

# DIVIDER

STATE OF NORTH DAKOTA  
INFORMATION TECHNOLOGY DEPARTMENT  
SFN 2053 (4-2002)

PU-2779-02-451

Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Filed 8/23/2002

Closed 12/5/2002

02

## DESCRIPTION



Public Service Commission  
State of North Dakota

COMMISSIONERS

Susan E. Wefald, President  
Leo M. Reinbold  
Anthony T. Clark

Executive Secretary  
Jon H. Mielke

600 E Boulevard Ave. Dept. 408  
Bismarck, North Dakota 58505-0480  
web: [www.psc.state.nd.us](http://www.psc.state.nd.us)  
e-mail: [sab@psc.state.nd.us](mailto:sab@psc.state.nd.us)  
TDD 800-366-6888  
Fax 701-328-2410  
Phone 701-328-2400

November 8, 2002

Mr. Dean Winkjer  
P.O. Box 1261  
Williston, North Dakota 58802-1261

Dear Mr. Winkjer *Dean -*

Thank you for your letter of 28 October 2002 concerning Citizen's sale of the Williston telephone exchange to a subsidiary of Nemont Telephone Cooperative. Your letter will be placed in the public input file in this proceeding.

In your letter you question which subsidiary of Nemont will have control of the Williston exchange and what process Williston residents will have to question or inquire about quality of service. The application of a Certificate of Public Convenience and Necessity for the Williston Exchange was made by Missouri Valley Communications, Inc., a for-profit subsidiary created by Nemont specifically to purchase the Williston exchange. This subsidiary will have full responsibility for all aspects of telephone service in the purchased exchange, including quality of service. Customer inquiries can be made to its offices in Williston. Customers will also be able to turn to the Commission, as the new company will be jurisdictionally treated similar to other larger non-cooperative telephone companies.

You ask which Board of Directors will govern the North Dakota business and you ask the Commission to require Nemont to identify who will become members of the cooperative. It is our understanding that since the North Dakota business will be run by a for-profit subsidiary of the cooperative, no Williston customers will be members of the cooperative. They will simply be customers of the subsidiary and will not have a representative on the cooperative board of directors and will not be entitled to any distributions from the cooperative.

It is our understanding that Nemont intends to invest profits from the Williston exchange back into the Williston exchange, as it has done in modernizing other exchanges it has purchased.

You reference the Minot situation in your letter. When SRT initially bought the exchanges served by Minot Telephone, the customers of the Minot Telephone exchanges were not members of the cooperative, but rather customers of the for-profit subsidiary of the cooperative. Later, the cooperative decided to incorporate the

Mr. Dean Winkler  
Page 2  
November 8, 2002

subsidiary into the cooperative, and Minot customers became members of the cooperative. This was a decision of the cooperative. If Nemont eventually incorporates one or more of its subsidiaries into the cooperative, it will be the cooperative's decision.

As an aside, I found it unfortunate in the Minot situation that the cooperative did not desire to give those new Minot "members" proportional representation on the board. Effectively, the citizens of Minot were left without state protection of a monopoly provided essential service, yet they were also denied a fair voice in the cooperative. I personally oppose such gaming of the regulatory system and hope the legislature closes this loophole at some point.

Your final question concerns the right of cross examination and the impact of late-filed exhibits on that right. Late filed exhibits must be served on all parties to a proceeding, not just filed with the Commission. If any party to the proceeding wishes to cross examine a witness about a late-filed exhibit, that party has a right under N.D.C.C. chapter 28-32 to do so.

I hope this has been of some help to you. If you have any further questions, please do not hesitate to call or write.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Clark". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tony Clark  
Commissioner

*Dean Winkjer*

*P. O. Box 1261*

*Williston, North Dakota 58802-1261*

*Office: (701) 577-0270*

*Home: (701) 577-2276*

October 28, 2002

The Honorable Tony Clark  
Public Service Commission  
State of North Dakota  
600 E Boulevard Avenue, Dept. 408  
Bismarck, ND 58505-0480

Dear Commissioner Clark:

I attended the first hour and a half of the Hearing wherein one of the conglomerates from Northeastern Montana Telephone was applying for permission to acquire Citizens Telephone Services - Williston.

While I certainly support virtually anyone who would replace Citizens as they have produced the most dismal record of providing telephone service in my lifetime and I might remind you that my initial experience was with the magneto systems which did not have a good reputation, but in many ways, it was better than what Citizens had provided.

I was acquainted with Nemont from the very early days of the formation of the cooperative telephone movement which brought rural telephone service to those areas of North Dakota which the commercial companies stated they could not afford to serve. They were then served by farmer-owned mutual telephone companies and provided excellent service until the installation of parallel electrical lines created so much static that they became useless.

There were a couple aspects of that Hearing that I think that the Commission should place the Nemont in the position of choosing which of the many subsidiary companies will be in actual control of this system and what governance will be appropriate for the Williston residents to communicate relative to the quality of service. I could not help but think during the Hearing that they had more subsidiaries than Enron.

I believe that they ought to be required inasmuch as the nucleus of their system originated as a cooperative and continues to exist as a cooperative, to stipulate which Board of Directors will have the responsibility to govern their activities in North Dakota. I believe that the Commission should require them to identify who will become members of this organization, and if they are true to their cooperative origin, they will designate that all subscribers of the telephone system will be entitled to vote at their annual meetings and will be entitled to capital

*Public Input File*

The Honorable Tony Clark  
October 28, 2002

credits on the basis of margins earned. I felt that the witness for Northeastern Montana was not well informed of the cooperative aspects of the telephone industry when he referred to "profits" rather than "margins" and that capital credits became profits with no plan to distribute those profits to those who earned them.

You may remember the contentious problems that arose when one of the rural telephone companies in North Dakota purchased the Minot exchange through a subsidiary and then were ultimately, as a result of public opinion and Commission pressure, forced to recognize the Minot subscriber as a member of the cooperative that was entitled to capital credits. I am not positive they agreed to full membership or capital credits; I do know, however, it was very contentious.

The management suggested that the profits would all be poured back into the exchanges from which they originated. That is a very noble position. Would they also follow that the \$40 million equity that they indicated that they now possess would be ploughed back into the territory from which it was earned, or would it be distributed to a select few of the stockholders who would bear the favor of the Board of Directors. It used to be a requirement to file with the Commission the Articles of Incorporation and By Laws of the applicant and to require that the Commission is kept current with any amendments.

I believe that these are issues that all should be considered and that interrogatories should be submitted to the applicants for their answers. I further believe the acceptance of "delayed" exhibits forecloses on interested parties their right to examine and cross-examine the witness on that document.

My only position in this matter is not as an attorney, nor do I represent anyone other than myself, who is a resident and a subscriber of this telephone service.

Sincerely,

DEAN WINKJER



DW/mh

**Scott, Sandi L.**

---

**From:** Binek, William W.  
**Sent:** Wednesday, October 23, 2002 2:54 PM  
**To:** 'Patrick W. Durick'  
**Cc:** Scott, Sandi L.; Binek, William W.  
**Subject:** RE: Case Nos. PU-427-02-454 and 452

Pat:

My notes indicate that the exhibits for the Watford City hearing are:

Exhibit 1 - Royce S. Aslakson Testimony  
Exhibit 2 - RTC number of subscribers represented by each director  
Late Filed Exhibit 3 - Enumeration of ETC service  
Late Filed Exhibit 4 - Waiver letter to FCC  
Exhibit 5 - Mike Diller Testimony

*Picked up  
10-28-02  
M*

My notes indicate that the exhibits for the Williston hearing are:

Exhibit 1 - Slide presentation  
Late Filed Exhibit 2 - Additional slide to Exhibit 1  
Late Filed Exhibit 3 - Waiver letter to FCC  
Late Filed Exhibit 4 - Enumeration of ETC service  
Late Filed Exhibit 5 - List of communities served by EAS  
Exhibit 6 - Mike Diller Testimony

Please call my Administrative Assistant, Sandi Scott, to make arrangements to have copies made of the tapes. Sandi is presently out of the office, but will be back Friday. Sandi's direct phone number is 328-4081. I will be out of the office Thursday and Friday.

-----Original Message-----

**From:** Patrick W. Durick [mailto:[pwd@pearce-durick.com](mailto:pwd@pearce-durick.com)]  
**Sent:** Wednesday, October 23, 2002 9:17 AM  
**To:** [wwb@psc.state.nd.us](mailto:wwb@psc.state.nd.us)  
**Subject:** Case Nos. PU-427-02-454 and 452

Bill:

I would like to get Exhibit Lists and tapes of the two Public Hearings held yesterday, October 22, 2002 in Watford City and Williston. I would appreciate it if you would let me know if there is a charge for the tapes or copying costs for the Exhibit Lists or if you need a formal request filed in the matters.

I hope you had a good trip home. I went through Minot and the roads were good.

Thank you for your cooperation.

Pat Durick

Patrick W. Durick

Pearce & Durick  
P.O. Box 400  
314 East Thayer Ave.  
Bismarck, ND 58502-0400  
(701) 333-0102

Wm T.

~~Richard Thompson~~  
Richard Thompson  
CEO

Jerry Wetsel

Customer Affairs Mgr.

slide 1

slide presentation

Falt file 2

1 slide

Falt file 3

main letter

D FCC

Falt file 4

enumeration ETC

Falt file 5

revised

comments served by RAS

slide 6

note letter testimony

Kathy Greenwood

Richard Thompson

Ward Koun

merged of willode

Robert Bell

problem w/ changes

Ray Hedman

Joe Trumble - works with Simon & Williston

**Helbling, Sharon D.**

---

**From:** Helbling, Sharon D.  
**Sent:** Tuesday, October 15, 2002 9:19 AM  
**To:** Comm; Legal; PUD  
**Subject:** Sale of Williston, Watford City and Alexander Exchanges

**A gentleman called yesterday morning to state he has no objection to the sale as long as the new company continues to provide the same services at the same rates they are getting now. He did not leave his name.**

10/15/2002



Public Service Commission  
Receipt of Payment

Receipt# 5256

Received: 2/5/2003 Check# 108335 for \$95.72  
Subject: Utility Valuation - pd for Missouri Valley Comm

**Docket # PU-2779-02-451**

Nemont Telephone Cooperative, Inc.

Scobey MT 59263

23 PU-2779-02-451

Pages: 1

Receipt# 5,256 \$95.72

by Nemont Telephone Cooperative, Inc.

02/05/2003

**APPROVED**

DATE: 1-15-03  
KMF

**MOTION**

**January 15, 2003**

Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Case No. PU-2779-02-451

I move the Commission bill Missouri Valley Communications, Inc. for costs incurred to date in Case No. PU-2779-02-451, Missouri Valley Communications, Inc., Designated Eligible Carrier Application.



Public Service Commission  
State of North Dakota

COMMISSIONERS

Susan E. Wefald, President  
Leo M. Reinbold  
Anthony T. Clark

Executive Secretary  
Jon H. Mielke

600 E Boulevard Ave. Dept. 408  
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web: [www.psc.state.nd.us](http://www.psc.state.nd.us)  
e-mail: [sab@psc.state.nd.us](mailto:sab@psc.state.nd.us)  
TDD 800-366-6888  
Fax 701-328-2410  
Phone 701-328-2400

January 15, 2003

Patrick W Durick  
Pearce & Durick  
PO Box 400  
Bismarck ND 58502-0400

RE: Case No. PU-2779-02-451  
Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Enclosed is a copy of the statement approved at the January 15, 2003 Public Service Commission meeting for the expenses incurred to date in Case No. PU-2779-02-451.

Under N.D.C.C. 49-21-01.7, these expenses are billed through the Valuation Fund and must be paid for by the telecommunications company involved.

Please make your check payable to the *Public Service Commission*.

Sincerely,

Gloria Geiger  
Admin Staff Officer  
701-328-2401

Enc.

c: Richard Thronson  
Missouri Valley Communications Inc  
PO Box 600  
Scobey MT 59263-0600

**Billing Statement**

**January 15, 2003**

Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Case No. PU-2779-02-451

**Bill To:**

Missouri Valley Communications, Inc.....\$95.72

**Expenses Incurred to Date:**

Advertising Costs .....\$31.53  
Hearing Expenses.....64.19

**Send Payment and a Copy of this Statement To:**

Public Service Commission  
600 E Boulevard Ave Dept 408  
Bismarck ND 58505-0480

**Federal Tax ID 45-0309764**

STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Case No. PU-2779-02-451

Missouri Valley Communications, Inc.  
Local Exchange  
Public Convenience and Necessity

Case No. PU-2779-02-452

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH

Sharon Helbling deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **5th day of December, 2002**, she deposited in the United States Mail, Bismarck, North Dakota, **two** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and each containing a photocopy of:

Order

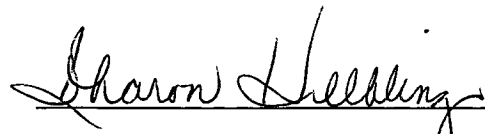

The envelopes were addressed as follows:

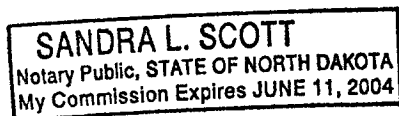
Patrick W Durick  
Pearce & Durick  
P O Box 400  
Bismarck ND 58502-0400  
Cert. No. 7001 1940 0005 3425 2238

Richard Thronson  
Missouri Valley Communications Inc  
P O Box 600  
Scobey MT 59263-0600  
Cert. No. 7001 1940 0005 3425 2245

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me  
this **5th day of December, 2002**.

  
\_\_\_\_\_  
  
\_\_\_\_\_  
Notary Public



SEAL

21 PU-2779-02-451

Pages: 1

Affidavit of Service

by Public Service Commission

12/05/2002

CC: Comm Legal Ilona Jerry

**APPROVED**

DATE: 12-4-02  
KMF

**MOTION**

**December 4, 2002**

**Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application**

**Case No. PU-2779-02-451**

**Missouri Valley Communications, Inc.  
Local Exchange  
Public Convenience and Necessity**

**Case No. PU-2779-02-452**

I move the Commission adopt the Order approving the application of Missouri Valley Communications, Inc. for a certificate of public convenience and necessity to provide incumbent local exchange telecommunications service and for designation as eligible telecommunications carrier for the Williston exchange, Case Nos. PU-2779-02-451 and PU-2779-02-452.

JRL/sdh

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Missouri Valley Communications, Inc.**  
**Designated Eligible Carrier**  
**Application**

**Case No. PU-2779-02-451**

**Missouri Valley Communications, Inc.**  
**Local Exchange**  
**Public Convenience and Necessity**

**Case No. PU-2779-02-452**

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER**

**December 4, 2002**

**Appearances**

**Commissioners Susan E. Wefald and Anthony T. Clark.**

**Patrick W. Durick, Attorney At Law**, 314 E. Thayer Ave., P.O. Box 400, Bismarck, ND 58502-0400 on behalf of Missouri Valley Communications, Inc.

**William W. Binek, Chief Counsel**, Public Service Commission, State Capitol, 600 East Boulevard Avenue, Bismarck, ND 58505-0480 as hearing officer.

**Jerry Lein and Mike Diller**, Staff Analysts, Public Service Commission, State Capitol, Bismarck, ND 58505-0480, on behalf of the Public Service Commission.

**Preliminary Statement**

On August 23, 2002 Missouri Valley Communications, Inc. (MVCI), a subsidiary of Nemont Telephone Cooperative, Inc. of Scobey, Montana (Nemont) filed an application for a certificate of public convenience and necessity to provide facilities-based incumbent local exchange telecommunications services in the Williston, North Dakota exchange, Case No. PU-2779-02-452. MVCI also requests designation as an Eligible Telecommunications Carrier (ETC) for receiving federal universal service support for the Williston Exchange, Case No. PU-2779-02-451. Incumbent local exchange telecommunications services for the Williston exchange are currently provided by Citizens Telecommunications Company of North Dakota (CTC).

On September 25, 2002 the Commission issued a Notice of Hearing, scheduling a public hearing for October 22, 2002 at 2:00 p.m. CDT in the Williams County

Courthouse, Memorial Room, 205 East Broadway, Williston, North Dakota. The notice identified the following issues to be considered:

1. Fitness and ability of MVCI to provide service.
2. Adequacy of the proposed service.
3. The technical, financial and managerial ability of MVCI to provide service.
4. Qualification of MVCI under the Telecommunications Act of 1996, Section 214 (e) for designation as an ETC eligible to receive federal universal service funding.
5. What ETC universal service support area should be designated for MVCI.

N.D.C.C. section 49-03.1-04 includes two issues not indicated above. They are need for service and the effect on other public utilities providing similar service. N.D. Admin. Code section 69-09-05-11(3) provides:

*"In order to implement North Dakota Century Code chapter 49-03.1 consistent with the Telecommunications Act of 1996, issues to be considered in an application for a certificate of public convenience and necessity for a facilities-based provider of telecommunications services are:*

- a. Fitness and ability of the applicant to provide service.*
- b. Adequacy of the proposed service.*
- c. The technical, financial, and managerial ability of the applicant to provide service."*

On October 22, 2002 a public hearing was held as scheduled in the Williams County Courthouse. Several members of the public made public interest comments.

On October 31, 2002 MVCI filed late exhibits 2, 3, 4 and 5.

Having heard and considered this matter, the Commission makes the following:

### **Findings of Fact**

1. MVCI is a subsidiary of Nemont Telephone Cooperative, Inc. of Scobey, Montana. MVCI is authorized to do business in the State of North Dakota.
2. On July 26, 2002 MVCI entered into an agreement with CTC for the purchase of assets relating to the provision of facilities-based incumbent local exchange telecommunications services in the Williston exchange. Upon closing, CTC intends to

cease providing service and MVCI intends to begin providing service in the Williston exchange.

3. All subscribers currently served by CTC in the Williston exchange will be served by MVCI on the closing date of the transaction. CTC presently serves approximately 9,400 access lines in the Williston Exchange. CTC intends to relinquish its ETC designation and certificate of public convenience and necessity for the Williston exchange effective as of the closing date of the transaction.

4. MVCI is a subsidiary of Nemont. Nemont and its subsidiaries, Valley Telecommunications, Inc. and Project Telephone Company, presently provide incumbent local exchange service for approximately 19,000 access lines in forty-seven exchanges in northeast and south-central Montana, northwest North Dakota and north-central Wyoming. Nemont has been in the telecommunications business since 1950 and has an experienced managerial staff. Nemont or its subsidiaries provide a variety of technologically advanced telecommunications services including business and residential access, dial up Internet, ADSL high speed Internet, long distance, cellular service, voice mail, Lifeline/Linkup, enhanced Lifeline, assistance in obtaining E-rate funding for schools, libraries and medical facilities, enhanced 911 and interactive television. We find that MVCI has the fitness and ability to provide adequate service to the Williston exchange.

5. MVCI intends to continue existing services while honoring the existing local rates and extended calling area for the Williston exchange. MVCI intends to honor existing interconnection agreements with exchange carriers and to adopt the intrastate access rates currently used by Nemont for its exchanges in North Dakota.

6. The Rural Telephone Finance Cooperative has issued a conditional commitment to MVCI for a 15-year secured long-term loan of \$20 million and Nemont has agreed to provide \$8.2 million of capital to MVCI for the purchase of the Williston exchange. We find that MVCI is fit, able, and has the technical, financial and managerial ability to provide service for the Williston exchange.

7. The Williston exchange that is the subject of this sale is currently part of CTC's study area for purposes of determining universal service obligations. Both MVCI and CTC request that the Commission notify the FCC that the Commission does not object to the study area changes necessary to remove the Williston exchange from CTC's study area and add it to MVCI's study area.

8. To be designated as an eligible telecommunications carrier, a carrier must: (1) offer the services that are supported by federal universal service support mechanisms, and offer the services designated by the FCC for such federal support mechanisms for schools, libraries, and health care providers; and (2) advertise the availability of such services and the charges therefore using medial of general distribution.

9. For telecommunications customers, the services designated by the FCC for support by Universal service support mechanisms include voice grade access to the public switched network, local usage, dual tone multi-frequency signaling or its functional equivalent, single-party service or its functional equivalent, access to emergency services, access to operator services, access to interexchange service, access to directory assistance and toll limitation for qualifying low-income consumers.

10 For schools and libraries, the service designated by the FCC for support by universal support mechanisms include all items listed on the Eligible Services List of the Schools and Libraries Support Mechanism of the Universal Service Administrative Company dated October 18, 2002. For health care providers, the services supported by universal service support mechanisms include any telecommunications service used primarily for the provision of health care.

11. MVCI will offer all services that are supported by the federal universal service support mechanisms and will advertise the availability of and charges for those services using media of general distribution throughout the Williston exchange.

12. MVCI's Lifeline and Link Up offerings will continue to meet the requirements established by the FCC and the North Dakota Lifeline Plan and Link Up Plan in the Williston Exchange.

13. We find that that MVCI is qualified under the Telecommunications Act of 1996, Section 214 (e) for designation as an ETC eligible to receive federal universal service funding.

From the foregoing Findings of Fact, the Commission makes the following:

### **Conclusions of Law**

1. The Commission has jurisdiction over the applicant and over the subject matter of these applications under Title 49 of the North Dakota Century Code.

2. MVCI is fit, able, and has the technical, financial and managerial ability to provide service for the Williston exchange.

3. MVCI's proposed service is adequate.

4. MVCI meets the federal requirements for designation as an eligible telecommunications carrier in the Williston exchange.

From the foregoing Findings of Fact and Conclusions of Law, the Commission makes the following


## Order

The Commission Orders:

1. The application of Missouri Valley Communications, Inc. for a certificate of public convenience and necessity to provide incumbent local exchange telecommunications services in the Williston exchange area is approved, effective with the date that the asset acquisition transaction is complete. A certificate of public convenience and necessity will be issued upon notification by the applicants that the transaction is complete.
2. Missouri Valley Communications, Inc.'s application to be designated as an eligible telecommunications carrier is granted, and MVCI is designated as an eligible telecommunications carrier in the Williston exchange area, effective with the issuance of a certificate of public convenience and necessity and receipt of any required Part 36 study area waivers from the FCC.
3. Citizens Telecommunications Company of North Dakota's certificates of public convenience and necessity for the Williston exchange shall be relinquished and cancelled effective with the issuance to MVCI of a new certificate of public convenience and necessity for the Williston exchange.
4. Citizens Telecommunications Company of North Dakota will no longer be designated as an ETC for the Williston exchange effective upon Citizen's relinquishing its certificate of public convenience and necessity for the Williston exchange and receipt of any required Part 36 study area waivers from the FCC.

### PUBLIC SERVICE COMMISSION

  
Anthony T. Clark  
Commissioner

  
Susan E. Wefald  
President

  
Leo M. Reinbold  
Commissioner



Public Service Commission  
State of North Dakota

COMMISSIONERS

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Bismarck, North Dakota 58505-0480  
web: www.psc.state.nd.us  
e-mail: sab@psc.state.nd.us  
TDD 800-366-6888  
Fax 701-328-2410  
Phone 701-328-2400

December 4, 2002

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

Re: Request for Waivers filed by Citizens Telecommunications Company of North Dakota, Nemont Telephone Cooperative, Inc., Missouri Valley Communications, Inc. and Reservation Telephone Cooperative in Connection with the Sale of Exchanges


Dear Ms. Dortch:


On December 4, 2002, the North Dakota Public Service Commission approved the applications for certificates of public convenience and necessity filed by Missouri Valley Communications, Inc. and Reservation Telephone Cooperative in connection with their purchase of certain exchanges in the State of North Dakota from Citizens Telecommunications Company of North Dakota. It is our understanding that these companies filed a Joint Petition for Expedited Waivers with the FCC on September 24, 2002 and a Supplement to Joint Petition for Expedited Waivers on October 25, 2002, requesting a waiver of certain FCC rules, including the study area rule, in connection with the purchase and sale of these exchanges.

The North Dakota Public Service Commission hereby affirmatively states that it does not object to the request for waiver of the FCC study area rule for the exchanges to be transferred from Citizens Telecommunications Company of North Dakota to Missouri Valley Communications, Inc. and Reservation Telephone Cooperative.

If you have any questions, please contact Jerry Lein at 701 328-1035.

Sincerely

  
Anthony T. Clark  
Commissioner

  
Susan E. Wefald  
President

  
Leo M. Reinbold  
Commissioner

18 PU-2779-02-451

Pages: 1

Letter to FCC re application

by Public Service Commission

12/04/2002

CC: Comm Legal Ilona Jerry



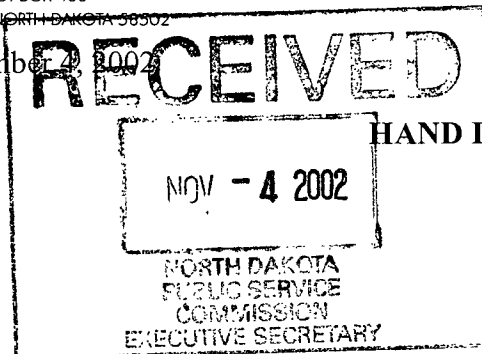
WILLIAM R. PEARCE 1910-1978  
 WILLIAM P. PEARCE  
 PATRICK W. DURICK  
 B. TIMOTHY DURICK  
 GARY R. THUNE •  
 DAVID E. REICH  
 JEROME C. KETTLESON  
 LARRY L. BOSCHEE •  
 LAWRENCE BENDER, PC •  
 JONATHAN P. SANSTEAD

ATTORNEYS AT LAW  
 314 EAST THAYER AVENUE  
 P.O. BOX 400  
 BISMARCK, NORTH DAKOTA 58502

TELEPHONE (701) 223-2890  
 FAX (701) 223-7865  
 E-MAIL: law.office@pearce-durick.com

OF COUNSEL  
 HARRY J. PEARCE

November 4, 2002



HAND DELIVERED

Mr. William W. Binek  
 Chief Counsel  
 North Dakota Public Service Commission  
 600 E. Boulevard Avenue  
 Bismarck, ND 585015

RE: **Application of Missouri Valley Communications, Inc. for Certificates of Public Convenience and Necessity and Designation of Missouri Valley Communications, Inc.'s Eligible Telecommunications Carrier Designated Geographical Service Area**  
**Case Nos.: PU-427-02-451 and PU-427-02-452**

Dear Mr. Binek:

Enclosed herein please find the following:

Enclosed for filing in this matter please find the following:

1. Original and seven copies of Proposed Findings of Fact, Conclusions of Law and Order; and
2. Disc containing a file with the Proposed Findings of Fact, Conclusions of Law and Order.

Thank you for your cooperation in this matter.

Sincerely,

PEARCE & DURICK

*Patrick W. Durick*  
 PATRICK W. DURICK

PWD/jf

Enclosures.

cc: Ms. Kathy Greenwood (w/o Disc)  
 Mr. Royce S. Aslakson (w/o Disc)  
 Mr. Kevin Saville (w/o Disc)

✓ 17 **PU-2779-02-451** Pages: 1

Cover letter re filing and disk

by Missouri Valley Communications, Inc. by Patrick Du

11/04/2002

CC: Comm Legal Ilona Jerry

24 **PU-2779-02-452** Pages: 1

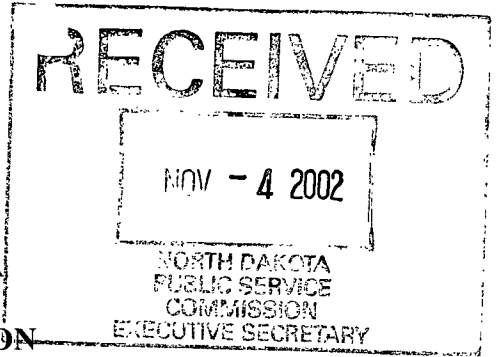
Cover letter re filing and disk

by Missouri Valley Communications, Inc. by Patrick Du

11/04/2002

CC: Comm Legal Ilona Jerry

SO LICENSED IN SD



**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Application of Missouri Valley Communications, Inc.  
for Certificate of Public Convenience and Necessity  
and Designation of Missouri Valley Communications Inc.  
as an Eligible Telecommunications Carrier for Williston Exchange**

**Case Nos.: PU-2779-02-451  
PU-2779-02-452**

**PROPOSED**

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND PROPOSED ORDER**

**Preliminary Statement**

On August 23, 2002 Missouri Valley Communications, Inc. ("MVCI"), a subsidiary of Nemont Telephone Cooperative, Inc. of Scobey, Montana ("Nemont") filed an application for a certificate of public convenience and necessity to provide facilities-based incumbent local exchange telecommunications services in the Williston, North Dakota exchange, Case No. PU-2779-02-452. MVCI also requests designation as an Eligible Telecommunications Carrier ("ETC") for receiving federal universal service support for the Williston Exchange, Case No. PU-2779-02-451. Incumbent local exchange telecommunications services for the Williston exchange are currently provided by Citizens Telecommunications Company of North Dakota ("CTC").

On September 25, 2002 the Commission issued a Notice of Public Hearing for Case Nos. PU-2779-02-451 and PU-2779-02-452 for October 22, 2002 at 2:00 p.m. CDT in the Williams County Courthouse, Memorial Room, 205 East Broadway, Williston, North Dakota. The notice identified the following issues to be considered:

1. Fitness and ability of MVCI to provide service.
2. Adequacy of the proposed service.
3. The technical, financial and managerial ability of MVCI to provide service.

Qualification of MVCI under the Telecommunications Act of 1996, Section 214 (e) for designation as an ETC eligible to receive federal universal service funding.

4. What ETC universal service support area should be designated for MVCI.

On October 22, 2002 at 2:00 p.m. CDT in the Williams County Courthouse, Memorial Room, 205 East Broadway, Williston, North Dakota, a public hearing was held on Case Nos. PU-2779-02-451 and PU-2779-02-452. William W. Binek, Chief Counsel,

11/04/2002

CC: Comm Legal Ilona Jerry .

11/04/2002

CC: Comm Legal Ilona Jerry .

Public Service Commission, presiding. Witnesses for MVCI included Larry D. Wetsit, Customer Affairs Manager for Nemont, Richard J. Thronson, General Manager, Nemont and Kathy P. Greenwood, Finance and Accounting Manager, Nemont. Jerry Lein and Mike Diller of the Commission staff also presented testimony, including testimony by Mr. Diller that MVCI has the financial wherewithal to complete the purchase of the Williston exchange and to continue to provide service to the people of Williston on an ongoing basis. Several members of the public made appearances and Commissioners Wefald and Clark participated by telephone in a portion of the hearing.

On October 31, 2002 MVCI filed late exhibits 2, 3, 4 and 5, Additional slide to Exhibit 1, Waiver letter to FCC, Enumeration of ETC service and List of Communities Served by EAS, respectively.

### FINDINGS OF FACT

1. On July 26, 2002 MVCI entered into an agreement with CTC for the purchase of assets relating to the provision of facilities-based incumbent local exchange telecommunications services in the Williston exchange. Upon closing, CTC intends to cease providing service and MVCI intends to begin providing service in the Williston exchange.
2. All subscribers currently served by CTC in the Williston exchange will be served by MVCI on the closing date of the transaction. CTC presently serves approximately 9,400 access lines in the Williston Exchange. CTC intends to relinquish its ETC designation and certificate of public convenience and necessity for the Williston exchange effective as of the closing date of the transaction.
3. MVCI is a subsidiary of Nemont. Nemont and its subsidiaries, Valley Telecommunications, Inc. and Project Telephone Company, presently provide incumbent local exchange service for approximately 19,000 access lines in forty-seven exchanges in northeast and south-central Montana, northwest North Dakota and north-central Wyoming. Nemont has been in the telecommunications business since 1950 and has an experienced managerial staff. Nemont or its subsidiaries provide a variety of technologically advanced telecommunications services including business and residential access, dial up Internet, ADSL high speed Internet, long distance, cellular service, voice mail, Lifeline/Linkup, enhanced Lifeline, assistance in obtaining E-rate funding for schools, libraries and medical facilities, enhanced 911 and interactive television.
4. MVCI intends on honoring the existing local rates and the extended calling area for the Williston exchange. MVCI intends to honor existing interconnection agreements with exchange carriers and to adopt the Intrastate access rates currently used by Nemont for its exchanges in North Dakota.
5. The Rural Telephone Finance Cooperative has issued a conditional commitment to MCVI for a 15 year secured long-term loan of \$20 million and Nemont has agreed

to provide \$8.2 million of capital to MVCI for the purchase of the Williston exchange.

6. The Williston exchange that is the subject of this sale is currently part of CTC's study area for purposes of determining universal service obligations. Both MVCI and CTC request that the Commission notify the FCC that the Commission does not object to the study area changes necessary to remove the Williston exchange from CTC's study area and add it to MVCI's study area.
7. To be designated as an eligible telecommunications carrier, a carrier must: (1) offer the services that are supported by federal universal service support mechanisms, and offer the services designated by the FCC for such federal support mechanisms for schools, libraries, and health care providers; and (2) advertise the availability of such services and the charges therefore using media of general distribution.
8. For telecommunications customers, the services designated by the FCC for support by Universal service support mechanisms include voice grade access to the public switched network, local usage, dual tone multi-frequency signaling or its functional equivalent, single-party service or its functional equivalent, access to emergency services, access to operator services, access to interexchange service, access to directory assistance and toll limitation for qualifying low-income consumers.
9. For schools and libraries, the service designated by the FCC for support by universal support mechanisms include all items listed on the Eligible Services List of the Schools and Libraries Support Mechanism of the Universal Service Administrative Company dated October 18, 2002. For health care providers, the services supported by universal service support mechanisms include any telecommunications service which is used primarily for the provision of health care.
10. MVCI affirms it will offer all services that are supported by the federal universal service support mechanisms and will advertise the availability of and charges for those services using media of general distribution throughout the Williston exchange.
11. MVCI affirms that its Lifeline and Link Up offerings will continue to meet the requirements established by the FCC and the North Dakota Lifeline Plan and Link Up Plan in the Williston Exchange.

#### CONCLUSIONS OF LAW

1. The Commission finds that MVCI is fit, able, and has the technical, financial and managerial ability to provide service for the Williston exchange.
2. The Commission finds that MVCI's proposed service for Williston is adequate.

3. The Commission finds that MVCI meets the federal requirements for designation as an eligible telecommunications carrier in the Williston exchange.

From the foregoing Findings of Fact and Conclusions of Law, the Commission makes the following

ORDER

1. The application of Missouri Valley Communications, Inc. for a certificate of public convenience and necessity to provide incumbent local exchange telecommunications services in the Williston exchange area is approved, effective with the date that the asset acquisition transaction is complete. A certificate of public convenience and necessity will be issued upon notification by the applicants that the transaction is complete.
2. Missouri Valley Communications, Inc.'s application to be designated as an eligible telecommunications carrier is granted, and MVCI is designated as an eligible telecommunications carrier in the Williston exchange area, effective with the issuance of a certificate of public convenience and necessity and receipt of any required Part 36 study area waivers from the FCC.
3. Citizens Telecommunications Company of North Dakota's certificates of public convenience and necessity for the Williston exchange shall be relinquished and cancelled effective with the issuance to MVCI of a new certificate of public convenience and necessity for the Williston exchange.
4. Citizens Telecommunications Company of North Dakota will no longer be designated as an ETC for the Williston exchange effective upon Citizen's relinquishing its certificate of public convenience and necessity for the Williston exchange and receipt of any required Part 36 study area waivers from the FCC.

Dated: \_\_\_\_\_, 2002

PUBLIC SERVICE COMMISSION

\_\_\_\_\_  
ANTHONY T. CLARK  
Commissioner

\_\_\_\_\_  
SUSAN E. WEFALD  
President

\_\_\_\_\_  
LEO M. REINBOLD  
Commissioner



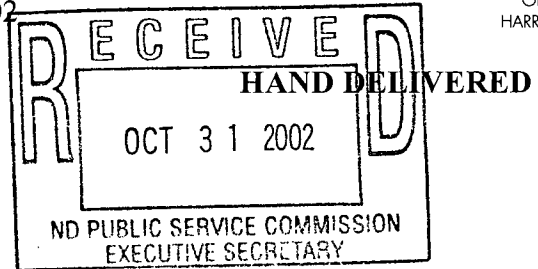
WILLIAM R. PEARCE 1910-1978  
 WILLIAM P. PEARCE  
 PATRICK W. DURICK  
 B. TIMOTHY DURICK  
 GARY R. THUNE •  
 DAVID E. REICH  
 JEROME C. KETTLESON  
 LARRY L. BOSCHEE •  
 LAWRENCE BENDER, PC •  
 JONATHAN P. SANSTEAD

ATTORNEYS AT LAW  
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 BISMARCK, NORTH DAKOTA 58502

TELEPHONE (701) 223-2890  
 FAX (701) 223-7865  
 E-MAIL: law.office@pearce-durick.com

October 31, 2002

OF COUNSEL  
 HARRY J. PEARCE



Mr. William W. Binek  
 Chief Counsel  
 North Dakota Public Service Commission  
 600 E. Boulevard Avenue  
 Bismarck, ND 585015

RE: **Application of Missouri Valley Communications, Inc. for Certificates of Public Convenience and Necessity and Expansion of Reservation Telephone Cooperative's Eligible Telecommunications Carrier Designated Geographical Service Area**  
**Case Nos.: PU-427-02-451 and PU-427-02-452**

Dear Mr. Binek:

Enclosed herein please find the following:

1. Late Filed Exhibit 2 - Additional slide to Exhibit 1;
2. Late Filed Exhibit 3 - Proposed Waiver letter to FCC;
3. Late Filed Exhibit 4 - Enumeration of ETC Service;
4. Late Filed Exhibit 5 - List of Communities Served by EAS.

I anticipate filing Proposed Findings of Fact, Conclusions of Law and Order on Tuesday, November 5, 2002.

Thank you for your cooperation in this matter.

Sincerely,

PEARCE & DURICK

PATRICK

15

PU-2779-02-451

Pages: 1

PWD/jf

Enclosures.

cc: Ms. Kathy Greenwood  
 Mr. Royce S. Aslakson  
 Mr. Kevin Saville  
 Mr. Steve Metts

• ALSO LICENSED IN MINNESOTA • ALSO LICENSED IN

Letter re Late Exhibits 2, 3, 4, & 5

by Missouri Valley Communications, Inc. by Patrick W.

10/31/2002

CC: Comm Legal Ilona Jerry

22

PU-2779-02-452

Pages: 1

Letter re Late Exhibits 2, 3, 4, & 5

by Missouri Valley Communications, Inc. by Patrick W.

10/31/2002

CC: Comm Legal Ilona Jerry

# Essential Services Offered

- Switched Access
- Billing and Collection
- Primary Directory Listing
- Access to Directory Assistance
- 911 Services
- Flat Rate Extended Area Services
  - Alexander, Watford City, Round Prairie, etc...
- Service Connections to essential services
- Necessary Transmission services to end user
- Single party flat rate business & residential services
- Transmission service for paystations

Pages: 1

PU-2779-02-452

Additional slide to Exhibit 1

by Missouri Valley Communications, Inc.  
Exhibit # Late Filed 2  
CC: Comm Legal Ilona Jerry  
10/31/2002

21

Pages: 1

PU-2779-02-451

Additional slide to Exhibit 1

by Missouri Valley Communications, Inc.  
Exhibit # Late Filed 2  
CC: Comm Legal Ilona Jerry  
10/31/2002

14

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C., 20554

**RE: Request for Waivers filed by Citizens Telecommunications Company of North Dakota, Nemont Telephone Cooperative, Inc.; Missouri Valley Communications, Inc. and Reservation Telephone Cooperative in Connection with the Sale of Certain Exchanges**

Dear Ms. Dortch:

On November \_\_\_, 2002, the North Dakota Public Service Commission (Commission) approved the applications for certificate of public convenience and necessity filed by Missouri Valley Communications, Inc. and Reservation Telephone Cooperative in connection with their purchase of certain exchanges in the State of North Dakota from Citizens Telecommunications Company of North Dakota. It is the Commission's understanding that the above-referenced companies filed a Joint Petition for Expedited Waivers at the Federal Communications Commission (FCC) on September 24, 2002, and a Supplement to Joint Petition for Expedited Waivers on October 25, 2002, requesting a waiver of certain FCC rules, including the FCC's study area rule, in connection with the purchase and sale of these exchanges.

The North Dakota Public Service Commission hereby affirmatively states that it does not object to the request for waiver of the FCC's study area rule for the exchanges to be transferred from Citizens Telecommunications Company of North Dakota to Missouri Valley Communications, Inc. and Reservation Telephone Cooperative.

If you have any questions concerning this matter, please do not hesitate to contact Jerry Lein at 701 328-1035.

Sincerely,

\_\_\_\_\_  
ANTHONY T. CLARK  
Commissioner

\_\_\_\_\_  
SUSAN E. WEFALD  
President

\_\_\_\_\_  
LEO M. REINBOLD  
Commissioner

**13 PU-2779-02-451**

Pages: 2

Proposed Waiver letter to FCC

by Missouri Valley Communications, Inc.

10/31/2002

**Exhibit # Late Filed 3**

CC: Comm Legal Ilona Jerry .

**20**

**PU-2779-02-452**

Pages: 2

Proposed Waiver letter to FCC

by Missouri Valley Communications, Inc.

10/31/2002

**Exhibit # Late Filed 3**

CC: Comm Legal Ilona Jerry .

cc: Patrick W. Durick  
P.O. Box 400  
Bismarck, North Dakota 58502-0400

Mary J. Sisak  
Blooston, Mordkofsky, Dickens, Duffy, & Prendergast  
2120 L Street, NW  
Washington, DC 20037

**Late Filed Exhibit 4 - Waiver letter to FCC, Case Nos.: PU-2779-02-453 and PU-2779-02-454.**

**Late Filed Exhibit 3 - Waiver letter to FCC, Case Nos.: PU-2779-02-451 and PU-2779-02-452.**

ENUMERATION OF ETC REQUIRED SERVICE

1. Voice grade access to the public switched network.
2. Local usage.
3. Dual tone multi-frequency signaling or its functional equivalent.
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.
9. Toll limitation for qualifying low-income consumers.

Source: 47 CFR Section 54.101

**Late Filed Exhibit 4, Case Nos.: PU-2779-02-451 and PU-2779-02-452**

**12 PU-2779-02-451** Pages: 1

Enumeration of ETC Service

by Missouri Valley Communications, Inc.

10/31/2002

**Exhibit # Late Filed 4**

CC: Comm Legal Ilona Jerry .

**19 PU-2779-02-452** Pages: 1

Enumeration of ETC Service

by Missouri Valley Communications, Inc.

10/31/2002

**Exhibit # Late Filed 4**

CC: Comm Legal Ilona Jerry .



# Local Calling

Your local calling area includes all the customers in your prefix plus the areas indicated with a dot in the cities below. The prefix is the first three digits of a phone number. Calls to areas outside the local calling area are long distance.

Local Calling

From →		Alexander	Cartwright	Charbonneau	Fairview MT	E Fairview	Rawson	Spring Brook	Trenton	Watford City	Williston
		828	744	828	(406) 747	744	828	572, 774	572, 774	842	572, 774
To ↓											
Alexander	828	●	●	●			●	●	●	●	●
Arnegard	586									●	
Cartwright	744					●					
Charbonneau	828	●	●	●			●	●	●	●	●
Epping	859							●	●		●
Fairview MT	(406) 747				●	●					
East Fairview	744				●	●					
Keene	675									●	
Mandaree	759									●	
Marmon	826							●	●	●	●
Rawson	828	●	●	●			●	●	●	●	●
Ray	568										
Round Prairie	875							●	●		●
Sidney MT	(406) 422, 482				●						
Spring Brook	572, 774	●						●	●	●	●
Squaw Gap	569										
Trenton	572, 774	●						●	●	●	●
Watford City	842	●	●	●			●	●	●	●	●
Wheelock	859							●	●		●
Williston	572, 774	●						●	●	●	●

● Indicates Local or EAS Call  
 □ Indicates Long-Distance Call

11 PU-2779-02-451

Pages: 1

List of Communities Served by EAS

by Missouri Valley Communications, Inc.

Exhibit # Late Filed 5

10/31/2002

CC: Comm Legal Ilona Jerry .

18 PU-2779-02-452

Pages: 1

List of Communities Served by EAS

by Missouri Valley Communications, Inc.

Exhibit # Late Filed 5

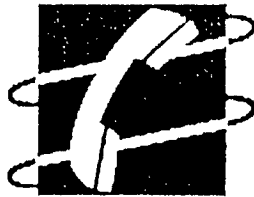
10/31/2002

CC: Comm Legal Ilona Jerry .

Late Filed Exhibit 5 - List of Communities Served by EAS, Case Nos.: PU-2779-02-451 and PU-2779-02-452

# Public Hearing

Case No. PU-2779-02-451 and PU-2779-02-452  
North Dakota Public Service Commission



Missouri Valley Communications, Inc.  
Nemont Telephone Cooperative, Inc.

Pages: 30

10 PU-2779-02-451

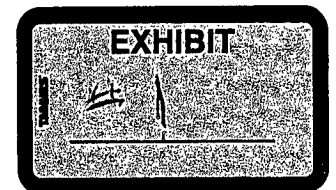
Slide Presentation

by Missouri Valley Communications, Inc.

Exhibit # 1

10/22/2002

CC: Comm Legal Ilona Jerry



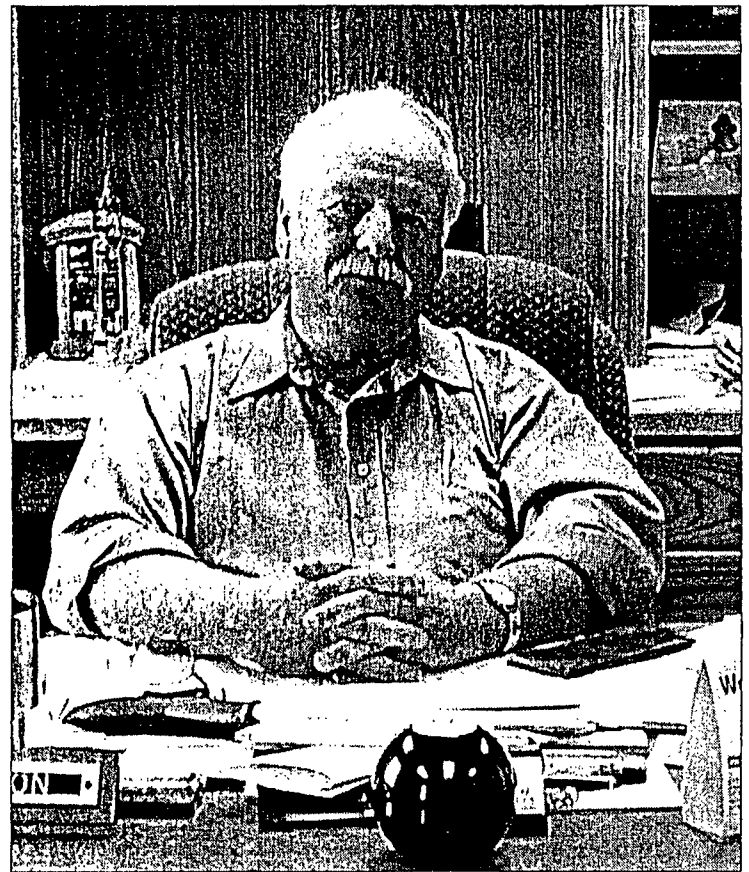
# Management Team

- General Manager, Richard J. Thronson
- Director of Operations, Dennis E. Dunn
- Customer Affairs Manager, Larry D. Wetsit
- Finance and Accounting Manager,  
Kathy P. Greenwood
- Governmental Relations and Regulatory Manager,  
Ron Ostberg
- Sagebrush Cellular Manager/Network Manager,  
Gary Dascher
- Human Resource Manager, Kaylin Gunderson

# General Manager

Mr. Richard J. Thronson

- 35 years in Telecommunications Business
- Began career with Northwest Communications in Ray, North Dakota



# Director of Operations

Mr. Dennis E. Dunn

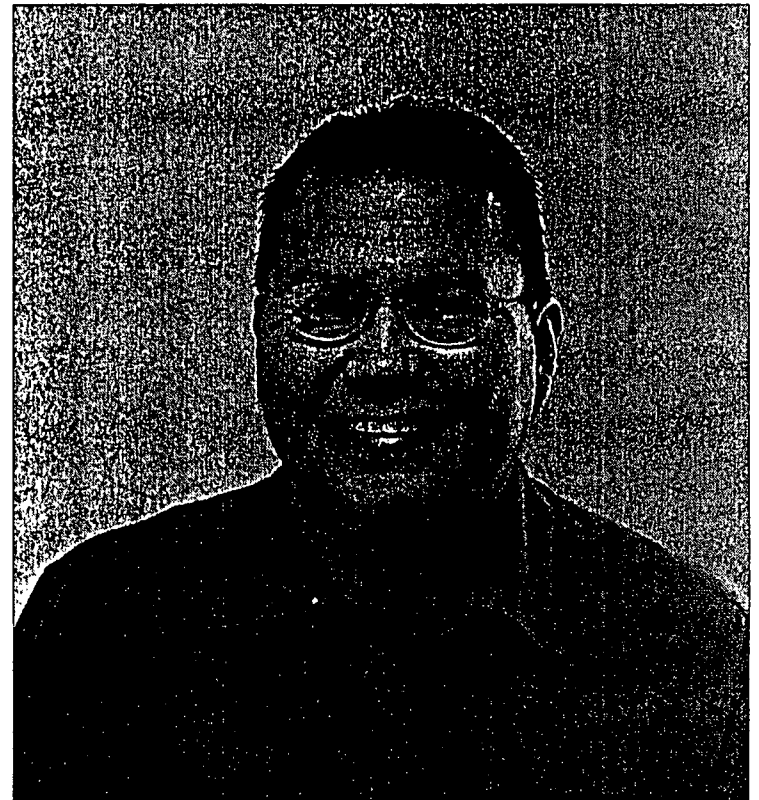
- Over 32 years of Telecommunications experience
- Former employee of Citizens Utilities



# Customer Affairs Manager

Mr. Lawrence D. Wetsit

- Employed by Nemont for 10+ years
- Chairman, Fort Peck Community College, Poplar, MT
- Chairman, A&S Tribal Industries, Poplar, MT
- Former Tribal Chairman for Fort Peck Tribes, Poplar, Montana



# Finance and Accounting Manager

Ms. Kathy P. Greenwood

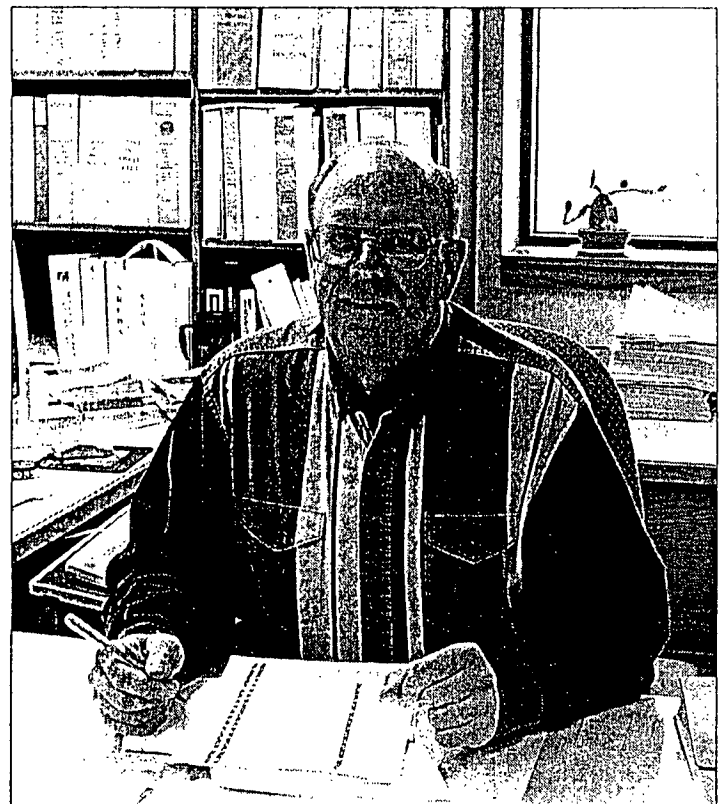
- Employed by Nemont for 8 years
- 22 years experience in finance and accounting
- Certified Public Accountant



# Governmental Relations and Regulatory Manager

Mr. Ron Ostberg

- Involved with cooperatives over 30 years
- Congressional and legislative experience



## Other Managers

Mr. Gary Dascher

*Sagebrush Cellular Manager /  
Network Manager*

- Employed by Nemont for over 30 years
- Extensive background with wireless and network design

Ms. Kaylin Gunderson

*Human Resource Manager*

- Employed with Nemont for 5 years
- B.A. degree is in English Education and Psychology
- Continuing coursework in Human Resources

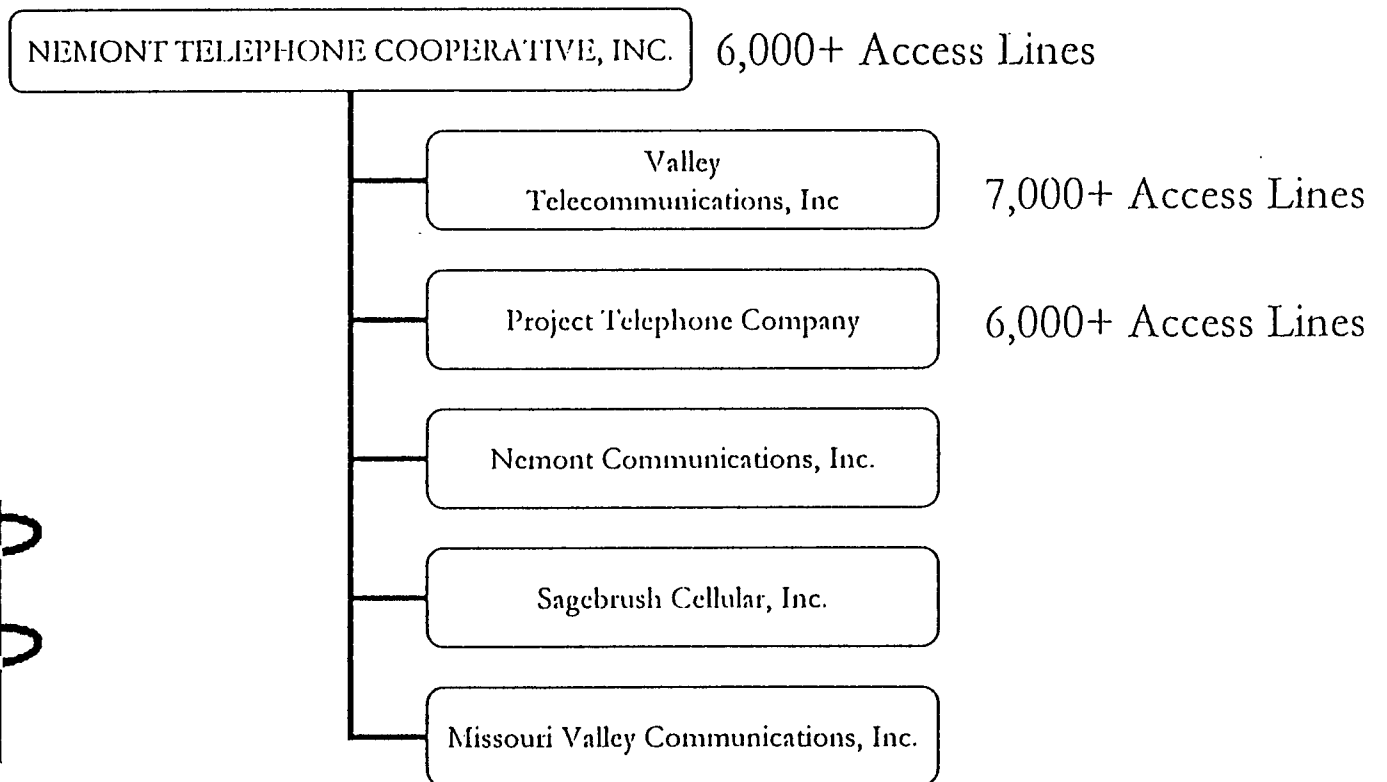
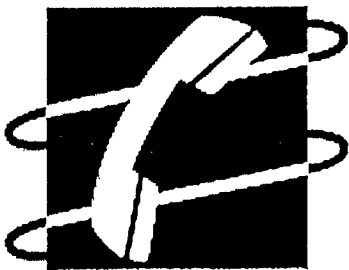
# Nemont Board Members

Nemont is governed by an eleven member Board of Directors, elected by the cooperative members.

- Vernon Stoner, Outlook, MT
- Roy Neufeld, Larslan, MT
- Orvis Nelson,  
Homestead, MT
- Ben Boreson, Opheim, MT
- Dayton Cherney,  
Nashua, MT
- Robert H. Heikens,  
Nashua, MT
- Gary Klind, Hinsdale, MT
- Kenneth Lauridsen,  
Brockton, MT
- Charles McVee,  
Glasgow, MT
- Larry Mahler, Scobey, MT
- Greg Miller, Reserve, MT



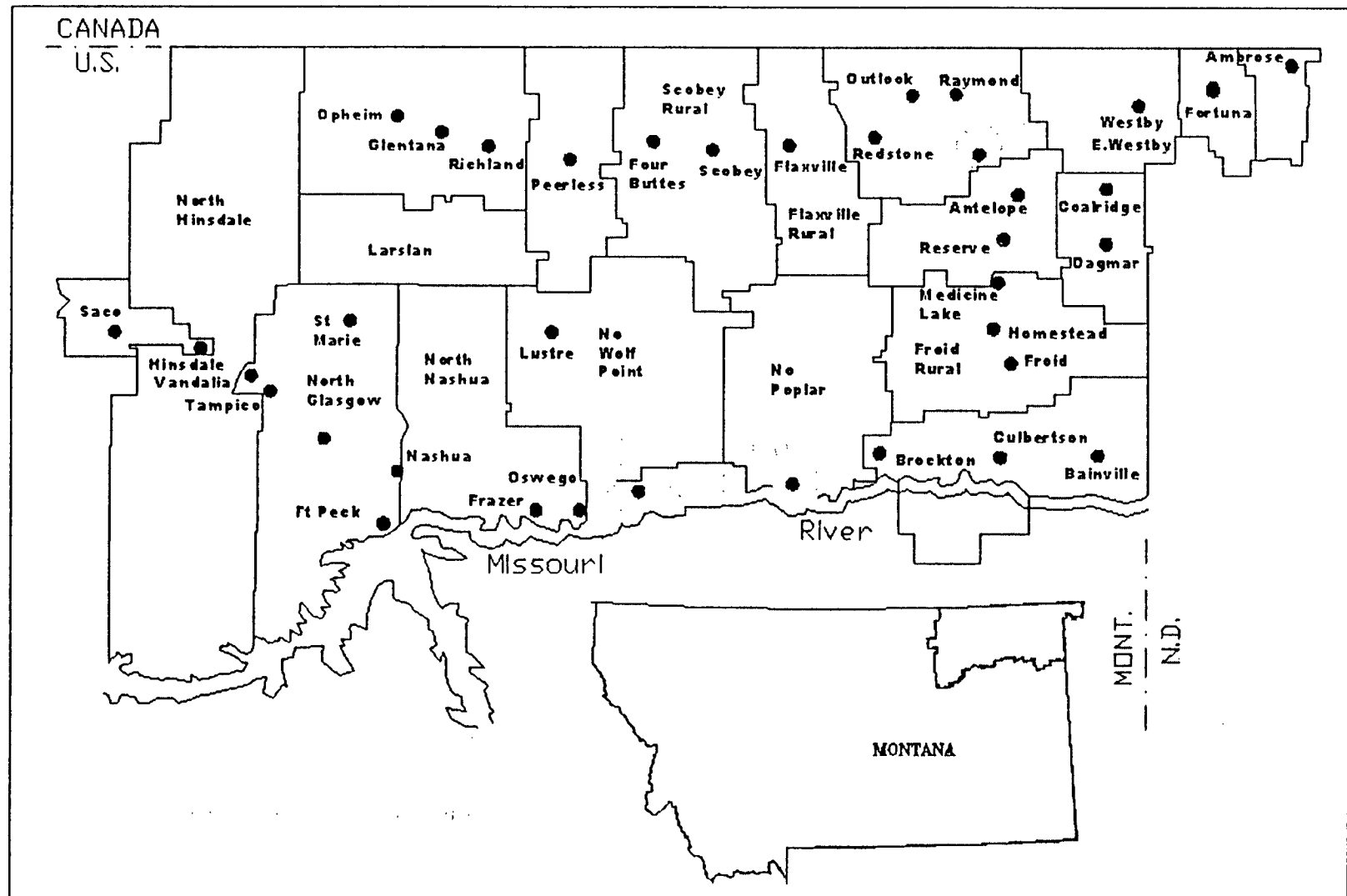
# Nemont's Corporate Structure





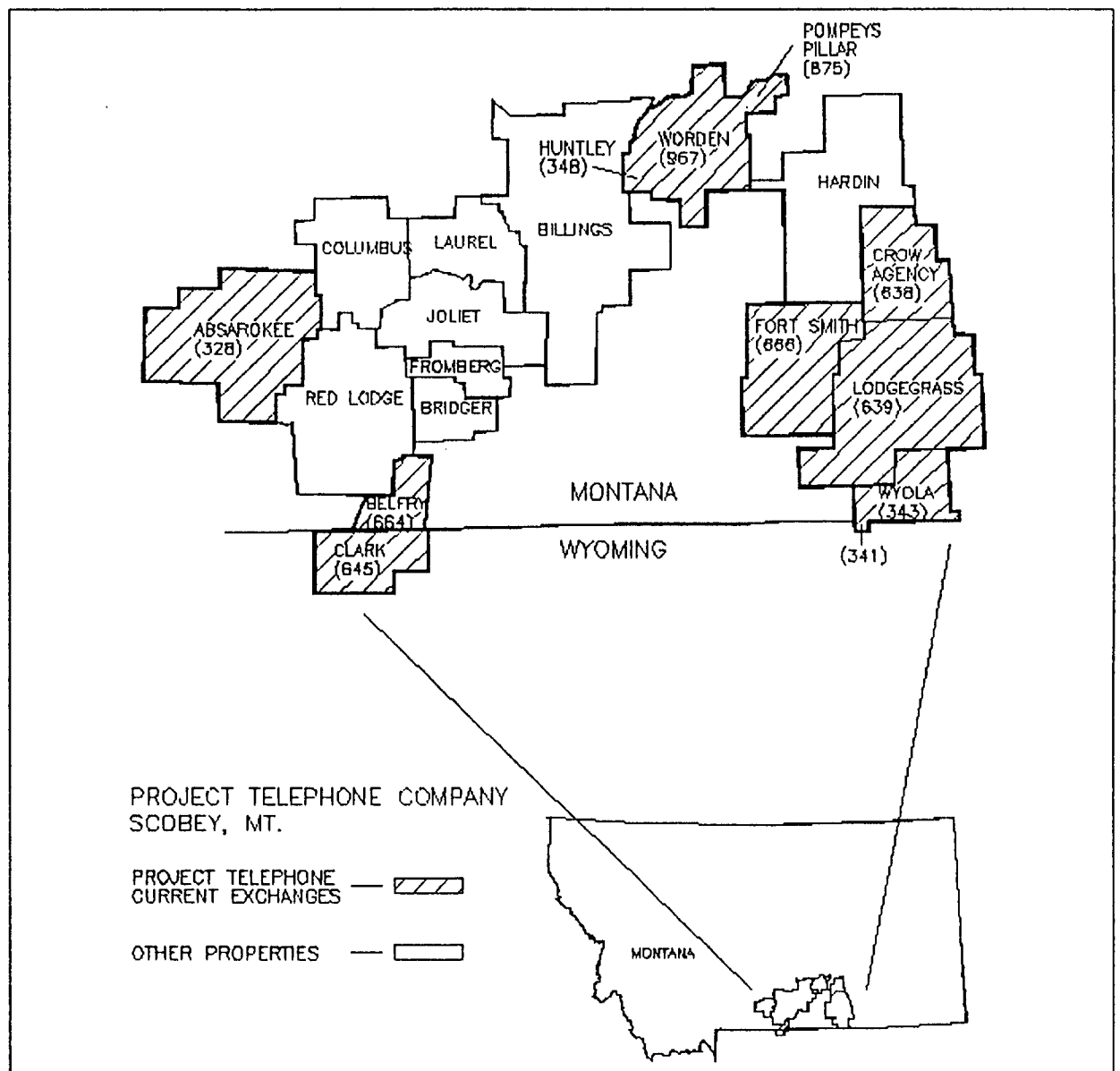
# Valley Telecommunications, Inc.

- Four exchanges in northeast Montana



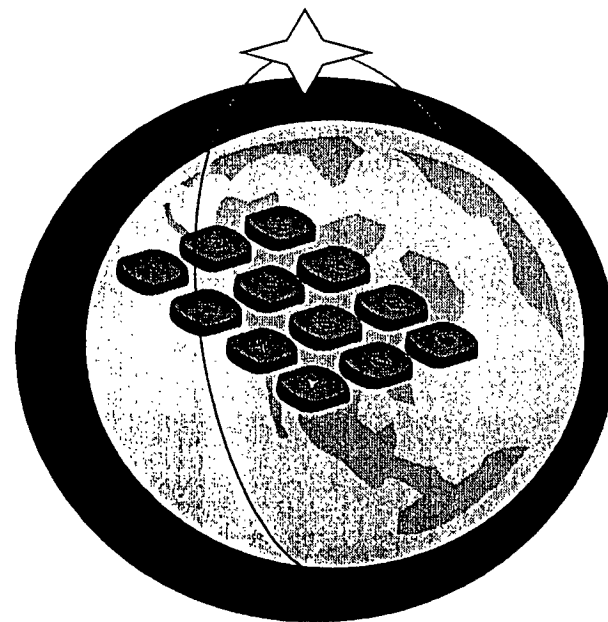
# Project Telephone Company

- 11 exchanges in southcentral Montana and northcentral Wyoming



# Nemont Communications, Inc.

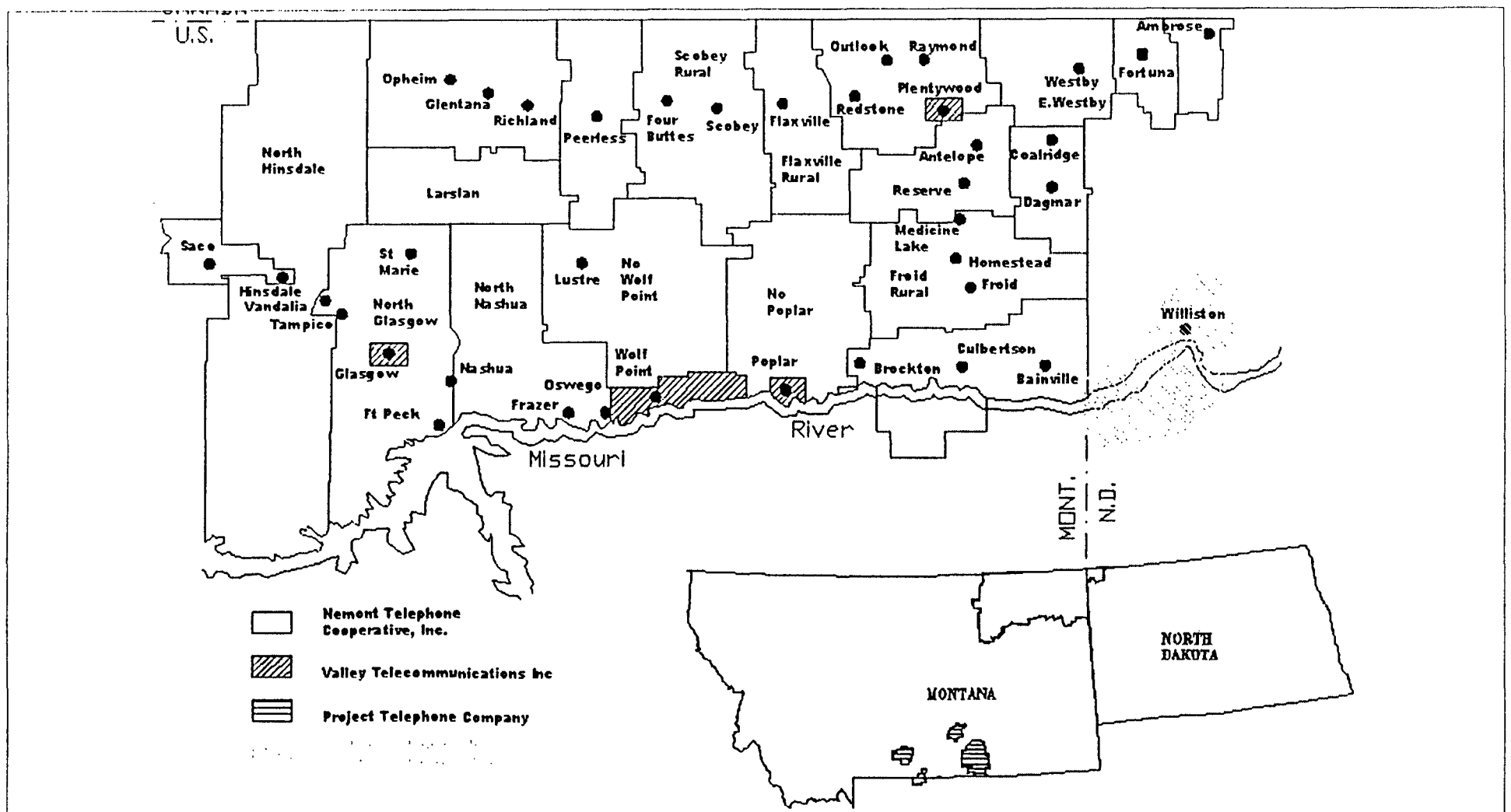
- Non-Regulated  
Subsidiary
- Owns Fiber Optic Cable
- Nemont Long Distance
- Internet Provider
- Interactive TV
- Payphones
- Phone Systems
- Paging Services





# Missouri Valley Communications, Inc.

- Williston, N. D. exchange has approximately 9,400 access lines



# History of Nemont

- 1950 – Nemont was organized as a cooperative by rural citizens.
- 1978 – Nemont purchases Project Telephone Company located in Worden, Montana.
- 1979 – Nemont Communications, Inc. was formed to provide cable television service.
- 1980 – Nemont purchases Absarokee and Belfry, Montana and Clark, Wyoming exchanges.
- 1992 – Nemont Telephone Cooperative and Valley Rural Telephone merge.

# History of Nemont, Cont'd

- 1994 - Nemont triples in size by purchasing 12,000 access lines from U.S. West.
- 1994 - Valley Telecommunications, Inc. was formed to own 4 of the larger exchanges.
- 1995 – Nemont purchases CommNet's interest in Sagebrush Cellular.
- 1996 – Nemont Communications, Inc. deploys dial up Internet.
- 1996 – Nemont begins to network 23, K-12 schools, colleges and medical facilities with Interactive Television Studios.

## History of Nemont, Cont'd

- 1997 –Nemont, along with Triangle Telephone, builds fiber hotel in Billings.
- 1998 – NCI offers long distance service as Nemont Long Distance.
- 2000 – Nemont becomes first cooperative in Montana to offer ADSL High Speed Internet.
- 2000 - Nemont's service area is first in the state to deploy Enhanced 911 services.
- 2002 – Nemont signs a purchase agreement with Citizens Communications for the Williston area.

# Current Services Offered

- Business Access
- Residential Access
- Dial up Internet
- ADSL High Speed Internet
- Long Distance
- Cellular Service
- CLASS/SS7
- Voice Mail
- Lifeline/Linkup
- Enhanced Lifeline
- E-rate Funding
  - School, libraries & medical facilities
- Enhanced 911
- Interactive Television

# Our Quality Of Service

## Trouble Report Rate – July 2002

- Valley Telecommunications serves 4 of our largest exchanges.

Wire Center	Community	Total Troubles	Report Rate
228	Glasgow	21	.74
653	Wolf Point	42	1.90
765	Plentywood	3	.21
768	Poplar	18	1.23
Totals:		84	1.06

# Our Quality Of Service

Percent of Out Of Service Troubles cleared within  
24 hours of receipt - July 2002

Wire Center	Community	Total OOS Troubles	Troubles cleared under 24 hours	% Clear < 24 hours
228	Glasgow	8	8	100%
653	Wolf Point	18	18	100%
765	Plentywood	2	2	100%
768	Poplar	10	10	100%
Totals:		38	38	100%

# Our Quality Of Service

Installation Results - July 2002

Wire Center	Community	# of Orders Completed	# of Orders Missed	% Completed within 3 Business Days
228	Glasgow	44	0	100%
653	Wolf Point	55	1	98%
765	Plentywood	8	0	100%
768	Poplar	51	0	100%
Company Totals:		158	1	99.5%

# Our Quality Of Service

- Customer Complaints to the Montana PSC
  - Nemont Long Distance – (0) 2002, (0) 2001, (0) 2000.
  - Valley Telecommunications – (1) 2002, (2) 2001 and (5) 2000.
  - Project Telephone – (3) 2002, (4) 2001, (4) 2000.

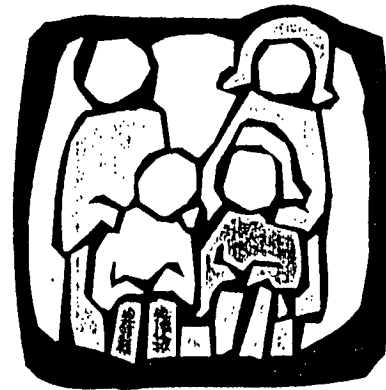
# Financials

- As of 12/31/2001
  - Total assets - \$87,766,871
  - Equity - \$43,786,978 or almost 50%
  - Consolidated net income - \$5,161,742
  - Consolidated cash position - \$16,877,754
  - Long term debt - \$34,972,497 or 39.8% of total assets

# Making a Difference in the Communities We Serve

## Enhanced Lifeline

- Successfully implemented \$1.00 per month phone service to Native American Lands.
  - Met with public school officials, college students, Headstart parents and social service agencies.
  - Used newspaper ads, company newsletter and brochures to promote this service.
- Nemont – 140 Subscribers
- Valley – 651 Subscribers
- Project – 518 Subscribers



# Making a Difference in the Communities We Serve

## Interactive Television

- Vision Net operates video conferencing studios in more than 60 K-12 schools across the services areas of five Montana cooperatives.
- Assists in providing quality education to rural children and adults.
- Assists in providing quality healthcare to rural people.



# Making a Difference in the Communities We Serve

E-rate Funding for Schools, Libraries and Healthcare Facilities in  
our Service Areas

- Discount is determined by number of students eligible for free or reduced lunch.
- Dollar figures represent total services eligible to be discounted.

Company	Year 3	Year 4	Year 5
Project	\$144,194	\$184,465	\$169,523
Valley	\$289,428	\$132,640	\$92,310
Nemont	\$236,565	\$200,182	\$158,978
Total	\$670,187	\$517,287	\$420,811

# Making a Difference in the Communities We Serve

- Enhanced 911
- Customer Appreciation Days
- Telephone Etiquette Training
- Support local businesses by shopping locally
- Board of Directors are local people



# Plans for Missouri Valley Communications, Inc.

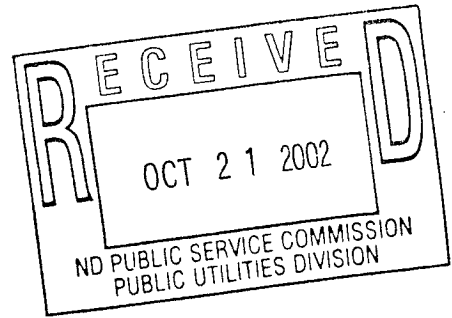
- Will regularly make upgrades and improvements to plant.
- Proposed capital budget for the next 5 years is \$6.4 million.
- Current employees will be offered employment.
- Existing contracts will be honored.
- Will honor existing local rates.
- Extended calling area will remain the same.
- Will operate under price cap regulation.
- Will comply with existing interconnection agreements.
- Adopt Nemont's IntraState access rates.





**National Information Solutions Cooperative**

www.nisc.cc



October 18, 2002

Mr. Jon Mielke  
Executive Secretary  
North Dakota Public Service Commission  
Bismarck, ND 58505-0480

Re: Missouri Valley Communications, Inc.  
Case No. PU-2779-02-451 and PU-2770-02-452

Dear Mr. Mielke:

Please file the Supporting Affidavit of Vern Dosch of NISC in the above captioned matter since Mr. Dosch will be unable to personally attend the public hearing on October 22, 2002 in Williston. We have enclosed five original copies for the convenience of the Commissioners.

Please extend our best regards to Commissioners Wefald, Reinbold and Clark.

Yours very truly,

Wally Goulet  
Vice President and General Counsel  
NISC  
Encl.(5)

**St. Peters Office**

4178 N. Service Road

P.O. Box 76900

St. Peters, MO 63376-0092

1.800.345.2237

Fax: 636.922.9175

**Mandan Office**

3201 Nygren Dr, NW

P.O. Box 728

Mandan, ND 58554-0728

701.663.6511

Fax: 701.667.19

15

**PU-2779-02-452**

Pages: 1

Cover Letter for Affidavit of Support  
by Missouri Valley Communications, Inc.

10/21/2002

CC: Comm Legal Ilona Jerry .

9 ✓

**PU-2779-02-451**

Pages: 1

Cover Letter for Affidavit of Support  
by Missouri Valley Communications, Inc.

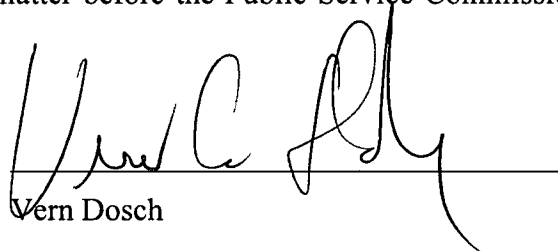
10/21/2002

CC: Comm Legal Ilona Jerry .



following: End User Billing, Automated Mail Services, Carrier Access Bill Processing, Message Processing, Message Transmission, and Switch Polling. It is my opinion it would have a very beneficial impact upon the economy of North Dakota to approve this transfer which would incidentally also bring these service opportunities and the attendant revenues to NISC, an employer of over two hundred and fifty (250) North Dakotans. These service opportunities and revenues are currently both going to business concerns outside the State of North Dakota. NISC is excited about this potential growth in its business and hereby wants to advise the Public Service Commission of this additional beneficial impact of the proposed transfer and its support for Missouri Valley Communications, Inc., and its parent cooperative, Nemont Telephone Cooperative, Inc., an outstanding provider of telecommunications service.

That this affidavit is hereby executed on October 18, 2002 for presentation at the October 22<sup>nd</sup>, 2002 public hearing on this matter before the Public Service Commission of the State of North Dakota.

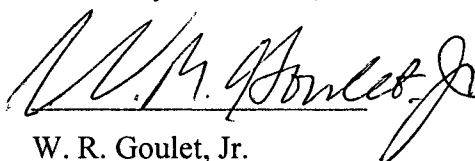


Vern Dosch

President and CEO

National Information Solutions Cooperative

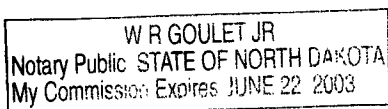
Subscribed and sworn to before me this 18<sup>th</sup> day of October, 2002.

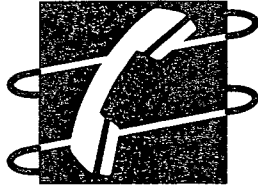


W. R. Goulet, Jr.

Notary Public, State of North Dakota

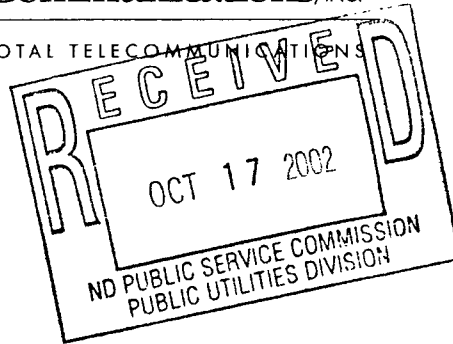
My Commission Expires June 22, 2003





# Missouri Valley Communications, INC.

TOTAL TELECOMMUNICATIONS



October 17, 2002

Public Service Commission  
State of North Dakota  
600 East Boulevard Avenue, Dept. 408  
Bismarck, North Dakota 58505-0480

**Re: Public Hearing in Case Nos. PU-2779-02-451 and PU-2779-02-452**

Dear Commissioners:

Missouri Valley Communications, Inc. offers the following pre-hearing testimony in the above mentioned cases for your review:

Missouri Valley Communications, Inc., a newly formed subsidiary of Nemont Telephone Cooperative, Inc. (Nemont), of Scobey, Montana was created to own and operate the Williston, North Dakota exchange.

**A brief history of Nemont Telephone Cooperative, Inc. is as follows:**

- In 1950, Nemont was organized by rural people as a cooperative. Nemont's current service area, located in northeastern Montana and northwestern North Dakota, extends from Saco, Montana to Ambrose, North Dakota, and from the Missouri River to the Canadian border.
- In 1978 Nemont purchased Project Telephone Company (Project) at Worden, MT, located just east of Billings, MT.
- In 1980 Project's access lines were doubled with the purchase of the Absarokee exchange, located west of Billings, MT.
- In 1992 Nemont and Valley Rural Telephone Cooperative merged and retained the name of Nemont Telephone Cooperative, Inc.
- In 1994 Nemont tripled in size by purchasing 12,000 access lines from US West. As part of that acquisition, Valley Telecommunications, Inc. was created to own four of the larger exchanges located in northeastern Montana.
- In 1995 Nemont purchased CommNet's interest in Sagebrush Cellular.

**13 PU-2779-02-452**

Pages: 5

Testimony

by Missouri Valley Communications, Inc.

10/17/2002

CC: Comm Legal Illona Jerry .

**71 ✓ PU-2779-02-451**

Pages: 5

Testimony

by Missouri Valley Communications, Inc.

10/17/2002

CC: Comm Legal Illona Jerry .

**Nemont's Family of Companies include the following:**

- Nemont Telephone Cooperative, Inc., the “parent company”, provides telecommunications services to over 6,450 subscribers in 32 exchanges located in northeastern Montana and northwestern North Dakota. All of these customers can access the Internet using a local number. Asymmetric Digital Subscriber Line (ADSL) is available in 17 exchanges, and Nemont currently has 93 ADSL customers. ADSL is installed in all communities having a school, and the smallest exchange with ADSL has only 66 access lines. ADSL speeds begin at 384K/192K.
- Valley Telecommunications, Inc. (Valley), a subsidiary of Nemont, provides telecommunications services to over 7,700 customers in four exchanges in northeastern Montana. Internet is available by local dial number, and ADSL is provided in all of Valley's exchanges. Valley currently has 226 ADSL customers.
- Project Telephone Company, a subsidiary of Nemont, provides telecommunications services to over 6,100 subscribers in eleven exchanges in southcentral Montana and northcentral Wyoming. Customers can access Internet with a local number and ADSL is provided in eight exchanges. Project currently has 34 ADSL customers.
- Nemont Communications, Inc. (NCI), formed in 1979, is a non-regulated subsidiary of Nemont. NCI owns fiber optic cable, operates Nemont Long Distance, provides pay phones, offers Internet services, makes available Interactive TV services to the schools, libraries and hospitals, and sells telecommunications systems.
- Sagebrush Cellular, Inc., another subsidiary of Nemont, provides cellular service in northeastern Montana with 23 cell sites. Sagebrush currently has over 6,200 customers.
- Missouri Valley Communications, Inc. (MVC), the newest member of the “Nemont Family”, was created to own and operate the Williston, North Dakota exchange. Williston has always been a “community of interest” of Nemont and its members. The Williston Chamber of Commerce also recognizes and appreciates the business northeastern Montana brings to the Williston community. The Chamber recently stated, “40% to 60% of their trade comes from northeastern Montana”.

Nemont is governed by an eleven member Board of Directors elected by the cooperative members. The Directors are active in community affairs, stay attuned to the needs and concerns of Nemont's members, and have been very progressive in the operation of the business. They have also extended the cooperative philosophy to the operation of Nemont's subsidiaries.

Recognizing the need to continually stay in touch with its customers, Nemont and its subsidiaries have an independent survey firm contact 50 members of each company every month to monitor their needs and concerns. Each year, employees and managers host customer appreciation lunches in several area communities and actively participate in community and economic development activities in all the areas served by Nemont and its subsidiaries.

Schools, libraries, and hospitals are an important part of the infrastructure needed to maintain our communities. Nemont has provided a consultant to work with those entities to obtain e-rate funding, and the schools have been successful in getting discounts of \$1,608,284 for telecommunications services in the last three funding cycles.

Financially, the consolidated balance sheet at 12/31/01 reflected total assets of \$87,766,871. Nemont's equity was \$43,786,978 or almost 50 %. Consolidated net income for 12/31/01 was \$5,161,742 and the consolidated cash position was \$16,877,754. Long term debt was \$34,972,497, or 39.8% of total assets.

**The Nemont management team is comprised of the following individuals:**

- Richard J. Thronson, General Manager, has over 35 years of telecommunications experience. Dick began his career in Ray, North Dakota with Northwest Communications and was the General Manager of Valley Rural Telephone Cooperative when Valley Rural and Nemont merged, and has been the General Manager at Nemont since that time.
- Dennis E. Dunn, Director of Operations, has over 32 years of telecommunications experience. Prior to coming to work for Nemont, Dennis was employed by Citizens Utilities in the Pacific Northwest.
- Larry D. Wetsit, Customer Affairs Manager has been with Nemont for 10 years. Larry is responsible for the marketing and public relations.
- Kathy P. Greenwood, Finance and Accounting Manager, is a CPA and has been with Nemont for eight years. Kathy has 22 years of experience in accounting, auditing and finance.
- Ron Ostberg, Government Relations and Regulatory Manager, has almost 30 years experience in government relations and regulatory affairs of cooperatives.
- Gary Dascher, Sagebrush Cellular and Network Manager, has worked in the telecommunications industry for over 30 years. Gary has an extensive background with wireless operations and network design.

- Kaylin D. Gunderson, Human Resources Manager, has worked for Nemont for five years. Her B.A. degree is in English Education and Psychology, and she has continued coursework specific to Human Resources.

Nemont and its subsidiaries are committed to providing excellent service. Monthly summaries are reviewed by exchange for installation results, trouble reports, percent of commitments met, percent of troubles cleared within 24 hours, and repeat troubles. The following information was furnished by the Montana Public Service Commission in regards to customer complaints:

Nemont Long Distance – No complaints for 2002, 2001, or 2000.

Valley Telecommunications – 1 in 2002, 2 in 2001, and 5 in 2000.

Project Telephone Company – 3 in 2002, 4 in 2001, and 4 in 2000.

The number of complaints filed in the State of Montana in 2002 was 1,724. The number of complaints in 2001 was 1,728 and 1,874 in 2000.

Nemont takes pride in the quality of service it provides and has been recognized regionally, nationally, and internationally for its progressive position in providing advanced telecommunications services. If Missouri Valley is granted a Certificate of Public Convenience and Necessity by the North Dakota Public Service Commission, customers in the Williston exchange can be assured of the same quality of service enjoyed by Nemont's current subscribers.

#### **Plans for Missouri Valley Communications, Inc.**

MVC will honor the existing local rates, the extended calling area for the Williston exchange and the existing customer contracts. MVC will operate under price cap regulation. MVC will comply with the current interconnection agreements Citizens has signed with exchange carriers. MVC intends to adopt the Intrastate access rates currently used by Nemont for its exchanges in North Dakota.

If you have any questions, please do not hesitate to contact us at 1-866-572-7744. Thank you for your consideration of our pre-hearing testimony.

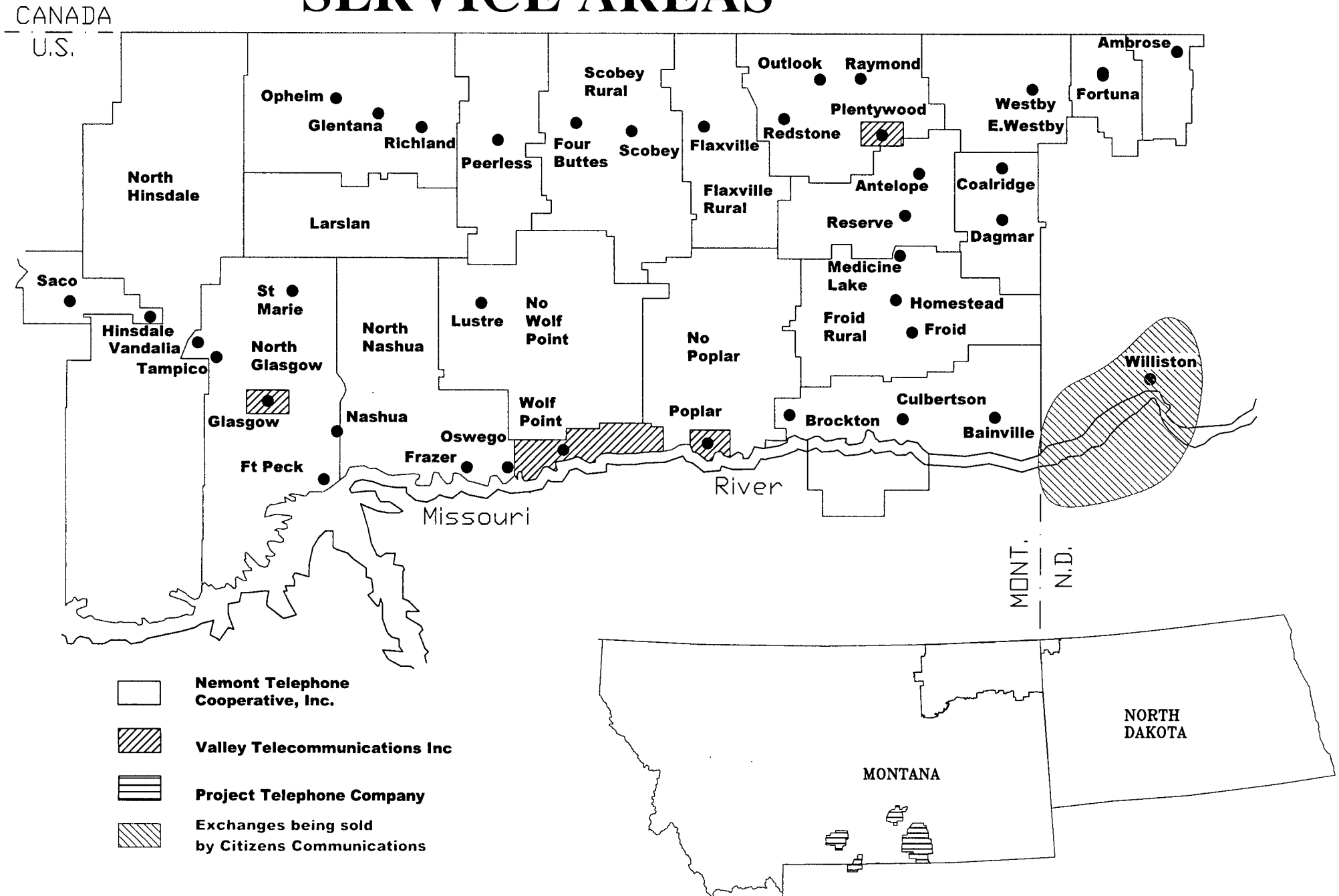
Sincerely,



Richard J. Thronson  
General Manager

Enclosure: Map of service area

# SERVICE AREAS



# Affidavit of Publication

RECEIVED

OCT - 7 2002

NORTH DAKOTA  
PUBLIC SERVICE  
COMMISSION  
EXECUTIVE SECRETARY

State of North Dakota )  
  )  
County of Burleigh    )

Laurie Thiel

, being duly sworn, state as follows:

1. I am the designated agent, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspapers listed on the attached exhibits.
2. The newspapers listed on the exhibits published the advertisement of:  
Missouri Valley, 1 time(s)  
as required by law or ordinance.
3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Signed: [Signature]

Subscribed and sworn to before me this 3rd day of October A.D. 2002

[Signature]

✓ **6**    **PU-2779-02-451**                      Pages: 1  
Affidavit of Publication  
by North Dakota Advertising Service, Inc.  
10/07/2002                      CC: Comm Legal Illona Jerry .

**6**    **PU-427-02-453**                      Pages: 1  
Affidavit of Publication  
by North Dakota Advertising Service, Inc.  
10/07/2002                      CC: Comm Legal Illona Jerry .

**9**    **PU-2779-02-452**                      Pages: 1  
Affidavit of Publication  
by North Dakota Advertising Service, Inc.  
10/07/2002                      CC: Comm Legal Illona Jerry .

**9**    **PU-427-02-454**                      Pages: 1  
Affidavit of Publication  
by North Dakota Advertising Service, Inc.  
10/07/2002                      CC: Comm Legal Illona Jerry .



# North Dakota Newspaper Association

1435 Interstate Loop  
Bismarck, ND 58503-0567  
Ph (701) 223-6397 • Fax (701) 223-8185

## INVOICE

Order **02101PP0-16698**

Invoice # **5171**

October 3, 2002

Attn: **JONH. MIELKE**  
**PUBLIC SERVICE COMMISSION**  
**STATE CAPITOL**  
**BISMARCK, ND 58505**

Advertiser: **Public Service Commission**

P.O.#:

Amount Due

**\$126.10**

Amount Paid

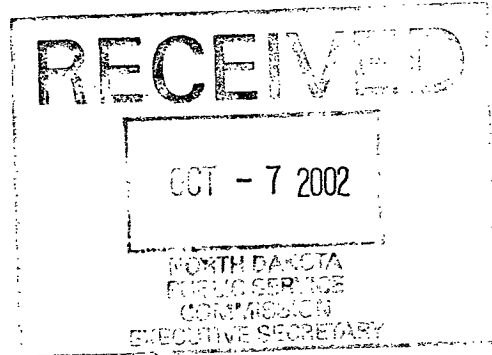
Voice: 328-4076

*Please detach and return this portion with your payment*

Public Service Commission Invoice # 02101PP0-16698-5171

Ad Size	Rate Type	Rate	Total	Discount (%)	Caption	Page	Run Date
<b>Watford City McKenzie County Farmer (Watford City ND)</b>							
96.00	SPR3	0.64	61.44	0.00	Missouri Val...Reserva		10/02/02
<b>Williston Herald (Williston ND)</b>							
1.00	Special	64.66	64.66	0.00	Missouri Val...Reserva		10/02/02

Gross Advertising	126.10	Total Misc	0.00	Amount Paid	0.00
Agency Discount		Tax	0.00	Adjustments	0.00
Other Discount	0.00	Total Billed	126.10	Payment Date	
Service Charge	0.00	Unbilled	0.00	Balance Due	126.10



**6 PU-2779-02-451** Pages: 1  
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**9 PU-2779-02-452** Pages: 1  
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**9 PU-427-02-454** Pages: 1  
Affidavit of Publication  
by North Dakota Advertising Service, Inc.  
10/07/2002 CC: Comm Legal Illona Jerry .

STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Case No. PU-2779-02-451

Missouri Valley Communications, Inc.  
Local Exchange  
Public Convenience and Necessity

Case No. PU-2779-02-452

Reservation Telephone Cooperative  
Designated Eligible Carrier  
Application

Case No. PU-427-02-453

Reservation Telephone Cooperative  
Local Exchange  
Public Convenience and Necessity

Case No. PU-427-02-454

**AFFIDAVIT OF SERVICE BY CERTIFIED AND ORDINARY MAIL**

STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH

**Sharon Helbling** deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **26th day of September, 2002**, she deposited in the United States Mail, Bismarck, North Dakota, **three** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and each containing a photocopy of:

**Notice of Hearing**

The envelopes were addressed as follows:

Patrick W Durick  
Pearce & Durick  
P O Box 400  
Bismarck ND 58502-0400  
**Cert. No. 7099 3220 0002 8483 3032**

Richard Thronson  
Missouri Valley Communications Inc  
P O Box 600  
Scobey MT 59263-0600  
**Cert. No. 7099 3220 0002 8483 3049**

Royce Aslakson  
Reservation Telephone Cooperative  
P O Box 68  
Parshall ND 58770  
**Cert. No. 7099 3220 0002 8483 3056**

**5** **PU-2779-02-451**

Pages: 16

Affidavits of Service

by Public Service Commission

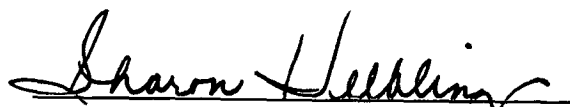
09/26/2002

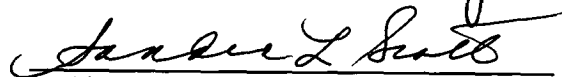
CC: Comm Legal Ilona Jerry .

Each address shown is the respective addressee's last reasonably ascertainable post office address.

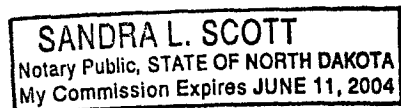
Subscribed and sworn to before me  
this **26th day of September, 2002.**

SEAL





Notary Public



STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application

Case No. PU-2779-02-451

Missouri Valley Communications, Inc.  
Local Exchange  
Public Convenience and Necessity

Case No. PU-2779-02-452

Reservation Telephone Cooperative  
Designated Eligible Carrier  
Application

Case No. PU-427-02-453

Reservation Telephone Cooperative  
Local Exchange  
Public Convenience and Necessity

Case No. PU-427-02-454

**AFFIDAVIT OF SERVICE BY ORDINARY AND ELECTRONIC MAIL**

STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH

Sharon Helbling deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **26th day of September, 2002**, she deposited in the United States Mail, Bismarck, North Dakota, envelopes by first class mail, fully prepaid, securely sealed, each containing a photocopy of:

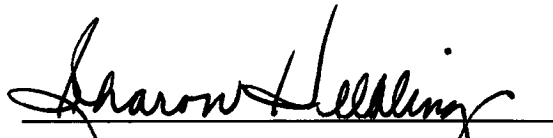
**Notice of Hearing**

The envelopes were addressed as follows:

***See Attached List***

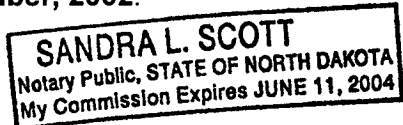
Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me  
this **26th day of September, 2002**.

  
\_\_\_\_\_

  
\_\_\_\_\_

Notary Public



SEAL

wbrudvik@ohnstadlaw.com  
William Brudvik

donlee@martin-associates.com  
Don Lee

jlchapman@acomminc.com  
Jerry Chapman  
Acomm Inc  
510 1st Ave N Ste 203  
Minneapolis MN 55403-0343

Advanced Telcom Inc  
19 Old Courthouse Sq  
Santa Rosa CA 95404-4920

jbrowne@lga.att.com  
Janet Browne  
AT&T  
1875 Lawrence St 14th Fl  
Denver CO 80202

smassey@bepc.com  
Sheryl Massey  
Basin Electric Power Coop  
1717 E Interstate Ave  
Bismarck ND 58501-0564

jtmgr@bektel.com  
Jerome Tishmack  
BEK Communications Cooperative  
PO Box 230  
Steele ND 58482-0230

jtmgr@bektel.com  
Jerome Tishmack  
BEK Communications I Inc  
PO Box 230  
Steele ND 58482-0230

C12 Inc  
200 Galleria Pkwy Ste 1200  
Atlanta GA 30339

Citizens Telecomm Co of Minnesota  
3 High Ridge Park  
Stamford CT 06905

Citizens Telecomm Co of ND  
3 High Ridge Pk  
Stamford CT 06905

ltade@czn.com  
Lance Tade  
Citizens Telecomm of ND

Daniel L Barth  
Comm South Companies Inc  
6830 Walling Ln  
Dallas TX 75231-7204

Computer Integrated Communications Inc  
8502 Bells Mill Rd  
Potomac MD 20854-4071

mannawiz@pacbell.net  
Larry Manna  
Compuwiz  
1012 Industrial Blvd  
South Lake Tahoe CA 96150

sheba.chacko@btna.com  
Sheba Chacko  
Concert Communications Sales LLC  
11911 Freedom Dr 11th Fl  
Reston VA 20190

Consolidated Telcom  
PO Box 1077  
Dickinson ND 58601-1077

ken@consolidatedtelcom.com  
L Dan Wilhelmson  
Consolidated Telcom  
PO Box 1077  
Dickinson ND 58601-1077

Robert Hill  
Daktel Communications LLC  
P O Box 299  
Carrington ND 58421-0299

Dave Dircks  
DCN LLC  
P O Box 180  
Devils Lake ND 58301-0180

drtc@drtel.net  
Darren Moser  
Dickey Rural Telephone Cooperative  
PO Box 69  
Ellendale ND 58436-0069

bgipson@vartec.net  
Becky Gipson  
eMeritus Communications Inc  
1600 Viceroy Dr  
Dallas TX 75235

Essex Communications Inc  
543 Main St  
New Rochelle NY 10801-7214

bgipson@vartec.net  
Becky Gipson  
Excel Telecommunications Inc  
1600 Viceroy Dr  
Dallas TX 75235

paul@consolidatedtelcom.com  
Paul Schuetzler  
Consolidated Telcom  
PO Box 1077  
Dickinson ND 58601-1077

Contact Communications  
937 W Main St  
Riverton WY 82501

mjrasher@msn.com  
Mary Jane Rasher  
DCI Group

Dickey Rural Services Inc  
P O Box 69  
Ellendale ND 58436

DIECA Communications Inc  
3420 Central Expy  
Santa Clara CA 95051-0703

Regulatory Dept  
Essential.com Inc  
5 Bragdon Ln Ste 200  
Kennebunk Me 04043

Evercom Systems Inc  
8201 Tristar Dr  
Irving TX 75063-2824

Dave Waters  
Fairpoint Communications Solutions  
521 E Morehead St Ste 250  
Charlotte NC 28202-2695

meredith.gifford@gecapital.com  
Meredith Gifford  
GE Business Productivity Solutions Inc  
6540 Powers Ferry Rd  
Atlanta GA 30339

glenn.richards@shawpittman.com  
Glenn Richards  
Glenn Richards  
ShawPittman  
2300 N St NW

Global Tel\*Link Corporation  
2609 Cameron St  
Mobile AL 36607

Global Telelink Services Inc  
1455 Old Alabama Rd Ste 100  
Roswell GA 30076-2134

cooperstown@mlgc.com  
Ray Brown  
Griggs County Telephone Company  
Cooperstown ND 58425

rilaqua@rrv.net  
Ronald Laqua  
Halstad Telephone Company  
PO Box 55  
Halstad MN 56548-0055

hold@texas.net  
Dana Wilson  
Home Owners Long Distance Inc  
8647 Wurzbach Rd #M-1  
San Antonio TX 78240-1245

HTC Services Inc  
P O Box 55  
Halstad MN 56548

Julia Waysdorf  
ICG Telecom Group Inc  
161 Inverness Dr W  
Englewood CO 80112

carl.billek@corp.idt.net  
Carl Billek  
IDT America, Corp.  
520 Broad St 7th Fl  
Newark NJ 07102

jamie@ignus.com  
Jamie Kubik  
Ignus Inc  
P O Box 9202  
Fargo ND 58106-9202

karen.johnson@integratelecom.com  
Karen Johnson  
Integra Telecom of North Dakota Inc  
19545 Von Neumann Dr Ste 200  
Beaverton OR 97006-6902

kander@ictc.com  
Keith Anderson  
Inter-Community Telephone Co  
PO Box 8  
Nome ND 58062-0008

kander@ictc.com  
Keith Anderson  
Inter-Community Telephone Co. II  
PO Box 8  
Nome ND 58062-0008

Intrado Communications Inc  
6285 Lookout Rd  
Boulder CO 80301

Neil Schmid  
Ionex Communications North Inc  
15305 Dallas Pkwy Ste 1500  
Addison TX 75001-6768

IPVoice Communications Inc  
14860 Montfort Dr Ste 210  
Dallas TX 75254-6772

anewell@jato.net  
Andrew R Newell  
JATO Operating Two Corp  
600 17th St Ste 18005  
Denver CO 80202-5441

Local Telcom Holdings LLC  
485 Madison Ave 15th Fl  
New York NY 10022-5803

Steven Katka  
Loretel Systems Inc  
13 E 4th Ave  
Ada MN 56510

Michel Murray  
MCI WorldCom Inc  
707 17th St Ste 3600  
Denver CO 80202

wheaston@mcleodusa.com  
William Heaston  
McLeodUSA  
P O Box 3177  
Cedar Rapids IA 52406-3547

knations@mmfn.com  
Karen Nations  
Metromedia Fiber Network Services Inc  
360 Hamilton Ave  
White Plains NY 10601

sbunn@mlgc.com  
Shelie Bunn  
Moore & Liberty Telephone Co  
Enderlin ND 58027

James Valley Coop Telephone Co  
P O Box 69  
Ellendale ND 58436-0069

KMC Telecom V Inc  
1545 Rt 206  
Bedminster NJ 07921

barbara.loscalzo@lmco.com  
Barbara Loscalzo  
Lockheed Martin Global Telecomm  
2339 Route 70 West  
Cherry Hill NJ 08002

susan.a.travis@wcom.com  
Susan Travis  
MCI Worldcom  
201 Spear St 9th Fl  
San Francisco CA 94105

McKenzie Consolidated Telecom LLC  
P O Box 1140  
Watford City ND 58854-1140

Amy Ibis  
McLeodUSA  
5100 S McLeod Ln  
Sioux Falls SD 57108-2207

gerrya@midrivers.com  
Gerry Anderson  
Mid-Rivers Telephone Coop Inc  
PO Box 280  
Circle MT 59215-0280

hfuglest@ndarec.com  
Harlan Fugelsten  
ND Assn Rural Electric Coops  
PO Box 727  
Mandan ND 58554-0727

dhill@ndarec.com  
Dennis Hill  
ND Assn Rural Electric Coops  
PO Box 727  
Mandan ND 58554-0727

jsilveira@netlojix.com  
Janet Medeiros-Silveira  
NetLogix Telecom Inc  
501 Bath St  
Santa Barbara CA 93101

New Edge Network Inc  
3000 Columbia House Blvd Ste 106  
Vancouver WA 98661

rer@norlight.com  
Robert E Rogers  
NorLight Inc  
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**Helbling, Sharon D.**

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**From:** Helbling, Sharon D.  
**Sent:** Thursday, September 26, 2002 8:33 AM  
**To:** ndna (E-mail)  
**Subject:** Attached Notice of Hearings

**Colleen Park  
North Dakota Newspaper Associatio**

**Colleen:**

**Please have the attached Notice of Hearings published as a legal publication in the next issue of the Williston Herald and the McKenzie County Farmer. Please run this as a "News Item Only" article as well.**

**Send the bill to the Public Service Commission, along with a tear sheet for billing purposes.**

**If you have any questions, please call me at 701-328-4076.**

**Thank you.**

**Sincerely,**

**Sharon Helbling  
Public Utilities Division**



1.doc

**4** **PU-2779-02-451** Pages: 1

Notice e-mailed to NDNA requesting  
publication  
by Public Service Commission

09/26/2002

CC: Comm Legal Ilona Jerry

**APPROVED**

DATE: 9-25-02  
KMF

**MOTION**

**September 25, 2002**

**Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application**

**Case No. PU-2779-02-451**

**Missouri Valley Communications, Inc.  
Local Exchange  
Public Convenience and Necessity**

**Case No. PU-2779-02-452**

**Reservation Telephone Cooperative  
Designated Eligible Carrier  
Application**

**Case No. PU-427-02-453**

**Reservation Telephone Cooperative  
Local Exchange  
Public Convenience and Necessity**

**Case No. PU-427-02-454**

I move the Commission issue a Notice of Hearing in the captioned applications for certificates of public convenience and necessity to provide incumbent local exchange telecommunications service and for designation as eligible telecommunications carriers as follows: Missouri Valley Communications, Inc. for the Williston exchange; and Reservation Telephone Cooperative for the Alexander and Watford City exchanges.

JRL/sdh

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Missouri Valley Communications, Inc.  
Designated Eligible Carrier  
Application**

**Case No. PU-2779-02-451**

**Missouri Valley Communications, Inc.  
Local Exchange  
Public Convenience and Necessity**

**Case No. PU-2779-02-452**

**Reservation Telephone Cooperative  
Designated Eligible Carrier  
Application**

**Case No. PU-427-02-453**

**Reservation Telephone Cooperative  
Local Exchange  
Public Convenience and Necessity**

**Case No. PU-427-02-454**

**NOTICE OF HEARINGS**

**September 25, 2002**

On August 23, 2002, Missouri Valley Communications, Inc. (MVCI), a subsidiary of Nemont Telephone Cooperative, Inc. of Scobey, Montana, filed an application for a certificate of public convenience and necessity to provide facilities-based incumbent local exchange telecommunications services in the Williston exchange, Case No. PU-2779-02-452. MVCI also requests designation as an Eligible Telecommunications Carrier (ETC) for receiving federal universal service support for the Williston exchange, Case No. PU-2779-02-451.

Also on August 23, 2002, Reservation Telephone Cooperative (RTC) of Parshall, North Dakota filed an application for certificates of public convenience and necessity to provide facilities-based incumbent local exchange telecommunications services in the exchanges of Alexander and Watford City, North Dakota, Case No. PU-427-02-454. RTC also requests ETC designation for the Alexander and Watford City exchanges, Case No. PU-427-02-453.

Each applicant reports entering into an agreement for the purchase of assets of Citizens Telecommunications Company of North Dakota (CTC) relating to the provision of telecommunications services in the respective exchanges for which each applicant requests authority. The applicants state that as of the closing date of the transactions CTC intends to cease providing service in these exchanges and each applicant intends to begin providing service in each respective exchange.

**A public hearing** in Case Nos. PU-427-02-453 and PU-427-02-454 will be held beginning **October 22, 2002 at 10 a.m. CDT (9 MDT) at the Watford City Hall**, Heritage Room, 213 2nd Street NE, Watford City, North Dakota.

**A public hearing** in Case Nos. PU-2779-02-451 and PU-2779-02-452 will be held beginning **October 22, 2002 at 2 p.m. CDT (1 MDT) in the Williams County Courthouse**, Memorial Room, 205 East Broadway, Williston, North Dakota.

The issues to be considered in these matters are:

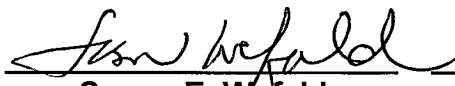
1. Fitness and ability of each applicant to provide service.
2. Adequacy of the proposed service.
3. The technical, financial and managerial ability of each applicant to provide service.
4. Qualification of each applicant under the Telecommunications Act of 1996, Section 214(e) for designation as an ETC eligible to receive federal universal service funding.
5. What ETC universal service support area should be designated for each applicant.

Anyone wishing to be heard regarding these proceedings will be given an opportunity at the hearings. Anyone wishing to become a party to the proceedings must file a petition to intervene with the Commission under N.D. Admin. Code Section 69-02-02-05.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400; or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials please notify Jon Mielke, Executive Secretary at least 24 hours prior.

#### **PUBLIC SERVICE COMMISSION**

  
Anthony T. Clark  
Commissioner

  
Susan E. Wefald  
President

  
Leo M. Reinbold  
Commissioner

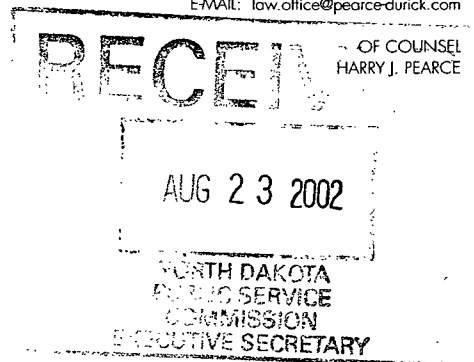
# PEARCE & DURICK

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August 23, 2002

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Public Service Commission  
State of North Dakota  
12<sup>th</sup> Floor  
Capitol  
600 East Boulevard Avenue  
Bismarck, ND 58505-0480

Re: Application of Missouri Valley Communications, Inc. for Certificate of Public Convenience and Necessity and Expansion of Missouri Valley Communications, Inc.'s Eligible Telecommunications Carrier Designated Geographical Service Area.

Dear Sir:

Enclosed for filing please find an original and seven copies of an Application of Missouri Valley Communications, Inc. for Certificate of Public Convenience and Necessity and Expansion of Missouri Valley Communications, Inc.'s Eligible Telecommunications Carrier Designated Geographical Service Area and an Affidavit in support thereof. After the documents are filed, please return to me a file stamped copy of the Application and the Affidavit. The signature on the affidavit is by facsimile transmission and I will file the original of the signature when I receive it.

Thank your for your attention to this matter. If you have any questions or comments please advise me.

Sincerely,

PEARCE & DURICK

  
PATRICK W. DURICK

PWD/jf

Enclosures.

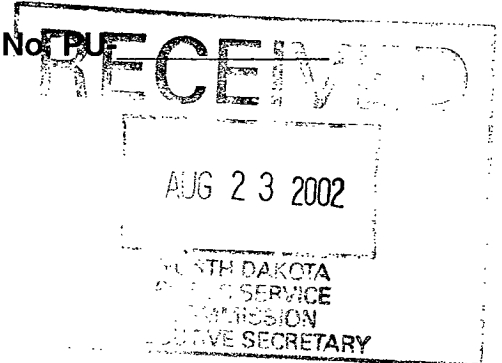
cc: Richard J. Thomson  
Kathy Greenwood  
Steve Metts  
Matt Knierim  
Kevin Saville  
Royce S. Aslakson  
Shane Hart

**STATE OF NORTH DAKOTA**

**PUBLIC SERVICE COMMISSION**

**Application of Missouri Valley Communications, Inc.  
for Certificates of Public Convenience and Necessity  
and Expansion of Missouri Valley  
Communications, Inc.'s Eligible Telecommunications  
Carrier Designated Geographical Service Area**

Case No. PU



**APPLICATION**

**I.**

Missouri Valley Communications, Inc., (hereinafter, "MVCI"), a North Dakota business corporation, has been incorporated to engage in the business of providing local exchange telecommunications service, exchange access and other telecommunications activities for the Williston exchange (PC&N No. 4601). MVCI is a subsidiary of Nemont Telephone Cooperative, Inc. (hereinafter, "Nemont"). Nemont is a Montana corporation which provides local exchange telecommunications service, exchange access service and other telecommunications activities in Montana and North Dakota.

**II.**

Citizens Telecommunications Company of North Dakota (hereinafter, "CTC"), a Delaware corporation, under a Certificate of Public Convenience and Necessity issued by the Commission, is engaged in the business of providing local exchange telecommunications service, exchange access, and other telecommunications services in the following exchange: Williston (PC&N No. 4601).

**III.**

CTC and MVCI have entered into a purchase and sale agreement dated July 26, 2002, for the purchase and sale of CTC's current assets and facilities relating to the provision of local exchange telecommunications service, exchange access, and other telecommunications services in the Williston exchange. As of the closing date of said transaction (anticipated for early 2003) (hereinafter, the "Closing Date"), CTC intends to cease doing business as a provider of local exchange telecommunications service and exchange access in the Williston exchange. In addition, as of the Closing Date, MVCI intends to engage in the business of providing local exchange telecommunications service, exchange access, and other telecommunications activities in the Williston exchange.

IV.

CTC wishes to relinquish its Certificate of Public Convenience and Necessity No. 4601 for the Williston exchange issued by the Commission on October 31, 2000, effective as of the Closing Date.

V.

Effective as of the Closing Date, CTC wishes to contract its designated geographical service area to no longer include the Williston exchange, and MVCI wishes to be designated by the Commission as an eligible telecommunications carrier to receive universal service support under §§ 214 and 254 of the Federal Communications Act of 1934, as amended by the Federal Telecommunications Act of 1996 (hereinafter, the "1996 Act"), with a designated geographical service area to include the Williston exchange, for purposes of determining universal service obligations and support mechanisms under the 1996 Act.

VI.

All subscribers served by CTC in the Williston exchange prior to the Closing Date will be served by MVCI beginning on the Closing Date. MVCI intends to charge the same rates for basic local service in the Williston exchange as CTC is currently charging its subscribers in said exchange.

VII.

There is a clear need for continuing quality telecommunications services in the Williston exchange. The relinquishment of CTC's Certificates of Public Convenience and Necessity will have no effect on other public utilities providing similar services. MVCI has the technical, financial, and managerial fitness and ability to provide adequate essential and nonessential telecommunications services in the Williston exchange. The technical fitness and ability of MVCI to provide services in the Williston exchange will be facilitated by MVCI's purchase of the assets that CTC is currently using to provide such services in the Williston exchange. The provision of adequate essential and nonessential telecommunications services in the Williston exchange will be facilitated and supported by the full current technical and financial capabilities of MVCI, and by the full current technical and financial capabilities of MVCI's parent, Nemont. MVCI will be managed by the same core group of people that are currently managing Nemont. Nemont has been providing telecommunication services since 1950 and currently serves over 6,700 access lines, of which 255 are in North Dakota. Nemont has two wholly-owned subsidiaries, Project Telephone Company which serves over 6,200 access lines in Montana and Wyoming, and Valley Telecommunications, Inc. which serves over 7,800 access lines in northeastern Montana. Nemont and its subsidiaries have provided telephone service in North Dakota, Montana and Wyoming

for over 50 years and have demonstrated that they have the technical, financial, and managerial fitness and ability to provide adequate essential and nonessential telecommunications services in the Williston exchange.

VIII.

Beginning on the Closing Date, MVCI will offer all services that are supported by federal universal service support mechanisms under § 254(c) of the 1996 Act and 47 C.F.R. §§ 54.101 and 54.401, using a combination of its own facilities and resale of other carriers' services, and will advertise the availability of such services and the charges therefore using media of general distribution, throughout Williston.

IX.

The Commission has: (1) authority under N.D.C.C. § 49-21-01.7(7) to act upon applications dealing with certificates of public convenience and necessity; and (2) authority under N.D.C.C. § 49-21-01.7(13) to designate geographic service areas for designated eligible telecommunications carriers for the purpose of determining universal service obligations and support mechanisms under the 1996 Act.

X.

WHEREFORE, CTC hereby applies to: (1) contract its designated geographical service area to no longer include the Williston exchange, pursuant to N.D.C.C. § 49-21-01.7(13), effective as of the Closing Date; and (2) relinquish its Certificate of Public Convenience and Necessity No. 4601, effective as of the Closing Date, pursuant to N.D.A.C. § 69-09-05-11(6).

XI.

WHEREFORE, MVCI hereby applies to the Commission, pursuant to N.D.C.C. Ch. 49-03.1 and N.D.A.C. § 69-09-05-11, for Certificates of Public Convenience and Necessity for the Williston exchange, effective as of the Closing Date.

XII.

WHEREFORE, MVCI hereby applies to the Commission for designation as an eligible telecommunications carrier to receive universal service support under § 214 and § 254 of the 1996 Act, and under N.D.C.C. § 49-21-01.7(12).

XIII.

WHEREFORE, MVCI hereby applies to the Commission for designation of its geographic service area for the purpose of determining universal service obligations





**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Application of Missouri Valley Communications, Inc.      Case No. PU-  
for Certificate of Public Convenience and Necessity  
and Expansion of Missouri Valley Communications Inc.'s  
Eligible Telecommunications Carrier Designated  
Geographical Service Area**

**AFFIDAVIT**

STATE OF MONTANA            )  
  ) ss.  
COUNTY OF DANIELS         )

Richard J. Thronson, the General Manager of Missouri Valley Communications, Inc., of Nemont Telephone Cooperative, Inc., and of Valley Telecommunications, Inc., being first duly sworn, affirms the following statement of facts, in support of the application of Missouri Valley Communications, Inc. for certificates of public convenience and necessity, designation of Missouri Valley Communications, Inc. as an eligible telecommunications carrier, and designation of Missouri Valley Communications, Inc.'s eligible telecommunications carrier geographical service area.

**I.**

Missouri Valley Communications, Inc. (hereinafter, "MVCI"), a North Dakota business corporation, has been formed to engage in the business of providing local exchange telecommunications service, exchange access and other telecommunications activities. MVCI is a subsidiary of Nemont Telephone Cooperative, Inc. and Valley Telecommunications, Inc. Valley Telecommunications Inc. is a wholly-owned subsidiary of Nemont Telephone Cooperative, Inc.

**II.**

Citizens Telecommunications Company (hereinafter "CTC") and MVCI have entered into a purchase and sale agreement dated July 26, 2002, for the purchase and sale of CTC's current assets and facilities relating to the provision of local exchange telecommunications service, exchange access, and other telecommunications services in the Williston exchange. As of the closing date of said transaction (anticipated for early 2003) (hereinafter, the "Closing Date"), CTC intends to cease doing business as a provider of local exchange telecommunications service and exchange access in the Williston exchange. In addition, as of the Closing Date, MVCI intends to engage in the business of providing local exchange telecommunications service, exchange access, and other telecommunications activities in the Williston exchange.

III.

Effective as of the Closing Date, CTC wishes to contract its designated geographical service area to no longer include the Williston exchange, and MVCI wishes to be designated by the North Dakota Public Service Commission (hereinafter, the "Commission") as an eligible telecommunications carrier to receive universal service support under §§ 214 and 254 under the federal Communications Act of 1934, as amended by the federal Telecommunications Act of 1996 (hereinafter, the "1996 Act"), with a designated geographical service area that includes the Williston exchange, for purposes of determining universal service obligations and support mechanisms under the 1996 Act.

IV.

All subscribers served by CTC in the Williston exchange prior to the Closing Date will be served by MVCI beginning on the Closing Date. MVCI intends to charge the same rates for basic local service in the Williston exchange as Citizens is currently charging its subscribers in said exchanges.

V.

There is a clear need for continuing quality telecommunications services in the Williston exchange. The relinquishment of CTC's Certificates of Public Convenience and Necessity will have no effect on other public utilities providing similar services. MVCI has the technical, financial, and managerial fitness and ability to provide adequate essential and nonessential telecommunications services in the Williston exchange. The technical fitness and ability of MVCI to provide services in the Williston exchange will be enhanced and facilitated by MVCI's purchase of the assets that CTC is currently using to provide such services in the Williston exchange. The provision of adequate essential and nonessential telecommunications service in the Williston exchange will be facilitated and supported by the full current technical and financial capabilities of MVCI, and by the full current technical and financial capabilities of MVCI's parents, Nemont Telephone Cooperative, Inc. and Valley Telecommunications, Inc. MVCI will be managed by the same core group of people that are currently managing Nemont Telephone Cooperative, Inc. and Valley Telecommunications, Inc.

VI.

Beginning on the Closing Date, MVCI will offer all services that are supported by federal universal service support mechanisms under § 254(c) of the 1996 Act and 47 C.F.R. §§ 54.101 and 54.401, using a combination of its own facilities and resale of other carriers' services, and will advertise the availability of such services and the charges therefore using media of general distribution, throughout all of the following exchanges: Williston

VII.

As required by N.D.A.C. § 69-09-05-11: attached and hereby incorporated by reference are the following exhibits: Exhibit "A" - Articles of Incorporation of MVCI, as filed with the North

Dakota Secretary of State on June 21, 2002; and Exhibit "B" – Certificate of Incorporation of MVCI, issued by the North Dakota Secretary of State on June 25, 2002.

VIII.

The applicant has recently been formed and has not yet been capitalized. As evidence of the ability of MCVI to undertake the technical, financial and managerial commitments which would result from the granting of a certificate hereunder the following information is provided:

a. Attached hereto as Exhibit "C" is a copy of a \$20,000,000.00 commitment from Rural Telephone Finance Cooperative ("RTFC"). The commitment fee of \$40,000.00 has been paid as evidenced by the check attached hereto as Exhibit "D" which has been mailed to RTFC. The Commitment is conditioned upon MVCI having capitalization of \$8,200,000.00 in common equity and a management agreement approved by RUS between MVCI and either Valley Telecommunications, Inc. or Nemont Telephone Cooperative, Inc. The commitment of RTFC and the equity investment of Nemont will provide ample financial resources for MVCI to purchase and operate the Williston Exchange.

b. Nemont Telephone Cooperative, Inc. ("Nemont") has the financial resources necessary to fund the necessary equity investment in MVCI and fully intends to make such investment. Attached hereto and marked as Exhibit "E" is a copy of the Nemont Telephone Cooperative, Inc., Consolidated Financial Statements, Years Ended December 31, 2001 and 2000.

c. The management agreement between Nemont and MVCI is in the process of being finalized and such agreement will commit Nemont to providing the necessary managerial and technical resources to operate the facilities covered by the certificate applied for herein. A copy of a draft of the proposed management agreement is marked as Exhibit "F" and attached hereto. As stated in Nemont's application herein, Nemont is a Montana corporation which provides local exchange telecommunications service, exchange access service and other telecommunications activities in Montana and North Dakota.

The affiant is the General Manager of Applicant Missouri Valley Communications, Inc, Inc., of Nemont Telephone Cooperative, Inc, and of Valley Telecommunications, Inc, and affirms the truth of the foregoing statement of facts based on his first-hand knowledge.

Dated this 23 day of August, 2002.

  
RICHARD J. THRONSON

SUBSCRIBED AND SWORN to before me this 23 day of August, 2002.



Mary Harrington, Notary Public  
For the State of Montana  
My commission expires: Aug. 4, 2003

**EXHIBIT "A"**  
**Articles of Incorporation of MVCI**



NORTH DAKOTA BUSINESS OR FARMING CORPORATION ARTICLES OF INCORPORATION SECRETARY OF STATE SFN 16812A (16812 + 7974) (5-00)

FOR OFFICE USE ONLY

ID# WO# Filed By

FILING FEES

Filing 30.00
Consent of Registered Agent 10.00
Minimum License Fee 50.00
Additional License Fees: (Equal to \$10.00 for every additional \$10,000 in excess of \$50,000)

ATTACHMENTS

Registered Agent Consent: The Articles of Incorporation must be accompanied by a signed consent of the registered agent. Initial report for farming or ranching required of corporations engaged in farming or ranching.

SEE REVERSE SIDE FOR FEES, FILING AND MAILING INSTRUCTIONS

The undersigned natural persons of the age of eighteen years or more, acting as incorporators, adopt the following Articles of Incorporation according to:

- (check one) [X] North Dakota Business Corporation Act (North Dakota Century Code, Chapter 10-19.1)
[ ] North Dakota Corporate or Limited Liability Company Farming Act (North Dakota Century Code, Chapter 10-06.1)

Article 1. Name of Corporation: Missouri Valley Communications, Inc.

Article 2.A. Name of Registered Agent: Jonathan P. Sanstead
B. Federal ID/Social Security # of Registered Agent: 501-78-3687

C. Complete Address of Registered Agent (Street/RR, PO Box, City, State, Zip + 4) May not be only a post office box.
314 E. Thayer Avenue, Bismarck, ND 58501

Article 3. The corporation shall be effective: [X] When filed with the Secretary of State
[ ] Later on (month, day, year)

Article 4. Purposes for which the Corporation is organized are general business purposes. OR:

Article 5.A. Aggregate number of shares the corporation has authority to issue: 1,000
B. Par value per share authorized by corporation: None

Table with 3 columns: Class, # of Shares, Par Value per share. Row 1: Class, # of Shares, Par Value per share

Article 6. Other provisions elected for inclusion: None

Article 7. The name and address of each incorporator:

Table with 7 columns: NAME, Street/RR, PO Box, City, State, Zip + 4. Row 1: Richard Thronson, P.O. Box 600, Scobey, MT, 59263

"The above named incorporators, have read the foregoing Articles of Incorporation, know the contents, and believe the statements made therein to be true.

Richard J. Thronson 6/21/02
Original Signature Date Original Signature Date

Original Signature Date Original Signature Date

Name of person to contact about these articles: Jonathan P. Sanstead, Pearce & Durick
Daytime telephone #: 701-223-2890



**REGISTERED AGENT  
CONSENT TO SERVE**  
SECRETARY OF STATE  
SFN 16812A (7974 + 16812) (5-00)

FOR OFFICE USE ONLY

ID #	
File #	
WO #	
Filed	By

SEE REVERSE SIDE FOR FILING AND MAILING INSTRUCTIONS

**1. FILING FEE: \$10.00**

TYPE OR PRINT LEGIBLY

2. Name of the organization for which the registered agent is to serve (corporation, limited liability company, limited liability partnership, limited partnership, limited liability limited partnership or real estate investment trust)

Missouri Valley Communications, Inc.

3. Name of the registered agent

Jonathan P. Sanstead

4. Registered agent is (Check one)


- An individual North Dakota resident
- A corporation
- A limited liability company
- A limited liability partnership

5. Federal ID # or social security # of registered agent

501-78-3687

6. An individual appointed as registered agent must sign a consent to serve in that capacity. When a corporation, a limited liability company, or limited liability partnership is named as registered agent, an officer or someone authorized by the organization may sign on behalf of the corporation, limited liability company, or limited liability partnership.

"The undersigned, as the newly appointed registered agent, agrees to act as the registered agent for this organization until a change, or resignation, is submitted to the Secretary of State under the provisions of North Dakota law."

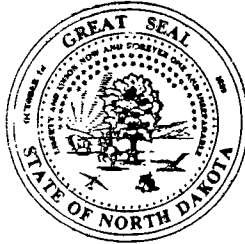
  
Original signature of registered agent

6/21/02  
Date

**EXHIBIT "B"**  
**Certificate of Incorporation of MVCI**

# *State of North Dakota*

## SECRETARY OF STATE



### CERTIFICATE OF INCORPORATION

OF

MISSOURI VALLEY COMMUNICATIONS, INC.

The undersigned, as Secretary of State of the State of North Dakota, hereby certifies that Articles of Incorporation for the incorporation of

MISSOURI VALLEY COMMUNICATIONS, INC.

duly signed and verified pursuant to the North Dakota statutes governing a North Dakota BUSINESS CORPORATION, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation to

MISSOURI VALLEY COMMUNICATIONS, INC.

Effective date of incorporation: June 25, 2002

Issued: June 25, 2002

A handwritten signature in cursive script that reads "Alvin A. Jaeger".

Alvin A. Jaeger  
Secretary of State

HARD COPY OF Tapes - Disk

DOCKET SEQUENCE NO. \_\_\_\_\_

EXHIBIT \_\_\_\_\_

CASE NO. PU-2779-02-452

ON FILE IN

STATE ARCHIVES

CONTROL NUMBER: 80051

PX-2779-02-451; PX-2779-02-452 (M) PM (S)

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <span style="float: right;">DEC 10 2002</span>  <input checked="" type="checkbox"/> Agent  <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <span style="float: right;">C. Date of Delivery</span>            Roger P. ... <span style="float: right;">12-15-02</span></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes            If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:            Patrick W Durick            Pearce &amp; Durick            PO Box 400            Des Moines IA 50312-0400</p>	<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) <span style="float: right;">7001 1940 0005 3425 2238</span></p>	
<p>PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-2509            04609+0400</p>	

PX-2779-02-451; PX-2779-02-452 (M) PM (S)

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <span style="float: right;">DEC 10 2002</span>  <input checked="" type="checkbox"/> Agent  <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <span style="float: right;">C. Date of Delivery</span>            Valerie Landreger <span style="float: right;">12-10-02</span></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes            If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:            Richard Johnson            Missouri Valley Communications            PO Box 600            Selby Mt 59263-0600</p>	<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) <span style="float: right;">7001 1940 0005 3425 2245</span></p>	
<p>PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-2509</p>	