

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

**IN THE MATTER OF THE APPLICATION OF) ORDER GRANTING
CONTACT COMMUNICATIONS, INC. FOR A) CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE) AUTHORITY
LOCAL EXCHANGE SERVICES IN SOUTH)
DAKOTA) TC01-164**

On October 25, 2001, the Public Utilities Commission (Commission) received an application for a certificate of authority from Contact Communications, Inc. (Contact). On January 2, 2002, the Commission received a supplement to application from Contact

Contact proposes to offer digital subscriber line (DSL) service to customers on a retail basis. Contact also intends to act as a wholesaler of service to ISPs through individual contracts. A proposed tariff was filed by Contact.

On November 1, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of November 16, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled February 26, 2002, meeting, the Commission considered Contact's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to Contact providing non-voice switched local service only, subject to the condition that Contact not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission, and subject to rural safeguards. Commission Staff further recommended a waiver of ARSD 20:10:32:03(10) and (11a).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-69 and ARSD 20:10:32:03. The Commission finds that Contact has met the legal requirements established for the granting of a certificate of authority. Contact has, in accordance with SDCL 49-31-71, 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 subparagraphs (10) and (11a) of ARSD 20:10:32:03.

The Commission approves Contact's application for a certificate of authority, subject to Contact providing non-voice switched local service only, subject to the condition that Contact not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission, and subject to rural safeguards. The certificate of authority for Contact shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should Contact choose to provide local exchange services statewide, with respect to rural telephone companies, Contact 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 Contact's application for a certificate of authority to provide local exchange services is granted, subject to Contact providing non-voice switched local service only, and subject to the condition that Contact not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission; and it is

FURTHER ORDERED, that Contact shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize Contact to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company; and it is

FURTHER ORDERED, that the Commission finds good cause to waive subparagraphs (10) and (11a) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this 6th day of March, 2002.

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>Melaine Kalbo</u>
Date:	<u>3/7/02</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Robert K. Sahr
ROBERT K. SAHR, Commissioner