

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

)
) CT00-014
) CT00-052
) TC00-084
) TC00-091
) **RECEIVED**
)

JUL 20 2000

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
HEARD BEFORE THE PUBLIC UTILITIES COMMISSION

PROCEEDINGS: July 13, 2000
2:00 P.M.
Room 412, Capitol Building
Pierre, South Dakota

PUC COMMISSION: Jim Burg, Chairman
Laska Schoenfelder, Commissioner
Pam Nelson, Commissioner

COMMISSION STAFF
PRESENT: Rolayne Ailts Wiest
Karen Cremer
Harlan Best
Gregory A. Rislov
David Jacobson
Michele Farris
Keith Senger
Martin Bettmann
Leni Healy
Charlene Lund
Heather Forney
Mary Giddings
Sue Cichos
Bill Bullard

Reported by: Lori J. Grode, RMR

ORIGINAL

A P P E A R A N C E S

Appearances by Telephone:

For US West: Alex Duarte
 Colleen Sevold

For Fiber Ring: Brian Meyer
 Larry Thompson

For AT&T: Michelle Singer Nelson
 Jerry Campbell

P R O C E E D I N G S

CHAIRMAN BURG: Okay. I'll call the Commission meeting to order. First let the record show that I'm Chairman Jim Burg and Commissioner Schoenfelder and Nelson are also present.

The agenda for the meeting, first administration, the approval of the minutes for the Commission meeting held on June 20, 2,000. Mary, was there any corrections or additions?

MS. GIDDINGS: There were none, Chairman Burg.

CHAIRMAN BURG: I'll move approval of the minutes.

1 COMMISSIONER SCHOENFELDER: Second.

2 CHAIRMAN BURG: Do you want to concur?

3 COMMISSIONER NELSON: I concur.

4 CHAIRMAN BURG: Consumer issues status report
5 on consumer report and utilities and complaints
6 recently received by the Commission.

7 MS. HEALY: Thank you, Chairman Burg. So far
8 this year the Commission has received 1,201 consumer
9 contacts. Of those contacts 127 has been received
10 since our last Commission meeting. 105 contacts have
11 been received concerning telecommunications since our
12 last meeting.

13 Slamming continues to be the chief issue with
14 which we deal. There were 14 electricity contacts
15 where disconnections are the chief issue. Eight
16 natural gas contacts, and billing issues and
17 disconnections are the concerns there.

18 So far this year the Commission has
19 informally resolved 944 contacts.

20 COMMISSIONER SCHOENFELDER: Leni, I have a
21 question. I believe I sent to you yesterday a report
22 and that report shows that since 1997 slamming problems
23 have at least, if not gone down, leveled off, and I
24 think the indication is in South Dakota that might not
25 be the case. Can you expand on that a little bit for

1 us, please?

2 MS. HEALY: That was a very good
3 observation. Nationwide, slamming may be declining.
4 In South Dakota that is not the case, and I'm not
5 certain if it's our definition of slamming or our more
6 active involvement in pursuing slamming issues. South
7 Dakota just tends to have more than another state our
8 size.

9 COMMISSIONER SCHOENFELDER: Thank you.

10 CHAIRMAN BURG: One, yes, I have. I notice
11 you have got 18 contacts concerning raising rates
12 without notice. None of those come out of the slamming
13 or cramming legislation, do they?

14 MS. HEALY: That isn't slamming or cramming,
15 that's fluffing, and there is a rule against that as
16 well.

17 CHAIRMAN BURG: We have a rule against it.
18 What's usually the solution to that? What do we
19 usually do? They just correct it?

20 MS. HEALY: We frequently get a rerating of
21 what the old rate was and then the consumer would have
22 30 days to change to a different carrier of their
23 choice.

24 CHAIRMAN BURG: With that I will call the
25 roll and before we move into the dockets themselves.

1 (Roll call.)

2 CHAIRMAN BURG: Nobody else that we have got
3 to call; right? Okay.

4 * * * * *

5 CHAIRMAN BURG: CT00-014, In the Matter of
6 the Complaint Filed by Julie Roesler on Behalf of Sleep
7 Inn, Sioux Falls, South Dakota, Against Sprint
8 Communications Company, LP, Regarding Unauthorized
9 Disconnection and Unauthorized Switching of Service.

10 Today, if the matter is resolved, shall
11 Commission dismiss the complaint and close the docket?
12 Karen.

13 MS. CREMER: Ms. Roesler informed me on June
14 21 that they had settled the matter with Sprint and
15 McLeod and she would like the complaint dismissed and
16 the matter closed.

17 COMMISSIONER SCHOENFELDER: I would move we
18 dismiss the complaint and close the docket in CT00-014.

19 CHAIRMAN BURG: Second.

20 COMMISSIONER NELSON: Concur.

21 * * * * *

22 CHAIRMAN BURG: CT00-052, In the Matter of
23 the Complaint Filed by Phil Edwards, Spearfish, South
24 Dakota, Against U S West Communications, Incorporated,
25 and AT&T Communications of the Midwest, Incorporated,

1 Regarding Billing Issues.

2 Today, shall the Commission grant U S West's
3 and/or AT&T's motion to dismiss?

4 U S West, do you want to argue your motion to
5 dismiss first?

6 MS. SEVOLD: Thank you, Mr. Chairman.
7 Mr. Edwards, according to his complaint, feels that he
8 was overcharged on calls that were made through, I
9 believe, the August through December time frame of
10 '99. He was PIC'd to AT&T at that time. He does say
11 that he did not realize that he had to call U S West
12 and let us know that he did not want AT&T any more. He
13 did do that on January 28th.

14 On January 31st we changed him to no PIC, but
15 I believe his issue is for the calls that AT&T charged
16 him for the time period before that. And we would have
17 sent the call to AT&T if he would have dialed a one to
18 us prior to January 31st because that is who he was
19 PIC'd to. So he does admit that he did not call us and
20 so we feel that we should be part of this. It seems
21 though his complaint is about the rates that he was
22 charged prior to that time.

23 CHAIRMAN BURG: Incidentally, Mr. Edwards
24 isn't on or isn't going to be here, either one, is he?

25 MS. HEALY: I spoke with Mr. Edwards. He had

1 an unavoidable conflict when this meeting was
2 postponed. He has asked me to make comments on his
3 behalf.

4 CHAIRMAN BURG: First I will go to AT&T
5 though and get comments on their Motion to Dismiss.

6 MS. SINGER NELSON: Chairman Burg, Michelle
7 Singer Nelson is on the phone on behalf of AT&T. AT&T
8 does ask the Commission to dismiss Mr. Edwards'
9 complaint, and I'm going to let Mr. Campbell, Jerry
10 Campbell, address the issue for the Commission. So
11 here's Jerry Campbell. Thank you.

12 CHAIRMAN BURG: Okay. Jerry.

13 MR. HOSECK: Thank you, Chairman. The
14 customer's initial complaint, from what we had gotten
15 from the Commission, what concerned the usage of a dial
16 around access code. Mr. Edwards claims that in his
17 complaint that he has been using a dial around access
18 code for quite some time, and that for reasons
19 unbeknownst to him, his traffic was inappropriately
20 routed to AT&T. His carrier of choice that he used
21 with this dial around access code was a company by the
22 name of Clear Choice.

23 AT&T's answer to this complaint is such that,
24 number one, we have absolutely no control over the
25 proper or improper use of a dial around access code.

1 If, as Mr. Edwards claims, he was utilizing that code
2 on a per call basis, his traffic shouldn't have been
3 routed to AT&T. AT&T has no control over that. The
4 use of the dial around code essentially tells the local
5 carrier's switch to bypass whoever that customer is
6 PIC'd to.

7 So even though he was PIC'd to AT&T up and
8 through the January 31st time frame, if he were
9 utilizing his dial around code as is indicated, traffic
10 shouldn't have been routed to AT&T and shouldn't have
11 subsequently billed by AT&T.

12 MS. SINGER NELSON: So bottom line,
13 Mr. Chairman and Commissioners, we're asking that AT&T
14 be removed from this action because there's no way that
15 we could be responsible for how that traffic was
16 routed. That's something that's done in U S West's, in
17 the local exchange carrier's switch. So we have no
18 place in this complaint proceeding.

19 CHAIRMAN BURG: Do you or him dispute -- does
20 either party dispute that AT&T was the PIC choice at
21 that time?

22 MR. CAMPBELL: No.

23 CHAIRMAN BURG: You're saying you were his
24 the PIC choice of record; right?

25 MR. CAMPBELL: Yes, we were up until the

1 January 31st date that was mentioned by U S West.

2 CHAIRMAN BURG: And I could ask Miss Healy,
3 but to your knowledge, did he dispute the fact that you
4 were the PIC choice?

5 MR. CAMPBELL: Not to my knowledge, no.

6 CHAIRMAN BURG: Okay. Leni, whatever
7 comments.

8 MS. HEALY: Thank you, Chairman Burg. This
9 is Leni Healy on behalf of Commission staff. I have
10 spoken with Mr. Edwards several times since the filing
11 of these motions to dismiss. Mr. Edwards claims
12 wholeheartedly that he always uses a dial around. The
13 companies have not been able to prove to the Commission
14 or to Mr. Edwards how these calls are identified for
15 which he is being billed. Neither company can show us
16 how these calls -- if they were dial around calls, how
17 that would be distinguished from a regular direct
18 dialed call.

19 In light of those facts, he's asking the
20 Commission to resist the motions to dismiss and go
21 forward with a hearing.

22 CHAIRMAN BURG: Does he dispute the fact that
23 they were his PIC choice?

24 MS. HEALY: He does indicate that AT&T was
25 his PIC choice until he requested the change. However,

1 he's disputing the amounts that were charged for those
2 dial around calls.

3 CHAIRMAN BURG: And is he the only one that
4 had access to this phone?

5 MS. HEALY: No, his wife is also in the home.

6 MR. HOSECK: Chairman, this is Jerry Campbell
7 with AT&T. If I might interject here real quickly, the
8 charges that are disputed and this complaint cover a
9 six-month time period from July of 1999 through
10 December of 1999 on, I believe, virtually every bill
11 U S West billed AT&T charges. There are also charges
12 on those bills for Clear Choice Communication.

13 In our billing records we do not have the
14 ability to distinguish how a call is placed to our
15 network, whether it's done through one plus dialing or
16 if it's done through a dial around. On our records it
17 shows up simply as a direct dialed call.

18 I do believe that -- and I'm not 100 percent
19 certain of this, but I believe switch records would be
20 able to make that distinction to see how the calls were
21 placed. We're not disputing Mr. Edwards' claims that
22 he used the dial around. We have no knowledge one way
23 or the other. Regardless of whether he did or did not,
24 if he can utilize it, the calls shouldn't have been
25 routed to AT&T. That is not an AT&T concern. If

1 somebody in his home did do one plus dialing while he
2 was a PIC'd customer of AT&T, the charges are
3 legitimate as billed.

4 MS. HEALY: Okay. Mr. Edwards -- excuse me,
5 this is Leni Healy of Commission staff again.
6 Mr. Edwards adamantly insists that they use dial around
7 for each and every call, and absence of any evidence to
8 show how these calls were trafficed, he wishes this
9 hearing to continue.

10 COMMISSIONER SCHOENFELDER: I have a
11 question. Leni, you say you're speaking and conveying
12 to us what Mr. Edwards said. Does Commission staff
13 have a position or recommendation on that either from
14 you or Ms. Cremer?

15 MS. CREMER: Yes, we do. At this point staff
16 would leave in both AT&T and U S West and the reason
17 for that is I think U S West's version of the facts is
18 different than Mr. Edwards. You know, I believe Miss
19 Sevold said it was one plus dialing. Mr. Edwards is
20 claiming that he did dial around.

21 The other point is one of these companies
22 should be able to show us what kind of calls these
23 were. They hit the switch somehow. And in order for
24 billing purposes, which is what I believe probably
25 makes this world go around here, is they had to know

1 who was going to bill. And so they should be able to
2 show if this was a dial around or a direct dial.

3 And I think you should leave both in because
4 we're going to need that evidence at the hearing to
5 determine and if it comes before and we can show
6 Mr. Edwards these were direct dial, then he can always
7 make a dismiss his complaint.

8 COMMISSIONER SCHOENFELDER: In the meantime
9 you could be settling this if U S West could provide
10 you with the switch reports or whatever?

11 MS. CREMER: Someone needs to provide that so
12 we can all take a look at that.

13 MS. HEALY: Mr. Edwards has indicated if he
14 had some proof from one of these companies how those
15 were billed, he would dismiss the complaint, but
16 absence of that proof, he wishes this to go forward.

17 COMMISSIONER SCHOENFELDER: Thank you.

18 CHAIRMAN BURG: Question I'd probably have,
19 Colleen, can you tell us -- can your records show
20 whether those were direct dialed or dialed around?

21 MS. SEVOLD: Mr. Chairman, that is something
22 I guess I would have to check. I have been told that
23 we do not have anything that would show that. But let
24 me revisit that issue.

25 A couple of things that I would just like to

1 add, what I said was if they were on the AT&T bill,
2 that would have suggested that they were direct
3 dialed. So I didn't say they were directed dialed. I
4 said that suggested it. I also noticed in AT&T's
5 comments that they say that Mrs. Edwards called in on
6 November 22nd, which is the time frame he's disputing
7 asking why the calling plan had been disconnected,
8 which would suggest that apparently they felt they were
9 still using AT&T or they wouldn't have been accepting
10 the calling plan had been disconnected.

11 COMMISSIONER SCHOENFELDER: Mr. Chairman, I
12 think there's enough facts in dispute here and I think
13 we need to go a little bit further with this, so I
14 would deny both motions.

15 COMMISSIONER NELSON: I'd second that.

16 CHAIRMAN BURG: I'll concur. I think at this
17 time we continue to investigate this. As was
18 mentioned, it can be settled if more definitive
19 information is found. So we will, let's see, the
20 request for dismissal, the Motion for Dismissal is
21 denied in CT00-052.

22 * * * * *

23 CHAIRMAN BURG: TC00-084, In the Matter of
24 the Petition of Fiber Ring Revenue Pooling Association
25 for Approval of Revenue Pooling Arrangements.

1 Today, what is the Commission's decision in
2 the request? Who's taking that one?

3 MS. FORNEY: I think Larry Hettinger is on
4 the phone.

5 CHAIRMAN BURG: Larry, do you want to explain
6 what this docket is?

7 MR. HETTINGER: Yes, Mr. Commissioner. This
8 is Larry. Also on hand are Randy Hodeck and Larry
9 Thompson of Martin & Associates and Brian Meyer of
10 Meyer and Rogers are also there. They've been sitting
11 back here pretty patiently for a long time.

12 MR. HETTINGER: I think I'll refer that to
13 Brian Meyer or Larry Thompson or Mr. Hodeck.

14 CHAIRMAN BURG: I forgot you were on the
15 phone. I thought they were probably going to do it.

16 MR. MEYER: Mr. Chairman, members of the
17 Commission, I'm Brian Meyer, and I represent what we
18 call FRRPA.

19 COMMISSIONER SCHOENFELDER: Mr. Meyer, you
20 know, one more acronym is going to be a problem here
21 and you just introduced three. I mean that's an awful
22 lot in one docket.

23 MR. MEYER: May I commence my testimony with
24 an apology to the Commission relating to acronyms.
25 This is the docket that I guess maybe everybody has

1 been looking forward to seeing for some time, but it is
2 a docket that several years ago we started talking
3 about at the legislature and we finally introduced
4 legislation to allow this type of a pooling
5 arrangement.

6 From one standpoint, I believe that pooling
7 is not a new thing for the Commission. We've been
8 through the whole pooling process with LECA many years
9 ago and have gotten to this point. And so the pooling
10 arrangements are not new to the Commission.

11 I suspect that this particular project is a
12 little bit new. I think this is the first one in South
13 Dakota like this. The reason for this project, the
14 reason that we have something called FRRPA is because
15 we have several independent telephone companies in the
16 state of South Dakota, and for us to do a joint project
17 like this, we needed to find an arrangement. And the
18 arrangement is what we call the FRRPA pool. And when
19 we went before the South Dakota legislature to ask for
20 authority for this and to give this Commission the
21 authority to approve this pooling arrangement, what we
22 were looking at is concerned with antitrust because
23 we're trying to take a bunch of telephone companies and
24 make them look more like one telephone company, I think
25 is what is the best way to put this. And this was our

1 best attempt at doing it. It is not a simple thing.

2 On the other hand, we have got the system up
3 and running. We have two rings presently working. We
4 have the third ring at this time being turned up this
5 week, and the final leg in the third ring, which will
6 make it actually another circle will be, as I
7 understand, will be turned up in about three weeks.
8 And so this brings to South Dakota a service in the
9 telecommunications field that they've never had before,
10 and it covers a huge it covers all of South Dakota
11 giving it a fully redundant telecommunications service
12 to the telephone users in South Dakota.

13 And FRRPA is the way that we make this thing
14 work in terms of the pool. And so I don't know what
15 the Commission's intent is, but I would ask that you
16 approve our request.

17 CHAIRMAN BURG: Any questions for Brian? Any
18 comments from Heather? Are you taking this one?

19 MS. FORNEY: I would just mention that staff
20 would recommend approval and direct any questions to
21 Karen.

22 COMMISSIONER SCHOENFELDER: I have a lot of
23 questions. I have several questions. One of them is I
24 sort of thing you sort of filed it late sort of;
25 right?

1 MR. MEYER: Well, you mean we filed it after
2 one of the rings was already in operation? We filed it
3 while it was an ongoing thing. We filed it while one
4 ring was in operation. While one ring was partially in
5 -- ring two was actually partially in operation and
6 not yet completed and then ring three wasn't even
7 completed yet when we filed it, so we filed it in the
8 middle. Now, yes.

9 COMMISSIONER SCHOENFELDER: And I need to
10 understand just a little bit, Brian, about you're going
11 to pool it like you do the LECA pool, you're going use
12 a LECA pool framework basically, if I understood what I
13 read right?

14 MR. MEYER: That's correct.

15 COMMISSIONER SCHOENFELDER: I really do want
16 to understand it. So you're going to use that
17 framework for the pricing. And even there are people
18 who own parts of the network and the other parts some
19 of the other companies will just be leasing time on the
20 network or a space or however you've --

21 MR. MEYER: That's correct, there's owners
22 and users. All owners are users but not all users are
23 owners.

24 COMMISSIONER SCHOENFELDER: I think I have
25 that straightened out. My next question I think is --

1 I mean, first of all, I want to say this is something
2 this state really needs. I think I'm impressed by it.
3 I have some concerns about it. But my approval of it
4 overrides those.

5 But if I'm an interexchange carrier, if I'm
6 someone who is not an owner or a user or am not part of
7 your -- and I cannot say that, whatever that acronym
8 is. I think that's the worst acronym I've ever heard
9 in my life. But if I'm not and I come to you and I say
10 I'm not going to construct another one, I want to lease
11 time, and I'm assuming you have all kinds of capacity
12 on this network because it is fiber?

13 MR. MEYER: That's correct.

14 COMMISSIONER SCHOENFELDER: And so you have
15 all kinds of capacity and I want to buy space, time,
16 however it is you're going to sell it. I know it's not
17 distance sensitive. So on this network are you going
18 to offer it to me at the same time, same price as the
19 people who are in the agreement with you?

20 MR. MEYER: I'm going to ask Mr. Thompson to
21 come up and address that. And I think the question is
22 just I think it's a little more complicated than a yes
23 or no.

24 COMMISSIONER SCHOENFELDER: I need to know
25 what and I kind of want to know, you know, what that's

1 going to do to prices in this state, too, because
2 obviously this is going to be passed on to your
3 customer in some form or another. And I'd just -- I'm
4 looking for knowledge right now.

5 MR. THOMPSON: Right now the if they need the
6 meet the requirements to be a Ring User LEC's, or RUL,
7 they would be welcome to join and become an RUL.

8 COMMISSIONER SCHOENFELDER: Would you let U S
9 West do that or Quest, whoever they are today?

10 MR. THOMPSON: Sure, if they meet the
11 requirements.

12 COMMISSIONER SCHOENFELDER: What are the
13 requirements.

14 MR. THOMPSON: For example, they would have
15 to be a LEC based in South Dakota. They would have to
16 be willing to deliver their what we call the PNS, which
17 is the Public Network Switch traffic to the tandem
18 switch in Sioux Falls.

19 COMMISSIONER SCHOENFELDER: Okay. Why are
20 you limited then to people who are just based in South
21 Dakota and are just LEC's? You don't intend to carry
22 interexchange or interstate traffic over this?

23 MR. THOMPSON: Normally the process would be
24 if an interexchange carrier wanted to come and utilize
25 capacity on the network, the excess capacity right now

1 SDN has purchased the excess capacity. SDN is the arm
2 then that leases all of the excess capacity on the
3 rings. So the normal process would be that that
4 interexchange carrier would come to SDN and, in fact,
5 they are doing that and purchasing leased capacity on
6 the survivable rings across South Dakota.

7 COMMISSIONER SCHOENFELDER: So you're not
8 limiting it then to -- I mean the traffic is there,
9 it's just in a different way?

10 MR. THOMPSON: SDN is one of the RUL, the
11 ring user LEC's, and they then lease to all of these
12 other entities.

13 COMMISSIONER SCHOENFELDER: So they could --
14 so if I bring a telemarketing firm to Buffalo and I
15 want to buy out of the interstate tariff and I want
16 total access to the capacity on this network, I could
17 get it through SDN?

18 MR. THOMPSON: That is true.

19 COMMISSIONER SCHOENFELDER: At about the same
20 price you would offer it to the people who own the
21 network?

22 MR. THOMPSON: Actually, I don't think that
23 they would want to pay the prices of the people that
24 own the network. They would pay generally lower
25 prices. There's actually for the switched traffic that

1 they put on the ring, they might pay like you saw in
2 the ring user LEC agreement maybe \$1,300 or something
3 per DS1 for any one location on the ring to any other
4 location on the ring for their switched traffic.

5 I can't imagine that there would be a
6 situation where it would be more than that. It would
7 probably be substantially less than that for what they
8 would lease for SDN.

9 COMMISSIONER SCHOENFELDER: That answers a
10 lot of my questions. I can remember a couple years ago
11 when it was more than a couple when seems like a flood
12 sort of put this network down big time. And I can
13 remember visiting with some of your companies then and
14 saying why can't we do something together so this whole
15 thing works? And I'd love to think it's my idea, but I
16 don't think it is, but I think it looks really good.

17 MR. THOMPSON: In fact, since we've had
18 turned up the network a couple instances where there's
19 been fiber cuts and there's been no traffic lost with
20 those fiber cuts. And I did bring a map if you would
21 like to see. This shows the exact. This is what we're
22 turning up this week would be this ring three that
23 comes up around through Bison and West River, I guess.
24 And what Brian mentioned will be up in a few weeks will
25 be this little section.

1 COMMISSIONER SCHOENFELDER: That one that
2 isn't turned up that makes the thing complete there?

3 MR. THOMPSON: That's correct, there is
4 traffic flowing over what you see in the yellow -- in
5 the green there today.

6 CHAIRMAN BURG: Is this all inclusive? Is
7 this every town or every exchange.

8 MR. THOMPSON: No.

9 CHAIRMAN BURG: I was going to say because I
10 notice Woonsocket is not on there.

11 A. Correct. For example, Woonsocket has fully
12 protected SONET all the way back to their Mount Vernon
13 Exchange.

14 COMMISSIONER SCHOENFELDER: It's important
15 that we keep Mount Vernon on there.

16 MR. THOMPSON: A lot of the LEC's themselves
17 have implemented SONET rings that are not part of the
18 FRRPA organization, so many of the LEC's can get to
19 these over fully protected like Woonsocket, for
20 example. Not every exchange though.

21 COMMISSIONER SCHOENFELDER: So there would be
22 a few that will simply not have access to this?

23 MR. THOMPSON: It would be a true statement
24 that not every exchange in South Dakota has fully
25 protected access to one of these nodes, that is true.

1 MR. MEYER: But they all have access to it to
2 get to the rings and then their traffic is from where
3 their access point is.

4 COMMISSIONER SCHOENFELDER: From their access
5 point, but I guess what I -- but if there were a back
6 -- if there were a cut in this fiber or there were a
7 fiber cut anywhere in the SDN companies and all those
8 people connected, even though you were isolated from
9 the ring, you would still have internal calling within
10 your exchange? Or that wouldn't even need to happen if
11 there wasn't a cut -- if there was a cut between Mount
12 -- Woonsocket and the access point, they have to the
13 ring, then Woonsocket would still have telephone
14 service but only local?

15 MR. THOMPSON: Woonsocket because of the fact
16 that they're on their own SONET ring or owned by
17 Sanborn Telephone, they would have no loss of service
18 and nobody would ever know that that was cut. But
19 there are instances where it's not on awfully protected
20 SONET ring where you could have a cut and that switch
21 would be isolated and just allow local calling in that
22 exchange.

23 CHAIRMAN BURG: But once it reaches a ring,
24 it has total protection in the ring, it's just getting
25 from the switch location to the ring?

1 MR. THOMPSON: And you can see the geography
2 we cover. Typically let's say it's in West River
3 exchange, for example, not one of them that's on this,
4 the distance they have to travel to get to that node is
5 small typically in comparison to getting all the way to
6 SDN in Sioux Falls where the tandem switch is. So the
7 bulk of it hopefully is being covered by FRRPA. They
8 can cut the fiber a lot of places and it's not going to
9 impact the traffic.

10 COMMISSIONER SCHOENFELDER: Thank you very
11 much.

12 CHAIRMAN BURG: What would be the largest
13 town that didn't have that wasn't on the ring so it
14 didn't have quite that full protection? I guess what
15 I'm thinking the, only reason I bought from -- the only
16 thing that makes me think of it, suppose a business
17 came in and said I'm interested with the SONET rings
18 here with the total protected rings. Is there a town
19 size enough that would get a business that might say,
20 whoops, you don't quite have that? I'm guessing
21 probably not written.

22 MR. MEYER: I cannot think of it. Most of
23 the cases the companies themselves have their own
24 smaller SONET versions to communities of that size.
25 Now, it's not all of them, but I couldn't even begin

1 to --

2 MS. CREMER: Yankton? Vermillion?

3 MS. CREMER: They're U S West towns.

4 CHAIRMAN BURG: I'm thinking of some of the
5 Sully Buttes town aren't on here, are they? I was
6 thinking like Wessington Springs and Plankinton.

7 MR. THOMPSON: Wessington Springs will
8 actually be on their own internal SONET ring next
9 year. Plankinton --

10 COMMISSIONER SCHOENFELDER: Well, Kimbal is
11 not here but Mid-state, I don't see Platte. I guess
12 does Mid-state have kind of their own SONET ring?

13 MR. THOMPSON: They do have their own SONET
14 ring. Larry Hettinger, do you remember if Platte is on
15 there? I believe it is.

16 MR. HETTINGER: Yes, Platte is on.

17 MR. THOMPSON: So they would have full
18 protection from Platte to Kimbal.

19 CHAIRMAN BURG: Maybe the question would be
20 then which of the co-ops, which of the members do not
21 have their own SONET rings?

22 MR. THOMPSON: Most of them probably have a
23 few exchanges that are still not on SONET rings.
24 There's a few out there that actually have every
25 exchange on a SONET ring, but they're probably the

1 exception rather than the rule, but most of them have
2 quite a few SONET rings. And over the next few years
3 we're still aggressively putting in additional SONET
4 rings.

5 CHAIRMAN BURG: If I could visualize this,
6 they had their own SONET ring, let's say, it's just a
7 small one, three or four, but no matter where that cut
8 could be, it could be the other way around to get back
9 on the big SONET ring where you have the protection of
10 one, two, or three here; right?

11 MR. THOMPSON: Correct.

12 CHAIRMAN BURG: Any other questions?

13 MR. MEYER: I'd have one final comment. I
14 think we're ready to retire the bow and arrow. And
15 what I'm talking about that is Commissioner
16 Schoenfelder was talking about the cut from the flood,
17 and we actually ended up using a bow and arrow to shoot
18 a line across the flooded area, which we then used to
19 pull the line across after the water went down.

20 COMMISSIONER SCHOENFELDER: Was that the
21 Vermillion River?

22 MR. MEYER: Yes, it was.

23 CHAIRMAN BURG: Anything else? If not, I
24 will move that we approve the request of FRRPA for
25 revenue pooling arrangement.

1 COMMISSIONER SCHOENFELDER: And I'm also
2 going to award them for the most ugly acronym in the
3 country.

4 COMMISSIONER NELSON: I would second the
5 approval.

6 CHAIRMAN BURG: TC00-091, In the Matter of
7 the U S West Communications, Incorporated,
8 Classification of Certain Services.

9 Today, shall the Commission grant
10 intervention to the Association of Communications
11 Enterprises and any others who may file? And how
12 should the Commission proceed in this docket?

13 Let's see, there isn't anybody on here
14 representing that entity, is there? U S West, do you
15 have any comments on the intervention?

16 MR. DUARTE: We don't have any comments. We
17 don't object to any intervention.

18 CHAIRMAN BURG: I will move we grant the
19 intervention to the Association of Communications
20 Enterprises in TC00-091.

21 COMMISSIONER NELSON: Second.

22 COMMISSIONER SCHOENFELDER: I'll concur.

23 CHAIRMAN BURG: Do we need to do anything
24 about proceeding?

25 MS. WIEST: I guess the only question is you

1 could put in dates. I did state in the order why U S
2 West should state why these services should be
3 considered as fully competitive. We could set up a
4 schedule for U S West to put in their written comments
5 and we'd get a chance for the intervenor to do any
6 reply comment.

7 CHAIRMAN BURG: Do we want to set that or let
8 Bill establish those dates?

9 MS. WIEST: Right, if you just want to say
10 that we'll set procedure.

11 CHAIRMAN BURG: I'll move we establish a
12 procedure schedule in TC00-091.

13 COMMISSIONER NELSON: Second.

14 COMMISSIONER SCHOENFELDER: Concur.

15 CHAIRMAN BURG: Procedural schedule will be
16 established in TC00-094

17 (The hearing concluded at 4:00 p.m.)

18

19

20

21

22

23

24

25

1 STATE OF SOUTH DAKOTA)
2)
3 COUNTY OF STANLEY)

4 I, Lori J. Grode, Registered Merit Reporter,
5 Registered Profession Reporter and Notary Public in and
6 for the State of South Dakota:

7 DO HEREBY CERTIFY that the above hearing
8 pages 1 through 28, inclusive, was recorded
9 stenographically by me and reduced to typewriting.

10 I FURTHER CERTIFY that the foregoing
11 transcript of the said hearing is a true and correct
12 transcript of the stenographic notes at the time and
13 place specified hereinbefore.

14 I FURTHER CERTIFY that I am not a relative or
15 employee or attorney or counsel of any of the parties,
16 nor a relative or employee of such attorney or counsel,
17 or financially interested directly or indirectly in
18 this action.

19 IN WITNESS WHEREOF, I have hereunto set my
20 hand and seal of office at Pierre, South Dakota, this
21 20th day of July 2000.

22 Lori J. Grode
23 Lori J. Grode, RMR/RPR
24
25