

MAXWELL, BAKER & McFATRIDGE, P.C.

ATTORNEYS AT LAW
1767511 CAMINO REAL, SUITE 1100
HOUSTON, TEXAS 77058

TC 98-060

KYLE DICKSON

HOUSTON (281) 286-1040
AUSTIN (512) 457-1272
FACSIMILE (281) 286-1043

February 23, 1997

VIA FEDERAL EXPRESS

Mr. Harlan Best
Chief Analyst
South Dakota Public Utilities Commission
500 East Capitol
Pierre, South Dakota 57501

RECEIVED
FEB 24 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

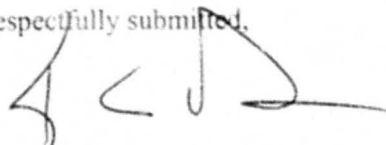
Re: *U.S. Telco, Inc.'s* - Application for a Certificate of Authority to Resell Local and Interexchange Services in the State of South Dakota

Dear Sir or Madam:

Enclosed for filing on behalf of *U.S. Telco, Inc.*, please find an original and eleven (11) copies of its Application for a Certificate of Authority to Resell Local and Interexchange Services in the state of South Dakota. Also enclosed is our firm's check in the amount of \$250.00 to cover your filing fee.

Please date-stamp the enclosed extra copy and return it to the undersigned in the self-addressed stamped envelope provided. If you have any questions, please contact me at (281) 286-1040.

Respectfully submitted,



Kyle L. Dickson

Enclosures

**BEFORE THE CORPORATION COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION §
OF U.S. TELCO, INC. FOR A §
CERTIFICATE OF AUTHORITY § APPLICATION NO. _____
TO RESELL LOCAL AND §
INTEREXCHANGE SERVICES §
IN THE STATE OF SOUTH DAKOTA §

APPLICATION

U.S. Telco, Inc., ("Applicant"), hereby requests a Certificate of Authority to Resell Local and Interexchange Services in the State of South Dakota.

In support of its request, Applicant provides below the following information:

1. The Applicant's name and address are:

*U.S. Telco, Inc.
4001 McEwen, Suite 200
Dallas, TX 75244
(972) 392-6757 or
(972) 392-6723 (Fax)*

Applicant does not have local offices in the State of South Dakota.

2. The contact person for the correspondence or communications concerning this Applicant is Applicant's attorney of record.

*Kyle L. Dickson
Counsel for Applicant
Maxwell, Baker & McFatrige, P.C.
17625 El Camino Real, Suite 310
Houston, Texas 77058
(281) 286-1040
(281) 286-1043 - FAX*

3. The contact person for questions concerning the ongoing operations of U.S. Telco, Inc. following certification is:

*David Pikoff, President/Director
4001 Mc Ewen, Suite 200
Dallas, Texas 75244
(972) 392-6757*

(972) 392-6723 (fax)

4. Applicant Formation:

Applicant is a privately-held corporation, organized under the laws of the State of Texas. A copy of its Articles of Incorporation, By-laws, and Certificate of Authority to do Business in South Dakota are attached herein as Exhibit "A".

5. Applicant's principals and addresses are as follows:

David Pikoff, President/Director

4001 Mc Ewen, Suite 200

Dallas, Texas 75244

(972) 392-6757

(972) 392-6723 (fax)

Tom Cargal, Vice President

4001 Mc Ewen, Suite 200

Dallas, Texas 75244

(972) 392-6757

(972) 392-6723 (fax)

Gary Friedman, Secretary/Treasurer/Director

4001 Mc Ewen, Suite 200

Dallas, Texas 75244

(972) 392-6757

(972) 392-6723 (fax)

Ron Jensen, Director

4001 Mc Ewen, Suite 200

Dallas, Texas 75244

(972) 392-6757

(972) 392-6723 (fax)

Ron Howard, Director

4001 Mc Ewen, Suite 200

Dallas, Texas 75244

(972) 392-6757

(972) 392-6723 (fax)

6. Financial Qualifications:

Applicant is financially qualified to provide resold telecommunications services in the State. Applicant has access to the financing and capital necessary to conduct its telecommunications operations as specified in this Application. Attached hereto as Exhibit B are copies of U.S. Telco's most recent income statements and balance sheets. This Exhibit is offered to demonstrate Applicant's financial ability to provide the proposed services.

7. Technical Qualifications:

As demonstrated in Paragraph No. 5, above, Applicant is technically qualified to resell telecommunications services. All of the principals of the company have significant telecommunications experience. Attached hereto as Exhibit "C" are managements business and telecommunications experience.

8. Jurisdictions Where Service is Provided:

Applicant is authorized to provide local telecommunications services in Texas, Alabama, Arkansas, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Maryland, Missouri, New Jersey, New York, Oklahoma, Oregon, Tennessee, and Washington D.C., West Virginia and Wisconsin.

Applicant is currently seeking authorization to provide resold local and long distance services in Arizona, California, Connecticut, Delaware, Kentucky, Michigan, Mississippi, New Mexico, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Washington and Virginia.

Applicant has not been denied authority to provide telecommunications services in any state.

Applicant has not previously operated in the State of Idaho, nor has it previously sought authority to operate in the State of Idaho.

To date, no complaints have been filed against Applicant in any state.

9. Description of Proposed Operations:

Applicant plans to provide on a resale basis, pre-paid monthly recurring, flat-rate local exchange service, including extended area service, toll restriction, call control options, tone dialing, custom calling services, and any other services available on a resale basis from U.S. West the underlying incumbent local exchange carriers ("LECs"). Applicant will not construct, own or lease any facilities for the provision of its local services.

10. Initial Service Area:

Applicant hereby requests authority to provide interexchange telecommunications services throughout the State of South Dakota. Applicant intends to provide local exchange and interexchange telecommunications services in those areas currently served by U.S. West and any other relevant incumbent facilities-based LECs.

11. Accounting System:

Applicant has and will continue to maintain its books and records in accordance with Generally Accepted Accounting Principles ("GAAP").

12. Customer Service:

The name and address of the contact person servicing customers, repairs, maintenance and responding to complaints is:

*David Pikoff, President
4001 Mc Ewen, Suite 200
Dallas, Texas 75244
(972) 392-6757
(972) 392-6723 (fax)*

Customers may also call Applicant at the toll-free numbers listed below. Customer service, is staffed by six full-time customer service representatives, available from 8:30 a.m. - 5:30 p.m. (Central Time), seven days a week. Applicant's toll-free customer service number is:

1-888-878-3526

As new business demands, U.S. Telco, Inc. will hire additional staff for both Customer Service and Billing.

13. Deposits, Billing and Termination of Service:

Applicant requires repayment for all services, and therefore, does not provide customers with a written bill or invoice. In the event that a customer fails to make the required repayment, Applicant will initially notify the customer in writing that service has been suspended and that service will be disconnected if payment is not received within 10 days. Thereafter, if payment is not received, Applicant will provide the customer with a Notice of Discontinuance. An additional charge will apply to customers requesting reconnection of service.

14. Complaints Ledger:

To date, no complaints have been filed against Applicant in any state.

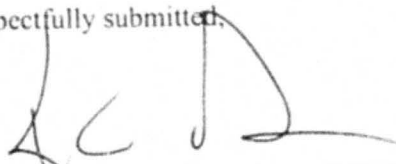
15. Tariff:

The terms of Applicant's proposed tariff relating to its local service offerings are dependant on the outcome of Applicant's negotiations with the necessary incumbent LECs and the availability of commercially viable wholesale rates. Consequently, Applicant is unable to file a tariff at this time. Upon approval of the contract, and prior to the commencement of service, U.S. Telco, Inc. will file a final tariff containing it's rates, terms and conditions of service with the Commission for its review.

CONCLUSION

As demonstrated in this application, U.S. Telco, Inc. is legally, financially, and technically qualified to provide local resold local exchange telecommunications services in the State of South Dakota. In light of the foregoing, Applicant submits that the public interest would be served by the expeditious grant of a Certificate of Public Convenience and Necessity to provide such services.

Respectfully submitted,



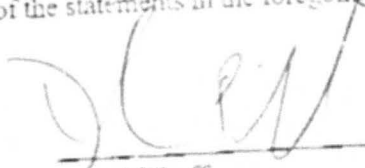
Kyle L. Dickson
TBA No. 05841310
Maxwell, Baker & McFatrige, P.C.
17625 El Camino Real, Suite 310
Houston, Texas 77058
(281) 286-1040

Counsel for U.S. Telco, Inc.

Date: 2/24/95

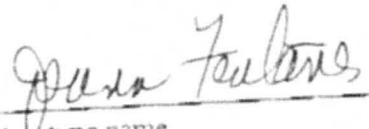
VERIFICATION OF APPLICANT

I, David Pikoff, am President of U.S. Telco, Inc., the Applicant herein. I verify that, based on my information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.



David Pikoff

SWORN TO BEFORE ME, the undersigned Notary Public on the 20th day of February, 1998.



Print or type name



EXHIBIT A



The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED that the attached is/are true and correct copies of the following described document(s) on file in this office:


U.S. TELCO INC.
CHARTER #1389025-00

ARTICLES OF INCORPORATION
ARTICLES OF AMENDMENT

FEBRUARY 16, 1996
OCTOBER 21, 1996



IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on March 17, 1997.



Antonio O. Garza, Jr.
Secretary of State

PH

ARTICLES OF INCORPORATION
OF
U.S. TELCO INC.

FILED
in the Office of the
Secretary of State of Texas
FEB 16 1996
CORPORATIONS SECTION

ARTICLE ONE

The name of the Corporation is U.S. TELCO INC.

ARTICLE TWO

The period of its duration is perpetual.

ARTICLE THREE

The purpose for which the Corporation is organized is the transaction of any and all lawful business for which a corporation may be incorporated under the Texas Business Corporation Act.

ARTICLE FOUR

The aggregate number of shares which the Corporation shall have authority to issue is One Hundred Thousand (100,000). The shares shall have no par value.

ARTICLE FIVE

The Corporation will not commence business until it has received for the issuance of its shares consideration of the value of \$1,000.00, consisting of money, labor done or property actually received.

ARTICLE SIX

The street address of its initial Registered Office, and the name of its initial Registered Agent at this address, is as follows:

John Condit
601 Howard Street
San Antonio, Texas 78212

ARTICLE SEVEN

The number of initial Directors is three. The names and addresses of the initial directors are:

John Condit
601 Howard Street
San Antonio, Texas 78212

Michael Miller
15434 Fall Place Drive
San Antonio, Texas 78247

David Pikoff
2420 Yorktown #528
Houston, Texas 77056

ARTICLE EIGHT

The name and address of the Incorporator is:

Marilyn S. Hershman
408 W. 17th Street, Suite 101
Austin, Texas 78701-1207
(512) 474-2002

IN WITNESS WHEREOF: I have hereunto set my hand this 16th day of February, 1996.

Marilyn S. Hershman
Marilyn S. Hershman, Incorporator

ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION OF
U.S. TELCO, INC.

FILED
In the Office of the
Secretary of State of Texas
OCT 21 1996
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act, the undersigned Corporation adopts the following Article of Amendment to its Articles of Incorporation:

ARTICLE ONE

The name of the corporation is U.S. Telco, Inc.

ARTICLE TWO

The following amendment to the Articles of Incorporation adopted by the shareholders of the Corporation on September 20, 1996:

ARTICLE FOUR of the Articles of Incorporation is amended to read:

"The aggregate number of shares which the Corporation shall have authority to issue is Three Million (3,000,000). The shares shall have no par value."

ARTICLE THREE

The number of shares of the Corporation outstanding at the time of the adoption was One Hundred Thousand (100,000); and, the number of shares entitled to vote on the Amendment was One Hundred Thousand (100,000).

ARTICLE FOUR

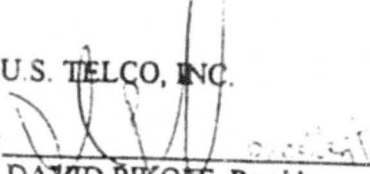
The number of shares that voted for the Amendment was One Hundred Thousand (100,000); and the number of shares that voted against the Amendment was zero (0).

The holders of all of the shares outstanding and entitled to vote on the Amendment have

signed a consent in writing adopting the Amendment.

DATED: September 20, 1996

U.S. TELCO, INC.

By: 

DAVID PIKOFF, President



The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED, that
Articles of Incorporation
of


US. TELCO INC.

were filed in this office and a certificate of incorporation was issued on
FEBRUARY 19, 1996;

IT IS FURTHER CERTIFIED, that no certificate of dissolution has been issued, and
that the corporation is still in existence.

*IN TESTIMONY WHEREOF, I have hereunto
signed my name officially and caused to be
impressed hereon the Seal of State at my office in
the City of Austin, on March 3, 1997.*





Antonio O. Garza, Jr.
Secretary of State

PH



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

JOHN SHARP • COMPTROLLER • AUSTIN, TEXAS 78774

March 6, 1997

2H08/PWAL460

U S TELCO INC
208 W LAUREL
SAN ANTONIO

TX 78212-4303

CERTIFICATION OF ACCOUNT STATUS

THE STATE OF TEXAS

COUNTY OF TRAVIS

I, John Sharp, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

U S TELCO INC

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time.

This certificate is valid through the date that the next franchise tax report
will be due, May 15, 1997.

This certificate is not valid for the purpose of dissolution, merger or
withdrawal.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 6th day of
March , 1997 A.D.

JOHN SHARP
Comptroller of Public Accounts

Charter/C.O.A. number: 013890256-0



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 U.S. TELCO, INC. (TX) 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 U.S. TELCO, 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 August 29, 1997.



Joyce Hazeltine
JOYCE HAZELTINE
Secretary of State

SECRETARY OF STATE
 STATE CAPITOL
 500 E. CAPITOL
 PIERRE, S.D. 57501-8017
 605-773-4845
 FAX (605) 773-4960

APPLICATION FOR CERTIFICATE OF AUTHORITY

RECEIVED
 8/10/97

Pursuant to the provisions of SDCL 47-8-7, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of South Dakota and for that purpose submits the following statement:

(1) The name of the corporation is U.S. Telco, Inc.
 (Exact corporate name)

(2) If the name of the corporation does not contain the word "corporation", "company", "incorporated" or "limited" or does not contain an abbreviation of one of such words, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this state is

(3) State where incorporated Texas Federal Taxpayer ID# 74-2773730

(4) The date of its incorporation is February 16, 1996 and the period of its duration is Perpetual

(5) The address of its principal office in the state or country under the laws of which it is incorporated is
5215 O'Conner, Suite 300, Irving, Texas Zip Code 75039

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is c/o C T Corporation System, 319 S. Coteau
Street, Pierre, South Dakota Zip 57501
 and the name of its proposed registered agent in the State of South Dakota at that address is
C T Corporation System

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: Provide telecommunications services

(8) The names and respective addresses of its directors and officers are:

Name	Officer Title	Street Address	City	State	Zip
<u>David Pikoff</u>	<u>President and Director</u>	<u>5215 O'Conner, Suite 300,</u>	<u>Irving,</u>	<u>Texas</u>	<u>75039</u>
<u>Gary Friedman</u>	<u>Secretary and Director</u>	<u>5215 O'Conner, Suite 300,</u>	<u>Irving,</u>	<u>Texas</u>	<u>75039</u>
<u>Ronald Jensen</u>	<u>Director</u>	<u>5215 O'Conner, Suite 300,</u>	<u>Irving,</u>	<u>Texas</u>	<u>75039</u>
<u>John Condit</u>	<u>Director</u>	<u>5215 O'Conner, Suite 300,</u>	<u>Irving,</u>	<u>Texas</u>	<u>75039</u>
<u>Ron Howard</u>	<u>Vice President and Director</u>	<u>5215 O'Conner, Suite 300,</u>	<u>Irving,</u>	<u>Texas</u>	<u>75039</u>

(9) The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
<u>100,000</u>	<u>Common</u>	<u>(No series)</u>	<u>No par value</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

EXHIBIT B

Ronald L. Jensen
Tax Basis Balance Sheet
December 31, 1996

Assets

Cash	\$ 11,816,967
Annuities	1,312,410
Notes receivable	17,173,121
Investments in publicly-held companies	7,199,531
Investments in privately-held companies	62,819,758
Other assets	<u>432,198</u>
Total Assets	\$ <u>100,753,985</u>

Liabilities and Net Worth

Note payable	\$ 215,616
Other liabilities	2,000
Net worth	<u>100,536,369</u>
Total Liabilities and Net Worth	\$ <u>100,753,985</u>

U.S. TELCO, INC.
Balance Sheet
For the year ending December 31, 1996

Assets

Current assets:	
Cash	\$ 12,297
Accounts receivable	<u>171,957</u>
Total current assets	184,254

Property and equipment, net	<u>47,872</u>
Total assets	\$232,126

Liabilities and Stockholders' Equity

Current liabilities	
Accounts payable	\$278,860
Sales and excise taxes payable	<u>19,127</u>
Total current liabilities	297,987

Notes payable	309,613
---------------	---------

Retained earnings	<u>(375,474)</u>
Total liabilities and stockholders' equity	\$232,126

UNAUDITED

U.S. TELCO, INC.
Statement of Earnings
For the year ending December 31, 1996

Revenues	\$ 506,582
Cost of revenues	<u>447,442</u>
Gross margin	59,120
Selling, general and administrative expenses	<u>434,594</u>
Operating income (loss) before taxes	<u>\$(375,474)</u>

UNAUDITED

US TELCO

Statement of Income

For the Period Ending March 31, 1997

	<u>1997</u>
COMMUNICATION SERVICES REVENUES	<u>180,909</u>
COST OF COMMUNICATION SERVICES	
Circuit costs	92,479
Other direct costs	<u>0</u>
	<u>92,479</u>
Gross Profit	<u>88,430</u>
OPERATING EXPENSES	
General operating expenses	213,088
Depreciation and amortization	<u>2,574</u>
	<u>215,662</u>
Operating income (loss)	<u>(127,232)</u>
NONOPERATING INCOME/(EXPENSE)	
Interest expense	(1,126)
Gain/Loss from Sale of Asset	171,512
Other income (expense)	<u>200</u>
	<u>170,586</u>
Income (loss) before income taxes	<u>43,354</u>
INCOME TAXES	
Federal income tax expense	<u>0</u>
Net income (loss)	<u><u>43,354</u></u>

US TELCO

Balance Sheet

For the Period Ending March 31, 1997

Assets	1997
CURRENT ASSETS	72,562
Cash	0
Accounts Receivable	41,135
Prepayments and other current assets	<u>113,697</u>
NONCURRENT ASSETS	<u>0</u>
PROPERTY, PLANT AND EQUIPMENT	32,506
Office furniture and equipment	0
Leasehold improvements	<u>32,506</u>
Less accumulated depreciation	(5,933)
	<u>26,573</u>
	<u><u>140,270</u></u>
Liabilities and Stockholder's Equity	
CURRENT LIABILITIES	28,624
Accounts Payable	63,716
Other current liabilities	<u>92,340</u>
STOCKHOLDERS' EQUITY	1,000
Common Stock	400,000
Preferred Stock	(396,424)
Retained Earnings (Accumulated Deficit)	43,354
Current Year Earnings	<u>47,930</u>
TOTAL STOCKHOLDER EQUITY	<u>140,270</u>
TOTAL LIABILITIES AND STOCKHOLDER EQUITY	<u><u>140,270</u></u>

EXHIBIT C

TECHNICAL QUALIFICATIONS OF U.S. TELCO, INC.

January, 1998

On May 8, 1996, U.S. Telco, Inc. was issued its first alternative local exchange certification in Texas, a service provider certificate of operating authority. U.S. Telco was among the first ALECs certificated in Texas. Since that time it has obtained certificates to provide local exchange service in thirty states and is currently providing service in ten states with almost 10,000 customers.

The concept of billing and reselling of local and long distance services to residential customers was U.S. Telco's initial focus. U.S. Telco continues to provide bundled local and long distance services in Texas and Colorado. U.S. Telco's newest program is its prepaid local service offering. U.S. Telco has been able to obtain contractual relationships with large companies that provide it numerous points of payments throughout the states it serves.

MANAGEMENT OF U.S. TELCO, INC.

DAVID M. PIKOFF, President, Mr. Pikoff began his career with U.S. Telco in February 1996. Mr. Pikoff was one of the founders of the company and originally conceived the idea of bundling the resale of local and long distance. Mr. Pikoff was instrumental in getting U.S. Telco's alternative local exchange company certification in Texas, which was among the first, as well as the negotiation and approval of their interconnection/resale agreement with SWB which was the second such agreement to be approved in Texas. U.S. Telco was the first alternative local exchange company to provide resold local and long distance services on a bundled basis. They began this endeavor in June 1996. Mr. Pikoff's marketing skills have allowed U.S. Telco significant growth and they were able to obtain more than 3,000 customers in just 90 days.

Prior to U.S. Telco, Mr. Pikoff was director of sales for Multi Technology Services, a facilities based shared-tenant service provider located in Houston, Texas. Prior to his employment with MTS, Mr. Pikoff spent several years in the marketing department of Sisco Foods as Regional Marketing Associate where he was consistently ranked in the top 10 percent of their sales staff.

Mr. Pikoff received a B.B.A. from St. Edwards University in Austin, Texas, *magna cum laude*, and was a member of Alpha Sigma Lambda National Scholastic Honor Society.

RONALD L. JENSEN, Director, Background: Mr. Jensen has served as a member of Matrix Telecom, Inc.'s management since its inception in May 1990. He has been the sole owner since 1985 of United Group Association, a health insurance agency and has held various executive offices since such date. Mr. Jensen is the Chairman of the Board and served as President from 1988 to 1994 of United Insurance Companies, Inc., a publicly traded insurance holding company, and is a member of the board of directors of Pacific Gateway Exchange, an international facilities based carrier.

RONALD HOWARD, Vice President, Background: Mr. Howard has served in an advisory capacity with the Jensen Affiliated Companies since November 1996. Prior to joining Mr. Jensen's family of companies, Mr. Howard held positions of progressive responsibility in sales, marketing, finance, and general management in the financial services industry. Mr. Howard's professional career began in 1967 with General Electric Capital Corporation followed by management positions with Meritor Credit Corporation, Ford Consumer Finance Company and Associates First Capital Corporation. Additionally, from 1993-1996 Mr. Howard served as Chairman, Associates Investment Corporation, an Industrial Loan Chartered Bank located in Salt Lake City, Utah. Mr. Howard holds a Bachelor of Science degree in Marketing from Sacred Heart University, Fairfield, Connecticut.

GARY L. FRIEDMAN, Secretary, Background: Mr. Friedman has served in an advisory capacity with Matrix Telecom, Inc., since its inception in May 1990, and has served as its Director, Secretary and Vice President of Strategic Operations since January 1994. Since 1984, Mr. Friedman has served as Director of United Group Insurance Company and since 1985, he has served as Director and Treasurer of United Group Associations, a leading agency offering association benefits packages, with emphasis on health insurance. Mr. Friedman has also served as Secretary of United Group Associations since July 1990.

VIRGINIA A. BAKER, Treasurer. Background: Ms. Baker has served Matrix Telecom, Inc. in a key financial capacity since October 1993 and currently serves as its Vice President and Treasurer. From July 1990 to October 1993, Ms. Baker served as Controller of VarTec Telecom, Inc., a large facility based national long distance provider located in Dallas, Texas. Prior to entering the telecommunications industry, Ms. Baker worked as a C.P.A. from September 1987 to July 1990 for Deloitte & Touche, a national accounting firm.

MAXWELL, BAKER & McFATRIDGE, P.C.
17625 EL CAMINO REAL, SUITE 310
HOUSTON, TEXAS 77058-3052

FIRST PROSPERITY BANK
CLEAR LAKE
P.O. BOX 35560
HOUSTON, TEXAS 77235 5560
88-2265/1131

11130

2/23/98

PAY
TO THE
ORDER OF

South Dakota PUC

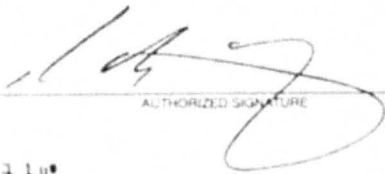
\$ **250.00

Two Hundred Fifty and 00/100*****

DOLLARS

South Dakota PUC

MEMO Filing Fee-UST03



AUTHORIZED SIGNATURE

⑈011130⑈ ⑆113122655⑆ 0205114031⑈

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (605) 773-3705
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

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

02/20/98 through 02/26/98

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

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC98-055	Application by Western Tele-Communications, Inc./Retail Sales Group d/b/a People Link by TCI for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) "Applicant seeks to provide intrastate toll service from points of origin in South Dakota to destination points in South Dakota, other parts of the United States, and foreign countries. Applicant intends to offer these services under a variety of means, initially by means of prepaid debit calling cards. Applicant intends to provide services as a non-facilities based carrier, and will not construct any new facilities in South Dakota to implement the authority sought herein. Applicant does not intend to provide local exchange service. Applicant's Prepaid Calling Card will be offered at a fixed dollar amount."	02/20/98	03/13/98
TC98-056	Application by North Dakota Long Distance for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) Applicant seeks to provide "long distance services which include prepaid calling cards, travel cards, 10XXX, international calling, and 800/888# service. North Dakota Long Distance will resell the above listed services through a contract with WorldCom. NDLD does not own or maintain any lines."	02/23/98	03/13/98
TC98-057	Application by SmartStop, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/KC) "Applicant seeks authority to serve, 800 WATS, and 1+ prepaid telecard services COCOT (COPT) and IPP to the general public...Such authority would include: twenty-four hour origination and termination intrastate interLATA and intraLATA calls for customers, and to operate as a Travel and Prepaid Card reseller and Independent Payphone Provider (IPP). SmartStop is not applying for authorization to provide Operator services."	02/23/98	03/13/98
TC98-058	Application by Nova Telecom, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/KC) "Applicant is a reseller which intends to offer 1+ direct dialing, 800 toll free, travel card and prepaid calling card service through the resale of telephone services provided by facilities-based interexchange carriers."	02/23/98	03/13/98
TC98-059	Application by CSI Corp for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/KC) "Applicant proposes to offer switched and dedicated access "1+" long distance telecommunications services suitable for voice and limited data applications in the state of South Dakota. The applicant does not propose to provide alternative operator services."	02/23/98	03/13/98

TC98-060	Application by U S Telco, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota (Staff: TS/CH) "Applicant plans to provide on a resale basis, pre-paid monthly recurring, flat-rate local exchange service, including extended area service, toll restriction, call control options, tone dialing, custom calling services, and any other services available on a resale basis from U S WEST, the underlying incumbent local exchange carriers. Applicant will not construct, own or lease any facilities for the provision of its local services. Applicant hereby requests authority to provide interexchange telecommunications services throughout the state of South Dakota. Applicant intends to provide local exchange and interexchange telecommunications services in those areas currently served by U S WEST and any other relevant incumbent facilities-based LECs."	02/25/98	03/13/98
PETITION TO UTILIZE NEGOTIATED AGREEMENT			
TC98-061	Dakota Telecom, Inc. and Dakota Telecommunications Systems, Inc. filed a petition to utilize, in its entirety, the negotiated agreement between Sprint Communications Company, L.P. and U S WEST Communications, Inc. which was filed for approval with the Commission on August 27, 1997, and which was approved by the Commission, subject to minor revisions, on November 18, 1997. (Staff: HB/KC)	02/25/98	

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@jud.state.sd.us. Filing the address to the Commission at 605-773-0809.

MAXWELL, BAKER & McFATRIDGE, P.C.

ATTORNEYS AT LAW
17625 EL CAMINO REAL, SUITE 500
HOUSTON, TEXAS 77058

KYLE DICKSON

March 12, 1998

HOUSTON (281) 286-1040
AUSTIN (512) 457-1272
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VIA FEDERAL EXPRESS

South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

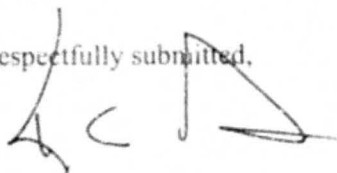
Re: *U.S. Telco, Inc. - SD PUC Docket TC 98-060*

Dear Sir or Madam:

Please be advised that *U.S. Telco, Inc.*, no longer wishes to pursue its Application for a Certificate of Authority to Resell Local and Interexchange Services in the State of South Dakota, which was filed on February 25, 1998. This letter will serve as *U.S. Telco's* request/motion to withdraw its Application and close the above referenced docket. Please date stamp the extra copy of this letter and return it in the enclosed self-addressed stamped envelope.

Your assistance in this matter is greatly appreciated. If you have any questions, please call me at (281) 286-1040.

Respectfully submitted,



Kyle L. Dickson

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF) ORDER CLOSING DOCKET
U.S. TELCO, INC. FOR A CERTIFICATE OF)
AUTHORITY TO PROVIDE) TC98-060
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA)

On February 25 1998 U S Telco, Inc (U S Telco) filed an application with the Public Utilities Commission (Commission) for a certificate of authority to operate as a telecommunications company within the state of South Dakota.

On March 13 1998, U S Telco requested that its request for a certificate of authority be withdrawn.

At its regularly scheduled March 26, 1998, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-3 and ARSD Chapter 20 10 24. The Commission found that U S Telco's request to withdraw its request for a certificate of authority is reasonable and closed the docket. It is therefore

ORDERED that this docket is closed

Dated at Pierre, South Dakota, this 6th day of April, 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 facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By	<u>Alvin F. Hilde</u>
Date	<u>4/7/98</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner