

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

<b>IN THE MATTER OF THE APPLICATION OF )</b>	<b>ORDER GRANTING</b>
<b>PAETEC COMMUNICATIONS, INC. FOR A )</b>	<b>CERTIFICATE OF</b>
<b>CERTIFICATE OF AUTHORITY TO PROVIDE )</b>	<b>AUTHORITY</b>
<b>TELECOMMUNICATIONS SERVICES IN )</b>	
<b>SOUTH DAKOTA )</b>	<b>TC98-177</b>

On September 30, 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 PaeTec Communications, Inc. (PaeTec).

PaeTec proposes to provide resold intrastate interexchange telecommunications services, including direct-dialed message telecommunications services, 800/888/877 services, operator services, and post-paid calling card services. A proposed tariff was filed by PaeTec. The Commission has classified long distance service as fully competitive.

On October 1, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of October 16, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled January 26, 1999, meeting, the Commission considered PaeTec's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that PaeTec not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. Commission Staff also recommended that new contracted rates and penalties must be presented to the Commission on a case by case basis if not included in the tariff.

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 PaeTec has met the legal requirements established for the granting of a certificate of authority. PaeTec has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves PaeTec's application for a certificate of authority, subject to the condition that PaeTec not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission, and that new contracted rates and penalties must be presented to the Commission on a case by case basis if not included in the tariff. As the Commission's final decision in this matter, it is therefore

**ORDERED**, that PaeTec's application for a certificate of authority is hereby granted, subject to the condition that PaeTec not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

FURTHER ORDERED, that new contracted rates and penalties must be presented to the Commission on a case by case basis if not included in the tariff. It is

FURTHER ORDERED, that PaeTec shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 3rd day of February, 1999.

<b>CERTIFICATE OF SERVICE</b>	
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 first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u><i>Delaine Kachko</i></u>
Date:	<u>2/4/99</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