

TCDD-177

K7/KS

TC00-17

DOCKET NO.

TC00-177

In the Matter of — IN THE MATTER OF THE APPLICATION OF USA DIGITAL COMMUNICATIONS, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
11/6 00	Filed and Docketed;
11/9 00	Heubly Filing;
12/7 00	Order Granting COA;
12/7 00	Docket Closed.

# **USA Digital, Inc.**

## **Local & Long Distance Communications**

October 30, 2000

Mr. William Bullard, Jr., Executive Director  
South Dakota Public Utilities Commission  
Capitol Building, 1st floor  
500 East Capitol Avenue  
Pierre, SD 57501-5070

RE: Application of USA Digital Communications, Inc. for Certificate of Authority to  
Provide Interexchange Telecommunications Within the State of South Dakota

Dear Executive Director Bullard:

Enclosed for filing please find the Application of USA Digital Communications, Inc. for a Certificate of Authority to provide interexchange telecommunications within the State of South Dakota. An original and ten (10) copies are included for filing. A check in the amount of \$250.00 is attached and to be used for the Application filing fee.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this Application in the self-addressed stamped envelope provided for that purpose.

Questions regarding this filing may be directed to me at the address or phone number printed below.

Sincerely,



David D. Williamson  
Regulatory Manager

Enclosed

RECEIVED

NOV 05 2000

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

## BEFORE THE PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

In The Matter of the Application of USA Digital Communications, Inc. for a Certificate of Authority to Operate as an Interexchange Carrier of Telecommunications Services within the State of South Dakota	
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## APPLICATION AND REQUEST FOR CERTIFICATE OF AUTHORITY

COMES NOW USA Digital Communications, Inc. (hereinafter "Applicant") to respectfully request that the Public Utilities Commission of the State of South Dakota grant Applicant a Certificate of Authority to operate as an interexchange carrier of telecommunications services pursuant to the South Dakota Public Utilities Commission Telecommunications Rules and Regulations. Applicant, for purposes of verification, and in evidence of its fitness to operate and the public need for its services, offers the following general information and exhibits in support of this Application:

1. Applicant's legal name, address of its principal offices, and telephone number are:

USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013-6621  
(888) 872-3787

2. Applicant intends to operate under its legal name in South Dakota.
3. Applicant is a privately-held corporation, organized under the laws of the state of Nevada from May 27, 1998, to present. A copy of Applicant's articles of incorporation appears as Exhibit 1. Applicant's Certificate of Authority to transact business from the South Dakota Secretary of State as a foreign corporation appears as Exhibit 2.

RECEIVED

NOV 06 2000

SOUTH DAKOTA PUBLIC  
UTILITY COMMISSION

4. Applicant has no office in the State of South Dakota.
5. The name and address of Applicant's registered agent in the State of South Dakota is:

Business Filings Incorporated  
 3213 West Main Street, Suite 188  
 Rapid City, South Dakota  
 57702-2314

6. The Applicant has not issued stock at this time. However, the names, addresses, telephone numbers, and titles of Applicant's officers do holding twenty percent or more equity in the corporation as follows:

<u>Name, Address, and Telephone</u>	<u>Office</u>	<u>% of Equity</u>
Mark Costello (See below for address)	President	60
Richard Costello 1603 SE 19 <sup>th</sup> Street, Suite 120 Edmond, OK 73013-6621 (888) 872-3787 (405) 715-0733 (fax)	Vice Pres./ Secretary	30

7. Applicant neither owns nor controls any subsidiaries.
8. Applicant is a switchless, non-facilities-based interexchange resale carrier providing switched and dedicated interexchange telecommunications services to businesses and residences. Applicant proposes to offer switched and dedicated access "1+" long distance telecommunications services suitable for voice and limited data applications in the State of South Dakota. The Applicant does not propose to provide alternative operator services or require advanced payments or deposits.

9. Applicant is a switchless, non-facilities-based reseller of telecommunications services provided over the networks of its underlying carrier, QWEST Communications. Therefore, Applicant is solely dependent on the technical capabilities of its underlying carriers.
10. Applicant's proposes to provide service throughout the Entire State of South Dakota. A map of Applicant's proposed service area is attached as Exhibit 3.
11. A copy of Applicant's current financial statements is attached as Exhibit 4.
12. A copy of Applicant's proposed tariff is attached as Exhibit 5.
13. Questions concerning this application and for any future regulatory matters should be directed to:

David D. Williamson  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013-6621  
(888) 872-3787

14. Questions regarding customer complaints are to be addressed to:

Jake Tullius  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, Oklahoma 73013  
(888) 872-3787

14. Customer service is available through a toll free 800 number during normal business hours if a customer wishes to reach Applicant, and 24-hours-a-day if a customer wishes to contact the underlying carrier, QWEST Communications. An answering service is utilized outside normal business hours for emergency proposes.

15. Customer with billing questions can contact Applicant through a toll free 800 number during normal business hours. Applicant contracts with Switchless Reseller Services of Norman, Oklahoma, for billing services. If a customer should question their bill, Applicant will research the matter against the records of the contracted billing agent.
16. Applicant has been providing interexchange telecommunications since June 1999. Applicant has been granted authority to provide interexchange telecommunications in Arkansas, California, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Ohio, Pennsylvania, Tennessee, Texas, and Utah. Applicant has never been denied registration or certification to provide interexchange telecommunications.
17. Applicant plans to use the customer list of American Computer and Telephone exclusively to build its customer base. This list will be confined to businesses with high volume T-1 installations, and not to the general public. Applicant is also relying partially on "word of mouth" marketing for new customers. Applicant may get some residential customers as a by-product of its business customers, but this will in no way be the Applicant's focus in marketing. Applicant does not plan to engage in any multilevel marketing. A description of Applicant's marketing sales personnel is attached as Exhibit 6. Applicant does not have any sales brochures at this time.

18. Applicant requests waiver of Chapter 20:10:24:02, Subsection (12) requiring cost support for rates shown in Applicant's tariff.

WHEREFORE, USA Digital Communications, Inc. requests that the South Dakota Public Utilities Commission enter an order granting a certificate authorizing USA Digital Communications, Inc. to operate as an interexchange carrier of telecommunications services pursuant to the South Dakota Public Utilities Commission Telecommunications Rules and Regulations.

Respectfully submitted this 30<sup>th</sup> day of October 2000.

USA Digital Communications, Inc.

By: Richard E. Costello

Richard E. Costello  
Vice President/Secretary



**Exhibit 1**

**Articles of Incorporation**

MAY 27 1998

012285-98

RECORDED IN THE OFFICE OF THE  
CLERK OF THE STATE

ARTICLES OF INCORPORATION  
OF  
USA DIGITAL COMMUNICATIONS, INC.  
a Nevada corporation

I, the undersigned, being the original incorporator herein named, for the purpose of forming a corporation under the General Corporation Laws of the State of Nevada, to do business both within and without the State of Nevada, do make and file these Articles of Incorporation, hereby declaring and certifying that the facts herein stated are true:

ARTICLE I

NAME

The name of the corporation is USA DIGITAL COMMUNICATIONS, INC.

ARTICLE II

RESIDENT AGENT & REGISTERED OFFICE

Section 2.01. Resident Agent. The name and address of the Resident Agent for service of process is Nevada Corporate Headquarters, Inc., 5300 West Sahara, Suite 101, Las Vegas, Nevada 89102. Mailing Address: P.O. Box 27740, Las Vegas, NV 89126.

Section 2.02. Registered Office. The address of its Registered Office is 5300 West Sahara, Suite 101, Las Vegas, Nevada 89102.

Section 2.03. Other Offices. The Corporation may also maintain offices for the transaction of any business at such other places within or without the State of Nevada as it may from time to time determine. Corporate business of every kind and nature may be conducted, and meetings of directors and stockholders held outside the State of Nevada with the same effect as if in the State of Nevada.

ARTICLE III

PURPOSE

The corporation is organized for the purpose of engaging in any lawful activity, within or without the State of Nevada.

ARTICLE IV

SHARES OF STOCK

Section 4.01 Number and Class. The total number of shares of authorized capital stock of the Corporation shall consist of a single class of twenty-five thousand (25,000) shares of common stock, no par value.

The Common Stock may be issued from time to time without action by the stockholders. The Common Stock may be issued for such consideration as may be fixed from time to time by the Board of Directors.

The Board of Directors may issue such shares of Common Stock in one or more series, with such voting powers, designations, preferences and rights or qualifications, limitations or restrictions thereof as shall be stated in the resolution or resolutions adopted by them.

Section 4.02. No Preemptive Rights. Holders of the Common Stock of the corporation shall not have any preference, preemptive right, or right of subscription to acquire any shares of the corporation authorized, issued or sold, or to be authorized, issued or sold, and convertible into shares of the Corporation, nor to any right of subscription thereto, other than to the extent, if any, the Board of Directors may determine from time to time.

Section 4.03. Non-Assessability of Shares. The Common Stock of the corporation, after the amount of the subscription price has been paid, in money, property or services, as the directors shall determine, shall not be subject to assessment to pay the debts of the corporation, nor for any other purpose, and no stock issued as fully paid shall ever be assessable or assessed, and the Articles of Incorporation shall not be amended in this particular.

#### ARTICLE V DIRECTORS

Section 5.01. Governing Board. The members of the Governing Board of the Corporation shall be styled as directors.

Section 5.02. Initial Board of Directors. The initial Board of Directors shall consist of one (1) member. The name and address of the initial member of the Board of Directors is as follows:

<u>NAME</u>	<u>ADDRESS</u>
Cort W. Christie	P.O. Box 27740 Las Vegas, Nevada 89126

This individual shall serve as Director until the first annual meeting of the stockholders or until his successor(s) shall have been elected and qualified.

Section 5.03. Change in Number of Directors. The number of directors may be increased or decreased by a duly adopted amendment to the Bylaws of the corporation.

#### ARTICLE VI INCORPORATOR

The name and address of the incorporator is Nevada Corporate Headquarters, Inc., P.O. Box 27740, Las Vegas, Nevada 89126.

#### ARTICLE VII PERIOD OF DURATION

The corporation is to have a perpetual existence.

**ARTICLE VIII**  
**DIRECTORS' AND OFFICERS' LIABILITY**

A director or officer of the corporation shall not be personally liable to this corporation or its stockholders for damages for breach of fiduciary duty as a director or officer, but this Article shall not eliminate or limit the liability of a director or officer for (i) acts or omissions which involve intentional misconduct, fraud or a knowing violation of law or (ii) the unlawful payment of distributions. Any repeal or modification of this Article by the stockholders of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director or officer of the corporation for acts or omissions prior to such repeal or modification.

**ARTICLE IX**  
**INDEMNITY**

Every person who was or is a party to, or is threatened to be made a party to, or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he, or a person of whom he is the legal representative, is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the laws of the State of Nevada from time to time against all expenses, liability and loss (including attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by him in connection therewith. Such right of indemnification shall be a contract right which may be enforced in any manner desired by such person. The expenses of officers and directors incurred in defending a civil or criminal action, suit or proceeding must be paid by the corporation as they are incurred and in advance of the final disposition of the action, suit or proceeding, upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the corporation. Such right of indemnification shall not be exclusive of any other right which such directors, officers or representatives may have or hereafter acquire, and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any by-law, agreement, vote of stockholders, provision of law, or otherwise, as well as their rights under this Article.

Without limiting the application of the foregoing, the stockholders or Board of Directors may adopt by-laws from time to time with respect to indemnification, to provide at all times the fullest indemnification permitted by the laws of the State of Nevada, and may cause the corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other

enterprises against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the corporation would have the power to indemnify such person.

The indemnification provided in this Article shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such person.

#### **ARTICLE X** **AMENDMENTS**

Subject at all times to the express provisions of Section 4.03 which cannot be amended, this corporation reserves the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation or its Bylaws, in the manner now or hereafter prescribed by statute or by these Articles of Incorporation or said Bylaws, and all rights conferred upon the stockholders are granted subject to this reservation.

#### **ARTICLE XI** **POWERS OF DIRECTORS**

In furtherance and not in limitation of the powers conferred by statute the Board of Directors is expressly authorized:

(1) Subject to the Bylaws, if any, adopted by the stockholders, to make, alter or repeal the Bylaws of the corporation;

(2) To authorize and cause to be executed mortgages and liens, with or without limit as to amount, upon the real and personal property of the corporation;

(3) To authorize the guaranty by the corporation of securities, evidences of indebtedness and obligations of other persons, corporations and business entities;

(4) To set apart out of any of the funds of the corporation available for distributions a reserve or reserves for any proper purpose and to abolish any such reserve;

(5) By resolution, to designate one or more committees, each committee to consist of at least one director of the corporation, which, to the extent provided in the resolution or in the Bylaws of the corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be stated in the Bylaws of the corporation or as may be determined from time to time by resolution adopted by the Board of Directors; and

(6) To authorize the corporation by its officers or agents to exercise all such powers and to do all such acts and things as may be exercised or done by the corporation, except and to the extent that any such statute shall require action by the stockholders of the corporation with regard to the exercising of any such power or the doing of any such act or thing

In addition to the powers and authorities hereinbefore or by statute expressly conferred upon them, the Board of Directors may exercise all such powers and do all such acts and things as may be exercised or done by the corporation, except as otherwise provided herein and by law.

IN WITNESS WHEREOF, I have hereunto set my hand this 27TH day of MAY, 1998, hereby declaring and certifying that the facts stated hereinabove are true.

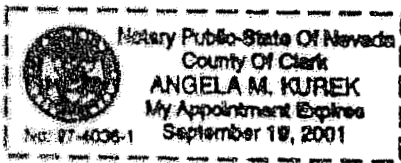
Cort W. Christie

Cort W. Christie  
(For Nevada Corporate Headquarters, Inc.)

**ACKNOWLEDGMENT**

STATE OF NEVADA )  
  ) SS:  
COUNTY OF CLARK )

On this 27TH day of MAY, 1998, personally appeared before me, a Notary Public (or judge or other authorized person, as the case may be), CORT W. CHRISTIE, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.



Angela M. Kurek

I, NEVADA CORPORATE HEADQUARTERS, INC. hereby accept as Resident Agent for the previously named Corporation on this 27TH day of MAY, 1998.

Adele R. DeWitt

On this 27TH day of MAY, 1998.

Office Administrator

**Exhibit 2**

**Certificate of Foreign Authority**

# State of South Dakota



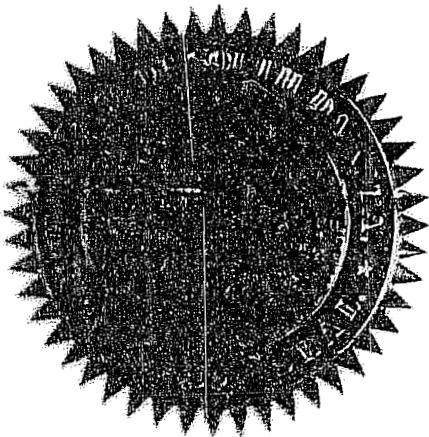
## OFFICE OF THE SECRETARY OF STATE

### 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 **USA DIGITAL COMMUNICATIONS, INC. (NV)** 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.

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 October 4, 1999.

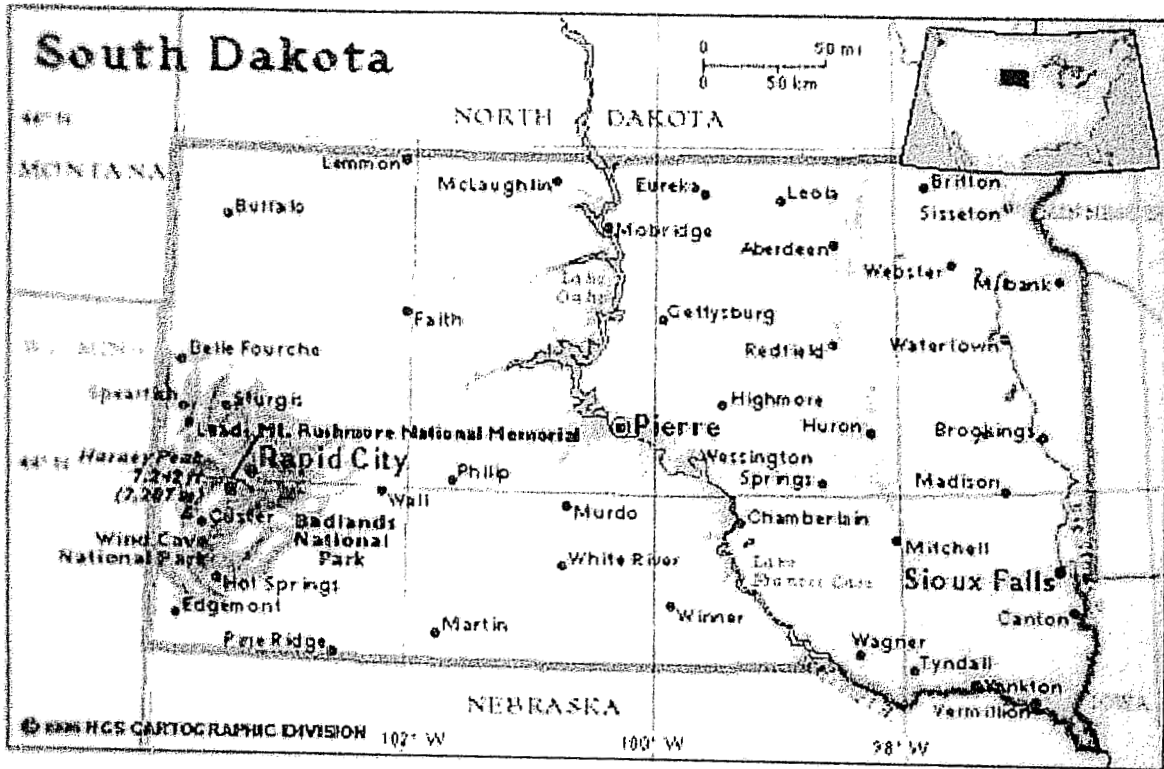


Joyce Hazeltine  
Secretary of State



Exhibit 3

Map of Proposed Service Area



Applicant proposed to provide telecommunication services throughout the Entire State of South Dakota

**Exhibit 4**

**Applicant's Current Financial Statements**

LIGHT & FISHER INC., P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

J. Ernest Light, CPA  
Christopher K. Fisher, CPA

August 31, 2000

To The Board of Directors,  
USA Digital Communications, Inc.  
Edmond, Oklahoma

We have compiled the accompanying consolidated balance sheet of USA Digital Communications, Inc. as of July 31, 2000, the related consolidated statement of operations and retained earnings for the period then ended, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements, the consolidated changes in cash. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, capital, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Light & Fisher Inc., P.C.*

Light & Fisher Inc., P.C.  
Edmond, Oklahoma

USA Digital Communications  
Balance Sheet  
July 31, 2000

ASSETS

Current Assets		
Regular Checking Account	\$	54,686.50
Accounts Receivable		265,910.50
Allowance for Doubtful Account		<19,201.52>
		<hr/>
Total Current Assets		301,395.48
Property and Equipment		
		<hr/>
Total Property and Equipment		0.00
Other Assets		
		<hr/>
Total Other Assets		0.00
		<hr/>
Total Assets	\$	<u>301,395.48</u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	139,874.76
Other Taxes Payable		<317.77>
Due to/from Arreat		41,038.34
		<hr/>
Total Current Liabilities		180,595.33
Long-Term Liabilities		
		<hr/>
Total Long-Term Liabilities		0.00
		<hr/>
Total Liabilities		180,595.33
Capital		
Common Stock		50,000.00
Net Income		70,800.15
		<hr/>
Total Capital		120,800.15
		<hr/>
Total Liabilities & Capital	\$	<u>301,395.48</u>

USA Digital Communications  
Income Statement  
For the Seven Months Ending July 31, 2000

	Current Month		Year to Date	
Travel Expense	0.00	0.00	0.00	0.00
Utilities Expense	0.00	0.00	0.00	0.00
Wages Expense	102,269.37	11.09	102,269.37	11.09
Other Expense	0.00	0.00	0.00	0.00
Purchase Disc. Expense Items	0.00	0.00	0.00	0.00
Gain/Loss on Sale of Assets	0.00	0.00	0.00	0.00
<b>Total Expenses</b>	<u>141,869.60</u>	15.38	<u>141,869.60</u>	15.38
<b>Net Income</b>	\$ <u>70,800.15</u>	7.68	\$ <u>70,800.15</u>	7.68

Page

USA Digital Communications  
Income Statement  
For the Seven Months Ending July 31, 2000

	Current Month		Year to Date	
<b>Revenues</b>				
Billed Revenue	\$ 933,097.90	101.19	\$ 933,097.90	101.19
Payment from Agencies	0.00	0.00	0.00	0.00
Sales of Materials	0.00	0.00	0.00	0.00
Overtime	0.00	0.00	0.00	0.00
Interest Income	0.00	0.00	0.00	0.00
Other Income	0.00	0.00	0.00	0.00
Finance Charge Income	0.00	0.00	0.00	0.00
Shipping Charges Reimbursed	0.00	0.00	0.00	0.00
Sales Fee Refunds	<10,966.17>	<1.19>	<10,966.17>	<1.19>
Sales Fee Discounts	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>922,131.73</b>	<b>100.00</b>	<b>922,131.73</b>	<b>100.00</b>
<b>Cost of Sales</b>				
Cost of Sales	628,080.34	68.11	628,080.34	68.11
Cost of Sales- Salaries and Wa	0.00	0.00	0.00	0.00
Cost of Goods Taxes	56,786.57	6.16	56,786.57	6.16
Cost of Billing	24,595.07	2.67	24,595.07	2.67
<b>Total Cost of Sales</b>	<b>709,461.98</b>	<b>76.94</b>	<b>709,461.98</b>	<b>76.94</b>
<b>Gross Profit</b>	<b>212,669.75</b>	<b>23.06</b>	<b>212,669.75</b>	<b>23.06</b>
<b>Expenses</b>				
Advertising Expense	657.95	0.07	657.95	0.07
Amortization Expense	26.00	0.00	26.00	0.00
Auto Expenses	0.00	0.00	0.00	0.00
Bad Debt Expense	32,389.68	3.51	32,389.68	3.51
Bank Charges	0.00	0.00	0.00	0.00
Cash Over and Short	0.00	0.00	0.00	0.00
Charitable Contributions Exp	0.00	0.00	0.00	0.00
Commissions and Fees Exp	1,444.32	0.16	1,444.32	0.16
Depreciation Expense	0.00	0.00	0.00	0.00
Dues and Subscriptions Exp	0.00	0.00	0.00	0.00
Employee Benefit Programs Exp	0.00	0.00	0.00	0.00
Freight Expense	62.00	0.01	62.00	0.01
Gifts Expense	37.25	0.00	37.25	0.00
Income Tax Expense	0.00	0.00	0.00	0.00
Insurance Expense	0.00	0.00	0.00	0.00
Interest Expense	0.00	0.00	0.00	0.00
Laundry and Cleaning Exp	0.00	0.00	0.00	0.00
Legal and Professional Expense	0.00	0.00	0.00	0.00
Licenses Expense	35.00	0.00	35.00	0.00
Loss on NSF Checks	0.00	0.00	0.00	0.00
Maintenance Expense	0.00	0.00	0.00	0.00
Meals and Entertainment Exp	1,100.00	0.12	1,100.00	0.12
Office Expense	2,001.72	0.22	2,001.72	0.22
Other Taxes	0.00	0.00	0.00	0.00
Payroll Tax Expense	0.00	0.00	0.00	0.00
Penalties and Fines Exp	0.00	0.00	0.00	0.00
Pension Profit-Sharing Plan Ex	0.00	0.00	0.00	0.00
Postage Expense	212.40	0.02	212.40	0.02
Rent or Lease Expense	1,611.90	0.17	1,611.90	0.17
Repairs Expense	0.00	0.00	0.00	0.00
Salaries Expense	0.00	0.00	0.00	0.00
Supplies Expense	22.01	0.00	22.01	0.00
Telephone Expense	0.00	0.00	0.00	0.00

**Exhibit 5**

**Applicant's Proposed Tariff**

USA DIGITAL COMMUNICATIONS, INC.

---

Mark Costello, President  
USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_



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Mark Costello, President  
USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_

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CHECK SHEET

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

<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>
1	Original	23	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		

NOTE: Future revisions to these original tariff pages shall include an updated Check Sheet. Such check sheet shall include an (\*) beside the applicable page number and the caption "Revision No. ...."

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Mark Costello, President  
USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_

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SYMBOLS

(AT)	means addition to text.
(C)	means correction.
(CP)	means change in practice.
(CR)	means change in rate.
(CT)	means change in text.
(DR)	means discontinued rate.
(FC)	means a change in format lettering or numbering.
(MT)	means moved text.
(NR)	means new rate.
(RT)	means removal of text.

In addition to symbols for changes, each provision of rate element changed will contain a vertical line which will clearly show the exact number of lines being changed.

---

Mark Costello, President  
USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_

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TARIFF FORMAT

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- A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 4 and 5 would be 4.1
- 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 page version on file with the Commission. For example, the 4<sup>th</sup> revised Page 4 cancels the 3<sup>rd</sup> revised page 4.
- C. Paragraph Numbering Sequence - There are five levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 2.
  - 2.1
  - 2.1.1
  - 2.1.1.A.
  - 2.1.1.A.1.
- D. Check Sheets - When a tariff filing is made with the Commission, an updated check sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision.

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Mark Costello, President  
USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_

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APPLICABILITY OF TARIFF

This tariff contains the description of the services offered, the terms and conditions under which each of the services are provided and all effective rates and charges applicable to the furnishing of interexchange telecommunications services of the Company within the State of South Dakota. Only those services, terms and conditions and rates and charges approved by the South Dakota Public Utilities Commission and contained in this tariff may be provided to Customers within the States. Filed tariffs are binding upon the Company and no deviation of any kind from the filed tariff is permitted.

ACCESSIBILITY OF TARIFF

This tariff is on file with the South Dakota Public Utilities Commission and the Company's principal place of business:

USA DIGITAL COMMUNICATIONS, INC.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, Oklahoma 73013-6621

These tariffs are available for viewing, during normal business hours, at the Commission or the Company's principal place of business. Additionally, copies are available upon request, free of charge, by contacting the Company at (888) 872-3787

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**SECTION I.****TERMS AND ABBREVIATIONS**

"Access" as used in this tariff means an arrangement which connects the Customer's or Subscriber's telecommunications service to the Underlying Carrier's designated point of presence or network switching center.

"Commission" means the South Dakota Public Utilities Commission.

"Company" means the Reseller referred to on the title page of this tariff, unless otherwise indicated by the context.

"Customer" means any person, partnership, cooperative corporation, limited liability company, corporation, or lawful entity provided service from an entity reselling intrastate telecommunications services.

"Customer trouble report" means any oral or written report given to the Company's repair service or contact person by a Customer relating to a defect or difficulty or dissatisfaction with the provision of the telecommunications service provided by the Company.

"Delinquent" means a payment for a billing for services provided, which is not in dispute, where payment is not received on or before the due date as posted on the bill.

"Exchange" means a geographic area established and approved by the Commission for the administration of local telephone service in a specified area which usually embraced a city, town, or village and its environs. It may consist of one or more central offices together with associated plant used in furnishing communication service in that area.

"Holidays" means the holidays designated whether by the Commission or by the Company as a legally recognized holiday, which will be rated at the lower night/weekend rates.

"IXC" means interexchange company which is a carrier or company authorized by the Commission to provide long distance communications services, but not local exchange services, within the State of South Dakota.

"InterLATA call" means any call which is originated one LATA and terminated in another LATA.

"Interstate call" means any call which is originated in one state and terminated within the boundaries of another state.

"IntraLATA call" means any call which is originated and terminated within the boundaries of the same LATA regardless of which call crossed LATA boundaries prior to reaching its termination point.

"Intrastate call" means any call which is originated and terminated within the boundaries of the State of South Dakota, regardless of whether such call crosses state boundaries prior to reaching its termination point.

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"LATA " means a local access and transport area: a geographic area established for the provision and administration of communications services.

"LEC" means a local exchange company which is a company authorized to provide local exchange service in South Dakota.

"South Dakota Public Utilities Commission ("SDPUC" or "Commission") means the regulatory body authorized by the Constitution of the State of South Dakota and the law of the State of South Dakota promulgated by and enacted by the Governor of South Dakota, which regulated certain public utilities.

"Point of Presence ("POP") means the location where an IXC has transmission equipment in a service area that serves as, or relays calls to, the interexchange network.

"Reseller" means a Company offered telecommunications services to the public through the use of the facilities of an underlying carrier or a combination of its own facilities and the facilities of an underlying carrier for resale to the public for profit. A Customer who offers the service(s) it obtains from a Reseller to the public for profit shall also be deemed a reseller.

"Service" means service in its broadest and most inclusive sense, and includes any and all acts done, rendered, or performed and any and all things furnished or supplied by a Reseller in the provision of regulated offerings to their Customers.

"Telecommunications service" means service provided by the Company including voice, data, and all of the types of communications services, under the Company's tariffs on file with the Public Utility Division of the Commission.

"Underlying Carrier" means the provider of telecommunications services whose network is being utilized and receives the Customer's telecommunications traffic.

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SECTION 2

RULES AND REGULATIONS

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**2.1 UNDERTAKING OF THE COMPANY**

- 2.1.1 The Company's services are furnished for telecommunications originating and terminating within the State of South Dakota under the terms of this tariff.
- 2.1.2 The Company installs, operates, and maintains the telecommunications services provided herein under in accordance with the terms and conditions set forth under this tariff. The Company 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 the Customer's location to the Company's network. The Customer shall be responsible for all charges due for such service arrangement.
- 2.1.3 The Company's services are provided on a monthly basis, and are available twenty-four (24) hours per day, seven (7) days per week.

**2.2 LIMITATIONS**

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2 The Company 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.
- 2.2.4 The Company does not offer services for resale by Customers unless such Customer has been granted a Certificate of Convenience and Necessity by the Commission to provide such services in the State of South Dakota.
- 2.2.5 All facilities provided under this tariff are directly or indirectly controlled by the Company and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company.

**2.3 TRANSFER OR ASSIGNMENT**

- 2.3.1 After obtaining the Company's written consent, the Customer of record may assign or transfer the use of service where there is no interruption or physical relocation. All terms and provisions contained in this tariff will apply to any assignee or transferee. Services provided by the Company may not be transferred or assigned to a new Customer unless the following conditions have been met:
- A. The Customer of record (assignor Customer) requests such assignment or transfer in writing at least forty-five (45) days prior to the effective date of any transfer; and,

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- B. The new Customer (assignee Customer) notifies the Company in writing that it agrees to assume all outstanding obligations of the former Customer for use of the Company's service. Consent to such transfer or assignment will not be unreasonably withheld; and,
- C. Prior written consent of the Company is secured. The Company agrees to respond to a request to assign or transfer to another Customer within thirty (30) days of receipt of the request.
- 2.3.2 As relates to the assignee or transferee, deposits will not be required pursuant to Section 2.6 of this tariff.
- 2.3.3 Any permitted transfer or assignment of the Company's service will not relieve or discharge any Customer from remaining jointly and severally liable with the new Customer for any obligations existing at the time of transfer or assignment.
- 2.3.4 All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

## 2.4 USE OF SERVICE

- 2.4.1 The Company's service(s) may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of such services(s).
- 2.4.2 The use of the Company's service(s) to make calls which might reasonably be expected to frighten, abuse, torment, or harass another, or in such a way as to unreasonably interfere with the use by others, is prohibited.
- 2.4.3 The use of the Company's service(s) without payment for service(s) or attempting to avoid payment for service(s) by fraudulent means or devices, schemes, false or invalid numbers, false credit cards or false Phone Cards of the Company's or false numbers of such cards, is prohibited.
- 2.4.4 Resale of the Company's service(s) by Customers is prohibited unless and until the Customer has provided the Company with proof that the Customer has been granted a Certificate of Public Convenience and Necessity to provide such service(s) in the State of South Dakota, or the Customer has become an approved agent of the Company.
- 2.4.5 The Company's service is available for use twenty-four (24) hours per day, seven days per week.
- 2.4.6 The Company does not transmit messages pursuant to the tariff, but its services may be used for that purpose.
- 2.4.7 The Company's services may be denied for nonpayment of charges or for other violations of the tariff.

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**2.5 LIABILITIES OF THE COMPANY**

- 2.5.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors or defects in transmission which occur in the course of furnishing service(s) 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.
- 2.5.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damages), for any interruption, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by an Act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.5.3 The Company will make no refund of overpayment by a Customer unless the claim for overpayment, together with the proper evidence, is submitted within (1) year from the date of alleged overpayment unless billing records prepared by the Company can be produced which would justify a credit beyond one year.
- 2.5.4 The Company shall not be liable for any claim, loss, or refund of loss or theft of Customer-specific identifying codes issued for use with the Company's services.
- 2.5.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service(s) which is not the direct result of the Company's negligence.

**2.6 DEPOSITS AND INTEREST**

- 2.6.1 The Company does not intend to require a deposit of its customers.

**2.7 BILLING AND BILLING DISPUTES**

- 2.7.1 Billing to Customers will be scheduled monthly either by mail on CD ROM or via the Internet. Usage charges are billed in arrears. Recurring fixed charges are billed monthly. A bill will be considered rendered to the Customer when deposited in the United States mail with postage prepaid. If the delivery is by other than United States mail, the bill will be considered rendered when delivered to the last known address of the party responsible for payment. A Customer's bill will be itemized and conform to standards required by the South Dakota Public Utilities Commission & Truth in Billing Act.
- 2.7.2 The Customer is responsible for all charges including all calls places from the Customer's location or by use of the Customer's authorization code(s).
- 2.7.3 A late payment charge of 1.5% will be applied to charges not paid by their due date. The late payment charge will not be applied to previous late payment charges that have been assessed. Late payment charges will be applied without discrimination.
- 2.7.4 Any objection to billed charges should be reported to the Company as soon as possible. Questions regarding the Company's services or charges assessed to a Customer's bill may be directed to the Company's Customer Service Department toll-free at (800) 364-

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5518. The Company shall investigate the particular case and report the results to the Customer. During the period that the disputed amount is under investigation, the Company shall not pursue any collection procedures or assess late fees with regard to the disputed amount. The Customer shall be required to pay the undisputed part of the bill, and if not paid, the Company may discontinue service. In the event the disputed charges are not resolved, the Company shall inform the Customer that the Customer may utilize the complaint procedures of the Commission's Consumer Services Division. The Company shall provide the Customer with the following information:

South Dakota Public Utilities Commission

Capitol Building, First Floor

500 East Capitol Avenue

Pierre, SD 57501-5070

(800) 332-1782

2.8 RESERVED FOR FUTURE USE

2.9 TAXES

The Customer is responsible for payment of any sales, use, gross receipts, excise or other local, state and federal taxes, charges or assessments, however designated (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of the Company's services.

2.9.1 All state and local sales taxes are listed as separate line items on the Customer's bill and are not included in the quoted rate(s).

2.9.2 Other taxes, charges and the regulatory assessment shall be identified in the aggregate on the Customer's bill and shall not be included in the quoted rate(s).

2.9.3 Such taxes, charges, and assessments shall be billed to the Customers receiving service(s) within the territorial limits of such state, county, city or other taxing authority. Such billing shall allocate the tax, charge and/or assessment among Customers uniformly on the basis of each Customer's monthly charges for the types of service made subject to such tax, charge and/or assessment.

2.10 EQUIPMENT

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

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**2.11 INSTALLATION AND TERMINATION**

- 2.11.1 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 PAYMENT FOR SERVICE**

- 2.12.1 All charges due by the Customer are payable to any agency duly authorized to receive such payments. The billing agency may be a LEC, credit card company, or other billing service. The terms and conditions for billing, payment and collection, including without limitation, any late payment charge, specified in the LEC's local exchange service tariff shall apply to charges of the Company when the LEC serves as the billing agent for the Company or buys the Company's accounts receivables. Terms of payment shall be according to the rules and regulations of the agency, but must comply with the Commission's rules and regulations.

- 2.12.2 Adjustments to the Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

**2.13 RETURNED CHECK CHARGE**

- 2.13.1 If a check offered by a Customer for payment of service provided is dishonored, a returned check charge shall be applied in the amount of \$15.00. At the option of the Company, the returned check charge may be waived because of extenuating circumstances (*i.e.* bank error). Disclosure of the returned check fee will appear on the Customer's phone bill.

**2.14 CANCELLATION OF SERVICE BY CUSTOMER**

- 2.14.1 A Customer may cancel service by providing written or verbal notice to the Company.

**2.15 INTEREXCHANGE INTERCONNECTION FOR RESALE**

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

**2.16 DENIAL OF SERVICE**

- 2.16.1 Service may be refused or terminated for any of the following reasons:
- A. Nonpayment of a bill within the period prescribed in the Company's tariff.
  - B. Violation of or noncompliance with any provision of law, Commission rules and regulations or the Company's approved tariffs.

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- C. Excessive or improper use of telecommunications services, or used in such manner as to interfere with reasonable service to other Customers.

2.16.2 The Company shall provide documentation to the prospective Customer or current Customer stating the reason(s) for denial or termination of service.

## 2.17 DISCONNECTION AND NOTICE

2.17.1 When service to a Customer is to be disconnected for nonpayment of a bill for services, the Company shall give at least seven (7) days written notice to the Customer of the Company's intent to discontinue service. Notice shall be mailed by the Company to the Customer's address.

2.17.2 Notices to the Customer shall contain the following information:

- A. Name, address, and telephone number of Customer.
- B. Statement of reason for proposed discontinuance of service.
- C. The date on or after which service will be discontinued unless appropriate action is taken.
- D. The telephone number of the Company where the Customer may make an inquiry.
- E. Charges for reconnection.
- F. The address and telephone number of the Commission's Consumer Services Division.

2.17.3 The Company shall not be required to give the written notice provided for in situations where the Company has evidence of fraudulent or illegal use of the Company's services, which if allowed to continue, would present a high risk of financial loss to the company.

## 2.18 REFUNDS OR CREDITS FOR INTERRUPTION OF SERVICE

2.18.1 The Customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the service affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" = outage time in hours

"B" = total monthly charge for affected facility, where applicable

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2.19 INSPECTION, TESTING AND ADJUSTMENT

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

2.20 CUSTOMER SERVICE

2.20.1 The Company shall maintain a toll-free number to enable Customers to contact the Company regarding, but not limited to, inquiries related to billing, making customer trouble reports, making oral cancellation of service, etc.

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SECTION 3

DESCRIPTION OF SERVICE AND RATES

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3.1 GENERAL

3.1.1 Rates and timing of calls may vary by product, time, time of day, day of week, call mileage, access method, terminating area, or call duration. Calls are billed individually and on a monthly basis. Usage is billed in arrears.

3.1.2 Intrastate services are offered in conjunction with interstate services.

3.2 TIMING OF CALLS

3.2.1 Billing for calls placed over the network is based in part on the duration of the call as follows, unless otherwise specified in this tariff:

- A. Call timing begins when the called party answers the call (i.e., when two way communications are established). Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
- B. Chargeable time for calls ends when one of the parties disconnects from the call.
- C. Minimum call duration periods for billing purposes vary by service option.
- D. For billing purposes, usage after the initial period varies by service and is specified by service in this tariff.
- E. The Company will not bill for unanswered calls. When a Customer indicates that he/she was billed for an incomplete call, the Company will reasonably issue credit for the call.

3.3 RESERVED

3.4 TIME OF DAY RATE PERIODS

3.4.1 The following rate periods apply to all service offerings and, unless otherwise specified, applicable rate periods (Day, Evening, Night/Weekend) are indicated in the chart below:

	MON	TUE	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	DAYTIME RATE PERIOD						
5:00 PM TO 11:00PM*	EVENING RATE PERIOD (NON-DAY)						EVE
11:00 PM TO 8:00 PM*	NIGHT/WEEKEND RATE PERIOD (NON-DAY)						

\*Up to, but not including.

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3.4.2 When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded down to the lower cent.

### 3.5 HOLIDAYS AND RATES

3.5.1 The Company may designate certain holidays on which rates may be lower.

3.5.2 Company-recognized holidays are presented in Section 4.3.

### 3.6 PROMOTIONAL OFFERINGS

3.6.1 The Company may from time to time engage in promotional trial service offerings of limited duration, not to exceed ninety (90) days, designed to attract new subscribers or to increase subscriber awareness of a particular service offering. Such promotional offerings will be limited to specific dates, times, and locations. Except for the rates charged under such promotions, all other terms and conditions of service contained in this tariff will apply to the Company's promotional service offerings. The Company will notify the South Dakota Public Utilities Commission by letter specifying the services offered, terms of promotion, location, and dates of each promotional period, thirty (30) days in advance, for approval of promotional service offerings.

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SECTION 4

COMPANY SPECIFIC INFORMATION

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4.1 GENERAL (Reserved)

4.2 SERVICES PROVIDED

4.2.1 Switched Access, Feature Group D, One-Plus/Casual Access.

USA Digital Communications, Inc. will provide common shared access switched service, hereinafter referred to as Message Toll Service or MTS, outbound Wide Area Telephone Service (WATS), Inbound 800/888 Service, and Directory Assistance.

USA Digital Communications Inc.'s 1+ InterLATA service will be provided through a pre-subscribed carrier. A Customer will be able to access USA Digital Communications, Inc.'s network either by providing USA Digital Communications, Inc. a letter of agency permitting USA Digital Communications, Inc. to become the Customer's primary carrier, or by dialing a 10XXX or some other equivalent carrier access code.

USA Digital Communications, Inc.'s 1+ IntraLATA traffic will be provided through 10XXX or some other equivalent carrier access code.

4.2.2 Switched Access, 800/888 In-bound Service.

800/888 service is the furnishing of dial-type inter/intrastate telecommunications originating on feature group facilities provided by the Local Exchange Carrier (LEC) and terminating on a Regular Business Line or a Special Access Line (SAL).

800/888 service permits a user to place either InterLATA or IntraLATA long distance calls to a USA Digital Communications, Inc. Customer with the cost of the phone call borne by the Customer. The Customer is charged a flat rate per minute and monthly fee for long distance service, per 800/888 line.

800/888 service is provided for use by the customer and may be used by others when so authorized by the customer, provided that such usage is subject to the provisions of this tariff.

800/888 service is furnished subject to the condition that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of the service includes the obtaining or attempting to obtain, or assisting another to obtain or to attempt to obtain 800/888 service through any fraudulent means with intent of avoiding payment of the regular charges for such service.

800/888 numbers can be reserved by USA DIGITAL COMMUNICATIONS, INC. through its 800/888 service provider via SMBS Bell Core. Conditions of reservations are subject to FCC and Bell Core rules and regulations regarding 800/888 reservations.

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4.2.3 Travel Card 800 Access Service.

Travel Card Service is a special travel feature whereby a customer can access the network via an 800 number (provided by Carrier) from any touch-tone phone, anywhere in the continental United States.

4.3 Holidays.

USA Digital Communications, Inc.'s recognized holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, & Christmas.

4.4 Company Specific Customer Service

Front line customer service for USA Digital Communications, Inc. customers will be provided by the company's underlying carrier, but customers with questions about their service or billing may also contact USA Digital directly for assistance.

4.5 Contracts for Services

All services for telecommunications products are arranged by a signed contract between the company and the Customer.

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## SECTION 5

DESCRIPTION OF RATES AND CHARGES

Original Rates:

Abbreviations: D = Day; E = Evening; N= Night; W = Weekend; # min. = Number of Minutes; Applic. = Applicable

Product Description: 1+ Dedicated = T-1 System; 1+ Switched = Non-T-1 System; Travel = Travel Card

Timing: Day Rates are from 8:00 A.M. up to but not including 5:00 P.M. Monday through Friday; Evening Rates are from 5:00 P.M. up to but not including 11:00 P.M. Sunday through Friday; Night Rates are from 11:00 P.M. through up to but not including 8:00 A.M. Sunday through Thursday; Weekend Rates are from 11:00 P.M. Friday Night up to but not including 5:00 P.M. Sunday; Holiday Rates are the same as Night Rates.

Billing Increments: (Initial billing increment)/(subsequent billing increments). Example: 6s/6s = 6 second initial billing increment/6 second subsequent billing increments.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, & Christmas.

<u>Code</u>	<u>Product</u>	<u>Time</u>	<u>Billing Increments</u>	<u>Interstate/ Intrastate</u>	<u>Inbound/ Outbound</u>	<u>Applicable Rate Per Minute</u>
SD1	1+ Dedicated	D/E/N/W	6s x 6s	Interstate	Inbound	\$0.045
SD2	1+ Dedicated	D/E/N/W	6s x 6s	Interstate	Outbound	\$0.045
SD3	1+ Dedicated	D/E/N/W	6s x 6s	Intrastate	Inbound	\$0.118
SD4	1+ Dedicated	D/E/N/W	6s x 6s	Intrastate	Outbound	\$0.105
SD5	1+ Switched	D/E/N/W	6s x 6s	Interstate	Inbound	\$0.069
SD6	1+ Switched	D/E/N/W	6s x 6s	Interstate	Outbound	\$0.069
SD7	1+ Switched	D/E/N/W	6s x 6s	Intrastate	Inbound	\$0.224
SD8	1+ Switched	D/E/N/W	6s x 6s	Intrastate	Outbound	\$0.215
SD9	Travel	D/E/N/W	6s x 6s	Both	Both	\$0.20

Mark Costello, President  
USA Digital Communications, Inc.  
1603 SE 19<sup>th</sup> Street, Suite 120  
Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_

**START**

**OF**

**RETAKE**

**ORIGINAL  
DOCUMENT (S)  
RECEIVED  
TORN AND/OR STAINED  
BEST IMAGE (S)  
POSSIBLE**



## SECTION 5

DESCRIPTION OF RATES AND CHARGES

## Original Rates:

Abbreviations: D = Day; E = Evening; N = Night; W = Weekend; # min. = Number of Minutes; Applic. = Applicable

Product Description: 1+ Dedicated = T-1 System; 1+ Switched = Non-T-1 System; Travel = Travel Card

Timing: Day Rates are from 8:00 A.M. up to but not including 5:00 P.M. Monday through Friday; Evening Rates are from 5:00 P.M. up to but not including 11:00 P.M. Sunday through Friday; Night Rates are from 11:00 P.M. through up to but not including 8:00 A.M. Sunday through Thursday; Weekend Rates are from 11:00 P.M. Friday Night up to but not including 5:00 P.M. Sunday; Holiday Rates are the same as Night Rates.

Billing Increments: (Initial billing increment)/(subsequent billing increments). Example: 6s/6s = 6 second initial billing increment/6 second subsequent billing increments.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, & Christmas.

<u>Code</u>	<u>Product</u>	<u>Time</u>	<u>Billing Increments</u>	<u>Interstate/ Intrastate</u>	<u>Inbound/ Outbound</u>	<u>Applicable Rate Per Minute</u>
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SD3	1+ Dedicated	D/E/N/W	6s x 6s	Intrastate	Inbound	\$0.118
SD4	1+ Dedicated	D/E/N/W	6s x 6s	Intrastate	Outbound	\$0.105
SD5	1+ Switched	D/E/N/W	6s x 6s	Interstate	Inbound	\$0.069
SD6	1+ Switched	D/E/N/W	6s x 6s	Interstate	Outbound	\$0.069
SD7	1+ Switched	D/E/N/W	6s x 6s	Intrastate	Inbound	\$0.224
SD8	1+ Switched	D/E/N/W	6s x 6s	Intrastate	Outbound	\$0.215
SD9	Travel	D/E/N/W	6s x 6s	Both	Both	\$0.20

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USA Digital Communications, Inc.  
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Edmond, OK 73013

Date Issued: September 14, 2000

Effective Date: \_\_\_\_\_

**END**

**OF**

**RETAKE**

## Exhibit 6

### Description of Applicant's Marketing Sales Personnel

#### Jake Tullius – National Accounts Manager

Mr. Tullius has over seven years experience in the telecommunications industry. His experience includes extensive experience in interexchange provisioning, rate structure, sales, and customer service. He has additional experience in installation of dedicated services, billing functions, Internet services, frame relay services, and ISDN services. He was previously employed Qwest Communications, Inc, and US Long Distance, Inc.

South Dakota Public Utilities

Check Date: Oct 27, 2000

Check Amount \$250.00

Item to be Paid - Description

10272000

250.00

RECEIVED

NOV 06 2000

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION



Long Distance Communications  
1603 S.E. 19<sup>th</sup> St, Suite 112  
Edmond, Oklahoma 73013

FIRST FIDELITY BANK  
OKLAHOMA CITY, OK 73123-0482  
39-289/1030

51

Amount

Two Hundred Fifty and 0/100 Dollars

DATE  
October 27, 2000

AMOUNT

250.00

PAY  
TO THE  
ORDER  
OF

South Dakota Public Utilities  
Capitol Building, 1st floor  
500 E. Capitol Ave.  
Pierre, SD 57501-5070

*Richard E. Costello*

AUTHORIZED SIGNATURE

SECURITY FEATURES INCLUDED. DETAILS ON BACK.

⑈005120⑈ ⑆103002691⑆ 1108327499⑈

South Dakota Public Utilities Commission

**WEEKLY FILINGS**

For the Period of November 2, 2000 through November 8, 2000

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**

**EL00-032 In the Matter of the Filing by Otter Tail Power Company for Approval of a Contract with Deviations with the City of Gary.**

Application by Otter Tail Power Company to renew street lighting contract with the city of Gary due to expiration of existing contract.

Staff Analyst: Dave Jacobson  
Staff Attorney: Kelly Frazier  
Date Filed: 11/6/00  
Intervention Deadline: NA

**TELECOMMUNICATIONS**

**TC00-176 In the Matter of the Application of NewSouth Communications Corp. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.**

Application by NewSouth Communications Corp. for a certificate of authority to provide intrastate interexchange telecommunications services in South Dakota including message toll service, Travel Card and operator assisted services by reselling the services of underlying carriers.

Staff Analyst: Dave Jacobson  
Staff Attorney: Kelly Frazier  
Date Filed: 11/2/00  
Intervention Deadline: 11/24/00

**TC00-177 In the Matter of the Application of USA Digital Communications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.**

USA Digital Communications, Inc. is seeking a Certificate of Authority to provide resold interexchange telecommunication services in South Dakota. The applicant intends to offer switched and dedicated 1+ services to business and residential customers.

Staff Analyst: Keith Senger  
Staff Attorney: Kelly Frazier  
Date Docketed: 11/06/00  
Intervention Deadline: 11/24/00

**TC00-178 In the Matter of the Filing by Qwest Corporation for Approval of a Revision to its Pierre-Fort Pierre Locality Special Rate Area Map.**

Qwest Corporation has filed with the Public Utilities Commission a revision to its Pierre-Fort Pierre Locality Special Rate Area Map. The territory being removed from the Qwest Pierre-Fort Pierre exchange will now

be in the Golden West exchange territory and Golden West will serve the customers in that area.

Staff Analyst: Michele Farris  
Staff Attorney: Kelly Frazier  
Date Docketed: 11/8/00  
Intervention Date: 11/24/00

**TC00-179 In the Matter of the Application of Telephone Associates, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.**

On November 8, 2000, the Commission received an application from Telephone Associates, Inc. for a Certificate of Authority to provide interexchange telecommunication services in South Dakota. Telephone Associates is requesting to offer direct dial outbound and inbound telecommunication services, and travel and entertainment services, to residential and business customers, utilizing switched and dedicated access facilities.

Staff Analyst: Dave Jacobson  
Staff Attorney: Kelly Frazier  
Date Docketed: 11/8/00  
Intervention Deadline: 11/24/00

**TC00-180 In the Matter of the Filing for Approval of a Fourth Amendment to an Interconnection Agreement between Qwest Corporation and McLeodUSA Telecommunications Services, Inc.**

An Amendment No. 4 to the Interconnection Agreement between Qwest Corporation (Qwest) and McLeodUSA Telecommunications Services, Inc. (McLeod) was filed with the Commission for approval. The agreement is a negotiated agreement with the parties adopting the negotiated interconnection agreement between McLeod and Qwest f/k/a U S WEST which was approved by the Commission effective July 23, 1999 in Docket No. TC99-057\*. Three amendments have since been filed and approved. The first and second amendments were approved on September 29, 2000 in Docket No. TC00-115. Amendment No. 3 was approved on September 29, 2000 in Docket No. TC00-115. Amendment No. 4 addresses the terms and conditions of line sharing. 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 November 29, 2000. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

\* The application indicates that TC99-057 was an "arbitrated interconnection agreement" but the Commission indicate it too was a negotiated agreement.

Staff Attorney: Kelly Frazier  
Date Docketed: 11/08/00  
Initial Comments Due: 11/29/00

**TC00-181 In the Matter of the Filing for Approval of a First Amendment to an Interconnection Agreement between Qwest Corporation and Sprint Communications Company, L.P.**

An Amendment No. 1 to the Interconnection Agreement between Qwest Corporation (Qwest) and Sprint Communications Company, L.P. (Sprint) was filed with the Commission for approval. The agreement is a negotiated agreement with the parties adopting the negotiated interconnection agreement between Sprint and Qwest f/k/a U S WEST which was approved by the Commission effective November 21, 1997 in Docket No. TC97-149\*. Amendment No. 1 addresses the terms and conditions for Line Sharing. 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 November 29, 2000. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

\* The application indicates that TC97-149 was an "arbitrated interconnection agreement" but records indicate it too was a negotiated agreement.

Staff Attorney: Kelly Frazier  
Date Docketed: 11/08/00  
Initial Comments Due: 11/29/00

**TC00-182      In the Matter of the Filing for Approval of a First Amendment to an Interconnection Agreement between Qwest Corporation and New Edge Network, Inc. d/b/a New Edge Networks.**

An Amendment No. 1 to the Interconnection Agreement between Qwest Corporation (Qwest) and New Edge Network, Inc. d/b/a New Edge Networks (New Edge) was filed with the Commission for approval. The agreement is a negotiated agreement with the parties adopting the negotiated interconnection agreement between New Edge and Qwest f/k/a U S WEST which was approved by the Commission effective January 12, 2000 in Docket No. TC99-109\*. Amendment No. 1 replaces an interim line sharing agreement. 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 November 29, 2000. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

\* The application indicates that TC99-109 was an "arbitrated interconnection agreement" but records indicate it too was a negotiated agreement.

Staff Attorney: Kelly Frazier  
Date Docketed: 11/08/00  
Initial Comments Due: 11/29/00

You may receive this listing and other PUC publications via our website or via internet e-mail. You may subscribe or unsubscribe to the PUC mailing lists 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 )  
USA DIGITAL COMMUNICATIONS, INC. FOR )  
A CERTIFICATE OF AUTHORITY TO PROVIDE )  
INTEREXCHANGE TELECOMMUNICATIONS )  
SERVICES IN SOUTH DAKOTA )

ORDER GRANTING  
CERTIFICATE OF  
AUTHORITY

TC00-177

On November 6, 2000, 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 USA Digital Communications, Inc. (USA Digital).

USA Digital proposes to offer switched and dedicated 1+ services to business and residential customers. A proposed tariff was filed by USA Digital. The Commission has classified long distance service as fully competitive.

On November 9, 2000, the Commission electronically transmitted notice of the filing and the intervention deadline of November 24, 2000, to interested individuals and entities. No petitions to intervene or comments were filed and at its November 30, 2000, meeting, the Commission considered USA Digital's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that USA Digital not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

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 USA Digital has met the legal requirements established for the granting of a certificate of authority. USA Digital 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 USA Digital's application for a certificate of authority, subject to the condition that USA Digital not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that USA Digital's application for a certificate of authority is hereby granted, effective January 6, 2001, subject to the condition that USA Digital not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

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



Dated at Pierre, South Dakota, this 7<sup>th</sup> day of December, 2000.

**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.

to: Aldine Kalbo

Date: 12/8/00

(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

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## CERTIFICATE OF AUTHORITY

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

Authority was Granted November 30, 2000, effective January 6, 2001  
Docket No. TC00-177

*This is to certify that*

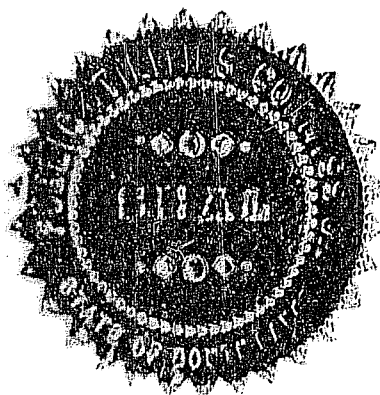
### USA DIGITAL COMMUNICATIONS, INC.

is authorized to provide interexchange telecommunications services in  
South Dakota, subject to the condition that USA Digital Communications,  
Inc. not offer a prepaid calling card or require deposits or advance  
payments without prior approval of the Commission.

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 7<sup>th</sup> day of December, 2000.

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION:**



*James A. Burg*  
\_\_\_\_\_  
JAMES A. BURG, Chairman

*Pam Nelson*  
\_\_\_\_\_  
PAM NELSON, Commissioner

*Laska Schœnfelder*  
\_\_\_\_\_  
LASKA SCHœNFELDER, Commissioner