

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

IN THE MATTER OF THE APPLICATION OF) CLEAR RATE COMMUNICATIONS, INC. FOR A) CERTIFICATE OF AUTHORITY TO PROVIDE) LOCAL EXCHANGE AND INTEREXCHANGE) SERVICES IN SOUTH DAKOTA))	ORDER GRANTING CERTIFICATE OF AUTHORITY; ORDER GRANTING WAIVER TC20-051
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On October 5, 2020, the South Dakota Public Utilities Commission (Commission) received from Clear Rate Communications Inc. (Clear Rate) an application for a Certificate of Authority to provide local exchange services in South Dakota.

On October 8, 2020, the Commission electronically transmitted notice of the filing and the intervention deadline of October 23, 2020, to interested individuals and entities on the Commission's PUC Weekly Filing electronic listserv. No petitions to intervene were filed.

On December 1, 2020, Clear Rate filed an application for a Certificate of Authority to provide interexchange services. The company does not intend to offer services in rural territories and will not provide pre-paid services that require money in advance of services rendered. On February 5, 2021, Clear Rate responded to staff's data request. On March 23, 2021, Clear Rate filed supplements to its application and updates to its requested waivers.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and 49-31-69 through 49-31-75, and ARSD 20:10:24:02 and 20:10:32:03.

At its regularly scheduled meeting on April 1, 2021, the Commission considered this matter. Commission staff recommended a waiver of the cash flow statement required in ARSD 20:10:32:03(12) and ARSD 20:10:24:02(9). Commission staff also recommended granting a certificate of authority with the conditions that, for retail purposes, Clear Rate not offer any prepaid services including prepaid calling cards and not accept or require any deposits or advance payments without prior approval of the Commission, and subject to rural safeguards. Ms. Kara Semmler provided comments regarding the timing of notice on behalf of South Dakota Telecommunications Association.

The Commission finds that Clear Rate has met the legal requirements established for the granting of a certificate of authority. Clear Rate has, in accordance with SDCL 49-31-3 and 49-31-71, demonstrated sufficient technical, financial, and managerial capabilities to offer telecommunications services in South Dakota.

The Commission voted unanimously to approve Clear Rate's application for a certificate of authority subject to the conditions that, for retail purposes, Clear Rate not offer any prepaid services including prepaid calling cards and not accept or require any deposits or advance payments without prior approval of the Commission, and be subject to rural safeguards. The Commission further voted unanimously to grant the waiver of the cash flow statement required in ARSD 20:10:32:03(12) and ARSD 20:10:24:02(9). The certificate of authority for Clear Rate shall authorize it to provide local exchange telecommunications service in South Dakota, except in those areas served by a rural telephone company. In the future, should Clear Rate choose to provide local exchange services

statewide, with respect to rural telephone companies, Clear Rate 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 Clear Rate's requested waiver of the cash flow statement required in ARSD 20:10:32:03(12) and ARSD 20:10:24:02(9) is hereby granted. It is further

ORDERED, that Clear Rate's application for a certificate of authority to provide interexchange services in South Dakota is hereby granted. It is further

ORDERED, that Clear Rate's request for a certificate of authority to provide local exchange services is hereby granted, subject to the conditions that, for retail purposes, Clear Rate not offer any prepaid services including prepaid calling cards and not accept or require any deposits or advance payments without prior approval of the Commission, and is subject to rural safeguards. It is further

ORDERED, that this certificate of authority authorizes Clear Rate to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company. It is further

ORDERED, that this order constitutes Clear Rate's Certificate of Authority as described above.

Dated at Pierre, South Dakota, this 7th day of April 2021.

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, electronically or by mail.	
By:	<u>Adam Detfueck</u>
Date:	<u>4/7/21</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairperson

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner