

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

IN THE MATTER OF THE APPLICATION OF))	ORDER GRANTING MOTION
S&S COMMUNICATIONS/ALTERNA-CELL))	TO AMEND CERTIFICATE OF
FOR A CERTIFICATE OF AUTHORITY TO))	AUTHORITY TO CLARIFY
PROVIDE INTEREXCHANGE))	AND ADD REPORTING
TELECOMMUNICATIONS SERVICES IN))	REQUIREMENTS
SOUTH DAKOTA))	TC02-166

On July 21, 2000, 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 S&S Communications/Alterna-Cell (S&S). S&S' application was docketed as TC00-114.

S&S sought authority to provide interstate and intrastate long distance, voice mail services, 800 number services and calling card services. A proposed tariff was filed by S&S. The Commission has classified long distance service as fully competitive.

On July 27, 2000, the Commission electronically transmitted notice of the filing and the intervention deadline of August 11, 2000, to interested individuals and entities. No petitions to intervene or comments were filed and at its December 12, 2000, meeting, the Commission approved S&S' application, subject to conditions. On December 21, 2000, the Commission issued an Order in Docket TC00-114, granting S&S a certificate of authority, subject to the following conditions:

1. Aberdeen Finance Corporation (AFC) and S&S sending a letter to all of S&S' long distance customers for which AFC holds financing agreements informing them of the collateral agreement;
2. A continuous \$50,000 (at a minimum) surety bond; and
3. S&S reporting to the Commission the current level of prepaid customers and updating its bond every six months to provide 100% coverage of the prepaid amounts not covered under the collateral agreement.

On September 27, 2002, the Commission received a Motion from Staff requesting that the Commission issue an Order to Show Cause to S&S Communications/Alterna-Cell as to why S&S should not be found in violation of the Order Granting Certificate of Authority in TC00-114 and of the laws of the State of South Dakota, including but not limited to SDCL 49-31-7.1 and ARSD 20:10:01:28, 20:10:06:05 and 20:10:24:05.05. On October 28, 2002, the Commission issued an Order Granting Motion to Issue Order to Show Cause.

At its regularly scheduled March 18, 2003, meeting, Staff and S&S jointly recommended that the Commission reconsider the terms and conditions of S&S' certificate of authority and impose a new restriction that S&S not offer any prepaid services (including a prepaid calling card) or require or accept deposits or advance payments without prior approval of the Commission. On March 20, 2003, the Commission issued an order amending the certificate of authority by adding the condition that S&S not offer prepaid services to, or require or accept deposits or advances payments from, South Dakota customers without prior approval of the Commission, and that all conditions contained in the original certificate of authority granted in TC00-114 remain in effect and subject to enforcement by the Commission.

On May 27, 2003, the Commission received from Staff a Motion for Order to Amend Certificate of Authority to Clarify and Add Reporting Requirements. In the Motion, Staff requested that the Commission require S&S to provide in its reports to the Commission on or before June 21 and December of each year, commencing with June 21, 2003, the following documents, statements, and information:

1) A list (electronic and hard copy) of all South Dakota Prepaid customers. Each individual customer listing shall include:

- Customer name;
- Customer complete mailing address;
- Customer Telephone number;
- Customer Account number;
- Type of Contract (tariffed service offering);
- Number of contracts;
- Contract start date;
- Contract expiration date;
- Amount received per contract (including tax);
- Total Amount received (including tax);
- Indication if amount was paid in cash or financed through [sic] Aberdeen Finance Corporation (AFC) or other source;
- Total (original) customer principal amount financed by AFC;
- Current customer principal amount owed to AFC;
- A letter signed by an AFC officer verifying and concurring the per customer amounts;
- S&S's unearned revenue - calculated by dividing the total amount received by the term of the contract and multiplying by the remaining term of the contract;
- Customer principal amount at risk - this amount is the difference between the unearned revenue and the current customer AFC principal when the AFC principal is greater than the unearned revenue;
- Calculated bond amount. This amount is the sum of the unearned revenue for all non-AFC financed customers and the customer principal at risk.

2) A bond totaling the sum of the individual customers' calculated bond amounts.

3) A list (electronic and hard copy) of all South Dakota postpaid customers including:

- Customer name;
- Customer complete mailing address;
- Customer Telephone number;
- Customer Account number;
- Type of service (tariffed service offering).

4) Generally Accepted Account Procedure [sic] (GAAP) compliant financial statements for S&S Communications/Alterna Cell including a balance sheet, income statement and statement of cash flow for the most recent 12 month period.

At its June 3, 2003, meeting, the Commission considered Staff's Motion. The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3, 49-31-7, 49-31-7.1 and ARSD 20:10:24:02 and 20:10:24:03. At the meeting, S&S stated that it did not object to the Commission granting Staff's Motion. The Commission voted to grant the Motion.

The Commission accordingly grants the motion and orders that S&S' Certificate of Authority is amended to include the above-listed requirements.

As the Commission's decision in this matter, it is therefore

ORDERED, that S&S' Certificate of Authority is amended to include the above-listed requirements.

NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 3rd day of June, 2003. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

Dated at Pierre, South Dakota, this 3rd day of June, 2003.

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 first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u> Allaine Kolbo </u>
Date:	<u> 6/3/03 </u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

 Robert K. Sahr (by RW)
ROBERT K. SAHR, Chairman

 Gary Hanson
GARY HANSON, Commissioner

 James A. Burg
JAMES A. BURG, Commissioner

