

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

IN THE MATTER OF UNAUTHORIZED  
LONG DISTANCE CHANGES AND  
UNAUTHORIZED TELEPHONE  
CHARGES MADE BY REDUCED RATES  
LONG DISTANCE

MOTION TO REQUEST FINES BE  
ASSESSED DUE TO BREACH OF  
SETTLEMENT AGREEMENT

TC07-107

Comes now the staff of the South Dakota Public Utilities Commission (Commission), as a result of Reduced Rates violation of its Settlement Agreement and Commission Order enforcing the same. By this Motion, Commission Staff (Staff) requests that the Commission assess a fine of \$6,000 against Reduced Rates Long Distance (Reduced Rates) payable in \$1,000 (One Thousand Dollar) increments to the formal complainants. Formal complainants include:

- 1) Ingram Pest Service, Pierre, SD (CT07-001)
- 2) Black Hills Shooters Supply, Rapid City, SD (CT07-002)
- 3) Argus Barber Shop, Sioux Falls, SD (CT07-003)
- 4) Hebrun Brick, Rapid City, SD (CT07-004)
- 5) Patrick Cassidy, (CT07-005)
- 6) Pico's Garage, Sioux Falls, SD (CT08-001)

Additionally, if said complainants are not paid within thirty days from the Order date, Reduced Rates shall be subject to revocation of its certificate of authority pursuant to SDCL 49-31-75. In support of this Motion, Staff asserts as follows:

**BACKGROUND**

On August 8, 2008, the parties to this docket signed a Consent Agreement attached as 'Exhibit A'. The Agreement outlined the terms to resolve all outstanding

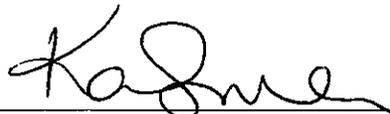
issues and to close this complaint docket. The terms of the Consent Order were then Ordered by the Commission on September 15, 2008. One of the terms in said Order is for resolution of all formal complaints. Reduced Rates has failed to resolve issues with formal complainants, failed to pay formal complainants pursuant to individual settlements and finally failed to seek Commission dismissal of filed formal complaints.

In an attempt to achieve compliance the Commission's Executive Director sent the attached 'Exhibit B' letter to Reduced Rates. Proof of receipt of said letter is also attached. No remedial action has been taken by Reduced Rates.

### CONCLUSION

Reduced Rates has not remedied its apparent breach, nor has it articulated a plan to do so. In an attempt to understand any challenges or subsequent circumstances, Staff communicated with Reduced Rates directly through its local counsel and through its corporate attorney via certified mail. Despite such attempts, the formal complaints are not resolved. Staff now seeks assistance from the Commission. Due to Reduced Rates failure to take action, Staff believes its requested action is appropriate. Commission Staff requests the company be fined \$6,000, payable directly to the complainants in \$1,000 increments and further if payment is not received by complainants within 30 days of a Commission Order that the company be subject to revocation of its Certificate of Authority.

Signed and dated this 20<sup>th</sup> day of November 2008



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