

In the Matter of — IN THE MATTER OF THE
 APPLICATION OF AMERITEL PREPAID,
 LLC FOR A CERTIFICATE OF
 AUTHORITY TO PROVIDE LOCAL
 EXCHANGE SERVICES IN SOUTH
 DAKOTA

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
5/3 02	Filed and Docketed;
5/9 02	Weekly Filing;
5/28 02	Supplement to Application;
10/15 02	Request to Withdraw Filing;
10/28 02	Order Permitting Withdrawal of Filing and Closing Docket;
10/28 02	Docket Closed.

MAY 03 2002

STATE OF SOUTH DAKOTA

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

BEFORE THE SOUTH DAKOTA PUBLIC SERVICE COMMISSION

In re:)
)
 Application of)
) DOCKET NO. _____
 AmeriTel Prepaid, LLC)
)
 For a Certificate of Authority to Provide Local)
 Exchange Telecommunications Services)
)

APPLICATION OF AMERITEL PREPAID, LLC
FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE SERVICE

AMERITEL PREPAID, LLC ("Applicant") respectfully submits this Application for Authority to Provide Local Exchange Services (the "Application") in South Dakota, pursuant to SDCL. § 49-31-69 and 47 U.S.C. § 253.

Applicant intends to offer local exchange service for resale to both business and residential customers in the State of South Dakota. Upon the grant of this Application, Applicant plans to commence offering said service immediately pursuant to resale agreement with Qwest, and upon the filing of Applicant's final tariff with the South Dakota Public Service Commission (the "Commission"). The Commission's approval of this Application will promote the public interest by increasing the level of competition in the South Dakota telecommunications market.

In support of this Application, Applicant states as follows:

Information Pursuant to Administrative Rule 20:10:32:03

- (1) Applicant's name and address:

**AmeriTel Prepaid, LLC
2866 Johnson Ferry Road
Suite 250
Marietta, GA 30062-5635**

Applicant's telephone number, facsimile number, E-mail address

**678-585-9898
678-585-0299
ameritel@ameritelebiz.com**

Applicant is a Georgia Limited Liability Company.

- (2) Not applicable. Applicant is not a sole proprietorship
- (3) Applicant will provide local exchange services under the name in subdivision (1).
- (4) Corporate information.
- (a) Applicant maintains its principal office at the address in subdivision (1).

Applicant maintains the following Registered Agent in South Dakota:

**CT Corporation System
319 Coteau ST
Pierre, SD 57501**

- (b) The Members owning 25% of more are Roderick A. Aycox and Paul Troy Wright.
- (c) Applicant was organized under the laws of the State of Georgia. A current copy of Applicant's Certificate of Existence is attached as Exhibit "A".
- (d) A copy of Applicant's certificate of authority to transact business in South Dakota is attached as Exhibit "B".

- (5) Applicant has actual experience providing telecommunications services, as a CLEC in South Carolina (certified on March 23, 2001), Alabama (certified on June 14, 2001), and Georgia (certified on August 9, 2001).
- (6) Applicant has no formal subsidiaries or parent organizations. Select Management Resources, LLC, a Georgia Limited Liability Company, is wholly owned by Majority Member Roderick A. Aycox, and provides Applicant financial and other support in the same manner in which a parent company might.
- (7) Service information.
 - (a) Applicant proposes to serve primarily residential customers. Applicant may serve business customers from time to time as the opportunity arises.
 - (b) Applicant will provide services as a reseller.
 - (c) Applicant proposes to resell services, using the facilities of Qwest.
 - (d) At this point, Applicant proposes to provide the following local exchange services:
 - (1) Local line service, to include
 - (A) The ability to receive calls, and to place calls to any calling station within the local calling area;
 - (B) Access to 911 Emergency Service, as available;
 - (C) Access to toll-free service, as available;
 - (D) Access to operator service, as available; and
 - (E) Access to long distance providers, as available; and
 - (F) White and Yellow Pages Directory Listings.

- (8) Applicant proposes to service the entire area Qwest services in South Dakota. Applicant specifically does not intend, or seek authority, to provide service in any "service area of a rural telephone company" within the meaning of SDCL § 49-31-73.
- (9) Applicant's management team has the actual technical competence derived from operating as a CLEC since March, 2001. Furthermore, through Applicant's affiliation with Select Management Resources, LLC, Applicant has access to the services of several individuals who operated one of the first resellers of local exchange services in the United States, including the CEO, President, Computer Information Services Manager, and Customer Service Manager.
- (a) The relevant backgrounds of the members of Applicant's senior Management Team are set forth in more detail on Exhibit "C".
- (b) As to facilities and equipment, as a reseller Applicant will rely upon Qwest to perform facility and equipment maintenance necessary to ensure compliance with any commission quality of service requirements.
- As to customer service, Applicant will receive customer service calls, and provide computerized interactive customer service information for the most frequent issues, 24 hours a day, seven days a week. Applicant's customer service representatives generally will be available to provide live, real-time assistance to customers daily from 8:30 a.m. to 5:30 p.m. EST, except on weekends and holidays. A reduced customer service staff generally will be available to provide live, real-time assistance to customers on Saturdays from 10:00 a.m. to 3:00 p.m. EST.

Applicant's toll-free customer service number is 877-489-8950, which is to be printed on customers' monthly billing statements. Customers who wish to communicate in writing may send correspondence to the address in subdivision (1), which is to be printed on customers' monthly billing statements. Applicant's customer service representatives are trained and otherwise prepared to respond to a broad range of service matters, including inquiries regarding the types of services Applicant offers and the rates associated therewith; monthly billing statements; problems or concerns pertaining to a customer's current service; and general telecommunications matters.

(10) As a reseller, Applicant will depend upon Qwest's facilities to provide customers with access to emergency services such as 911 or enhanced 911, operator services, interexchange services, directory assistance, and telecommunications relay services.

(11) Financial information

(a) Unaudited 2001 financial statements are attached as Exhibit "D". As a start-up company, Applicant has relied upon the financial capacity of Select Management Resources, LLC, through which over One Hundred Thousand Dollars (\$100,000.00) has been invested in Applicant to date.

(b) Applicant is privately held, and has no annual report or report to stockholders.

(12) Interconnection information

(a) Applicant proposes to serve as a reseller of Qwest service.

(b) Applicant has negotiated a reseller agreement with Qwest.

(c) Applicant is a reseller only.

- (13) Applicant's proposed informational Tariff is attached as Exhibit "E".
- (14) Not applicable. Applicant is not subject to price regulation. Furthermore, Applicant anticipates serving fewer than fifty thousand local exchange subscribers in South Dakota.
- (15) Applicant intends to market services through local agents, and through a prepaid home phone card retail program.

Applicant proposes to serve, primarily, a portion of the telecommunications market that some larger carriers have essentially "red-lined" out of the market through the use of credit policies. Applicant avers that this market constitutes as much as 4% of the total market for local residential telephone service in South Dakota. Applicant avers that, but for the kind of service prepaid resellers like Applicant provide, that portion of the population could be essentially denied access to local residential telephone service.

It is generally accepted that lack of competition in a relevant market causes higher prices, lower quality, fewer consumer choices, and other results not in the best interest of consumers. Applicant therefore avers that Applicant's participation within the market should tend to lead to lower prices, higher quality, and more consumer choices.

Applicant does not engage in "multilevel marketing,"

Applicant does not use marketing brochures at this time.

- (16) Applicant specifically does not intend, or seek authority, to provide service in any "service area of a rural telephone company" within the meaning of SDCL § 49-31-73.
- (17) Applicant serves as a CLEC in South Carolina (certified on March 23, 2001), Alabama (certified on June 14, 2001), Oregon (certified on May 25, 2001), and Georgia (certified on August 9, 2001). Applicant has never been denied authority.

- (18) All inquiries regarding customer complaints and other regulatory matters should be addressed per subdivision (1).
- (19) Applicant proposes to collect fees for service before service is rendered. For the initial service, Applicant will collect the fee before providing service. For renewal of service, Applicant will mail a Reminder Notice advising the customer of the amount that must be paid, and the date by which the payment must be received, in order for service to continue; under current processes, Reminder Notices are sent 10-15 days before that date. In the event a customer chooses not to pay to renew service by that date, a Termination Notice is mailed to advise a customer that a late fee will be required to maintain service, and that service will be interrupted if payment is not made by the following Thursday and a re-connection fee will be required if service is interrupted; under current processes, Termination Notices are sent on the Thursday following the date through which the customer has prepaid for service, or on that date if it falls on a Thursday.
- (20) Applicant proposes to prevent the unauthorized switching of local service customers, by providing services only to those customers who affirmatively request Applicant to provide service. Customers who request service through local agents will sign a written contract. Customers who purchase home phone cards will directly contact Applicant.
- (21) No complaint has been filed against Applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provider, or the act of charging customers for services that have not been ordered.
- (22) Applicant requests that the Commission grant Applicant a waiver of any and all regulatory requirements inapplicable to CLECs such as Applicant.

In addition to that general request, Applicant makes the following specific requests for waivers from certain regulatory requirements:

(a) Financial Record-Keeping System

Applicant requests that it be exempt from any requirement to adhere to the Uniform System of Accounts ("USOA"), on the following grounds:

- (1) The Federal Communications Commission developed USOA in the context of regulating telecommunications companies on the basis of rates. This kind of accounting involves costly procedures aimed at providing for uniformity in rate regulation, and is not appropriate for a competitive carrier like Applicant. As a competitive carrier to which rate regulation does not apply, there is no need for Applicant to develop, record, and report the detailed cost data USOA requires.
- (2) As a competitive carrier, Applicant will maintain its books of accounts in accordance with accounting principles that are generally accepted among business professionals (often called Generally Accepted Accounting Principles, or "GAAP"). These accounting principles do not call for the costly procedures USOA requires in order to develop, record, and report the detailed cost data necessary in rate regulation.
- (3) As a competitive carrier whose competitors generally do not incur the added accounting expense involved in adhering to USOA, Applicant would be placed at a competitive disadvantage were the Commission to require Applicant to adhere to USOA accounting standards.

(4) Because Applicant will utilize standard accounting principles that are generally accepted among business professionals, Applicant asserts that the Commission will have a reliable means by which to fulfill any obligation to evaluate Applicant's reports.

(b) Local Exchange Directories

Applicant requests that it not be required to publish local exchange directories. Under the reseller agreement, Qwest will perform this function for Applicant's customers. This approach will be more efficient and serve as a convenience for the public, in that reference need not be made to numerous local exchange carrier directories.

(c) Reporting Requirements

To the extent Applicant is subject to any reporting requirements other than those specifically imposed upon CLECs, Applicants requests the waiver thereof.

(23) Applicant's Federal Tax ID Number is 58-2581191.

(24) Granting Applicant's Application is consistent with SDCL § 49-31-71 and other provisions of South Dakota law, and in that regard Applicant makes the following representations to the Commission:

- (a) Applicant possesses the necessary technical, financial, and managerial resources sufficient to provide the services requested;
- (b) Applicant's local services will meet the services standards required by the Commission;
- (c) Applicant's provision of local services will not adversely impact the availability of affordable local exchange service;

(d) Applicant will participate in the support of universally available telephone service at affordable rates, to the extent the Commission so requires; and

(e) Applicant's provision of local service will not adversely impact the public interest.

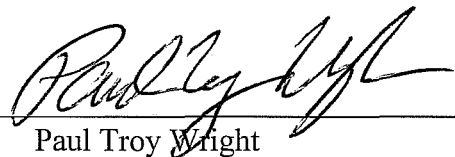
WHEREFORE, Applicant respectfully petitions the Commission for authority to operate as a reseller of local exchange service to business and residential customers in the State of South Dakota as provided in this Application.

This 12 day of March, 2002.

Respectfully Submitted,

AMERITEL PREPAID, LLC

By: _____



Paul Troy Wright
Chief Executive Officer

AmeriTel Prepaid, LLC.
2866 Johnson Ferry Road Suite 250
Marietta, Georgia 30062

Exhibit "A"
Georgia Certificate of Existence

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : 013520118
CONTROL NUMBER : 0048886
DATE INC/AUTH/FILED: 11/03/2000
JURISDICTION : GEORGIA
PRINT DATE : 12/18/2001
FORM NUMBER : 211

AMERICAN PREPAID TELEPHONE SERVICE, LLC

2866 JOHNSON FERRY RD, STE 250
MARIETTA, GA 300625635

CERTIFICATE OF EXISTENCE

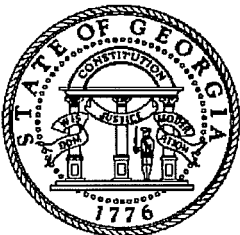
I, Cathy Cox, the Secretary of State of the State of Georgia, do hereby certify under the seal of my office that

AMERITEL PREPAID, LLC
A GEORGIA LIMITED LIABILITY COMPANY

was formed in the jurisdiction stated above or was authorized to transact business in Georgia on the above date. Said entity is in compliance with the applicable filing and annual registration provisions of Title 14 of the Official Code of Georgia Annotated and has not filed articles of dissolution, certificate of cancellation or any other similar document with the office of the Secretary of State.

This certificate relates only to the legal existence of the above-named entity as of the date issued. It does not certify whether or not a notice of intent to dissolve, an application for withdrawal, a statement of commencement of winding up or any other similar document has been filed or is pending with the Secretary of State.

This certificate is issued pursuant to Title 14 of the Official Code of Georgia Annotated and is prima-facie evidence that said entity is in existence or is authorized to transact business in this state.



A handwritten signature in black ink, appearing to read 'Cathy Cox', is written over a horizontal line.

Cathy Cox
Secretary of State

Exhibit "B"
South Dakota Certificate of Authority

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

Certificate of Authority Limited Liability Company

ORGANIZATIONAL ID #: FL001232

I, **JOYCE HAZELTINE**, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of **AMERITEL PREPAID, LLC (GA)** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Limited Liability Company Act, 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 for certificate of authority.

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 March 18, 2002.



Joyce Hazeltine

Joyce Hazeltine
Secretary of State

SECRETARY OF STATE
STATE CAPITOL
500 E. CAPITOL AVE.
PIERRE, S.D. 57501
(605)773-4845
FAX (605)773-4550

**CERTIFICATE OF AUTHORITY APPLICATION
OF A
FOREIGN LIMITED LIABILITY COMPANY**

RECEIVED
DEC 20 '01
S.D. SEC. OF STATE

1. The name of the foreign Limited Liability Company is: AmeriTel Prepaid, LLC

RECEIVED

2. The name of the state or country under whose law it is organized is: Georgia

JAN 11 '02

3. The street address of its principal office is: 2866 Johnson Ferry Road, STE 250 Marietta GA 30062

S.D. SEC. OF STATE

4. The address of its initial designated office in South Dakota is: North American Title Loans, LLC
1212 10th ST Sioux Falls, SD 57103

RECEIVED

MAR 18 '02

5. The name and street address of its initial agent for service of process in South Dakota is: _____

S.D. SEC. OF STATE

~~North American Title Loans, LLC~~

CT Corporation System

~~1212 10th ST Sioux Falls, SD 57103~~

319 Cofoan ST, Pierre, SD 57501

6. The date of organization is: November 3, 200, and the period of duration is: perpetual

7. If the company is manager-managed, rather than member-managed, the name and address of each initial manager:

Paul Troy Wright
2866 Johnson Ferry Road, ST 250
Marietta, GA 30062

8. Whether one or more of the members of the company are to be liable for its debts and obligations under a provision similar to SDCL 47-34A-303 (c). No.

The application must be signed by a member if the company is a member-managed company or by a manager if its a manager-managed company.

Date: 12/3/01

Paul Troy Wright
(Signature and Title)

FILING INSTRUCTIONS:

- The application for authority must be accompanied by the first Annual Report.
- One original and one exact or conformed copy must be submitted.
- The application must be accompanied by an original, currently dated *Certificate of Good Standing* or *Existence* from the Secretary of State in the state where it is organized.

Filed this 18th day of
March 2002

Joyce Hazeltine
callc.pdf

SECRETARY OF STATE

SOUTH DAKOTA SECRETARY OF STATE

OFFICIAL RECEIPT

NUMBER 1076994

FORM OF PAYMENT CHECK
CHECK NBR 1064

DATE 03/18/2002
AMOUNT \$ 90.00
BY STANGRA

AMERITEL PREPAID, LLC
2866 JOHNSON FERRY RD STE 250
MARIETTA GA 30062-5635

THIS RECEIPT IS IN REFERENCE TO:
AMERITEL PREPAID, LLC

TRANSACTION DESCRIPTION	AMOUNT
CERTIFICATE OF AUTHORITY.....\$	90.00

Exhibit "C"
Summary of Senior Managers' Background

Paul Troy Wright

Mr. Wright is the CEO of AmeriTel Prepaid, LLC. He earned his B.S. degree in Management and Technology from the United States Naval Academy in Annapolis, Maryland in 1979, whereupon he was trained and served as a nuclear submarine officer in the U.S. Navy. He earned his JD degree *cum laude* from the University of Miami School of Law in 1987, and thereafter practiced as a business and litigation attorney in Atlanta, Georgia. Mr. Wright has served as CEO and as a Director of companies in areas including energy management, and software development. Mr. Wright also has served as general counsel of several companies.

Roderick A. Aycox

Mr. Aycox is the majority member of AmeriTel Prepaid, LLC, and CEO of Select Management Resources, LLC. He attended the University of Georgia. He founded and served as CEO of Title Loans of America, Inc., a consumer finance company. He founded and served as CEO of Tel-Link, LLC, one of the first CLECs to operate as a reseller of local exchange service in the United States.

Exhibit "D"
Unaudited 2001 Financial Statements

01/30/02

AMERITEL PREPAID, LLC

Balance Sheet

As of December 31, 2001

	<u>Dec 31, '01</u>
ASSETS	
Current Assets	
Checking/Savings	
10000 · Operating Account - 00088006882	-5,944.29
10050 · Payroll Account	100.00
Total Checking/Savings	<u>-5,844.29</u>
Total Current Assets	-5,844.29
Fixed Assets	
20000 · Furniture & Equipment	2,897.69
20100 · Computer Equipment	7,467.45
Total Fixed Assets	<u>10,365.14</u>
Other Assets	
11900 · Employee Advances	124.05
23000 · Deposits - Rent	2,000.00
Total Other Assets	<u>2,124.05</u>
TOTAL ASSETS	<u><u>6,644.90</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	26,975.82
Total Accounts Payable	<u>26,975.82</u>
Total Current Liabilities	<u>26,975.82</u>
Total Liabilities	26,975.82
Equity	
52000 · S/H Distributions	
52010 · Paul Profit Distribution	-55,500.00
52000 · S/H Distributions - Other	166,944.59
Total 52000 · S/H Distributions	<u>111,444.59</u>
Net Income	<u>-131,775.51</u>
Total Equity	<u>-20,330.92</u>
TOTAL LIABILITIES & EQUITY	<u><u>6,644.90</u></u>

01/30/02

AMERITEL PREPAID, LLC
P&L Year-to-Date Comparison
 January through December 2001

	<u>Jan - Dec '01</u>	<u>Jan - Dec '01</u>
Income		
60100 · Prepaid Phone Card Sales	62,543.81	62,543.81
60200 · Bell South CORPOR	498.04	498.04
Total Income	<u>63,041.85</u>	<u>63,041.85</u>
Cost of Goods Sold		
66000 · Commission Distribution	7,635.00	7,635.00
66100 · Telephone Time-Purchase	82,244.20	82,244.20
66200 · Software License	3,895.00	3,895.00
Total COGS	<u>93,774.20</u>	<u>93,774.20</u>
Gross Profit	-30,732.35	-30,732.35
Expense		
6560 · Payroll Expenses	5.83	5.83
6999 · Uncategorized Expenses	0.00	0.00
90000 · Payroll	30,666.69	30,666.69
90050 · Payroll Taxes		
90110 · P/R Tax-SS & Med.(Match)	1,590.00	1,590.00
90120 · P/R Tax-FUTA	868.00	868.00
90130 · P/R Tax-SUTA	426.38	426.38
90050 · Payroll Taxes - Other	0.00	0.00
Total 90050 · Payroll Taxes	<u>2,884.38</u>	<u>2,884.38</u>
90055 · Payroll Taxes - Fines & Pen.	461.86	461.86
90200 · Contract Labor	1,312.50	1,312.50
91000 · Rent	13,000.00	13,000.00
91100 · Telephone	7,842.21	7,842.21
91200 · Repairs & Maintenance	369.64	369.64
91310 · Electric & Gas	3,249.97	3,249.97
91450 · Licenses	3,995.15	3,995.15
91550 · Training	347.22	347.22
91600 · Insurance	675.50	675.50
91700 · Postage & Freight	1,473.57	1,473.57
92000 · Advertising	16,493.51	16,493.51
93000 · Legal	4,917.16	4,917.16
95000 · Travel	2,858.79	2,858.79
95300 · Office Supplies	5,925.49	5,925.49
95305 · Petty Cash	0.00	0.00
95400 · Bank Fees	1,465.53	1,465.53
95500 · Printing	3,098.16	3,098.16
Total Expense	<u>101,043.16</u>	<u>101,043.16</u>
Net Income	<u><u>-131,775.51</u></u>	<u><u>-131,775.51</u></u>

Exhibit "E"
Illustrative Tariff

AmeriTel Prepaid, LLC
Tariff Setting Forth
Regulations and Schedule of Intrastate Charges
Applicable to Local Exchange Services
Within the State of South Dakota

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Sheet Version Table

Sheets of this Tariff are effective as of the date shown at the bottom of the respective Sheet(s). Original and revised Sheets, as indicated below, comprise the Tariff as in effect as of the effective date shown at the bottom of this Sheet.

Sheet	Version	Effective Date
1 through 24	Original	[tbd]

Table of Symbols, Reference Marks, and
Abbreviations of Technical Terms Used in this Tariff

- C - This signifies changed regulation
- D - This signifies discontinued rate or regulation
- I - This signifies increased rate
- M - This signifies a move in text location
- N - This signifies new rate or regulation
- R - This signifies reduced rate
- S - This signifies reissued matter
- T - This signifies change in text without change in rate or regulation

Tariff Format

Sheet Numbers: Each Sheet number is in the upper-right corner of the Sheet. Sheets are numbered sequentially. If new Sheets are added to the Tariff, between existing Sheets, the new Sheet is reflected with a decimal. For example, the first new Sheet added between Sheet 10 and Sheet 11 would be Sheet 10.1; the second would be Sheet 10.2; the eleventh would be Sheet 10.11; and so forth.

Sheet Versions: The Sheet number in the upper-right corner also reflects the version number of the latest version of that Sheet in effect. When a new version of a Sheet goes in effect, it will supercede the previous version; for example, Version 3 of Sheet 5 would supercede Version 2 of Sheet 5.

The latest Sheet on file with the Commission is not necessarily in effect, due to the nature of the Commission's approval process. The Company intends to offer access to the actual in-effect Tariff, and--if applicable--those Sheets as to which new versions have been filed but are not in effect.

Paragraph Numbers: Numbered paragraphs generally are subdivided into subordinate numbered subparagraphs covering sub-topics. The numbering system is as follows:

- 2
- 2.1
- 2.1.1
- 2.1.1.1
- 2.1.1.1.1
- 2.1.1.1.1.1
- 2.1.1.1.1.1.1
- 2.1.1.1.1.1.1.1
- 2.1.1.1.1.1.1.1.1

Application of Tariff

This Tariff sets forth the service offering, rates, terms, and conditions applicable to the furnishing of intrastate communications services by AmeriTel Prepaid, LLC (the "Company"). This Tariff is on file with the South Dakota Public Utilities Commission (the "Commission"), and copies may be inspected at the Company's principal place of business during normal business hours.

1 Regulations

1.1 The Company's Undertaking

1.1.1 Scope

1.1.1.1 The Company undertakes to provide intrastate telecommunications service within the State of South Dakota under the terms of this Tariff. Service will be available 24 hours a day, seven days a week, 52 weeks a year.

1.1.1.2 Under this Tariff, the Company undertakes only to provide for the services as set forth herein. In the event any person to whom the Company provides services under this Tariff ("Customer") uses said services to obtain services from other carriers, the Company has and assumes no responsibility in connection with said other services from other carriers.

1.1.2 Limitation or Allocation of Service

1.1.2.1 The provision of services under this Tariff is subject to the provision thereof by the Incumbent Local Exchange Carrier ("ILEC") to the Company for resale on a continuing basis.

1.1.2.2 The Company reserves the right to limit or allocate the services offered to Customers when necessary due to any cause beyond the Company's control.

1.2 Terms and Conditions of Service

1.2.1 Service Term

1.2.1.1 The term of service is one (1) month.

1.2.1.2 Termination will not relieve any Customer of the obligation to pay for charges incurred under an agreement between the Company and a Customer for services under this Tariff ("Customer Service Agreement") or this Tariff. Payment obligations and other rights and obligations that extend beyond the term of a Customer Service Agreement by their nature, will survive any termination.

1.2.2 Payment for Service

1.2.2.1 Each Customer is responsible to the Company for payment of all charges for services and facilities the Company provides to the Customer or any person using the services with the Customer's authority or consent, whether actual, express, or implied ("Authorized User"). If a non-recurring charge is imposed on the Company in connection with service provided to a Customer or Authorized User, other than the Company's internal costs, the Customer will be responsible to the Company for such any such charge.

1.2.2.2 The Company is responsible for the collection and payment of any presently in-effect sales, use, gross receipts, excise, access, or other local, state, or federal taxes, charges, or surcharges, however designated, that may be assessed in conjunction with the services provided pursuant to this Tariff. In the event any such charge becomes due and owing in the future, it shall be the Customer's duty to ascertain and pay the same.

1.2.2.3 All payments for renewal of service are due before the date through which the Customer has paid for service (the "Pay-through Date").

- 1.2.2.4 All calculations of dates in this Tariff shall be based on calendar days. Should a Pay-through Date fall on a Sunday or Federal holiday, payment shall be deemed to be timely if received on the next regular business day.
- 1.2.2.5 Customers may pay for service by cash or money order.
- 1.2.3 Discontinuation of Service
- 1.2.3.1 The Company may discontinue a Customer's service after the Pay-through Date without further notice, if the Customer has not delivered payment to the Company to continue service beyond the Pay-through Date. Any notice sent to a Customer indicating the Pay-through Date and the payment required to continue service beyond the Pay-through Date shall constitute notice that service may be discontinued after the Pay-through Date without further notice.
- 1.2.3.2 The Company may discontinue a Customer's service immediately and without notice if the Company determines in its sole discretion that:
- 1.2.3.2.1 discontinuation is necessary in order to prevent or to protect against fraud, or otherwise to protect the Company, its personnel, agents, facilities or services;
- 1.2.3.2.2 the Customer provided false information to the Company regarding the Customer's identity, address, use of services, or any other material term;
- 1.2.3.2.3 the Customer has used fraudulent means to obtain service with the intent to avoid payment therefor, or has attempted to do so.
- 1.2.3.3 The Company may discontinue a Customer's service with written notice for any of the following reasons:

- 1.2.3.3.1 The Customer's un-cured violation of any of the material terms or conditions of service, other than non-payment; or
- 1.2.3.3.2 Any event that renders inoperable any material portion of the facilities used to provide the services to the Customer;
- 1.2.3.3.3 The Customer's abandonment of the service; or
- 1.2.3.3.4 The Customer's violation of any federal, state, or local law or regulation through the use of the service.

1.2.4 Payment Disputes

- 1.2.4.1 In the event of any dispute over payment, the Customer shall notify the Company immediately in writing. Disputes may be directed to the Company in writing at the address below:

**AmeriTel Prepaid, LLC
Attn: Paul Wright
2866 Johnson Ferry Road
Suite 250
Marietta, GA 30062-5635**

- 1.2.4.2 The Company and the Customer shall deal with each other in good faith to seek to resolve any dispute over payment.
- 1.2.4.3 In the event the Company and the Customer are unable to resolve any dispute over payment by dealing with each other in good faith, the dispute shall be resolved by binding arbitration, including but not limited to arbitration before the Commission if available.

1.2.5 Exclusion of Liabilities

- 1.2.5.1 The Company shall not be liable for any delay or failure due to any cause beyond the Company's control, including but not limited to the act or omission of another party or any event recognized under any source of law as an event of force majeure.
- 1.2.5.2 The Company shall not be liable for any act or omission of any other entity providing services to the Company or to any of the Company's Customers, including but not limited to common carriers or local exchange carriers.
- 1.2.5.3 The Company shall not be liable for any loss, injury, or damage due to the fault, negligence, or omission of any Customer, or due to any failure or malfunction of any equipment provided, owned, or used by any Customer.
- 1.2.5.4 The Company shall not be liable for any defacement of or damage to any premises resulting from the provision of services, or installation or removal thereof, unless caused by gross negligence or wilful misconduct of the Company or its actual agent or employee (but not the agent or employee of any other entity or carrier, which shall be deemed not to be the Company's agent or employee).
- 1.2.5.5 The Company shall not be liable for any loss, injury, or damage for any personal injury to or death of any person or persons, or for any loss, damage, or destruction of property, whether owned by a Customer or others, caused or claimed to have been caused by (1) mistakes, omissions, interruptions, delays, errors, or other defects in the provision of Emergency 911 service; or (2) installation, operation, failure to operate, maintenance, removal, presence, conditions, location, or use of any equipment and facilities furnishing Emergency 911 service.

1.2.5.6 The Company shall not be liable for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, or occasioned by the use of Emergency 911 service features or the equipment associated therewith, or by any other similar service furnished by the Company, including but not limited to the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing Emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, a Customer, agency, or municipality, or the employees or agents of any of them.

1.2.5.7 All exclusions of liability herein also are applicable to any person claiming by or through a Customer.

1.2.6 Limitation of Liability

1.2.6.1 In the event any Customer asserts a claim for damages against the Company arising out of any act or omission related in any way to the provision of service to Customers, other than wilful misconduct, the Company's liability and the Customer's sole remedy (if any) shall be limited to the Company's extension of allowances to the Customer in an amount not to exceed the sums the Customer actually paid the Company for the specific services giving rise to the claim, including but not limited to liability due to or arising out of any alleged or actual mistakes, omissions, interruptions, delays, errors, defects, or representations by the Company. Under no circumstances will the Company be liable to any Customer for any direct, indirect, incidental, special, consequential, exemplary, or punitive damages as a result of any act, omission, or negligence by the Company or any of its agents or employees.

1.2.6.2 Allowances for Directory Errors

In the event any Customer asserts a claim for damages against the Company arising out of the Company's errors or omissions in a Customer's listing in telephone directories (excluding the use of bold face type), the Customer's sole remedy will be, and Company will provide the Customer with, a credit as follows:

- 1.2.6.2.1 For listings in telephone directories furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the effective life of the directory in which the error or omission occurred; or
- 1.2.6.2.2 For listings in telephone directories furnished at additional charge, an amount not in excess of the charge for that listing during the effective life of the directory in which the error or omission occurred; or
- 1.2.6.2.3 For listings in information records furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the period in which the error or omission continued; or
- 1.2.6.2.4 For listings in information records furnished at additional charge, an amount not in excess of the charge for that listing during the period in which the error or omission continued.

1.2.6.3 Allowances for Interruption of Service

- 1.2.6.3.1 Except as otherwise provided by this Tariff, in the event any Customer asserts a claim for damages against the Company arising out of interruption of the Customer's service for a period in excess of 24 hours from the time the interruption is reported to the Company or the Company otherwise knows of the interruption, other than due to the negligence of wilful act of the Customer or the

operation or failure of the facilities or equipment provided by the Customer, the Customer's sole remedy will be, and Company will allow, a *pro rata* adjustment of the Customer's Pay-through Date for the service subject to interruption for all services and facilities rendered useless and inoperative by reason of the interruption.

1.2.6.3.2 Each Customer shall immediately notify the Company in writing of any interruption of service for which the Customer seeks an adjustment under this Tariff, the services and facilities the Customer contends were rendered useless and inoperative by reason of the interruption, the time when the Customer contends the interruption was reported to the Company or the Company otherwise knew of the interruption, and the time when the interruption was corrected. Before giving such notice, the Customer shall ascertain in good faith that the trouble is not being caused by any action or omission of the Customer or any other cause within the Customer's control, and is not in wiring or equipment, if any, furnished by the Customer or connected to the Customer's terminal. If a Customer reports a facility, service, or circuit to be inoperative, but declines to authorize the Company or its representative to test and repair the same at the Customer's prepaid expense, it is to be considered to be "impaired" but not "interrupted".

1.2.6.3.3 The Company will make adjustments for failures of service or equipment only when failure is caused by or occurs in facilities or equipment for which the Company bills the Customer.

1.2.6.3.4 A Customer's adjustment for failures of service or equipment begins when the Customer notifies the Company of the failure or when the Company becomes aware of the failure, and ceases when the operation has been restored and an attempt has been made to notify the Customer of said restoration.

- 1.2.6.3.5 For calculating adjustments, each month is deemed to have 30 days. An adjustment is applied on a *pro rata* basis and is dependent upon the length of the interruption. Adjustment will be allowed only for those facilities actually interrupted. Adjustment for interruptions that exceed 24 hours in duration will be rounded up to the next whole 24 hours.
- 1.2.6.3.6 No adjustment will be allowed to a Customer for any of the following:
- 1.2.6.3.6.1 interruptions due to the negligence of the Customer, or the Customer's failure to comply with the provisions of this Tariff;
- 1.2.6.3.6.2 interruptions due to the negligence of any person using services provided by the Company, with the Customer's actual or implied consent;
- 1.2.6.3.6.3 interruptions due to the failure or malfunction of any equipment by or through which the Company does not provide service;
- 1.2.6.3.6.4 interruptions of service during any period in which the Company is not given full and free access to all facilities and equipment that may be necessary to investigate and correct the interruption;
- 1.2.6.3.6.5 interruptions of service during a period in which the Customer continues to use the services on an impaired basis;
- 1.2.6.3.6.6 interruptions of service during any period when the Customer has released service to the Company for maintenance or for the implementation of a change in service; or

- 1.2.6.3.6.7 any other interruption of service due to circumstances beyond the control of the Company.
- 1.2.6.4 All limitations of liability herein also are applicable to any person claiming by or through a Customer.
- 1.2.7 Indemnification
- 1.2.7.1 In the event of any loss, claim, demand, suit, action, or any other assertion of liability whatsoever against the Company arising out of the installation, operation, failure to operate, maintenance, removal, condition, location, or use of any services provided by the Company, the Customer to whom such services were or were to be provided shall indemnify and hold the Company harmless therefrom, whether suffered, made, instituted, or asserted by the Customer or any other party or person.
- 1.2.7.2 In the event of any loss, claim, demand, suit, action, or any other assertion of liability whatsoever against the Company arising out of defamation, libel, slander, invasion of privacy, copyright infringement, unauthorized use of trademark, trade name, or service mark, unfair competition, interference with or misappropriation of any trade secret, violation of or wrongful interference with any contract, proprietary, or creative right, or any other injury to any proprietary or creative right, or any other injury to person, property, or entity arising from the material, data, information, or content that is revealed, transmitted, processed, handled, or used by the Company under this Tariff, the Customer to whom such services were or were to be provided shall indemnify and hold the Company harmless therefrom, whether suffered, made, instituted, or asserted by the Customer or any other party or person.

- 1.2.7.3 In the event of any loss, claim, demand, suit, action, or any other assertion of liability whatsoever against the Company arising out of patent infringement, interference with or misappropriation of any trade secret, violation of or wrongful interference with any contract, proprietary, or creative right, or any other injury to any proprietary or creative right, or any other injury to person, property, or entity arising from the Customer's use of equipment to use the services the Company provides under this Tariff, the Customer to whom such services were or were to be provided shall indemnify and hold the Company harmless therefrom, whether suffered, made, instituted, or asserted by the Customer or any other party or person.
- 1.2.7.4 All indemnification provisions herein also are applicable to any person claiming by or through a Customer.
- 1.2.8 Cancellation of Service
- 1.2.8.1 On a case by case basis, the Company may permit a Customer to rescind a Customer Service Agreement prior to the start of service and prior to the Company incurring any charges of any kind; or
- 1.2.8.2 On a case by case basis, the Company may permit a Customer to rescind a Customer Service Agreement after the start of service or after the Company incurs charges of any kind, and the Customer reimburses the Company for all such charges.
- 1.2.8.3 Any Customer may terminate service at any time, by giving the Company written notice. IN the event of any such termination before the Customer's next Pay-through Date, the Company will have no obligation to refund any amount the Customer has paid for recurring or non-recurring charges.

1.2.9 Non-published numbers

1.2.9.1 The Company will not be liable for failure or refusal to complete any call to a non-published number.

1.2.9.2 The Company undertakes to exercise reasonable efforts to ensure that no non-published number is disclosed, but the Company shall have no liability whatsoever arising out of any disclosure of a non-published number by any means, including but not limited to failure of the Company to exercise reasonable efforts to prevent disclosure.

1.2.10 Emergency 911 Service

1.2.10.1 Emergency 911 service is offered as an aid in handling assistance calls in connection with fire, police, and other emergencies.

1.2.10.2 If a Customer with a non-published number makes a call to Emergency 911 service, upon the request of the appropriate local governmental authority responsible for the Emergency 911 service the Company will release the name and address of the calling number to said authority when the Company is able to do so. By subscribing to service under this Tariff, each Customer acknowledges and agrees with the release of information as described above.

1.2.11 Miscellaneous

- 1.2.11.1 **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS TARIFF. THE COMPANY EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED -- INCLUDING, TO THE FULL EXTENT PERMITTED BY LAW, ANY WARRANTY OF MERCHANTABILITY AND ANY WARRANTY OF FITNESS.**
- 1.2.11.2 This Tariff and any Customer Service Agreement shall be interpreted and governed by the laws of ths State of South Dakota.
- 1.2.11.3 The Company has the right to take any reasonable measures the Company deems appropriate in the event any other person, including any carrier, interferes with the right of any person or entity to obtain services directly from the Company, or seeks to do so.
- 1.2.11.4 No Customer has a property right to any telephone number or any other call number designation associated with services the Company provides. Upon at least sixty (60) days' written notice to a Customer, the Company has the right to change any such numbers assigned to any Customer, or the central office designation associated therewith, or both, whenever the Company deems it necessary to do so in the conduct of the Company's business.
- 1.2.11.5 Neither the Company nor a Customer may assign or transfer its rights or duties in connection with the services and facilities the Company provides under this Tariff, without the written consent of the other party; provided, however, that the Company may assign its rights and duties (a) to any subsidiary, parent company, or affiliate of the Company; (b) pursuant to any sale or transfer of all or substantially all of the assets of the Company; or (c) pursuant to any financing, merger, or reorganization of the Company.

- 1.2.11.6 Notices and Communications
- 1.2.11.6.1 Any notices pursuant to this Tariff shall be in writing.
- 1.2.11.6.2 Unless a Customer otherwise notifies the Company of a different address in writing, any notices or other communications from the Company to a Customer shall be deemed to have been properly sent and received if mailed to the address the Customer provides at the time of contracting for service.
- 1.2.11.6.3 Any notices or other communications from a Customer to the Company shall be deemed to have been properly sent and received if mailed to the address of the Company set forth in this Tariff; provided that the Company may designate a separate address on bills to which payments may be sent by mail.
- 1.2.11.6.4 Any notices or other communications pursuant to this Tariff, and any bills from the Company, shall be in writing, and shall be presumed to have been delivered to the other party on the third business day following deposit in the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

2 Service Descriptions; Rates

2.1 Local Exchange Service

2.1.1 Local Lines

2.1.1.1 Description

The Company's local line service is a single voice-grade communications channel, including a telephone number, that will allow Customers to:

- 2.1.1.1.1 receive calls, and place calls to any calling station within the local calling area;
- 2.1.1.1.2 access 911 Emergency Service, as available;
- 2.1.1.1.3 access toll-free service, as available;
- 2.1.1.1.4 access operator service, as available;
- 2.1.1.1.5 access long distance providers, as available;

2.1.1.2 Exclusions:

The Company's local line service will not allow access to:

- 2.1.1.2.1 caller-paid information services, such as 900 and 976 numbers;
- 2.1.1.2.2 direct-dialed long distance;
- 2.1.1.2.3 incoming collect calls;
- 2.1.1.2.4 operator-assisted calls;
- 2.1.1.2.5 directory assistance calls;
- 2.1.1.2.6 third-number billed calls; or
- 2.1.1.2.7 any other service that is billed to a Customer's telephone number.

2.1.1.3 Options

The Company may offer options from time to time, as the ILEC may make available.

2.1.1.4 Rates and Charges

2.1.1.4.1 One-Time Fees

One-Time Activation/Installation Fee	\$49.95
Suspension Restoration Fee (each instance)	\$24.95
PIC Change after service is ordered (each change)	\$10.00
Late Fee (each late payment)	\$10.00

2.1.1.4.2 Recurring Charges

Monthly service (One month, or any part of a month)	\$49.95
---	---------

2.1.1.4.3 Option Charges

Options (each, per month, or any part of a month)*	\$5.95
One-Time Activation Fee (per option)**	\$19.95

*Caller ID counts as two options.

**Activation fee is waived for options installed with initial service.

2.2 Directory Listings

- 2.2.1 The Company will provide each Customer with a single directory listing in the telephone directory published by the dominant incumbent local exchange carrier in the Customer's exchange area for the Customer's telephone number.
- 2.2.2 The Company reserves the right to limit the length of any listing in the directory by abbreviations when, in the Company's sole discretion, doing so will not impair the clarity of the listing or the identity of the Customer. The Company will not impose an additional charge if a listing requires more than one line
- 2.2.3 The Company reserves the right, upon notice to a Customer, to refuse to place any listing that, in the Company's sole discretion, does not appear to accurately reflect a proper listing, or does not accurately reflect a legal name, or states or appears to suggest an obscenity, or is likely to mislead or deceive, or appears to be a contrived name used for advertising purposes or to secure a preferential location in the directory or some other improper objective, or is more elaborate than is reasonably necessary to identify the Customer.
- 2.2.4 In order to ensure that a listing appears in a future directory, the Customer is responsible for submitting the proposed listing to the Company in time to meet the publication schedule.
- 2.2.5 The Company imposes no recurring or non-recurring charge for directory listings.

2.3 Repair Service

- 2.3.1 The "Point of Demarcation" separates the responsibility of the Customer from that of the Company, relating to wire repair and trouble isolation. Generally, the Point of Demarcation is where the Customer's inside wire connects to the intra-building network cable (INC). Where there is no INC, the Point of Demarcation generally is the point where outside wiring first physically enters the applicable entrance facility.
- 2.3.2 The Company provides and maintains service to the Point of Demarcation. The Customer is not responsible for any charges associated with or related to maintaining service to the Point of Demarcation. In the event the Customer reports service trouble to the Company and it is subsequently determined that the source of trouble is located on the Customer's side of the Point of Demarcation, the Customer is responsible for any and all charges incurred in isolating or repairing the source of trouble.

3 Promotional Offerings

The Company may determine, from time to time, to make promotional offers that may include reducing or waiving certain charges. The promotional offering may be limited by duration, and location.

4 Customer Service

Customer service is available by telephone 24 hours a day, seven days a week, by calling 877-489-8950. Written customer service requests may be submitted to the Company at 2866 Johnson Ferry Road, Suite 250, Marietta, Georgia 30062. The telephone number for the Company's business office is 678-585-9898.

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of May 2, 2002 through May 8, 2002

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 report. Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINT

CC02-001 In the Matter of the Complaint filed by Alan Schuetz, Parkston, South Dakota, against NorthWestern Public Service Company Regarding Billing.

Complainant states that although South Dakota had a mild winter in 2002, he noticed an increase in his billing on his February 11, 2002, electric statement. Complainant requested that the company reread the meter. After NorthWestern reread the meter, the company stated that the original reading was correct. Complainant then noticed a substantial increase in his natural gas usage. Complainant believes that NorthWestern has made a serious mistake with his billing by over reading his meters and fraudulently taking money from him and the low income energy assistance program. If Complainant's charges are substantiated, Complainant feels that all NorthWestern meter readers should be required to take a drug and alcohol test, thoroughly inspect the devices that are used to read the meters and repay or credit his account or low income energy assistance account.

Staff Analyst: Mary Healy
Staff Attorney: Kelly Frazier
Date Docketed: 05/02/02
Intervention Deadline: N/A

CT02-015 In the Matter of the Complaint filed by Donald Sidle, Rapid City, South Dakota, against Qwest Corporation Regarding a Billing Dispute.

Complainant states that in 1995, he received a Caller ID unit from Qwest and returned the unit because he did not want the added feature on his phone service. Since 1995, Qwest has been charging him for Caller ID service. The charge was not noticed until recently when his daughter was reviewing his monthly Qwest bill. Complainant is requesting a full refund of all the money he has paid Qwest for a service he did not use.

Staff Analyst: Mary Healy
Staff Attorney: Karen Cremer
Date Docketed: 05/08/02
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC02-042 In the Matter of the Application of AmeriTel Prepaid, LLC for a Certificate of Authority to Provide Local Exchange Services in South Dakota.

AmeriTel Prepaid, LLC is seeking a Certificate of Authority to provide local exchange telecommunications services in South Dakota. The applicant intends to provide a full range of services on a resale basis.

Staff Analyst: Keith Senger
Staff Attorney: Kelly Frazier
Date Docketed: 05/03/02
Intervention Deadline: 05/24/02

TC02-043 In the Matter of the Filing by RDST, Inc. for Approval of Relief of Certification Requirement to Post Surety Bond.

RDST, Inc. was granted a Certificate of Authority in docket TC99-044, subject to the condition that RDST continuously maintain a \$25,000 surety bond. RDST is requesting relief from the Commission's bond requirement by accepting restrictions on prepaid cards, advanced payments and deposits. On May 7, 2002, RDST filed revised tariff sheets with the Commission.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Docketed: 05/07/02
Intervention Deadline: N/A

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>

AmeriTel Prepaid, LLC
2866 Johnson Ferry Road
Suite 200
Marietta, Georgia 30062

678-585-9898 (voice)

678-585-0299 (fax)

TELEFACSIMILE COVER SHEET

TO:

1-605-773-3809

FAX NUMBER

Koith Senger

RECIPIENT

SDPSC

ORGANIZATION

Pierre, SD

CITY, STATE

FROM:

Paul Wricht

SENDER

Confidentiality Notice

The information in this telefacsimile may be legally privileged and/or confidential information, and is intended only for the use of the named recipient. Any person other than the named recipient or a duly authorized representative is hereby notified that any use, dissemination, distribution, or copying of this telefacsimile is strictly prohibited. Any person who receives this telefacsimile in error is requested to please immediately notify us by telephone and to return the telefacsimile to us at the above address via U.S. Mail.

STATE OF SOUTH DAKOTA

BEFORE THE SOUTH DAKOTA PUBLIC SERVICE COMMISSION

In re:)
)
Application of)
) **DOCKET NO. TC02-042**
AmeriTel Prepaid, LLC)
)
For a Certificate of Authority to Provide Local)
Exchange Telecommunications Services)
)

Supplement to Application
 of AmeriTel Prepaid, LLC ("AmeriTel")
 in Response to SDPUC Letter dated May 14, 2002

AmeriTel's application is hereby supplemented in response to the Commission's May 14, 2002 letter as follows:

1. The Members of AmeriTel are:

Paul Troy Wright
 2866 Johnson Ferry RD STE 250
 Marietta, GA 30062

Roderick A. Aycox
 2866 Johnson Ferry RD STE 250
 Marietta, GA 30062

2. AmeriTel provides local exchange service in Alabama, Delaware, Georgia, Oregon, and South Carolina. Pursuant to the Telecommunications Act of 1996, no state or federal authorization (or any other such barrier to entry) is or may be required of AmeriTel to provide those telecommunication services. Nevertheless, as a courtesy to the regulators in those states, AmeriTel has applied for and obtained state certification before providing local exchange service in each such state.
3. AmeriTel did not generate a formal cash flow statement during its first year of operation. Suffice it to say that, like other startup companies, AmeriTel had a negative cash flow during its first year of operation. As the Profit and Loss Statement was prepared on a cash basis, it closely approximates a cash flow statement. If the Commission insists that a formal cash flow statement is necessary even though we have provided the same information in a different form, we will generate one.

4. AmeriTel is in good standing in all states in which it is certified to provide telecommunication service. While the Telecommunications Act of 1996 preempts all alleged state and local certification requirements (and any other state and local barriers to entry), AmeriTel provides telecommunication service only in those states where it is certified.
5. All inquiries regarding customer complaints and regulatory matters should be directed to Paul Troy Wright, AmeriTel's CEO.
6. AmeriTel's financial standing is neither "unknown" nor "marginal." We are nonetheless prepared to submit the \$25,000.00 bond if necessary. If the Commission will permit, however, AmeriTel would prefer to submit a \$25,000.00 letter of credit to achieve the same purpose. This form of letter of credit has been posted and accepted in other states in which AmeriTel is certified, to address the stated purpose of the requested bond.
7. The "home phone card retail program" is simply one of several ways in which customers' payments for the local exchange services described in the Tariff are communicated to AmeriTel. Payment choices are outlined in Section 1.2.2.5. AmeriTel customers may pay for service by (a) paying AmeriTel directly; (b) paying an AmeriTel local agent; or (3) purchasing a card from an authorized retailer and redeeming the card with AmeriTel over the telephone (by giving AmeriTel the scratch-off PIN and the Control Number printed on the card). The latter method of paying is the essence of the "home phone card retail program." The services to be provided as described in the Tariff remain the same, regardless of payment method.
8. Local exchange service is intrastate (but not "intrastate toll"). The final tariff will nonetheless substitute "local exchange" for "intrastate."
9. The disconnection rules in ARSD 20:10:10 have nothing to do with Section 1.2.3.1 of the Tariff. ARSD 20:10:10 provides as follows:

A telecommunications company may not disconnect service to a subscriber solely on the following grounds:

- (1) Failure of the subscriber to pay for merchandise, pay-per-call charges, or special services purchased from the company. Special services do not include charges for telephone installations or moves or other acts performed in accordance with tariff filings;
- (2) The subscriber's failure to pay for a different class of telecommunications service received at a different location; or

(3) The subscriber's failure to pay a bill for which the subscriber is a guarantor.

Section 1.2.3.1 of the Tariff provides that a customer's service may be terminated if the customer does not pay for service. That has nothing to do with ARSD 20:10:10, which addressed charges for merchandise, pay-per-call charges, special services, different classes of service received at a different location, and subscribers serving as guarantor.

Section 1.2.3.1 complies with ARSD 20:10:10, in that nothing in Section 1.2.3.1 purports to give AmeriTel any power proscribed by ARSD 20:10:10. Frankly, we do not understand why this question was asked. If the Commission sees a specific problem with Section 1.2.3.1 vis-a-vis ARSD 20:10:10, please tell us and we will address it.

10. After discussing the matter with Kelly Frazier, Esq., we thoroughly reviewed the two statutes on which the requests in Paragraph 10 are based. There is no basis for any contention that these statutes prohibit us from filing a Tariff that has an arbitration provision, and exclusions and limitations of liability.

The right to arbitrate a dispute arising out of a transaction involving interstate commerce (such as the provision of telecommunication service under the Telecommunications Act of 1996) is an established matter of federal law. The cited South Dakota statutes do not purport to take away that federal right – they simply provide that (assuming the federal right is not exercised) individuals may take their complaints to the Commission or the courts (but not both). But, even if South Dakota law did purport to take away the federal right to arbitrate, that aspect of South Dakota state law would be preempted.

Solely in order to allow our application to proceed without delay, however, we will make the requested change to Section 1.2.4.3. But we do not thereby waive our federal right to arbitrate disputes.

Similarly, neither cited statute purports to address exclusions or limitations of liability. Our exclusions and limitations of liability are reasonable and ordinary. Again, however, we will make the requested changes solely in order to allow our application to proceed without delay. But we do not thereby waive our right to control the terms and conditions under which we enter into contracts.

11. The Commission's address and telephone numbers will be included in the final Tariff.
12. ARSD 20:10:32:10 provides as follows:

A telecommunications company providing local exchange services shall, at minimum, make the following available to each customer:

- (1) Access to the public switched network;
- (2) Access to emergency services such as 911 or enhanced 911;

- (3) Access to a local directory and directory assistance;
- (4) Access to operator services;
- (5) Telecommunications relay service capability or access necessary to comply with state and federal regulations;
- (6) Nonpublished service upon written or verbal request of the customer; and
- (7) Access to interexchange services.

Section 2.1.1.2 complies, in that nothing therein purports to exclude any of the services listed as required. Again, we do not understand why this question was asked. If the Commission sees a specific problem with Section 2.1.1.2 vis-a-vis ARSD 20:10:32:10, please tell us and we will address it.

- 13. The options in Section 2.1.1.4.3 are described in Section 2.1.1.3 as those the ILEC makes available.
- 14. We listed a number of specific issues as to which waiver is requested. If any when we identify additional specific issues, we will address them at that time.

WHEREFORE, Applicant respectfully supplements its petition to the Commission for authority to operate as a reseller of local exchange service to business and residential customers in the State of South Dakota as provided in this Application.

This 28 day of May, 2002.

Respectfully Submitted,

AMERITEL PREPAID, I.L.C

By: 
Paul Troy Wright
Chief Executive Officer

AmeriTel Prepaid, LLC.
2866 Johnson Ferry Road Suite 250
Marietta, Georgia 30062

TC 02-043

RECEIVED

Senger, Keith
From: Paul Wright [paulw@ameritelebiz.com]
Sent: Tuesday, October 15, 2002 1:37 PM
To: Keith.Senger@state.sd.us
Subject: Re: AmeriTel Application

OCT 15 2002

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

That email was dictated over the phone as I was driving to confer with counsel to fix the huge mess BellSouth created. The person who was supposed to have sent it cannot show me that it was sent. I will therefore conclude that it was not in fact successfully sent to you.

At any rate, we did, and still do, want to withdraw and then resubmit when we get a satisfactory solution from Qwest on operator-assistance calls.

I hope that the PSC understands that the policy requiring a CLEC to provide access to unlimited operator-assisted calls requires the CLEC to extend unlimited credit to people who in large part have already been deemed un-creditworthy. This obviously will make it difficult for any CLEC serving that particular market (like us) to do business in SD. That certainly is not doing any good for the SD citizens whose choices of service providers are limited, because CLECs cannot afford to expose themselves to the risk of extending unlimited credit to people who are not creditworthy.

----- Original Message -----

From: <Keith.Senger@state.sd.us>
To: <pwright1@bellsouth.net>
Sent: Tuesday, October 15, 2002 8:55 AM
Subject: RE: AmeriTel Application

I did not receive the email indicating it was your intent to withdraw. Please forward it again.

Thanks
Keith Senger

-----Original Message-----

From: Paul Wright [mailto:pwright1@bellsouth.net]
Sent: Sunday, October 13, 2002 9:23 PM
To: Keith.Senger@state.sd.us
Subject: Re: AmeriTel Application

I believe I sent an email to you, indicating that we wanted to withdraw the application as you and I disucced. If you did not receive it, please let me know. As I explained to you in that email, I was unexpectedly unavailable to call Wednesday because I was dealing with an emergency in which BellSouth cut off a number of our customers in another state because of an alleged "error" on BellSouth's part involving a dispute with an unrelated carrier.

----- Original Message -----

From: <Keith.Senger@state.sd.us>

RECEIVED

OCT 15 2002

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

To: <paulw@ameritelebiz.com>
Sent: Thursday, October 10, 2002 12:37 PM
Subject: AmeriTel Application

The following letter was send via fax, email and US mail
on 10/10/02

<<deny notice.doc>>

Via FAX, US Mail and Email

October 10, 2002

Mr. Paul Troy Wright
Chief Executive Officer
AmeriTel Prepaid, LLC.
2866 Johnson Ferry Road Suite 250
Marietta, Georgia 30062

RE: SDPUC Docket TC02-042 - Application of AmeriTel
Prepaid, LLC

Dear Mr. Wright:

On May 3, 2002, the Commission received and docketed an application for a local exchange Certificate of Authority from AmeriTel Prepaid, LLC (SDPUC docket TC02-042). This application was considered incomplete because it did not provide the required information. Commission Staff has made numerous contacts with you in an attempt get this application processed. However, due to a number of missed deadlines, several extension requests and lack of response by the Applicant, this application remains incomplete.

In a recent attempt to get this application processed, I called you on October 7, 2002. During that call I indicated to you that I would be scheduling this application for the Commission meeting to be held on October 17, 2002. I stated that you could either provide the required information or request the application be withdrawn. I made it clear

that I needed to know your intention by Wednesday, October 9, 2002, because the agenda for this Commission meeting goes out one week prior to the meeting (October 10, 2002). You indicated that you would call me the morning of October 9, 2002.

I indicated that I would issue a "do NOT approve" recommendation if you did not call me by that date. As of today, October 10, 2002, no contact has been made. Thus, I have scheduled this application for denial at the October 17, 2002, Commission meeting.

If you wish to argue my recommendation you may do so by either being present or calling into the October 17, 2002, Commission meeting to be held at 1:30 p.m. Central time in room 412 of the Capitol Building, Pierre, South Dakota.

At that time you may request a formal hearing on this matter.

If you have any questions, contact me at the Commission (605) 773-3201 or by e-mail; keith.senger@state.sd.us .

Sincerely,

Keith Senger, Utility Analyst

cc: Kelly Frazier, Commission Staff Attorney

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

IN THE MATTER OF THE APPLICATION OF) AMERITEL PREPAID, LLC FOR A) CERTIFICATE OF AUTHORITY TO PROVIDE) LOCAL EXCHANGE SERVICES IN SOUTH) DAKOTA)	ORDER PERMITTING WITHDRAWAL OF FILING AND CLOSING DOCKET TC02-042
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On May 3, 2002, Ameritel Prepaid, LLC (Ameritel) filed an application for a Certificate of Authority to provide local exchange services in South Dakota.

On October 15, 2002 Ameritel requested that its filing be withdrawn

At its regularly scheduled October 17, 2002, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-3 and ARSD Chapter 20:10:32. The Commission found that Ameritel's request to withdraw its filing is reasonable and closed the docket. It is therefore

ORDERED, that Ameritel shall be permitted to withdraw its filing, and it is further

ORDERED, that this docket is closed.

Dated at Pierre, South Dakota, this 28th day of October, 2002.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Tina Douglas</u>
Date: <u>October 29, 2002</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Robert K. Sahr
ROBERT K. SAHR, Commissioner