

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

IN THE MATTER OF THE APPLICATION OF VP)	ORDER GRANTING)
TELECOM, INC. FOR A CERTIFICATE OF)	CERTIFICATE OF)
AUTHORITY TO PROVIDE INTEREXCHANGE)	AUTHORITY)
TELECOMMUNICATIONS SERVICES AND)	
LOCAL EXCHANGE SERVICES IN SOUTH)	TC02-031)
DAKOTA)	

On March 29, 2002, the Public Utilities Commission (Commission) received an application for a certificate of authority from VP Telecom, Inc. (VP Telecom).

VP Telecom proposes to offer facilities-based local exchange services to consumers in South Dakota utilizing combinations of unbundled network elements and resale products purchased from the incumbent local exchange provider and interexchange telecommunications services. A proposed tariff was filed by VP Telecom.

On April 4, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of April 19, 2002, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled May 30, 2002, meeting, the Commission considered VP Telecom's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards, and subject to a continuous \$25,000 surety bond. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8) and ARSD 20:10:32:03(11).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and 49-31-69 and ARSD 20:10:24:02, 20:10:24:03 and 20:10:32:03. The Commission finds that VP Telecom has met the legal requirements established for the granting of a certificate of authority. VP Telecom 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. Further, the Commission finds that there is good cause to waive subparagraph (8) of ARSD 20:10:24:02 and subparagraph (11) of ARSD 20:10:32:03.

The Commission approves VP Telecom's application for a certificate of authority, subject to rural safeguards, and subject to a continuous \$25,000 surety bond. The certificate of authority for VP Telecom 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 VP Telecom choose to provide local exchange services in an area served by a rural telephone company, VP Telecom 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 VP Telecom's application for a certificate of authority to provide interexchange telecommunications services and local exchange services is granted, subject to a continuous \$25,000 surety bond; and it is

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

FURTHER ORDERED, that the Commission shall authorize VP Telecom 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 waives subparagraph (8) of ARSD 20:10:24:02 and subparagraph (11) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this 7th day of June, 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>Nelsine Kaelo</u>
Date:	<u>6/10/02</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