

TC99-008

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JAN 22 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Telephone: (770) 232-9200

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Lance J.M. Steinhart

Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

Also Admitted in New York
and Maryland

January 7, 1999

VIA FEDERAL EXPRESS

Mr. William Bullard
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070
(605) 773-3201

Re: HJN Telecom, Inc.

Dear Mr. Bullard:

Enclosed please find one original and ten (10) copies of HJN Telecom, Inc.'s Amended Application for Registration of a Telecommunications Company to Provide Local Exchange Service.

In order to expedite the processing of this application, I would like to suggest that all requests for information by the analyst be made by either telephone or facsimile. I will make every effort to respond on the day of the request.

I have also enclosed a check in the amount of \$250.00 payable to the "South Dakota Public Utilities Commission" for the filing fee, and an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,


Lance J.M. Steinhart

Attorney for HJN Telecom, Inc.

Enclosures

cc: Mr. Herb J. Newton (w/enc)

TC99-008

AMENDED APPLICATION FOR REGISTRATION
OF GROUP LONG DISTANCE, INC.
FILED WITH THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

RECEIVED

JAN 22 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF THE)
APPLICATION OF)
HJN TELECOM, INC.)
FOR AN ORDER) Docket No. _____
AUTHORIZING THE REGISTRATION)
OF APPLICANT AS A)
TELECOMMUNICATIONS COMPANY)
TO PROVIDE LOCAL EXCHANGE)
SERVICE)

APPLICATION

Application is hereby made to the South Dakota Public Utilities Commission for an Order authorizing HJN Telecom, Inc. ("HJN" or "Applicant") to register as a telecommunications company to provide local exchange service within the State of South Dakota. The following information is furnished in support thereof:

1. Name, Address and Telephone Number of Applicant

HJN Telecom, Inc.
3235 Satellite Boulevard, Building 400, Suite 300
Duluth, Georgia 30096
(770) 291-2121
(800) 345-2214 (Customer Service)

The Applicant will provide services under the name HJN Telecom Inc.

All inquiries regulatory matters should be addressed to:

Lance J.M. Steinhart, Esq.
6455 East Johns Crossing, Suite 285
Duluth, Georgia 300097
(770) 232-9200
(770) 232-9208 (Fax)

All inquiries regarding complaints against the company should be addressed to:

P. Bradley Clapp
3235 Satellite Boulevard
Building 400, Suite 300
Duluth, Georgia 30096
(800) 345-2214 (Customer Service)

2. Registered Agent

The name and address of the Applicant's registered agent are:

National Registered Agents, Inc.
300 South Phillips Avenue, Ste. 300
Sioux Falls, SD 57102

3. Description of the Applicant

Applicant was incorporated in Georgia on June 15, 1998 with perpetual duration. Applicant has authority to transact business as a foreign corporation in the State of South Dakota and a copy of a Certificate of Authority issued by the Secretary of State is attached hereto as Exhibit A. A copy of the Applicant's Articles of Incorporation is attached hereto as Exhibit B. On July 23, 1998, in Docket No. TC98-120, the Commission issued Applicant a Certificate of Authority to Conduct Business as a Telecommunications Company Within the State of South Dakota, effective August 22, 1998.

4. Facilities

Applicant does not own or maintain any transmission facilities or switching equipment in the State of South Dakota. The Applicant will provide services through certificated incumbent local exchange carriers ("LECs").

5. Stockholders

The names and address of the sole stockholder of Applicant are as follows:

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Herb J. Newton 3235 Satellite Boulevard Building 400, Suite 300 Duluth, Georgia 30096	100	100%

6. Officers and Directors

The names and addresses of the officers and directors of Applicant are as follows:

Herb J. Newton	President/Director
P. Bradley Clapp	Secretary, Treasurer

All of the above-named individuals can be reached at HJN Telecom, Inc., 3235 Satellite Boulevard, Building 400, Suite 300, Duluth, Georgia 30096.

7. Corporate Ownership

The name and address of any corporation, association or similar organization holding a five percent (5%) or greater ownership in the Applicant is as follows:

None

8. Subsidiaries owned or controlled by Applicant

None

9. Description of Services

Applicant is a reseller which intends to offer all local services provided by the incumbent LECs. As a switchless reseller, Applicant has no points of presence in the State of South Dakota, thus Applicant neither owns, leases, nor operates any switching, transmission, or other physical facilities in the State of South Dakota, and no such facilities will be used by Applicant in providing service in the State of South Dakota. Rather, Applicant will be engaged in reselling services provided by facilities-based LECs within the State of South Dakota. Upon receiving certification, HJN intends to provide all forms of intrastate local exchange telecommunications services including: (1) Basic Residential Services (Local Exchange Flat Rate, Measured Rate Service, operator access, etc.); (2) Residential Custom Calling and Class Features (call waiting, caller ID, call forwarding, etc.); (3) Basic Business Exchange Services; (4) Business Custom Calling and Class Features; (5) Adjunct Provided Features (voice messaging, etc.); and (6) Business and Residentially Ancillary Services (911, directory listing, directory assistance, etc.). HJN seeks authority to resell local exchange services throughout the State of South Dakota in the areas served by any LECs in South Dakota that are not eligible for a small or rural carrier exemption pursuant to Section 251(f)(1) of the Federal Act. HJN does not seek to provide resold services to customer in those small or rural territories.

The Applicant is currently authorized to provide interexchange service in all 48 contiguous states except Louisiana, Nebraska, New Mexico, and North Carolina. Applicant is currently authorized to provide local exchange service in Alabama, Connecticut, Georgia, Illinois, Kentucky, Massachusetts, Montana, Nevada, New Jersey, New York, North Dakota, Rhode Island, and Wisconsin.

10. Financial Qualifications

Applicant is financially qualified to provide intrastate local exchange telecommunications services within South Dakota. In particular, Applicant has adequate access to the capital necessary to fulfill any obligations it may undertake with respect to the provision of intrastate local exchange telecommunications services in the State of South Dakota. See Exhibit C which is attached hereto, Applicant's Balance Sheet as of June 15, 1998.

11. Tariff

Applicant will file a copy of its proposed tariff as Exhibit D upon completion of negotiations for interconnection.

12. Customer Billings and Customer Service

The Applicant intends to bill its customers directly utilizing information from the incumbent LECs. Applicant's toll-free number will be on all invoices and customer service will be provided in-house by the Applicant or by the LEC which services Applicant will resell. Applicant does not intend to have personnel located in the State of South Dakota.

13. Description of Marketing

Applicant intends to market its services to primarily to small to mid-sized businesses. Applicant intends to get written authorization from the customer. The actual switch to Applicant's local service will also depend upon the mechanisms set forth in its interconnect/resale agreement with its underlying carrier (LEC). Applicant's initial target market will be the Eastern United States. All sales personnel will have telecommunications service experience. Applicant intends to market through direct sales and through the Internet. Applicant does not intend to engage in multilevel marketing. No marketing materials are available at this time.

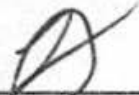
14. Miscellaneous

Applicant does not intend to provide contracts for customers, but rather will provide service on a month to month basis in the same manner as the incumbent LECs. It is contemplated that customers will keep their present telephone number. All customers should have the option to be listed in a local directory which should be published by the incumbent dominant LEC. Any 911 or telecommunications fund for the deaf surcharges will be collected in accordance with the mechanism set forth in Applicant's interconnect/resale agreement when finalized.

WHEREFORE, the undersigned Applicant requests that the South Dakota Public Utilities Commission enter an order granting this amended application to its Certificate of Authority authorizing Applicant to provide resold local exchange services.

DATED this 7 day of July, 1999.

HJN Telecom, Inc.

By: 

Lance Steinhart
Its Attorney

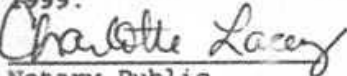
STATE OF GEORGIA

COUNTY OF FULTON

Lance Steinhart, being first duly sworn, deposes and says that he is the Regulatory Counsel to HJN Telecom, Inc., the Applicant in the proceeding entitled above, that he has read the foregoing application and knows the contents thereof; that the same are true of his knowledge, except as to matters which are therein stated on information or belief, and to those matters he believes them to be true.



Lance J.M. Steinhart

Subscribed and sworn to before this 7th day of January,
1999.

Notary Public

My Commission expires: _____

Charlotte E. Lacey
Notary Public, Chatham County, Georgia
My Commission Expires November 28, 2000

LIST OF EXHIBITS

- A - CERTIFICATE OF AUTHORITY
- B - ARTICLES OF INCORPORATION
- C - FINANCIAL STATEMENTS
- D - PROPOSED TARIFF

EXHIBIT A - CERTIFICATE OF AUTHORITY

11-0-49-0

State of South Dakota

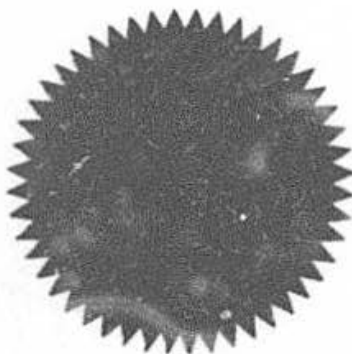


OFFICE OF THE SECRETARY OF STATE

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 HJN TELECOM, INC. (GA) 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 HJN TELECOM, INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this July 1, 1998.

Joyce Hazeltime

JOYCE HAZELTINE
Secretary of State

EXHIBIT B - ARTICLES OF INCORPORATION

HJN TELECOM, INC.

ARTICLES OF INCORPORATION

ARTICLE I

The name of the Corporation is HJN Telecom, Inc.

ARTICLE II

The Corporation shall be authorized to issue One Thousand (1,000) shares of stock.

ARTICLE III

The initial registered office of the Corporation shall be at 6455 East Johns Crossing, Suite 285, Duluth, Georgia 30097 in Fulton County. The initial registered agent of the Corporation at such address shall be Lance J.M. Steinhart.

ARTICLE IV

The name and address of the Incorporator is:

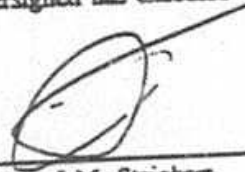
Lance J.M. Steinhart
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

ARTICLE V

The mailing address of the initial principal office of the Corporation is:

3235 Satellite Boulevard, Building 400, Suite 300
Duluth, Georgia 30096

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation.



Lance J.M. Steinhart
Incorporator

JUN 15 1 59 PM '98

SECRETARY OF STATE

EXHIBIT C - FINANCIAL STATEMENTS

HJN Telecom, Inc.
3235 Satellite Boulevard
Building 400, Suite 300
Duluth, GA 30096

Balance Sheet
June 15, 1998

Assets

Current Assets:

Cash	\$	250,000.00
Total Current Assets	\$	250,000.00
Total Assets	\$	250,000.00

Liabilities and shareholder's equity

Common Stock 1,000 shares authorized, 100 shares issued and outstanding, no par value	\$	100.00
Additional Paid-in Capital	\$	249,900.00
Total Equity	\$	250,000.00
Total Liabilities and shareholder's equity	\$	250,000.00

EXHIBIT D - PROPOSED TARIFF

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of January 21, 1999 through January 27, 1999

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.

ELECTRIC

EL99-002 In the Matter of the Filing by Big Stone City, South Dakota and Whetstone Valley Electric Cooperative, Inc. for Approval of Electrical Service Area Boundaries.

Big Stone City, South Dakota and Whetstone Valley Electric Cooperative, Milbank, South Dakota, filed for approval by the Commission a Boundary Agreement in which the parties have come to a mutual agreement relative to the south boundary dividing the electric utility customers for Big Stone City and Whetstone Valley.

Staff Attorney: Karen Cremer
Staff Analyst: Martin Bettmann
Date Filed: 01/25/99
Intervention Deadline: N/A

GRAIN DEALER

GD99-001 In the Matter of the Receivership of Grain Dealer Bonds of Britton Durum Corporation.

The South Dakota Public Utilities Commission (Commission) has been appointed a Receiver by the Fifth Judicial Circuit Court to take possession of grain dealer bond proceeds of Britton Durum Corporation, Britton, South Dakota. The bond company is St. Paul Mercury Insurance Company. The Commission has entered an Order and will publish a Notice of Hearing in this matter in the Aberdeen American News of Aberdeen, South Dakota, and the Britton Journal, Britton, South Dakota. Notice is given that a hearing will be held on February 18, 1999, at 1:00 P.M., at the Community Room, Brown County Courthouse, 25 Market Street, Aberdeen, South Dakota. Claimants are encouraged to appear at this hearing to present evidence of their claims which may include, but be limited to, such documents as scale tickets, settlement sheets, bad checks and other evidence of a sale of grain to Britton Durum Corporation which have not been paid. The Commission's decision as Receiver is subject to the final approval of the Fifth Circuit Court of the state of South Dakota and appeal to the South Dakota Supreme Court.

Staff Attorney: Camron Hoseck
Staff: Jeff Lorensen, Director
Transportation and Warehouse Division

TELECOMMUNICATIONS

TC99-007 In the Matter of the Filing by U S WEST Communications, Inc. for Approval of Negotiated/Arbitrated Terms of Agreement for Interconnection, Resale, and Unbundled Elements between CCCSD, Inc. dba Connect and U S WEST Communications, Inc.

Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than February 10, 1999. Parties to the agreement may file written responses to the comments within twenty days of service of the comments.

Staff Attorney: Camron Hoseck
Staff Analyst: Harlan Best
Date Filed: 01/21/99
Comments Due: 02/10/99

TC99-008 In the Matter of the Application of HJN Telecom, Inc. for a Certificate of Authority to Provide Local Exchange Service in South Dakota.

HJN Telecom, Inc. is a reseller which intends to offer all forms of intrastate local exchange services in areas served by any LECs that are not eligible for a small or rural carrier exemption.

Staff Attorney: Karen Cremer
Staff Analyst: Keith Senger
Date Filed: 01/22/99
Intervention Date: 02/12/99

TC99-009 In the Matter of the Application of Maxxis Communications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Maxxis Communications, Inc. by their attorneys, notified the Commission of an acquisition of assets from Cherry Communications Incorporated to Maxxis Communications, Inc. and requested that Cherry's Certificate of Authority be transferred to Maxxis Communications, Inc.

Staff Attorney: Karen Cremer
Staff Analyst: Harlan Best
Date Filed: 01/26/99
Intervention Deadline: 02/12/99

TC99-010 In the Matter of the Application of Williams Communications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Williams Communication, Inc. intends to provide interexchange switched voice services primarily to the wholesale market, which consists of other telecommunications carriers. Williams also plans to offer interexchange private line services.

Staff Attorney: Camron Hoseck
Staff Analyst: Keith Senger
Date Filed: 01/26/99
Intervention Deadline: 02/12/99

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You may subscribe to the PUC mailing list at <http://www.state.sd.us/puc/>

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
HJN TELECOM, INC. FOR A CERTIFICATE OF)	CERTIFICATE OF
AUTHORITY TO PROVIDE LOCAL EXCHANGE)	AUTHORITY
SERVICES IN SOUTH DAKOTA)	TC99-008

On January 22, 1999, the Public Utilities Commission (Commission) received an application for a certificate of authority from HJN Telecom, Inc. (HJN).

HJN is a reseller which intends to offer all local services provided by the incumbent LECs in areas that are not eligible for a small or rural carrier exemption pursuant to § 251(f)(1) of the federal Act.

On January 28, 1999, the Commission electronically transmitted notice of the filing and the intervention deadline of February 12, 1999, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled June 22, 1999, meeting, the Commission considered HJN's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards, and subject to the condition that HJN not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. Commission Staff further recommended a waiver of 20:10:32:03(13).

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-69 and ARSD 20:10:32:03. The Commission finds that HJN has met the legal requirements established for the granting of a certificate of authority. HJN has, in accordance with SDCL 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive subparagraph (13) of ARSD 20:10:32:03.

The Commission approves HJN's application for a certificate of authority, subject to rural safeguards, and subject to the condition that HJN not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. The certificate of authority for HJN shall authorize it to offer local exchange services in those areas in South Dakota where U S WEST Communications, Inc. is the incumbent local exchange carrier. In the future, should HJN choose to provide local exchange services statewide, with respect to rural telephone companies, HJN will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible telecommunications carrier. In addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that HJN's application for a certificate of authority to provide telecommunications services, including local exchange services, is granted, subject to the condition that HJN not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission; and it is

FURTHER ORDERED, that HJN shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize HJN to offer its local exchange services in those areas in South Dakota where U S WEST Communications, Inc. is the incumbent local exchange carrier; and it is

FURTHER ORDERED, that the Commission finds good cause to waive subparagraph (13) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this 25th day of June, 1999.

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>Delvin Kalke</u>
Date	<u>6/25/99</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

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted June 22, 1999
Docket No. TC99-008

This is to certify that

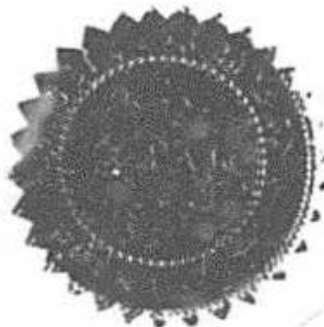
HJN TELECOM, INC.

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 25th day of June, 1999.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner