

Lance J.M. Steinhart, P.C.
Attorney At Law
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

RECEIVED

FEB 07 2001

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Telephone: (770) 232-9200

Facsimile: (770) 232-9208

Also Admitted in New York
and Maryland

February 6, 2001

VIA OVERNIGHT DELIVERY

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

Re: Gates Communications, Inc.

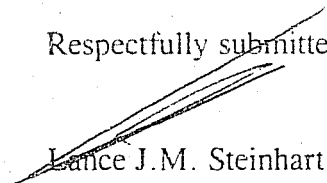
Dear Mr. Bullard:

Enclosed please find one original and ten (10) copies of Gates Communications, Inc.'s Application for Registration of a Telecommunications Company.

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 Gates Communications, Inc.

Enclosures

cc: Ivica Jakovljevic

FEB 07 2001

APPLICATION FOR REGISTRATION
OF GATES COMMUNICATIONS, INC. SOUTH DAKOTA PUBLIC
FILED WITH THE UTILITIES COMMISSION
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)
APPLICATION OF)
GATES COMMUNICATIONS, INC.)
)
FOR AN ORDER) Docket No.
AUTHORIZING THE REGISTRATION)
OF APPLICANT AS A)
TELECOMMUNICATIONS COMPANY)

APPLICATION

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

1. Name, Address and Telephone Number of Applicant:
Gates Communications, Inc.
1100 Olive Way #951
Seattle, Washington 98101
Telephone: (206) 748-7868
Toll-Free Customer Service: (800) 347-6788

2. The name under which the Applicant will provide these services if different than in 1. above:

Gates Communications, Inc.

3. Applicant's corporate information:

Applicant was organized in the State of Washington on January 5, 1999. A copy of the Applicant's Articles of Incorporation is attached hereto as Exhibit A. A copy of Applicant's Certificate of Authority to transact business as a foreign corporation in the State of South Dakota is attached hereto as Exhibit B.

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

National Corporate Research, Ltd.
C/O Marilyn Person
819 West Third
Pierre, South Dakota 57501

The names and address of each corporation, association, partnership, cooperative, or individual holding a 20% or greater ownership or management interest in the Applicant corporation and the amount and character of the ownership or management interest are as follows:

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Mirel Jakovljevic	800	40%
Ivica Jakovljevic	800	40%

All of the above can be reached through the company as set forth in Section 1 above.

4. Partnership Information:

Not Applicable.

5. Description of Services Applicant intends to offer:

Applicant is a reseller which intends to offer interexchange services, including 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services and travel card service.

6. Means by which the Applicant intends to provide services:

Applicant does not own or maintain any transmission facilities or switching equipment in the State of South Dakota. The Applicant will provide services through RSL USA, its underlying carrier. As a 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 carriers within the State of South Dakota.

7. Geographic Areas in which services will be offered:

Applicant intends to provide services on a statewide basis.

8. Financial Qualifications:

Applicant is financially qualified to provide intrastate interexchange 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 telecommunications services in the State of South Dakota. See Exhibit C, which is attached hereto, Applicant's Income Statement for period ending October 31, 2000 and Balance Sheet as of October 31, 2000, which demonstrates that Applicant has the financial ability to provide the services that it proposes to offer. The Applicant will not collect deposits, advance payments or prepayments, therefore, no bond is required.

9. Applicant's complaints and regulatory matters contact and how Applicant handles customer billings and customer service matters.

All inquiries regarding regulatory matters should be addressed to:

Mirel Jakovljevic, President & CEO
1100 Olive Way #951
Seattle, Washington 98101
Telephone: (206) 748-7868
Facsimile: (206) 748-7870
E-Mail: gcpresident@qwest.net

All inquiries regarding complaints should be addressed to:

Nermin Dizdar, CS Division Director
1100 Olive Way #951
Seattle, Washington 98101
Telephone: (206) 748-7868; (800) 347-6788 (toll-free)
Facsimile: (206) 748-7871
E-Mail: gccsd@qwest.net

The Applicant's customers will be direct billed utilizing "real-time" completed call detail information from Applicant's underlying carriers. Applicant's toll-free number will be on all invoices and calling cards and customer service will be provided in-house by the Applicant.

10. Regulatory Status:

Applicant is currently in the process of obtaining all required authorizations from the state regulatory agencies in approximately 20 states. Applicant is currently authorized to provide service in California, Iowa, Utah, Virginia, Washington and New York.

The Applicant is in good standing with the appropriate regulatory agency in the states where it is registered or certified. The Applicant has never been denied registration or certification nor withdrawn its request for registration or certification in any state.

11. Description of Marketing

Applicant intends to market its services to primarily to residential customers and to small to mid-sized businesses. All sales personnel will have telecommunications service experience. Applicant will market through direct sales by employees and agents. Applicant does not intend to engage in multilevel marketing at this time. Applicant's marketing materials are currently being developed and are not available at this time.

12. Cost Support:

Applicant intends to provide services at a price above its cost.

13. Federal Tax Identification Number:

91-1944071

14. The Number and Nature of Complaints filed against the Applicant with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered:

None

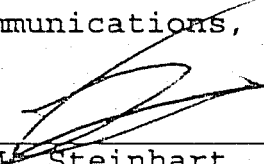
15. Tariff

A copy of Applicant's proposed tariff is attached hereto as Exhibit E.

WHEREFORE, the undersigned Applicant requests that the South Dakota Public Utilities Commission enter an order granting this application.

DATED this 6 day of July, 2001.

Gates Communications, Inc.

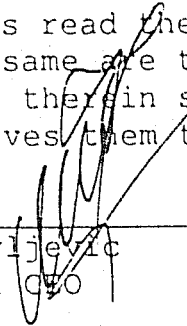
By: 
Lance J.M. Steinhart, Its Counsel

6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097
(770) 232-9200

State of Washington

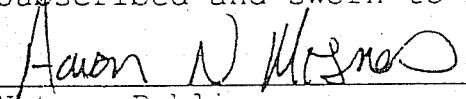
County of King

Mirel Jakovljevic, being first duly sworn, deposes and says that he she is the President & CEO of Gates Communications, Inc., the Applicant in the proceeding entitled above, that he/she has read the foregoing application and knows the contents thereof; that the same are true of his her knowledge, except as to matters which are therein stated on information or belief, and to those matters he/she believes them to be true.



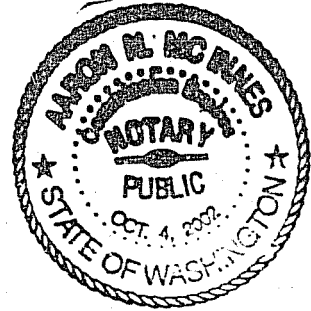
Mirel Jakovljevic
President & CEO

Subscribed and sworn to before this 3RD day of JANUARY, ²⁰⁰¹~~2000~~.



Notary Public

My Commission expires: OCT 4 2002



LIST OF EXHIBITS

- A - ARTICLES OF INCORPORATION
- B - CERTIFICATE OF AUTHORITY
- C - MARKETING MATERIAL
- D - FINANCIAL INFORMATION
- E - PROPOSED TARIFF

EXHIBIT A - ARTICLES OF INCORPORATION

STATE of WASHINGTON



SECRETARY of STATE

I, RALPH MUNRO, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF INCORPORATION

to

GATES COMMUNICATIONS, INC.

a Washington Profit corporation. Articles of Incorporation were filed for record in this office on the date indicated below.

UBI Number: 601 922 934

Date: January 05, 1999



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

A handwritten signature in black ink, appearing to read "Ralph Munro". The signature is written in a cursive style and is positioned above a horizontal line.

Ralph Munro, Secretary of State

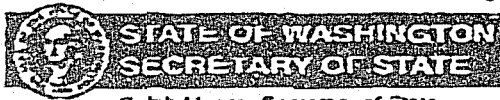
2-59787-3

JAN 5 1999

Dec-14-98 05:47P

RALPH MUNRO
SECRETARY OF STATE

P.02



APPLICATION TO FORM A PROFIT CORPORATION

(See Chapter 22B of RCW)

FEE: \$175

EXPEDITED (24-HOUR) SERVICE AVAILABLE - \$20 PER ENTITY
INCLUDE FEE AND WRITE "EXPEDITE" IN BOLD LETTERS
ON OUTSIDE ENVELOPE

FOR OFFICE USE ONLY

FILED:	1	1	UB:	601 922 954
CORPORATION NUMBER:				

- Please PRINT or TYPE in black ink
- Sign, date and return original and one copy to:

CORPORATIONS DIVISION
503 E. UNION • PO BOX 40234
OLYMPIA, WA 98504-0234

- Be sure to include filing fee. Checks should be made payable to "Secretary of State"

IMPORTANT: Person to contact about this filing	Daytime Phone Number (with area code)
Christine Reed	360-956-9500

ARTICLES OF INCORPORATION

NAME OF CORPORATION (Must contain the word "Corporation," "Incorporated," or "Limited" or the abbreviation "Corp," "Inc.," "Co." or "Ltd.")
Gates Communications, Inc.

NUMBER OF SHARES (Minimum of one (1) share must be issued) THE CORPORATION IS AUTHORIZED TO ISSUE 10,000

CLASS OF (If "Preferred" class is checked, please check description) SHARES
 Common Preferred

EFFECTIVE DATE OF INCORPORATION (Specified effective date may be up to 90 days after receipt of the document by the Secretary of State)
 Specific Date: _____ Upon filing by the Secretary of State

>>> PLEASE ATTACH ANY OTHER PROVISIONS THE CORPORATION ELECTS TO INCLUDE <<<

NAME AND ADDRESS OF WASHINGTON STATE REGISTERED AGENT

Name Mirel Jakovljevic

Street Address (Required) 6100 S. Center Blvd. City Seattle State WA ZIP 98188

PO Box (Optional - Must be in same city as street address) _____ ZIP (if different than street ZIP) _____

I consent to serve as Registered agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.

Signature of Agent MIREL JAKOVljeVIC Date 12/23/98

NAME AND ADDRESS OF EACH INCORPORATOR (If necessary, attach additional names and addresses)

Name Mirel Jakovljevic

Address 6100 S. Center Blvd., Ste 140 City Seattle State WA ZIP 98188

Name _____

Address _____ City _____ State _____ ZIP _____

Name _____

Address _____ City _____ State _____ ZIP _____

SIGNATURE OF INCORPORATOR

This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.

Signature of Incorporator MIREL JAKOVljeVIC Title Incorporator Date 12/23/98

EXHIBIT B - CERTIFICATE OF AUTHORITY

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

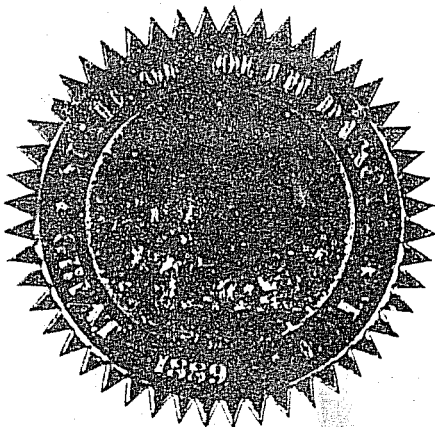
Certificate of Authority

I, **JOYCE HAZELTINE**, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of **GATES COMMUNICATIONS, INC. (WA)** 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 February 5, 2001.

Joyce Hazeltine
Secretary of State





Secretary of State
 State Capitol
 500 E. Capitol Avenue
 Pierre SD 57501
 Phone 605-773-4845
 Fax 605-773-4550

FILE NO. _____

RECEIPT NO. _____

RECEIVED

FEB 05 '01

S.D. SEC. OF STATE

Application for Certificate of Authority

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

(1) The name of the corporation is GATES COMMUNICATIONS, INC.
 (exact corporate name)

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

(3) State where incorporated Washington Federal Taxpayer ID# 91-1944071

(4) The date of its incorporation is January 5, 1999 and the period of its duration, which may be perpetual, is Perpetual

(5) The address of its principal office in the state or country under the laws of which it is incorporated is 1100 Olive Way #951, Seattle, WA 98101 Zip Code _____
 mailing address if different from above is: _____ Zip Code _____

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is 819 West Third Pierre SD Zip Code 57501
 and the name of its proposed registered agent in the State of South Dakota at that address is National Corporate Research, Ltd.

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: (state specific purpose)
Provide Telecommunication Services

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

Name	Officer Title	Street Address	City	State	Zip
<u>See Attached</u>					

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

Number of shares	Class	Series	Par value per share or statement that shares are without par value
<u>10,000</u>	<u>Common</u>		<u>1.00</u>

(10) The aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
2,000	Common		1.00

(11) The amount of its stated capital is \$ 2,000.00
Shares issued times par value equals stated capital. In the case of no par value stock, stated capital is the consideration received for the issued shares.

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

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

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

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

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

Dated 01.03. 2001

[Signature]
 (Signature) President & CEO

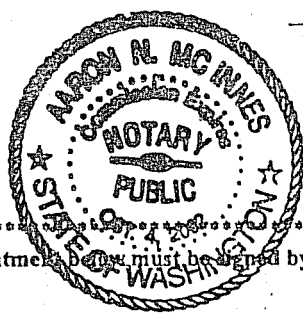
 (Title)

STATE OF KING WASHINGTON
COUNTY OF KING

I, ARON N. MCINNES, a notary public, do hereby certify that on this 3RD day of JANUARY 19 2001 personally appeared before me MIREL JAKOVLEVIC who, being by me first duly sworn, declared that he/she is the PRESIDENT & CEO of GATES COMMUNICATIONS INC., that he/she signed the foregoing document as officer of the corporation, and the statements therein contained are true.

OCT 4 2002
My Commission Expires

[Signature]
(Notary Public)



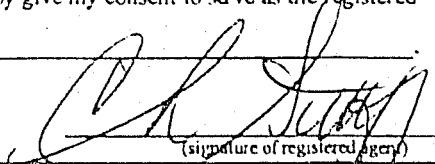
Notarial Seal

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

Consent of Appointment by the Registered Agent

I, Chris Stackhoff, hereby give my consent to serve as the registered agent for GATES COMMUNICATIONS, INC.

Dated 2/2/01 19


(signature of registered agent)

The proper filing fee must accompany the application. Make checks payable to the Secretary of State.

FEE SCHEDULE

Authorized capital stock of	25,000	or less	\$ 90
Over \$25,000 and not exceeding	100,000		110
Over \$100,000 and not exceeding	500,000		130
Over \$500,000 and not exceeding	1,000,000		150
Over \$1,000,000 and not exceeding	1,500,000		200
Over \$1,500,000 and not exceeding	2,000,000		250
Over \$2,000,000 and not exceeding	2,500,000		300
Over \$2,500,000 and not exceeding	3,000,000		350
Over \$3,000,000 and not exceeding	3,500,000		400
Over \$3,500,000 and not exceeding	4,000,000		450
Over \$4,000,000 and not exceeding	4,500,000		500
Over \$4,500,000 and not exceeding	5,000,000		550

For each additional \$500,000, \$40 in addition to \$550.

For purposes only of computing fees under this section, the dollar value of each authorized share having a par value shall be equal to par value and the value of each authorized share having no par value shall be equal to one hundred dollars per share. The maximum amount charged under this subdivision may not exceed sixteen thousand dollars.

FILING INSTRUCTIONS:

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or its president, or any other officer. **One original and one photocopy of the application must be submitted.**

The application must be accompanied by an original, currently dated, **CERTIFICATE OF FACT** or a **CERTIFICATE OF GOOD STANDING** from the Secretary of State in the state where incorporated. A photocopy of a certificate is not acceptable. It should be dated within ninety (90) days of submitting it to our office.

South Dakota law requires every corporation to continuously maintain a resident of this state as the registered agent (number six on the application). The registered agent's address is considered the registered office address of the corporation in South Dakota. A complete street address must be listed for service of process.

The Consent of Registered Agent portion must be signed by the South Dakota registered agent.

Mail the application, certificate, and filing fee to the Secretary of State, Corporate Division, 500 E. Capitol Avenue, Pierre, SD 57501-5070. The duplicate and a Certificate of Authority will be returned for your records.

**LIST OF OFFICERS & DIRECTORS OF
GATES COMMUNICATIONS, INC.**

Officers

**Mirel Jakovljevic
Ivica Jakovljevic**

**President & CEO
Vice President**

Directors

**Nermin Dizdar
Drago Jurcevic**

**All the above referenced Officers & Directors can be reached at:
1100 Olive Way #951, Seattle, WA 98101**

EXHIBIT C - MARKETING MATERIAL
Not Available

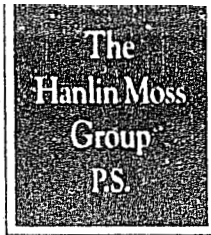
EXHIBIT D - FINANCIAL INFORMATION

Gates Communications, Inc.

FINANCIAL STATEMENTS
(compiled without audit)

For the Ten Month Ended October 31, 2000

The Hanlin Moss Group, PS
Seattle, Washington



Certified Public Accountants
Valuation Analysts

To the Board of Directors
Gates Communications, Inc.
1100 Olive Way, Suite 951
Seattle, WA 98101

We have compiled the accompanying balance sheet of Gates Communication, Inc.(a S Corporation) as of October 31, 2000, and the related statements of income for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued 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 the statements of cash flows and retained earnings. If the omitted financial statements were presented, they might influence the user's conclusions about the company's cash flows and changes in retained earnings. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the company's taxable income. Therefore, no provisions for federal income taxes has been included in the financial statements.

The Hanlin Moss Group

December 11, 2000

Gates Communications, Inc.
BALANCE SHEET
October 31, 2000

ASSETS

CURRENT ASSETS

Checking Account	\$	43,572.43
Savings Account		25,024.50
Accounts Receivable		278,610.50
PREPAID EXPENSES		<u>28,188.01</u>

TOTAL CURRENT ASSETS \$ 375,395.44

PROPERTY AND EQUIPMENT

Equipment	\$	127,540.75
Computer		27,758.14
Furniture and Fixtures		25,485.62
Accumulated Depreciation		<u>(38,829.00)</u>

TOTAL PROPERTY AND EQUIPMENT \$ 141,955.51

OTHER ASSETS

Other Assets	\$	1,000.00
Organization Costs		500.00
Accum Amortization - Org Costs		<u>(200.00)</u>

TOTAL OTHER ASSETS \$ 1,300.00

TOTAL ASSETS \$ 518,650.95
=====

Gates Communications, Inc.
BALANCE SHEET
October 31, 2000

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Pitney Works - CC	\$	13,795.84
Sales tax payable		<u>371,269.94</u>

TOTAL CURRENT LIABILITIES \$ 385,065.78

NON-CURRENT LIABILITIES

New Court Financial	\$	1,191.85
Household Bank		700.32
Bankcorp Loan payable		8,303.38
JDR Lease Payable		<u>18,028.00</u>

TOTAL NON-CURRENT LIABILITIES \$ 28,223.55

EQUITY

Common Stock	\$	2,000.00
Retained Earnings		(24,905.93)
NET INCOME (LOSS)		<u>128,267.55</u>

TOTAL EQUITY \$ 105,361.62

TOTAL LIABILITIES AND EQUITY \$ 518,650.95
=====

**INCOME STATEMENT
For The Period**

January 01, 2000
to
October 31, 2000

SALES

Sales	\$ 2,200,248.41
Sales Returns & Allowances	<u>(218.89)</u>

Total SALES \$ 2,200,029.52

COST OF SALES

Purchases	\$ 1,043,954.74
Satelite Maintenance	76,341.00
Satelite Dish Installation	1,792.00
Satelite Link	56,208.00
Sales taxes - all	260,000.00
Miscellaneous Expense - Sales	4,298.75
Billing system maintenance	<u>47,345.57</u>

Total COST OF SALES \$ 1,489,940.06

Total GROSS PROFIT \$ 710,089.46

SELLING EXPENSES

Commissions	\$ <u>42,165.12</u>
-------------	---------------------

Total SELLING EXPENSES \$ 42,165.12

GENERAL & ADMINISTRATIVE

Advertising	\$ 10,673.87
Travel	16,052.50
Parking	3,051.12
Meal & Entertainment	4,559.17
Salaries and Wages	185,266.79
Chase	2,750.00
Rainier Pacific	1,000.00
Citi Bank	6,000.00
Auto Expense	1,379.58
Bank Service Charges	1,337.94
Pitney Works -cc	29,000.50
Depreciation Expense	19,000.00
Amortization Expense	100.00
Utilities	34.51
Insurance - Medical	9,992.70
Insurance - General	712.08

Gates Communications, Inc.
INCOME STATEMENT
For The Period

January 01, 2000
to
October 31, 2000

Interest Expense	\$	181.50
Legal & Accounting		21,089.01
Miscellaneous Expense		3,438.51
Office Expense		8,618.29
Outside Services		9,605.85
Postage Expense		602.62
Rent Expense		69,233.88
Computer rental		6,051.92
Repairs & Maintenance		1,736.56
Supplies Expense		2,400.00
Taxes - Excise tax (WA)		11,847.11
Taxes - Payroll		19,105.30
Taxes - Other		125.89
Telephone		41,341.23
Bad Debts		<u>53,452.86</u>
Total GENERAL & ADMINISTRATIVE	\$	<u>539,741.29</u>
Total NET OPERATING INCOME (LOSS)	\$	128,183.05
OTHER (INCOME) AND EXPENSES		
Interest Income	\$	<u>(84.50)</u>
Total OTHER (INCOME) AND EXPENSES	\$	<u>(84.50)</u>
NET INCOME (LOSS) BEFORE TAX	\$	<u>128,267.55</u>
NET INCOME (LOSS)	\$	128,267.55 =====

EXHIBIT E - PROPOSED TARIFF

GATES COMMUNICATIONS, INC.

ORIGINAL SHEET 1

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by Gates Communications, Inc. ("Gates"), with principal offices at 1100 Olive Way #951, Seattle, Washington 98101. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

ISSUED: February 7, 2001

EFFECTIVE: , 2001

ISSUED BY: Ivica Jakovljevic, Vice President
1100 Olive Way #951
Seattle, Washington 98101

GATES COMMUNICATIONS, INC.

ORIGINAL SHEET 2

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

RESERVED FOR FUTURE USE

ISSUED: February 7, 2001

EFFECTIVE: , 2001

ISSUED BY: Ivica Jakovljevic, Vice President
1100 Olive Way #951
Seattle, Washington 98101

TELECOMMUNICATIONS SERVICES TARIFFCHECK SHEET

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

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
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28	Original
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30	Original
31	Original
32	Original

* New or Revised Sheet

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1100 Olive Way #951

Seattle, Washington 98101

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TELECOMMUNICATIONS SERVICES TARIFF

TARIFF FORMAT

A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 17 would be page 11.1.

B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 11 cancels 3rd Revised Sheet 13. Consult the Check Sheet for the sheets currently in effect.

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

- 2.
- 2.1
- 2.1.1
- 2.1.1.A
- 2.1.1.A.1
- 2.1.1.A.1.(a)
- 2.1.1.A.1.(a).I
- 2.1.1.A.1.(a).I.(i)
- 2.1.1.A.1.(a).I.(i).(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. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current filed with the Commission.

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 1100 Olive Way #951
 Seattle, Washington 98101

TELECOMMUNICATIONS SERVICES TARIFFSYMBOLS

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

- (C) to signify change in regulation
- (D) to signify a deletion
- (I) to signify a rate increase
- (L) to signify material relocated in the tariff
- (N) to signify a new rate or regulation
- (R) to signify a rate reduction
- (T) to signify a change in text, but no change in rate or regulation

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TELECOMMUNICATIONS SERVICES TARIFFSECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

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

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

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

Customer - The person, firm, corporation or other legal entity which orders the services of the Company and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

Company or Gates - Used throughout this tariff to mean Gates Communications, Inc., a Washington Corporation.

Dedicated Access - The Customer gains entry to the Company's services by a direct path from the Customer's location to the Company's point of presence.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

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Ivica Jakovljevic, Vice President

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Resp. Org - Responsible Organization or entity identified by an 800 service Customer that manages and administers records in the 800 database and management system.

Switched Access - The Customer gains entry to the Company's services by a transmission line that is switched through the local exchange carrier to reach the Company's point of presence.

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

Underlying Carrier - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

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SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

This tariff contains the regulations and rates applicable to intrastate interexchange telecommunications services provided by the Company for South Dakota. Services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. The Company's services are provided on a statewide basis and are not intended to be limited geographically. The Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the services requested and other information requested by the Company. The Company reserves the right to examine the credit record and check the references of all applicants and customers. The Company may examine the credit profile/record of any applicant prior to accepting the service order. The service application shall not in itself obligate the Company to provide services or to continue to provide service if a later check of applicant's credit record is, in the opinion of the Company, contrary to the best interest of the Company. 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 a Customer's location to a service provided by the Company. The Customer shall be responsible for all charges due for such service arrangement.

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- 2.1.1 The services provided by the Company are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers which may be subject to the jurisdiction of this Commission.
- 2.1.2 The rates and regulations contained in this tariff apply only to the services furnished by the Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of the Company.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; the revision, alteration or repricing of the Underlying Carrier's tariffed offerings; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

2.2 Use of Services

- 2.2.1 The Company's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of the Company's services 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 use by others is prohibited.

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- 2.2.3 The use of the Company's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.2.4 The Company's services are available for use twenty-four hours per day, seven days per week.
- 2.2.5 The Company does not transmit messages, but the services may be used for that purpose.
- 2.2.6 The Company's services may be denied for nonpayment of charges or for other violations of this tariff.
- 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

2.3 Liability of the Company

- 2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.

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- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.
- 2.3.4 Reserved for Future Use
- 2.3.5 Reserved for Future Use
- 2.3.6 Reserved for Future Use

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2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.4 Responsibilities of the Customer

2.4.1 ~~The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.~~

2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.

2.4.3 If required for the provision of the Company's services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to the Company.

2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to the Company and the Customer when required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of the Company's services.

2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of the Company's equipment to be maintained within the range normally provided for the operation of microcomputers.

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- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with the Company's facilities or services, that the signals emitted into the Company's network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, the Company will permit such equipment to be connected with its channels without the use of protective interface devices. If the Customer fails to maintain the equipment and/or the system properly, with resulting imminent harm to Company equipment, personnel or the quality of service to other Customers, the Company may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, the Company may, upon written notice, terminate the Customer's service.
- 2.4.7 The Customer must pay the Company for replacement or repair of damage to the equipment or facilities of the Company caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any Company equipment installed at Customer's premises.
- 2.4.9 If the Company installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.

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2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal, and local authorities having jurisdiction over the service.

2.5 Cancellation or Interruption of Services

2.5.1 Without incurring liability, upon five (5) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, the Company may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:

2.5.1.A For nonpayment of any sum due the Company for more than thirty (30) days after issuance of the bill for the amount due, unless the charge is in dispute;

2.5.1.B For violation of any of the provisions of this tariff.

2.5.1.C For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over the Company's services, or

2.5.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.

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- 2.5.1 Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.5.3 Service may be discontinued by the Company without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges, or by blocking calls using certain Customer authorization codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 2.5.4 The Customer may terminate service upon thirty (30) days written notice for the Company's standard month to month contract. Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

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2.6 Credit Allowance

2.6.1 Credit may be given for disputed calls, on a per call basis.

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2.7 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

2.8 Deposit

The Company does not require deposits.

2.9 Advance Payments

The Company does not require advance payments.

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TELECOMMUNICATIONS SERVICES TARIFF2.10 Payment and Billing

- 2.10.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. Billing is payable upon receipt. A late fee will be assessed on unpaid amounts 30 days after rendition of bills.
- 2.10.2 The customer is responsible for payment of all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, subscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, subscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.
- 2.10.3 All bills are presumed accurate, and shall be binding on the customer unless objection is received by the Company in writing within 180 days after such bills are rendered. No credits, refunds, or adjustments shall be granted if demand therefore is not received by the Company in writing within such 180 day period.

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TELECOMMUNICATIONS SERVICES TARIFF2.11 Collection Costs

In the event Company is required to initiate legal proceedings to collect any amounts due to Company, or to enforce any judgment obtained against a Customer, or for the enforcement of any other provision of this tariff or applicable law, Customer shall, in addition to all amounts due, be liable to Company for all reasonable costs incurred by Company in such proceedings and enforcement actions, including reasonable attorneys' fees, collection agency fees or payments, and court costs. In any such proceeding, the amount of collection costs, including attorneys' fees, due to the Company, will be determined by a court of competent jurisdiction or by the Commission.

2.12 Taxes

All federal, state and local taxes, assessments, surcharges, or fees, including sales taxes, use taxes, gross receipts taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein.

2.13 Late Charge

A late fee of 1.5% per month or the amount otherwise authorized by law, whichever is lower, will be charged on any past due balances.

2.14 Returned Check Charge

A fee of \$20.00 will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

2.15 Reconnection Charge

A reconnection fee of \$25.00 per occurrence will be charged when service is reestablished for Customers which have been disconnected due to non-payment. Payment of the reconnection fee and any other outstanding amounts will be due in full prior to reconnection of service.

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TELECOMMUNICATIONS SERVICES TARIFFSECTION 3 - DESCRIPTION OF SERVICE3.1 Computation of Charges

- 3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in increments as set forth in the Rates Section of this tariff. All calls are rounded up to the next whole increment.
- 3.1.2 Where mileage bands appear in a rate table, rates for all calls are based upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. If the Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. The vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.

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3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. The Company will not bill for uncompleted calls.

3.2 Customer Complaints and/or Billing Disputes

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

1100 Olive Way #951
Seattle, Washington 98101
(800) 347-6788

An objection to billed charges should be reported promptly to the Company. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

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The Company will respond within seventy two (72) hours of receipt of an inquiry. If the Customer is dissatisfied with the Company's response to a complaint or inquiry, the Customer may file a complaint with the Commission for resolution of the conflict. The South Dakota Public Utilities Commission can be reached at:

500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782
TTY through Relay Service South Dakota-
(800) 877-1113

If a Customer accumulates more than One Dollar of undisputed delinquent Company 800 Service charges, the Company Resp. Org. reserves the right not to honor that Customer's request for a Resp. Org. change until such undisputed charges are paid in full.

3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

3.4 Billing Entity Conditions

When billing functions on behalf of the Company or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply. The Company's name and toll-free telephone number will appear on the Customer's bill.

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TELECOMMUNICATIONS SERVICES TARIFF3.5 Service Offerings

3.5.1 1+ Dialing

This service permits Customers to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The customer dials "1+" followed by "ten digits" or dials "101XXXX" followed by "1+ ten digits".

3.5.2 Travel Cards

The Customer utilizes an 11 digit "toll-free" access number established by the Company to access a terminal. Upon receiving a voice prompt, the Customer uses push button dialing to enter an identification code assigned by the Company, and the ten digit number of the called party.

3.5.3 800 Service (Toll-Free)

This service is inbound calling only where an 800, 888 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

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ORIGINAL SHEET 26

SOUTH DAKOTA PUC TARIFF NO. 1

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3.5.5 Directory Assistance.

Access to long distance directory assistance is obtained by dialing 1 + 555-1212 for listings within the originating area code and 1 + (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge will apply for each number requested. A charge will be applicable for each number requested, whether or not the number is listed or published.

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3.5.6 Specialized Pricing Arrangements.

Customized service packages and competitive pricing packages at negotiated rates may be furnished on a case-by-case basis in response to requests by Customers to the Company for proposals or for competitive bids. Service offered under this tariff provision will be filed with the Commission. Specialized rates or charges will be made available to similarly situated Customers on a non-discriminatory basis. The Company will notify the Commission of such arrangements as required by Commission rules and regulations.

3.5.7 Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

3.5.8 Promotional Offerings

The Company may, from time to time, make promotional offerings to enhance the marketing of its services. These offerings may be limited to certain dates, times and locations. The Company will notify the Commission of such offerings as required by Commission rules and regulations.

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TELECOMMUNICATIONS SERVICES TARIFF

SECTION 4 - RATES

4.1 At Dialing

\$0.15 per minute

A \$4.95 per month service charge applies.
Billed in one minute increments.

4.2 Travel Cards

\$1.199 per minute

A \$.25 per call service charge applies.
Billed in one minute increments.

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4.3 Toll Free

\$0.15 per minute

A \$10 per month per number service charge applies.
Billed in one minute increments.

4.4 Reserved for Future

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GATES COMMUNICATIONS, INC.

ORIGINAL SHEET 11

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4.5 Directory Assistance

\$.95

4.6 Returned Check Charge

\$20.00

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TELECOMMUNICATIONS SERVICES TARIFF

4.7 Rate Periods

	Monday	Friday	3e*	6.00
6 a.m. to 5 p.m.*	Daytime Rate Period			
5 p.m. to 11 p.m.*	Evening Rate Period			Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend Rate Period			

* To, but not including

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.

4.8 Payphone Dial Around Surcharge

A dial around surcharge of \$.35 per call will be added to any completed INTRASTATE toll access code and subscriber 800/888 type calls placed from a public or semi public payphone.

4.9 Universal Service Fund Assessment & Presubscribed Interexchange Carrier Charge

The Customer will be assessed a monthly Universal Service Fund Contribution charge on all telecommunications serv. cos., which in no event shall be less than the prevailing contribution percentage rate charged the Company on intrastate traffic by any state agency or its administrator. A Presubscribed Interexchange Carrier Charge ("PICC") applies on a monthly basis to all Customer monthly bills at the prevailing rate.

ISSUED: February 7, 2001

EFFECTIVE:

ISSUED BY:

Ivica Jakovljevic, Vice President

1100 Olive Way #951

Seattle, Washington 98101

2001



1100 OLIVE WAY, SUITE 951 • SEATTLE, WA 98101 • 1-800-347-6788

BANK OF AMERICA
SEATTLE, WASHINGTON, USA

19-2/1250

2650

00002650

PAY TWO HUNDRED FIFTY AND XX / 100 Dollars

DATE

01/03/01

AMOUNT

*****\$250.00

TO THE ORDER OF South Dakota Public Utilities Commission

AUTHORIZED SIGNATURE

Security features. Details on back.

⑈002650⑈ ⑆125000024⑆ 10931 918⑈

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of February 1, 2001 through February 7, 2001

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

CONSUMER COMPLAINTS

CT01-004 In the Matter of the Complaint filed by Joan Mack, Watertown, South Dakota, against Talk.com Holding Corp. d/b/a The Phone Company Regarding Unauthorized Billing for Services.

The complainant alleges an unauthorized switch of long distance providers and charges for unauthorized services billed to her minor daughter. The complainant requests that the company make restitution and be fined or put out of business.

Staff Analyst: Charlene Lund
Staff Attorney: Karen Cremer
Date Docketed: 02/05/01
Intervention Deadline: N/A

CT01-005 In the Matter of the Complaint filed by Jerry R. Ourada, Sioux Falls, South Dakota, against WorldCom Regarding Unauthorized Switching of Services.

The Complainant states that he received a call from AT&T indicating that WorldCom had taken the Complainant's service. The Complainant indicates that the switch in service was not authorized. For resolution the Complainant is seeking "the full amount prescribed by South Dakota Law for slamming plus all expenses incurred."

Staff Analyst: Leni Healy
Staff Attorney: Kelly Frazier
Date Docketed: 02/06/01
Intervention Deadline: N/A

CT01-006 In the Matter of the Complaint filed by John P. Donahoe, Sioux Falls, South Dakota, against WorldCom Regarding Unauthorized Switching of Services.

The Complainant alleges that his service was switched to WorldCom without his authorization. The Complainant requests that the Commission assess stiff penalties.

Staff Analyst: Leni Healy
Staff Attorney: Kelly Frazier
Date Filed: 02/07/01
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC01-012 In the Matter of the Filing for Approval of Fourth and Fifth Amendments to an Interconnection Agreement between Qwest Corporation and DSLnet Communications, LLC.

On February 2, 2001, Fourth and Fifth Amendments to the interconnection agreement between Qwest Corporation (Qwest) and DSLnet Communications, LLC (DSLnet) were filed with the Commission for approval. The agreement is a negotiated agreement with the parties which was approved by the Commission effective September 23, 1999. According to the parties the Fourth Amendment is made to add Unbundled Loops to the agreement. The Fifth Amendment is made in order to replace the Interim Line Sharing Agreement DSLnet entered into on May 3, 2000, and adds terms, conditions and rates 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 February 22, 2001. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
GATES COMMUNICATIONS, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
INTEREXCHANGE TELECOMMUNICATIONS)	
SERVICES IN SOUTH DAKOTA)	TC01-014

On February 7, 2001, 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 Gates Communications, Inc. (Gates)

Gates proposes to offer 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services and travel card service. A proposed tariff was filed by Gates. The Commission has classified long distance service as fully competitive.

On February 8, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of February 23, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its March 6, 2001, meeting, the Commission considered Gates' request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that Gates 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 ARSD 20:10:24:02(8).

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 Gates has met the legal requirements established for the granting of a certificate of authority. Gates has, in accordance with SDCL 49-31-3, 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 ARSD 20:10:24:02(8). The Commission approves Gates' application for a certificate of authority, subject to the condition that Gates 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 Gates' application for a certificate of authority is hereby granted, effective April 9, 2001, subject to the condition that Gates not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

FURTHER ORDERED, that the Commission finds good cause to waive ARSD 20:10:24:02(8). It is

START

OF

RETAKE

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
GATES COMMUNICATIONS, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
INTEREXCHANGE TELECOMMUNICATIONS)	
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FURTHER ORDERED, that the Commission finds good cause to waive ARSD 20:10:24:02(8). It is

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

Dated at Pierre, South Dakota, this 9th day of March 2001

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon
By: <u>Nelaine Kalbo</u>
Date: <u>3/13/01</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

END

OF

RETAKE

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted effective April 9, 2001
Docket No. TC01-014

This is to certify that

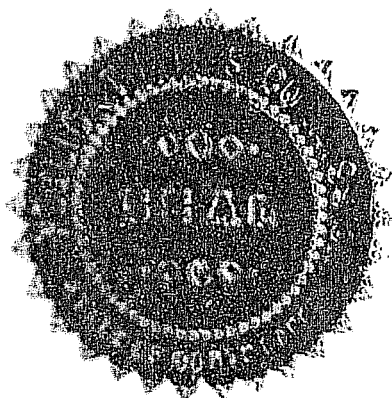
GATES COMMUNICATIONS, INC.

is authorized to provide interexchange telecommunications services in South Dakota, subject to the condition that it 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 9th day of March, 2001.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner