

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

IN THE MATTER OF THE FILING BY DAKOTA)	ORDER DESIGNATING
COOPERATIVE TELECOMMUNICATIONS,)	DAKOTA
INC., DAKOTA TELECOM, INC., AND DAKOTA)	TELECOMMUNICATIONS
TELECOMMUNICATIONS SYSTEMS, INC. FOR)	GROUP AS AN ELIGIBLE
DESIGNATION AS ELIGIBLE)	TELECOMMUNICATIONS
TELECOMMUNICATIONS CARRIERS)	CARRIER
)	TC97-030

On March 25, 1997, Dakota Cooperative Telecommunications, Inc., Dakota Telecom, Inc., and Dakota Telecommunications Systems, Inc. filed a request that the South Dakota Public Utilities Commission (Commission) take the steps necessary to implement the regulations relating to the universal service fund and that it be designated as an eligible telecommunications company as that term is used in 47 U.S.C. § 214 for certain exchanges specified in its petition.

On March 27, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of April 11, 1997, to interested individuals and entities. On April 9, 1997, the Commission received a Petition to Intervene from AT&T Communications of the Midwest, Inc. (AT&T). On April 28, 1997, at its regularly scheduled meeting, the Commission granted AT&T's Petition to Intervene.

On May 29, 1997, Dakota Cooperative Telecommunications, Inc. filed an amended petition asking for eligible telecommunications company status only as to Dakota Cooperative Telecommunications, Inc.

By order dated July 8, 1997, the Commission set a hearing on this matter for July 30, 1997, at Pierre, South Dakota. The hearing was held as scheduled.

At its September 9, 1997, meeting, the Commission unanimously voted to designate Dakota Telecommunications Group, formerly Dakota Cooperative Telecommunications, Inc., as an eligible telecommunications carrier.

Based on the evidence presented at the hearing, the Commission makes the following findings of fact:

FINDINGS OF FACT

I

In its amended petition, Dakota Cooperative Telecommunications, Inc. requested designation as an eligible telecommunications carrier (ETC) for the following exchanges: Alsen (253); Beresford Rural (957); Chancellor (647); Davis (238); Flyger (327); Gayville (267); Hurley (238); Irene (263); Lennox (647); Monroe (297); Parker (297); Volin (267); Wakonda (267); and Worthing (372). Exhibit 2. Prior to the hearing, Dakota Cooperative Telecommunications, Inc. ceased to be a cooperative and is now known as Dakota Telecommunications Group (Dakota). Tr. at 35.

EXHIBIT F2

II

Dakota requested that the Commission designate Dakota's present study area as its service area. Exhibit 2.

III

Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an eligible telecommunications carrier (ETC) for a service area designated by the Commission.

IV

Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

V

The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

VI

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VII

Dakota currently offers voice grade access to the public switched network throughout its service area in a frequency range of between 500 Hertz and 4,000 Hertz for a bandwidth of 3,500 Hertz. Tr. at 32.

VIII

Dakota currently offers local usage throughout its service area which means that a customer receives a certain amount of free time. Tr. at 16.

IX

Dakota currently offers dual tone multi-frequency signaling throughout its service area. Tr. at 32.

X

Dakota currently offers access to emergency services throughout its service area. Tr. at 33.

XI

Dakota currently offers access to operator services throughout its service area. Id.

XII

Dakota currently offers access to interexchange services throughout its service area. Id.

XIII

Dakota currently offers access to directory assistance throughout its service area. Tr. at 34.

XIV

One of the services required to be provided by an ETC to qualifying low-income consumers is toll limitation. 47 C.F.R. § 54.101(a)(9). Toll limitation consists of both toll blocking and toll control. 47 C.F.R. § 54.400(d). Toll control is a service that allows consumers to specify a certain amount of toll usage that may be incurred per month or per billing cycle. 47 C.F.R. § 54.400(c). Toll blocking is a service that lets consumers elect not to allow the completion of outgoing toll calls. 47 C.F.R. § 54.400.

XV

Dakota currently offers toll blocking. Tr. at 21.

XVI

Dakota does not currently offer toll control. Tr. at 23. Dakota intends to install the new switch and a voice mail system that will be operational by late November. Tr. at 30. The voice mail system would allow the entry of a pre-paid dollar amount and a recording would inform the consumer when that dollar amount was used up. Tr. at 31.

XVII

Dakota does not currently offer the Lifeline or Link Up program. Tr. at 24. Dakota will implement the policies on Lifeline and Link Up as required by the FCC and this Commission. Tr. at 14.

XVIII

With respect to the obligation to advertise the availability of services supported by the federal universal service support mechanism and the charges for those services using media of general distribution, Dakota states that it currently advertises the availability of its services throughout its service area. Tr. at 18. Dakota states that it currently advertises some of the prices of those services. Id. Dakota plans to advertise in all the newspapers that are provided in its various exchanges. Tr. at 25. It will also use the radio media. Id.

XIX

The Commission finds that Dakota currently provides and will continue to provide the following services or functionalities throughout its service area: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling; (4) single-party service; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll blocking for qualifying low-income consumers.

XX

The Commission finds that Dakota will provide toll control throughout its service area prior to January 1, 1998.

XXI

The Commission finds that Dakota intends to provide Lifeline and Link Up programs to qualifying customers throughout its service area consistent with state and federal rules and orders.

XXII

The Commission finds that Dakota will advertise the availability of the services supported by the federal universal service support mechanism and the charges therefor using media of general distribution. The Commission intends to open a rulemaking docket to further clarify an ETC's obligation with respect to advertising its services and charges.

XXIII

Pursuant to 47 U.S.C. § 214(e)(5), the Commission designates Dakota's current study area as its service area. Thus, Dakota's service area consists of the following exchanges: Alsen (253); Beresford Rural (957); Chancellor (647); Davis (238); Flyger (327); Gayville (267); Hurley (238); Irene (263); Lennox (647); Monroe (297); Parker (297); Volin (267); Wakonda (267); and Worthing (372). Exhibit 2.

CONCLUSIONS OF LAW

I

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 49-31, and 47 U.S.C. § 214.

II

Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an eligible telecommunications carrier (ETC) for a service area designated by the Commission.

III

Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

IV

The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

V

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VI

The Commission concludes that Dakota has met, or will meet, prior to January 1, 1998, the requirements of 47 C.F.R. § 54.101(a).

VII

The Commission concludes that Dakota intends to provide Lifeline and Link Up programs to qualifying customers throughout its service area consistent with state and federal rules and orders.

VIII

The Commission concludes that Dakota will advertise the availability of the services supported by the federal universal service support mechanism and the charges therefor using media and general distribution. The Commission intends to open a rulemaking docket to further clarify an ETC's obligation with respect to advertising its services and charges.

IX

Pursuant to 47 U.S.C. § 214(e)(5), the Commission designates Dakota's current study area as its service area. Thus, Dakota's service area will consists of the following exchanges: Alsen (253); Beresford Rural (957); Chancellor (647); Davis (238); Flyger (327); Gayville (267); Hurley (238); Irene (263); Lennox (647); Monroe (297); Parker (297); Volin (267); Wakonda (267); and Worthing (372). Exhibit 2.

X

The Commission designates Dakota as an eligible telecommunications carrier for its service area.

It is therefore

ORDERED, that Dakota's current study area is designated as its service area; and it is

FURTHER ORDERED, that Dakota is designated as an eligible telecommunications carrier for its service area.

Dated at Pierre, South Dakota, this 17th day of September, 1997.

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><i>Maime Kalbo</i></u>
Date:	<u>9/17/97</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner