



Cooperative Telephone Company

(605) 397-2323 • 235 First Ave. East • P. O. Box 260 • Groton, SD 57445-0260

November 10, 1998

RECEIVED  
NOV 12 1998  
SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

SD Public Utilities Commission & Staff  
State Capitol  
500 East Capitol  
Pierre SD 57501-5070

Re: Proposed Administrative Rules

Commissioners & Staff:

Congratulations Jim on another term in office!

I was one of the few outside of the big guns that did not address the Commission meeting on 11/2/98. If I would have addressed the Commissioners & Staff, I may have said something that would have embarrassed a lot of people there because I get extremely emotional on such subjects. With some of the respondents, I can agree, with others I don't.

I found myself agreeing with Bill Heaston for the first time I've know him on, "There are too many rules already - let the exchange carriers see fit to compete in the marketplace on their own." They'll set their own rules. And I did agree on one statement made by the attorney for AT&T and on one by Tom Welk that if unreasonable rules are followed by unreasonable expectations, then who is going to pay for it?

We have done extensive building of our plant into fiber to provide the best service available to our customers at a reasonable charge to the customer. That is unless our Universal Service Fund support dries up and the inter-exchange carriers get access for a penny a minute. Then the upgrade we've done will be a great economic impact on our local exchange customer to



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remain whole and continue to provide a quality of service expected and meet our debt requirements as well.

As I said before and I truly mean it: If rules are established to let customers off the hook for not paying what they claim as unreasonable costs or charges for various calls, refuse to make the payment and expect to retain service by paying only the local rate – no way. Take me directly to jail! We've dealt with these types of customers – we know their plan of attack. Don't create a rule that allows them to steal without guilt! In such cases where we bill and collect for an IXC, we've already had to pay the bill. As far as I'm concerned, it's buyer beware. We can't police the actions of our customers.

We attempt to avoid unauthorized switching of carriers by talking to the customer to be absolutely certain they know what is being requested. We don't attempt to not switch them, but to be sure they know what's being done. Now MCI, I understand, is attempting to block such action.

As a manager of a rural telephone (telecommunications) company, we live by the rules we're born with in a small community – shoot straight, give 'em the benefit of the doubt and treat them fair and square. There are always those who don't think that's good enough and call you anyway.

Just don't impose rules for the sake of rules to control things. If you want to establish rules, do it for the IXCs – take away their right to operate in South Dakota, impose heavy fines for slamming, etc.

Looking at the rules that the FCC is attempting to pass for billing is enormous. It will take 2 pages just to comply with their billing expectations! Don't impose that on us. We send one statement annually describing everything we're billing for. Any customer who disputes the changes are thoroughly reviewed and credit given where appropriate. It takes one extra sheet that month just to do that.

I've always said, it's too bad those of you who are working for the consumers' protection have not had the direct experience in dealing with some of these issues. You should avail yourselves the opportunity to experience first hand on how we operate on a daily basis by spending a week with any of our small company operations. That leads me to one final comment. "We as small exchange carriers are being subjected to rules and regulations that should be directed only to the RBOC's and large IXCs!"



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I would appreciate a copy of the 11/30 proposed set of rules when available.

Sincerely,

Clinton Hanson, General Manager

James Valley Cooperative Telephone Company

- CC: Mr. Rich Coit, SDITC  
Mr. Don Lee, SDATC  
Mr. Robert Johnson, President - JVCTC  
Mr. Merle Hanson, President - ACI

[REDACTED]