
| 3. Premise Visit Charge | \$ 15.00 |
|-------------------------|----------|

This charge will apply whenever an installer must perform any function on a customer's premise up to and including the lightning arrestor or protector (the demarcation point), including the travel from the serving office. It does not include normal maintenance work.

SERVICE CONNECTION CHARGES

B. CHARGES (Continued)

- | | | |
|-----------------------------|----------------|----------|
| 4. Maintenance Visit Charge | - Regular Time | \$ 29.50 |
| | - Over Time | 34.50 |

This charge will apply for service calls by company employees to the customer's premises where a service difficulty or trouble report results from customer provided equipment and/or inside wiring and not from the Telephone Company's facilities.

- | | | |
|---------------------|--|----------|
| 5. Reconnect Charge | | \$ 20.00 |
|---------------------|--|----------|

This charge covers service order work applicable to existing service and central office connection charge.

- | | | |
|----------------------------|--|----------|
| 6. Dishonored Check Charge | | \$ 30.00 |
|----------------------------|--|----------|

This charge applies when any negotiable instrument presented for payment of service or deposit becomes dishonored, and is returned to the Telephone Company from the bank.

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|---|--|--|
| 7. Rearrangement Charge for Drop Wire, Outside Circuit and/or Protector | | |
|---|--|--|

\$ 35.00

- a. This charge covers the rearrangement of a drop wire, outside circuit and/or protector initiated by the action of a customer. An existing service order charge (\$10.00) and premise visit charge (\$15.00) as specified in this section will be applicable plus \$35.00 per arrangement.
- b. Charges for rearrangements are not applicable if the rearrangement, move, or change is required by the Company for the continuation of satisfactory service.

- | | | |
|----------------------------|--|----------|
| 8. New Installation Charge | | \$ 85.00 |
|----------------------------|--|----------|

This charge covers the time involved to install one average* complete outside circuit initiated by the request of a subscriber to provide an average telephone circuit in accordance with industry standards. This charge includes all materials, men, and trenching equipment. The charge may be adjusted, based upon the work actually performed and applicable charges as described elsewhere in this section.

*Average is defined as 1000' of drop wire. If the installation exceeds the average length, the Line Extension charges in Section 5 also apply.

SERVICE CONNECTION CHARGES

CHARGES (Continued)

9. Computer Data Entry Charge \$ 5.00

This charge applies whenever a central office connection or service addition is done via a computer terminal accessing the central office switch.

C. CONDITIONS

1. When business or residence service is established for a different customer and all of the facilities are reconnected in place without any change, only the applicable service connection charge(s) will apply to the entire service.
2. Service Connection Charges apply to residence or business premises for:
 - a. Establishing Service.
 - b. Reconnections or re-establishment of service.
 - c. Move of service from one premise to another.
 - d. Assumption of service with a change in responsibility or ownership.
 - e. Number change or grade of service change request by the customer.
3. Service Connection Charges DO NOT apply:
 - a. When a change is made and initiated by the Company, for the convenience of the Company, such as a change in grade of service, change in customer's telephone number, etc.
 - b. When telephone service is re-established at a secondary location immediately following the rendering of a customer's primary location as unfit for occupancy, due to fire, flood, etc. At the option of the Company, a different telephone number may be used.
 - c. Removal of seasonal rate or vacation rate service.
4. Reconnect Charges Apply:

SERVICE CONNECTION CHARGES

CONDITIONS (Continued)

- a. When service has been disconnected for nonpayment and satisfactory arrangements were not made prior to the preparation of a disconnect, charges will be made applicable as to work needed to make the disconnect.

- b. When a customer is billed on a seasonal basis or pays only for portion of a calendar year without paying a vacation rate. This service is sometimes referred to as a temporary disconnect.

- c. If service is disconnected for any reason and remains disconnected for six months or more, all applicable charges necessary to restore service will be made as if this was a request for new service.

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
RC COMMUNICATIONS, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
LOCAL EXCHANGE SERVICES IN THE)	
TERRITORY OF QWEST CORPORATION)	TC04-079

On April 15, 2004, the Public Utilities Commission (Commission) received an application for a certificate of authority from RC Communications, Inc. (RCC). On April 26, 2004, the Commission received an amendment to the application.

RCC proposes to offer local exchange services in Qwest Corporation's service area. A proposed tariff was filed by RCC.

On April 22, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of May 7, 2004, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled June 22, 2004, meeting, the Commission considered RCC's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-69 and ARSD 20:10:32:03. The Commission finds that RCC has met the legal requirements established for the granting of a certificate of authority. RCC has, in accordance with SDCL 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota.

The Commission approves RCC's application for a certificate of authority, subject to rural safeguards. The certificate of authority for RCC shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should RCC choose to provide local exchange services statewide, with respect to rural telephone companies, RCC will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible telecommunications carrier. In addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that RCC's application for a certificate of authority to provide local exchange services is granted; and it is

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

FURTHER ORDERED, that the Commission shall authorize RCC to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company; and it is

Dated at Pierre, South Dakota, this 30th day of June, 2004.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u>Helaine Kolbo</u>
Date:	<u>7/1/04</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted as of the date of the
Order Granting Certificate of Authority
Docket No. TC04-079

This is to certify that

RC COMMUNICATIONS, INC.

is authorized to provide local exchange services in nonrural areas in South
Dakota.

This certificate is issued in accordance with SDCL 49-31-69 and ARSD
20:10:32:03, and is subject to all of the conditions and limitations contained in
the rules and statutes governing its conduct of offering telecommunications
services.

Dated at Pierre, South Dakota, this 30th day of June, 2004.

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**



ROBERT K. SAHR, Chairman



GARY HANSON, Commissioner



JAMES A. BURG, Commissioner

