



210 N. Park Ave.
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

TC 98-139

RECEIVED

JUL 28 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

July 24, 1998

Overnight

Mr. William Bullard, Jr.
Executive Director
South Dakota Public Utilities Commission
500 East Capitol
Pierre, SD 57501

**Re: Registration of Z-Tel Communications, Inc. for Authority to Provide
Intrastate Telecommunications Services within the State of South Dakota**

Dear Mr. Bullard:

Enclosed for filing are the original and ten (10) copies of a Registration for Authority to Provide Intrastate Telecommunications Services, filed on behalf of Z-Tel Communications, Inc. Also enclosed is a Technologies Management check for the filing fee of \$250.00.

Please return, date-stamped, the extra copy of this cover letter in the enclosed self-addressed stamped envelope provided for this purpose.

Any questions you may have regarding the above filing should be directed to me at (407) 740-8575.

Sincerely,

A handwritten signature in cursive script that reads "Monique Byrnes".

Monique Byrnes
Consultant for
Z-Tel Communications, Inc.

cc: R. Curtis, Z-Tel
file: Z-Tel-SD
tms: sdi9800

**BEFORE THE SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION**

Registration of)
Z-Tel Communications, Inc.)
 for Authority to Provide Intrastate)
 Telecommunications Services)
 within the State of South Dakota)

Docket No. _____

RECEIVED

JUL 28 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Pursuant to Rule 20:10:24:02 of the Commission's Telecommunications Services Rules, Z-Tel Communications, Inc. ("Z-Tel" or "Applicant") submits the following registration information:

1. The name, address and telephone number of the applicant.

Z-Tel Communications, Inc.
 777 South Harbour Island Boulevard
 Suite 990
 Tampa, Florida 33602
 Phone: (813) 273-6261
 Fax: (813) 273-6861

2. The name under which the Applicant will provide these services if different than in subdivision (1) of this section:

None.

3. If the applicant is a corporation:

- (a) The state in which it is incorporated, the date of incorporation and a copy of its certificate of incorporation or, if it is an out-of-state corporation, a copy of its certificate of authority.

Z-Tel Communications, Inc. ("Z-Tel") was incorporated on January 15, 1998 in the state of Delaware. A copy of the Applicant's Certificate of Authority to operate in South Dakota is provided in Attachment I. A copy of the applicant's Articles of Incorporation are provided as Attachment II.

- (b) **The location of its principal office, if any, in this state and the name and address of its current registered agent.**

Principal office in South Dakota: None

Registered Agent: C T Corporation System

- (c) **The names and addresses of any corporation, association, partnership, cooperative, or individual holding a 20 percent or greater ownership or management interest in the applicant corporation and the amount and character of the ownership or management interest:**

Z-Tel Technologies, Inc. - 100% ownership in Z-Tel Communications, Inc.

D. Gregory Smith is the sole stockholder of Z-Tel Technologies, Inc.

- (d) **The names and addresses of subsidiaries owned or controlled by the applicant:**

None

4. **If the applicant is a partnership, the name, title and business address of each partner, both general and limited:**

Not applicable.

5. **A specific description of the telecommunications services the applicant intends to offer:**

Z-Tel proposes to offer long distance voice telecommunications services over resold transmission facilities to business and residential customers throughout the state of South Dakota. The Company provides outbound service and access to directory assistance. Z-Tel's services and facilities are furnished for communications originating and terminating within the state of South Dakota under the terms of the tariff provided as Attachment IV. Intrastate service is offered as an add-on to interstate service.

Z-Tel has no plans to install or construct transmission facilities in South Dakota. The company operates as a reseller, using the network transmission facilities of its underlying carrier.

Service is available 24 hours a day, seven days a week. Calls may originate from any standard residential, business or pay telephone access lines and may terminate to any interstate or intrastate location.

Z-Tel has never had any slamming complaints nor does Z-Tel provide operator assisted services. Z-Tel Customers may reach its Customer Service Department by dialing 1-800-759-9987.

A copy of Z-Tel's services are described more fully in its proposed tariff provided as Attachment IV.

6. **A detailed statement of the means by which the applicant will provide its services, including the type and quantity of equipment to be used in the operation, the capacity, and the expected used of the equipment:**

Z-Tel does not intend to install or operate any switching or transmission facilities in South Dakota. The Company will use resold transmission services of other carriers.

7. **The geographic areas in which the services are, or will be, offered, including a map describing the service boundaries:**

Z-Tel intends to offer service throughout the entire state of South Dakota.

8. **A current balance sheet and income statement; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; and a copy of the applicant's tariff with the terms and conditions of service:**

Z-Tel has sufficient financial resources to operate as a telecommunications reseller. In support of its financial ability to provide service, Z-Tel offers its most recent set of financials included as Attachment III. The terms and conditions of service as well as all rates are provided in the Applicant's proposed tariff in Attachment IV.

9. **The names and addresses of the applicant's representatives to whom all inquiries should be made regarding complaints and regulatory matters and a description of how the applicant handles customer billings and customer service matters:**

For inquiries regarding this application and tariff, contact:

Monique Byrnes
Consultant to Z-Tel Communications, Inc.
Technologies Management, Inc.
P.O. Box 200
Winter Park, Florida 32790-0200
Phone: (407) 740-8575
Fax: (407) 740-0613

For all other matters, contact:

Robert Curtis
Z-Tel Communications, Inc.
777 South Harbour Island Boulevard
Suite 990
Tampa, Florida 33602
Phone: (813) 273-6261
Fax: (813) 273-6861

Customers may contact Z-Tel's customer service department twenty-four hours a day, seven days a week at (800) 759-9987. Customer service personnel are fully trained to handle calls efficiently and courteously.

10. **A list of the states in which the applicant is registered or certified to do business and if the applicant has ever been denied registration or certification in any state and the reasons for the denial:**

Z-Tel Communications, Inc. is currently authorized to operate as a resale carrier in Georgia, Indiana, Kentucky, Montana, New Jersey and Texas. Z-Tel Communications, Inc. seeks authority to provide telecommunications services in South Dakota as part of the Company's objective to become a nationwide service provider. By serving the entire country, Z-Tel can more effectively serve customers who also operate in multiple states, as well as those customers who travel extensively. Toward that goal, applications have been filed by the Company in almost all other states. Z-Tel Communications, Inc. has not been denied certification from any state utility commission nor has its certificate been revoked in any state.

11. **A detailed description of how the applicant intends to market its services, the qualifications of its marketing sales personnel, its target market, whether the applicant engages in any multilevel marketing and copies of any company brochures used to assist in the sale of services:**

Z-Tel is not yet operational in any state. The Company plans to market through inbound and outbound telemarketing. Telemarketing scripts and direct mail materials are currently being developed.

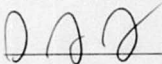
12. **Cost support for rates shown in the company's tariff for all noncompetitive or emerging competitive services:**

Cost support information is provided in Attachment V.

As evidenced by the foregoing application, Z-Tel Communications, Inc. is fully qualified to offer and provide long distance service within the State of South Dakota. Therefore, Z-Tel respectfully requests that the Commission grant this application at its earliest convenience.

Dated this 21st day of July 1998.

Respectfully Submitted,

A handwritten signature in dark ink, consisting of three stylized, overlapping loops, positioned above a horizontal line.

D. Gregory Smith
Chief Executive Officer
Z-Tel Communications, Inc.

ATTACHMENT I

Z-Tel Communications, Inc.

Authority to Operate in South Dakota

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

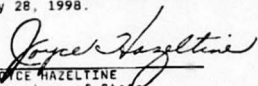
CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of Z-TEL COMMUNICATIONS, 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 Z-TEL COMMUNICATIONS, 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 May 28, 1998.


JOYCE HAZELTINE
Secretary of State

SECRETARY OF STATE
STATE CAPITOL
500 E. CAPITOL
PIERRE, S.D. 57501-5097
605-773-4825
FAX (605) 773-4825

FILE NO. _____
RECEIPT NO. _____
RECEIVED
MAY 26 1998

APPLICATION FOR CERTIFICATE OF AUTHORITY

S. SEC. OF STATE

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 Z-Tel Communications, 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 Delaware Federal Taxpayer ID# 59-3486356

(4) The date of its incorporation is January 15, 1998 and the period of its duration, which may be perpetual, is Perpetual

(5) The address of its principal office in the state or country under the laws of which it is incorporated is 1209 Orange Street, Wilmington, Delaware Zip Code 19801
mailing address if different from above is Same Zip Code _____

(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 (state specific purpose) provide telecommunications services

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

Name	Officer Title	Street Address	City	State	Zip
<u>D. Gregory Smith</u>	<u>President/CEO and Director</u>	<u>777 S. Harbour Island Blvd.</u>	<u>Tampa, Florida</u>	<u>Ste. 990.</u>	<u>33602</u>
<u>Russell T. Alba</u>	<u>Vice President/Secy</u>	<u>777 S. Harbour Island Blvd.</u>	<u>Tampa, Florida</u>	<u>Ste. 990.</u>	<u>33602</u>
<u>Jeffrey A. Bowden</u>	<u>CEO/Treasurer</u>	<u>777 S. Harbour Island Blvd.</u>	<u>Tampa, Florida</u>	<u>Ste. 990.</u>	<u>33602</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>1,000</u>	<u>Common</u>	<u>Common Stock</u>	<u>\$0.01</u>

(10) The aggregate number of its issued shares, 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
100	Common	Common Stock	\$0.01

(11) The amount of its stated capital is \$ 1
 Shares issued times par value equals stated capital. In the case of no par value stock, stated capital is the consideration received for the issued shares.

(12) This application is accompanied by a CERTIFICATE OF FACT or a CERTIFICATE OF GOOD STANDING duly acknowledged by the secretary of state or other officer having custody of corporate records in the state or country under whose laws it is incorporated.

(13) That such corporation shall not directly or indirectly combine or make any contract with any incorporated company, foreign or domestic, through their stockholders or the trustees or assigns of such stockholders, or with any partnership or association of persons, or in any manner whatever to fix the prices, limit the production or regulate the transportation of any product or commodity so as to prevent competition in such prices, production or transportation or to establish excessive prices therefor.

(14) That such corporation, as a consideration of its being permitted to begin or continue doing business within the State of South Dakota, will comply with all the laws of the said State with regard to foreign corporations.

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or by the president or by another officer.

I DECLARE AND AFFIRM UNDER THE PENALTY OF PERJURY THAT THIS APPLICATION IS IN ALL THINGS, TRUE AND CORRECT.

Dated May 21, 19 98

[Signature]
 (Signature) D. Gregory Smith

President
 (Title)

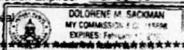
State of Florida
 County of Hillsborough

On this 21st day of May, 19 98, before me Dolorene M. Sackman personally appeared D. Gregory Smith, known to me, or proved to me, to be the President of the corporation that is described in and that executed the within instrument and acknowledged to me that such corporation executed same.

My Commission Expires 2/12/02

[Signature]
 (Notary Public)

Notarial Seal



***** Notary Public, State of Florida *****

The Consent of Appointment below must be signed by the registered agent listed in number six.

CONSENT OF APPOINTMENT BY THE REGISTERED AGENT

I, C T Corporation System, hereby give my consent to serve as the
 (name of registered agent)

registered agent for: Z-Tel Communications, Inc
 (corporate name)

Dated May 27 19 98

[Signature]
 C T CORPORATION SYSTEM

(Signature of registered agent) [Signature]
 ASSISTANT SECRETARY

ATTACHMENT II

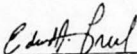
Z-Tel Communications, Inc.

Articles of Incorporation

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 RESTATED CERTIFICATE OF "Z-TEL TECHNOLOGIES, INC.", CHANGING ITS NAME FROM "Z-TEL TECHNOLOGIES, INC." TO "Z-TEL COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE SECOND DAY OF APRIL, A.D. 1998, AT 4:30 O'CLOCK P.M.




Edward J. Freel, Secretary of State

2846991 8100

AUTHENTICATION: 9010968

DATE: 04-03-98

001170187

NEXT

DOCUMENT (S)

BEST IMAGE

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04/06/1998 10:34 013-273-6961

Z-TEL TECHNOLOGIES

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Z-TEL TECHNOLOGIES

PAGE 04

**RESTATED CERTIFICATE OF INCORPORATION
OF
Z-TEL TECHNOLOGIES, INC.**

Z-Tel Technologies, Inc., a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

The name of the corporation is Z-Tel Technologies, Inc. The date of filing of its original Certificate of Incorporation with the Secretary of State was January 15, 1998, under the name Olympus Telecommunications Group, Inc.

The text of the Certificate of Incorporation as amended or supplemented heretofore is further amended hereby to read as herein set forth in full:

1. The name of the corporation is Z-Tel Communications, Inc.
2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.
3. The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.
4. The total number of shares of stock which the corporation shall have authority to issue is One Thousand (1,000) and the par value of each of such shares is Zero Dollars and One Cent (\$.01) amounting in the aggregate to Ten Dollars and No Cents (\$10.00).
5. The board of directors is authorized to make, alter or repeal the bylaws of the corporation. Election of directors need not be by written ballot.
6. The name and mailing address of the sole incorporator is:

Laura Vitale
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

7. A director of the corporation shall not be personally liable to the corporation or its stockholders 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 stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or

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Z-TEL TECHNOLOGIES

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Z-TEL TECHNOLOGIES

PAGE 05

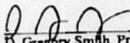
a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit.

8. The corporation shall indemnify its officers, directors, employees and agents to the extent permitted by the General Corporation Law of Delaware.

This Restated Certificate of Incorporation was duly adopted by the Board of Directors in accordance with Sections 241 and 245 of the General Corporation Law of the State of Delaware. The corporation has not received payment for its capital.

This Restated Certificate of Incorporation shall be effective on April 2, 1998.

IN WITNESS WHEREOF, said Z-Tel Technologies, Inc. has caused this Certificate to be signed by D. Gregory Smith, its president, this 2nd day of April, 1998.


D. Gregory Smith, President

ATTACHMENT III

Z-Tel Communications, Inc.

Financial Information

Z-Tel Communications, Inc.

Statement of Financial Capability

Z-Tel Communications, Inc. has sufficient financial capability to provide the requested telecommunication services in [State], the financial capability to maintain these services, and the financial capability to meet its lease and ownership obligations. Attached is the balance sheet of Z-Tel Communications, Inc. as of March 31, 1998.

Z-Tel Communications, Inc. has been in the development phase since its inception in January 1998 and therefore does not have an income statement.

Some of Z-Tel Communications, Inc.'s highlights are:

- Current asset ratio of 5.79. %
- Cash & cash equivalents of \$1,347,757 along with a \$50,000 deposit classified as Other Assets.
- Approximately 78% of the Company's assets are very liquid.
- Property, plant & equipment balance of \$383,193 which consists of the Company's investment in infrastructure to commence operations.
- Positive equity balance of \$1,547,985.

The balance sheet displays in excess of \$1.3 million in cash & cash equivalents as of March 31, 1998. The Company does not have any long term debt as the Company is 100% financed through equity ... a capital infusion by the shareholders. The Company has access to additional sources of cash via lines of credits and additional capital infusions by the shareholders.

The Company has established a team of professionals with telecommunications experience to support its venture into the telecommunications market. The Company will outsource business functions to obtain expertise and provide a financial and technical competitive advantage in the industry.

Summary

As noted in the analysis documented above, the Company is prepared for its venture into the telecommunications business. The Company is positioned to add significant revenue growth with low fixed costs. The Company has sufficient financial capability to provide the requested telecommunication services, sufficient financial capability to meet all lease and ownership obligations, and sufficient financial capability to maintain a large Customer base.

Z-Tel Communications, Inc.
Balance Sheet
March 31, 1998

ASSETS**Current Assets**

Cash - Operating Account	\$	169,124
Cash - Money Market		1,178,633
Total Current Assets		1,347,757

Property and Equipment

Furniture		31,438
Computer Equipment - General		102,353
Software		85,398
Switching Equipment		164,005
Accumulated Depreciation		
Total Property and Equipment		383,193

Other Assets

Deposits		50,000
Total Other Assets		50,000
Total Assets	\$	1,780,951

LIABILITIES AND CAPITAL**Current Liabilities**

Accounts Payable	\$	232,966
Interest Payable		
Total Current Liabilities		232,966

Long-Term Liabilities

Total Long-Term Liabilities		0
Total Liabilities		232,966

Capital

Common Stock		1,850,000
Net Income		(302,015)
Total Capital		1,547,985
Total Liabilities & Capital	\$	1,780,951

Unaudited - For Management Purpose Only

ATTACHMENT V

Z-Tel Communications, Inc.

Cost Support Data

Z-Tel Communications, Inc.

Cost Data

AVERAGE PER CALL REVENUE	\$ 0.48
COST PER CALL	\$ 0.25
Transmission	\$ 0.05
Billing/Collection	\$ 0.07
Administrative Overhead	\$ 0.02
Bad Debt Allowance	
Total Cost	\$ 0.39
GROSS MARGIN	\$ 0.09
GROSS MARGIN %	19%

ATTACHMENT V

Z-Tel Communications, Inc.

Tariff

SOUTH DAKOTA
INTEREXCHANGE TELECOMMUNICATIONS TARIFF
OF
Z-Tel Communications, Inc.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of interexchange telecommunications services provided by Z-Tel Communications, Inc. ("Z-Tel") within the state of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission. Copies may be inspected during normal business hours at the Company's principal place of business.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

CHECK SHEET

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

PAGE	REVISION
Title	Original *
1	Original *
2	Original*
3	Original *
4	Original *
5	Original *
6	Original *
7	Original *
8	Original *
9	Original *
10	Original *
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19	Original *
20	Original *
21	Original *
22	Original *
23	Original *
24	Original *
25	Original *

* - indicates those pages included with this filing.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

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Check Sheet	2
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Symbols	4
Tariff Format	5
SECTION 1 - Technical Terms and Abbreviations	6
SECTION 2 - Rules and Regulations	8
SECTION 3 - Description of Service	19
SECTION 4 - Promotions	25

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SYMBOLS

The following are the only symbols used for the purposes indicated below:

C - Changed regulation.

D - Delete or discontinue.

I - Change Resulting in an increase to a Customer's bill.

M - Moved from another tariff location.

N - New

R - Change resulting in a reduction to a Customer's bill.

T - Change in text or regulation.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

TARIFF FORMAT

A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages 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. Page 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 SDPUC. For example, the 4th revised Page 14 cancels the 3rd revised Page 14.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).1.

D. Check Sheets - When a tariff filing is made with the SDPUC, 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 sheets 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 this sheet if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.)

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Account - The Customer who has agreed, verbally or by signature, to honor the terms of service established by the Company. An account may have more than one access code billed to the same Customer address.

Authorization Code - A pre-defined series of numbers to be dialed by the Customer or End User upon access to the Company's system to notify the caller and validate the caller's authorization to use the services provided. The Customer is responsible for charges incurred through the use of his or her assigned Authorization Code.

Authorized User - A person, firm or corporation, or any other entity authorized by the Customer or Subscriber to communicate utilizing the Company's services.

Carrier or Company - Z-Tel Communications, Inc., unless otherwise indicated by the context.

Commission - refers to South Dakota Public Service Commission.

Company's Point of Presence - Location of the serving central office associated with access to the Company's network.

Customer - The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Company under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, (CONT'D.)

LATA - Local Access and Transport Area.

LEC - Local Exchange Company.

NECA - National Exchange Carriers Association.

Personal Identification Number (PIN) - See Authorization Code.

Subscriber - The person, firm, corporation, or other legal entity which arranges for services of the Company on behalf of third party Customers or Authorized Users. The Subscriber is responsible for compliance with the terms and conditions of this tariff. A Subscriber is also a Customer under the terms of the tariff.

Switched Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on local exchange company Feature Group circuits. The cost of switched Feature Group access is billed to the interexchange carrier.

Terminal Equipment - Devices, apparatus, and associated wiring, such as teleprinters, telephones, or data sets.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage is used for the purpose of rating calls.

Z-Tel - Refers to Z-Tel Communications, Inc.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Z-Tel Communications, Inc.

Z-Tel's services and facilities are furnished for communications originating at specified points within the state of South Dakota under terms of this tariff.

Z-Tel installs, operates, and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff. Z-Tel may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Z-Tel network. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1** Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2** Z-Tel reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations, (Cont'd.)

- 2.2.4 All facilities provided under this tariff are directly or indirectly controlled by Z-Tel and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.
- 2.2.6 Z-Tel reserves the right to discontinue the offering of service or deny an application for service if a change in regulation materially and negatively impacts the financial viability of the service in the best business judgment of the Company.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Liabilities of the Company

- 2.4.1** Z-Tel's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2** The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3** The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, tradename or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4** The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Deposits

The Company does not collect deposits or advance payments from its Customers. The prepayment of services which are immediately available to the Customer does not constitute a deposit or advance payment.

2.6 Advance Payments

The Company does not collect advance payments from its Customers. The prepayment of services which are immediately available to the Customer does not constitute a deposit or advance payment.

2.7 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) for services billed in arrears are listed as separate line items and are not included in the quoted rates. All federal, state and local taxes, including but not limited to federal excise tax, state gross receipts taxes, sales taxes, and municipal utilities taxes are included in the rates listed in this tariff. For pre-paid services, taxes and fees shall be included in the rates and charges stated in the Company's rate schedule for this service.

2.8 Miscellaneous Rates and Charges

The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for the use of their payphones to access the Company's service.

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BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.9 Terminal Equipment**

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a telephone set, PBX or key system. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.10 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. The Customer shall be responsible for all calls placed as the result of the Customer's negligent disclosure of the Personal Identification Number. The Customer agrees to pay to the Company any cost(s) incurred as a result of any delegation of authority resulting in the use of his or her communications equipment and/or network services which result in the placement of calls via the Company. The Customer agrees to pay the Company or its authorized agent any and all cost(s) incurred as a result of the use of the service arrangement, including calls which the Customer did not individually authorize.

All charges due by the Customer are payable to the Company or any agency duly authorized to receive such payments. Payments for service provided in association with Company-issued The billing agency may be the Company, a local exchange telephone company, credit card company, or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies having jurisdiction.

Issued:**BY:**

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.10 Payment for Service, (Cont'd.)

Any objections to billed charges must be promptly reported to the Company or its billing agent. Adjustments to Customers' bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate. If notice of disputed charges is not received within thirty days after an invoice is issued, the invoice shall be considered correct and binding on the customer.

The Customer shall be responsible for all calls placed as the result of the Customer's intentional or negligent disclosure of their Personal Identification Number. Charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand by the Company or its authorized agent. The billing thereafter will include recurring charges and actual usage as defined in this tariff.

2.10.1 Late Payment Fee

Payment is within thirty (30) days subsequent to the invoice date and are considered past after the thirty day period. A late payment charge of 1.5% applies to all overdue balances.

2.10.2 Return Check Charge

A return check charge of \$20.00 will be assessed for checks returned for insufficient funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank.

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BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.11 Installation and Termination

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this tariff.

2.12 Interconnection

Service furnished by Z-Tel may be connected with the services or facilities of other carriers. Such service or facilities, if used, are provided under the terms, rates and conditions of the other carrier. The Customer is responsible for all charges billed by other carriers for use in connection with Z-Tel's service. Any special interface equipment or facilities necessary to achieve compatibility between carriers is the responsibility of the Customer.

2.13 Cancellation by Customer

Customers may cancel service verbally or in writing at any time. The Company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Charges may be avoided by dialing another carrier's access code. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

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BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.14 Refusal or Discontinuance by Company

2.14.1 Z-Tel may refuse or discontinue service with proper notice to the Customer for any of the following reasons:

- .1 For failure of the Customer to pay a bill for service when it is due.
- .2 For failure of the Customer to meet the Company's deposit and credit requirements.
- .3 For failure of the Customer to make proper application for service.
- .4 For Customer's violation of any of the Company's rules on file with the Commission.
- .5 For failure of the Customer to provide the Company reasonable access to its equipment and property.
- .6 For Customer's breach of the contract for service between the Company and the Customer.
- .7 For a failure of the Customer to furnish such service, equipment, and/or rights-of-way necessary to serve said Customer as shall have been specified by the Company as a condition of obtaining service.
- .8 When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.14 Refusal or Discontinuance by Company, (Cont'd.)

2.14.2 Z-Tel may refuse or discontinue service without notice to the Customer for any of the following reasons:

- .1 In the event of tampering with the Company's equipment.
- .2 In the event of a condition determined to be hazardous to the Customer, to other Customers of the Company, to the Company's equipment, the public, or to employees of the Company.
- .3 In the event of a Customer's use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
- .4 In the event of fraudulent use of the service.

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BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.15 Credit Allowances for Interruption of Service

Credit allowances for interruptions of service caused by service outages or deficiencies are limited to the initial minimum period call charges for re-establishing the interrupted call.

2.16 Inspection, Testing and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.17 Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests, pilot programs, waivers and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services.

2.18 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Company, including legal and accounting expenses. Customer is also responsible for recovery costs of Company-provided equipment and any expenses required for repair or replacement of damaged equipment.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.19 Customer Inquiries or Complaints

Customer inquiries or complaints regarding service or billings may be made in writing or phone to:

Z-Tel Communications, Inc.
777 South Harbour Island Boulevard
Suite 990
Tampa, Florida 33602

Telephone: (813) 273-6261
Facsimile: (813) 273-6861

or

Customers may contact the South Dakota Public Utilities Commission if he or she is dissatisfied with the Company's response. The Commission can be reached at:

South Dakota Public Utilities Commission
500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES

3.1 General

Z-Tel provides long distance voice telecommunications services over resold transmission facilities to residential and business customers throughout the state of South Dakota.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Sioux Falls, South Dakota 57105

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)**3.2 Calculation of Distance**

Usage charges for mileage sensitive services vary based on the type of service subscribed to by the Customer. For services utilizing switched access, mileage measurements for rate schedules are based on the distance in airline miles between rate centers associated with the originating and terminating stations. For services utilizing dedicated access, mileage measurements for rate schedules are based on the distance in airline miles between the Z-Tel network access point associated with the station utilizing Dedicated Access Origination/Termination and the rate center associated with the called/calling station.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the serving wire centers as defined by BellCore (Bell Communications Research), in the following manner:

- Step 1: Obtain the "V" and "H" coordinates for the serving wire center or network access point serving the Customer's location and the called/calling station.
- Step 2: Obtain the difference between the "V" coordinates. Obtain the difference between the "H" coordinates.
- Step 3: Square the differences obtained in Step 2.
- Step 4: Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5: Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6: Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating locations of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)

3.3 Timing of Calls

- 3.3.1 Long distance usage charges are based on usage of the Company's network. Chargeable time begins when the calling and the called station are connected.
- 3.3.2 Chargeable time ends when one party "hangs up" the telephone, thereby releasing the network connection.
- 3.3.3 The minimum call duration and call increments for billing purposes are specified on a per-product basis.
- 3.3.4 The Company shall not bill for unanswered calls.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)

3.4 Rate Periods

Unless otherwise specified in this tariff, the following rate periods apply to services subject to time of day discounts:

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	PEAK PERIOD						
5:00 PM TO 11:00 PM*	OFF-PEAK PERIOD						
11:00 PM TO 8:00 AM*							

* Up to, but not including.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)

3.5 Outbound Service

Outbound Service is available to business and residential Customers for outbound calling. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

Per Minute Rate: \$ 0.10

3.6 Directory Assistance

Directory Assistance is available to Customers of Z-Tel. A Directory Assistance charge applies to each call to the Directory Assistance Bureau. Up to two requests may be made on each call to Directory Assistance. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

Per Call Rate: \$ 0.95

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 4 - PROMOTIONS

4.1 Demonstration Calls

From time to time Z-Tel will demonstrate its services by providing free test calls of up to fifteen minutes duration over its network.

4.2 Promotion - General

From time to time, the Carrier may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or non-recurring charges.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

TECHNOLOGIES MANAGEMENT, INC.

P.O. BOX 200
210 N. PARK AVE
WINTER PARK, FL 32789-0200
(407) 740-8575

BARNETT BANK, N.A.
WINTER PARK, FL 32789
63-319631

20322

7.24.98

PAY TO THE ORDER OF South Dakota Public Service Comm

\$ **250.00

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

South Dakota Public Service Comm
State Capitol
Pierre, SD 57501-5070

DOLLARS
Security Features
Included
Details on back

TECHNOLOGIES MANAGEMENT, INC.

MEMO Filing Fee for Bell South L.D

C. J. Wright

⑈020322⑈ ⑆063403493⑆ 2830066505⑈

TECHNOLOGIES MANAGEMENT, INC.

South Dakota Public Service Comm
07.21.98

Bill #Z-Tel

7.24.98

20322

250.00

TC98-139

Cash operating

Filing Fee for Bell South L.D

250.00

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of July 24, 1998 through July 30, 1998

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705. Fax: 605-773-3809.

TELECOMMUNICATIONS

TC98-137 In the Matter of the Complaint filed by Brent Barton and Dawn Barton, Mina, South Dakota, against U S WEST Communications, Inc., regarding Updating Lines

Poor telephone service in the Mina, SD area

Staff Attorney: Ethan Meaney
Consumer Representative: Leni Healy
Date Filed: 07/24/98
Intervention Deadline: N/A

TC98-138 In the Matter of the Application of Alliance Group Services Inc., for a Certificate of Authority to Provide Telecommunications Services in South Dakota

Application by Alliance Group Services Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. "Applicant seeks authority to provide MTS, out-WATS, in-WATS, and Calling Card services."

Staff Attorney: Camron Hoseck
Staff Analyst: Harlan Best
Date Filed: 07/27/98
Intervention Deadline: 08/14/98

TC98-090 In the Matter of the Establishment of Switched Access Rates for the Local Exchange Carriers Association

On behalf of McCook Cooperative Telephone Company (McCook) and the Local Exchange Carriers Association (LECA), LECA filed revised tariff pages to reflect the decrease in intrastate switched access minutes of use for McCook due to the tornado at Spencer, SD on May 30, 1998.

Staff Attorney: Karen Cremer
Staff Analyst: Harlan Best
Date Filed: 07/24/98
Intervention Deadline: 08/14/98

TC98-139 In the Matter of the Application of Z-Tel Communications, Inc., for a Certificate of Authority to Provide Telecommunications Services in South Dakota

Application by Z-Tel Communications, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. "The Company provides outbound service and access to directory assistance. Intrastate service is offered as an add-on to interstate service."

Staff Attorney: Karen Cremer
Staff Analyst: Bob Knadle
Date Filed: 07/28/98
Intervention Deadline: 08/14/98

TC98-140 In the Matter of the Filing by U S WEST Communications, Inc., for Approval of Agreement for Service Resale between Knight Communications, Inc., and U S WEST Communications, Inc.

U S WEST Communications filed a negotiated Agreement For Service Resale Between Knight Communications, Inc. and U S WEST Communications, 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 August 19, 1998. Parties to the agreement may file written responses to the comments no later than September 8, 1998.

Staff Attorney: Ethan Meaney
Date Filed: 07/29/98
Intervention Deadline: 08/19/98

You may receive this listing and other PUC publications via our website or via internet e-mail. You may subscribe to the PUC mailing list at <http://www.state.sd.us/state/executive/puc/puc.htm>

Z-Tel, Inc.

TC 98-139

August 21, 1998

RECEIVED

AUG 24 1998

South Dakota Public Utilities
Executive Secretary
500 East Capital Avenue, State Capital
Pierre, SD 57501-5070

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

REFERENCE: Request to withdraw Protest and Objections
to the Application of Z-Tel Communications, Inc.

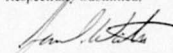
Dear Executive Secretary:

Z-Tel, Inc. is hereby withdrawing its Protest and objections to the application of Z-Tel Communications, Inc. Z-Tel, Inc. will be requesting a name change with the Commission under a new name. This name change by our Company will be filed in accordance with all regulations and requirements of the Commission. In addition, the Company will provide Commission with applicable changes to tariff.

Please find enclosed the original and nine (9) copies of this document.

We would like to request you give this matter your kind attention.

Respectfully Submitted,


James "Chris" Watson, VP
Z-Tel, Inc.

Enclosure
cc: Patrick Crocker, Esquire

*A protest
was never
filed.*



210 N. Park Ave.
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

August 26, 1998

TO: Bob Knadle
Utility Analyst
South Dakota Public Utilities Commission

FROM: Monique Bymes
Consultant to Z-Tel Communications, Inc.
Technologies Management, Inc.

RE: Z-Tel Communications, Inc.

RECEIVED
AUG 28 1998
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Attached please find a replacement tariff for Z-Tel Communications, Inc. which reflects all of the tariff changes you requested in your fax dated August 25, 1998. Below please find answers to the questions you raised in that fax.

8. On original Page 24, Section 3.5 of the proposed tariff it states that rates are not mileage or time-of-day sensitive. If this is the case, then why do you list different rate periods on Original page 23 of the proposed tariff?

You are correct in that the company currently does not offer time-of-day services. The time-of-day chart is included as a safeguard for defining such periods in the future, should the company ever offer time-of-day services.

10. On page 5, number 11, of the registration information it states that telemarketing scripts and direct mail materials are currently being developed. Provide the above-mentioned scripts and materials when they are completed.

The company is not yet offering service in any jurisdiction and all materials are under development. The company will forward such materials upon completion.

11. Does the Company currently engage in or intend to engage in any multilevel marketing?

Z-Tel Communications, Inc. does not currently intend to engage in any multilevel marketing.

Please call me if you have any additional questions.

File: Z-Tel - SD

SOUTH DAKOTA
INTEREXCHANGE TELECOMMUNICATIONS TARIFF
OF
Z-Tel Communications, Inc.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of interexchange telecommunications services provided by Z-Tel Communications, Inc. ("Z-Tel") within the state of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission. Copies may be inspected during normal business hours at the Company's principal place of business.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

CHECK SHEET

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

PAGE	REVISION
Title	Original *
1	Original *
2	Original *
3	Original *
4	Original *
5	Original *
6	Original *
7	Original *
8	Original *
9	Original *
10	Original *
11	Original *
12	Original *
13	Original *
14	Original *
15	Original *
16	Original *
17	Original *
18	Original *
19	Original *
20	Original *
21	Original *
22	Original *
23	Original *
24	Original *
25	Original *

* - indicates those pages included with this filing.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

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Check Sheet	2
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Tariff Format	5
SECTION 1 - Technical Terms and Abbreviations	6
SECTION 2 - Rules and Regulations	8
SECTION 3 - Description of Service	19
SECTION 4 - Promotions	25

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SYMBOLS

The following are the only symbols used for the purposes indicated below:

C - Changed regulation.

D - Delete or discontinue.

I - Change Resulting in an increase to a Customer's bill.

M - Moved from another tariff location.

N - New

R - Change resulting in a reduction to a Customer's bill.

T - Change in text or regulation.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

TARIFF FORMAT

A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages 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. Page 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 SDPUC. For example, the 4th revised Page 14 cancels the 3rd revised Page 14.

C. Paragraph Numbering Sequence - There are seven levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).1.

D. Check Sheets - When a tariff filing is made with the SDPUC, 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 sheets 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 this sheet if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.)

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Account - The Customer who has agreed, verbally or by signature, to honor the terms of service established by the Company. An account may have more than one access code billed to the same Customer address.

Authorization Code - A pre-defined series of numbers to be dialed by the Customer or End User upon access to the Company's system to notify the caller and validate the caller's authorization to use the services provided. The Customer is responsible for charges incurred through the use of his or her assigned Authorization Code.

Authorized User - A person, firm or corporation, or any other entity authorized by the Customer or Subscriber to communicate utilizing the Company's services.

Carrier or Company - Z-Tel Communications, Inc., unless otherwise indicated by the context.

Commission - refers to South Dakota Public Utilities Commission.

Company's Point of Presence - Location of the serving central office associated with access to the Company's network.

Customer - The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Company under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, (CONT'D.)

LATA - Local Access and Transport Area.

LEC - Local Exchange Company.

NECA - National Exchange Carriers Association.

Personal Identification Number (PIN) - See Authorization Code.

Subscriber - The person, firm, corporation, or other legal entity which arranges for services of the Company on behalf of third party Customers or Authorized Users. The Subscriber is responsible for compliance with the terms and conditions of this tariff. A Subscriber is also a Customer under the terms of the tariff.

Switched Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on local exchange company Feature Group circuits. The cost of switched Feature Group access is billed to the interexchange carrier.

Terminal Equipment - Devices, apparatus, and associated wiring, such as teleprinters, telephones, or data sets.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage is used for the purpose of rating calls.

Z-Tel - Refers to Z-Tel Communications, Inc.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Z-Tel Communications, Inc.

Z-Tel's services and facilities are furnished for communications originating at specified points within the state of South Dakota under terms of this tariff.

Z-Tel installs, operates, and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff. Z-Tel may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Z-Tel network. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1** Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2** Z-Tel reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

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D. Gregory Smith, Chief Executive Officer
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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations, (Cont'd.)

- 2.2.4** All facilities provided under this tariff are directly or indirectly controlled by Z-Tel and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.5** Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.
- 2.2.6** Z-Tel reserves the right to discontinue the offering of service or deny an application for service if a change in regulation materially and negatively impacts the financial viability of the service in the best business judgment of the Company.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

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D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Liabilities of the Company

- 2.4.1** Z-Tel's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2** The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3** The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, tradename or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4** The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Deposits

The Company does not collect deposits or advance payments from its Customers.

2.6 Advance Payments

The Company does not collect advance payments from its Customers. The prepayment of services which are immediately available to the Customer does not constitute a deposit or advance payment.

2.7 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) for services billed in arrears are listed as separate line items and are not included in the quoted rates. All federal, state and local taxes, including but not limited to federal excise tax, state gross receipts taxes, sales taxes, and municipal utilities taxes are included in the rates listed in this tariff. For pre-paid services, taxes and fees shall be included in the rates and charges stated in the Company's rate schedule for this service.

2.8 Miscellaneous Rates and Charges

The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for the use of their payphones to access the Company's service.

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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.9 Terminal Equipment**

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a telephone set, PBX or key system. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.10 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. The Customer shall be responsible for all calls placed as the result of the Customer's negligent disclosure of the Personal Identification Number. The Customer agrees to pay to the Company any cost(s) incurred as a result of any delegation of authority resulting in the use of his or her communications equipment and/or network services which result in the placement of calls via the Company. The Customer agrees to pay the Company or its authorized agent any and all cost(s) incurred as a result of the use of the service arrangement, including calls which the Customer did not individually authorize.

All charges due by the Customer are payable to the Company or any agency duly authorized to receive such payments. The billing agency may be the Company, a local exchange telephone company, credit card company, or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies having jurisdiction.

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777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.10 Payment for Service, (Cont'd.)**

Any objections to billed charges must be promptly reported to the Company or its billing agent. Adjustments to Customers' bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate. If notice of disputed charges is not received within thirty days after an invoice is issued, the invoice shall be considered correct and binding on the customer.

The Customer shall be responsible for all calls placed as the result of the Customer's intentional or negligent disclosure of their Personal Identification Number. Charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand by the Company or its authorized agent. The billing thereafter will include recurring charges and actual usage as defined in this tariff.

2.10.1 Late Payment Fee

Payment is due within thirty (30) days subsequent to the invoice date and is considered overdue after the thirty day period. A late payment charge of 1.5% applies to all overdue balances.

2.10.2 Return Check Charge

A return check charge of \$20.00 will be assessed for checks returned for insufficient funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank.

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Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.10 Payment for Service, (Cont'd.)

Any objections to billed charges must be promptly reported to the Company or its billing agent. Adjustments to Customers' bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate. If notice of disputed charges is not received within thirty days after an invoice is issued, the invoice shall be considered correct and binding on the customer.

The Customer shall be responsible for all calls placed as the result of the Customer's intentional or negligent disclosure of their Personal Identification Number. Charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand by the Company or its authorized agent. The billing thereafter will include recurring charges and actual usage as defined in this tariff.

2.10.1 Late Payment Fee

Payment is within thirty (30) days subsequent to the invoice date and is considered overdue after the thirty day period. A late payment charge of 1.5% applies to all overdue balances.

2.10.2 Return Check Charge

A return check charge of \$20.00 will be assessed for checks returned for insufficient funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank.

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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.11 Installation and Termination

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this tariff.

2.12 Interconnection

Service furnished by Z-Tel may be connected with the services or facilities of other carriers. Such service or facilities, if used, are provided under the terms, rates and conditions of the other carrier. The Customer is responsible for all charges billed by other carriers for use in connection with Z-Tel's service. Any special interface equipment or facilities necessary to achieve compatibility between carriers is the responsibility of the Customer.

2.13 Cancellation by Customer

Customers may cancel service verbally or in writing at any time. The Company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Charges may be avoided by dialing another carrier's access code. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.14 Refusal or Discontinuance by Company

2.14.1 Z-Tel may refuse or discontinue service with proper notice to the Customer for any of the following reasons:

- .1 For failure of the Customer to pay a bill for service when it is due.
- .2 For failure of the Customer to make proper application for service.
- .3 For Customer's violation of any of the Company's rules on file with the Commission.
- .4 For failure of the Customer to provide the Company reasonable access to its equipment and property.
- .5 For Customer's breach of the contract for service between the Company and the Customer.
- .6 For a failure of the Customer to furnish such service, equipment, and/or rights-of-way necessary to serve said Customer as shall have been specified by the Company as a condition of obtaining service.
- .7 When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.14 Refusal or Discontinuance by Company, (Cont'd.)

2.14.2 Z-Tel may refuse or discontinue service without notice to the Customer for any of the following reasons:

- .1 In the event of tampering with the Company's equipment.
- .2 In the event of a condition determined to be hazardous to the Customer, to other Customers of the Company, to the Company's equipment, the public, or to employees of the Company.
- .3 In the event of a Customer's use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
- .4 In the event of fraudulent use of the service.

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D. Gregory Smith, Chief Executive Officer
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Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.15 Credit Allowances for Interruption of Service

Credit allowances for interruptions of service caused by service outages or deficiencies are limited to the initial minimum period call charges for re-establishing the interrupted call.

2.16 Inspection, Testing and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.17 Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests, pilot programs, waivers and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. Such special tests, pilot programs, waivers and promotions will be filed with the Commission.

2.18 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Company, including legal and accounting expenses. Customer is also responsible for recovery costs of Company-provided equipment and any expenses required for repair or replacement of damaged equipment.

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D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.19 Customer Inquiries or Complaints

Customer inquiries or complaints regarding service or billings may be made in writing or phone to:

Z-Tel Communications, Inc.
777 South Harbour Island Boulevard
Suite 990
Tampa, Florida 33602

Telephone: (813) 273-6261
Facsimile: (813) 273-6861

or

Customers may contact the South Dakota Public Utilities Commission if he or she is dissatisfied with the Company's response. The Commission can be reached at:

South Dakota Public Utilities Commission
500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES

3.1 General

Z-Tel provides long distance voice telecommunications services over resold transmission facilities to residential and business customers throughout the state of South Dakota.

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)**3.2 Calculation of Distance**

Usage charges for mileage sensitive services vary based on the type of service subscribed to by the Customer. For services utilizing switched access, mileage measurements for rate schedules are based on the distance in airline miles between rate centers associated with the originating and terminating stations. For services utilizing dedicated access, mileage measurements for rate schedules are based on the distance in airline miles between the Z-Tel network access point associated with the station utilizing Dedicated Access Origination/Termination and the rate center associated with the called/calling station.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the serving wire centers as defined by BellCore (Bell Communications Research), in the following manner:

- Step 1: Obtain the "V" and "H" coordinates for the serving wire center or network access point serving the Customer's location and the called/calling station.
- Step 2: Obtain the difference between the "V" coordinates. Obtain the difference between the "H" coordinates.
- Step 3: Square the differences obtained in Step 2.
- Step 4: Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5: Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6: Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating locations of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

Issued:

BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)

3.3 Timing of Calls

- 3.3.1 Long distance usage charges are based on usage of the Company's network. Chargeable time begins when the calling and the called station are connected.
- 3.3.2 Chargeable time ends when one party "hangs up" the telephone, thereby releasing the network connection.
- 3.3.3 The minimum call duration and call increments for billing purposes are specified on a per-product basis.
- 3.3.4 The Company shall not bill for unanswered calls.

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BY:

D. Gregory Smith, Chief Executive Officer
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Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)**3.4 Rate Periods**

Unless otherwise specified in this tariff, the following rate periods apply to services subject to time of day discounts:

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	PEAK PERIOD						
5:00 PM TO 11:00 PM*	OFF-PEAK PERIOD						
11:00 PM TO 8:00 AM*							

* Up to, but not including.

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D. Gregory Smith, Chief Executive Officer
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Tampa, Florida 33602

Effective:

SECTION 3 - DESCRIPTION OF SERVICES & RATES, (CONT'D.)

3.5 Outbound Service

Outbound Service is available to business and residential Customers for outbound calling. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

Per Minute Rate: \$ 0.10

3.6 Directory Assistance

Directory Assistance is available to Customers of Z-Tel. A Directory Assistance charge applies to each call to the Directory Assistance Bureau. Up to two requests may be made on each call to Directory Assistance. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

Per Call Rate: \$ 0.95

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

SECTION 4 - PROMOTIONS

4.1 Demonstration Calls

From time to time Z-Tel will demonstrate its services by providing free test calls of up to fifteen minutes duration over its network.

4.2 Promotion - General

From time to time, the Carrier may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or non-recurring charges. Such promotional offerings will be filed with the Commission.

Issued:
BY:

D. Gregory Smith, Chief Executive Officer
777 South Harbour Island Boulevard, Suite 990
Tampa, Florida 33602

Effective:

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF)
Z-TEL COMMUNICATIONS, INC. FOR A)
CERTIFICATE OF AUTHORITY TO PROVIDE)
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA)

ORDER GRANTING
CERTIFICATE OF
AUTHORITY

TC98-139

On July 28, 1998, 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 Z-Tel Communications, Inc. (Z-Tel).

Z-Tel proposes to offer long distance voice telecommunications services over resold transmission facilities to business and residential customers throughout the state of South Dakota. The Company provides outbound service and access to directory assistance. Intrastate service is offered as an add-on to interstate service. A proposed tariff was filed by Z-Tel. The Commission has classified long distance service as fully competitive.

On July 30, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of August 14, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled September 10, 1998, meeting, the Commission considered Z-Tel's request for a certificate of authority. Commission Staff recommended granting a certificate of authority.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20 10 24 02 and 20 10 24 03. The Commission finds that Z-Tel has met the legal requirements established for the granting of a certificate of authority. Z-Tel 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 Z-Tel's application for a certificate of authority. As the Commission's final decision in this matter, it is therefore

ORDERED, that Z-Tel's application for a certificate of authority is hereby granted, effective September 28, 1998. It is

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

Dated at Pierre, South Dakota, this 21st day of September, 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 Alexis Kaabe

Date 9/21/98

(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 September 10, 1998, effective September 28, 1998
Docket No. TC98-139

This is to certify that

Z-TEL COMMUNICATIONS, 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 21st day of September, 1998.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Laska Schoenfelder

LASKA SCHOENFELDER, Commissioner