

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

IN THE MATTER OF THE FILING BY Z-TEL) COMMUNICATIONS, INC. FOR AN) EXEMPTION FROM DEVELOPING COMPANY-) SPECIFIC COST-BASED SWITCHED ACCESS) RATES)	ORDER GRANTING EXEMPTION AND APPROVING TARIFF TC01-053
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On May 23, 2001, the Public Utilities Commission (Commission) received a petition from Z-Tel Communications, Inc. (Z-Tel) for an exemption from the requirement to develop intrastate switched access rates based on company specific costs.

On May 24, 2001, the Commission gave notice of this filing and set a June 8, 2001, intervention deadline. There were no intervenors.

On July 24, 2001, at a regularly scheduled Commission meeting, the Commission considered Z-Tel's request for an exemption from establishing switched access rates based on company specific costs, as well as its intrastate switched access tariff no. 1. Commission staff recommended approval of the intrastate switched access tariff no. 1 and granting the exemption for a period not to exceed three years, during which Z-Tel shall file a petition to continue the exemption or file cost-based rates.

The Commission has jurisdiction over this matter pursuant to Chapter 49-31 SDCL and ARSD 20:10:27:11.

The Commission, having considered the petition and the recommendation of the Commission staff and being fully advised in the premises hereby

ORDERED, that Z-Tel's petition to be exempt from establishing company specific cost-based switched access rates is granted and its intrastate switched access tariff no. 1 is approved; and it is further

ORDERED, that Z-Tel shall, within three years of the date of this Order, file a petition to continue the exemption granted in this proceeding or file cost-based intrastate switched access rates.

Dated at Pierre, South Dakota, this 27th day of July, 2001.

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><i>Helaine Kels</i></u>
Date: <u>8/3/01</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

 _____ JAMES A. BURG, Chairman
 _____ PAM NELSON, Commissioner