

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
BLACK HILLS FIBER SYSTEMS, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
TELECOMMUNICATIONS SERVICES,)	
INCLUDING LOCAL EXCHANGE SERVICES, IN)	TC98-101
SOUTH DAKOTA)	

On May 18, 1998, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, received an application for a certificate of authority from Black Hills Fiber Systems, Inc. (Black Hills).

Black Hills intends to construct, own, and operate a fiber optic network for retail and wholesale telecommunications purposes in order to provide a broad range of communication services consistent with the capabilities of a fiber optic network and the needs of its customers.

On May 21, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of June 5, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled July 23, 1998, meeting, the Commission considered Black Hills' request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards. Commission Staff further recommended granting a waiver of Black Hills having to submit a tariff pursuant to ARSD 20:10:24:02(8) until October 1, 1998.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that Black Hills has met the legal requirements established for the granting of a certificate of authority. Black Hills has, in accordance with SDCL 49-31-1, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive the requirement in ARSD 20:10:24:02(8) that Black Hills file a tariff until October 1, 1998.

The Commission approves Black Hills' application for a certificate of authority, subject to rural safeguards and filing a tariff by October 1, 1998. The certificate of authority for Black Hills shall authorize it to offer local exchange services in those areas in South Dakota where U S WEST Communications, Inc., is the incumbent local exchange carrier. In the future, should Black Hills choose to provide local exchange services statewide, with respect to rural telephone companies, Black Hills 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 Black Hills' application for a Certificate of Authority to provide telecommunications services, including local exchange services, is granted; it is

FURTHER ORDERED, that Black Hills shall file a tariff with the Commission by October 1, 1998, and that Black Hills shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize Black Hills to offer its local services in those areas in South Dakota where U S WEST Communications, Inc., is the incumbent local exchange carrier.

Dated at Pierre, South Dakota, this 5th day of August, 1998.

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>Alvina Koels</i></u>
Date:	<u>8/6/98</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