

TC97-124

KC/TS

DOCKET NO. TC97-124

In the Matter of

IN THE MATTER OF THE
APPLICATION OF ELECTRIC
LIGHTWAVE, INC. FOR A
CERTIFICATE OF AUTHORITY TO
PROVIDE TELECOMMUNICATIONS
SERVICES IN SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

DATE	MEMORANDA
7/7 97	Filed and Rejected,
7/10 97	T.C. for Filing,
1/23 98	Indemnity paid,
5/13 98	Order Granting COA,
2/13 98	Reedit Closed



TELECARD REGULATORY SERVICES
JERRY W. HENDRICKS

TC97-124

July 2, 1997

RECEIVED

JUL 07 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

South Dakota Public Utilities Commission
Tammi Hendrix
State Capitol
500 East Capitol Street
Pierre, SD 57501-5070

RE: Application of Electric Lightwave, Inc. for Public Convenience and Necessity

Dear Tammi Hendrix:

Enclosed, please find an original and 10 copies of the application and tariff of Electric Lightwave, Inc. to Resell Telecommunications Services throughout the state of South Dakota along with a check in the sum of \$250.00.

I am also enclosing an additional copy of this letter to be stamped as filed and returned to this office.

If there are any questions or comments concerning this application, please don't hesitate to contact me.

Sincerely,

Rebecca Scribner
Assistant

enclosures

Suite 23
11688 SW Allen Blvd.
Beaverton, Oregon 97005-4849

Telephone: (803) 641-5169
FAX: (803) 643-1872

TC97-124 RECEIVED

JUL 07 1997

BEFORE THE
PUBLIC UTILITY COMMISSION
OF
SOUTH DAKOTA

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the Matter of the Application of)
Electric Lightwave, Inc. for a) Application No. _____
Certificate of Public Convenience & Necessity To)
Operate As A Reseller Of Telecommunications)
Services Within the State of South Dakota)

APPLICATION FOR CERTIFICATE OF AUTHORITY
OF ELECTRIC LIGHTWAVE, INC.

Electric Lightwave, Inc. ("Applicant"), hereby respectfully applies to the South Dakota Public Utility Commission for a Certificate of Public Convenience and Necessity to operate as reseller of intrastate interexchange telecommunications services within the State of South Dakota. Applicant has applied to provide resold long distance services in the states of Arizona, California, Connecticut, Florida, Idaho, Illinois, Massachusetts, Minnesota, Missouri, New York, North Dakota, Ohio, Pennsylvania, South Carolina, Tennessee, Washington and Wyoming and is in the process of filing in the remaining contiguous 48 states. Applicant seeks statewide authority to provide, 1+, business 800, business calling cards, and prepaid calling cards to the general public and to small and large business.

In support of this application Electric Lightwave, Inc. states as follows:

- (1) Applicant is a Corporation formed under the laws of the State of Delaware on July 18, 1990. (Exhibit 1)

- (2) The legal name and address of Applicant and its principal representative are:

Susan McAdams
Vice President, Government Affairs
Electric Lightwave, Inc.
8100 NE Parkway Drive, Suite 150
Vancouver, WA 98662
1-800-354-2780 Customer Service
1-800-662-4354 Maintenance
smcadams@czn.com

- (3) Questions comments and notices concerning this application should be addressed to:

Jerry W. Hendricks
Consultant
Telecard Regulatory Services
11655 SW Allen Blvd., #23
Beaverton, Oregon 97005-4849
(503) 641-5169
FAX (503) 643-1572

- (4) State and Form of Organization, Officers, Directors and Shareholders:

Electric Lightwave, Inc. is a for profit corporation organized under the laws of the State of Delaware on July 18, 1990. A copy of the Articles of Incorporation are attached hereto as Exhibit 1. Evidence of Applicant's authority to transact business as a foreign corporation appears at Exhibit 2. A list of the executive officers, the board of directors, and the principal shareholders of Electric Lightwave, Inc. is attached as Exhibit 3.

(5) Description of Service:

ELI intends to resell intrastate interexchange telecommunications services to end users throughout the State of South Dakota.

Exclusively through resale of other authorized carrier's services, ELI intends to offer the following long distance services to its own customers.

Advantage Switched Long Distance Service

Advantage Switched Long Distance Service is a direct dialed interexchange telecommunications service which utilizes switched access facilities from equal access locations on the originating end of each call.

Advantage Switched Inbound '800' Service

Advantage Switched Inbound '800' Service provides for the routing of inbound 800 interexchange calls to terminating points which utilize switched access facilities, from equal access locations, on the terminating end of each call. Charges for the 800 calls are billed to the ELI customer of Advantage Switched Inbound '800' Service rather than the originating caller.

Advantage Dedicated Long Distance Service

Advantage Dedicated Long Distance Service is a direct dialed interexchange service which utilizes dedicated access facilities on the originating end of each call.

Advantage Dedicated Inbound '800' Service

Advantage Dedicated Inbound '800' Service provides for the routing of inbound 800 interexchange calls to terminating points which utilize dedicated access facilities on the terminating end of each call. Charges for the 800 calls are billed to the ELI customer of Advantage Switched Inbound '800' Service rather than the originating caller.

ELI Travel Card Service

ELI Travel Card Service is a calling card service that allows customers to call to and from anywhere in the United States. Customers dial an 800 number plus their identification code for access and then enter digits for the terminating number.

Directory Assistance Service

Directory Assistance Service provides telephone number information to requesting customers.

ELI Prepaid Phone Card Service

Prepaid Phone Card Service is a product that is neither time of day nor distance sensitive while calling within the United States, that provides prepaid calling card service. This service permits use of a prepaid card for placing long distance call. Users may purchase ELI Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Prepaid Calling Cards are billed in one minute increments.

(6) Competition will be Enhanced by Grant of the Petition

ELI's provision of long distance services in South Dakota will enhance competition by allowing customers another choice of provider in the long distance market. By taking advantage of high volume discounts and reselling such services to end users, ELI will be able to offer a price-competitive alternative to existing carriers. In addition to price, the addition of another carrier gives customers the opportunity to choose a carrier that offers improved customers service options, billing alternatives, and improved service responsiveness. Additional competition also leads to greater efficiencies and more rapid introduction of new technologies.

Granting ELI a Certificate of Public Convenience and Necessity will enhance competition and is in the public interest.

(7) Geographic Area to be Served in South Dakota:

Electric Lightwave, Inc. will offer universal origination and termination throughout the entire State of South Dakota.

(8) Proposed South Dakota Tariff:

Electric Lightwave, Inc. has included an informational tariff for South Dakota which is attached hereto as Exhibit 4.

(9) Financial Qualifications:

Electric Lightwave was established in 1990 to provide telecommunications services in the Western United states. CU Capital Corp. ("CUCC"), a wholly owned subsidiary of Citizens Utilities, owns 100% of Electric Lightwave's preferred and common stock.

Citizen's Utilities, incorporated in 1935, is a diversified growth company providing telecommunications, natural gas, electric, water and waste water treatment services to over 1 million customers in 20 states. Each of the subsidiaries of Citizens Utilities Company receive investment capital and operations funding from Citizens Utilities Company.

Citizens Utilities Company has committed to a) arrange for all capital funding and other financial support necessary for electric Lightwave to provide adequate service to its customers b) to fund any losses sustained by Electric Lightwave, and c) to provide appropriate support to the management of Electric Lightwave to assure its financial and customer service obligations are met.

As of December 31, 1996, Citizens Utilities had approximately \$1.6 billion in shareholder equity. Citizens Utilities had \$1,306,517,000 in revenues and \$178,660,000 in net income for its most recent annual reporting period. Citizens Utilities Company has the resources to fund the operations of each of its subsidiaries through access of national equity and debt markets.

Citizen's Utilities' common stock holds Standard & Poor's highest rating, an "A+". In addition, Citizens' long term debt is rated "AA+" by Standard & Poor's and Fitch Investors, and its commercial paper has Standard & Poor's and Fitch Investors' highest ratings.

The effect of these superior ratings is two fold. First, they allow Citizens Utilities Company and its subsidiaries ready access to debt and equity markets. Second, they provide Citizens Utilities Company, and its subsidiaries, financial capability to pursue and support their various operations.

In summary, Electric Lightwave through the backing of its corporate parent, has the financial capacity to support its business operations in the states where Electric Lightwave owns and operates its own fiber optic networks and to sustain its resale operation in South Dakota and other states.

(10) Technical and Managerial Qualifications:

The Electric Lightwave executives bring to the organization extensive technical and managerial experience which Electric Lightwave will draw on in its day-to-day operations. The combined telecommunications experience of Electric Lightwave's management team will enable Electric Lightwave to provide reliable, quality service to its customers.

David B. Sharkey - President

David B. Sharkey is the President of Electric Lightwave, Inc. ("ELI"). Mr. Sharkey joined ELI in August of 1994. Prior to joining ELI, Mr. Sharkey was Vice President and General Manager of MobileMedia's Atlantic region. Before that, Mr. Sharkey was National Accounts Manager for American Telephone & Telegraph ("AT&T"), managing the sales and service organization in the company's Baltimore office. Prior to joining AT&T, Mr. Sharkey an Account Executive and Industry Consultant with New Jersey Bell Telephone. Mr. Sharkey holds a Bachelor of Science degree from Rutgers University.

Ernest D. Yates - Vice President, Operations

Ernest D. Yates is ELI's Vice President of Operations. Mr. Yates joined ELI in February of 1995, working initially on installation of a DMS 100/200 switch in the Seattle area. Prior to joining ELI, Mr. Yates worked for Southwestern Bell Corporation holding a variety of positions over thirty years. His last position, before joining ELI, was General Manager of Southwestern Bell Paging with responsibilities for sales and operations in Austin and San Antonio, Texas.

Todd T. Hanson - Vice President, Engineering

Todd T. Hanson is ELI's Vice President of Engineering. Mr. Hanson joined ELI in June of 1995. Previously, Mr. Hanson was Vice President of Network Engineering for MFS Telecom. Prior to that, Mr. Hanson was Senior Director of Packet and Frame Relay SMC and Senior Director of Project Management and Access Engineering for Unitel Communications, Inc. Prior to joining Unitel, Mr. Hanson was Manager of FTS-2000 Client Network Engineering for Sprint Corporation. Mr. Hanson holds a Bachelor of Science degree in electrical engineering from the University of Utah and a Masters of Arts degree in Business Management from Webster University.

James Berthot - Vice President, Marketing

James Berthot is Vice President of Marketing for ELI. Mr. Berthot joined ELI in July of 1995. Previously, Mr. Berthot was Director of Marketing and Public Relations for Century Telephone Enterprises. Prior to that, Mr. Berthot was Sales Director for the Information Line. Mr. Berthot was also Sales Manager for AT&T Communications and Divestiture Transition Manager for Southwestern Bell Telephone Company. Mr. Berthot holds a Bachelor of Science degree from Kansas State University and a Masters degree in Business Administration from the University of Missouri.

John Wolff - Vice President, Sales

John Wolff is ELI's Vice President of Sales. Mr. Wolff joined ELI in September 1994. Previously, Mr. Wolff was Vice President and General Manager of MobileMedia's Southwest region. Prior to that, Mr. Wolff was a manager in the sales and marketing organization of AT&T. Before AT&T, Mr. Wolff was a Sales & Marketing Manager for New Jersey Bell Telephone. Mr. Wolff holds a Bachelor of Science degree from Villanova University.

Susan McAdams - Vice President, Government Affairs

Susan McAdams is Vice President of Government Affairs for ELI. Susan McAdams joined ELI in February of 1992. My experience spans a 20-year career in telecommunications policy at federal, state and local levels. Prior to joining ELI, I was a Senior Policy Analyst at the Washington State Utilities and Transportation Commission. Earlier Ms. McAdams held policy positions with the National Telecommunications and Information Administration ("NTIA"), the State of North Carolina, and the National League of Cities, and was a partner in a Los Angeles-based telecommunications consulting firm. She earned a Bachelor of Science degree, awarded magna cum laude, from the University of Washington, and has completed all course work for a Ph.D. in Human Information Processing.

Randall Lis - Vice President, Staff Support

Randall Lis is Vice President of Staff Support for ELI. Mr. Lis joined ELI in February of 1995. Previously, Mr. Lis was General Manager of the Mid-Atlantic region of Nextel Communications. Prior to that, Mr. Lis was Senior Director of Operations for MobileMedia. Mr. Lis holds a Bachelor of Science degree from Wayne State University.

Ellen S. Deutsch - Vice President and General Counsel

Ellen S. Deutsch is Vice President and General Counsel of ELI. Ms. Deutsch joined ELI in 1995. Previously, Ms. Deutsch was Senior Counsel for Citizens Utilities Company. Ms. Deutsch came to Citizens from a partnership at Thelen, Marrin, Johnson & Bridges, a private law firm. Prior to private practice, Ms. Deutsch served as Director of the Office of Policy Analysis and Development at the National Telecommunications and Information Administration ("NTIA"). Earlier, Ms. Deutsch was a legal advisor to a Commissioner at the Federal Communications Commission. Ms. Deutsch has also served as an attorney in the Office of Telecommunications Policy, Executive Office of the President.

(11) Public Convenience and Necessity Does Favor The Granting of Electric Lightwave, Inc.'s Application

Since divestiture of the Bell System, interexchange carriers have become highly visible and very competitive in the marketplace, with such giant market carriers as AT&T, US Sprint and MCI dominating the industry. Many smaller carriers have also evolved by making use of economies and efficiencies of operation, availability of transmission capacity and increasing consumer awareness of alternatives to the traditional provider.

The consuming public is the primary beneficiary of this competition, as it gives long distance carriers the incentive to offer efficient service at competitive rates.

Additionally, in such a competitive marketplace, no provider will survive unless it provides high quality customer and technical services. Simply put an unsatisfied customer has the ability to change to a different provider, and the level of customer

churn in the long distance market today demonstrates that customers are not hesitant to exercise this ability.

Certification of ELI will provide consumers with an additional potential choice among intrastate long distance providers. As the number of competitors increases, so does the incentive for each provider to offer unique services and service packages in the marketplace. For example, to the extent that ELI's customers have branch operations in states in which ELI is a facilities-based competitive local exchange provider, those customers will have the option of attractive service packages combining local and long distance services.

When technology is advancing quickly as it is today, there is more opportunity for innovation. However, the driver of innovation is the search for competitive advantage. Competition will stimulate innovation in communications and encourage the rapid deployment of new telecommunications technologies.

CONCLUSION

Electric Lightwave, Inc. is prepared to offer services upon the granting of this Application. By this application and exhibits, Electric Lightwave, Inc. demonstrates that it has the technical, managerial, and financial resources and ability to conduct this business for the benefit of the public in South Dakota and throughout the United States.

WHEREFORE, for the foregoing reasons, Electric Lightwave, Inc. respectfully requests that this Honorable Commission grant this petition for a Certificate of Public Convenience and necessity to allow it to resell long-distance telecommunications in the State of South Dakota.

Respectfully submitted,

Electric Lightwave, Inc.


By: Susan McAdams, Vice President, Government Affairs

DATED: June 6th, 1997

EXHIBIT 1

Articles of Incorporation are attached hereto.

NEXT

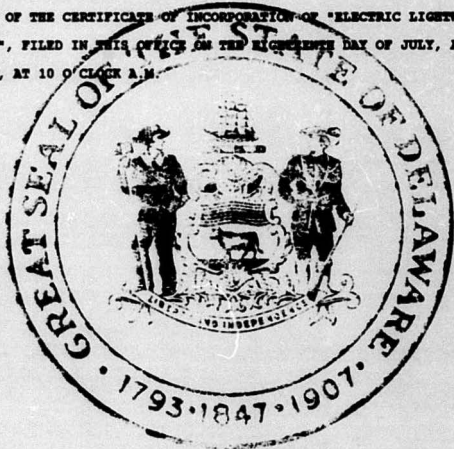
DOCUMENT (S)

DISREGARD

BACKGROUND

State of Delaware
Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "ELECTRIC LIGHTWAVE, INC.", FILED IN THIS OFFICE ON THE NINETEENTH DAY OF JULY, A.D. 1990, AT 10 O'CLOCK A.M.




Edward J. Freel, Secretary of State

2236297 8100
971144548

AUTHENTICATION: 8449495
DATE: 05-02-97

CERTIFICATE OF INCORPORATION
OF
ELECTRIC LIGHTWAVE, INC.

FIRST: The name of the corporation (hereinafter called the "Corporation"), is Electric Lightwave, Inc.

SECOND: The registered office of the Corporation is to be located at 1209 Orange Street, in the City of Wilmington, in the County of New Castle, in the State of Delaware. The name of its registered agent at that address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: (A) The total number of shares of all classes of stock which the Corporation shall have authority to issue is Three Million Seven Hundred and Fifty Thousand (3,750,000), of which One Million Seven Hundred and Fifty Thousand (1,750,000) are to be shares of a class of Preferred Stock, with a par value of \$0.01 per share, and Two Million (2,000,000) are to be shares of a class of Common Stock, with a par value of \$0.01 per share.

(B) A Series of shares of authorized Preferred Stock of the Corporation shall be and the same is hereby created and designated as "Series A Voting Preferred Stock" (such Preferred Stock being sometimes hereinafter in this clause (B)

and rights of the Preferred Stock and qualifications, limitations and restrictions thereof, are hereby fixed in this Certificate of Incorporation, subject to any amendment hereof, and shall be as set forth below:

(1) Designation of the Series. There shall be a series of Preferred Stock to be known as Series A Voting Preferred Stock consisting of One Million Seven Hundred Fifty Thousand (1,750,000) shares of Preferred Stock with a Preferential Amount of \$10.00 per share.

(2) Dividends. The Holders of shares of Preferred Stock shall be entitled to receive and the Corporation shall be required to declare and (if declared in cash) pay from funds legally available therefor dividends computed so as to reflect the accrual of dividends at the rate of 7% per annum based on the Preferential Amount, payable quarterly on January 1, April 1, July 1 and October 1 of each year, commencing October 1, 1990. Partial dividend payments shall accrue and be made pro rata on the basis of a year of 360 days. Such dividends shall be cumulative and shall accrue, whether or not declared, from the date of issue of the shares of the Preferred Stock. Accumulations of unpaid dividends shall not bear interest. Such dividends shall be payable in cash or in additional shares of Preferred Stock valued at \$10.00 per share at the option of the Board of Directors. No dividends may be paid in respect of the Common Stock unless and until dividends are paid in respect

of the Preferred Stock. Furthermore no dividends may be paid in respect of the Common Stock or of any preferred stock of the Corporation which is junior in right to Series A Voting Preferred Stock in dividends and liquidation preference, out of the aggregate capital of the Corporation. No dividends may be paid (except in shares of Preferred Stock) out of the aggregate of the Preferential Amount of shares of Preferred Stock outstanding. For such purposes of the foregoing sentences capital shall include (a) the aggregate Preferential Amount or other liquidation value of all Preferred Stock outstanding on the date of declaration or payment, whichever is greater, (b) a deemed capital value of \$10.00 per share for outstanding Common Stock and (c) any additional amounts which have been designated as capital by the Board of Directors or the Shareholders. The payment of dividends shall be limited as aforesaid notwithstanding (and dividends shall not be declared or paid by reason of) any right or power of the Board of Directors under Delaware corporation law to pay dividends from net profits or from any source other than surplus.

(3) Conversion.

(a) (i) Conversion Privilege. Each share of Preferred Stock shall be convertible at the option of the Holder at an office or agency referred to below into a number of fully paid and non-assessable shares (calculated at each conversion to the nearest 1/100th of a share) of Common Stock

(as such shares shall be constituted at the time of conversion) determined by dividing the total Preference Amount of the shares of Preferred Stock being converted by the Conversion Price. The right to convert shall be exercisable at any time, even after the giving of notice of redemption of Preferred Stock, prior to the receipt and acceptance of payment by the Holder of the redemption price. The initial Conversion Price, prior to any adjustment pursuant to the subparagraph (f), shall be \$10.00.

(ii) Automatic Conversion. On July 1, 1997, or in the event of a merger or sale of substantially all of the assets of the Corporation, each share of Preferred Stock shall be automatically converted into fully paid and non-assessable shares of Common Stock as provided in this paragraph (3). No notice of conversion shall be required.

(b) Method of Conversion. In the event the Holder of Preferred Stock shall tender to the Corporation or its transfer agent for conversion, certificates representing such shares together with a notice electing to convert such shares of Common Stock (the date of such tender herein referred to as the "Conversion Date"), such outstanding shares of Preferred Stock shall be converted automatically without any further action by the Holders of such shares. On the automatic Conversion Date specified in clause (ii) of subparagraph 3(a) all remaining outstanding shares of Preferred Stock shall be converted without further action by

the Holders of such shares. As promptly as practicable after surrender of the certificate or certificates representing shares of Preferred Stock to the Corporation or any transfer agent of the Corporation, the Corporation shall issue and deliver to or upon the written order of such Holder a certificate or certificates for the number of full shares of Common Stock to which such Holder is entitled and a check or cash with respect to any fractional interest in a share of Common Stock as provided in subparagraph (3)(d). The person in whose name the certificate or certificates for Common Stock are to be issued shall be deemed to have become a Holder of record of such Common Stock on the Conversion Date. If so required by the Corporation, any certificate for shares of Preferred Stock surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation, duly executed by the Holder of such shares of his duly authorized representative. The issuance of certificates for shares of Common Stock issuable upon the conversion of shares of Preferred Stock shall be at the Corporation's expense and without charge to the converting Holder for any tax imposed on the Corporation in respect of the issuance thereof. The Corporation shall not, however, be required to pay any tax which may be payable with respect to any transfer involved in the issuance and delivery of any certificate in a name other than that of the Holder of the shares of Preferred Stock being converted and the Corporation

shall not be required to issue and deliver any such certificate unless and until the person requesting the issuance thereof shall have paid to the Corporation the amount of such tax or has established to the satisfaction of the Corporation that such tax has been paid.

(c) Adjustment for Dividends. Upon any conversion of shares of Preferred Stock into shares of Common Stock pursuant to this paragraph (3), all dividends accrued and unpaid whether or not declared, shall be deemed declared and payable in additional shares of Preferred Stock as provided in paragraph (2) and such additional shares of Preferred Stock shall be deemed converted into Common Stock. At the option of a Holder, the Holder may elect to receive accrued and unpaid dividends in shares of Common Stock valued at the Conversion Price.

(d) Fractional Shares. No fractional shares of Common Stock, or scrip representing a fractional share, shall be issued upon the conversion of any Preferred Stock pursuant to this paragraph (3). If more than one share of Preferred Stock held by the same Holder shall be converted, the number of full shares of Common Stock into which such shares are converted shall be computed on the basis of the aggregate number of shares so held. If any fractional interest in a share of Common Stock would otherwise be deliverable upon the conversion of any shares of Preferred

Stock, the Corporation shall pay, in lieu thereof, in cash the value thereof.

(e) Cessation of Rights. All shares of Preferred Stock converted as herein provided in this paragraph (3) shall no longer be deemed to be outstanding and all rights with respect to such shares, except to the extent given separately from the Certificate of Incorporation by contract, including the rights, if any, to receive notices and to vote, shall forthwith cease and desist, except only the right of the Holders thereof, subject to the provisions of subparagraph (3)(d), to receive shares or, if in connection with an Organic Change (as hereinafter defined) or another corporate event, other assets or property, in exchange therefor.

(f) Conversion Price Adjustment. In order to prevent dilution of the rights granted to the Holders of Preferred Stock, the Conversion Price shall be subject to adjustment from time to time as provided in this subparagraph (f) (such price or such prices as last adjusted pursuant to the terms hereof, as the case may be, is herein called the "Conversion Price"), and the number of shares of Common Stock obtainable upon Conversion shall be subject to adjustment as provided in this subparagraph.

(i) Subdivision or Combination of Common Stock. If the Corporation at any time subdivides (by any stock split, stock dividend, recapitalization or

otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision will be proportionately reduced. If the Corporation at any time combines (by reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination will be proportionately increased.

(ii) Reorganization, Reclassification, Consolidation, Merger or Sale. Any capital reorganization, reclassification, consolidation, merger or sale of all or substantially all of the Corporation's assets to another Person which is effected in such a way that Holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock is referred to herein as an "Organic Change". Prior to the consummation of any Organic Change, the Corporation will make appropriate provision (in form and substance reasonably satisfactory to the Holders of the Preferred Stock representing a majority of the Common Stock obtainable upon conversion of all Preferred Stock outstanding) to insure that each of the Holders of Preferred Stock will thereafter have the right to acquire and receive in lieu of or addition to the shares of Common Stock immediately theretofore acquirable and receivable upon the

Conversion of Preferred Stock, such shares of stock, securities or assets as may be issued or payable with respect to or in exchange for the number of shares of Common Stock immediately theretofore acquirable and receivable upon conversion of Preferred Stock had such Organic Change not taken place. In any such case, the Corporation will make appropriate provision (in form and substance reasonably satisfactory to the Holders of Preferred Stock representing a majority of the Common Stock obtainable upon Conversion of Preferred Stock then outstanding) with respect to such Holders' rights and interests to insure that the provisions of this subparagraph (f) will thereafter be applicable to the Preferred Stock including, in the case of any such Organic Change in which the successor corporation or purchasing corporation is other than the Corporation, an immediate adjustment of the Conversion Price to the value of the Common Stock reflected by the terms of such Organic Change, and corresponding immediate adjustment in the number of shares of Common Stock acquirable and receivable upon conversion, if the value so reflected is less than the Conversion Price in effect immediately prior to such Organic Change. The Corporation will not effect any such Organic Change, unless prior to the consummation thereof, the successor corporation (if other than the Corporation) resulting from consolidation or merger or the corporation purchasing such assets assumes by written instrument (in form and substance reasonably

satisfactory to the Holders of Preferred Stock representing a majority of the Common Stock obtainable upon Conversion of Preferred Stock then outstanding), the obligation to deliver to each such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to acquire. Any provision to be made pursuant to this clause shall take into account, and be consistent in operation with, any similar provision made for the protection of Holders of warrants or options.

(iii) Certain Events. If any event occurs of the type contemplated by the provisions of this subparagraph (f) but not expressly provided for by such provisions, then the Corporation's board of directors will make an appropriate adjustment in the Conversion Price; provided that no such adjustment will increase the Conversion Price or decrease the number of shares of Common Stock obtainable as otherwise determined pursuant to this subparagraph.

(iv) Notices.

(A) Immediately upon adjustment of the Conversion Price, the Corporation will give written notice thereof to the Holders of Preferred Stock.

(B) The Corporation will give written notice to each Holder at least 20 days prior to the date on which the Corporation closes its books or takes a record (1) with respect to any dividend or distribution upon the Common

Stock, (2) with respect to any pro rata subscription offer to Holders of Common Stock, or (3) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(C) The Corporation will also give written notice to each Holder at least 20 days prior to the date on which any Organic Change, dissolution or liquidation will take place.

(v) Liquidating Dividends. If the Corporation declares or pays a dividend upon the Common Stock, payable otherwise than in cash, out of earnings or earned surplus (determined in accordance with generally accepted accounting procedures consistently applied) except for a stock dividend payable in shares of Common Stock (a "Liquidating Dividend"), then the Corporation will pay to the Holder of Preferred Stock at the time of payment thereof the Liquidating Dividend which would have been paid to such Holder on the Common Stock issuable upon complete Conversion of the shares of Preferred Stock held by such Holder immediately prior to the date on which a record is taken for such Liquidating Dividend, or, if no record is taken, the date as of which the records Holders of Common Stock entitled to such dividends are to be determined. Such Liquidating Dividend shall be paid to the Holder on the same terms as such Liquidating Dividend is paid to the Holders of Common Stock.

(vi) Purchase Rights. If at any time the Corporation grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to the record Holders of any class of Common Stock (the "Purchase Rights"), then the Holder of Preferred Stock will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock issuable upon complete Conversion of the shares of Preferred Stock held by such Holder immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record Holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(4) Liquidation. In the event of any dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, the Holders of outstanding shares of Preferred Stock shall be entitled to receive for each such share, as a liquidation preference, payment in cash equal to the Preferential Amount per share, plus an amount equal to all dividends declared and unpaid thereon to the date fixed for such payment, and no more, before any distribution of assets shall be made to the Holders of shares of Common Stock, but if the distributable assets are

insufficient to make such payment in full to the Holders of all outstanding shares of Preferred Stock, such assets shall be distributed among the Holders of outstanding shares of Preferred Stock ratably per share in proportion to the full per share amounts to which they respectively are entitled. The voluntary sale, conveyance and, lease, exchange or transfer of all or substantially all the property or assets of the Corporation, or the merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or any purchase or redemption of shares of Stock of the Corporation of any class or series, shall not be deemed to be a dissolution, liquidation or winding up of the Corporation for the purpose of this paragraph.

(5) Voting. The Holder of each Share of Preferred Stock shall be entitled to vote in all matters as to which Holders of Common Stock may be entitled and shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Preferred Stock would be convertible, pursuant to the provisions of paragraph (3) hereof in accordance with the most recently determined Conversion Price at the record date for the determination of the shareholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of shareholders is solicited.

(6) Class Voting upon Certain Events. In addition, to such other voting rights, if any, as may be required by law, the consent of the Holders of a majority in Preferential Amount of the total number of outstanding shares of Preferred Stock now existing or hereafter issued, voting separately as a class, shall be required to effect or validate each of the following:

(a) The amendment, alternation or repeal of any of the provisions of the Certificate of Incorporation so as to affect adversely the preferences, special rights or powers of the Preferred Stock as a class or of the securities into which the Preferred Stock as a class shall be convertible, or the terms or conditions of such conversion;

(b) The modification of any of the terms, rights, preferences or designations of any Preferred Stock; or

(c) The merger or consolidation of the Corporation with or into any other corporation having an effect on the Corporation's Preferred Stock as a class substantially similar to the effect of any action described in subparagraphs (a) and (b) above.

The reference to other voting rights shall not, of itself, give rise to such rights of any class or Series of capital stock or other body.

(7) Definitions. The following terms when used in this Certificate of Incorporation shall have the meanings set forth below:

"Common Stock" means the Corporation's Common Stock, and, except for purposes of the shares obtainable upon conversion of shares of Preferred Stock, any capital stock of any class of the Corporation hereafter authorized which is not limited to a fixed sum or percentage of par or stated value in respect to the rights of the Holders thereof to participate in dividends or in the distribution of assets upon any liquidation, dissolution or winding up of the Corporation.

"Holder" means a Holder of shares of stock of the Corporation, registered as such on the books of the Corporation.

"Person" means an individual, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof.

(8) Shareholder Reports. The Corporation will, or will cause its agent to, transmit to the Holders of the Preferred Stock all reports and communications from the Corporation that are generally mailed to Holders of its Common Stock.

(9) Reservation of Shares. The Corporation shall at times reserve and keep available, free from

preemptive rights, out of its authorized but unissued Common Stock, the full number of shares of Common Stock then issuable upon the conversion of all shares of Preferred Stock then outstanding.

(C) The Board of Directors is expressly granted the authority to fix, by resolution or resolutions, any of the designations and the powers, preferences and rights and the qualifications, limitations or restrictions, permitted by applicable Delaware corporate law, in respect of any class or classes of stock or any series of any class of stock, including in respect of any series of Preferred Stock, which shall not be fixed by the certificate of incorporation.

(D) Irrespective of subsection (b)(2) of Section 242 of the General Corporation Laws of Delaware, the number of authorized shares of Common Stock may be increased by the affirmative vote of the holders of a majority of all of the outstanding capital stock of the Corporation entitled to vote, voting as a class, if (i) the Common Stock resulting from such increase is intended to be issued to a person, firm or corporation (a "Third Party"), other than CU CapitalCorp, John Warta, John Rivenburgh, Earl Kamsky and Richard Furnival (the "Original Securities Holders"), or any successor in interest to, or affiliate of, any of the Original Securities Holders, or if (ii) any securities convertible into, or any options or warrants to acquire such Common Stock are intended to be issued to a Third Party or Parties.

FIFTH: The Board of Directors is expressly authorized to make, alter and repeal the bylaws of the Corporation.

SIXTH: The name and mailing address of the incorporator is:

<u>Name</u>	<u>Mailing Address</u>
Dennis S. Soter	c/o Citizens Utilities Company High Ridge Park Stamford, Connecticut 06905

SEVENTH: (A) A director of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its shareholders, (ii) for acts of omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended after the effective date of this ARTICLE to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

(B) No modifications or repeal of the provisions of this ARTICLE shall adversely affect any right or protection of any director of the Corporation existing at the date of such modification or repeal or create any liability or adversely affect

any such right or protection for any acts or omissions of such
director occurring prior to such modification or repeal.

IN WITNESS WHEREOF, the undersigned being the sole
incorporator hereinabove named, hereby further certifies that this
is my act and deed and that the facts herein stated are true and,
accordingly, has hereunto set his hand this 16 day of July, 1990.

Dennis S. Soter
Dennis S. Soter
Incorporator

STATE OF CONNECTICUT)
) ss.:
COUNTY OF FAIRFIELD)

On the /6th day of July, 1990, before me personally came Dennis S. Soter, to me known, and known to me to be the individual described in and who executed the foregoing instrument as his act and deed and duly acknowledged to me that he executed the same and that the facts stated in the Certificate are true.


Notary Public

My Commission Expires Mar. 31, 1994

EXHIBIT 2

Evidence of Authority to Transact Business as a Foreign Corporation is Attached.

State of South Dakota



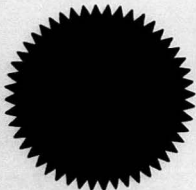
OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of ELECTRIC LIGHTWAVE, INC. (DE) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of ELECTRIC LIGHTWAVE, INC.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this July 15, 1996.



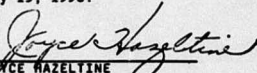

JOYCE HAZELTINE
Secretary of State

Exhibit 3**OFFICER AND DIRECTOR INFORMATION IS AS FOLLOWS:**

NAME	TITLE	ADDRESS
David Sharkey	President, CEO	8100 NE Parkway, Vancouver, WA 98662
Leonard Tow	Chairman	3 High Ridge Park, Stamford, CT 06905
James Berthot	Vice President	8100 NE Parkway, Vancouver, WA 98662
Robert J. DeSantis	Vice President, Treasurer, CFO & Ass't Secretary	3 High Ridge Park, Stamford, CT 06905
Ellen Deutsch	Vice President	8100 NE Parkway, Vancouver, WA 98662
Todd Hanson	Vice President	8100 NE Parkway, Vancouver, WA 98662
Edward O. Kipperman	Vice President	3 High Ridge Park, Stamford, CT 06905
Randall Lis	Vice President	8100 NE Parkway, Vancouver, WA 98662
J. Michael Love	Vice President	3 High Ridge Park, Stamford, CT 06905
Susan McAdams	Vice President & Ass't Secretary	8100 NE Parkway, Vancouver, WA 98662
Michael Miller	Vice President	8100 NE Parkway, Vancouver, WA 98662
L. Russell Mitten	Vice President, General Counsel & Ass't Secretary	3 High Ridge Park, Stamford, CT 06905
Livingston E. Ross	Vice President	3 High Ridge Park, Stamford, CT 06905
John Wolff	Vice President	8100 NE Parkway, Vancouver, WA 98662
Ernest Yates	Vice President	8100 NE Parkway, Vancouver, WA 98662
Charles J. Weiss	Secretary & Ass't Vice President	3 High Ridge Park, Stamford, CT 06905
Laura L. DiPreta	Ass't Vice President & Ass't Controller	3 High Ridge Park, Stamford, CT 06905
Susan M. Redner	Assistant Secretary	3 High Ridge Park, Stamford, CT 06905

SHAREHOLDER INFORMATION IS AS FOLLOWS:

Name and
Address

Percentage of
Voting Control

Citizens Utilities

100%

Proposed Rates:

Attached hereto.

Exhibit 4

ELECTRIC LIGHTWAVE, INC.
Financial Sheets Attached

Exhibit 5

NEXT

DOCUMENT (S)

BEST IMAGE

POSSIBLE

Chrysler Utilities Company and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME

For the years ended December 31, 1994, 1993 and 1992

	1994	1993	1992
Total revenues	1,306,517	1,049,032	906,150
Operating expenses:			
Depreciation	413,841	306,734	244,827
Fuel gas purchased	193,733	158,935	115,175
Maintenance expenses	127,913	108,385	116,419
Electric energy and fuel of purchased from other than income	101,206	87,235	61,779
Total operating expenses	80,947	85,148	80,931
Income before income taxes	80,947	68,282	58,845
Income taxes	1,010,831	814,859	628,026
Income before operations	295,486	254,173	228,124
Interest income	48,972	41,667	40,454
Other income - net	17,483	18,288	12,486
Interest expense	92,695	87,775	72,244
Income before income taxes	249,446	226,333	208,320
Income taxes	84,937	66,817	64,323
Income before dividends on convertible preferred securities	184,509	159,536	143,997
Dividends on convertible preferred securities, net of income tax benefit	5,849	0	0
Net income	\$ 178,660	\$ 159,536	\$ 143,997
Earnings per share of Common Stock Series A and Series B	\$.77	\$.69	\$.68

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS
December 31, 1994, 1993 and 1994

As at December 31	1994	1993	1994
Assets			
Current assets:			
Cash	\$ 24,230	\$ 17,972	\$ 14,224
Temporary investments	0	0	108,818
Accounts receivable:			
Customers	194,138	144,798	142,873
Other	88,320	37,734	26,350
Less allowances for doubtful accounts	4,808	2,729	2,428
Total accounts receivable	281,650	199,813	166,795
Materials and supplies	27,159	18,191	18,330
Other current assets	34,231	16,276	5,887
Total current assets	389,770	235,792	312,052
Property, plant and equipment	4,582,849	4,187,334	3,583,723
Less accumulated depreciation	1,444,817	1,279,324	1,014,048
Net property, plant and equipment	\$ 3,138,032	\$ 2,908,010	\$ 2,569,675
Intangibles			
Regulatory assets	\$ 39,152	\$ 330,090	\$ 325,011
Deferred credits and other assets	174,196	188,572	177,414
Total intangibles	\$ 213,348	\$ 518,662	\$ 502,425
Total assets	\$4,523,148	\$3,918,187	\$3,576,566
Liabilities and Shareholders' Equity			
Current liabilities:			
Long-term debt due within one year	\$ 3,593	\$ 3,865	\$ 13,986
Short-term debt	0	140,650	515,200
Accounts payable	148,599	178,384	122,604
Income taxes accrued	90,317	72,694	92,366
Interest accrued	24,522	22,527	15,841
Customers' deposits	21,480	30,501	19,919
Other current liabilities	101,539	65,257	72,105
Total current liabilities	489,489	500,678	851,821
Deferred income taxes	347,975	314,094	248,150
Customer advances for construction	154,324	150,000	145,150
Deferred credits	115,291	101,300	77,950
Contingencies in cell of construction	84,129	73,923	71,580
Regulatory liabilities	22,810	28,229	30,820
Long-term debt	1,509,697	1,187,000	994,189
Company-allocated mandatorily redeemable convertible preferred securities*	201,250	0	0
Shareholders' equity	1,628,183	1,559,913	1,154,896
Total liabilities and shareholders' equity	\$4,523,148	\$3,918,187	\$3,576,566

* Represents accounts of a subsidiary that the sole assets of which are securities of a subsidiary partnership, substantially all the assets of which are convertible.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

For the years ended December 31, 1994, 1993 and 1992

	Common and Series A	Series B	Additional paid-in capital	Retained earnings	Unrealized gain (loss) on securities	Total
Balance January 1, 1994	\$32,647	\$13,119	\$ 698,688	3,231	\$ 0	\$ 774,685
Acquisitions		126	4,646	143,997		148,869
Net income						0
Stock dividends in shares of						0
Common Stock Series A and Series B	1,621	466	137,736	(140,043)		0
Stock plans	88	281	20,911			21,280
Conversion of Series A to Series B	6579	570				0
Change in unrealized gain (loss) on securities classified as available-for-sale, net of income taxes					9,130	9,130
Balance December 31, 1994	\$33,966	\$14,782	\$ 861,981	\$237,117	\$ 9,130	\$1,150,996
Acquisitions		222	(4,489)	374		6,807
Net income				159,536		159,536
Stock dividends in shares of						0
Common Stock Series A and Series B	2,374	1,024	136,693	(140,091)		0
Common stock buybacks to fund stock dividends	(119)	(357)	(1,541)			(22,029)
Stock issuances	4,730	475	208,830			243,380
Stock plans	130		30,236			30,961
Conversion of Series A to Series B	(1,904)	1,904				0
Change in unrealized gain (loss) on securities classified as available-for-sale, net of income taxes					(5,043)	(5,043)
Balance December 31, 1993	\$38,639	\$18,057	\$1,263,694	\$235,236	\$ 4,087	\$1,559,913
Acquisitions	322		15,308	178,660		178,660
Net income						15,430
Stock dividends in shares of						0
Common Stock Series A and Series B	2,455	1,246	164,129	(169,839)		0
Common stock buybacks to fund stock dividends	(339)	(1,308)	(73,842)			(73,841)
Stock plans	127	203	6,999			7,289
Stock issuances to fund ERMCS dividends	178		7,421			7,797
ERMCS issuances cost			(4,528)			(4,528)
Conversion of Series A to Series B	(2,711)	2,711				0
Change in unrealized gain (loss) on securities classified as available-for-sale, net of income taxes					(11,099)	(11,099)
Balance December 31, 1992	\$38,811	\$20,977	\$1,381,341	\$244,066	\$ 17,012	\$1,678,183

Clarus Utility Company and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 1994, 1993 and 1992

	1994	1993	1992
Net cash provided by operating activities	\$375,181	\$338,611	\$587,316
Cash flows used for investing activities:			
Securities sold	43,408	120,491	89,885
Construction expenditures	(87,447)	(92,224)	(23,478)
Securities purchased	(248,379)	(243,241)	(263,162)
Business acquisitions	(332,332)	(86,058)	(18,319)
Other	(87,849)	(223,924)	(700,221)
	(47,802)	55	(13,793)
	(485,141)	(342,259)	(887,035)
Cash flows from financing activities:			
Long-term debt borrowings	351,053	321,280	458,589
Issuance of EPPCS	196,722	0	0
Issuance of common stock	6,049	277,687	18,445
Short-term debt (prepayment) borrowings	(140,650)	(374,550)	135,200
Common stock buybacks to fund stock dividends	(75,411)	(22,028)	0
Long-term debt principal payments	(20,249)	(192,008)	(1,248)
Other	(1,182)	1,983	1,219
	316,268	7,342	612,985
Increase (decrease) in cash	4,308	3,698	(751)
Cash at January 1,	17,922	14,224	21,728
Cash at December 31,	\$ 24,230	\$ 17,922	\$ 14,224

The accompanying Notes are an integral part of these Consolidated Financial Statements.

	Five Year Compounded		1994	1993	1992
	Annual	Growth			
Electric Light Rail - except operating stock					
Electric Light Rail, Inc. (4)					
Selected Income Statement Data					
Revenues	n/a	\$ 14,920	\$ 10,245	\$ 7,041	0
Interest expense	n/a	2,139	855	0	0
Local railroad services	n/a	1,582	1,582	0	0
Long distance service (1)	n/a	8,562	4,887	1,111	0
Other	n/a	4,077	17,570	8,152	0
Total revenues	n/a	34,078	27,279	9,679	0
Operating and maintenance expenses	n/a	52,516	6,390	1,806	0
Depreciation	n/a	5,589	(16,399)	(3,333)	0
Operating income	n/a	(23,027)	14,490	4,540	0
Selected Balance Sheet Data					
Total assets	n/a	\$200,390	\$124,079	\$114,246	0
Goodwill - consolidated	n/a	156,728	119,075	100,174	0
Goodwill - total	n/a	62,885	43,446	11,334	0
Total	n/a	219,223	165,421	117,508	0
Costs, Fees and Capital Expenditures Data					
Operating costs, fees (2)	n/a	\$ (18,418)	\$ (10,007)	\$ (1,327)	0
Capital expenditures	n/a	41,607	27,805	52,809	0
Fee costs, fees (3)	n/a	(60,025)	(27,414)	(54,336)	0
Operating Data					
Operating income	n/a	1,480	780	401	0
Operating expenses	n/a	94,409	52,013	37,504	0
Costs, fees	n/a	762	282	191	0
Bad debts	n/a	454	282	191	0
Employees	n/a	482	219	125	0
Revenue per customer	n/a	\$ 44,748	\$ 43,706	\$ 34,887	0
Revenue per employee	n/a	\$ 89,762	\$ 80,278	\$ 63,716	0

REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES
APPLYING TO COMMUNICATIONS SERVICES
WITHIN
THE STATE OF SOUTH DAKOTA

Issued:

Susan McAdams
Vice President, Government Affairs
Electric Lightwave, Inc.
8100 NE Parkway Drive, Suite 150
Vancouver, WA 98662

Effective:

CHECK SHEET

The sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised pages as named below all contain changes from the original tariff and are currently in effect as of the date on the bottom of this page.

<u>Sheet</u>	<u>Number of Revisions</u>	<u>Sheet</u>	<u>Number of Revisions</u>
1	Original	23	Original
2	Original	24	Original
3	Original	25	Original
4	Original	26	Original
5	Original	27	Original
6	Original	28	Original
7	Original	29	Original
8	Original	30	Original
9	Original	31	Original
10	Original	32	Original
11	Original	33	Original
12	Original	34	Original
13	Original	35	Original
14	Original	36	Original
15	Original	37	Original
16	Original	38	Original
17	Original	39	Original
18	Original	40	Original
19	Original	41	Original
20	Original	42	Original
21	Original	43	Original
22	Original	44	Original

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Effective:

Susan McAdams
Vice President, Government Affairs
Electric Lightwave, Inc.
8100 NE Parkway Drive, Suite 150
Vancouver, WA 98662

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Vice President, Government Affairs
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8100 NE Parkway Drive, Suite 150
Vancouver, WA 98662

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Susan McAdams
Vice President, Government Affairs
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8100 NE Parkway Drive, Suite 150
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Issued:

Effective:

Susan McAdams
Vice President, Government Affairs
Electric Lightwave, Inc.
8100 NE Parkway Drive, Suite 150
Vancouver, WA 98662

PRELIMINARY STATEMENT

This tariff contains all effective rates, terms and conditions relating to intrastate communications services offered to customers in the State of South Dakota by Electric Lightwave, Inc.

CONTACT INFORMATION

For customer contact regarding establishment of service, complaints and inquiries regarding service and billing, or reporting or inquiring about network outages or service problems:

Electric Lightwave, Inc.
8100 NE Parkway Drive, Suite 510
Vancouver, Washington 98662
Toll Free 1-800-354-2780 Customer Service
Toll Free 1-800-662-4354 Maintenance

EXPLANATION OF SYMBOLS, REFERENCE
MARKS, AND ABBREVIATIONS OF TECHNICAL
TERMS USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

C	To signify changed condition or regulation
D	To signify discontinued rate, regulation or condition
I	To signify increase
M	To signify that material has been transferred from another sheet or place in the tariff
N	To signify new rate, regulation, condition or sheet
R	To signify reduction
T	To signify a change in text for clarification

Issued:

Susan McAdams
Vice President, Government Affairs
Electric Lightwave, Inc.
3100 NE Parkway Drive, Suite 150
Vancouver, WA 98662

Effective:

TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the South Dakota Public Utilities Commission ("S.D.P.U.C."). For example, the 2nd revised Sheet 10 cancels the 1st revised Sheet 10. Because of various suspension periods, deferrals and other delays which may occur before the SDPUC, as it follows the normal tariff approval process, the most current sheet number on file with the Commission is not always the tariff pages in effect.
- C. Check Sheets - When a tariff filing is made with the Commission, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on the check sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the Commission

Issued:

Effective:

Susan McAdams
Vice President, Government Affairs
Electric Lightwave, Inc.
8100 NE Parkway Drive, Suite 150
Vancouver, WA 98662

1.0 **DEFINITIONS**

The following definitions are used throughout this tariff.

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a subscriber's location to Telecard Services' location or switching center.

Account Codes - Permits a VPX user to input a billing number when making a call. This billing number can be 2 to 14 digits in length. This information is used by a customer for cost accounting or internal client billing purposes.

Authorization Code - A numerical code, one or more of which may be assigned to a subscriber, to enable Telecard Services to identify the origin of the service User so it may rate and process the call. All authorization codes shall be the sole property of Telecard Services and no Subscriber shall have any property or other right or interest in the use of any particular authorization code. Automatic numbering identification (ANI) may be used as or in connection with the authorization code.

Calling Card - A debit calling card issued by Carrier which allows Subscribers and/or Users to make telephone calls and charge the calls to against the debit account of that card. Calls charged to a Telecard Services-issued debit travel card will be charged against the debit account.

Central Office - Company facilities where subscribers' lines are joined to switching equipment for connecting other subscribers to each other, locally and long distance.

Common Carrier - A company or entity providing telecommunications services to the public.

Company or Electric Lightwave, Inc. - The issuer of this tariff.

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1.0 **DEFINITIONS** (continued)

Credit Card Calls - Calls for which charges are billed not to the originating telephone number, but to a credit card, such as VISA, MasterCard, or American Express.

Customer or Subscriber: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Debit Card Calls - Calls for which charges are billed not to the originating telephone number but are deducted from the remaining prepaid value of the debit card. Company debit card calls do not result in a bill being sent to the subscriber.

Dedicated Inbound Calls: Refers to calls that are terminated via dedicated access facilities connecting the Customer's premises and the Company's Point of Presence (POP). This service is offered to the extent facilities are available and where the Company and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to the Company's POP. The Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

Dedicated Outbound Calls: Refers to service that is offered to the extent facilities are available in those cases where the Company and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to the Company's POP. The Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

LATA: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

Line Restrictions: Allows a line to be restricted from access to various long distance locations.

Measured Charge - A charge assessed on a per minute basis in calculating the charges due for a completed call.

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1.0 DEFINITIONS (continued)

Prepaid Calling Card: A debit calling card issued by Carrier which allows end users to make telephone calls and charge the calls against the debit account of that card.

Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

SDPUC - Used throughout this tariff to mean the South Dakota Public Utilities Commission.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or other similar communications.

Time of Day: Day period includes 8:00 a.m. local time to 5:00 p.m. local time at the originating terminal, Monday through Friday, excluding holidays. Night period includes 5:01 p.m. local time to 11:00 p.m. local time at the originating terminal. Evening/Weekend includes all other periods.

User or End User: A Customer or any other person authorized by a Customer to use service provided under this tariff.

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2.0 **REGULATIONS**

2.1 **Application of Regulations, Terms and Conditions**

The following regulations, terms and conditions apply to the intrastate common carrier long distance telecommunications services provided by Electric Lightwave, Inc., hereinafter referred to as the Company.

2.2 **Undertaking of the Company**

The services of the Company pursuant to this tariff consist of the furnishing of common carrier long distance communications services between and among points within the state of Alaska.

2.2.1 **General**

Intrastate Long Distance Services are furnished for the transmission of voice communications but may also be used for data, facsimile, signaling, metering, or other similar communications, subject to the transmission capabilities of the technologies or combination of technologies available. Service is available twenty-four hours a day, seven days a week.

2.2.2 **Selection of Transmission**

The Company selects and/or arranges for directly or with its underlying carrier(s) the channels and/or service components and underlying network facilities used to provide service. The Company may modify or change the channels, service components and underlying Company facilities or underlying carrier at any time subject to Part 68 of the FCC's Rules and Regulations and this tariff.

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2.0 REGULATIONS (continued)**2.3 Use of Service**

The services offered herein may be used for any lawful purpose. There are no restrictions on sharing or resale of the Company's services. However, the Customer remains liable for all obligations under this tariff even if such sharing or resale arrangements exist regardless of the Company's knowledge of these arrangements. The customer may advise such additional users that a portion of the service is provided by the Company, however, the Customer shall not represent that the Company jointly participates with the Customer in the provision of the Customer's service. If service is jointly ordered by more than one Customer, each is jointly and severally liable for all obligations. Company services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of any tariffs, or price lists, of such other communications carriers.

2.3.1 Prohibited Uses

The Customer shall not use or allow the use of the Company's facilities or equipment installed at the Customer's premises for any purpose other than that for which the Company provides it, without the prior written consent of the Company.

2.3.2 Abuse

The abuse of Long Distance Services is prohibited. The following activities constitute abuse:

- (a) Using service to make calls which might reasonably be expected to frighten, torment, or harass another; or
- (b) Using service in such a way that it interferes unreasonably with the use of Company services by others.

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2.0 REGULATIONS (continued)**2.3.3 Fraudulent Use**

The fraudulent use of, or the intended or attempted fraudulent use of service is prohibited. Fraudulent use consists of using or attempting to use service with the intent to avoid the payment, either in whole or in part, of the tariffed or price listed charges for the service including by:

- (a) Rearranging, tampering with, or making connections not authorized by this tariff to any network components used to furnish service; or
- (b) Using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices, or electronic devices.

2.3.4 Fraudulent Use of Authorized Code

In order to control fraud, the Company may disable or refuse to accept, Authorization Codes which it reasonably suspects or determines to be invalid or experiencing abuse. The Company will notify the Customer when Authorization Codes are disabled.

- (a) Invalidation of verified authorization codes: If the Customer notifies the Company that a Customer-administered verified authorization code is no longer valid, the Customer shall be liable for any calls placed using the verified authorization code, until the Company receives confirmation from its underlying carrier(s) that the verified authorization code has been effectively disabled. Customer notification to the Company may be delivered in writing or given orally when followed by facsimile or electronic mail. Company will notify its underlying carrier(s) or undertake other appropriate security measures within the shortest duration of time after the Customer's written, facsimile, or electronic mail notice is received by the Company.

2.4 Shortage of Equipment or Facilities

The Company reserves the right to limit or to allocate the use of its existing and future facilities when necessary because of a lack of facilities or due to any cause beyond the Company's control.

The furnishing of service under this tariff is subject to the availability on a continuing basis of all facilities necessary to provide the service. Services will be provided on a resale basis, using long distance services and transmission facilities the Company obtains from other carriers.

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2.0 REGULATIONS (continued)2.5 Non-routine Installation and Special Construction2.5.1 Non-routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply.

2.5.2 Special Construction

Subject to the agreement of the Company, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- (a) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- (b) of a type other than that which the Company would normally utilize in the finishing of its service;
- (c) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (d) in a quantity greater than that which the Company would normally utilize in the furnishing of its services;
- (e) on an expedited basis;
- (f) on a temporary basis until permanent facilities are available;
- (g) involving abnormal costs; or
- (h) in advance of normal construction.

Special construction will be undertaken at the discretion of ELI consistent with budgetary responsibilities and consideration for the impact on ELI's other customers and contractual responsibilities.

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2.0 REGULATIONS (continued)

2.6 Ownership of Facilities

Title to all facilities and equipment, and related plans and proposals, provided by the Company in furnishing service remains with the Company, its agents or contractors. Such facilities and equipment, plans and proposals shall be returned to the Company by the Customer whenever requested, within a reasonable period following the request in as good condition as reasonable wear will permit.

2.7 Government Authorization

The provision of the Company's services is subject to and contingent upon the Company obtaining and retaining all governmental authorizations that may be required or be deemed necessary by the Company. The Company shall use reasonable efforts to obtain and keep in effect all such governmental authorizations. The Company shall be entitled to take, and shall have no liability for any action necessary to bring its facilities and/or services into conformance with any requirement or request of the Federal Communications Commission or other governing entity or agency.

2.8 Rights-of-Way

Provision of the Company's services is subject to and contingent upon the Company's ability to obtain and maintain, rights-of-way and access to private property necessary for installation of the facilities used to provide the Company's services to the Customer's service point as agreed to by the Company.

2.9 Term of Service

The minimum term of service under this tariff is one month. For purposes of this tariff, a month is considered to have 30 days.

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2.0 REGULATIONS (continued)2.10 Liability of the Company

The liability of the Company for damages arising out of the furnishing of its services, including but not limited to mistakes, outages, omissions, interruptions, delays, errors, or other defects, representations, failures arising out of the use of these services or failure to furnish service, whether caused by act, omission or negligence, shall be limited to extension of allowances as set forth in the section of this tariff on Allowances for Interruptions in Service. The extension of such allowances for interruption shall be the sole remedy of the Customer or other person, and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages including without limitation damages for lost profits regardless of the form of action whether in contract, indemnity warranty, strict liability or tort, including without limitation negligence of any kind whether active or passive to the Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.

The Company shall not be liable for any delay or failure of performance due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States government, or of any other government, including state and local agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lockout, work stoppages, or other labor difficulties.

The Company shall not be liable for any act, omission or defect of any entity furnishing to the Company or to the Customer services, facilities or equipment used for or with the Company's services; or for the acts or omissions of common carriers or warehousemen.

The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.

Nothing in this tariff shall limit the Company's liability:

- (a) in tort for its willful or intentional misconduct, or
- (b) for bodily injury or death caused by the Company's willful negligence.

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2.0 REGULATIONS (continued)2.10 Liability of the Company (continued)

The Company is not liable for damages to premises resulting from the furnishing of service, including the installation and removal of equipment and associated wiring, unless the damage is caused by the Company's negligence or willful misconduct. Except that upon termination or expiration of service, and upon request by the Customer, the Company will remove, at its own expense, any property which the Company has installed in provisioning service on the Customer's premises within a reasonable time. The Company will use reasonable care in removing such property and will return the Customer's premises to their original condition, wear and tear excepted.

The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any liability whatsoever, and for any damages caused or claimed to have been caused in any way, directly or indirectly, as a result of any such installation.

The Company is not liable for any defacement of or damage to Customer's premises resulting from the furnishing of services or equipment or the installation or removal thereof, unless such defacement or damage is caused by the willful misconduct of the Company's employees or agents.

With respect to the furnishing of Company's services to public safety answering points or municipal emergency service providers, the Company's liability, if any, will be limited to the lesser of:

- (a) the actual monetary damages incurred and proved by the Customer as the direct result of the Company's action, or failure to act, in providing the service; or
- (b) the sum of \$1,000.00.

In the event parties other than Customer, including but not limited to joint users and the Customer's customers, shall have use of the Company's service directly or indirectly through the Customer, then the Customer agrees to forever indemnify and hold the Company harmless from and against any and all such claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to the Company's furnishing of service.

THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESSED OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

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2.0 REGULATIONS (continued)2.11 Indemnification

With respect to any service or facility provided by the Company, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, for:

- (a) any loss, destruction or damage to property of the Customer or any third party, or the death or injury of any person, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; and
- (b) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including without limitation, use of the Company's services and facilities in a manner not contemplated by this tariff or any agreement between the Customer and the Company.

2.12 Allowances for Interruptions in Service

A credit allowance will be given for interruptions of service, subject to the provisions of this section.

2.12.1 Credit for Service Interruptions

A credit allowance will be made when an interruption of a continuous duration of two (2) or more hours occurs because of a failure of any component furnished by the Company under this tariff. An interruption in service is considered to exist when a circuit, service or facility is unusable.

An interruption period begins when the Customer reports a circuit, service or facility to be interrupted, and releases it for testing and repair. It shall be the obligation of the Customer, prior to reporting an interruption, to ascertain that the trouble is not being caused by any action or omission of the Customer or by any defect of failure in wiring or equipment, if any, furnished by the Customer. An interruption period ends when the circuit, service or facility is operative.

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2.0 REGULATIONS (continued)**2.12.1 Credit for Service Interruptions (continued)**

If the Customer reports an interruption but declines to release the circuit, service or facility for testing and repair, no interruption period will be deemed to exist.

For calculating credit allowances, every month is considered to have 30 days. The credit allowance(s) for an interruption or for a series of interruptions shall not exceed (a) any applicable monthly rates, or (b) a reasonable estimate of the minutes of use charge otherwise applicable for the service or a portion thereof interrupted in any one monthly billing period.

2.13 Obligations of the Customer

The obligations of the Customer shall include the following:

- (a) The Customer shall be responsible for any damage to or loss of any facilities or equipment of the Company or the Company's underlying carrier caused by the acts or omissions of the Customer.
- (b) The Customer shall provide at no charge, as specified from time to time by the Company, any personnel, equipment, space, power, heating and air conditioning needed to operate, and maintain a proper operating environment for any Company facilities and equipment installed on the Customer's premises, or for any facilities and equipment of the Company's underlying carrier which may be installed on the Customer's premises.
- (c) If required by the Company, the Customer shall obtain, maintain, and otherwise have full responsibility for all rights-of-way and conduit necessary for installation of the facilities of the Company or the Company's underlying carrier from the building entrance or property line to the location of the Company's equipment space on the Customer's premises. The Customer may be required to bear any costs associated with obtaining and maintaining the rights-of-way described herein, including building modification costs. The Customer shall also be responsible for complying with all applicable laws, and obtaining all required permits or other approvals related to the location and installation of the facilities and equipment of the Company or the Company's underlying carrier in the Customer's premises or within the rights-of-way for which the customer is responsible. The Customer and the Company may mutually agree to enter into a contract under which the Company will provide some or all such non-regulated services and facilities.

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2.0 REGULATIONS (continued)2.13 Obligations of the Customer (continued)

- (d) The Customer shall grant or obtain permission for the employees or agents of the Company or the Company's underlying carrier to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or removing the facilities or equipment of the Company or the Company's underlying carrier and/or inspecting the Customer-provided equipment which is connected to the facilities of the Company or the Company's underlying carrier.
- (e) The Customer shall be responsible for the provision, operation and maintenance of any Customer-provided terminal equipment connected to the equipment and facilities of the Company or the Company's underlying carrier, and for ensuring compatibility with the equipment and facilities of the Company or the Company's underlying carrier. The Customer shall be responsible for ensuring that the Customer-provided equipment shall not cause damage to the Company's equipment, facilities and wiring or injury to the Company's employees or to other persons. Upon the Company's request, the Customer will submit to the Company a complete manufacturer's specification sheet for each item of the Customer-provided equipment that is or is proposed to be attached to the facilities of the Company or the Company's underlying carrier. The Company may provide, at the Customer's expense, any additional protective equipment required, in the sole opinion of the Company, to prevent damage or injury resulting from the connection of any Customer-provided equipment.
- (f) The Customer warrants that the services taken pursuant to this tariff are intrastate in nature.
- (g) The Customer shall cooperate with the Company to plan, coordinate and undertake any actions required to maintain maximum network capability following natural or manmade disasters which affect telecommunications services.

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2.0 REGULATIONS (continued)

2.1 Payments

Obligations of the Customer with regard to payments shall include:

- (a) Payment for service is due upon presentation of the bill. Service may be denied for nonpayment of a bill. The Customer is responsible for safeguarding the service from use by unauthorized persons, and to pay all charges for use of the service by any persons whether or not authorized by the Customer, except in those instances where it has been determined that the Customer's present and former employees, agents and authorized users were not responsible for calls billed to the Customer via third party billing and the Company did not verify that the charges for the call would be accepted. The Customer is not responsible for unauthorized use of service to the extent such use is proximately caused by the Company's willful or negligent act.
- (b) The Customer shall pay outstanding charges in full within 30 days of the invoice date. Charges not paid by the Customer within 30 days, or paid in funds not immediately available to the Company shall be subject to interest at up to the maximum lawful rate.
- (c) The Customer agrees that the Company may conduct a credit verification at any time, and will supply such financial information as may be reasonably requested by the Company. If, in the sole opinion of the Company, a Customer presents an undue risk of nonpayment at any time the Company may require that the Customer pay its bills within a specified number of days, pay in advance of the furnishing or continuation of any service, and/or make such payments in cash or the equivalent of cash.
- (d) If required by the Company, and permitted under state law and regulation, the Customer shall make an advance payment before services are furnished, which advance payment will be credited to the Customer's initial bill. The Company may require such an advance payment, which may be in addition to a deposit, if the Company considers this action necessary to safeguard its interests.

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2.0 REGULATIONS (continued)**2.14 Payments (continued)**

- (c) If required by the Company, and permitted by state law and regulation, the Customer shall make a deposit before a service is furnished or continued, to be held as a guarantee for the payment of charges. The Company may require such a deposit, which may be in addition to an advance payment, if the Company considers this action necessary to safeguard its interests. A deposit shall not relieve the Customer of the responsibility for prompt payment of bills on presentation. No interest shall be paid on the deposit unless otherwise agreed by the Company or required by law. At any time, at its option, the Company may return the deposit or credit it to the Customer's account. When a service is discontinued the amount of any applicable deposit will be applied to the Customer's account and any credit balance remaining will be refunded.
- (f) The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of the Company's services. Provided, however, on Prepaid Calling Card Service, all federal, state and local taxes (e.g., excise tax, gross receipts tax, sales tax, municipal service tax) are included in the amount deducted for each call. Taxes are included in the Quoted rates.
- (g) A \$25.00 service charge shall be imposed for any payment which a draft is returned for insufficient funds.

2.15 Billing Disputes

- (a) In the case of a billing dispute between the Customer and the Company for service furnished to the Customer, which cannot be settled with mutual satisfaction, the Customer can take the following course of action:
- (1) First, the Customer may request, and Carrier will provide, an in-situ review of the disputed amount by contacting customer services at: 1-800-354-2780. The undisputed portion and subsequent bills must be paid on a timely basis the services may be subject to disconnect.

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2.0 **REGULATIONS** (continued)

2.15 **Billing Disputes** (continued)

(2)

Second, if there is still a disagreement about the disputed amount after the investigation and review by a manager of the Company, the Customer may file an appropriate complaint with the Commission.
The Commission's address is:

South Dakota Public Utilities Commission
State Capitol
500 East Capitol Street
Pierre, SD 57501-5070
(605) 773-3201

2.16 **Cancellation of Service**

If the Customer cancels a service order or terminates service before the completion of the term of service specified in the service order for any reason, the Customer agrees to pay to the Company all costs, fees, and expenses reasonably incurred in connection with special construction and with the term of service. In addition, the Customer may be liable for termination charges up to a maximum amount equal to the total of charges applicable for the remaining term specified in the service order.

2.17 **Discontinuance of Service**

If the Customer fails to pay timely any amount owing to the Company and such failure continues for ten days after written notice to the Customer, the Company may discontinue or suspend service, refuse additional applications for service and/or refuse to complete any pending orders for service without incurring any liability, and/or pursue any other remedies as may be provided by law.

2.18 **Changes in Equipment and Services**

The Company may substitute, change or rearrange any equipment, facility or system used in providing services at any time and from time to time, but shall not thereby materially alter the technical parameters of the services provided pursuant to the Customer's service order.

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2.0 REGULATIONS (continued)**2.18 Changes in Equipment and Services (continued)**

The Customer shall not cause or allow any facility or equipment of the Company or the Company's underlying carrier to be rearranged, moved, disconnected, altered or repaired without the Company's prior written consent.

Upon receipt of a written request from the Customer, the Company will add, delete or change locations or features of specific circuits and/or equipment. The Customer shall be liable for nonrecurring charges for such change. If a request for deletion of a service represents a cancellation prior to the applicable term of service, the Customer will be subject to termination charges.

2.19 Assignment

The Company may, without obtaining any further consent from the Customer, assign any of its rights, privileges or obligations under this tariff: to any subsidiary, parent company or affiliate of the Company; pursuant to any sale or transfer of substantially all the business of the Company; or pursuant to any financing, merger or reorganization of the Company.

The Customer may, upon prior written consent of the Company, which consent shall not be unreasonably withheld, assign its rights, privileges or obligations under this tariff: to any subsidiary, parent company or affiliate of the Customer; pursuant to any sale or transfer of substantially all the business of the Customer; or pursuant to any financing, merger or reorganization of the Customer. Any attempt by the Customer to make any assignment, transfer, or disposition of its rights, privileges or obligations under this tariff without the consent of the Company shall be null and void.

2.20 License, Agency or Partnership

No license, expressed or implied, is granted by the Company to the Customer by virtue of an agreement for the furnishing of service hereunder. Neither the Customer nor any joint or authorized users shall represent or otherwise indicate to its customers or others that the Company jointly participates in the Customer's or joint user's services. The relationship between the Company and the Customer shall not be that of partners or agents for one or the other, and shall not be deemed to constitute a partnership or agency agreement, unless such relationship or agreement is expressly agreed to in writing by both the Company and the Customer.

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2.0 REGULATIONS (continued)

2.21 Proprietary Information

Neither the Company nor the Customer or any joint or authorized user shall disclose any plans, drawings, trade secrets or other proprietary information of the other party which is made known in the course of the furnishing of service hereunder, except as may be required by law, without prior written consent.

2.22 Promotions

The Company reserves the right, from time to time, to provide promotional offerings.

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3.0 LONG DISTANCE SERVICES**3.1 General Service Description**

Long Distance Services are a general offering of voice and data telecommunications capabilities and may be customized to meet specific customer requirements. Service can be designed by the Company based on customer-specific information, e.g., calling patterns and traffic volumes, jointly developed by Company and the Customer. Consistent with the customer-specific information and objectives, the Company retains the right to use either switched or dedicated facilities to provide service. Long Distance Services may be available for multi-year service periods and may be subject to a minimum monthly charge. Rates for service may be stabilized and can be distance-sensitive or postalized, sensitive to time-of-day, or otherwise developed to suit the Customer's needs as may be specified in each service option. Long Distance Services will support customer-specific seven and ten digit dialing plans.

3.2 Description of Rates and Charges**3.2.1 Application of Charges**

Long Distance Communications Service includes recurring and nonrecurring charges. Stabilized recurring charges may be offered on a customer-specific basis where service demands or competitive necessity justify such charges. Recurring charges consist of flat-rated monthly and usage-sensitive charges. Service also may include a Minimum Charge. Nonrecurring charges for installation of a service and additions to service, as well as a Termination Charge and Cancellation Charge, are also included.

- (a) Non-Recurring Charges: Non-Recurring Charges are billed in advance.
- (b) Recurring Charges: Recurring Charges, including usage-sensitive charges, are billed in arrears.

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3.0 LONG DISTANCE SERVICES (continued)

3.2 Description of Rates and Charges (continued)

3.2.2 Mileage Measurement

When applicable to a specific service, mileage is the distance in airline miles between locations. The following mileage measurements apply: the distance between the rate center of the originating station and the rate center of the terminating station.

3.2.3 Single Rate Period Distance Sensitive

When calls are rated on a distance sensitive basis, the rate in effect at the calling station at the time the connection is established applies to the entire call.

3.2.4 Multiple Rate Period Distance Sensitive

For calls that are rated on a rate period/distance sensitive basis, when a call is established in one rate period and ends in another rate period, the rate in effect at the calling station for each rate period applies to the portion of the call occurring within that rate period. Where specified in this tariff, the rates used shall be those in effect at the station to which the call is billed rather than the calling station. When a unit of time is split between two rate periods, the rate applicable to that unit of time is based on the rate period in which it began.

3.2.5 Minimum Charge

Should a Minimum Charge apply to a service option, it shall be as specified in the applicable rate section of this tariff.

3.2.6 Installation Charge

Should a nonrecurring Installation Charge apply to a service option, it shall be as specified in the applicable rate section of this tariff.

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3.0 LONG DISTANCE SERVICES (continued)

3.2 Description of Rates and Charges (continued)

3.2.7 Changes to Service

As specified for each service option, service components may be added to or deleted from a service. A nonrecurring Installation Charge will apply to additions, and recurring charges will be adjusted, as necessary, to reflect all changes to service.

3.2.8 Termination Charge

The Customer will be billed a Termination Charge if service is discontinued by the Customer under the provisions of the regulations specified in this tariff.

3.2.9 Rate Changes

The Company expressly reserves the right to initiate tariff revisions seeking to change the applicable rates under which the Customer has obtained service during any specified service period greater than any minimum service period provided under this tariff, unless otherwise agreed upon between the Company and the Customer.

3.2.10 Changes to Terms and Conditions

During any specified service period other than any minimum service period specified in this tariff, the Company expressly reserves the right to initiate changes in the terms and conditions under which service is provided, unless otherwise agreed upon between the Company and the Customer and filed in this tariff. If the Company initiates such tariff revisions without the Customer's agreement, the Customer may discontinue service without liability. If elected, this provision must be exercised by the Customer in writing within 30 days following the date of the Company's tariff filing. Any changes in the terms and conditions under which service is provided will be filed in this tariff.

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3.0 LONG DISTANCE SERVICES (continued)

3.3 Special Access Surcharges

The Customer agrees to pay to the Company the amount of any monthly Special Access Surcharge which a Local Exchange Carrier may collect from or which the Company's underlying carrier(s) may impose on the Company for any services or facilities used to provide service.

3.4 Gross Receipts Tax

When utility or telecommunications assessments, franchise fees, or privilege, license, occupational, excise, or other similar taxes or fees, based on intrastate receipts are imposed by certain taxing jurisdictions upon the Company, its underlying carrier(s) or upon Local Exchange Companies and passed on to the Company through or with intrastate access charges, the amounts of such taxes or fees will be billed to customers in such a taxing jurisdiction on a prorated basis. The amount of charge that is prorated to each Customer's bill is determined by the communications services provided to and billed to a Customer's service location equal to the amount of the tax or fee imposed upon or passed on to the Company.

3.5 Other Taxes and Surcharges

The customer will be billed for, and is responsible for payment of any other taxes, surcharges, fees or assessments (excluding taxes on the Company's net income) imposed on or based upon provision, sale or use of the Company's services.

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3.0 LONG DISTANCE SERVICES (continued)

3.6 Rate Determination

The rate for a long distance call which is charged on a per call basis may be determined by:

- (a) The locations of the originating (calling) station and the terminating (called) station;
- (b) The time of day and the day of the week; and
- (c) The class of service applicable to the call.

The specific factors which apply to a given call and their application are listed in the rate section applicable to that type of call.

3.6.1 Jurisdiction

When the location of the calling and the called stations is a factor in rate determination, the rate is calculated according to whether the termination of the call is intrastate, interstate, or international.

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3.0 LONG DISTANCE SERVICES (continued)

3.7 Service Offerings

3.7.1 Advantage Switched Long Distance Service

Advantage Switched Long Distance Service is a flat rate direct dialed interchange service which utilizes switched access facilities, from equal access locations, on the originating end of each call. Calls are billed in six (6) second increments. All charges are billed monthly in arrears.

3.7.2 Advantage Switched Inbound '800' Service

Advantage Switched Inbound '800' Service provides inbound '800' calls to terminating points throughout the United States which utilizes switched access facilities, from equal access locations, on the terminating end of each call. Charges for the '800' calls are billed to Electric Lightwave, Inc.'s customers rather than the caller. Calls are billed in six (6) second increments with an initial call duration of six (6) seconds. All charges are billed monthly in arrears.

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3.0 LONG DISTANCE SERVICES (continued)3.7 Service Offerings (continued)3.7.3 Advantage Dedicated Long Distance Service

Advantage Dedicated Long Distance Service is a flat rate direct dialed interexchange service which utilizes dedicated access facilities on the originating end of each call. Calls are billed in six (6) second increments with an initial call duration of six (6) seconds. All charges are billed monthly in arrears.

3.7.4 Advantage Dedicated Inbound '800'

Advantage Dedicated Inbound '800' Service provides inbound '800' calls utilizing dedicated access facilities on the terminating end of each call. Charges for the '800' calls are billed to the Company's customers rather than the originating caller. Calls are billed in six (6) second increments with an initial call duration of six (6) seconds. All charges are billed monthly in arrears.

3.7.5 ELI Advantage Travel Card Service

ELI Advantage Travel Card Service is a calling card service that allows customers to call to and from anywhere in the United States. The caller dials an 800 number plus their identification code for access and then enters the digits of the terminating number. Calls are billed in arrears.

3.7.6 Operator Services

Operator Service rates apply when calls are completed with the assistance of a Company operator. Operator Services rates apply to calls which are billed to a different telephone number (e.g., collect, third party billed) or a calling card.

3.7.7 Directory Assistance Service

Directory Assistance Service provides telephone number information to the requesting customer. Nonpublished telephone number information is not provided with Directory Assistance.

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3.0 LONG DISTANCE SERVICES (continued)3.7.8 ELI Prepaid Phone Card Service

Prepaid Phone Card Service is a product that is neither time of day nor distance sensitive while calling within the United States, that provides prepaid calling card service. This services permits use of a prepaid card for placing long distance calls. Users may purchase ELI prepaid Calling cards at a variety of retail outlets or through other distribution channels.

- (a) ELI Phone Cards are available at a face value ranging from 5 minutes to 500 minutes. A call is placed by dialing an 800 number to obtain access to ELI's network. The caller is prompted by an automated voice response system to enter his/her account number, and then to enter the terminating telephone number.
- (b) ELI's Processor tracks the call duration and destination for rating purposes on a real time basis. The total price of each call, including applicable taxes, is deducted from the prepaid amount on the caller's card. Should the balance on the card approach zero, the caller is so advised, and, if desired, the caller may enter a valid account number on a separate ELI card or may enter a valid commercial credit card number to continue the call. Callers may also add value to a ELI card by arranging to charge a credit card on a regular basis.
- (c) Special features are available for use with the ELI Prepaid Calling Card. These features include speed calling capability for two digit dialing of up to ten numbers. In addition, multiple calls can be made without redialing an access number or account number.
- (d) ELI offers universal origination from anywhere within the state, and termination both domestically and internationally. Availability of termination may be limited by service availability for international direct dialing.

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3.0 LONG DISTANCE SERVICES (continued)

3.7.8 ELI Prepaid Phone Card Service (continued)

- (e) ELI will enter into agreements with retailers or other distributors of ELI Prepaid phone Cards to discount the price of cards purchased by a particular retailer or other distributor in order to induce the distributor to offer the cards to end users. These distribution arrangements will not affect the rates charged to end users of the cards.
- (f) All prepaid calling cards expire twelve (12) months after the date of first use.
- (g) Cards are available at over-the-counter and dispenser locations. All rate and company contract information is prominently displayed at the dispenser location; such information is also available from the company via the 800 number provided on the reverse of the card. All rates apply to intrastate calls. Cards are available in \$5, \$10, \$20, \$30, \$50, and \$100 values, except as otherwise noted. An 800 number for customer service is indicated on the reverse of the card.
- (h) Chargeable time begins when the called party answers and a connection has been established. Chargeable time ends when either party "hangs up" there by releasing the network connection. Calls are measured and billed in one minute increments, fractional minutes of use are rounded up to the next full minute. There are no surcharges. Consumers using ELI Prepaid Phone Cards will not be charged for unanswered or uncompleted calls.
- (i) Cards are available in various denominations incorporation one of the rate plans as specified in Section 3.10.14 through 3.10.16 of this tariff. These rates apply all hours, all distances. The particular rate associated with a card determined by the rate plan available at the point of distribution. Sale materials provided to customer at point of distribution will specify the rate applicable to the card or cards purchased.

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3.0 LONG DISTANCE SERVICES (continued)**3.8 Optional Features****3.8.1 Verified Account Codes**

Authorization codes used by the customer to restrict and/or monitor long distance usage. Upon the customer's request, 1+ dialing is limited to callers with authorized access. The caller dials the 1+ number, is prompted for the code, and then connects to the dialed party. This feature is only utilized at the Customer's request.

3.8.2 800/888 Call Blocking by Area Code

At the Customer's request, an 800/888 number can be blocked from access by area code parameters. Standard setup of 800/888 numbers is to allow calling access from all 50 states.

3.8.3 800/888 Time of Day/Day of Week Routing

At the Customer's request, an 800/888 number can be routed differently based on time of day, or day of week parameters. This feature allows for an 800/888 number to be routed to multiple locations based on the pre-set pattern.

3.8.4 800/888 Real Time ANI

This feature allows the customer to receive real time ANI information with each 800/888 call received. ANI provides Automatic Number Identification by delivering the outpulsed digits of the originating number.

3.8.5 800/888 DNIS Sending

This feature allows the customer to receive DNIS digits of each 800/888 call received. The Customer can then depend on receiving dialed number identification, or dummy number, of the 800/888 number.

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3.0 LONG DISTANCE SERVICES (continued)

3.8 Optional Features (continued)

3.8.6 DTO Dedicated

With DTO Dedicated Service (direct termination overflow), the Customer can choose to have their dedicated inbound 800/888 service overflow automatically to another dedicated facility of their choosing.

3.8.7 DTO Switched

With DTO Switched Service, the Customer can choose to have their dedicated inbound 800/888 service overflow automatically to a switched line of their choosing.

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3.0 LONG DISTANCE SERVICES (continued)3.9 ELI Prepaid Phone Card Service

Prepaid Phone Card Service is a product that is neither time of day nor distance sensitive while calling within the United States, that provides prepaid calling card service. This service permits use of a prepaid card for placing long distance calls. Users may purchase ELI Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Prepaid Calling Cards are billed in one minute increments.

- (a) ELI Phone Cards are available at a face value ranging from 5 minutes to 500 minutes. A call is placed by dialing an 800 number to obtain access to ELI's network. The caller is prompted by an automated voice response system to enter his/her account number, and then to enter the terminating telephone number.
- (b) ELI's processor tracks the call duration and destination for rating purposes on a real time basis. The total price of each call, including applicable taxes, is deducted from the prepaid amount on the caller's card. Should the balance on the card approach zero, the caller is so advised, and, if desired, the caller may enter a valid account number on a separate ELI card or may enter a valid commercial credit card number to continue the call. Callers may also add value to a ELI card by arranging to charge a credit card on a regular basis.
- (c) Special features are available for use with the ELI Prepaid Calling Card. These features include speed calling capability for two digit dialing of up to ten numbers. In addition, multiple calls can be made without re-dialing an access number or account number.
- (d) ELI offers universal origination from anywhere within the state, and termination both domestically and internationally. Availability of termination may be limited by service availability for international direct dialing.
- (e) ELI will enter into agreements with retailers or other distributors of ELI Prepaid Phone Cards to discount the price of cards purchased by a particular retailer or other distributor in order to induce the distributor to offer the cards to end users. These distribution arrangements will not affect the rates charged to end users of the cards.

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3.0 LONG DISTANCE SERVICES (continued)3.9 ELI Prepaid Phone Card Service (continued)

- (f) All prepaid calling cards expire twelve (12) months after the date of first use.
- (g) Cards are available at over-the-counter and dispenser locations. Usage rates are dependent on commission paid to vendors, all rate and company contact information is prominently displayed at the dispenser location; such information is also available from the company via 800 number provided on the reverse of the card. All rates apply to intrastate calls. Usage is per minute; there are no surcharges. Cards are available in \$5, \$10, \$20, \$30, \$50 and \$100 values, except as otherwise noted. An 800 number for customer service is indicated on the reverse of the card.
- (h) The calling process is detailed on the reverse of the calling card. Customers access the debit calling platform by dialing an 800 access number, entering the card identification number (provided on the front of the card) and entering the customer personal identification number (customers activate the card by calling free of charge to an 800 number on the reverse of the card, and, via voice-prompt automated order entry which directs the customer in choosing a PIN), and the terminating phone number. The platform monitors usage and advises the user of remaining time at the final one minute and at the final 30 second increments. The platform also advises the customer immediately prior to exhaustion of the allotted time for the card. Customer may recharge the card, as appropriate.
- (i) Calls processed by ELI are rated and charged in increments of one "unit." One unit equals one minute of usage. Calls are generally rated using the rate plan designated and chosen for the particular card being utilized to place a call.
- (j) Chargeable time begins when the called party answers and a connection has been established. Chargeable time ends when either party "hangs up" thereby releasing the network connection. Calls are measured and billed in one minute increments; fractional minutes of use are rounded up to the next full minute. Calls beginning in one rate period and ending in another will be billed at the rate applicable at the beginning of the call. Consumers using ELI Prepaid Calling Cards will not be charged for unanswered or uncompleted calls.

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3.0 LONG DISTANCE SERVICES (continued)

3.9.1 Charitable Prepaid Card Service

Charitable Card Service is designed primarily as a prepaid card used in conjunction with governmentally registered charitable organizations for the purpose of fund raising. Each card user is charged an additional designated amount that is dedicated to the charitable organization sponsoring the card.

3.9.2 Collectible Prepaid Card Service

Collectible Card Service is designed primarily as a prepaid card marketed for its collectible value rather than its MTS value. Each card has a value of 10-20% that is designated as a collectible value, and is used to pay royalties, copyrights and other promotion fees in conjunction with license, endorsements and images that may be associated with the card.

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3.0 LONG DISTANCE SERVICES (continued)3.10 Rates and Charges

Applicable per minute rates for each service are as specified below, and may be determined by both the term of the service commitment and the level of the monthly minimum billing agreed to by the Customer.

3.10.1 Advantage Switched Long Distance Service Rates

Rate Per Minute: \$0.11

3.10.2 Advantage Switched Inbound '800' Service Rates

Rate Per Minute: \$0.11

3.10.3 Advantage Dedicated Long Distance Service

Rate Per Minute: \$0.08

3.10.4 Advantage Dedicated Inbound '800' Service Rates

Rate Per Minute: \$0.08

3.10.5 ELL Advantage Travel Card Service Rates

Per Minute	Term	Monthly Minimum
\$0.24	Month	None
\$0.22	Month	\$1,250
\$0.20	Month	\$2,500

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3.0 LONG DISTANCE SERVICES (continued)3.10 Rates and Charges (Continued)3.10.6 Operator Service Rates

0+ Calling Card	\$0.80
0+ Credit Card	\$0.80
0+ Calling Card	\$2.05
0+ Credit Card	\$2.05
Person - Person Calling Card	\$3.50
Person - Person Credit Card	\$3.50
Collect	\$2.05
Person - Person Collect	\$3.50
Third Party	\$2.05
Person - Person Third Party	\$3.50

3.10.7 Directory Assistance

Per call: \$0.75

3.10.8 Verified Account Codes

	Monthly Recurring Charge	Non-recurring Charge
1-499 Account Codes	\$15.00	\$30.00
500 + Account Codes	ICB	ICB

3.10.9 800/888 Call Blocking by Area Code

	Monthly Recurring Charge	Non-recurring Charge
Per Trunk Group	No Charge	\$10.00 per change

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3.0 LONG DISTANCE SERVICES (continued)3.10 Rates and Charges (Continued)3.10.10 800/888 Time of Day/Day of Week Routing

	Monthly Recurring Charge	Non-recurring Charge
Per 800/888 Number	\$35.00	\$75.00 per change

3.10.11 800/888 Real Time ANI

	Monthly Recurring Charge	Non-recurring Charge
Per Trunk Group	\$100.00	\$200.00

3.10.12 800/888 DNIS Sending

	Monthly Recurring Charge	Non-recurring Charge
Per Trunk Group	\$35.00	\$75.00

3.10.13 DTO Dedicated

	Monthly Recurring Charge	Non-recurring Charge
Per DTO	No Charge	\$50.00 per change

3.10.14 DTO Switched

	Monthly Re-curring Charge:	Non-recurring Charge
Per DTO	Switched Access Rates	\$50.00 per change

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3.0 LONG DISTANCE SERVICES (continued)3.10 Rates and Charges (Continued)3.10.15 Prepaid Card Service

For call placed anywhere in the United States, the following rates apply:

Rate per minute:

Rate Plan 1	\$0.20
Rate Plan 2	\$0.25
Rate Plan 3	\$0.29
Rate Plan 4	\$0.33
Rate Plan 5	\$0.35
Rate Plan 6	\$0.40
Rate Plan 7	\$0.45
Rate Plan 8	\$0.50

3.10.16 Charitable Prepaid Card ServiceRate per minute:

Rate Plan 1	\$0.20
Rate Plan 2	\$0.25
Rate Plan 3	\$0.29
Rate Plan 4	\$0.33
Rate Plan 5	\$0.35
Rate Plan 6	\$0.40
Rate Plan 7	\$0.45
Rate Plan 8	\$0.50

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3.0 LONG DISTANCE SERVICES (continued)3.10.17 Collectible Prepaid Card ServiceRate per minute:

Rate Plan 1	\$0.20
Rate Plan 2	\$0.25
Rate Plan 3	\$0.29
Rate Plan 4	\$0.33
Rate Plan 5	\$0.35
Rate Plan 6	\$0.40
Rate Plan 7	\$0.45
Rate Plan 8	\$0.50

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4-30-00-44-02

NEXT

DOCUMENT (S)

DISREGARD

BACKGROUND

**ELECTRIC
LIGHTWAVE**

Electric Lightwave, Inc.

62550

DATE	INVOICE NO.	DESCRIPTION	INVOICE AMOUNT	DEDUCTION	BALANCE		
06/17/1997	CR10177		250.00	0.00	250.00		
<i>TC97-124</i>							
CHECK DATE	06/25/1997	CHECK NUMBER	62550	TOTALS	250.00	0.00	250.00

PLEASE DETACH THIS PORTION AND RETAIN FOR YOUR RECORDS



⑈0000062550⑈ ⑆031100267⑆ 6301447334 509⑈

TC97-129	Application by Telco Holdings, Inc. d/b/a Dial & Save for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/TZ) "Telco proposes to provide resold local exchange service to subscribers from all points within the state of South Dakota and, therefore, seeks statewide authorization. Specifically, Telco seeks authority to resell local exchange service in the existing service areas of U S WEST...The specific manner in which Telco will provide local exchange service depends upon the result of negotiations with the incumbent local exchange carriers currently operating within the State."	07/10/97	07/25/97
REQUEST FOR ELIGIBLE TELECOMMUNICATIONS COMPANY STATUS			
TC97-125	Brookings Municipal Utilities - Telephone Department pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Brookings Telephone is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchange prefixes in South Dakota: 688, 692, 696 and 697 - serving within the corporate limits of Brookings, SD. Brookings Telephone, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified service area. (Staff: HB/KC)	07/07/97	07/25/97
TC97-130	Hanson Communications d/b/a Hanson County Telephone Company pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. Hanson is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Alexandria (239). Hanson, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange area. (Staff: HB/CH)	07/10/97	07/25/97
TC97-131	Hanson Communications Inc. d/b/a McCook Telecom pursuant to 47 U.S.C. 214(e) and 47 CFR 54.201 hereby seeks designation as an eligible telecommunications carrier within the local exchange areas that constitute its service area in South Dakota. McCook Telecom is the facilities-based local exchange carrier presently providing local exchange telecommunications services in the following exchanges in South Dakota: Salem (425). McCook Telecom, to its knowledge, is the only carrier today providing local exchange telecommunications services in the above identified exchange area. (Staff: HB/CH)	07/10/97	07/25/97
NEGOTIATED INTERCONNECTION AGREEMENT FILED			
TC97-126	U S WEST Communications, Inc. filed for approval by the Commission the negotiated Interconnection Agreement between U S WEST and Dakota Telecom, Inc and Dakota Telecommunications Systems, Inc. Any person wishing to comment on the parties' request for approval may do so by filing written comments with the Commission and the parties to the agreement no later than July 28, 1997. Parties to the agreement may file written responses to the comments no later than August 15, 1997.	07/07/97	Responses Due 07/28/97

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

PAGE 2 OF 2

South Dakota Public Utilities Commission State Capitol 500 E. Capitol Pierre, SD 57501-5070 Phone: (800) 332-1782 Fax: (605) 773-3809	<h2 style="margin: 0;">TELECOMMUNICATIONS SERVICE FILINGS</h2> <p style="font-size: small; margin: 0;">These are the telecommunications service filings that the Commission has received for the period of:</p> <h1 style="margin: 0;">07/04/97 through 07/10/97</h1> <p style="font-size: x-small; margin: 0;">If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Debra Kolbo within five days of this filing.</p>		
DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC97-122	Application by Access Point, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) "Applicant is a switchless reseller which intends to offer 1+ direct dialing, 800 toll free, and travel card (no prepaid calling cards) service through the resale of telephone services provided by facilities-based interexchange carriers."	07/07/97	07/25/97
TC97-123	Application by USBG, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) "Applicant seeks authority to offer a full range of 1+ interexchange telecommunications services on a resale basis. Specifically, Applicant seeks authority to provide MTS, out-WATS, in-WATS and Calling Card services. Applicant does not intend to provide operator services, 900 or 700 services."	07/07/97	07/25/97
TC97-124	Application by Electric Lighthouse, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/TZ) "Applicant seeks ... authority to provide 1+, business 800, business calling cards, and prepaid calling cards to the general public and to small and large business."	07/07/97	07/25/97
TC97-127	Application by Telco Holdings, Inc. d/b/a Dial & Save for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/TZ) "Petitioner proposes to provide 24-hour intrastate interexchange telecommunications services, 800 services, and postpaid debit travel card services...Telco Holdings, Inc. hereby adopts the tariff of Dial & Save which has been approved and is on file with the Commission."	07/09/97	07/25/97
TC97-128	Application by Clarity Telecom LD Network Services, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/TZ) "The specific services to be offered by Clarity include switched inbound and outbound services to employees of Clarity and switched and dedicated inbound and outbound services for commercial customers, calling cards and directory assistance services for presubscribed commercial and residential customers."	07/10/97	07/25/97

PAGE 1 OF 2

TC97-124

INDEMNITY BOND
to the
PEOPLE OF THE STATE OF SOUTH DAKOTA

RECEIVED

JAN 23 1998

SOUTH DAKOTA PUBLIC
Bond. ~~001~~ ~~11859~~ COMMISSION

We, Electric Lightwave, Inc., the principal and applicant for a CERTIFICATE OF AUTHORITY to resell long distance telecommunications services within the State of South Dakota, and Seaboard Surety Company, as an admitted surety insurer, bind ourselves unto the Public Service Commission of the State of South Dakota and the consumers of South Dakota as Obligees, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota State Law, and reimburse customers of Electric Lightwave, Inc. for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Service Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Service Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 20th day of January, 1998.

To be effective this 20th day of January, 1998.

Electric Lightwave, Inc.

By _____

Ch. W.

Surety Principal

Countersigned this 20th day of January, 1998

Countersigned for South Dakota

By *J. Scherschligt*
Resident Agent

Seaboard Surety Company

By *Shirley Dewely*

By Shirley Dewely,
Attorney in Fact

*Original Bond in
Delaine's bottom
desk drawer*

Certified Copy

SEABOARD SURETY COMPANY 2X- 1435

No. 12945

ADMINISTRATIVE OFFICES, BEDMINSTER, NEW JERSEY
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That SEABOARD SURETY COMPANY, a corporation of the State of New York, has made, constituted and appointed and by these presents does make, constitute and appoint Rigallia Ozeru or Paula Yip-Ying or Hillary Baylor or J. Holland or Shirley Dewely or Jeremy Wilder or Kelly R. Bratton

of New York, New York
its true and lawful Attorney-in-Fact, to make, execute and deliver on its behalf insurance policies, surety bonds, undertakings and other instruments of similar nature as follows: **Without Limitations**

Such insurance policies, surety bonds, undertakings and instruments for said purposes, when duly executed by the aforesaid Attorney-in-Fact, shall be binding upon the said Company as fully and to the same extent as if signed by the duly authorized officers of the Company and sealed with its corporate seal, and all the acts of said Attorney-in-Fact, pursuant to the authority hereby given, are hereby ratified and confirmed.

This appointment is made pursuant to the following By-Laws which were duly adopted by the Board of Directors of the said Company on December 8th, 1927, with Amendments to and including January 15, 1982 and are still in full force and effect.

ARTICLE VII. SECTION 1:

"Policies, bonds, recognizances, stipulations, consents of surety, underwriting undertakings and instruments relating thereto. Insurance policies, bonds, recognizances, stipulations, consents of surety and underwriting undertakings of the Company, and releases, agreements and other writings relating in any way thereto or to any claim or loss thereunder, shall be executed in the name and on behalf of the Company.

(a) by the Chairman of the Board, the President, a Vice-President or a Resident Vice-President and by the Secretary, an Assistant Secretary, a Resident Secretary or a Resident Assistant Secretary, or (b) by an Attorney-in-Fact for the Company appointed and authorized by the Chairman of the Board, the President or a Vice-President to make such signature, or (c) by such other officers or representatives as the Board may from time to time determine.

The seal of the Company shall if appropriate be affixed thereto by any such officer, Attorney-in-Fact or representative."

IN WITNESS WHEREOF, SEABOARD SURETY COMPANY has caused these presents to be signed by one of its Vice-Presidents, and its corporate seal to be hereunto affixed and duly attested by one of its Assistant Secretaries, this 6th day of December, 19 94



Attest:

(Seal) Adelyn M. Fuller
Assistant Secretary

SEABOARD SURETY COMPANY,

By [Signature]
Vice-President

STATE OF NEW JERSEY ss:

COUNTY OF SOMERSET

On this 6th day of December, 19 94, before me personally appeared Michael B. Keegan, a Vice-President of SEABOARD SURETY COMPANY,

with whom I am personally acquainted, who, being by me duly sworn, said that he resides in the State of New Jersey; that he is a Vice-President of SEABOARD SURETY COMPANY, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of the said Company, that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company, and that he signed his name thereto as Vice-President of said Company in like authority.



BELINDA FAYE LEE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 9, 1998

[Signature]
Notary Public

C E R T I F I C A T E

I, the undersigned Assistant Secretary of SEABOARD SURETY COMPANY do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy is in full force and effect on the date of this Certificate and I do further certify that the Vice-President who executed the said Power of Attorney was one of the Officers authorized by the Board of Directors to appoint an attorney-in-fact as provided in Article VII, Section 1, of the By-Laws of SEABOARD SURETY COMPANY.

This Certificate may be signed and sealed by facsimile under and by authority of the following resolution of the Executive Committee of the Board of Directors of SEABOARD SURETY COMPANY at a meeting duly called and held on the 26th day of March 1970:

"RESOLVED: (2) That the use of a printed facsimile of the corporate seal of the Company and the signature of an Assistant Secretary on any certification of the correctness of a copy of an instrument executed by the President or a Vice-President pursuant to Article VII, Section 1, of the By-Laws appointing and authorizing an attorney-in-fact to sign in the name and on behalf of the Company surety bonds, underwriting undertakings or other instruments described in said Article VII, Section 1, with like effect as if such seal and such signature had been manually affixed and made, hereby is authorized and approved."

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Company to these presents this 20th day of January, 19 98



[Signature]
Assistant Secretary
Form 907 (Rev. 7/84)

Corp. Ack.

STATE OF New YorkCOUNTY OF New York } ss.:On this 20th day of January, 19 98, before me personally cameShirley Dewely

to me known, who, being by me duly sworn, did depose and say: that he resides in

New York, New York that he is the Attorney-In-Factof the Seaboard Surety Company the corporation described in and which

executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

(Seal)

PAULA YIP-YUNG
 Notary Public, State of New York
 No. 24-01714894487
 Qualified in Kings County
 Certificate filed in New York County
 Commission Expires May 26, 1999

**FINANCIAL STATEMENT
DECEMBER 31, 1996**

Seaboard Surety Company*
Administrative Offices
Bedminster, New Jersey

ASSETS		LIABILITIES	
*Stocks and Bonds	292,627,361	Reserve for Unearned Premiums	575,275,027
Cash in Office & Banks	1,034,085	Claim Reserve	75,342,529
Accrued Interest	4,460,863	Other Reserves	13,444,329
Outstanding Premiums	(227,322)	Capital Stock	5,000,000
Accounts Receivable	9,574,753	Surplus	139,007,129
Other Assets	599,274		
Total Admitted Assets	308,069,014	Total Liabilities	308,069,014

*Bonds and stocks are valued on basis approved by National Association of Insurance Commissioners
Securities carried at \$8,349,247 in the above statement are deposited for the purpose required by law

STATE OF NEW JERSEY
COUNTY OF SOMERSET

ss.:

I, G. F. THOMPSON, President of SEABOARD SURETY COMPANY, do hereby certify that the foregoing is a full true and correct copy of the Financial Statement of said Company, as of December 31, 1996.

IN WITNESS WHEREOF, I have signed this statement at New York, New York, this 20th day of

January 19 98



Revised Form 157

President

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF) ORDER GRANTING
ELECTRIC LIGHTWAVE, INC. FOR A) CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE) AUTHORITY
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA) TC97-124

On July 7, 1997, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24.02, received an application for a certificate of authority from Electric Lightwave, Inc. (Applicant).

Applicant proposes to offer 1+, business 800, business calling cards, and prepaid calling cards. A proposed tariff was filed by Applicant. The Commission has classified long distance service as fully competitive.

On July 10, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of July 25, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled February 3, 1998, meeting, the Commission considered Applicant's request for a certificate of authority. Commission Staff recommended granting a certificate of authority as Applicant had furnished the Commission with a surety bond.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24.02 and 20:10:24.03. The Commission finds that Applicant has met the legal requirements established for the granting of a certificate of authority. Applicant has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves Applicant's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Applicant's application for a certificate of authority is hereby granted. It is

FURTHER ORDERED, that Applicant shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 13th day of February, 1998.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: William Kalka

Date: 2/13/98

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State Of South Dakota

Authority was Granted February 3, 1998
Docket No. TC97-124

This is to certify that

ELECTRIC LIGHTWAVE, INC.

is authorized to provide telecommunications services in South Dakota.

This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 13th day of February, 1998.

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Lisa Schoenfelder

LISA SCHOENFELDER, Commissioner