

**Before the Public Utilities Commission  
of the State of South Dakota**

**In the Matter of the Application of Premier Communications, Inc., d/b/a Premier Communications for a Certificate of Authority to Provide Interexchange Telecommunications Services to the Customers of its Affiliated ILECs within the State of South Dakota**

DOCKET NO. 16-\_\_\_\_\_

Application

Premier Communications, Inc., d/b/a Premier Communications (the "Applicant") pursuant to SDCL 49-31-3 and ARSD 20:10:24:02, hereby applies to the South Dakota Public Utilities Commission (the "Commission") for a Certificate of Authority to provide interexchange telecommunications services to the customers of its affiliated ILEC(s) within the State of South Dakota. In support of its Application, the Applicant states as follows:

**(1) The applicant's name, address, telephone number, facsimile number, web page URL, and E-mail address;**

Premier Communications, Inc.  
339 First Avenue NE, PO Box 200  
Sioux Center, IA 51250  
Phone: 712-722-3451  
Fax: 712-722-1113  
Web page URL: <http://www.mypremieronline.com/>  
Email: [rboone@mypremieronline.com](mailto:rboone@mypremieronline.com)

**(2) A description of the legal and organizational structure of the applicant's company;**

The Applicant is an Iowa business corporation formed in 1995 and is a wholly-owned subsidiary of Mutual Telephone Company of Sioux Center, Iowa, d/b/a Premier Communications ("Mutual"). The members of Applicant's management team, along with a summary of their management, telecommunications, and other experience, is set forth on **Exhibit A**, attached hereto and incorporated herein by this reference. The Amended and Restated Articles of Incorporation of Applicant is attached hereto as **Exhibit B** and is incorporated herein by this reference.

**(3) The name under which the applicant will provide interexchange services if different than in subdivision (1) of this section;**

The Applicant will conduct its business under the tradename "Premier Communications." Within a reasonable time following the Commission's approval of this Application, Applicant will file for the use of the tradename "Premier Communications" with the Secretary of State of the State of South Dakota.

**(4) A copy of the applicant's certificate of authority to transact business in South Dakota from the Secretary of State;**

Contemporaneously with the filing of this Application, Applicant has also filed an Application for Certificate of Authority to transact business in South Dakota. Applicant will not conduct business in South Dakota until such a Certificate of Authority is obtained and will file the same as a supplemental filing to this docket.

**(5) The location of the applicant's principal office, if any, in this state and the name and address of its current registered agent, if applicable;**

The applicant does not have a current office in South Dakota. Upon the filing of its Certificate of Authority with the Secretary of State of the State of South Dakota, the applicant's registered agent in South Dakota will be:

CT Corporation System  
319 S. Coteau Street  
Pierre, SD 57501

**(6) A list and specific description of the telecommunications services the applicant intends to offer;**

Applicant seeks authority to provide facilities based, interexchange telecommunications services to the customers of its affiliated ILEC(s) within the State of South Dakota. Applicant will provide the customers of its affiliated ILEC(s) multiple, non-nomadic, interexchange plan options to best suit their needs. All services will be offered twenty-four (24) hours per day, seven (7) days per week.

**(7) A detailed statement of how the applicant will provide its services;**

Applicant will use the public switched network to take the long distance traffic back to its soft-switch located in Sioux Center, IA. Applicant will be reselling the wholesale long distance services of Aureon f/k/a Iowa Network Services, Inc. The local loops of Applicant's affiliated ILEC(s) will be utilized to connect customers to services. No broadband connection will be relied upon to provide the long distance service. All of Applicant's physical switches and central offices are located in Iowa.

**(8) A service area map or narrative description indicating with particularity the geographic area proposed to be served by the applicant;**

The Applicant's service area will be limited to those areas served by its affiliated ILEC(s). Mutual, the parent company of Applicant, is in the process of acquiring all of the issued and outstanding stock of Consolidated Communications of Iowa Company, a Minnesota corporation f/k/a Heartland Telecommunications Company of Iowa ("Consolidated ILEC") from Consolidated Communications, Inc., a Delaware corporation ("Consolidated Parent") as more fully set forth in the notice of Transfer of Stock of Consolidated Communications of Iowa Company pursuant to SDCL 49-31-20 filed with the Commission on or about July 5, 2016 (the "Transfer of Control Transaction"). Applicant will be a long distance service option for those customers of Consolidated ILEC in the territory shown on the service area map attached hereto as Exhibit C, attached hereto and incorporated herein by this reference.

**(9) For the most recent 12 month period, financial statements of the applicant including a balance sheet, income statement, and cash flow statement. The applicant shall provide audited financial statements, if available;**

Applicant has the financial capability to provide service to the customers of Consolidated ILEC following the Transfer of Control Transaction. Attached hereto as Exhibit D are the most recent twelve-month period financial statements, consisting of the consolidated balance sheets and consolidated income statement, and statement of cash flows of Mutual, the parent company of Applicant. As further specified in Applicant's request for confidential treatment of information, Applicant requests confidential treatment of the information set forth in Exhibit D. Since the Applicant will not require advance payments, deposits, or prepayments of any kind, including prepaid calling cards, the Applicant will not be filing a surety bond.

**(10) The names, addresses, telephone number, facsimile number, E-mail address, and toll free number of the applicant's representatives to whom all inquiries must be made regarding complaints and regulatory matters and a description of how the applicant handles customer service matters;**

Ryan Boone  
Regulatory Manager  
Premier Communications  
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Sioux Center, IA 51250  
Phone: 712-722-3451  
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Applicant will handle customer complaints with its internal staff located in Sioux Center, Iowa, and will deploy technicians when necessary if physical problems arise. Mutual, the parent company of Applicant, presently has twenty (20) service technicians all of whom will be available to assist in maintenance and service.

**(11) Information concerning how the applicant plans to bill and collect charges from customers;**

The bill for Applicant's services will be included with its affiliate's monthly local exchange service bill. Payment will be due concurrently with customer's local exchange service bill.

**(12) Information concerning the applicant's policies relating to solicitation of new customers and a description of the efforts the applicant shall use to prevent the unauthorized switching of interexchange customers;**

Applicant intends to only market its long distance service to its affiliates' local exchange customers when they sign up for service. Applicant will not use multi-level marketing.

As part of the Transfer of Control Transaction, Consolidated ILEC customers receiving long distance services from its pre-transaction affiliate, Crystal Communications, Inc. ("Crystal"), will, concurrently with the closing of the Transfer of Control Transaction, be assigned to Applicant. Applicant will comply with all applicable federal and state regulatory requirements in providing the Consolidated ILEC customers with the appropriate notice prior to the switching of their interexchange service.

**(13) Information concerning how the applicant will make available to any person information concerning the applicant's current rates, terms, and conditions for all of its telecommunications services;**

Information concerning the applicant's rates, terms, and conditions will be available at the office of the Applicant's parent company. This information will also be available on the company's website and will be furnished to any person requesting such information.

**(14) Information concerning how the applicant will notify a customer of any materially adverse change to any rate, term, or condition of any telecommunications service being provided to the customer. The notification must be made at least thirty days in advance of the change;**

Applicant will notify a customer of any materially adverse change to any rate, term or condition of telecommunications service to the customer through either a message in the bill, a bill insert, by email, on our website, or by other written communication. The notification will be made at least thirty days in advance of the change.

**(15) A list of the states in which the applicant is registered or certified to provide telecommunications services, whether the applicant has ever been denied registration or certification in any state and the reasons for any such denial, a statement as to whether or not the applicant is in good standing with the appropriate regulatory agency in the states where it is registered or certified, and a detailed explanation of why the applicant is not in good standing in a given state, if applicable;**

Applicant is presently operating in Iowa as a CLEC and long distance provider. Premier CLEC is authorized to provide local exchange service in Iowa as the holder of Iowa Utilities Board-issued CPCN No. 0304. Applicant has further applied for a certificate of authority to operate as an IXC in Minnesota and is awaiting action by the Minnesota Public Utilities Commission.

**(16) A description of how the applicant intends to market its services, its target market, whether the applicant engages in any multilevel marketing, and copies of any company brochures used to assist in the sale of services;**

Applicant intends to only market its long distance service to its affiliates' local exchange customers when they sign up for service. Applicant will not use multi-level marketing.

**(17) Federal tax identification number and South Dakota sales tax number;**

Applicant's federal tax identification number is 42-1447232. Applicant will obtain a South Dakota sales tax number prior to conducting business in South Dakota and will file the same as a supplemental filing to his docket. As further specified in its Petition for Confidential Treatment of Information, applicant requests that the information set forth in this item be treated as confidential.

**(18) The number and nature of complaints filed against the applicant with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered;**

No complaints have been made against the Applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provider or for charging customers for services that have not been ordered.

**(19) A written request for waiver of those rules the applicant believes to be inapplicable; and**

Applicant respectfully requests that the bonding requirement as set forth in ARSD 20:10:24:05 be waived. Applicant will not collect any traditional advance payments, and will not collect deposits, advance payments, or prepayment, nor does Applicant provide prepaid services. Applicant further requests that any rule that has been deemed inapplicable to competitive interexchange carriers and waived for other interexchange carrier applicants, be waived for Applicant.

As stated above, the customers of Applicant's affiliate, Consolidated ILEC, may currently receive long distance services from its pre-transaction affiliate, Crystal Communications, Inc. ("Crystal"). Those customers' long distance services will, concurrently with the closing of the Transfer of Control Transaction, be assigned to Applicant, a wholly owned subsidiary of Mutual and post-transaction affiliate of Consolidated ILEC. Such customers will receive all applicable federal and state required notices of such transfer at least 30 days before such transfer.

The Applicant requests that it be permitted to operate under oversight by the Iowa Utilities Board in such a manner consistent with its other customers. Operating under the existing Iowa Utilities Board oversight is prudent as this request is limited to an effect of, at most, 147 access lines (assuming all local exchange customers have selected Crystal as their long distance provider)<sup>1</sup> the physical switches and central office locations are all located in Iowa, and the scheduled rates are comparable or lower than comparable South Dakota rates.

**(20) Other Information:**

Applicant has the experience, personnel and service ability necessary to provide high-quality long distance services to Consolidated ILEC's customers. Applicant has provided long distance service for over 15 years in Iowa, currently serves approximately 7,000 customers, and has not experienced any material issues or had any complaints filed against it with the Iowa Utilities Board or Federal Communications Commission. Mutual, the parent company of Applicant, presently has twenty (20) service technicians all of whom will be available to assist in maintenance and serve. All of Applicant's switching equipment is up to date with support maintenance plans from the vendors of such equipment. Further, Applicant maintains middle mile and second mile redundancy in its networks. Applicant's long distance services in South Dakota will be limited to the customers of Consolidated ILEC.

WHEREFORE, the undersigned Applicant requests that the South Dakota Public Utilities Commission enter an order: (i) granting this application; (2) waiving the requirements as set forth in Section 19, above; and, (iii) grant such other relief as may be just and proper.

Dated this 5<sup>th</sup> day of July, 2016.

**PREMIER COMMUNICATIONS, INC.**

CUTLER LAW FIRM, LLP



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<sup>1</sup> These additional long distance customers would represent just 2% of Applicant's total long distance customers after completion of the Transfer of Control Transaction.