

**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>VCI COMPANY FOR AN AMENDED</b>	)	<b>AMENDED CERTIFICATE OF</b>
<b>CERTIFICATE OF AUTHORITY TO PROVIDE</b>	)	<b>AUTHORITY</b>
<b>LOCAL EXCHANGE SERVICES IN SOUTH</b>	)	
<b>DAKOTA</b>	)	<b>TC06-169</b>

On August 10, 2004, the Public Utilities Commission (Commission) received an application for a certificate of authority from VCI Company (VCI).

VCI sought authority to provide competitive facilities-based and non-facility based local exchange and intraLATA toll services primarily to residential customers. A proposed tariff was filed by VCI.

On August 12, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of August 27, 2004, to interested individuals and entities. No petitions to intervene or comments were filed and at its October 12, 2004, meeting, the Commission granted VCI's request for a certificate of authority, subject to rural safeguards, subject to the condition that VCI not offer any prepaid services (including prepaid calling cards) and not accept or require any deposits or advance payments without prior approval of the Commission, and a waiver of ARSD 20:10:32:03(11).

On October 11, 2006, the Commission received an Application for Amended Certificate of Authority from VCI requesting that its restrictions be removed and that it be permitted to furnish a bond. On October 23, 2006, the Commission received a \$25,000 surety bond from VCI.

At its regularly scheduled November 14, 2006, meeting, Staff recommended that the Commission reconsider the terms and conditions of VCI's certificate of authority to remove the requirement that the certificate of authority be subject to restrictions and that VCI be permitted to post a surety bond.

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 VCI has met the legal requirements established for the granting of an amended certificate of authority. VCI has, in accordance with SDCL 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota.

The Commission approves VCI's application for an amended certificate of authority, subject to rural safeguards, and subject to a \$25,000 surety bond. The amended certificate of authority for VCI shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. It is therefore

ORDERED, that VCI's application for an amended certificate of authority to provide local exchange services is granted, subject to the removal of restrictions, and subject to a \$25,000 surety bond; and it is

FURTHER ORDERED, that the Commission shall authorize VCI to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company.

Dated at Pierre, South Dakota, this 4<sup>th</sup> day of December, 2006.

<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 facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Belinda Kalbo</i></u>
Date: <u>12/05/06</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*Dustin M. Johnson*  
DUSTIN M. JOHNSON, Commissioner

*Gary Hanson*  
GARY HANSON, Commissioner