

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

IN THE MATTER OF THE APPLICATION OF) MIDSTATE TELECOM, INC. FOR A WAIVER) OF ARSD 20:10:32:06.01))	ORDER AMENDING CERTIFICATE OF AUTHORITY TC10-086
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On August 6, 2010, the Commission received a petition from Midstate Telecom, Inc. (Midstate) asking the Commission to relieve it of the requirement to hold a continuous surety bond in the amount of \$25,000, pursuant to the Commission's Order Granting Certificate of Authority and Order Granting Petition for Waiver in Docket TC01-007. On August 12, 2010, the Commission electronically transmitted notice of the filing and the intervention deadline of August 27, 2010, to interested individuals and entities. No petitions to intervene or comments were filed.

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 20:10:32:03.

At its regularly scheduled meeting on October 12, 2010, the Commission considered Midstate's request for an amendment to its certificate of authority. After hearing from Midstate and Staff and questions from the Commission, the matter was deferred. At its regular meeting of January 18, 2011, the Commission again considered Midstate's request for amendment and voted unanimously to amend Midstate's certificate of authority to remove the requirement of maintaining a \$25,000 surety bond.

Midstate's amended certificate of authority is approved, subject to rural safeguards, and shall supersede the original certificate of authority to the extent that the terms thereof are in conflict with the terms of this Order. The certificate of authority for Midstate 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 Midstate choose to provide local exchange services in an area served by a rural telephone company, Midstate will be required to come before the Commission in another proceeding before being authorized 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 this amended certificate of authority 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 Midstate's application for an amended certificate of authority to provide local exchange services is granted and shall authorize Midstate 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 Midstate shall be required to obtain the prior approval of this Commission through a further amendment to this certificate of authority or a new certificate of authority before providing local exchange service in any area served by a rural local

exchange carrier; and it is further

ORDERED, that this Order constitutes Midstate's Amended Certificate of Authority to provide local exchange services as provided herein.

Dated at Pierre, South Dakota, this 25th day of January, 2011.

<p align="center">CERTIFICATE OF SERVICE</p> <p>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.</p> <p>By: <u><i>Sanna Peters</i></u></p> <p>Date: <u>1/25/11</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Steve Kolbeck
STEVE KOLBECK, Chairman

Gary Hanson
GARY HANSON, Commissioner

Chris Nelson
CHRIS NELSON, Commissioner