

In the Matter of _____ IN THE MATTER OF THE FILING BY
_____ VALLEY TELEPHONE COMPANY FOR
_____ DESIGNATION AS AN ELIGIBLE
_____ TELECOMMUNICATIONS CARRIER

Public Utilities Commission of the State of South Dakota

DATE	SID SOURCE AND
11/13/97	Filed and Racketed;
11/13/97	TC Log Filing,
11/21/97	Order for and Notice of Seizure,
12/1/97	Supplemental Information,
12/5/97	Draftscript of seizure filed on 12/3/97
12/17/97	Indexing of file, Enclosures of file; Order and Notice of Entry of Seizure,
12/17/97	Racket Closed.

0144651

TC97-182

LAW OFFICES
MOSS & BARNETT
A PROFESSIONAL ASSOCIATION

4800 NORWEST CENTER
90 SOUTH SEVENTH STREET
MINNEAPOLIS, MINNESOTA 55402-4129
TELEPHONE (612) 347-0300
FACSIMILE (612) 339-6686

WRITER'S CREDIT CARD NUMBER
347-0337

WRITER'S E-MAIL ADDRESS
BradleyM@mooss-barnett.com

November 12, 1997

BERNARD J. RASTELLER
PATRICIA VALDEZ-RODRIGUEZ
MICHAEL L. PLANKAGAN
THOMAS A. KELLER III
W. SCOTT HERGEN
JAMES E. FORDEN
PAUL G. NEHRMAN
EDWARD J. WINKER
WILLIAM N. SHUTTER
CHARLES W. PARKINS JR.
RICHARD J. JOHNSON
ROBERT J. LUKAS
JAMES A. BERNSTEN
THOMAS M. HERRMAN
J. MICHAEL HERGEN

EDWARD J. BLUMBERG
ANDREW J. VERNALLI
MICHAEL J. ANDERSON
JOSEPH J. WATSON
THOMAS J. SMITH
CURTIS J. SMITH
DAVID F. WINKER
W. SCOTT HERGEN
MICHAEL J. BRADLEY
PETER A. KELLER
MICHAEL J. KELLER
KEVIN W. BROWN
SILVANO J. BARNER
THOMAS M. HERRMAN

DAVID HAY
THOMAS A. JONES
FRANCOIS M. GIBSON
CAROL A. WELLS
JANINA R. STEVENS
W. SCOTT HERGEN
JOSEPH E. KLEIN
NANCY M. KLEIN
BARRY L. LARSEN
RONALD A. ROSENBERG
J. MICHAEL VALDEZ-RODRIGUEZ
ROBERT A. FORDEN
THOMAS J. SMITH
PAUL A. JONES
VINCENT J. FARMERLANDER
BRIAN T. GREGAN

MARK E. COTE
CURT LARSEN-BARNETT
JOHN M. WATSON
MICHAEL R. LUKAS
MATTHEW M. NEYER

ANTHONY
FRANCOIS M. GIBSON
VINCENT J. FARMERLANDER
JAMES A. BERNSTEN
JANINA R. STEVENS
MICHAEL J. KELLER
PATRICK F. BLANDY
MATTHEW A. HERGEN

William Bullard
Executive Director
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

Re: In the Matter of the Request of Valley Telephone Company for Designation as an Eligible Telecommunications Carrier
SDPUC Docket No. TC97-

Dear Mr. Bullard:

Enclosed please find the original and eleven copies of the Request for ETC Designation on behalf of Valley Telephone Company. Also enclosed is a Certificate of Service.

Very truly yours,

MOSS & BARNETT
A Professional Association

Michael J. Bradley

MJB/jjh
Enclosures
143709/32VX01/DOC

RECEIVED
NOV 13 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION



South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

These are the telecommunications service filings that the Commission has received for the period of:

11/07/97 through 11/13/97

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
ORDER OPENING DOCKET			
TC97-181	In its Order on Reconsideration in Docket TC96-184, In the Matter of the Petition for Arbitration on Behalf of AT&T Communications of the Midwest Inc. with U S WEST Communications, Inc., the Commission stated that the prices, terms, and conditions set by the Commission in that docket were interim prices, terms, and conditions. The Commission further stated that it would open a new docket to set permanent prices, terms, and conditions for interconnection with U S WEST. At its October 28, 1997, meeting, the Commission considered whether to open a docket to set permanent prices, terms, and conditions for interconnection with U S WEST. U S WEST and AT&T both stated that they had no objection to the Commission opening the docket. The Commission unanimously voted to open the docket.	opened 11/07/97	11/28/97
REQUEST FOR ELIGIBLE TELECOMMUNICATIONS COMPANY STATUS			
TC97-182	Valley Telephone Company pursuant to 47 U.S.C. 214(e) and 47 C.F.R. 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitutes its service area in South Dakota. Valley is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange in South Dakota: (605) 338 Browns Valley. Valley, to its knowledge, is the only carrier meeting the eligibility requirements of 47 U.S.C. 214(e) and 47 C.F.R. 54.201 in its exchanges. (Staff: HB/KC)	11/13/97	11/28/97
TC97-183	Farmers Mutual Telephone Company pursuant to 47 U.S.C. 214(e) and 47 C.F.R. 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitutes its service area in South Dakota. Farmers is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange in South Dakota: (605) 324 Marietta. Farmers, to its knowledge, is the only carrier meeting the eligibility requirements of 47 U.S.C. 214(e) and 47 C.F.R. 54.201 in its exchanges. (Staff: HB/CH)	11/13/97	11/28/97
TC97-184	The Cheyenne River Sioux Tribe Telephone Authority (Telephone Authority) pursuant to 47 U.S.C. 214(e) and 47 C.F.R. 54.201 has been granted eligible telecommunications carrier status by the Cheyenne River Sioux Tribe, and for reasons set forth in its petition states that the Commission does not have jurisdiction to designate the Telephone Authority as an eligible telecommunications carrier. In the alternative, in the event that the Commission concludes that it has jurisdiction to designate eligible telecommunications carriers within the exterior boundaries of the Cheyenne River Indian Reservation, which the Telephone Authority does not concede, the Telephone Authority meets the requirements for designation as an eligible telecommunications carrier for its service area. (Staff: HB/CH)	11/13/97	11/28/97

Important Notice: The Commission is compiling a list of Internet addresses. If you have an Internet address please notify the Commission by E-mailing it to Terry Norum at: terryn@pu.state.sd.us Faxing the address to the Commission at: 605-773-3809

in five days of this filing.	
FILE	INTERVENTION
ED	DEADLINE
11/28/97	11/28/97
11/28/97	11/28/97
11/28/97	11/28/97
11/28/97	11/28/97
11/28/97	11/28/97

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILINGS BY THE)
FOLLOWING TELECOMMUNICATIONS)
COMPANIES FOR DESIGNATION AS)
ELIGIBLE TELECOMMUNICATIONS)
CARRIERS:)

ORDER FOR AND NOTICE
OF HEARING

DICKEY RURAL TELEPHONE COOPERATIVE)	TC97-176
DICKEY RURAL COMMUNICATIONS, INC.)	TC97-177
NEBCOM, INC.)	TC97-179
RED RIVER TELECOM, INC.)	TC97-180
VALLEY TELEPHONE COMPANY)	TC97-182
FARMERS MUTUAL TELEPHONE COMPANY)	TC97-183
CHEYENNE RIVER SIOUX TRIBE TELEPHONE)	TC97-184
AUTHORITY)	
CONSOLIDATED TELEPHONE COOPERATIVE)	TC97-185
CTC COMMUNICATIONS, INC.)	TC97-186

The South Dakota Public Utilities Commission (Commission) received requests from the above captioned telecommunications companies requesting designation as eligible telecommunications carriers.

The Commission electronically transmitted notice of the filings and the intervention deadlines to interested individuals and entities.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-31, including 1-26-18, 1-26-19, 49-31-3, 49-31-7, 49-31-7.1, 49-31-11, and 47 U.S.C. § 214(e)(1) through (5).

The issues at the hearing shall be as follows: (1) whether the above captioned telecommunications companies should be granted designation as eligible telecommunications carriers, and (2) what service areas shall be established by the Commission.

A hearing shall be held at 1:30 P.M., on Tuesday, December 2, 1997, in Room 464, State Capitol, Pierre, South Dakota. It shall be an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to be present and to be represented by an attorney. These rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place set for the hearing, the Final Decision will be based solely on the testimony and evidence provided, if any, during the hearing or a Final Decision may be issued by default pursuant to SDCL 1-26-20. After the hearing the Commission will consider all evidence and testimony that was presented at the hearing. The Commission will then enter Findings of Fact, Conclusions of Law, and a Final Decision regarding this matter. As a result of this hearing, the Commission may either grant or deny the request from any of the above captioned telecommunications companies requesting designation as an eligible telecommunications carrier, and the Commission shall establish service areas for eligible telecommunications carriers. The Commission's decision may be appealed by the parties to the state Circuit Court and the state Supreme Court as provided by law. It is therefore

ORDERED that a hearing shall be held at the time and place specified above on the issues of whether the above captioned telecommunications companies should be granted designation as eligible telecommunications carriers, and the Commission shall establish service areas for eligible telecommunications carriers.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 21 day of November, 1997.

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>William Bullard, Jr.</u>
Date	<u>11/21/97</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:
Commissioners Burg, Nelson and
Schoenfelder

William Bullard, Jr.
WILLIAM BULLARD, JR.
Executive Director

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

EDWARD J. BLOMME
ANN R. NEWHALL
MICHAEL J. AHERN
JEFFREY L. WATSON
THOMAS J. SHROYER
DAVID F. JENKINS
CUTIS D. SMITH
DAVE F. SHONGER
KERRY A. BRUNG
MITCHELL H. COLE
NICHOLAS J. BRADLEY
PETER A. KULLER
RICHARD J. KILMER
KEVIN M. BUNCH
SULAN C. BACIDE
THOMAS M. HUNGER

TELEPHONE (612) 347-0300
FACSIMILE (612) 339-6686

NOCK HAY
THOMAS A. JUDO
DEANNE M. GREGG
CASSI S. WELLS
JANNA R. SEVERANCE
M. CHICELA RAY
JOSEPH R. ELLIN
NANCY M. EDEKE
BARRY LAZARUS
RONALD A. EISENBERG
J. MICHAEL COLLOTTA
ROBERT W. FIRING
TIMOTHY E. WURSTED
PAUL B. ZINLA
VINCENT J. FAHRENLAN
BRIAN T. GRIGAN

MADE E. LUTZ
COREY LARSEN BITTINGER
JAN M. WAGNER
MICHELLE E. LOEFFEL
MATTHEW M. MEYER

RETIRED:
FREMONT C. FLETCHER
VERNE W. MOSS
JAMES H. HENNEBY
STANLEY B. STAGEL
HOWARD S. COE
PATRICK F. FLAHERTY
WAYNE A. HERBOTT

WINTER & DOWDLEY / THE ASSESSMENT OF RISK 101

347-0337

WRITER'S E-MAIL ADDRESS
BradleyM@moss-barnett.com

December 1, 1997

FAX Received DEC 01 1997

Parties of Record

Re: In the Matter of the Request of Valley Telephone Company for Designation as an Eligible Telecommunications Carrier
SDPUC Docket No. TC97-182

Enclosed please find a copy of the Supplemental Information to the Request for ETC Designation on behalf of Valley Telephone Company. Also enclosed is a Certificate of Service.

Very truly yours,

MOSS & BARNETT
A Professional Association

Michael J. Bradley

MJB/jjh
Enclosure
147109/35SD01! DOC



RECEIVED

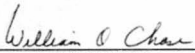
DEC 02 1997

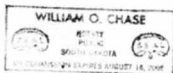
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTASOUTH DAKOTA PUBLIC
UTILITIES COMMISSIONIN THE MATTER OF THE REQUEST OF)
VALLEY TELEPHONE COMPANY)
FOR DESIGNATION AS AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER)SUPPLEMENTAL
INFORMATION
DOCKET TC97-182FAX Received DEC 01 1997

Valley Telephone Company offers single party service to all of its customers.

Respectfully submitted,



Max TiteSWORN TO BEFORE ME this
1st day of December, 1997

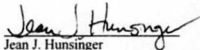
NOTARY PUBLIC

Certificate of Service

I hereby certify that copies of the above and foregoing Supplemental Information to the Request for ETC Designation by Valley Telephone Company were sent via Federal Express on the 1st day of November, 1997, to the following:

Rolayne Wiest
South Dakota Public Utilities Commission
Capitol Building
500 East Capitol
Pierre, South Dakota 57501

and a true and correct copy by Federal Express or United States Mail, postage prepaid to the persons on the attached list.


Jean J. Hunsinger

8
1
4
4
5
6
7

Camron Hoseck
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

Max Tite
Valley Telephone Company
1203 Ninth Avenue SE
Watertown, SD 57201

Thomas R. Farm
Olsen Thielen & Co.
223 Little Canada Road
St. Paul, MN 55117

Harlan Best
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

00-000-441-0

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

RECEIVED

DEC 05 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF THE FILINGS BY THE
FOLLOWING TELECOMMUNICATIONS
COMPANIES FOR DESIGNATION AS
ELIGIBLE TELECOMMUNICATIONS
CARRIERS:

DICKEY RURAL TELEPHONE COOPERATIVE	TC97-176
DICKEY RURAL COMMUNICATIONS, INC.	TC97-177
NEBCOM, INC.	TC97-179
RED RIVER TELECOM, INC.	TC97-180
VALLEY TELEPHONE COMPANY	TC97-182
FARMERS MUTUAL TELEPHONE COMPANY	TC97-183
CHEYENNE RIVER SIOUX TRIBE TELEPHONE AUTHORITY	TC97-184
CONSOLIDATED TELEPHONE COOPERATIVE	TC97-185
CTC COMMUNICATIONS, INC.	TC97-186

HEARD BEFORE THE PUBLIC UTILITIES COMMISSION

PROCEEDINGS:

December 2, 1997
1:30 P.M.
Room 464, Capitol Building
Pierre, South Dakota

PUC COMMISSION:

Jim Burg, Chairman
Laska Schoenfelder, Commissioner
Pam Nelson, Commissioner

A P P E A R A N C E SCOMMISSION STAFFPRESENT:

Rolayne Ailts Wiest
Camron Hoseck
Harlan Best

ALSO PRESENT:

Richard D.. Coit
P.O. Box 57
Pierre, SD 57501

I N D E XWITNESSES:

Harlan Best

PAGE:

14

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

PROCEEDINGS

CHAIRMAN BURG: Okay. I'll begin the hearing for the dockets relating to eligible telecommunications designation. The time is approximately 1:30, it would be about 1:40. The date is December 2nd, 1997; and the location of the hearing is Room 464, State Capitol, Pierre, South Dakota.

I am Jim Burg, Commission Chairman. Commissioners Laska Schoenfelder and Pam Nelson are also present. I'm presiding over this hearing. This hearing was noticed pursuant to the Commission's Order For and Notice of Hearing issued November 21, 1997.

The issue at this hearing shall be as follows: Whether the requesting telecommunications companies should be granted designation as eligible telecommunication carriers; and, two, what service areas shall be established by the Commission.

All parties have the right to be present and to be represented by an attorney. All persons so testifying will be sworn in and subject to cross-examination by the parties. The Commission's final decisions may be appealed by the parties to the State Circuit Court and State Supreme Court.

Rolayne Wiest will act as Commission counsel. She may provide recommended rulings on

1 procedural and evidentiary matters. The Commission may
2 overrule its counsel's preliminary rulings throughout
3 the hearing. If not overruled, the preliminary rulings
4 will become the final rulings.

5 And at this time I will turn it over to
6 Rolayne for the hearing.

7 MS. WIEST: Let's start with TC97-176. First
8 of all, Rich, who are you representing today?

9 MR. COIT: I'm appearing for four of the
10 companies listed in the order for the Notice of Hearing
11 and that is Dickey Rural Telephone Cooperative, Dickey
12 Rural Communications, Inc., Red River Telecom, Inc.,
13 and Cheyenne River Sioux Tribe Telephone Authority.

14 MS. WIEST: Is anyone else representing the
15 other companies? Apparently not.

16 MR. HOSECK: Not to my knowledge.

17 MS. WIEST: Okay. Well, let's take
18 appearances. Rich, you've already entered your
19 appearance. Staff.

20 MR. HOSECK: Camron Hoseck on behalf of
21 staff.

22 MS. WIEST: We'll begin with TC97-176. First
23 of all, I have one exhibit listed. Can we have a
24 motion to move that exhibit in?

25 MR. COIT: Yes. On behalf of Dickey Rural

1 Telephone Cooperative, I would move for the admittance
2 into the record of Exhibit No. 1, which is their
3 request for ETC designation and dated October 28, 1997.

4 MS. WIEST: Any objection?

5 MR. HOSECK: No objection.

6 MS. WIEST: If not, that has been admitted.

7 Are there any questions concerning this docket? Do you
8 have anything to add?

9 MR. COIT: I don't have anything to add
10 beyond the application. I believe they responded to
11 the single party service question adequately, and also
12 I hope they've responded to the toll control to the
13 Commission's satisfaction.

14 MS. WIEST: Yes. My only question is they
15 didn't have a time frame, so I assume it would be the
16 one-year waiver for toll control?

17 MR. COIT: Yeah. I spoke with Roger Johnson,
18 who is the manager for Dickey Rural Co-op and Dickey
19 Rural Communications, yesterday and he indicated that a
20 one-year waiver would be just fine.

21 MS. WIEST: Okay. Is there a motion?

22 CHAIRMAN BURG: I'll move we grant approval
23 of Dickey Rural Telephone Co-op's ETC request with the
24 two waivers.

25 MS. WIEST: I'm sorry, I believe I thought at

1 this time we were only doing waivers and we were going
2 to do all the approvals next the 11th.

3 CHAIRMAN BURG: You're right. I'll move we
4 grant the waivers for both the single party service
5 and --

6 COMMISSIONER SCHOENFELDER: We don't need a
7 waiver for single party, I believe.

8 MS. WIEST: We only need the one-year toll
9 control.

10 CHAIRMAN BURG: Yeah, one-year toll control.

11 COMMISSIONER NELSON: I'd second.

12 COMMISSIONER SCHOENFELDER: I'd concur.

13 MS. WIEST: Let's go to TC97-177. And I have
14 one exhibit.

15 MR. COIT: Yes. And I would at this time
16 make a motion to admit into the record the request for
17 ETC designation of Dickey Rural Communications, Inc.,
18 which has been marked Exhibit 1, which is also dated
19 October 28th, 1997.

20 MS. WIEST: Any objection?

21 MR. HOSECK: None.

22 MS. WIEST: If not, it's been admitted. Any
23 questions concerning this docket? If not, I believe
24 this docket needs a one-year waiver on toll control.
25 Is there a motion?

1 COMMISSIONER NELSON: I'd move that we grant
2 a waiver for the toll control in TC97-177.

3 COMMISSIONER SCHOENFELDER: Seconded.

4 CHAIRMAN BURG: Concur.

5 MS. WIEST: We'll move on to TC97-179. I
6 have two exhibits. Is there a motion?

7 COMMISSIONER NELSON: No waivers?

8 MS. WIEST: Would staff care to move these
9 in?

10 MR. HOSECK: Yeah, I'll make a motion to move
11 in the request for ETC designation on behalf of Nebcom
12 Inc., and a supplemental affidavit of November 24,
13 1997.

14 MS. WIEST: And those would be Exhibits 1 and
15 2. Any objection? If not, they are admitted. And for
16 this, my understanding is that all they need is the
17 one-year waiver for the toll control.

18 COMMISSIONER SCHOENFELDER: Okay. And I
19 would move we grant the one-year waiver for toll
20 control to Nebcom in TC97-179.

21 CHAIRMAN BURG: I'll second it.

22 COMMISSIONER NELSON: And I concur.

23 MS. WIEST: Moving on to TC97-180. I have
24 one exhibit in this docket. Is there a motion?

25 MR. COIT: Yes. Richard Coit on behalf of

1 Red River Telecom, Inc. I would move to admit their
2 request for ETC designation marked Exhibit No. 1, which
3 is dated November 3rd, 1997. I would also note that I
4 spoke with Mr. Arden Doran, and he is agreeable or
5 would request the one-year waiver with respect to toll
6 control services.

7 MS. WIEST: Any objection to Exhibit 1?

8 MR. HOSECK: No objection.

9 MS. WIEST: If not, it's been admitted. Is
10 there a motion?

11 CHAIRMAN BURG: I'll move we grant a one-year
12 waiver of toll control for Red River Telecom, Inc.

13 COMMISSIONER NELSON: I second.

14 COMMISSIONER SCHOENFELDER: Concur.

15 MS. WIEST: We'll move on to TC97-182. I
16 have two exhibits. Is there a motion?

17 MR. HOSECK: I would move the request for ETC
18 designation on behalf of Valley Telephone Company.
19 This is November 10, 1997, and a supplemental affidavit
20 of December 1, 1997, into evidence.

21 MS. WIEST: Any objection? If not, it's been
22 admitted. And this application also needs the one-year
23 waiver for toll control.

24 CHAIRMAN BURG: I'll move we grant a one-year
25 waiver of toll control to Valley Telephone Company.

1 COMMISSIONER NELSON: I second.

2 COMMISSIONER SCHOENFELDER: Concur.

3 MS. WIEST: Then I'll move on to TC97-183. I
4 have two exhibits -- three exhibits.

5 COMMISSIONER SCHOENFELDER: Three.

6 MR. HOSECK: I would move the request for ETC
7 designation on behalf of Farmers Mutual Telephone
8 Company of November 10, 1997, and a supplemental
9 affidavit of November 26th, 1997, into evidence.

10 MS. WIEST: Is there any objection to
11 Exhibits 1 through 3? If not, they've been admitted.

12 MR. HOSECK: Excuse me, there is a clerical
13 thing. We actually have three affidavits, three
14 exhibits. I only mentioned two. There is another
15 supplemental affidavit that I would move in of November
16 18, 1997.

17 MS. WIEST: Okay. I have Exhibits 1, 2 and
18 3. Any objection? If not, they have been admitted.
19 And in this instance I believe they need a waiver on
20 toll control. It didn't request a specific time
21 period, but I'd recommend the one-year waiver.

22 COMMISSIONER SCHOENFELDER: I would move that
23 we grant a waiver for toll control for one year to
24 Farmers Mutual Telephone Company, which is TC97-183.

25 MS. WIEST: At this point we will go to

1 TC97-185. And this docket, I believe, I have one
2 exhibit. Is there a motion?

3 MR. HOSECK: I would move the request for ETC
4 designation on behalf of Consolidated Telephone
5 Cooperative, dated November 17, 1997, into evidence.

6 MS. WIEST: Is there any objection? If not,
7 it's been admitted. Again, in this one they didn't
8 specifically request a time period, but I'd recommend
9 the one-year waiver on the toll control.

10 CHAIRMAN BURG: I'll move we grant a one-year
11 waiver of toll control to Consolidated Telephone
12 Cooperative.

13 COMMISSIONER NELSON: I'd second.

14 COMMISSIONER SCHOENFELDER: Concur.

15 MS. WIEST: Then we go to TC97-186, and I
16 have two exhibits. Is there a motion?

17 MR. HOSECK: I would move the request for ETC
18 designation on behalf of CTC Communications, Inc., into
19 evidence, the request being dated November 17, 1997,
20 and the supplement to that of November 26th, 1997. I
21 would move both of those into evidence.

22 MS. WIEST: Any objection? If not, they've
23 been admitted. Again, they are requesting waiver from
24 toll control. No time period was specified. I'd
25 recommend the one year.

1 CHAIRMAN BURG: I'll move we grant a one-year
2 waiver of toll control for CTC Communications,
3 Incorporated.

4 COMMISSIONER NELSON: Second.

5 COMMISSIONER SCHOENFELDER: Concur.

6 MS. WIEST: At this time I guess we'll go off
7 the record and wait for further information on
8 TC97-184.

9 (AT THIS TIME A SHORT RECESS WAS TAKEN.)

10 MS. WIEST: Let's go back on the record.
11 TC97-184. At this time I have one exhibit.

12 MR. COIT: Yes. This is Richard Coit
13 representing CRST today. In addition to that exhibit,
14 I think there was a motion that attorneys for Cheyenne
15 River Sioux Tribe had filed asking for the motion to
16 take some administrative notice.

17 MS. WIEST: Yes.

18 MR. COIT: And I'd appreciate it if you could
19 rule on that as well.

20 MS. WIEST: Okay. First of all, Exhibit 1,
21 is there any objection to Exhibit 1 being admitted?

22 MR. HOSECK: That's the application?

23 MS. WIEST: That's the application.

24 MR. HOSECK: No objection.

25 MS. WIEST: If not, it has been admitted.

1 Then is there any comment on the motion for
2 administrative notice of related proceedings?

3 MR. HOSECK: Yes. Staff would resist the
4 motion on the basis that the motion calls for the
5 Commission to review the entire proceedings in the
6 TC94-122 case, which is the sale of exchanges, as the
7 grounds for granting the ETC designation. The basis of
8 resisting this is that it's a burdensome request which
9 is placed upon the Commission to go through that entire
10 record to extract those facts. And, secondly, J. D.
11 Williams has submitted an affidavit dated November 13,
12 1997, which does set out, at least for the most part,
13 the ability of the Cheyenne River Telephone Authority
14 to meet these requirements. So the objection is
15 resisted on the basis of it's burdensome and it's
16 redundant in that the evidence is already in the record
17 by reason of Mr. Williams' affidavit.

18 MS. WIEST: Well, on the issue of burdensome,
19 actually in their application they do reference
20 specific page numbers in exhibits, so I don't believe
21 that it is necessarily burdensome. It may be that the
22 affidavit does cover all this, but I would recommend
23 that the Commission grant the motion.

24 CHAIRMAN BURG: The motion to do what again?

25 MS. WIEST: Motion for administrative notice

0144
26
2
0

1 of other proceedings.

2 CHAIRMAN BURG: I'll move that we do grant
3 administrative notice.

4 COMMISSIONER NELSON: I'd second it.

5 COMMISSIONER SCHOENFELDER: I can concur, I
6 guess. I think it is probably redundant but it's
7 okay.

8 MS. WIEST: Okay. That's been granted three
9 to zero. And then the other point I would make is that
10 reading the affidavit by Mr. Williams, it is
11 confusing. I believe he references toll blocking when
12 he actually means toll control. And I would like that
13 to be clarified in a late-filed exhibit. Plus, another
14 clarification needs to be made concerning Lifeline and
15 Link Up services. Specifically, that as with the other
16 parties have stated that Cheyenne River will comply
17 with the FCC rules regarding Lifeline and Link Up
18 services. Is there anything else? And if those two
19 clarifications could be made within a late-filed
20 exhibit, the Commission will consider that late-filed
21 exhibit and intends to rule on all ETC applications on
22 December 11th. Are there any questions? Anything from
23 staff on that?

24 MR. HOSECK: Nothing further from staff.

25 MS. WIEST: Does staff have any witnesses?

1 MR. HOSECK: Yes. Staff has a witness,
2 Harlan Best, who I would call to the stand at this
3 time.

4 HARLAN BEST,
5 called as a witness, being first duly sworn,
6 was examined and testified as follows:

7 DIRECT EXAMINATION

8 BY MR. HOSECK:

9 Q. And for purposes of the record, Mr. Best,
10 testimony will be directed to all of the applicants of
11 this proceeding as it's noticed to date. I have an
12 exhibit which has been marked as Staff's Exhibit 1,
13 which I have distributed to the Commission at this time
14 and I will move into evidence just a little bit later.
15 State your name for the record, please.

16 A. Harlan Best.

17 Q. What's your job?

18 A. I am deputy director of fixed utilities with
19 the Public Utilities Commission, South Dakota.

20 Q. And are you familiar with the dockets as are
21 noticed in today's proceeding for applications for
22 eligible telecommunications carriers?

23 A. Yes.

24 Q. And are those the same companies that are
25 listed on Staff Exhibit No. 1?

1 A. Yes.

2 Q. And could you explain briefly for the record
3 what Staff Exhibit No. 1 is?

4 A. Exhibit 1 is a compilation of the respective
5 eligible telecommunications carriers' requests that are
6 before the Commission today.

7 Q. Do you have any corrections or additions that
8 you wish to make to Staff Exhibit No. 1?

9 A. I believe the one for column under Cheyenne
10 River Sioux Tribe Telephone Authority, I believe it's
11 correct as stated. But the Commission has requested
12 further information from CRST, specifically from the
13 manager, J. D. Williams, which would clarify the toll
14 control and the CRST's intent to implement Lifeline,
15 Link Up.

16 MR. HOSECK: Okay. With that correction, or
17 with that clarification, I would move Staff Exhibit No.
18 1 into the record.

19 MS. WIEST: Any objection? If not, it's been
20 admitted.

21 Q. Okay. With regard to the applicants as
22 noticed in these proceedings today, have you reviewed
23 their ability to meet the criteria set forth in 47
24 C.F.R. Section 54.101(a)?

25 A. Yes. Each of the companies did respond to

1 those, to the nine items set forth under that
2 requirement.

3 Q. And with regard to the Lifeline and Link Up
4 requirement, was there a response from all of the
5 applicants on that?

6 A. Yes, there was.

7 Q. And with regarding the designating of a
8 service area, was there a response from the applicants
9 on that issue?

10 A. Yes. The Respondents -- or the applicants
11 stated the exchanges and the prefixes where the ETC
12 request would apply.

13 Q. And with regard to the advertising of
14 services that might be available on an exchange-wide
15 basis, did the applicants address that issue?

16 A. Yes. The applicants stated that they would
17 be willing to advertise on a going-forward basis in
18 accordance with any specific advertising standards that
19 the Commission may develop. The CRST states that they
20 are advertising presently in media of general
21 distribution in their service area.

22 Q. Based upon your review of these facts as
23 represented by these applicants, in your opinion, have
24 the applicants presented the facts necessary for the
25 Commission to decide this ETC designation?

1 A. With the exception of CRST, yes.

2 Q. Okay. And with regard to advertising
3 services exchange-wide, do you have a recommendation to
4 the Commission for a provision to be included in an
5 order which would come out of these proceedings?

6 A. Yes.

7 Q. And what is that recommendation?

8 A. That the telephone companies advertise their
9 rates annually or whenever a rate changes.

10 Q. And, finally, do you have an opinion as to
11 whether or not the applicants qualify for an ETC
12 designation?

13 A. Yes, I believe they do, with the caveat again
14 on CRST receiving -- the Commission receiving
15 additional information.

16 MR. HOSECK: I have no further questions of
17 this witness.

18 MS. WIEST: Any questions? Any further
19 witnesses?

20 MR. HOSECK: No further witnesses. Staff
21 rests.

22 MS. WIEST: At this point I believe we can
23 close the hearing and make the final decisions next
24 Thursday.

25 (A DISCUSSION WAS HELD OFF THE RECORD.)

1 MS. WIEST: Let's go back on the record.

2 COMMISSIONER SCHOENFELDER: Well, I would
3 just like to have Mr. Coit ask J. D. Williams at the
4 Cheyenne River Telephone Authority if they don't have
5 more exchanges that they need to apply for other than
6 the Dupree and Isabel Exchanges; if, in fact, Eagle
7 Butte would not be an exchange that they would need ETC
8 designation for; and perhaps there might even about
9 another exchange in their tribal authority telephone
10 service area that they would need an ETC designation
11 for.

12 MR. COIT: I will do that, Commissioner.

13 COMMISSIONER SCHOENFELDER: Thank you.

14 MS. WIEST: Okay. Is there anything else at
15 this point?

16 MR. HOSECK: If that is the case, is this
17 something that can be handled through a supplemental
18 filing in this matter?

19 MS. WIEST: I believe the application might
20 have to be amended and then the questions whether also
21 Mr. Williams would have to amend or put in a
22 supplemental affidavit on this issue. Because we will
23 need -- I mean we certainly need it on the record that
24 all of these exchanges are requesting ETC designation.

25 MR. HOSECK: Well, for the record, why don't

1 we just -- staff would just suggest that if that is
2 their desire, then to have them go ahead and amend
3 their application as it is presently before the
4 Commission and supplement their affidavit to make sure
5 that those criteria are met for those exchanges. And
6 then staff has no objection to the Commission
7 considering it on the record as --

8 MS. WIEST: As a late-filed exhibit?

9 MR. HOSECK: As a late-filed exhibit both as
10 to the amending of the petition and the supplemental
11 information that would be sent in. Does that sound
12 like something --

13 MR. COIT: That sounds very reasonable.

14 COMMISSIONER SCHOENFELDER: It's very
15 possible that, you know, I may be in error about there
16 being -- those being separate exchanges, but I do think
17 that since I feel that way about it, we need it
18 clarified, at least.

19 MS. WIEST: Okay. Any other questions or
20 comments? Thank you.

21 (THE HEARING CONCLUDED AT 2:30 P.M.)
22
23
24
25

1 STATE OF SOUTH DAKOTA)
2 COUNTY OF HUGHES)
3

4 I, Lori J. Grode, RMR, Notary Public, in and
5 for the State of South Dakota, do hereby certify that
6 the above hearing, pages 1 through 19, inclusive, was
7 recorded stenographically by me and reduced to
8 typewriting.

9 I FURTHER CERTIFY that the foregoing
10 transcript of the said hearing is a true and correct
11 transcript of the stenographic notes at the time and
12 place specified hereinbefore.

13 I FURTHER CERTIFY that I am not a relative or
14 employee or attorney or counsel of any of the parties,
15 nor a relative or employee of such attorney or counsel,
16 or financially interested directly or indirectly in
17 this action.

18 IN WITNESS WHEREOF, I have hereunto set my
19 hand and seal of office at Pierre, South Dakota, this
20 5th day of December, 1997.

21
22 Lori Grode
23 Levi J. Grode, RMR
24
25

ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

[illegible]

ELIGIBLE TELECOMMUNICATIONS CARRIER REQUEST

CTC Commodities TCSP-146 CH	CTC Commodities TCSP-146 NC	CTC Commodities TCSP-146 NC
1. online paper access to public contracting notices	Yes	Yes
2. local agency	Yes	Yes
3. dual time and frequency reporting or to electronic equal	Yes	Yes
4. single party service or to broadcast advertising	Yes, to all customers	Yes, to all customers
5. access to emergency services	Yes	Not requested in EO document, 12/9/87
6. access to operator services	Yes	Yes
7. access to forwarding services	Yes	Yes
8. access to directory assistance	Yes	Yes
9. not limitation for qualifying two-business customers	not limitation and control for private: requesting a waiver	not limitation and control for private: requesting a waiver
10. C.F.R. 84.402 and 84.411 must be followed regarding advertising contracting restrictions	1. not to be followed under C.F.R. 84.402 A17 and are FCC customers	Contracting rules, 1/8/88 not to be followed under C.F.R. 84.402 and 84.411 and FCC restrictions
11. U.S.C. 114101(b) designates service area by local agency	Yes, South Carolina South Island South Hawaii	Yes, South Hawaii
12. U.S.C. 114101(b) designates service area by local agency	not to be going forward to advertising customers that contracting restrictions may be waived	not to be going forward to advertising customers that contracting restrictions may be waived

TC 97-182
RECEIVED

NOV 13 1997

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF THE REQUEST OF)
VALLEY TELEPHONE COMPANY)
FOR DESIGNATION AS AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER)

REQUEST FOR ETC
DESIGNATION

DOCKET TC97-

Valley Telephone Company ("Valley"), pursuant to 47 U.S.C. § 214(e) and 47 C.F.R. § 54.201, hereby seeks from the Public Utilities Commission ("Commission") designation as an "eligible telecommunications carrier" ("ETC") within the local exchange areas that constitute its service area in South Dakota. In support of this request, Valley offers the following, along with the attached responses to information requests from the Commission Staff:

1. Pursuant to 47 U.S.C. § 214(e), it is the Commission's responsibility to designate local exchanges carriers ("LECs") as ETCs or, in other words, to determine which LECs have assumed universal service obligations consistent with the federal law and should be deemed eligible to receive federal universal service support. At least one ETC is to be designated by the Commission for each service area in the State. However, in the case of areas served by "Rural Telephone Companies", the Commission may not designate more than one LEC as an ETC without first finding that such additional designation would be in the public interest. Under 47 C.F.R. § 54.201, beginning January 1, 1998, only telecommunications carriers that have received designation from the Commission to serve as an ETC within their service area will be eligible to receive federal universal service support.

2. Valley is the facilities-based LEC presently providing local exchange telecommunications services in the following exchange in South Dakota:



Exchange
Browns Valley

XXX served by each
338

Valley, to its knowledge, is the only carrier meeting the eligibility requirements of 47 U.S.C. § 214(e) and 47 C.F.R. § 54.201 in its exchanges.

3. Valley, in accord with 47 C.F.R. § 54.101, offers the following local exchange telecommunications services to all consumers throughout its service area:

- Voice grade access to the public switched network;
- Single party, local exchange service, including an amount of local usage free of per minute charges under a flat rate local service package and as part of a measured local service offering;
- Dual tone multi-frequency signaling;
- Access to emergency services, such as 911 or enhanced 911 public services;
- Access to operator services;
- Access to interexchange service;
- Access to directory assistance; and
- Toll blocking service to qualified low-income customers.

As noted above, Valley does provide toll limitation service in the form of toll blocking to qualifying consumers, however, the additional toll limitation service of "toll control", as defined in the new Federal Communications Commission ("FCC") universal service rules (47 C.F.R. § 54.400(3)), is not provided. Valley is not aware that any LEC in South Dakota has a current capability to provide such service. The FCC gave no indication prior to the release of its Universal Service Order (FCC 97-157) that toll control would be imposed as an ETC service requirement and, to our information and belief, as a result, LECs nationwide are not positioned to make the service immediately available. In order for Valley to provide the service, additional usage tracking and storage capabilities will have to be installed in its local switching equipment.

0144.652

At a minimum, the service requires a switching software upgrade and, at this time, Valley is investigating and attempting to determine whether the necessary software has been developed and when it might become available.

Accordingly, Valley is faced with exceptional circumstances concerning its ability to make the toll control service available as set forth in the FCC's universal service rules and must request a waiver from the requirement to provide such service. The Commission may properly grant a waiver from the "toll control" requirement, pursuant to 47 C.F.R. § 54.101(c).

4. Valley has previously advertised and will continue to advertise the availability of its local exchange services in media of general distribution throughout the exchange areas served. Prior to this filing, Valley has not generally advertised the prices charged for all of the above-identified services. It will do so on a going forward basis in accordance with any specific advertising standards that the Commission may develop.

5. Based on the foregoing, Valley respectfully requests that the Commission: a) grant a waiver of the requirement to provide "toll control" service; and b) grant an ETC designation to Valley covering all of the local exchange areas that constitute its present service area in the State.

Dated: 11/10, 1997

Respectfully submitted,

COMPANY

By: 

Max Tite

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE REQUEST OF)	REQUEST FOR ETC
VALLEY TELEPHONE COMPANY)	DESIGNATION
FOR DESIGNATION AS AN ELIGIBLE)	
TELECOMMUNICATIONS CARRIER)	DOCKET TC97-

RESPONSES TO DATA REQUESTS

1. Pursuant to 47 C.F.R. 54.101(a)(4), single-party service or its functional equivalent must be made available by an Eligible Telecommunications Carrier ("ETC") to receive universal service support mechanisms. Does the above-referenced company have this service.

Response:

Yes.

2. Pursuant to 47 C.F.R. 54.405 and 54.411, Lifeline and Link Up services must be made available by an ETC to qualifying low-income consumers. Does the applicant company, as referenced above, make these services available to qualifying consumers?

Response:

Valley Telephone Company is not currently offering Lifeline and Link Up services within its South Dakota exchange, but will as required by the FCC rules, 47 C.F.R. §§ 54.400-54.417, make the established discount programs available to its qualifying low-income customers beginning January 1, 1998. It is our understanding that while providing the Lifeline and Link Up services is a requirement imposed on ETCs pursuant to 47 C.F.R. §§ 54.405 and 54.411, it is not actually a precondition which must be met before ETC status can properly be granted by the Commission. 47 C.F.R. § 54.401, which lists the service obligations that must be met before a carrier can receive federal universal service support, does not specifically reference Lifeline and Link Up services.

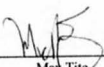
3. Please provide a verification by an authorized officer, under oath, to the Commission in which the applicant represents to the Commission that the facts stated in the Request for ETC Designation and the responses to data requests Nos. 1 and 2, above, are truthful.

0144.6534

Response:

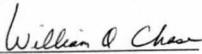
It is hereby verified that all of the facts contained in the attached Request for ETC Designation and the responses to the above data requests are true and correct.

Dated: 11/10, 1997

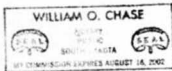


Max Tite

SWORN TO BEFORE ME this
10th day of November, 1997



NOTARY PUBLIC



Certificate of Service

I hereby certify that an original and eleven copies of the above and foregoing Request for ETC Designation by Valley Telephone Company were sent via Federal Express on the 12th day of November, 1997, to the following:

William Bullard
Executive Director
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

and a true and correct copy was sent by Federal Express to the following:

Rolayne Wiest
South Dakota Public Utilities Commission
Capitol Building
500 East Capitol
Pierre, South Dakota 57501

and a true and correct copy by Federal Express to the persons on the attached list.


Jean J. Hunsinger

64. 56. 44-53

Camron Hoseck
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

Max Tite
Valley Telephone Company
1203 Ninth Avenue SE
Watertown, SD 57201

Thomas R. Farm
Olsen Thielen & Co.
223 Little Canada Road
St. Paul, MN 55117

TC97-182

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE REQUEST OF)
VALLEY TELEPHONE COMPANY)
FOR DESIGNATION AS AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER)

SUPPLEMENTAL
INFORMATION
DOCKET TC97-182

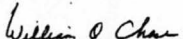
Valley Telephone Company offers single party service to all of its customers.

Respectfully submitted,

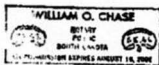


Max Tite

SWORN TO BEFORE ME this
1st day of December, 1997



NOTARY PUBLIC



14552954@1011.DOC

DEC 01 1997 14:47 NO.045 P.02

ID:



4900

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY VALLEY)	FINDINGS OF FACT,
TELEPHONE COMPANY FOR DESIGNATION)	CONCLUSIONS OF LAW,
AS AN ELIGIBLE TELECOMMUNICATIONS)	ORDER AND NOTICE OF
CARRIER)	ENTRY OF ORDER
)	TC97-182

On November 13, 1997, the Public Utilities Commission (Commission) received a request for designation as an eligible telecommunications carrier (ETC) from Valley Telephone Company (Valley Telephone). Valley Telephone requested designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area.

The Commission electronically transmitted notice of the filing and the intervention deadline to interested individuals and entities. No person or entity filed to intervene. By order dated November 21, 1997, the Commission set the hearing for this matter for 1:30 p.m. on December 2, 1997, in Room 464, State Capitol, Pierre, South Dakota.

The hearing was held as scheduled. At the hearing, the Commission granted Valley Telephone a one year waiver of the requirement to provide toll control service within its service area. At its December 11, 1997, meeting, the Commission granted ETC designation to Valley Telephone and designated its study area as its service area.

Based on the evidence of record, the Commission enters the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

I

On November 13, 1997, the Commission received a request for designation as an ETC from Valley Telephone. Valley Telephone requested designation as an ETC within the local exchange areas that constitute its service area. Valley Telephone serves the following exchange in South Dakota: Browns Valley (338). Exhibit 1.

II

Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission.

III

Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

064-000-4418

IV

The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

V

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VI

Valley Telephone offers voice grade access to the public switched network to all consumers throughout its service area. Exhibit 1.

VII

Valley Telephone offers local exchange service including an amount of local usage free of per minute charges to all consumers throughout its service area. Id.

VIII

Valley Telephone offers dual tone multi-frequency signaling to all consumers throughout its service area. Id.

IX

Valley Telephone offers single party service to all consumers throughout its service area. Exhibit 2.

X

Valley Telephone offers access to emergency services to all consumers throughout its service area. Exhibit 3.

XI

Valley Telephone offers access to operator services to all consumers throughout its service area. Id.

XII

Valley Telephone offers access to interexchange services to all consumers throughout its service area. Id.

XIII

Valley Telephone offers access to directory assistance to all consumers throughout its service area. Id.

XIV

One of the services required to be provided by an ETC to qualifying low-income consumers is toll limitation. 47 C.F.R. § 54.101(a)(9). Toll limitation consists of both toll blocking and toll control. 47 C.F.R. § 54.400(d). Toll control is a service that allows consumers to specify a certain amount of toll usage that may be incurred per month or per billing cycle. 47 C.F.R. § 54.400(c). Toll blocking is a service that lets consumers elect not to allow the completion of outgoing toll calls. 47 C.F.R. § 54.400(b).

XV

Valley Telephone offers toll blocking to all consumers throughout its service area. Exhibit 1.

XVI

Valley Telephone does not currently offer toll control. Id. In order for Valley Telephone to provide toll control, additional usage tracking and storage capabilities will have to be installed in its local switching equipment. Valley Telephone is attempting to determine whether the necessary software has been developed and when it might become available. Id.

XVII

Valley Telephone stated that it is faced with exceptional circumstances concerning its ability to make toll control service available and requested a waiver from the requirement to provide such service. Id.

XVIII

With respect to the obligation to advertise the availability of services supported by the federal universal service support mechanism and the charges for those services using media of general distribution, Valley Telephone stated that it advertises the availability of its local exchange services in media of general distribution throughout its service area. However, Valley Telephone has not generally advertised the prices for these services. Id. Valley Telephone stated its intention to comply with any advertising standards developed by the Commission. Id.

XIX

Valley Telephone does not currently offer Lifeline and Link Up service discounts in its exchanges. Id. Valley Telephone will offer the Lifeline and Link Up service discounts in all of its service area beginning January 1, 1998, in accordance with 47 C.F.R. §§ 54.400 to 54.417, inclusive. Id.

XX

The Commission finds that Valley Telephone currently provides and will continue to provide the following services or functionalities throughout its service area: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling; (4) single-party service; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll blocking for qualifying low-income consumers.

8144.63.41

XXIII

XXIII

XXIV

CONCLUSIONS OF LAW

1

11

400

IV

4

8
1
4
4
5
6
5
4
2

services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

V

As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

VI

Valley Telephone has met the requirements of 47 C.F.R. § 54.101(a) with the exception of the ability to offer toll control. Pursuant to 47 C.F.R. § 54.101(c), the Commission concludes that Valley Telephone has demonstrated exceptional circumstances that justify granting it a waiver of the requirement to offer toll control until December 31, 1998.

VII

Valley Telephone shall provide Lifeline and Link Up programs to qualifying customers throughout its service area consistent with state and federal rules and orders.

VIII

Valley Telephone shall advertise the availability of the services supported by the federal universal service support mechanism and the charges therefor using media of general distribution once each year. If the rate for any of the services supported by the federal universal service support mechanism changes, the new rate shall be advertised using media of general distribution.

IX

Pursuant to 47 U.S.C. § 214(e)(5), the Commission designates Valley Telephone's current study area as its service area.

X

The Commission designates Valley Telephone as an eligible telecommunications carrier for its service area.

It is therefore

ORDERED, that Valley Telephone's current study area is designated as its service area; and it is

FURTHER ORDERED, that Valley Telephone shall be granted a waiver of the requirement to offer toll control services until December 31, 1998; and it is

FURTHER ORDERED, that Valley Telephone shall follow the advertising requirements as listed above; and it is

FURTHER ORDERED, that Valley Telephone is designated as an eligible telecommunications carrier for its service area.

NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 17th day of December, 1997. 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 17th day of December, 1997.

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

Melvin Kato

Date

12/18/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner