KCICH TC04-181 $\mathbf{\alpha}$ DOCKET NO. -MATTER THE OF IN THE In the Matter of _____ APPLICATION OF VCI COMPANY FOR A CERTIFICATE OF AUTHORITY TO PROVIDE LOCAL **EXCHANGE** SERVICES IN SOUTH DAKOTA Public Utilities Commission of the State of South Dakota DATE MEMORANDA and Dechatal: filin

STATE PUBLISHING CO., PIERRE, SOUTH DAKOTA-SMEAD 62 SP14130

TC04-181



STACEY A. KLINZMAN

7901 SKANSIE AVENUE, SUITE 240 GIG HARBOR, WA 98335 TELEPHONE: 253.851.6700 FACSIMILE: 253.851.6474 HTTP://WWW.MILLERISAR.COM

RECEIVED AUG 1 0 2004 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Peterned check 8/10/04

<u>Via Overnight Delivery</u> August 9, 2004

Ms. Pam Bonrud, Executive Secretary South Dakota Public Utilities Commission State Capitol Building, 1st Floor 500 East Capitol Avenue Pierre, South Dakota 57501

RE: VCI Company ("VCI") - Application for a Certificate of Public Convenience and Necessity

Dear Ms. Bonrud:

Enclosed for filing, please find an original and ten (10) copies of VCI's Application for a Certificate of Public Convenience and Necessity to provide facilities-based, and resold local exchange, and intraLATA toll services within the State of South Dakota, and a proposed tariff. Also enclosed, is a check in the amount of \$250.00 in payment of the filing fee.

VCI has submitted, as Exhibit D to the original application, one (1) copy of the financial statements requested by South Dakota Public Utilities Commission ("Commission") rules in a sealed envelope, labeled "Confidential." VCI requests that the Commission treat the financials as confidential information, to be reviewed by Commission staff only in the performance of their governmental duties and that this information not become part of the public file in this matter.

VCI will not be obtaining a bond for purposes of collecting customer deposits or advance payments. Thus, VCI's tariff indicates that advance payments and deposits will not be collected and that all customer charges, both recurring and nonrecurring, will be billed in arrears.

Ms. Pam Bonrud August 9, 2004 Page 2 of 2

Please acknowledge receipt of this filing by date-stamping the extra copy of this transmittal letter and returning it in the self-addressed, postage-paid envelope provided for this purpose. Questions regarding this filing may be directed to me via the telephone or facsimile number above, or by electronic mail at <u>sklinzman@millerisar.com</u>.

Sincerely,

MILLER ISAR, INC. Clinzman

Director - Regulatory Compliance Enclosures

cc: Stanley Johnson, President, VCI Company

TC04-18

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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In the Matter of the Application of VCI Company for a Certificate of Authority to Provide Resold and Facilities-Based Local Exchange, IntraLATA Toll and Exchange Access Telecommunications Services in the State of South Dakota.

RECEIVED

Docket No. ______ AUG 1 0 2004

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

APPLICATION

VCI Company ("Applicant" or "VCI") hereby applies for a Certificate of Authority to

provide resold and facilities-based local exchange, intraLATA toll, and exchange access services

within the State of South Dakota, pursuant to SDCL 49-31-3 and ARSD 20:10:32:03. In support

of its Application, Applicant provides the following information:

1. ARSD 20:10:32:03(1), GENERAL INFORMATION

Applicant is a privately held corporation organized under the laws of the State of Washington. Applicant's name, address, telephone number, facsimile number and E-mail address are as follows:

VCI Company 3875 Steilacoom Blvd SW #A Lakewood, Washington 98499 Telephone: 253-973-2476 Facsimile: 253-475-6328 Email: <u>Vilaire@comcast.net</u>

Correspondence and communications regarding this Application should be directed to:

Stacey A. Klinzman Director – Regulatory Compliance Miller Isar, Inc. 7901 Skansie Avenue, Suite 240 Gig Harbor, Washington 98335 Telephone: 253-851-6700 Facsimile: 253-851-6474 Email: sklinzman@millerisar.com

2. ARSD 20:10:32:03(2), OFFICERS AND DIRECTORS

The names and business addresses of Applicant's officers and directors are as follows:

Stanley Johnson, President/Director VCI Company 3875 Steilacoom Blvd SW #A Lakewood, Washington 98499 Telephone: 253-973-2476 Facsimile: 253-475-6328 Email: <u>stanj@vilaire.com</u>

Stanley Efferding, Secretary/Treasurer VCI Company 3875 Steilacoom Blvd SW #A Lakewood, Washington 98499 Telephone: 206-419-5948 Facsimile: 253-475-6328 E-mail: Vilaire@comcast.net

3. ARSD 20:10:32:03(3), NAME UNDER WHICH BUSINESS WILL BE CONDUCTED

Applicant will do business as VCI Company.

4. ARSD 20:10:32:03(4), CORPORATE INFORMATION

- (a) Applicant does not maintain an office in South Dakota.
- (b) Applicant does not have a parent company.
- (c) Applicant is a privately-held corporation incorporated under the laws of the State

of Washington on November 24, 2003. Applicant's Articles of Incorporation are 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. ARSD 20:10:32:03(5), TELECOMMUNICATIONS PROVISION EXPERIENCE

Applicant is currently authorized to provide resold and facilities-based local exchange service in the following states:

<u>State</u> Montana	<u>Authorization/Certification</u> Registration	Docket/Date of Order Registration confirmed May 20, 2004
Oregon	Competitive telecommunications Provider for intraexchange service	CP 1143/Mar 19, 2003
Washington	Registration as a Competitive Telecommunications Company	UT-021524, 12/18/2002
Wyoming	Certificate of Public Convenience and Necessity to provide local exchange telecommunications services	DOCKET NO. 70104-TA-03-1/ July 21, 2003

Applicant has applications for resold and facilities-based local exchange and intraLATA toll authority pending in California (filed April 28, 2004, Application No. 04-04-038) and Idaho

(filed June 3, 2003, Case No. GNR-T-03-21).

6. <u>ARSD 20:10:32:03(6)</u>, <u>APPLICANT'S AFFILIATES</u>, <u>SUBSIDIARIES AND PARENT</u> ORGANIZATIONS

(a) <u>Affiliates</u>

Applicant has no affiliates.

(b) <u>Subsidiaries</u>

Applicant has no subsidiaries

(c) Parent Organization

Applicant does not have a parent corporation.

7. ARSD 20:10:32:03(7), DESCRIPTION OF SERVICES TO BE OFFERED AND THE MEANS BY WHICH SERVICES WILL BE PROVIDED

Applicant proposes to operate as a competitive local exchange carrier offering competitive facilities-based and non-facility based local exchange and intraLATA toll services primarily to residential customers. Applicant's services include, but are not limited to basic local exchange services, intraLATA toll and custom calling features. A more complete listing of Applicant's proposed services may be found in Applicant's proposed local exchange tariff, attached hereto as **Exhibit E**. Applicant also proposes to provide exchange access services to interconnecting carriers pursuant to the rates, terms and conditions in an access services tariff to be filed with the Commission after Applicant's Certificate of Authority has been issued.

Applicant proposes to provide facilities-based local exchange services using Unbundled Network Elements - Platform (UNE-P) leased or purchased from South Dakota certificated facilities-based local exchange carriers. Applicant may further resell the local exchange services of other South Dakota certificated local exchange carriers. Facilities to be used in Applicant's provision of local services will be those of its underlying carrier(s). Applicant does not plan to purchase switching equipment and network facilities, or to construct network facilities in the future.

8. <u>ARSD 20:10:32:03(8), SERVICE MAP OR NARRATIVE DESCRIPTION</u> <u>INDICATING WITH PARTICULARITY THE GEOGRAPHIC AREA PROPOSED TO</u> <u>BE SERVED</u>

Applicant proposes to provide service throughout the area in South Dakota currently served by Qwest Corporation.

9. ARSD 20:30:32:03(9), INFORMATION REAGARDING TECHNICAL COMPETENCE TO PROVIDE LOCAL EXCHANGE SERVICES

(a) <u>Description of the Education and Experience of Applicant's Senior Management</u>

Applicant has the managerial and technical qualifications necessary to provide the proposed services in its service territory. VCI's senior managers offer extensive telecommunications, business, technical and managerial expertise. Stanley Efferding and Stanley Johnson have nine years of experience with competitive local exchange carriers (CLEC) and currently operate a CLEC in Washington, Oregon and Wyoming with a combined customer base of over 8,000 customers. Attached hereto as **Exhibit C** are the biographies of Stanley Efferding and Stanley Johnson, which demonstrate that VCI's senior management has the managerial and technical expertise to provide continuous, quality competitive local exchange service in South Dakota.

(b) Information Regarding Policies, Personnel, or Arrangements Made by the Applicant Which Demonstrate Applicant's Ability to Respond to Customer Complaints and Inquiries Promptly and to Perform Facility and Equipment Maintenance Necessary to Ensure Compliance With Any Commission Quality of Service Requirements

1. Ability to Respond to Customer Complaints

Applicant's Customer Service personnel are available Monday – Friday 9am to 5pm PST to respond to Customer complaints and inquiries. Customer complaints and inquiries may be addressed to Applicant at its toll free telephone number: 800-923-8375. Applicant is committed to providing quality customer service.

-5-

9. <u>ARSD 20:30:32:03(9), INFORMATION REAGARDING TECHNICAL</u> COMPETENCE TO PROVIDE LOCAL EXCHANGE SERVICES, Continued

(b) Information Regarding Policies, Personnel, or Arrangements Made by the Applicant Which Demonstrate Applicant's Ability to Respond to Customer Complaints and Inquiries Promptly and to Perform Facility and Equipment Maintenance Necessary to Ensure Compliance With Any Commission Quality of Service Requirements, Continued

As a UNE-P and resale-based provider of local exchange service,

2. Ability to Perform Facility and Equipment Maintenance

Applicant will not own, operate or maintain its own network. Thus, Applicant is dependent upon technical personnel employed by its underlying carrier(s) to provide facility and equipment maintenance necessary for compliance with Commission quality of service requirements.

10. ARSD 20:30:32:03(10), INFORMATION EXPLAINING HOW THE APPLICANT WILL PROVIDE CUSTOMER WITH ACCESS TO EMERGENCY SERVICES, OPERATOR SERVICES, DIRECTORY ASSISTANCE AND TRS

Applicant plans to contract with the LEC to provide customers with access to emergency services such as 911 or enhanced 911. Applicant plans to contract with the LEC and/or Applicant's underlying carrier(s) to provide access to operator services, interexchange service, directory assistance, and telecommunications relay services. Applicant's customers may subscribe to the interexchange carrier of their choice and will be able to access interexchange service via Applicant's underlying carrier and UNE-P networks.

11. ARSD 20:30:32:03(11), FINANCIAL INFORMATION

VCI is financially qualified to offer the telecommunications services requested in the state of South Dakota. Attached hereto as **Exhibit D** are Applicant's verified, unaudited balance sheet and income statement for the year ending 2003, as well as Applicant's balance sheet for the period January 1, 2004 – June 15, 2004. Applicant respectfully requests confidential treatment of its financial information and has filed this information under seal, accordingly. Applicant does not issue annual reports as it is not a publicly traded company.

12. ARSD 20:30:32:03(12), INTERCONNECTION INFORMATION

(a) Identity of Local Exchange Carriers with Which Applicant Intends to Connect

At this time, Applicant intends to interconnect with Qwest Corporation. Applicant also may interconnect with one or more South Dakota certificated facilities-based competitive local exchange carriers.

(b) <u>Timing of Initiation of Interconnection Service and Timing of Negotiations</u>

Applicant has not yet begun negotiations with any carrier(s) for interconnection, but expects to initiate negotiations within six (6) months of the granting of Applicant's Certificate of Authority. Applicant estimates that initiation of interconnection should occur within twelve (12) months of the granting of Applicant's Certificate of Authority.

13. ARSD 20:30:32:03(13), PROPOSED TARIFF

Applicant's proposed local exchange tariff is attached as **Exhibit E**.

14. <u>ARSD 20:30:32:03(14), COST SUPPORT</u>

Applicant expects to serve less than fifty-thousand local exchange subscribers in the State of South Dakota. Thus, no cost support information for its rates is submitted herewith.

-7-

11. ARSD 20:30:32:03(11), FINANCIAL INFORMATION

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-8-

19. ARSD 20:30:32:03(19), BILLING AND COLLECTION OF CHARGES

Applicant will bill customers directly.

20. <u>ARSD 20:30:32:03(20)</u>, <u>APPLICANT'S POLICY RE: SOLICITATION OF NEW</u> <u>CUSTOMERS AND EFFORTS USED TO PREVENT UNAUTHORIZED</u> <u>SWITCHING OF CUSTOMERS BY APPLICANT, EMPLOYEES AND AGENTS</u>

Applicant relies on signed Letters of Authorization and Third Party Verification Recordings to verify customer subscription to its services. In an instance where a customer claims that it did not subscribe to the Applicant's services, Applicant's Customer Service staff has access to the Letters of Authorization and Third Party Verification Recordings and are able to fax the customer signed Letter of Authorization or email a wave file of the Third Party Verification Recording to the complaining customer.

Should Applicant determine that a customer was switched to VCI Company and cannot locate proper customer verification information, federal and state rules will be complied with to ensure the customer is returned to the carrier of their choice and is not charged for any calls placed.

If Applicant's staff is found to have switched a customer to Applicant's services without being authorized to do so, the staff person is disciplined and undergoes a review of customer solicitation procedures, on the first instance. Personnel having repeated instances of unauthorized customer switching may be terminated from employment.

-9-

21. <u>ARSD 20:30:32:03(21), THE NUMBER AND NATURE OF COMPLAINTS FILED</u> <u>AGAINST APPLICANT IN ANY STATE OR FEDERAL COMMISSION RE;</u> <u>UNAUTHORIZED SWITCHING OF CUSTOMER'S TELECOMMUNICATIONS</u> <u>PROVIDER AND THE ACT OF CHARGING CUSTOMERS FOR SERVICES NOT</u> ORDERED

VCI has had only four (4) slamming complaints, from Washington customers exclusively, since it began providing service. The Washington Utilities and Transportation Commission did not institute proceedings or dockets regarding these complaints. The complaints were handled in-house and the customers converted back to their carrier of choice. VCI instituted Third Party Verification to prevent future complaints.

22. ARSD 20:30:32:03(22), REQUEST FOR WAIVER OF RULES

Applicant is not requesting the waiver of any Commission rules.

23. ARSD 20:30:32:03(23), FEDERAL TAX IDENTIFICATION NUMBER

Applicant's Federal Tax Identification Number is 562416420.

24. ARSD 20:30:32:03(24), OTHER INFORMATION

Commission approval of the instant Application will bring the following long-term

benefits to the public:

- (i) greater value to subscribers through lower-priced, better quality services;
- (ii) innovative telecommunications services;
- (iii) increased consumer choice in telecommunications service and alternative billing options;
- (iv) efficient use of existing telecommunications resources, as well as increased diversification and reliability in the supply of telecommunications services; and
- (v) additional access revenues to local exchange providers.

[SIGNATURE NEXT PAGE]

WHEREFORE, VCI Company respectfully requests the South Dakota Public Utilities Commission grant it a Certificate of Public Convenience and Necessity authorizing the provision of competitive resold and facilities-based local exchange, intraLATA toll and exchange access services within the State of South Dakota.

Respectfully submitted this 2 day of $A_{nq} = 57$ 2004.

VCI Company By: Stanley Johnson, President

Miller Isar, Inc. 7901 Skansie Ave., Suite 240 Gig Harbor, Washington 98335 (253) 851-6700

Applicant's Regulatory Consultants

VERIFICATION OF APPLICANT

) ss.

STATE OF WASHINGTON

I, Stanley Johnson, being first duly sworn and deposed, state that I am President of VCI Company, the Applicant in the proceeding entitled above, that I have read the foregoing application and know the contents thereof, and as to those matters that are therein stated on belief, I believe them to be true.

Stanley Jøhnson

Subscribed and sworn to before me this $\frac{2}{2}$ day of $\underline{A_{ng}}, 2004$.

Notary Public in and for the State of Washington,

residing at: <u>LACENOP</u> WA

My Commission expires:

8-19-06



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

In the Matter of the Application of)	
VCI Company for a Certificate of)	
Authority to Provide Resold and)	
Facilities-Based Local Exchange,		Docket No
IntraLATA Toll and Exchange Access)	
Telecommunications Services)	
in the State of South Dakota.)	

Docket No.

LIST OF EXHIBITS

EXHIBIT A	ARTICLES OF INCORPORATION
EXHIBIT B	CERTIFICATE OF AUTHORITY
EXHIBIT C	SENIOR MANAGEMENT BIOGRAPHIES
EXHIBIT D	VCI COMPANY FINANCIAL INFORMATION (Filed Under Seal)
EXHIBIT E	PROPOSED LOCAL EXCHANGE TARIFF

EXHIBIT A

ARTICLES OF INCORPORATION

(Attached)

	329-1697. 0 2003	
		FOR
	FILEDE STATE (Per Chapter 23B.02 RCW)	DFF - CE
	• Please PRINT or TYPE in black ink • Sign, date and return original AND ONE COPY to: NOV 2 4 2003xpediteb (24-Hour) SERVICE AVAILABLE - \$20 PER ENTITY INCLUDE FEE AND WRITE "EXPEDITE" IN BOLD LETTERS ON OUTSIDE OF ENVELOPE	E U S E
	CORPORATIONS DIVISION	E O N L
	CORPORATIONS DIVISION 801 CAPITOL WAY SOUTH · PO BOX 40234 OLYMPIA, WA 98504-0234 STATE OF FILED: 1 1 UBI: (000-344-48)	Ļ
	BE SURE TO INCLUDE FILING FEE. Checks should be made payable to "Secretary of State"	
ſ	IMPORTANTI, Person to contact about this filing Daytime Phone Number (with area code)	
	Stanley Johnson (253) 973-2476	
	ARTICLES OF INCORPORATION	
ſ	NAME OF CORPORATION (Must contain the word "Corporation" "Incorporated" or "Limited" or the abbreviation "Corp." "Inc." "Co." or "Ltd.")	
$\left \right $	VCI Com PGMY NUMBER OF SHARES (Minimum of one (1) share must be listed) CLASS OF (if "preferred" class is checked, please attach description)	
l	AUTHORIZED TO ISSUE //// Preferred	
ſ	EFFECTIVE DATE OF (Specified effective-date may be up to 90 days AFTER receipt of the document by the Secretary of State) INCORPORATION	
Ĺ	>>> PLEASE ATTACH ANY OTHER PROVISIONS THE CORPORATION ELECTS TO INCLUDE <<<	
г	NAME AND ADDRESS OF WASHINGTON STATE REGISTERED AGENT	
		F O R
	'	O F F
		U S E
	I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsi- bility to accept Service of Process on behalf of the corporation; to forward mall to the corporation; and to Immediately notify the Office of the Secretary of State it/Tresign or change the Registered Office Address.	O N L Y
ŧ	Stanture of Agefut Printed Name Date	
ł		
	NAMES AND ADDRESSES OF EACH INCORPORATOR (If necessary, attach additional names and addresses)	
	Name Starley Johnson	
	Address 7314 Zikcon DR Sw City Lakewood State WHZIP 98498	
	Address 7314 Zikcon DR SW city Lakewood State WHZIP 98498 Name Son Efferding Address 7804 Zikcon DR Sw city Lukewood State 44 ZIP 98498	
	Roy Filler Ne Sal - Lukered - Kr - Sey Sa	Doc
		2015
	Name	35
	Address City State ZiP	634759 330-002
د -	· · · · · · · · · · · · · · · · · · ·	- 002 0 159
	SIGNATURE OF INCORPORATOR This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.	
		U 5 F
Ą	Signature of Indorporator Printed Name Title Date	D N
	Signature of Inderporator // Printed Name Title Date	15
4		005-001 (9/00)

EXHIBIT B

CERTIFICATE OF AUTHORITY (Attached)

State of South Bakota



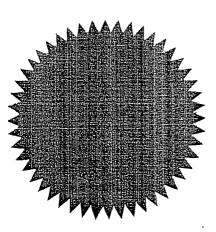
OFFICE OF THE SECRETARY OF STATE

Certificate of Authority

ORGANIZATIONAL ID #: FB028734

I, Chris Nelson, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of VCI COMPANY (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 July 23, 2004.

Chi Nelson

Chris Nelson Secretary of State

Cert of Authority Merge.doc

II Rights Reserved

SCEVED

JL 23 04

3.D. SEC. of STATE

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

Application for Certificate of Authority

(1) The many of the exploration is	(exact corporate par	/al
and a		
(2) If the name of the corporation doc	s not contain the word "corporati	on", "company", "incorporated" or "limited" or does not conta
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		
· · · · · · · · · · · · · · · · · · ·		
		Federal Taxpayer ID# _56-2416420
(4) The date of its incorporation is $\frac{11}{2}$	/24/03	and the period of its duration, which may h
perpetual, is		
(5) The address of its principal office		•
3875 STEILACOOM BLVD., #A, LAK	EWOOD, WA	Zip Code
mailing address if different from abov	e is:	
mailing address if different from abov		Zip Code
		Zip Code
(6) The street address, or a statement t	that there is no street address, of	Zip CodeZip South Dakota is
(6) The street address, or a statement t 300 South Phillips Avenue, Suite 300	that there is no street address, of , Sioux Falls, SD	Zip Code its proposed registered office in the State of South Dakota is Zip Code57104-6322
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(6) The street address, or a statement to 300 South Phillips Avenue, Suite 300 and the name of its proposed registere	that there is no street address, of , Sioux Falls, SD d agent in the State of South Dak	Zip CodeZip Code
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(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 100 SHARES	Class COMMON	Series UNKNOWN	Par value per share or statement that shares are without par value WITHOUT PAR VALUE	
	·······			

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

Number of shares	Class	Series	Par value per share or statement that shares are without par value
100 SHARES	COMMON	UNKNOWN	WITHOUT PAR VALUE

(11) The amount of its stated capital is \$ \$500.00

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 7/16/04

	(Signature)
	STANLEY JOHNSON - PRESIDENT
	(Title)
	(110)
STATE OF	
COUNTY OF .	
I, JENNIFER DUBOIS, a notary public, do hereby	certify that on this $\frac{1}{10}$ day of $\frac{1}{10}$ Y $\frac{20}{0}$
personally appeared before me. STANLEY JOHNSON	_ who, being by me first duly sworn, declared that he/she
is the STANLEY JOHNSON of VCI COMPANY	_, that he/she signed the foregoing document as
officer of the corporation, and the statements therein contained are true.	
8-19-06	AVAGL
My Commission Expires	(Notary Jublic)
JUN SSION ET OC	2^{\prime}
Notarial Scal	
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The Consent of Appointment we have must be signed	N + +
The Consent of Appointment below must be signed	by the registered agent listed in humber six.
	v the Registered Agent
Consent of The Way we to	j me negative regente
(National Registered Agents, Inc.	, hereby give my consent to serve as the registered
(name of registered agent)	
agent for VCI COMPANY	_ /
(corporate name)	National Registered Agents, Inc.
Dated JULY 22, 2004	() has a line (and Line)
Daled_0001222, 2004	(signature of registered agent)
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CHERYL CONKLIN - ASSISTANT SECRETARY

EXHIBIT C

SENIOR MANAGEMENT BIOGRAPHIES

(Attached)

Stan Efferding 7304 Zircon Dr SW Lakewood, Wa. 98498 206-419-5948 Fax 253-475-6328

Professional Resume

12/2002 - Current: VCI Company (Telecommunications Company)

Residential phone service, licensed in 5 states.

2/2004 - Current: Heather Meadows Apartments/Owner

Multifamily Investment

9/2002 - 10/2003: Vilaire Apartments/Owner

Multifamily investment

8/2000 - 12/2002: Vice President, Tel West Communications

25,000 business and residential customers serviced in 20 state region.

1998 – 2000: Simpson Property Group Limited Partnership/SIMCOM (Simpson Communications), Regional Manager

1206 unit portfolio. Facilities based telephone and cable operations throughout.

1991 – 1998: Mulqueeney Company, Property Manager

1996-1998 – Property Manager, Chase Properties, 536 units. Facilities based telephone and cable operations managed in partnership with telephones plus/cable plus.
1995 – Project Manager, \$13.5M, 200 unit Chase Gardens apartment development.

1991-1995 – Property Manager, Chase Village, 336 units

1985 – 1990: University of Oregon Bachelor of Science

Stanley Johnson 7304 Zircon Dr. SW Lakewood, WA 98498 (253) 973-2476 Cell StanJ@vilaire.com

Profile:

Talented negotiator and team leader with contributions in problem solving, decision making and implementing new systems. Experienced in business analysis, budgeting and P&L responsibility. Recognized as a hands-on, proactive troubleshooter who can rapidly identify business problems and provide solutions, creative, very observant of details and their possible consequence/application.

Position & Employers:

2002 -	President, VCI Company
2001 - 2002	Financial Business Specialist, Bayer Health Care
1999 - 2001	Coordinator, International Business Machine (IBM)
1997 – 1999	Regional Finance Manager, AmeriCorp
1995 – 1997	Financial Analyst, Wells Fargo Bank

Education:

MBA, Eastern Michigan University, MI (1998) Graduated Cum laude

B.S., Norfolk State University, VA (1995)Emphasis in FinanceG. P. A in Major 3.52

Experience:

President, VCI Company

- Design, implement and managed a \$2.1 Billion Sales budget process made up of 20 different currencies.
- Preformed detail product profitable analysis, which leads to a 7% increase in company's overall performance.
- Preformed competitive benchmarks Analysis that leads to a 27% increase in market Share.
- Prepared and presented Monthly, Quarterly and yearly finance performance measurements to senior level management.
- Design, implement and managed a \$2.1 Billion Sales budget process made up of 20 different currencies.
- Preformed detail product profitable analysis, which leads to a 7% increase in company's overall performance.
- Preformed competitive benchmarks Analysis that leads to a 27% increase in market Share.
- Prepared and presented Monthly, Quarterly and yearly finance performance measurements to senior level management.

- Designed, Implemented and managed a forecast process that helped senior level management increase profitable 250 Million.
- Developed and managed a pricing and marketing strategy the increased product market share by 50% in 6 months.
- Prepared and presented Monthly Performance measurement to Senior Level management.
- Preformed detail analysis on companies for future business acquisitions.
- Strategize with senior level management in regards to current and future sale growth.

Wells Fargo Bank, Financial Analysts

- Preformed financial statement analysis on small companies for future investment opportunity.
- Prepared Quarterly performance Measurement for middle level management.
- Prepared/Analyzed Income Related statements, balance sheet and earnings schedules for 100 million corporation and subsidiaries.

Career Achievements:

- Cited for "exemplary" performance in 1996 Performance review
- Analyzed capital markets issues including interest rate risk, divestitures and other restructurings.
- Oversaw all marketing and customer service activities: led region to 12% increase in profitability over previous year.
- 25% revenue and 15% market share increase in 2 years

EXHIBIT D

VCI COMPANY FINANCIAL INFORMATION (Attached – FILED UNDER SEAL)

VERIFICATION OF FINANCIAL STATEMENTS

State of Washington))ss: LakewoodCounty of Pierce)

I, Stanley Johnson, first being duly sworn and deposed, state that I am President VCI Company, and that, under penalty of perjury under the laws of the State of Washington, the attached unaudited financial statements are accurate and true.

bn

Subscribed and sworn to before me this 2 day of $Puscs^{T}$, 2004.

Notary Public in and for the State of Washington

My Commission expires: 8-19-06



CONFIDENTIAL # /

EXHIBIT E

PROPOSED TARIFF (Attached)

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

OF

VCI COMPANY

3875 Steilacoom Blvd SW #A Lakewood, Washington 98499

RATES, RULES AND ADMINISTRATIVE REGULATIONS FOR FURNISHING

FACILITIES BASED AND RESALE LOCAL EXCHANGE AND INTRALATA TOLL SERVICES

This Tariff ("Tariff") contains the descriptions, regulations, and rates applicable to the furnishing of competitive, presubscribed resold and facilities-based local exchange and intraLATA toll telecommunications services provided by VCI Company ("Company") within the State of South Dakota. This Tariff is on file with the South Dakota Public Utilities Commission. Copies may e inspected during normal business hours at Company's principal place of business, 3875 Steilacoom Blvd SW #A, Lakewood, Washington 98499.

Issued: Issued by:

Stanley Johnson, President 3875 Steilacoom Blvd SW #A Lakewood, Washington 98499 Effective:

CHECK PAGE

The pages of this Tariff are effective as of the date shown at the bottom of the respective page. Original and revised pages as named below comprise all changes from the original Tariff.

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26	Original	56	Original	86	Original
27	Original	57	Original	87	Original
28	Original	58	Original		
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Stanley Johnson, President 3875 Steilacoom Blvd SW #A Lakewood, Washington 98499 Effective: _____

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APPLICATION OF THE TARIFF

- A. This Tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate communications services by the VCI Company to Customers within the local exchange service area defined herein.
- B. The Company may operate in some areas as a facilities-based provider of Local Exchange and IntraLATA toll Service and, in others, as a reseller of the services of a Local Exchange Carrier.
- C. The rates and regulations contained in this Tariff apply only to the Services furnished by Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a Local Exchange Carrier or other common Carrier for use in accessing the Services of Company.
- D. The Company shall not be deemed to have waived or impaired any right, power, requirement or option reserved by this Tariff (including, but not limited to, the right to demand exact compliance with every term and condition herein), by virtue of any custom or practice of the Company at variance with the terms hereof, or any failure, refusal or neglect of Company to exercise any right under this Tariff or to insist upon exact compliance with its terms, or any waiver, forbearance, delay, failure or omission by Company to exercise any right, power or option hereunder.
- E. The provision of Services are subject to existing regulations and terms and conditions specified in this Tariff and may be revised, added to or supplemented by superseding Tariffs.
- F. The Company reserves the right to offer its Customers a variety of Services as deemed appropriate by the Company.
- G. The Company will provide Services requested by Customers, which Services are not included in this Tariff, depending on equipment and facility availability and economic considerations. Pricing for these Services will be accomplished on an Individual Case Basis (ICB) Contract.
- H. The Services included in this Tariff are intended for purchase by end-use retail Customers. Interexchange Carriers (IXC) should consult the Access Tariff to order Services for resale purposes or enter into an ICB Contract.

Effective: ____

EXPLANATION OF SYMBOLS

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

- (C) To signify **changed** condition or regulation
- (D) To signify **deleted** or **discontinued** rate, regulation or condition
- (E) To signify an error or a correction
- (F) To signify a change in format or numbering
- (I) To signify a change resulting in an **increase** to a Customer's bill
- (M) To signify that material has been moved from another tariff location
- (N) To signify a **new** rate, regulation condition or page
- (R) To signify a change resulting in a **reduction** to a Customer's bill
- (T) To signify a change in **text** but no change to rate or charge

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TARIFF FORMAT

- Page Numbering Page numbers appear in the upper right hand corner of each page.
 Pages are numbered sequentially. However, new pages are added to the Tariff from time to time. When a new page is added between pages already in effect, a decimal is added.
 For example, a new page added between pages 14 and 15 would be 14. 1.
- B. Page Revision Numbers Revision numbers also appear in the upper right hand corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised page 14 cancels the 3rd revised page 14. Because of various suspension periods, deferrals, *etc.* the Commission follows in its Tariff approval process, the most current page number on file with the Commission is not always the Tariff page in effect.
- C. **Paragraph Numbering Sequence** There are six (6) levels of paragraph coding. Each level of coding is subservient to its next higher level:

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
- D. Check Pages When a Tariff filing is made with the Commission, an updated check page accompanies the Tariff filing. The check page lists the pages contained in the Tariff with a cross-reference to the current revision number. When new pages are added, the check page is changed to reflect the revision. An asterisk (*) designates all revisions made in a given filing. There will be no other symbols used on this page if these are the only changes made to it. The Tariff user should refer to the latest check page to find out if a particular page is the most current on file with the Commission.

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SECTION 1 - DEFINITIONS

Certain terms used generally throughout this Tariff are defined below:

Advance Payment: Part or all of a payment required before the start of Service.

Applicant: Any entity or individual who applies for Service offered under this Tariff.

Authorized User: An end user authorized by the Customer to use the Service.

Business Customer: A Customer that uses a Business Service Offering as set forth in this Tariff.

Carrier: A company authorized by the South Dakota Public Utilities Commission to provide telecommunications services.

Central Office: A local exchange switching unit that is used to interconnect Exchange Access Lines within a specified area.

Channel or Circuit: A path for transmission between two (2) or more points having a bandwidth and termination of Customer's own choosing.

Channel Mileage: Distance calculated using the telephone industry standard Rate Centers ("V" & "H") between Company's and Customer's Premises.

Collect Call: A billing arrangement where a call is billed to the called station.

Company: VCI Company

Contract: An agreement between Customer and Company in which the two (2) parties agree upon specifications, terms, pricing, and other conditions of Service. The Contract may or may not accompany an associated Service Order.

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Customer: A person, firm, corporation or other entity which orders or uses Service who, by receiving and using the service, has agreed to honor the terms of the Service herein, and is responsible for the payment of rates and charges for Service to all Customer locations and for compliance with Tariff regulations.

Customer Premises Equipment ("CPE"): Equipment located at the Customer's Premises for use with the Company's Services. CPE can include, for example, a station set, facsimile machine, key system, PBX, or other voice and data communication equipment.

Demarcation Point: Denotes the point of interconnection between the Company's facilities and the wiring at the Customer's Premises.

Deposit: Refers to a cash or equivalent of cash security held as a guarantee for payment of the charges for Services.

DID Trunk: A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of a Company operator.

Digital: A method of storing, processing and transmitting information through the use of distinct electronic or optical pulses that represent binary digits (bits) 0 and 1. Digital transmission/switching technologies employ a sequence of discrete, individually distinct pulses to represent information, as opposed to the continuously variable signal of analog technologies.

Direct Inward Dial ("DID"): A Service attribute that routes incoming calls directly to stations, by-passing a central answering point.

Directory Assistance Service: A Service whereby Customers may dial a special directory assistance code or telephone number to reach an operator or automatic Interactive Voice System ("IVS") that will provide available, published directory listings.

DSL: Digital Subscriber Line.

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DS-1: Digital Service, Level 1. A 1.544 Mbps dedicated Digital transmission connection furnished by the Company that may either be a connection between a Customer's Premises and the Company's Premises or a connection between two (2) Customer Premises.

DS-3: Digital Service, Level 3. The equivalent of 28 DS-1 Channels and capable of operating at 44.736 Mbps. (Also called a T-3)

Dual Tone Multi-Frequency ("DTMF"): The signaling type employed by dial tone station sets.

E-911/911: An emergency Service whereby a Customer dials a 911 emergency code or other emergency number and is then connected to an emergency agency responsible for the dispatch of emergency assistance. E911 and 911 are used interchangeably to refer to any emergency dialing arrangement.

Exchange Access Lines: Central Office equipment and related facilities, including the Network interface, which provide access to and from the telecommunications Network.

Exchange Area: A geographically defined area described through the use of maps or legal descriptions to specify areas where individual telephone exchange companies hold themselves out to provide local communications services.

FCC: Federal Communications Commission.

Force Majeure: Causes beyond the Company's control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrection; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, fraudulent acts of a third party, or other labor difficulties.

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

Individual Case Basis ("ICB"): A Service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer.

Interexchange Carrier ("IXC"): A long distance telecommunications services provider.

ISDN: Integrated Services Digital Network. A Digital technology that allows the provision of more than one (1) communication path, called a channel, over the same copper wire arrangement that provides traditional telephone Service.

Local Exchange Carrier ("LEC"): A provider of local telephone service.

LERG: Local Exchange Routing Guide. A Telcordia document which lists all North American Class 5 Offices (Central Offices; or end offices) and which describes their relationship to Class 4 Offices (Tandem Offices).

Local Calling Area: The area within which a subscriber for local exchange Service may make telephone calls without incurring a long distance charge.

Mbps: Megabits per second or millions of bits per second.

Non-Recurring Charge ("NRC"): The initial charge, usually assessed on a one-time basis, to initiate and establish Service. NRC includes, but is not limited to, charges for construction, installation, or special fees for which the Customer becomes liable at the time the Service Order is executed.

NPA: Numbering plan area or area code.

NXX: The first three digits of a seven-digit telephone number.

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Operator Services: Assistance by an operator or automated Interactive Voice System ("IVS") whereby Customers may request, for example, assistance in dialing a number, calling person to person, billing a call to a calling card or to a third number, or calling collect.

PBX: Private Branch Exchange.

Person-to-Person: A call for which the person originating the call specifies to the operator a particular person, department or extension to be reached. Person-to-Person charges only apply when the call is completed to the requested party, department, or extension or when the calling party agrees to talk to another person.

Point of Presence ("POP"): Refers to a location or site containing telecommunications equipment that can include, but is not limited to, switches, multiplexers, modems, leased lines, and routers. A Carrier's Point of Presence usually means a location where the Carrier connects to other Carriers or its Customers.

Premises: Denotes a building, a portion of a building in a multitenant building, or buildings on contiguous property (except railroad rights-of-way, etc.) not separated by a public thoroughfare.

Private Line Service: Denotes non-switched point-to-point Service over fully dedicated lines.

Rate Center: Denotes a geographically specified point used to determine distance dependent rates.

Residential Customer: A Customer that uses a Residential Service Offering as set forth in this Tariff.

Recurring Charges: Charges that are assessed for Services included within this Tariff on a recurring, monthly basis.

Service: The telecommunications services offered by the Company.

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Service Area: The area in which the Company provides Service.

Service Connection Charge: A one-time charge, which applies for Company work associated with activities to set up/change accounts, including, but not limited to, Service Order issuance, programming, billing, etc., for installations, moves, changes, or rearrangements of Services and/or equipment.

Service Order: The request for facilities or Service by an Applicant or Customer. The request may be in writing, or orally, at the Company's discretion. Acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this Tariff, but the duration of the Service is calculated from the Services Start Date.

Service Start Date: The first day following the date on which the requested Service or facility is available for use.

Station: Telephone equipment from or to which calls are placed.

Station-to-Station: Any operator handled call where the person originating the call does not specify a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant.

Telcordia: An independent telecommunications research company.

Telecommunications Relay Service ("TRS"): Enables deaf, hard-of-hearing or speechimpaired persons who use a text telephone or similar devices, to communicate freely with the hearing population not using text telephone and visa versa.

Termination of Service: Discontinuance of both incoming and outgoing Service.

Third Number Billing: A billing option that allows a call to be billed to an account different from that of the calling or called party.

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Trunk: A communications path, connecting two (2) switching systems in a network, used in the establishment of an end-to-end connection.

Two-Way: A Service attribute that includes dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

V & H: Vertical and Horizontal geographic coordinates.

White Pages Directory Listing: A directory listing found in the local White Pages telephone directory.

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SECTION 2 - REGULATIONS

2.1. UNDERTAKING OF THE COMPANY

2.1.1. Scope

A. The Company undertakes to provide and is only responsible for the Services offered in this Tariff on the terms and conditions and at the rates and charges specified herein. The Company may offer various unregulated Services in conjunction with or ancillary to its regulated Services. The Company is not responsible to any other entity or its respective customers for any service provided by the other entity that purchases access to the Company network or uses any of the Company's facilities or Services, in order to originate or terminate its own services, or to communicate with its own customers.

2.1.2. Shortage of Equipment and Facilities

Service is offered subject to; the availability of facilities, equipment, or systems; the Company's ability to fulfill the request for Service and, the provisions of this Tariff. Service is not offered where operating conditions do not permit. The Company reserves the right, without incurring liability, to refuse to provide or to limit Service to or from any location where the necessary facilities, equipment, systems, interconnection arrangements, billing arrangements, and/or switch software are not available.

2.1.3. Terms and Conditions

A. Minimum Contracts

1. Except as otherwise provided herein, Service is provided and billed on the basis of a minimum period of at least one (1) month, and shall continue to be provided on a monthly basis until canceled by the Customer. Unless otherwise specified herein, for the purpose of computing charges in this Tariff, a month is considered to have thirty (30) calendar days. All calculations of dates set forth in this Tariff will be based on calendar days, unless otherwise specified herein.

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SECTION 2 - REGULATIONS

2.1. UNDERTAKING OF THE COMPANY, Continued

2.1.3. Terms and Conditions, Continued

- A. Minimum Contracts, Continued
 - 2. Except as provided in this Tariff, the length of minimum Contract period for directory listings is the directory period. The directory period is from the day on which the directory is first distributed to the Customers to the day the succeeding directory is first distributed to Customers.
 - 3. The Company may require a minimum Contract period longer than one (1) month at the same location in connection with special (non-standard) types or arrangements of equipment, or for unusual construction or special Service terms, necessary to meet special demands and involving extra cost or expense.
- B. Customers may be required to enter into written Service Orders, which will contain or reference the name of the Customer, a specific description of the Service ordered, the rates to be charged, and the duration of the Services. Customers will also be required to execute any other documents as may be requested by the Company.
- C. Except as otherwise stated in the Tariff or by Contract, at the expiration of the initial term specified in the applicable Service Order, or in any extension thereof, Service shall continue on a month to month basis at the then current Tariff rates until terminated by either party. The Company and Customer may agree that the Service shall automatically renew for the term of the initial Contract. Any termination shall not relieve Customer of its obligation to pay any charges incurred under the Service Order and this Tariff prior to termination. The rights and obligations that by their nature extend beyond the termination of the term of the Service Order shall survive such termination.

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2.1. UNDERTAKING OF THE COMPANY, Continued

2.1.3. Terms and Conditions, Continued

- D. Another telephone company or provider of telecommunications service must not interfere with the right of any person or entity to obtain Service directly from the Company. The Customer is absolutely prohibited from reselling the Company's Services unless done in compliance with state and federal laws, rules and regulations, and with written permission from the Company.
- E. The Customer has no property right to the telephone number or any other call number designation associated with Services furnished by the Company. Except as provided by state or federal requirements, the Company reserves the right to change such numbers, or the Central Office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business.

2.1.4. Notification of Service-Affecting Activities

Where possible, the Company may, at its sole discretion, provided the Customer reasonable notification of Service affecting activities that may occur in normal operation of its business. Provided, however, when the Company plans to interrupt Service for more than four hours to perform necessary repairs or maintenance, it will attempt to inform affected Customers at least 24 hours in advance of the scheduled date and estimated duration of the Service interruption.

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VCI Company

SECTION 2 - REGULATIONS, Continued

2.1. UNDERTAKING OF THE COMPANY, Continued

2.1.5. Taxes, Surcharges, and Fees

- The Customer is responsible for the payment of any sales, use, gross A. receipts, universal service, excise, access, 911/E911, Telephone Relay Service, subscriber line, franchise, occupation, business, license, privilege or other local, state, or federal charges or surcharges, however designated, whether assessed directly on the Company or assessed on another company or carrier and passed on to the Company (hereinafter individually or collectively referred to as "Fees"), as determined and billed by the Company. The rates for Services provided in this Tariff, unless otherwise specified herein, do not include Fees. Fees imposed by a particular jurisdiction (e.g., county or municipality) will be billed only to those Customers with lines in the affected jurisdiction. When the Company by virtue of collecting Fees incurs costs that would not otherwise normally be incurred, all such costs shall be determined by the Company and billed, insofar as practical, to the Customers with lines in the affected jurisdiction. The Customer is responsible for any Fees that become applicable retroactively.
- Β. Should a local, state or federal jurisdiction assert a right to impose Fees on the Company's operations, the Company may elect to bill the Customer and collect such Fees or it may elect not to do so, pending the conclusion of any challenges to such jurisdiction's right to impose Fees. If it has billed and collected the Fees and the Fees later are found to have been invalid and unenforceable, the Company shall credit or refund such amounts to affected Customers, less a reasonable administrative fee, only if the Fees collected were retained by the Company or the Fees delivered to the jurisdiction in question were later returned to the Company. If the Fees were paid to the jurisdiction in question and not returned to the Company, the Customer agrees that his/her/its recourse is against the jurisdiction in question and not against the Company. The Customer specifically agrees to hold the Company harmless from any and all liability for Fees that were delivered to the jurisdiction in question and not returned to the Company.

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2.1. UNDERTAKING OF THE COMPANY, Continued

2.1.6. Interconnection with Other Carriers

Interconnection with the facilities or service of other carriers shall be under applicable terms and conditions of an interconnection agreement. Any special interface equipment or facilities necessary to achieve compatibility between facilities of the Company and other participating Carriers will be provided at the Customer's expense.

2.2. LIMITATIONS ON LIABILITY/INDEMNITY

2.2.1. Indemnification

The Company shall not be liable to the Customer or Authorized User for, and the Customer and any Authorized User, jointly and severally, shall indemnify, defend and hold harmless the Company from, any allegation, claim, loss, damage, liability, defect, cost or expense resulting from or involving:

- A. Libel, slander, or invasion of privacy from material, data, information or other content transmitted over the Company's facilities; or
- B. Patent or trademark infringement or other infringement of intellectual property rights including, but not limited to, copyrights, trademarks, and trade secrets, arising from (1) combining (or using in connection with) Company-provided Services and equipment with any facilities, services, functions, or products provided by the Customer or Authorized User or (2) use of Services, functions, or products the Company furnished in a manner the Company did not contemplate and over which the Company exercises no control. In the event that any such infringing use is enjoined, the Customer or Authorized User at its expense, shall obtain immediately a dismissal or stay of such injunction, obtain a license or other agreement so as to extinguish the claim of infringement, terminate the claimed infringing use, or modify such combination so as to avoid any such infringement; or

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.1. Indemnification, Continued

- C. A breach in the privacy or security of communications transmitted over its facilities; or
- D. Acts, mistakes, omissions, interruptions, delays, errors or defects in transmission over Company's facilities or equipment; or
- E. Injuries to persons or property from voltages or currents transmitted over Company-provided facilities caused by Customer-provided equipment or Premises wire; or
- F. The disconnection of Service for failure to pay the charges billed to Customer, including but not limited to, any direct, indirect, incidental, special, consequential, exemplary or punitive damages, so long as such disconnection of Service complied with the applicable Commission rules and regulations; or
- G. Violations of the obligations of the Customer section of this Tariff; or
- H. Defacement of or damage to Customer Premises resulting from the furnishing of Services or equipment on such Premises or the installation, maintenance, repair or removal thereof, unless such defacement or damage is caused by willful misconduct, negligence or other wrongful act of the Company's agents or employees; or
- I. The interruption of a call to any party or any other person in conjunction with use of the Busy Line Verification and Interrupt Service as set forth in this Tariff; or

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.1. Indemnification, Continued

- J. Any loss, destruction or damage to property of the Company, the Company's agent, distributors or any third party, or the death of or injury to persons, including, but not limited to, employees or invitees of either the Company or the Customer, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives, invitees or Authorized Users; or
- K. Any delay or failure of performance or equipment due to a Force Majeure condition; or
- L. Misrepresentation of, or the failure to disclose, the lawful rates and charges published in this Tariff, so long as the Company has complied with any applicable Commission rules and regulations related thereto; or
- M. Fees the Company delivered to a jurisdiction in question and not returned to the Company as provided in the Taxes, Surcharges, and Fees section of this Tariff; or

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.1. Indemnification, Continued

- N. Any act, mistake, omission, interruption, delay, error, or defect caused by or contributed to by:
 - 1. Another company or Carrier, or their agents or employees, when the facilities or equipment of the other company or Carrier are used for or with the Services the Company offers. This includes the provision of a signaling system or other database by another company; or
 - 2. The Customer, or any third party acting as its agent, in connection with Company-provided or Customer-provided facilities or equipment, including, but not limited to, the Customer's failure to take all necessary steps to obtain, install and maintain all necessary equipment, materials and supplies for interconnecting the terminal equipment or communications system of the Customer to the Company's network; or
 - 3. A third party.
- O. Any failures, errors, malfunctions or omissions of Caller ID Blocking as set forth in this Tariff, whether or not arising from or relating to any ordinary negligence or other conduct by the Company.

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.2. Liability for Damages

The liability of the Company for damages arising out of the furnishing of, or failing to furnish, its Services, including but not limited to mistakes, omissions, disconnection, interruptions, delays, acts of a third party, errors, defects, or representations, shall be determined by the Commission or a court of competent jurisdiction in accordance with SDCL 49-13-1.1.

2.2.3. Liability of Suppliers and Vendors

The liability of the Company's suppliers and vendors for damages arising out of the furnishing of, or failing to furnish, their services, including but not limited to mistakes, omissions, disconnection, interruptions, delays, errors, defects, or representations shall be determined by the Commission or a court of competent jurisdiction in accordance with SDCL 49-13-1.1.

2.2.4. Entire Liability of Company

The entire liability of the Company for any claim, loss, damage or expense shall be determined by the Commission or a court of competent jurisdiction in accordance with SDCL 49-13-1.1.

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.5. Warranties

THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ITS SERVICE, EXCEPT THOSE EXPRESSLY SET FORTH IN THIS TARIFF.

2.2.6. Billing Errors

The liability of the Company for errors in billing that result in overpayment by the Customer shall be determined by the Commission or a court of competent jurisdiction in accordance with SDCL 49-13-1.1.

2.2.7. Emergency 911 Service

A. This Service is offered solely as an aid in handling calls in connection with fire, police, and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person for any personal injury to or death of any person or persons and for any loss, damage or destruction of any property, whether caused by mistakes, omissions, interruptions, delays, errors or defects in (1) the provision of this Service or (2) installation, equipment and facilities furnishing emergency 911 service.

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.7. Emergency 911 Service, Continued

- B. Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 Service, features and the equipment associated therewith, or by any Services 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, which parties include Customers with a non-published or non-listed telephone number as described in this Tariff, and which infringement or invasion of the right of privacy arises out of the negligence or other wrongful act of the Company, the Customer, its users, agents or municipalities, or the employees or agents of any one of them.
- C. When a Customer with a non-published or non-listed telephone number, as described in this Tariff, places a call to the emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for the emergency 911 Service. By subscribing to service under this Tariff, Customer acknowledges and agrees with the release of information as described above.

2.2.8. Directory Listings

A. The Company's liability arising from errors or omissions in directory listings or in accepting listings presented by Customers or Applicants shall be limited to an abatement or refund of an amount not exceeding the charge for the Service during the period covered by the directory in which the error or omission occurs.

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2.2. LIMITATIONS ON LIABILITY/INDEMNITY, Continued

2.2.8. Directory Listings, Continued

B. In conjunction with a non-published or non-listed telephone number as described in this Tariff, the Company will not be liable for failure or refusal to complete any call to a telephone with a non-published or non-listed number when the call is not placed by number. The Company will try to prevent the disclosure of the number of such telephone, but will not be liable should such number be divulged.

2.2.9. Explosive Atmosphere

The Company makes no warranty or representation of any kind whatsoever with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any entity or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section as a condition precedent to such installations.

2.3. PROVISION OF EQUIPMENT AND FACILITIES

2.3.1. General

A. The Company shall use reasonable efforts to make Services available to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in this Tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

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2.3. PROVISION OF EQUIPMENT AND FACILITIES, Continued

2.3.1. General, Continued

- B. The Company shall use reasonable efforts to maintain facilities that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by the Company or an agent designated by the Company, except upon the written consent of the Company. The Company will have control over the installation, rearrangement, repair, maintenance, and disconnection of all network elements owned, headed or otherwise obtained to ensure the required level of Service. The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the Service provided to the Customer.
- C. Equipment installed at the Customer's Premises for use in connection with the Services the Company offers will not be used for any purpose other than that for which the Company has provided such equipment.
- D. Customer Provided Equipment ("CPE") Unless otherwise set forth in this Tariff, the Company will not be responsible for the installation, operation, or maintenance of any CPE. Where such equipment is connected to the facilities furnished pursuant to this Tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this Tariff and to the maintenance and operation of such facilities. Beyond this responsibility, the Company shall not be responsible for:
 - 1. The transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - 2. The reception of signals by Customer-provided equipment; or
 - 3. Network control signaling where such signaling is performed by Customer-provided network control signaling equipment; or

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2.3. PROVISION OF EQUIPMENT AND FACILITIES, Continued

2.3.1. General, Continued

- D. Customer Provided Equipment, Continued
 - 4. The electric power consumed by CPE which shall be provided by, and maintained at the expense of, the Customer; or
 - 5. For ensuring that CPE connected to Company equipment and facilities is compatible with such equipment and facilities (the Customer is responsible for ensuring such compatibility).
- E. Any CPE attached to the Company's network shall be in conformance with all FCC requirements, rules and regulations.

2.3.2. Interconnection of Facilities

Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing local exchange Service and the channels, facilities, or equipment of others may be provided at the Customer's expense.

2.3.3. Non-routine Installation

At the Customer's request, non-routine installation and/or maintenance may be performed outside of the Company's regular business hours. Installation and/or maintenance in hazardous locations may be performed at the Company's discretion. In such cases, additional charges may apply. If installation is started during regular business hours but at the Customer's request extends beyond regular business hours into time periods including, but not limited to, weekends, Holidays, and/or night hours, additional charges may apply.

2.3. PROVISION OF EQUIPMENT AND FACILITIES, Continued

2.3.4. Ownership of Facilities

Title to all facilities provided in accordance with this Tariff for provision of Service to the Customer remains with the Company or third party vendor providing facilities on behalf of the Company.

2.3.5. Use of Service

Service is furnished for use by the Customer and may be used by others only as specifically provided elsewhere in this Tariff.

- A. Service shall not be used to transmit a message, to locate a person, or to otherwise give or obtain information, without payment of the charges applicable to such use. A Customer shall use no device with the Service or facilities of the Company for the purpose of avoiding payment of the applicable charge or defrauding the Company.
- B. Service shall not be used in any manner that interferes with other persons in the use of their Service, prevents other persons from using their Service, or otherwise impairs the quality of Service to other Customers. The Company may require a Customer to immediately cease use of Service if such use is causing interference with or impairing the Service of others.
- C. If a Customer's use of Service interferes unreasonably with the Service of other Customers and that interference is believed by the Company to be related to the quantity or grade of service that the Customer has purchased, the interfering Customer may be required to take Service in sufficient quantity, or of a different class or grade, or to cooperate with the Company to eliminate such interference.

2.4. OBLIGATIONS OF THE CUSTOMER

2.4.1. General

The Customer shall be responsible for:

- A. Payment of all applicable charges pursuant to this Tariff, Contracts and special assembly or special construction; and
- B. Reimbursing the Company for damage to, or loss of, the Company's facilities or equipment caused by the acts or omissions of the Customer; by the noncompliance by the Customer with these regulations; or by fire, theft or other casualty on the Customer's Premises; and
- C. Providing at reasonable charge, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the Premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such Premises; and

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2.4. **OBLIGATIONS OF THE CUSTOMER**, Continued

2.4.1. General, Continued

- Obtaining, maintaining, and otherwise having full responsibility for all D. rights-of-way and conduit necessary for installation of all cable and associated equipment used to provide local exchange Service to the Customer from the Premises entrance or property line to the location of Any costs associated with obtaining and the equipment space. maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for Service; and ensuring that its equipment and/or system or that of its agent is properly interfaced with the Company's Service; that the signals emitted into the Company's network are of the proper mode, bandwidth, power, data speed, and signal level for the intended use of the Customer and in compliance with the criteria set forth in this Tariff; and that the signals do not damage Company equipment, injure its personnel or degrade service to other Customers. If the Customer or its agent fails to maintain and operate its equipment and/or system or that of its agent 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 without liability; and
- E. Providing a safe place to work, complying with all laws and regulations regarding the working conditions on the Premises at which Company employees and agents will be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company's facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's or third party vendor's employees or property might result from installation or maintenance by the Company or third party vendor. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material prior to any construction or installation work; and

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2.4. OBLIGATIONS OF THE CUSTOMER, Continued

2.4.1. General, Continued

- F. Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company's facilities and equipment in any Customer Premises or the rights-of-way for which Customer is responsible; and
- G. Granting or obtaining permission for Company agents or employees to enter the Premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or, upon Termination of Service as stated herein, removing the facilities or equipment; and
- H. Preventing liens or other encumbrances from being placed or maintained on the Company's equipment or facilities or CPE leased by the Customer from the Company; and
- I. Making the Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance for interruptions in Service will be made for the period during which Service is interrupted for such purposes; and
- J. Promptly notifying the Company in writing, of any allegation, claim, loss, damage, liability, defect, fraudulent act of a third party, cost or expense for which the Company may be responsible and cooperating in every reasonable way to facilitate defense or settlement of such allegation, claim, loss, damage, liability, defect, cost or expense.

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2.4. OBLIGATIONS OF THE CUSTOMER, Continued

2.4.1. General, Continued

K. **PBX Information**

Customer shall provide Company with detailed information related to multi-location private branch exchanges ("PBX") and other parties PBXs operating within the Customer's premises or otherwise connected to Company's telecommunication service through Customer. Such information shall include the end-user addresses corresponding to all telephone lines operating through the PBX and such other information, as requested by Company, which will enable Company to determine, in the event of an emergency 911 call routed through a PBX, the physical location from which the call was made. Customer shall continually update this information and shall immediately notify Company of any changes related to this information. Customer shall indemnify and hold Company harmless from any and all losses, damages, costs, expenses, claims, or liabilities resulting from the Customer's failure to immediately provide or update this information to Company, including, but not limited to, any and all losses, costs, expenses, claims, liabilities or damages, including third party claims, related to the failure to respond to an emergency 911 telephone call.

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2.4. OBLIGATIONS OF THE CUSTOMER, Continued

2.4.1. General, Continued

L. Automatic Number Identification

In addition to providing the information requested in 2.4.1(L)(PBX information) above, Customer shall provide and continually update Company with the correct true automatic number identification ("ANI") for each telephone line operating through a PBX on Customer's premises or otherwise connected to Company's telecommunication service(s) through Customer. Customer recognizes that it may be necessary to purchase and install additional equipment in order to provide the ANI information and that Customer is solely responsible for all costs and expenses related to this equipment. Customer shall indemnify and hold Company harmless from any and all losses, damages, costs, expenses, claims, or liabilities arising from the Customer's failure to immediately provide or update this information to Company, including, but not limited to, any and all losses, damages, costs, expenses, liabilities or claims, including third party claims, related to the failure to respond to an emergency 911 phone call.

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2.4. OBLIGATIONS OF THE CUSTOMER, Continued

2.4.2. Claims

The Customer shall indemnify, defend and hold harmless the Company as set forth in the Limitation of Liability/Indemnity section of this Tariff or as provided elsewhere in this Tariff.

2.4.3. Inspections

- A. Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in this Tariff for the installation, operation, and maintenance of Customer-provided facilities and equipment connected to Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.
- B. The Company will, upon request, provide the Customer with a statement of technical parameters that the Customer's equipment must meet. If the protective requirements for CPE are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for corrective action. Within three (3) days of receiving this notice, a Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of Service, to protect its facilities, equipment and personnel from harm.

2.4.4. Customer Claims Against Other Customers or Users

The Customer shall not assert any claim against any other Customer or user of the Company's Services for damages resulting in whole or in part from or arising in connection with the furnishing of Service under this Tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company.

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2.4. OBLIGATIONS OF THE CUSTOMER, Continued

2.4.5. Fraud and Unauthorized Use of the Network.

- A. The Customer is liable for the unauthorized use of the network obtained through the fraudulent use of a Company calling card, if such a card is offered by the Company, or the fraudulent use of an accepted credit card, provided that the unauthorized use occurred as a result of inadequate safe keeping by the Customer.
- B. A Company calling card is a telephone calling card issued by the Company at the Customer's request, which enables the Customer or any Authorized User to place calls over the network and to have the charges for such calls billed to the Customer's account.
- C. An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder.
- D. The Customer must give the Company written or oral notice that an unauthorized use of a Company calling card or an accepted credit card has occurred or may occur as a result of loss and/or theft promptly upon customer's discovery of same.
- E. The Customer is responsible for payment of all charges for calling card Services furnished to the Customer or any Authorized User, unless due to the negligence of the Company. This responsibility is not changed due to any use, misuse or abuse of the Customer's Service by third parties, the Customer's employees or the public.
- F. The liability of the Customer for unauthorized use of the network by credit card fraud is equal to the applicable charges pursuant to this Tariff or contract for the property, labor or Services obtained by the unauthorized user provided that the unauthorized use occurred as a result of inadequate safe keeping by the Customer.

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2.4. OBLIGATIONS OF THE CUSTOMER, Continued

2.4.5. Fraud and Unauthorized Use of the Network. , Continued

G. The Customer is liable for the unauthorized use of the network obtained through the fraudulent access of a telephone system provided that the unauthorized use occurred as a result of inadequate safe keeping by the Customer.

2.5. ESTABLISHMENT OF SERVICE

2.5.1. Application for Service/Service Order

- A. An Applicant for Service may be required by the Company in its sole discretion to sign an application form requesting the Company to furnish facilities or Service in accordance with the rates, charges, rules and regulations as set forth in this Tariff. This application for Service, where required by the Company, together with the provisions of this Tariff, establishes the Contract between the Company and the Customer, which may not be assigned or transferred in any manner.
- B. If Customer's Service has been terminated and the Customer wishes to reestablish Service, payment of all unpaid, undisputed charges, as well as a Deposit and Advance Payment for all connection charges, may be required prior to re-establishing Service.

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2.5. ESTABLISHMENT OF SERVICE, Continued

2.5.1. Application for Service/Service Order, Continued

- C. The Company may refuse to establish Service if any of the following conditions exist pursuant to Commission Rule 20:10:09:03:
 - 1. An Applicant is indebted to the Company for past bills incurred and refuses to liquidate the debt;
 - 2. An Applicant refuses to pay a reasonable deposit, advance payment, or installation charge;
 - 3. An Applicant, although not personally liable to the Company, is attempting to return service to an indebted household and no attempts are forthcoming to liquidate the debt of that household;
 - 4. An Applicant is unwilling to provide correct information about any of the following:
 - a. Past telecommunications service;
 - b. Previous employment; or
 - c. Previous address;
 - 5. An Applicant is in violation of governmental or Company rules concerning evasion of payment, use of service for unlawful purposes, annoyance of other patrons, or interference with or destruction of service facilities;
 - 6. An Applicant refuses to pay undisputed telecommunications charges owed to an interstate carrier, except for pay-per-call services, for whom the Company is acting as a billing agent; or
 - 7. An Applicant fails to provide reasonable and legal means of identification.

2.5. ESTABLISHMENT OF SERVICE, Continued

2.5.1. Application for Service/Service Order, Continued

- D. The Company may not refuse service for any of the following reasons pursuant to Commission Rule 20:10:09:04:
 - 1. Refusal to liquidate a debt to another utility, a debt for another class of service, or a debt for other bills not based on filed rates or charges except as provided in section 2.5.1.C.6
 - 2. Nonpayment of calls reasonably traced to an Applicant if the Applicant is not liable;
 - 3. Nonpayment of a bill for which the Applicant is a guarantor unless the guarantor is legally liable for a particular bill and has dishonored the obligation to pay;
 - 4. The request for service is for a dwelling at which the former occupant was delinquent; or
 - 5. The Applicant is living with someone indebted to the Company, except in the instance described in section 2.5.1.C.3

In any of these situations, however, if Company has a telecommunications bill payment history to measure or a clearly traced toll experience to consider, it may require a deposit in conformance with section 2.5.2.F.

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2.5. ESTABLISHMENT OF SERVICE, Continued

2.5.2. Establishment of Credit

- A. The Company may conduct a credit investigation of each new Customer or Applicant prior to accepting a Service Order.
- B. The Company may, in order to assure payment of its charges for Service, require Applicants and existing Customers to establish and maintain credit acceptable to the Company
- C. Pursuant to Commission Rule 20:10:08:04, the Company will determine the credit standing of an Applicant for service based on the information about the Applicant's prior telecommunications bill payment history if the Applicant has had service before or based on toll charges reasonably traced to the Applicant but placed from the telephone of another if the Applicant has not had service before. Such information will be the major factor in decisions regarding satisfactory or unsatisfactory credit and deposit amounts.
- D. If an Applicant for service has no telecommunications credit history, the Company may, with notice to the Applicant, determine the credit standing of the Applicant based on other information about the Applicant's other utility bill payments or credit history, including reports from consumer reporting agencies subject to the federal Fair Credit Reporting Act, 15 U.S.C. Commission Rule 1681 et seq (October 26, 1970). The Company may use employment information to verify names and past addresses of a service Applicant.

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2.5. ESTABLISHMENT OF SERVICE, Continued

2.5.2. Establishment of Credit, Continued

- E. Pursuant to Commission Rule 20:10:08:05, following are the categories of credit for Applicants with past telecommunications service histories, and their definitions.
 - 1. **Satisfactory credit**: is defined for the purpose of these rules as no disconnections for nonpayment in the most recent year of telecommunications service and fewer than three disconnection notices in the most recent year of service.
 - 2. **Unsatisfactory credit**: is defined as one or more disconnections in the most recent year of telecommunications service or three or more disconnection notices in the most recent year of service.
- F. Pursuant to Commission Rule 20:10:08:03, to establish or reestablish satisfactory credit, the Company may request that an Applicant for service or a Customer:
 - 1. Make a cash deposit or increase a deposit;
 - 2. Be placed on an early payments list in accordance with Commission Rule 20:10:08:08; or
 - 3. Be placed on toll-restricted service.

The Company will give notice at least 15 days before the day a deposit or early payment is required. A Customer who does not pay a bill in full must be willing to enter into an agreement to liquidate the debt.

The Company will inform each Customer of this rule at the inception of service and in any disconnection notices to enable the Customer to avoid disconnection and payment of an additional deposit.

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2.5. ESTABLISHMENT OF SERVICE, Continued

2.5.2. Establishment of Credit, Continued

- G. The establishment and reestablishment of acceptable credit does not relieve the Applicant or Customer from compliance with other provisions in this Tariff as to Deposits, Advance Payments and the payment of charges due, and will in no way modify the provisions regarding disconnection and Termination of Service for failure to pay bills due for Service or facilities furnished.
- H. A Customer may be required to reestablish credit in accordance with this Tariff when the amount of Service furnished or the basis on which credit was formerly established, in the sole discretion of the Company, has significantly changed.

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2.5. ESTABLISHMENT OF SERVICE, Continued

2.5.3. Advance Payments

The Company does not collect advance payments from Customers at this time.

2.5.4. Deposits

The Company does not collect Customer deposits at this time.

2.6. BILLING AND COLLECTION OF CHARGES

- **2.6.1.** Bills will be rendered monthly to the Customer.
- **2.6.2.** All Service, installation, monthly Recurring, and Non-Recurring charges are due and payable upon receipt.
- **2.6.3.** All recurring and non-recurring charges are billed in arrears.
- **2.6.4.** For new Customers, or existing Customers whose Service is disconnected, the charge for the fraction of the month in which Service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.
- **2.6.5.** Payment of all bills is due twenty five (25) days after the date of invoice unless the Customer has been identified as a candidate for potential fraudulent activity, or the Customer has been under treatment for twenty five (25) days. In those instances, payment is due fifteen (15) days after the date of mailing. Amounts not paid by this date (the "due date") will be considered past due.

2.7. DISPUTED BILLS

- **2.7.1.** The Customer is responsible for notifying the Company in writing, within one hundred eighty (180) days of the date of mailing of the bill, of any charges in dispute and the specific basis of such dispute by the due date (Disputed Amounts).
- **2.7.2.** All charges not in dispute will be paid by the Customer by the due date. Telephone Service may be suspended or terminated for nonpayment of the undisputed portion of a disputed bill or Deposit if the Customer does not pay as required in this Tariff.
- 2.7.3. Upon notification of a dispute, the Company will notify the Customer within five (5) working days of its receipt of the written dispute notice and shall undertake an investigation of the disputed charges. At the conclusion of the investigation, the Company will notify the Customer of any amount determined by the Company to be correctly charged and Customer shall pay such amount to the Company within five (5) working days. The Company may suspend/terminate Service if the Customer fails to pay the amount determined by the Company to be properly charged. Amounts determined by the Company to be correctly charged also will be subject to the late payment charge specified in this Tariff.

2.7. DISPUTED BILLS, Continued

2.7.4. If the Customer and Company are unable to resolve the dispute to their mutual satisfaction, the Company will inform the Customer, prior to termination, of the right to file a complaint with the Commission. The complaint must be filed within five (5) days of the Customer's notification of the Company's determination of the dispute.

The address and telephone number of the Commission is:

South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, South Dakota 57501-5070

Telephone:(800) 332-1782TTY(800) 877-1113

2.8. LATE PAYMENT CHARGES

- **2.8.1.** Customers will be assessed a late fee on past due amounts in the amount of the lesser of 1.5% per month or the maximum lawful rate under applicable state law.
- **2.8.2.** Late payment charges do not apply to those portions (and only those portions) of unpaid balances that are bona fide Disputed Amounts. Undisputed amounts on the same bill are subject to late payment charges if unpaid and carried forward to the next bill.
- **2.8.3.** Late payment charges do not apply to final accounts.
- **2.8.4.** Collection procedures and the requirement for a Deposit or Advance Payment are not affected by the application of a late payment charge.

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2.9. CANCELLATION OF SERVICE BY CUSTOMER

Cancellation of Service by the Customer can be made either verbally or in writing.

2.9.1. Cancellation Prior to Start of Design of Work or Installation of Facilities

If, prior to cancellation by the Customer, the Company incurs any expenses in installing Service or preparing to install Service that it would not otherwise have incurred, a charge equal to the cost the Company incurred will apply. In no case will this charge exceed the charge for the minimum period of Services ordered, including installation charges and Non-Recurring Charges, and all amounts others may charge the Company that would have been chargeable to the Customer had Service been initiated.

2.9.2. Cancellation Associated with Special Construction

Where the Company incurs an expense in connection with special construction before it receives a cancellation notice, or where special arrangements of facilities or equipment have begun before the Company receives a cancellation notice, a charge equal to the costs incurred applies. In such cases, the charge applies to allow the Company to recover the otherwise non-recoverable costs of engineering, labor, material, equipment and other related expenses.

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2.9. CANCELLATION OF SERVICE BY CUSTOMER, Continued

2.9.3. Cancellation During Installation

If cancellation occurs between start and completion of installation, the Customer will be responsible for the estimated cost incurred, not to exceed the charge for the minimum period of services ordered and the total Non-Recurring Charges, including termination charges, applicable to the entire Service, equipment and facilities ordered.

2.9.4. Cancellation After Installation but Prior to Service Start-up

If cancellation notice is provided after completion of installation but prior to connection for Service, the Customer is responsible for the charges applicable as if the items involved were actually connected for Service and immediately ordered disconnected, including;

- A. All regularly applicable Service Connection Charges and Non-Recurring Charges, and
- B. All regularly applicable basic termination charges in full, and
- C. All regularly applicable minimum service charges, and
- D. Any other amounts as may be specified in the Tariff covering the items involved, and
- F. Any other amounts that were incurred as a result of expedited orders, or as a result of the cancellation, modification or deferral at the Applicant/Customer's request.

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2.9. CANCELLATION OF SERVICE BY CUSTOMER, Continued

2.9.5. Cancellation of Service After Service Start-up

A Customer who wishes to have Service discontinued shall give at least 5 days oral or written notice to the telephone company, specifying the date on which it is desired that Service be discontinued. The Customer shall retain responsibility for Service and equipment charges until the day and time on which Service is requested to be discontinued. If the Customer fails to provide the Company with proper notice or access to the premises, the Customer shall continue to be responsible for equipment and Service rendered.

2.9.6. Subsequent Order Charges Due to Modification

In the case of a Customer-initiated modification of Service, charges for the subsequent order are in addition to the costs incurred before the Customer changed the original order.

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2.10 CANCELLATION OF SERVICE BY COMPANY

2.10.1. Nonpayment of Past-Due Bills as Reason for Disconnection

Pursuant to Commission Rule 20:10:10:03, the following conditions will all be satisfied before Company may disconnect a subscriber for nonpayment of a pastdue bill:

- A. The subscriber is liable by contract for the class and place of service that is about to be disconnected and for which payment is past due;
- B. The subscriber has received a payment period of not less than 15 days from billing transmittal to due date and an additional payment period of not less than 5 days during which the particular bill has been owing or a shorter payment period if the subscriber has been placed on an early payments list in accordance with Commission Rules and Section 2.5.4(B) of this Tariff. The requirement for the payment period is waived in cases of subscriber fraud or illegal use or it is clear that the subscriber is preparing to leave without paying a past-due bill;
- C. The subscriber has received written notice of the Company's intention to disconnect, which the Company has either mailed or delivered to the address to which bills are customarily sent or the address where the service is provided. In the case of a subscriber's first disconnection, the Company shall provide notice by telephone, certificate of mailing, or visit.
- D. The subscriber, especially if the subscriber claims inability to pay or extenuating circumstances, is unwilling to enter into an agreement with the Company to begin liquidating the debt; and
- E. There is no bona fide and just dispute surrounding the bill. A dispute is not considered bona fide and just if a subscriber does not pay the undisputed portion of a bill and does not, within 10 days after notice of the subscriber's right to do so, contact the commission about the unresolved dispute.

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2.10. CANCELLATION OF SERVICE BY COMPANY, Continued

2.10.2. Other Permitted Reasons for Disconnection

Pursuant to Commission Rule 20:10:10:04, the Company may disconnect a subscriber for any of the following reasons:

- A. Violation of governmental or Company rules set forth in section 2.5.1.C.5. Before disconnecting the subscriber, the Company will inform the subscriber of the violation by telephone or by mail;
- B. Failure to comply with an agreement to liquidate a continuing debt as described in section 2.10.1.D. Before disconnecting the subscriber, the Company will attempt to inform the subscriber of its intent to disconnect by telephone or mail;
- C. Failure to pay an increased deposit as described in section 2.5.2.F. Before disconnecting the subscriber, the Company will attempt to inform the subscriber of its intent to disconnect by telephone or mail;
- D. Failure to pay an undisputed bill for telecommunications charges owed to an interstate carrier, except for pay-per-call charges, for the Company is acting as a billing agent. Before disconnecting the subscriber, the Company will comply with the requirements in section 2.10.1 of this Tariff.

2.10.3. Requirements for Notice of Disconnection

Pursuant to Commission Rule 10:10:10:05, the notice of disconnection sent to a subscriber shall contain a specific explanation of the following:

- A. The particular ground upon which the proposed disconnection is based;
- B. The Company's intention to disconnect service unless the subscriber takes corrective action;
- C. The corrective action that the Customer must take to avoid disconnection.

2.10. CANCELLATION OF SERVICE BY COMPANY, Continued

2.10.4. Disconnection Times Prohibited

Pursuant to Commission Rule 20:10:10:06, service may not be disconnected on any Saturday, Sunday, or legal holiday or at any other time that the Company 's business offices are not open to the public.

2.10.5. Last-Minute Payments

Pursuant to Commission Rule 20:10:10:07, the subscriber has the right to pay any delinquent bill at any time prior to disconnection in order to preserve uninterrupted service. If a Company representative is offered payment but does not have the authority to collect bills, the representative shall contact a Company representative who is authorized to receive such payment and service shall not be disconnected.

2.10.6. Early Disconnection

Pursuant to Commission Rule 20:10:10:08 when a subscriber has accrued an extraordinarily high telecommunications bill for which the subscriber's deposit does not furnish adequate security as required by Section 2.10.1, the Company may disconnect service before the regular 15-day payment period after giving the subscriber notice and an opportunity to pay the bill.

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2.10. CANCELLATION OF SERVICE BY COMPANY, Continued

2.10.7. Insufficient Reasons for Disconnection

Pursuant to Commission Rule 20:10:10:10, the Company may not disconnect service to a subscriber solely on the following grounds:

- A. 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;
- B. The subscriber's failure to pay for a different class of telecommunications service received at a different location; or
- C. The subscriber's failure to pay a bill for which the subscriber is a guarantor.

2.11. RECONNECTION OF CUSTOMER'S SERVICE

Service shall be restored when the causes of suspension or discontinuance have been removed and when payment or satisfactory arrangements for payment of all proper charges due from the Customer or Applicant, including any proper Deposit, have been made as provided for in the Tariff; or as the Commission may order pending resolution of any bona fide dispute between the Company and the Customer or Applicant over the disconnection.

	Residence	Business
Restoral Fee, Per Occurrence	\$25.00	\$40.00

2.12. MISCELLANEOUS

2.12.1. Special Conditions or Requirements

Where special conditions or special requirements of a Customer involve unusual construction or installation cost, the Customer may be required to pay a reasonable proportion of such costs or expense.

2.12.2. Telephone Numbers

Unless otherwise required by state or federal requirements, the Company may change the telephone number of a Customer for engineering, technical, or other reasons. In the event of a dispute between two (2) or more parties regarding use of a number, the decision of the Company will be final and binding on all parties, unless otherwise required by federal or state law.

2.12.3. Ownership and Access to Facilities

Facilities furnished by the Company are the property of the Company or a thirdparty vendor. The Customer will provide employees, distributors and agents of the Company access to such facilities, at all reasonable times, for the purpose of installing, rearranging, repairing, maintaining, inspecting, disconnecting, removing or otherwise servicing such facilities.

2.12.4. Installation, Rearrangement, Repair, Maintenance, Disconnection and Removal of Facilities

The Company will have control over the installation, rearrangement, repair, maintenance, and disconnection of all network facilities and network elements, owned, leased or otherwise obtained to ensure the required level of service.

2.12.5. Transfer and Assignments

The Customer may not assign or transfer its rights or duties in connection with the Services and facilities provided by the Company without the written consent of the Company and payment of the applicable charges.

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2.12. MISCELLANEOUS, Continued

2.12.6. Notices and Communications

- A. The Customer will designate an address to which the Company will mail or deliver all notices and other communications. The Customer may also designate a separate address to which the Company's bills for Service will be mailed.
- B. The Company will designate on the bills an address to which the Customer will mail or deliver all notices and other communications. Company may designate a separate address on each bill for Service to which the Customer will mail payment on that bill.
- C. All notices or other communications required to be given pursuant to this Tariff will be in writing, unless otherwise provided.
- D. The Company or the Customer will advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

2.13. INTERRUPTIONS OF SERVICE

2.13.1. General

- A. The Company may temporarily interrupt Service when necessary to effect repairs or maintenance; to eliminate an imminent threat to life, health, safety or substantial property damage; or for reasons of local, State or National emergency. Company shall establish procedures to be followed by its employees to prevent or mitigate interruption or impairment and provide prompt oral or written notification to affected Customers.
- B. It is the obligation of the Customer to notify the Company of any interruptions in Service. Before giving such notice, the Customer will ascertain that the trouble is not being caused by any action or omission of the Customer, is not within the Customer's control, and is not in wiring or equipment connected to the terminal of the Company.
- C. A credit allowance will not be given unless otherwise specified in this Tariff. A Service is interrupted when it becomes inoperative to the Customer, *e.g.*, the Customer is unable to transmit or receive because of a failure of a component furnished by the Company under this Tariff.
- D. If the Customer reports to the Company that a Service, facility or circuit is inoperative but declines to release it for testing and repair, or refuses access to Customer Premises for test and repair by the Company or an agent of the Company, the Service, facility or circuit is considered to be impaired but not interrupted. No credit allowance will be made for a Service, facility or circuit considered by the Company to be impaired.
- E. The Customer will be responsible for the payment of service charges as set forth herein when the Service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including, but not limited, to the Customer.

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2.13. INTERRUPTIONS OF SERVICE, Continued

2.13.2. Limitations of Allowances

No credit allowance will be made for any interruption in Service:

- A. Due to the negligence of, willful act of, or noncompliance with the provisions of this Tariff by, the Customer; or
- B. Due to the malfunction of Customer-owned telephone equipment; or
- C. Due to a Force Majeure; or
- D. During any period in which the Company is not given full and free access to Company-provided facilities and equipment for the purposes of investigating and correcting interruptions; or
- E. During any period when the Customer has released Service to the Company for maintenance purposes or for implementation of a Customer order for a change in Service arrangements; or
- F. That occurs or continues due to the Customer's failure to authorize placement of any element of special construction; or
- G. That occurs when the Company, under the terms of the Contract for Service, suspends or terminates Services for nonpayment of charges; or
- H. For the unlawful or improper use of the facilities or Service.

2.13.3. Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative Service used.

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2.13. INTERRUPTIONS OF SERVICE, Continued

2.13.4. Application of Credits for Interruptions in Service

- A. Credits for interruptions in Service that is provided and billed on a flat rate basis for a minimum period of at least one (1) month, beginning on the date that billing becomes effective, will in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of Service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Credit will be given only for that portion of the Customer's Service affected by the interruption.
- B. For calculating allowances, every month is considered to have thirty (30) days.

2.13.5. Credit Allowance for Interruptions in Service

If the interruption is for more than twenty four (24) hours, an allowance, at the rate for that portion of the Customer's Service affected by the interruption, will be made upon request for the time such interruption continues after the fact is reported by the Customer or detected by the Company as follows:

- A. If the interruption is for twenty four (24) hours or less, no allowance will be made.
- B. If the interruption continues for more than twenty-four (24) hours, the allowance will be equal to one thirtieth $(1/30^{th})$ of the monthly rates for the first full twenty four (24) hour period and for each succeeding twenty four (24) hour period or fraction thereof.

2.14. RETURNED CHECK CHARGE

When a check which has been presented to the Company by a Customer in payment for charges, including Deposits and Advance Payments, is returned by a financial institution which refuses to honor it for insufficient funds or a closed or non-existent account, the Customer will be assessed a charge:

Per Returned Check

2.15. TELECOMMUNICATIONS SURTAX FOR COMMUNICATION-IMPAIRED PERSONS

A surtax will be collected from local service customers to be remitted to the South Dakota Department of Revenue for the Department of Human Services. The Department of Human Services will establish and administer a program to distribute communication devices to eligible communication-impaired persons and to create and maintain a dual party relay service. This surtax is applied to each local exchange access line unless exempt from taxation.

Monthly surtax per line

\$0.15

Charge

\$20.00

2.16. CUSTOMER SERVICE

Correspondence from the Customer to the Company must be addressed to the attention of the Company's Customer Service department and sent to the appropriate office as listed on the Customer bill. The Customer may also contact the Company's Customer Service department by calling a toll free number provided on the Customer bill.

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2.17. SERVICE PROVIDER OPTIONS

2.17.1. No Primary Interexchange Carrier (PIC) Option

Customers have the option of not selecting a toll provider as primary carrier for intraLATA and/or interLATA toll traffic, thus requiring the customer to use an access code to obtain toll providers' services (i.e., 1010-XXX).

2.17.2. Two PIC Option

Customers will be able to select one toll provider for intraLATA toll calls and, if so desired, the same or another toll provider for interLATA toll calls.

2.17.3. Preferred Carrier Freeze (PCF)

The Company offers a free service called Preferred Carrier Freeze. This service is available to all Customers. PCF allows Customers to designate their local long distance (intraLATA) provider, long distance (interLATA) provider, and a local exchange service provider as permanent choices, which may not be changed absent further authorization from the Customer. The Company will send a letter to each Customer upon initiation or transfer of service, which informs the Customer of the option to freeze his/her intraLATA, interLATA and local service provider choice(s). At the time, a Customer contacts the Company to establish a freeze, a representative will advise him/her on how to facilitate a change of provider(s) on a frozen account.

2.17.4. Carrier Change Charge

After the initial 30-day period, or at any time after an initial carrier selection has been made, any carrier selection or change is subject to a Non-Recurring Charge, per change, per line:

Per Change Charge

5.00

SECTION 3 - DESCRIPTION OF SERVICE

3.1. GENERAL

The following sections set forth the rules and regulations governing the application of rates for Company Services, including the following general rate categories:

- Nonrecurring Charges for installation of Facilities and Services;
- Monthly Rates for availability and use of Facilities and Services; and
- Usage or Transaction Charges (where applicable).

3.2. SERVICE TRIALS AND SPECIAL PROMOTIONS

The Company may conduct technical trials of its Service on a limited basis to test and evaluate service capabilities, implementation procedures, and technical processes. The Company may also offer special offerings for market research, rate experimentation, or promotional purposes. These trial/promotional offerings may include waiving or reducing the applicable charges for the Service. The trial or promotion may also be held for a limited duration for specific locations within the state. The waiver of any charge, other than a Nonrecurring Charge, shall not exceed one (1) year.

3.3. DISCOUNTS

For purposes of packaging services, the Company may offer discounts from the rates set forth in this Tariff on an individual case basis. The amount, type and duration of any discounts may vary by Customer. In no event are rates charged to any Customer higher than the rates set forth in this Tariff.

3.4. INDIVIDUAL CASE BASIS ARRANGEMENTS

When the Company furnishes a facility or Service for which a rate or charge is not specified in the Company's Tariff, or when the Company offers rates or charges which may vary from Tariff arrangements, rates and charges will be determined on an Individual Case Basis (ICB). The rates and charges for ICBs will be specified by contract between the Company and the Customer.

3.5. SPECIAL ARRANGEMENTS

Where the Company furnishes a facility or Service for which a rate or charge is not specified in the Company's Tariff, charges will be based on the costs incurred by the Company and may include: (1) non-recurring type charges; (2) recurring type charges; (3) termination liabilities; and (4) combinations thereof.

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3.6. APPLICATION OF BUSINESS AND RESIDENTIAL RATES

3.6.1. Business Rate Application

The term "Business Line" denotes Service provided when any of the following conditions exist:

- A. The line is used primarily or substantially for a paid commercial, professional, governmental, educational or institutional activity; or
- B. The line is situated in a commercial, professional or institutional location, or other location serving primarily or substantially as a site of an activity for pay; or
- C. The line uses a Service number listed as the principal or only number for a business in any telephone directory; or
- D. The line is used to conduct promotions, solicitations, or market research for which compensation or reimbursement is paid or provided. The use of a line without compensation or reimbursement for a charitable or civic purpose will not constitute business use or render such line a "Business Line"; or
- E. The line does not otherwise qualify as a Residential Line (as defined herein).

3.6.2. Residential Rate Application

The term "Residential Line" denotes Service provided when any of the following conditions exist:

- A. The line does not qualify as a Business Line, or
- B. It is used primarily and substantially for social or domestic purposes; and
- C. The line is located in a residence, or, in the case of a combined business and residence Premises, is located in a bona fide residential quarters of such Premises and a separate Business Line is located in the business quarters of the same Premises.

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3.7. RATES BASED UPON DISTANCE

Where charges for a Service are specified based upon distance, the following rules apply:

3.7.1. "V and H Coordinates"

Distance between two (2) points is measured as airline distance between the Rate Centers of the originating and terminating telephone lines. The Rate Center is a set of geographic "V" and "H" coordinates associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). The "V" and "H" coordinates for each Rate Center are found in the Local Exchange Routing Guide (LERG) issued by Telcordia. Where there is no telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the Rate Center of the Customer's main billing telephone number.

3.7.2. Calculating Airline Distance

The airline distance between any two (2) rate centers is determined as follows:

- A. Obtain the "V" (vertical) and "H" (horizontal) coordinates for each Rate Center from the LERG.
- B. Compute the difference between the "V" coordinates of the two (2) Rate centers; and the difference between the two (2) "H" coordinates.
- C. Square each difference obtained in step B. above.
- D. Add the square of the "V" difference and the square of the "H" difference obtained in step C. above.
- E. Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.
- F. Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.
- G. FORMULA

 $\frac{(V1-V2)^2 + (H1-H2)^2}{10}$

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3.8. CONNECTION CHARGE

3.8.1. General

The Connection Charge is a nonrecurring charge, which applies to the following:

- A. The installation of a new service;
- B. The transfer of an existing service to a different location;
- C. A change from one class of service to another at the same or a different location; or
- D. Restoral of service after suspension or termination for nonpayment. Connection Charges are listed with each service to which they apply.

3.8.2. Exceptions to the Charge

- A. No charge applies for a change to a service for which a lower monthly rate applies, made within ninety (90) days after any general rate increase, if a lower grade of service is offered in the Customer's exchange.
- B. No charge applies for one (1) change in the class of residence service, provided that the change is ordered within ninety (90) days of the initial connection of the Customer's exchange service.
- C. The Company may, from time to time, waive or reduce the charge as part of a promotion.

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3.9. BUSINESS NETWORK SWITCHED SERVICES

[RESERVED FOR FUTURE USE]

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3.10. RESIDENTIAL NETWORK SWITCHED SERVICES

3.10.1. General

Residential Network Switched Service enables a residential Customer to:

- A. receive calls from other stations on the public switched telephone network;
- B. access the Company's local calling service;
- C. access the Company's operators and business office for service related assistance;
- D. access toll-free telecommunications service such as 800 NPA; and access 911 service for emergency calling; and
- E. access the service of providers of interexchange service. A Customer may presubscribe to such provider's service to originate calls on a direct dialed basis or to receive 800 service from such provider, or may access a provider on an ad hoc basis by dialing the provider's Carrier Identification Code (10XXX).

Residential Network Switched Service is provided via one or more channels terminated at the Customer's premises. Each Residential Network Switched Service channel corresponds to one or more analog, voice-grade telephonic communications channels that can be used to place or receive one call at a time.

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3.10. RESIDENTIAL NETWORK SWITCHED SERVICES, Continued

3.10.2. Residential Service Descriptions

All Residential Network Switched Services may be connected to Customerprovided terminal equipment such as station sets, key systems, or facsimile machines. Service may be arranged for two-way calling, inward calling only or outward calling only.

The following Residential Access Service Options are offered:

A. Residential Flat Rate Service

Flat Rate Service provides a Customer with a single analog, voice-grade telephonic communications channels that can be used to place or receive one call at a time. Service to points within the local calling area is included in the charge for Flat Rate Service. Flat Rat Service lines are provided for connection to a single, Customer-provided station set or facsimile machine.

B. Measured Rate Service

Residential Message Rate Service provides a Customer with a single analog, voice-grade telephonic communications channels that can be used to place or receive one call at a time. Calls to points within the local exchange area are charged on a per minute of usage basis. Measured Rate Service lines are provided for connection to a single, Customer-provided station set or facsimile machine. Customers may choose to subscribe to a package of three (Measured 3 Hour), six (Measured 6 Hour) or nine hours (Measured 9 Hour).

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3.11. SUPPLEMENTAL SERVICES

3.11.1. Custom Calling Services

A. General

The features in this section are made available on an individual basis. All features are provided subject to availability; features may not be available with all classes of service. Transmission levels may not be sufficient in all cases.

- B. Description of Features
 - 1. Three Way Calling

The Three Way Calling feature allows a Customer to add a third party to an existing two-way call and form a 3-way call. The call must have been originated from outside the station group and terminate to a station within the station group.

2. Call Forwarding

Call Forwarding, when activated, redirects attempted terminating calls to another Customer-specific line. The Customer may have to activate and deactivate the forwarding function and specify the desired terminating telephone number during each activation procedure. Call originating ability is not affected by Call Forwarding.

The calling party is billed for the call to the called number. If the forwarded leg of the call is chargeable, the Customer with the Call Forwarding is billed for the forwarded leg of the call.

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3.11. SUPPLEMENTAL SERVICES, Continued

3.11.1. Custom Calling Service, Continued

- B. Description of Features, Continued
 - 2. Call Forwarding, Continued
 - (a) *Call Forwarding Busy* automatically reroutes an incoming call to a Customer predesignated number when the called number is busy.
 - (b) *Call Forwarding Don't Answer* automatically reroutes an incoming call to a Customer predesignated number when the called number does not answer within the number of rings programmed by the Company.
 - (c) *Call Forwarding Variable* allows the Customer to choose to reroute incoming calls to another specified telephone number. The Customer must activate and deactivate this feature.
 - 3. Call Waiting

Call Waiting provides a tone signal to indicate to a Customer already engaged in a telephone call that a second caller is attempting to dial in. It will also permit the Customer to place the first call on hold, answer the second call and then alternate between both callers.

4. Distinctive Alert

This feature enables a user to determine the source of an incoming call from a distinctive ring. The user is provided with up to two (2) additional telephone numbers.

5. Regular Multi-line Hunting

This feature is a line hunting arrangement that provides sequential search of available numbers within a multi-line group.

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3.11. SUPPLEMENTAL SERVICES, Continued

3.11.1. Custom Calling Service, Continued

- B. Description of Features, Continued
 - 6. Speed Calling

This feature allows a user to dial selected numbers using one or two (2) digits. Up to eight (8) numbers (single digit, or thirty (30) numbers with two (2) digits) can be selected.

7. Caller ID

The Call ID feature allows a Customer to see a caller's name and/or number previewed on a display screen before the call is answered allowing a Customer to prioritize and or screen incoming calls. Call ID records the name, number, date and time of each incoming call - including calls that are not answered by the customer. Call ID service requires the use of specialized CPE not provided by the company. It is the responsibility of the Customer to provide the necessary CPE.

8. Continuous Redial

The Continuous Redial feature allows a customer to automatically redial the last number dialed. This is accomplished by the Customer activating a code. The network periodically tests the busy/free status of the called line for up to thirty (30) minutes until both lines are found free and then redials the call for the Customer.

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3.11. SUPPLEMENTAL SERVICES, Continued

3.11.1. Custom Calling Service, Continued

- B. Description of Features, Continued
 - 8. Continuous Redial, Continued

The Continuous Redial feature also allows Customers, having reached a busy number, to dial a code before hanging up. The Continuous Redial feature then continues to try the busy number for up to thirty (30) minutes until it becomes free. Once the busy line is free, the call is automatically redialed and the Customer is notified of the connected call via a distinctive ring.

The following types of calls cannot be Continuously Redialed:

- Calls to 800 Service numbers
- Calls to 900 Service numbers
- Calls preceded by an interexchange carrier access code
- International Direct Distance Dialed calls
- Calls to Directory Assistance
- Calls to 911
- 9. Last Call Return

The Automatic Recall stores the number of the most recent incoming call (including unanswered incoming calls) to a Customer's number. This allows a Customer to dial back any missed or unanswered telephone calls.

10. Call Trace

Call Trace allows customers to key in a code that alerts the network to trace the last call received. The traced telephone number is automatically sent to the company for storage for a limited amount of time and is retrievable by legally constituted authorities upon proper request by them. By contacting the company, the Customer can use this application to combat nuisance calls.

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3.11. SUPPLEMENTAL SERVICES, Continued

3.11.2. Directory Assistance Service

A. General

A Customer may obtain assistance, for a charge, in determining a telephone number by dialing Directory Assistance Service.

B. Regulations

A Directory Assistance Charge applies for each telephone number, area code, and/or general information requested from the Directory Assistance operator except as follows:

- 1. Calls from coin telephones, including COCOTS.
- 2. Requests for telephone numbers of non-published service.
- 3. Requests in which the Directory Assistance operator provides an incorrect number. The Customer must inform the Company of the error in order to receive credit.

3.11.3. Local Operator Service

Local calls may be completed or billed with the live or mechanical assistance. Calls may be billed collect to the called party, to an authorized third party number, to the originating line or to a valid authorized calling card. Local calls may be placed on a station to station basis or to a specified party (see Person to Person) or designated alternate. Usage charges for local operator assisted calls are those usage charges that would normally apply to the calling party's service. Where no local charge applies (flat rate service), the usage charge is \$0.00. In addition to usage charges, an operator assistance charge applies to each call.

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3.12. PRIMARY INTEREXCHANGE CARRIER CHANGE CHARGE

The Customer will incur a charge each time there is a change in the long distance carrier associated with the Customer's line after the initial installation of service.

3.13. UNIVERSAL EMERGENCY TELEPHONE NUMBER SERVICE

Universal Emergency Telephone Number Service (911 Service) is an arrangement of Company central office and trunking facilities whereby any telephone user who dials the number 911 will reach the emergency report center for the telephone from which the number is dialed or will be routed to an operator if all lines to an emergency report center are busy. If no emergency report center Customer exists for a central office entity, a telephone user who dials the number 911 will be routed to an operator. The telephone user who dials the 911 number will not be charged for the call.

3.14. ADDITIONAL CHARGES

In addition to the Service charges described elsewhere in this Tariff, the following charges apply to each individual Exchange Access Service line unless otherwise specified.

- **3.10.1. Subscriber Line Charge [EUCL]** (as established by the Federal Communications Commission) applies in addition to the monthly Basic Exchange Access Services rate described above.
- **3.10.2. Local Number Portablilty (LNP)** Customers are assessed this fee for costs incurred when an End-User switches local Carriers while maintaining the same local telephone number
- **3.10.3. Casual Traffic** Charges Charges that are derived from third party calls (e.g. 10XXX, 900/976, third party calls initiated by Customer through the Company's system) and trafficked over the Company's system.
- **3.10.4. Other Government Fees Or Charges** Any applicable municipal, state or federal taxes, telecommunications municipal infrastructure maintenance fees or other charges.

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SECTION 4 – LOCAL EXCHANGE RATES

4.1. BASIC SERVICE RATES AND CHARGES

		BUSINESS		RESIDENTIAL	
		MRC	NRC	MRC	NRC
4.1.1.	Individual & Multiline Key Flat Rate Serv	vice			
				Ф15 OF	Ф <u>Э</u> Б ОО
	Rate Class A			\$15.05	\$25.00
	Rate Class B			\$13.50	\$25.00
	Rate Class C			\$15.75	\$25.00
	Rate Class D			\$14.20	\$25.00
	Rate Class E			\$16.55	\$25.00
	Rate Class G			\$17.75	\$25.00
	Rate Class I			\$18.25	\$25.00
4.1.2.	Individual & Multiline Measured				
	Rate Class A1			\$11.05	\$25.00
	Rate Class B			\$9.50	\$25.00
	Rate Class C			\$11.05	\$25.00
	Rate Class D			\$9.50	\$25.00
	Rate Class E			\$11.05	\$25.00
	Rate Class G			\$11.05	\$25.00
	Rate Class I			\$11.05	\$25.00

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¹ Usage = \$0.02 per minute

4.1. BASIC SERVICE RATES AND CHARGES, Continued

		BUSINESS		RESIDENTIA	
		MRC	NRC	MRC	NRC
4.1.3.	Usage Packages				
	Measured 3 (3 Hour)			\$11.05	
	Measured 6 (6 hour)			\$13.15	
	Measured 9 (9hour)			\$15.25	
4.1.4.	Usage Allowance				
	Measured 3 (3 Hour)			\$3.60	
	Measured 6 (6 hour)			\$7.20	
	Measured 9 (9hour)			\$10.80	
		BUCI	NESS	RESIDE	
		DUSI		RESIDI	
		MRC	NRC	MRC	NRC
4.1.5.	Miscellaneous Service Charges				
4.1.5.	Federal Universal Service Charge			MRC	
4.1.5.	-				
4.1.5.	Federal Universal Service Charge Individual Line Factor			MRC	
4.1.5.	Federal Universal Service Charge Individual Line Factor Multiline Factor			MRC	
4.1.5.	Federal Universal Service Charge Individual Line Factor Multiline Factor End User Common Line (EUCL)			MRC \$0.09	
4.1.5.	Federal Universal Service Charge Individual Line Factor Multiline Factor End User Common Line (EUCL) Individual Line	MRC	NRC	MRC \$0.09 \$6.50	

Part One – Business Line EUCL, preceding, times the Line Factor Part Two – All Other Services provided to the customer out of this Tariff times .095

4.1. BASIC SERVICE RATES AND CHARGES, Continued

	\$1	.25
	\$1	.25
NRC	MRC	NRC
	\$1.50 \$6.00 \$6.00 \$1.50	\$5.00 \$5.00 \$5.00 \$5.00
		\$6.00

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4.1. BASIC SERVICE RATES AND CHARGES, Continued

	BUSI	BUSINESS		RESIDENTIAL	
	MRC	NRC	MRC	NRC	
4.1.8. Service Order Charges					
Other Charges					
4-Wire Service Arrangement					
With Installation of Trunk			n/a	n/a	
After Installation of Trunk			n/a	n/a	
Service Order					
Each Additional Line/Trunk			\$0.00	\$9.55	
Adds or Changes to Service			\$0.00	\$5.00	
Record Order			\$0.00	\$5.00	
4.1.9. Premises Work Charge					
First 30 Minutes			\$0.00	\$60.00	
Additional 15 Minutes			\$0.00	\$30.00	
Premises Visit Charge			\$0.00	\$25.00	

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4.1. BASIC SERVICE RATES AND CHARGES, Continued

	BUSINESS		RESIDENTIAL	
	MRC	NRC	MRC	NRC
4.1.10. Vertical Features				
Speed Calling				
8 Number			\$2.00	\$6.00
30 Number			\$3.00	\$6.00
Three-Way Calling			\$3.50	\$6.00
Call Forwarding				
Variable			\$3.00	\$6.00
Busy Line (Expanded)			\$0.25	\$6.00
Busy Line (External)			n/a	n/a
Busy Line (Overflow)			\$0.25	\$6.00
Busy Line (Programmable)			\$1.85	\$6.00
Don't Answer			\$0.65	\$6.00
Don't Answer (Expanded)			\$0.65	\$6.00
Don't Answer (Programmable)			\$2.60	\$6.00
Don't Answer (overflow)			\$0.80	\$6.00
Busy Line/Don't Answer			\$0.80	\$6.00
Busy Line (External)/DA			n/a	n/a
Call Manager Connection			n/a	n/a
With Call Waiting			n/a	n/a
With U S WEST Receptionist			n/a	n/a
With Call Waiting ID			n/a	n/a
Call Rejection			\$4.50	\$6.00
Call Waiting			\$5.50	\$6.00

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4.1. BASIC SERVICE RATES AND CHARGES, Continued

	BUSINESS		RESIDENTIAL	
	MRC	NRC	MRC	NRC
4.1.10. Vertical Features, Continued				
Abbreviated Access (One Digit)				
Each Shared List			n/a	n/a
Each Line Arranged			\$0.50	\$6.00
Abbreviated Access (Two Digits)				
Each Shared List				
Each Line Arranged			\$0.50	\$6.00
Caller ID				
Name and Number			\$6.95	\$6.00
Number			\$6.95	\$6.00
With Privacy +			\$9.95	\$6.00
Call Transfer			\$6.00	\$6.00
Continuous Redial			\$3.50	\$6.00
Dial Call Waiting			\$2.15	\$6.00
Directed Call Pickup			\$1.00	\$6.00
Directed Call Pickup w/Barge-In			\$1.00	\$6.00
Distinctive Alert			\$1.00	\$6.00
Hot Line			\$2.00	\$6.00
Last Call Return			\$3.95	\$6.00
Priority Call			\$3.50	\$6.00
Remote Access Forwarding			\$5.00	\$6.00

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SECTION 4 – LOCAL EXCHANGE RATES, Continued

4.1. BASIC SERVICE RATES AND CHARGES, Continued

	BUSI	NESS	RESIDENTIAL	
	MRC	NRC	MRC	NRC
4.1.10. Vertical Features, Continued				
Selective Call Forwarding			\$3.50	\$6.00
Do Not Disturb			\$3.95	\$6.00
Dial Lock			\$3.95	\$6.00
Scheduled Forwarding			\$6.00	\$6.00
Receptionist				
With Name & Number			\$12.45	\$6.00
With Number only			\$12.45	\$6.00
With Caller ID w Privacy +			\$15.45	\$6.00
4.1.11. Custom Ringing				
First Additional Number			\$5.00	\$6.00
Second Additional Number			\$2.50	\$6.00
Third Additional Number			\$2.50	\$6.00

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SECTION 4 - LOCAL EXCHANGE RATES, Continued

4.1. BASIC SERVICE RATES AND CHARGES, Continued

	BUSINESS	RESIDENTIAL	
	Per Call	Per Call	
4.1.12. Per-Use Features			
Call Trace		\$1.55	
Continuous Redial		\$0.95	
Last Call Return		\$0.95	
Three-Way Calling		\$0.95	

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SECTION 4 - LOCAL EXCHANGE RATES, Continued

4.1. BASIC SERVICE RATES AND CHARGES, Continued

4.1.13. MTS Usage Rates

The charge for residence, business, or miscellaneous MTS is determined by the following:

- Time of day and day of week
- Duration of call
- Class of call

The MTS rate for Dial Station-to-Station calls is the sum of the first minute charge plus the additional minute(s) which are billed in tenth of a minute increments.

Station to Station	BUSINESS		RESIDENTIAL		
All miles	First Min.	Add'l 6 Sec.	First Min.	Add'l 6 Sec.	
Day			\$0.29	\$0.03	
Evening/Night/Weekend			\$0.19	\$0.02	

Day = 8 am to 5 pm, Monday thru Friday Evening = 5 pm to 11 pm, Monday thru Friday Night = 11 pm to 8 am, Monday thru Friday, Sat, Sun and Holidays

4.1.14. MTS Miscellaneous²

BUSINESS		RESIDENTIAL		
First Min.	Add'l 6 Sec.	First Min.	Add'l 6 Sec.	

Day	\$0.29	\$0.03
Evening/Night/Weekend	\$0.27	\$0.03

Day = 8 am to 5 pm, Monday thru Friday Evening = 5 pm to 11 pm, Monday thru Friday Night = 11 pm to 8 am, Monday thru Friday, Sat, Sun and Holidays

² Applies to operator-assisted calls (including mechanized calling card) and all alternately billed calls. This charge also applies where billing capabilities do not exist to separately identify residence and business customer-dialed station-to-station calls.

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SECTION 4 - LOCAL EXCHANGE RATES, Continued

4.1. BASIC SERVICE RATES AND CHARGES, Continued

	BUSINESS Per Call	RESIDENTIAL Per Call
4.1.15. Operator Assisted Calling Surcharges		
Directory Assistance		\$1.25
Calling Card		
Fully-Automated		\$4.95
Semi-Automated		\$5.50
Operator-Assisted		
Fully-Automated		\$5.50
Semi-Automated		\$3.75
Person-to-Person		
Fully-Automated		\$9.99
Semi-Automated		\$8.24
Operator-Dialed		\$1.00
Pay Telephone charge		\$0.26
4.1.16. Directory Assistance, Customer dialed	\$1.25	\$1.25

4.1.17. Telecommunications Surtax For Communication-Impaired Persons

Monthly, Per Line \$0.15

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SECTION 5- TELEPHONE ASSISTANCE PROGRAMS

5.1. LIFELINE ASSISTANCE

A. Description

The Lifeline Assistance Plan (Lifeline) assists qualified low-income applicants with reductions in their monthly local exchange service rate. The assistance applies for a single telephone line at the applicant's principal place of residence. Residents living on reservations can also qualify for the Federal portion of the Lifeline program based on terms and conditions for Tribal Lifeline.

- B. Eligibility Requirements
 - 1. To be eligible for assistance, an applicant must participate in one of the following:
 - Medicaid (e.g. Title XIX/Medical, state supplemental assistance)
 - Food Stamps
 - Supplemental Security Income (SSI)
 - Federal public housing assistance
 - Low-Income Home Energy Assistance Program (LHEAP)
- C. Terms and Conditions
 - 1. An applicant may request telephone assistance through completion of a form provided by the Company.
 - 2. The Lifeline credit will apply to the following Local Exchange Service:
 - Residence One-Party Flat Rate Service
 - Residence One-Party Local Measured Service
 - Residence Multiparty Flat Rate Service
 - Hourly Usage Package Service
 - 3. The Lifeline Assistance Plan credit will begin with the first billing date after the Company is notified by applicants who qualify for benefits or when new service is established by a qualifying customer.
 - 4. Nonrecurring charges will not apply to establish this program on existing service.
 - 5. This credit shall apply only to a customer's principal residence line.

5.1. LIFELINE ASSISTANCE, Continued

D. Credit

• Lifeline Assistance Plan Credit, Monthly* \$8.25

5.1.2 TRIBAL LIFELINE

A Description

Tribal Lifeline provides additional lifeline support of up to \$25.00, in addition to the baseline Federal Lifeline support of \$8.25 for qualifying low-income individuals living on reservations as defined by the Bureau of Indian Affairs (BIA) regulations.

- B. Terms and Conditions
 - 1. Residents living on reservations are eligible for the Tribal Lifeline benefit if they participate in one or more of the following programs:
 - Medicaid (e.g. Title XIX/Medical, state supplemental assistance),
 - Food Stamps,
 - Supplemental Security Income (SSI),
 - Federal public housing assistance,
 - Low-Income Home Energy Assistance Program (LHEAP),
 - Bureau of Indian Affairs general assistance program,
 - Tribally administered Temporary Assistance for Needy Families block grant program,
 - Head Start programs (only for those meeting its income-qualifying standard),
 - National School Lunch Program's free lunch program.

*The total monthly credit consists of the \$6.50 baseline FCC Lifeline support and an additional \$1.75 FCC Lifeline support. See Tribal Lifeline for expanded federal lifeline benefits available to residents living on reservations.

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5.1. LIFELINE ASSISTANCE, Continued

5.1.2 TRIBAL LIFELINE, Continued

B. Terms and Conditions, Continued

- 2 The Company must obtain the customers signature on a document in which the eligible customer certifies, under penalty of perjury, that such customer receives benefits from at least one of the programs above, and lives on a reservation. In addition to identifying the program or programs from which that customer receives benefits, the customer must also agree to notify the Company if that customer ceases to participate in the qualifying program or programs.
- 3. Tribal Lifeline benefits apply to the primary flat local residential access line, outside the base rate area and touch-tone service charges, mileage charges, zone charges, or other non-discretionary charges associated with basic residential service. The benefit may not bring the basic local residential access line rate below \$1.00 per month.

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C. Monthly Credit**

	<u>Monthly</u>
- Chamberlain	\$13.00
- Flandreau	13.00
- Pierre	13.80
- Sturgis	13.00
- Morristown/McIntosh	
- Base Rate Area	11.45
- Outside Base Rate Area	14.45
- Timber Lake	
- Base Rate Area	10.75
- Outside Base Rate Area	13.75

**The credit of \$8.25 applies in addition to the Tribal Lifeline credit. The credit amount is calculated by adding the 1FR rate and any applicable outside the base rate area and touch-tone charges plus the \$6.50 subscriber line charge together. The ASGFX credit of \$8.25 is subtracted from the total and the remaining difference less \$1.00 which is the minimum Tribal Lifeline rate allowed, is the credit amount. For example: Tribal Lifeline customer in Timber Lake, outside the base rate area, (\$15.00 + \$1.50 + \$6.50 = \$23.00 - \$8.25 = \$14.75 - \$1.00) = \$13.75 credit.

Lakewood, Washington 98499

Issued:		Effective:	
Issued by:	Stanley Johnson, President		
	3875 Steilacoom Blvd SW #A		

5.2 LINK UP

- A. South Dakota residents who are participating in one of the eligible programs listed below may also qualify for the FCC's Link Up Program. A 50% discount (USOC LNK) up to \$30.00 will be applied to access line nonrecurring charges to connect service at a new address. This discount applies only on a single line at the principal place of residence for the applicant.
- B. The consumer shall receive the benefit of the Link Up program for a second or subsequent time only for a principal place of residence with an address different from the residence address at which Link Up assistance was provided previously.
- C. Eligibility Requirements

To be eligible for assistance, an applicant must participate in one of the following:

- Medicaid (e.g. Title XIX/Medical, state supplemental assistance)
- Food Stamps
- Supplemental Security Income (SSI)
- Federal public housing assistance
- Low-Income Home Energy Assistance Program (LHEAP)
- D. Application for Assistance

An applicant shall request telephone connection assistance through completion of a form provided by the Company.

E. Deferred Payments

An applicant may defer payment of the service connection charges. Payments may be deferred up to 12 months with a payment schedule of equal payments of up to \$200.00 assessed for commencing service. Interest will not be charged on deferred payments.

5.3 EXPANDED LINK-UP PROGRAM

A. Description

Residents living on reservations who qualify for Tribal Lifeline, are eligible for an additional Expanded Link-Up benefit of up to \$70.00, in addition to the Link-Up Program. Therefore Link-Up benefits could total up to \$100.00. The additional benefit will apply towards 100% of the connection charges between \$60.00 and \$130.00 which are assessed to begin service at the principle residence of the eligible resident. Eligible charges include any charges customarily assessed to connect the subscriber to the network, including line extension charges, zone connection charges and special construction charges.

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SECTION 6 - LOCAL SERVICE AREA

6.1. LOCAL EXCHANGES

Exchange access services are provided, subject to availability of facilities and equipment, in areas currently served by Qwest Corporation ("Qwest").

6.2. AVAILABILITY

Services are provided subject to technological availability and compatibility with Customer facilities. Services, rates, and Contract conditions may not be available in all areas.

6.3. LOCAL CALLING AREAS

- **6.3.1.** The Company will provide Service in Qwest's exchanges as set forth in its Exchange and Network Services Catalogue No. 1, Section 6.
- **6.3.2.** Customers whose Premises are located in the exchanges served by Qwest will be the same as Qwest's local calling areas.
- 6.3.3. Exchanges

Exchange	RC	Exchange	RC	Exchange	RC	Exchange	RC
Aberdeen	Е	Alcester	D	Arlington	С	Belle Fouche	В
Canton-Fairview	С	Cavour	Е	Centerville	D	Chamberlain	С
Clearfield	D	Colman	С	Deadwood	Е	DeSmet	С
Elk Point	А	Flandreau	С	Gregory	D	Harrisburg	Ι
Hill City	G	Hudson	D	Huron	Е	Iroquois	Е
Lake Preston	С	Lead	Е	Madison	Е	McIntosh	D
Milbank	С	Miller	С	Mitchell	Е	Morristown	D
Pierre-Ft. Prre	Е	Rapid City	G	Redfield	С	Sioux Falls	I
Spearfish	Е	Sturgis	С	Теа	Ι	Timber Lake	В
Vermillion	С	Viborg	D	Volga - Bruce	С	Watertown	Е
Whitewood	Е	Witten	D	Yankton	Е		

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South Dakota Public Utilities Commission WEEKLY FILINGS For the Period of August 5, 2004 through August 11, 2004

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: 605-773-3201

ELECTRIC

EL04-025 In the Matter of the Joint Request for an Electric Service Territory Boundary Change between Xcel Energy, Inc. and Sioux Valley-Southwestern Electric Cooperative, Inc. d/b/a Sioux Valley Energy.

On August 6, 2004, Sioux Valley Energy filed, for Commission approval, a Service Territory Exchange Agreement between Xcel Energy, Inc. and Sioux Valley-Southwestern Electric Cooperative, Inc. The agreement seeks a modification to the existing service territories of the respective companies allowing each party to better serve present and future customers within the modified territories.

Staff Analyst: Michele Farris Staff Attorney: Karen Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

NATURAL GAS

NG04-006 In the Matter of the Filing by Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. for Approval of an Amendment to a Contract with Deviation with Merillat Corporation.

Application by Montana-Dakota Utilities Co. (MDU) for an amendment to its existing contract with Merillat Corporation which will expire on October 31, 2004. The proposed amendment provides for service to continue to Merillat for a one year period ending October 31, 2005, under the terms of the original contract. MDU has requested approval with less than 30 days notice.

Staff Analyst: Dave Jacobson Staff Attorney: Karen Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

NG04-007 In the Matter of the Filing by MidAmerican Energy Company for Approval of Tariff Revisions.

Application by MidAmerican Energy Company for approval of tariff provisions which will make backbilling customers in cases of incorrect billing an option instead of mandatory. MidAmerican has recently discovered a problem with certain electronic meter reading devices which caused customers to be billed for less gas than actually used. MidAmerican proposes to not backbill these customers for the usage not previously billed for.

Staff Analyst: Dave Jacobson

Staff Attorney: Karen Cremer Date Filed: 08/09/04 Intervention Deadline: 08/27/04

TELECOMMUNICATIONS

TC04-164 In the Matter of the Request of Splitrock Properties, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 5, 2004, Splitrock Properties, Inc. (Splitrock) provided information constituting Splitrock's plan for the use of its federal universal service support and to otherwise verify that Splitrock will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/05/04 Intervention Deadline: 08/27/04

TC04-165 In the Matter of the Request of Alliance Communications Cooperative, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 5, 2004, Alliance Communications Cooperative, Inc. (Alliance) provided information constituting Alliance's plan for the use of its federal universal service support and to otherwise verify that Alliance will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/05/04 Intervention Deadline: 08/27/04

TC04-166 In the Matter of the Request of Northeast Nebraska Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

On August 5, 2004, Northeast Nebraska Telephone Company (Northeast) provided information constituting Northeast's plan for the use of its federal universal service support and to otherwise verify that Northeast will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/05/04 Intervention Deadline: 08/27/04

TC04-167 In the Matter of the Request of City of Brookings Municipal Telephone Department for Certification Regarding its Use of Federal Universal Service Support.

On August 5, 2004, City of Brookings Municipal Telephone (Brookings) provided information constituting Brookings' plan for the use of its federal universal service support and to otherwise verify that Brookings will use all federal universal service support received in a manner that is

consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/05/04 Intervention Deadline: 08/27/04

TC04-168 In the Matter of the Request of Venture Communications Cooperative for Certification Regarding its Use of Federal Universal Service Support.

On August 5, 2004, Venture Communications Cooperative (Venture) provided information constituting Venture's plan for the use of its federal universal service support and to otherwise verify that Venture will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/05/04 Intervention Deadline: 08/27/04

TC04-169 In the Matter of the Request of Midstate Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 5, 2004, Midstate Communications, Inc. (Midstate) provided information constituting Midstate's plan for the use of its federal universal service support and to otherwise verify that Midstate will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/05/04 Intervention Deadline: 08/27/04

TC04-170 In the Matter of the Request of Three River Telco for Certification Regarding its Use of Federal Universal Service Support.

On August 6, 2004, Three River Telco (Three River) provided information constituting Three River's plan for the use of its federal universal service support and to otherwise verify that Three River will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

TC04-171 In the Matter of the Request of Jefferson Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

On August 6, 2004, Jefferson Telephone Company (Jefferson) provided information constituting Jefferson's plan for the use of its federal universal service support and to otherwise verify that Jefferson will use all federal universal service support received in a manner that is consistent

with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

TC04-172 In the Matter of the Request of Beresford Municipal Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

On August 6, 2004, Beresford Municipal Telephone Company (Beresford) provided information constituting Beresford's plan for the use of its federal universal service support and to otherwise verify that Beresford will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

TC04-173 In the Matter of the Request of RT Communications, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 6, 2004, RT Communications, Inc. provided information constituting RT Communications' plan for the use of its federal universal service support and to otherwise verify that RT Communications will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

TC04-174 In the Matter of the Request of West River Telecommunications Cooperative for Certification Regarding its Use of Federal Universal Service Support.

On August 6, 2004, West River Telecommunications Cooperative (West River) provided information constituting West River's plan for the use of its federal universal service support and to otherwise verify that West River will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

TC04-175 In the Matter of the Request of West River Telecommunications Cooperative (Mobridge) for Certification Regarding its Use of Federal Universal Service Support.

On August 6, 2004, West River Telecommunications Cooperative (Mobridge) provided information constituting Mobridge's plan for the use of its federal universal service support and to otherwise verify that Mobridge will use all federal universal service support received in a manner

that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/06/04 Intervention Deadline: 08/27/04

TC04-176 In the Matter of the Request of Mount Rushmore Telephone Company and Fort Randall Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

On August 9, 2004, Mount Rushmore Telephone Company and Fort Randall Telephone Company (the Companies) provided information constituting the Companies' plan for the use of its federal universal service support and to otherwise verify that the Companies will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/09/04 Intervention Deadline: 08/27/04

TC04-177 In the Matter of the Request of Valley Telephone Company for Certification Regarding its Use of Federal Universal Service Support.

On August 9, 2004, Valley Telephone Company (Valley) provided information constituting Valley's plan for the use of its federal universal service support and to otherwise verify that Valley will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/09/04 Intervention Deadline: 08/27/04

TC04-178 In the Matter of the Request of Red River Telecom, Inc. for Certification Regarding its Use of Federal Universal Service Support.

On August 9, 2004, Red River Telecom, Inc. (Red River) provided information constituting Red River's plan for the use of its federal universal service support and to otherwise verify that Red River will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/09/04 Intervention Deadline: 08/27/04

TC04-179 In the Matter of the Request of Cheyenne River Sioux Tribe Telephone Authority for Certification Regarding its Use of Federal Universal Service Support.

On August 9, 2004, Cheyenne River Sioux Tribe Telephone Authority (CRSTTA) provided

information constituting CRSTTA's plan for the use of its federal universal service support and to otherwise verify that CRSTTA will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best Staff Attorney: Karen E. Cremer Date Filed: 08/09/04 Intervention Deadline: 08/27/04

TC04-180 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and Midcontinent Communications.

On August 10, 2004, the Commission received a filing for approval of a Resale and Local Switching Amendment to the Interconnection Agreement between Qwest Corporation and Midcontinent Communications. The parties state that the Amendment adds terms, conditions, and rates for Resale and Local Switching. Any party wishing to comment on the Amendment may do so by filing written comments with the Commission and the parties to the Amendment no later than August 30, 2004. Parties to the Amendment may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Rolayne Ailts Wiest Date Filed: 08/10/04 Initial Comments Due: 08/30/04

TC04-181 In the Matter of the Application of VCI Company for a Certificate of Authority to Provide Local Exchange Services in South Dakota.

On August 10, 2004, VCI Company filed an application for a Certificate of Authority to provide facilities-based and resold local exchange, and intra-LATA toll services within the State of South Dakota. Applicant's services include, but are not limited to, basic local exchange services, intraLATA toll and customer calling features. Applicant also intends to provide exchange access services to interconnecting carriers pursuant to the rates, terms and conditions in an access services tariff to be filed with the Commission after Applicant's Certificate of Authority has been issued. Applicant proposes to provide facilities-based local exchange services using Unbundled Network Elements-Platform (UNE-P) leased or purchased from South Dakota certificated facilities-based local exchange carriers. Applicant may further resell the local exchange services of other South Dakota certificated local exchange carriers. Applicant proposes to provide service throughout the area in South Dakota currently served by Qwest Corporation.

Staff Analyst: Christine Hibbeler Staff Attorney: Karen Cremer Date Filed: 08/10/04 Intervention Deadline: 08/27/04

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STACEY A. KLINZMAN

7901 SKANSIE AVENUE, SUITE 240 GIG HARBOR, WA 98335 TELEPHONE: 253.851.6700 FACSIMILE: 253.851.6474 HTTP://WWW.MILLERISAR.COM



<u>Via Overnight Delivery</u> September 3, 2004

Ms. Pam Bonrud, Executive Secretary South Dakota Public Utilities Commission State Capitol Building, 1st Floor 500 East Capitol Avenue Pierre, South Dakota 57501

RE: VCI Company ("VCI") - Docket No. TC04-181

Dear Ms. Bonrud:

Enclosed for filing, please find an original and ten (10) copies of page 8 to VCI's Application for a Certificate of Public Convenience and Necessity, which application was filed on or about August 9, 2004. Page 8 was inadvertently omitted from the application as filed. A copy of page 8 is being provided to staff, Christine Hibbeler, as part of VCI's responses to staff's data requests.

Please acknowledge receipt of this filing by date-stamping the additional copy of this transmittal letter and returning it in the self-addressed, postage-paid envelope provided for this purpose. Questions regarding this filing may be directed to me via the telephone or facsimile number above, or by electronic mail at <u>sklinzman@millerisar.com</u>.

Sincerely,

MILLER ISAR, INC

Director – Regulatory Compliance Enclosures

cc: Stanley Johnson, President, VCI Company

15. ARSD 20:30:32:03(15), MARKETING PLAN

Applicant plans initially to market its services, primarily through television advertisement and customer initiated subscription via company's 800 number, to residential, low-income customers, but may provide service to commercial customers in the future. Applicant does not currently plan to engage in multi-level marketing. No brochures have been developed to assist in sales of Applicant's service.

16. ARSD 20:30:32:03(16), SERVICE IN RURAL AREAS

Applicant is not seeking authority to provide service in the service area of a rural telephone company.

17. <u>ARSD 20:30:32:03(17), CURRENT SERVICE PROVISION AND STATEMENTS RE:</u> DENIAL OF SERVICE AND GOOD STANDING

A list of states where Applicant is registered or certified to provide service may be found in paragraph 5 above. Applicant has not been denied registration or certification in any state. Applicant is in good standing with the regulatory agencies in all states where it is registered or certified to provide service.

18. <u>ARSD 20:30:32:03(18)</u>, <u>CONTACT INFORMATION FOR COMPANY</u> <u>REPRESENTATIVES FOR CONSUMER COMPLAINTS AND REGULATORY</u> <u>ISSUES</u>

All Commission inquiries and correspondence regarding customer complaints and on-

going regulatory issues should be directed to:

Stanley Efferding VCI Company 3875 Steilacoom Blvd SW #A Lakewood, Washington 98499 Telephone: 206-419-5948 Facsimile: 253-475-6328 Email: <u>Vilaire@comcast.net</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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IN THE MATTER OF THE APPLICATION OF VCI COMPANY FOR A CERTIFICATE OF AUTHORITY TO PROVIDE LOCAL EXCHANGE SERVICES IN SOUTH DAKOTA

ORDER GRANTING CERTIFICATE OF AUTHORITY TC04-181

On August 10, 2004, the Public Utilities Commission (Commission) received an application for a certificate of authority from VCI Company (VCI).

VCI proposes to offer competitive facilities-based and non-facility based local exchange and intraLATA toll services primarily to residential customers. A proposed tariff was filed by VCI.

On August 12, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of August 27, 2004, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled October 12, 2004, meeting, the Commission considered VCI's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards, and subject to the condition that VCI not offer any prepaid services (including prepaid calling cards) and not accept or require any deposits or advance payments without prior approval of the Commission. Commission Staff further recommended a waiver of ARSD 20:10:32:03(11).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-69 and ARSD 20:10:32:03. The Commission finds that VCI has met the legal requirements established for the granting of a certificate of authority. VCI has, in accordance with SDCL 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive subparagraph (11) of ARSD 20:10:32:03.

The Commission approves VCI's application for a certificate of authority, subject to rural safeguards, and subject to the condition that VCI not offer any prepaid services (including prepaid calling cards) and not accept or require any deposits or advance payments without prior approval of the Commission. The certificate of authority for VCI shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should VCI choose to provide local exchange services statewide, with respect to rural telephone companies, VCI will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible telecommunications carrier. In addition, the granting of statewide certification will not

affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

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

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

FURTHER ORDERED, that the Commission shall authorize VCI to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company; and it is

FURTHER ORDERED, that the Commission waives subparagraph (11) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this <u>20 th</u> day of October, 2004.

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. Date (OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

ROBERT K. ŠAHR, Chairman

GARY MANSON. Commissioner

JAMES A. BURG, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

> Authority was Granted as of the date of the Order Granting Certificate of Authority Docket No. TC04-181

> > This is to certify that

VCI COMPANY

is authorized to provide local exchange services in nonrural areas in South Dakota, subject to the condition that it not offer any prepaid services (including prepaid calling cards) and not accept or require any deposits or advance payments without prior approval of the Commission.

This certificate is issued in accordance with SDCL 49-31-69 and ARSD 20:10:32:03, 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 $20^{\frac{1}{10}}$ day of October, 2004.

SOUTH DAKOTA PUBLIC **UTILITIES COMMISSION:**

ROBERT K. SAHR, Chairman

ANSON. Commissioner

BURG, Commissio

