TC97-025 DOCKET NO.

IN THE MATTER OF THE APPLICATION CYPRESS TELECOMMUNICATION S CORPORATION FOR A CERTIFICATE OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

MEMORANDA

3/12 97 Liet and Sachtel; 5/13 97 To Fry Filing, 5/21 97 Order menting COR, 5/21 97 Aucht Clark



RECEIVED

MAR 12 1997 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Mr. Harlan Best, Deputy Director Public Utilities Commission State of South Dakota 500 East Capitol Avenue Pierre, South Dakota 57501

Dear Mr. Best:

Enclosed for filing are the original and ten (10) copies of the Application of Cypress Telecommunications Corporation for a Certificate of Public Convenience and Necessity to provide intrastate telecommunications services. Please date-stamp and return the extra copy of this transmittal letter as proof of filing. A stamped, self-addressed envelope is attached for this purpose.

Cypress Telecommunications Corporation is a private corporation, and as such, requests that our financial information be kept confidential. To ensure the Commission does not disclose the contents of our financial documents to any outside entity, one (1) copy of the confidential information in this application is enclosed in an envelope marked "Confidential." A redacted copy is filed with this application.

If plead or ruling is not in favor of applicant, please withdraw the application rather than reject the petition.

Your assistance in this matter is greatly appreciated.

Sincerely.

David Lowry

Director of Regulatory Affairs

DL/kc Enclosures

BEFORE THE STATE OF SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

In the Matter of Application)	
of Cypress Telecommunications)	APPLICATION FOR
Corporation for a Certificate of)	CERTIFICATE OF PUBLIC
Public Convenience and Necessity)	CONVENIENCE AND
to Operate as a Reseller of)	NECESSITY
Interexchange Telecommunications)	
and operator assisted services)	
within the State of South Dakota)	

APPLICATION

Cypress Telecommunications Corporation ("Applicant"), makes this Application to the State of South Dakota Public Utilities Commission (the "Commission") for a Certificate of Public Convenience and Necessity to operate as a reseller of interexchange telecommunications services, including operator-assisted services within the State of South Dakota. In support of this application, Applicant provides the following information.

 Applicant's legal name and address of its principal place of business and telephone number at its principal place of business are as follows:

> Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060 (281) 591-3000

 Any questions regarding this Application should be directed to Kathi Crissman at the address in "1" above.

Notice, orders, and other papers may be served upon Applicant at the following address. Applicant's registered agent in South Dakota is:

National Registered Agents, Inc. 300 South Phillips Avenue, Suite 300 Sioux Falls, South Dakota 57102

DESCRIPTION OF THE BUSINESS

- 3. Applicant is a privately-held corporation which was duly organized under the laws of the State of Texas on May 18, 1984. Its stock is not traded over a national market system. Applicant is qualified to do business in the State of South Dakota. Copies of Applicant's Articles of Incorporation and Certificate of Authority for South Dakota are attached as Exhibits II and III. The geographic area Applicant will serve is attached at Exhibit I.
- 4. Applicant is a switch-based reseller of interexchange telecommunications services, including operator-assisted services. Applicant intends to provide intrastate intralata and interlata telecommunications services throughout the State of South Dakota. Applicant does not own, operate, control, or manage transmission facilities in South Dakota. Instead, Applicant purchases long distance services from WORLD&CHANGE, USLD, Qwest and Caprock. Access is purchased from the Local Exchange Company. Access lines are terminated at the Point-of-Presence (POP) of the underlying carrier, carried to Applicant's Jackson, Mississippi switch, and then terminated via one of the underlying carriers. Applicant plans to market its services to commercial and residential customers.
- 5. Applicant currently does not have facilities in South Dakota, and does not plan to construct any new facilities in the State of South Dakota.
 - 6. Applicant submits the following Exhibits in support of its application.

Exhibit I: Service Area Map

Exhibit II: Articles of Incorporation

Exhibit III: Certificate of Authority to transact business in

the State of South Dakota

Exhibit IV: Financial Statements

Exhibit V: Management Biographies

Exhibit VI: Proposed Tariff

7. The information contained in this Application and the Exhibits attached hereto fully describe Applicant's business and its ability to provide end users and customers within the State of South Dakota with a viable and economical alternative telecommunications service.

APPLICANT'S ARGUMENT IN SUPPORT OF ITS APPLICATION

- 8. Applicant submits that the granting of this application would serve the public interest. Granting Applicant's application would improve the competitive environment in the long distance telecommunication market in South Dakota, present greater price options, and increase consumer choice for telephone users, promote efficient use of existing telecommunications resources, and promote technological innovation. Small and medium sized business will be able to maintain their communications costs at levels that are closer to those available to larger users.
- 9. Applicant possesses the financial ability necessary to offer and maintain its proposed services. Operation in South Dakota will not require additional investment. As evidenced by the financial data attached hereto as Exhibit IV, Applicant has accrued the revenue necessary to provide the proposed service in South Dakota.
- 10. Applicant submits that is has the managerial, operational and technical ability to offer competitive, high-quality, interexchange telecommunications services in South Dakota. The Applicant has been operating as a telecommunications reseller since its founding in 1984, and has a well-seasoned staff of engineers, technicians and customer service representatives. Profiles of the key members of the Applicant's team are attached hereto as Exhibit V. As described in paragraph 4 above, the Applicant's South Dakota customers will primarily be served by Applicant's DSS-3000 digital switching system. It is designed for interexchange telecommunications services and has built-in redundancies as well as internal testing capabilities that monitor quality-influencing factors. Applicant is certified or registered to operate in Alabama, Arizona, Colorado, Florida, Georgia, Illinois, Iowa, Louisiana, Michigan, Mississippi, Missouri, Oklahoma, Tennessee, Texas and Utah. Applicant has not been denied authority to operate in any state.

MISCELLANEOUS STATEMENTS

- 11. Through this Application and the Exhibits attached hereto, Applicant demonstrates that it has the technical, managerial, and financial abilities and resources to provide interexchange telecommunications services and operator-assisted services within the State of South Dakota for the benefit of the public.
- 12. Upon the Commission's granting of the Certificate of Interexchange Authority applied for in this Application, Applicant is prepared to file a tariff setting out the proposed services and charges offered within the State of South Dakota by the Applicant.
- 13. Applicant is prepared to provide a copy of this Application to any potential competitor, governmental entity, or interested party requesting a copy, and to provide a copy to any person that the Commission directs by order or by rule.

WHEREFORE, Applicant prays that the South Dakota Public Utilities Commission grant it a Certificate of Public Convenience and Necessity to provide competitive intrastate interlata and intrastate intralata telecommunications resale services and operator-assisted services within the State of South Dakota.

Respectfully submitted this the day of March, 1997.

David Lowry, Director of Regulatory Affairs

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

(281) 591-3000

VERIFICATION OF APPLICANT

Corporation, the Applicant. I v	or of Regulatory Affairs of Cypress Telecommunications rerify that, based upon information and belief, I have the foregoing Application, and I declare they are true and
	David Lowry, Director of Regulatory Affairs
STATE OF TEXAS §	
§	
COUNTY OF HARRIS §	
SWORN TO BEFORE ME, day of	the undersigned Notary Public on this
	Mande & granis
	Wanda E. Morris, Notary Public
	Wanda E. Morkis
WANDA E MORRIS	(Print or type name)
April 10, 1999	My commission expires:

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBITS

	Exhil	bit
Service Area Map	1	
Articles of Incorporation		1
Certificate of Authority for South Dakota	ta III	ı
Financial Statements	IV	,
Management Biographies	V	,
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BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBIT I

SERVICE AREA MAP

Proposed Service Area



Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBIT II

ARTICLES OF INCORPORATION



The State of Texas

SECRETARY OF STATE

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that the attached is a true and correct copy of the following described instruments on file in this office:

CYPRESS TELECOMMUNICATIONS CORPORATION

ARTICLES OF INCORPORATION

MAY 18, 1984



IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on December 13, 1996.

(0St.

Antonio O. Garza, Jr. Secretary of State PH

ARTICLES OF INCORPORATION

OF

MAY 1 8 1984

CYPRESS TELECOMMUNICATIONS CORPORATION Corporations Section

The undersigned natural person of the age of eighteen years or more, acting as incorporator of a corporation under the Texas Business Corporation Act, hereby adopts the following Articles of Incorporation for such corporation:

ARTICLE I

The name of the corporation is Cypress Telecommunications Corporation.

ARTICLE II

The period of its duration is perpetual.

ARTICLE III

The purpose or purposes for which the corporation is organized are:

To lease, purchase, sell and subdivide real estate, within towns, cities and villages, and their suburbs, not extending more than two miles beyond their corporate limits;

To purchase, manufacture, assemble, fabricate, produce, import, receive, lease as lessee or otherwise acquire, own, hold, store, use, repair, service, maintain, mortgage, pledge or otherwise encumber, sell, assign, lease as lessor, distribute, export or otherwise dispose of and generally deal with and in as principal, agent, broker, investor or otherwise, goods, wares, merchandise, securities and personal property, tangible or intangible, of all kinds and descriptions;

To establish, maintain and conduct any sales, service, agency, brokerage, franchise, investment or merchandising business in all its aspects for the purpose of selling, purchasing, licensing, renting, leasing, operating, franchising and otherwise dealing with personal services, instruments, machines, appliances, inventions, securities, trade marks, trade names, patents, privileges, processes, improvements, copyrights, contract rights and personal property, tangible and intangible, of all kinds and descriptions;

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To serve as manager, consultant, representative, agent, broker or advisor for other persons, associations, corporations, partnerships and firms:

To enter into partnerships or into any arrangement for sharing of profits, union of interests, cooperation, joint venture, reciprocal concession or otherwise, with any person, firm or orporation carrying on or engaged in or about to carry on or engage in any business or transaction which the corporation is authorized to carry on or engage in;

To carry out the purposes above set forth in any state, territory, district or possession of the United States, or in any foreign country to the extent that such purposes are not forbidden by the law of such state, territory, district or possession of the United States or by such foreign country; and

In general, to transact any or all lawful business for which corporations may be organized under the Texas Business Corporation Act.

ARTICLE IV

The aggregate number of shares which the corporation shall have authority to issue is One Million (1,000,000) shares of common stock of the par value of One Dollar (\$1.00) each. The corporation shall have the authority to purchase, directly or indirectly, its own shares to the extent of the aggregate of unrestricted capital surplus available therefor and unrestricted reduction surplus available therefor.

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No shareholder of the corporation shall have the right of cumulative voting at any election of directors or upon any other matter.

No holder of securities of the corporation shall be entitled as a matter of right, preemptive or otherwise, to subscribe for or purchase any securities of the corporation now or hereafter authorized to be issued, or securities held in the treasury of the corporation, whether issued or sold for cash or other consideration or as a dividend or otherwise. Any such securities may be issued or disposed of by the board of directors to such persons and on such terms as in its discretion it shall deem advisable.

ARTICLE V

The corporation will not commence business until it has received for the issuance of its shares consideration of the value of not less than One Thousand Dollars (\$1,000), consisting of money, labor done or property actually received.

ARTICLE VI

The post office address of the corporation's initial registered office is 6011 Satsuma, Houston, Texas

77041, and the name of its initial registered agent at such address is Robert C. McNair.

ARTICLE VII

The number of directors constituting the initial board of directors is one (1), and the name and address of the person who is to serve as the sole director until the first annual meeting of the shareholders or until his successor is elected and qualifies is:

Name

Address

Robert C. McNair

6811 Satsuma Houston, Texas 77041

ARTICLE VIII

The name and address of the incorporator is:

Name

Address

William S. Lee

600 Bank of the Southwest Bldg. Houston, Texas 77002

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of May, 1984.

William S. Lee

THE STATE OF TEXAS | COUNTY OF HARRIS |

I, the undersigned, a Notary Public, do hereby certify that on this 17th day of May, 1984, personally appeared before me william S. Lee who being by me first duly sworn, declared that he is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.

South W. Faut Notary Public in and for Harris County, Texas

> SARAH W. LAW Datany Public in any for the filling of Faces thy Commission Explica August 1, 1366

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBIT III

CERTIFICATE OF AUTHORITY STATE OF SOUTH DAKOTA

State of South Bakota



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I. JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of CYPRESS TELECOMMUNICATIONS CORPORATION (TX) 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 wested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of CYPRESS TELECOMMUNICATIONS CORPORATION.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this February 28, 1997. /

DOYCE HAZELTINE

Secretary of State

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBIT IV

FINANCIAL STATEMENTS

CONFIDENTIAL

1

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBIT

MANAGEMENT BIOGRAPHIES

CYPRESS TELECOMMUNICATIONS CORPORATION MANAGEMENT BIOGRAPHIES

ROGER L. SCOTT - President

Mr. Scott has served as President of Cytel since February 1986. He graduated from the University of Kentucky with a B S. in Economics and Marketing, and he also earned an MBA from Butler University in Indianapolis, Indiana with final courses completed at U.S.C. Roger has been working in telecommunications for 12 years. Prior to forming Cytel, he owned several businesses including a trucking dealership, an aircraft dealership, and a leasing first.

DAVID LOWRY - Director of Regulatory Affairs

Mr. Lowry has nine years experience in the telecommunications industry. Most recently, he was instrumental in negotiating the first interconnection agreement with a Regional Bell Operating Company since the passing of the Federal Telecommunications Act. His experience in the industry has covered all aspects of servicing customers, development and implementation of customer driven products as well as technical issues related to a long distance network.

C. LEE GILLIA - Controller

Mr. Gillia is a CPA with over 20 years experience in accounting. He is responsible for Cytel's accounting and financial reporting systems, cash flow management, financial analysis, and the development and implementation of internal accounting and management controls. He holds a Bachelor of Business Administration degree from the University of Notre Dome, and a Bachelor of Science degree in Mechanical Engineering from Memphis State University.

KEITH RUSSELL - Manager of Network Operations

Mr Russell graduated from the Florida Institute of Technology in 1984 with a Bachelor of Science in Electrical Engineering. He worked in telecommunications before and during college, and has seventeen years experience in the telecommunications industry. Keith has worked for the International Telephone and Telegraph Company as a computer programmer, and has worked for Stromberg Carson (producer of Cytel's telephone switch) as a computer programmer helping to develop the programs that run telephone switches that perform all the switching operations for telecommunications organizations. He has also worked as a technical consultant, assisting telephone company engineers and technical personnel with telephone switching problems.

WES WADE - Director of MIS

Mr. Wade is responsible for the maintenance of the Cytel network and program maintenance and development. He has sixteen years of computer rechnical and software experience, and writes computer programs using several different languages.

CHRIS SHIELDS - Customer Service and Collections Manager

Ms Shields' twenty years customer service experience, five years experience in the telecommunications industry, includes responsibility for collections as well as customer relations. Chris provides leadership and development to Cytel's customer service representatives thus insuring the best service possible.

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Application of Cypress Telecommunications Corporation

EXHIBIT VI

PROPOSED TARIFF

Effective:

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the description, regulations, and rates applicable to the furnishing of telecommunications services provided by Cypress Telecommunications Corporation, with principal offices at 11811 North Freeway, Suite 800, Houston, Texas 77060. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, where copies may be inspected during normal business hours.

Issued: March 5, 1997

Roger L. Scott, President Cypress Telecommunications Corporation 11811 North Freeway, Suite 800

CHECK SHEET

Sheets 1 through 52 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date at the bottom of this page.

PAGE	REVISION	Page	REVISION	PAGE	REVISION
1	Original*	20	Original*	39	Original*
2	Original*	21	Original*	40	Original*
3	Original*	22	Original*	41	Original*
4	Original*	23	Original*	42	Original*
5	Original*	24	Original*	43	Original*
6	Original*	25	Original*	44	Original*
7	Original*	26	Original*	45	Original*
8	Original*	27	Original*	46	Original*
9	Original*	28	Original*		
10	Original*	29	Original*		
11	Original*	30	Original*		
12	Original*	31	Original*		
13	Original*	32	Original*		
14	Original*	33	Original*		
15	Original*	34	Original*		
16	Original*	35	Original*		
17	Original*	36	Original*		ME
18	Original*	37	Original*		
19	Original*	38	Original*		

Issued: March 5, 1997

Roger L. Scott, President

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800

Houston, Texas 77060

Effective:

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Issued: March 5, 1997

Roger L. Scott, President Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

SYMBOLS

The following are the only symbols used for the purpose indicated:

D - Delete or Discontinue

Date : 500

- 1 Change Resulting in an Increase in Rates
- M Moved from Another Tariff Location N - New Regulation, Term, Condition or Rate
- R Change Resulting in a Reduction in Rates
- T Change in Text or Regulation but No Change in Rates

TARIFF FORMAT

- A Sheet Numbering Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets [4 and 15 would be [4 1].
- B. Sheet Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the PUC. For example, the 4th revised sheet 14 cancels the 3rd revised sheet 14 Because of various suspension periods, deferrals, etc., the PUC follows in its tariff approval process, the most current sheet number on file with the PUC is not always the tariff page n effect. Check the Check Sheet for the sheet currently in effect.
- C. <u>Paragraph Numbering Sequence</u> There are five levels of paragraph coding. Each level of coding is subservient to its next higher level.

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D. <u>Check Sheets</u>. When a tariff filing is made with the PUC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in he tariff, with a new cross-reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels of some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the PUC.

Issued: March 5, 1997

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4.4.4

Access Line: An access line is a circuit between a subscriber's telephone or telephone switching equipment and the switching center which services the subscriber.

Business Customer: A business customer is a customer whose use of the company's services are substantially of a business, professional, institutional, or occupational nature, rather than a social and domestic nature

Commission: Commission refers to the Commerce Commission, Corporation Commission, Public Service Commission, Public Utility Commission, or any succeeding agency.

Company: Company refers to Cypress Telecommunications Corporation, a Texas corporation.

Customer: A customer is a person or legal entity which orders or uses the service provided by the company and is responsible for the payment of charges and compliance with tariff regulations.

Cytel Cytel is the short name for Cypress Telecommunications and is a registered service mark in the State of Texas.

Dedicated Access: If a customer's location has a direct path to the company's POP, the access is considered dedicated access

InterLATA Call: An interLATA call is any call that originates and terminates in a different LATA.

IntraLATA Call. An intraLATA call is any call that originates and terminates within the same LATA.

LATA LATA stands for Local Access Transport Area and is a geographic boundary, within which the LEC provides communications services

Issued: March 5, 1997

Re

Roger L. Scott, President

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age.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

IEC: IEC stands for Local Exchange Carrier and is the serving telephone company providing local services to subscribers.

NPA NPA literally stands for Numbering Plan Area, but is more commonly referred to as an area code.

NPA Centroid. NPA centroid is the center of the area code and is sometimes used to calculate mileage for inbound 800 calls where the NPA-NXX of the originating caller is not available.

NXX NXX is the first three digits of the customer's telephone number. N is the number between 2 and 9.

X is the number between 0 and 9.

POP: POP stands for Point-of-Presence. A POP is the physical point where the LEC facilities and the company's facilities or leased facilities interconnect or where the T-1.5 digital facility interconnects with the company's leased facilities.

Rate Center. A rate center is a group of central offices determined by NPA centroid or NPX-NXX.

Residential Customer. A residential customer is a customer whose use of the company's services are substantially of a social and domestic nature.

State. State refers to the state in which the tariff is being filed.

Switched Access: If a customer's location has a transmission line that is switched through the LEC to reach the company's POP, the access is considered switched access.

WE: WE is the abbreviation used for weekend.

Issued: March 5, 1997

Effective:

2.1 Applicability of Tariff

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Distantif contains the description, regulations, and rates applicable to offering of intrastate interLATA and intrastate intralATA and operator-assisted telecommunications services offered by Cypress Telecommunications Corporation, with principal offices located at 11811 North Treeway, Suite 800, Houston, Texas 77060. The company's services are furnished for communications originating and terminating at points within the State of South Dakota under terms of this tanff. The company's services are provided on a monthly basis and are available twenty-four (24) hours per day, seven (7) days per week loany person in the state who desires to be a subscriber, subject to the provisions—this tanff. Applicant files this tanff and declares that all services for all customers contained in this tariff are competitive services.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the facilities and the terms and provisions of this tariff.
- 2.2.2 The company reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control, or when the customer is using service in violation of the law or the provisions of this tariff.
- 2.2.3 The customer may not transfer or assign the use of service except with the express written consent of the company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.4 Prior written permission from the company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferres, as well as all conditions for service.
- 2.2.5 The company reserves the right to refuse or deny service to customers without incurring liability.
 - A. For nonpayment of any sum owed the company,
 - B For insufficient or fraudulent billing information, invalid or unauthorized telephone numbers, credit card numbers or prearranged account code numbers;
 - C. For violation by a customer related to the request for such service of either the provisions of this tariff or any law, rules, regulations or policies;
 - By reason of any order or decision of a court or other governmental authority which prohibits the company from furnishing such service;
 - If the company decris such refusal necessary to protect itself or third parties against fraud or to otherwise protect its personnel, agents, or services.

Issued March 5, 1997

Effective:

Roger L. Scott, President Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

2.3 Liabilities of the Company

- 2.3.1 The abbility of the company for damages arising out of misrakes, omissions, interruptions, delays or errors occurring in the course of furnishing service hereunder, and not caused by the negligence or intentional acts of its employees or its agents, shall in not event exceed an amount equivalent to the initial period charge to the customer for the period during which the aforementioned faults in transmission occur. In no event shall the company be held liable for the suscend or consequential damages.
- 2.3.2 The company shall be indemnified and held harmless by the customer against:
 - A. Claims for libel, slander, infringement of patent or copyright, or unauthorized use of any trademark, trade name or service mark arising out of the material, data, information, or other content transmitted by the company, violation of any other literary, intellectual, artistic, dramatic or musical right, violations of the right to privacy, or any other rights whatosever relating to the arising from message content or other transmission thereof.
 - B. All other claims arising out of any act or omission of the customer in connection with any service provided by the company.
- 2.3.3 The company is not liable for any act or omission of any other company or companies furnishing a portion of the service.
- 2.3.4 The company is not hable for any defacement of, or damage to, the equipment or premises of a customer resulting from the furnishing of services when such defacement or damage is not the result of the company's negligence.
- 2.3.5 No agents or employees of connecting, concurring or other participating carriers or companies shall be deemed to be agents or employees of the company without written authorization.
- 2.3.6 The company is not liable for any failure of performance hereunder due to causes beyond its control, including, but not limited to, unavoidable interruption in the working of transmission facilities, acts of God, storms, fire, flood or other catastrophes, any law, order, regulation, direction, action or request of the United States Government or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of such governmental entities, or of any civil or military authority, national emergencies, insurrections, riots, rebellions, wars, strikes, lockouts, work stoppages, or other labor difficulties, or, notwithstanding, anything in this tariff to the contrary, the unlawful acts of individuals including acts of the company's agents and employees, if committed beyond the scope of their employment.

Issued: March 5, 1997

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Effective:

2.3 Liabilities of the Company (continued)

2.3.7 The company shall not be hable for damages or statutory penalties or be obligated to make any adjustment, refund or cancellation of charges unless the customer has notified the company of any dispute concerning charges, or basis of any claim for damages, within sixty (60) calendar days after an invisor is rendered. Any such notice must set forth sufficient facts to provide the company with a reasonable basis upon which to evaluate the customer's claims or demands.

2.4 Use of Service

Service may be used for the transmission of communications by the customer and the customer's authorized user(s). The customer may not use any of the services furnished by the company under this

2.5 Interruption of Service

Credit allowances for the interruption of service are subject to the general liability provisions set forth in Paragraph 2.3.1, preceding. It shall be the obligation of the customer to notify the company of any interruption in service for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within bis control, or is not in wiring or equipment, if any, furnished by the customer within bis control, or is not in wiring or equipment, if any, furnished by the customer.

2.6 Restoration of Service

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

2.7 Rendering and Payment of Bills

2.7.1 General

The customer has a choice of being direct billed by the company or the customer can receive their bill for long distance service with their bill for local service.

2.7.2 Billing Generated by Incumbent LEC

If the customer chooses to receive his/her bill for long distance service with the incumbent LLC's bill for local services, the rules and regulations applying to rendering the payment of bills are the same as covered by the incumbent LLC's South Dakota intrastate tariff.

Issued: March 5, 1997

Effective:

2.7 Rendering and Payment of Bills (continued)

2.7.3 Billing Generated by Company

A. Billing Period

The billing period is one (1) calendar month

B. Rendering Bills

Bills will be mailed by the seventh day of the month. Bills are sent via U.S. mail to the billing address on the Proof of Authorization form unless the customer has changed the information originally provided.

C. Payment of Bills

Payment is due on the 15th day of the month. Payments are sent to Cypress. Telecommunications Corporation, P.O Box 67 1905, Houston, I.X. 72267-1905. A return check charge of \$15.00 will be assessed for checks returned for insufficient funds. Any applicable return check charges will be assessed according to the terms and conditions of the billing entity (e. l. local exchange company and/or commercial credit card company) and pursuant to South Dakota law and the South Dakota Public Utilities Commission regulations.

2.7.4 Billing Disputes

Billing disputes should be addressed in writing to Cypress Telecommunications Corporation, 11811 North Freeway, Suite 800, Houston, TX 77060 Billing disputes may also be referred via telephone to (800) 324-6123. Service representatives are available to assist with billing inquiries Monday through Friday from 7-30 AM to 6:00 PM central time.

In the event of a dispatic between the customer and applicant regarding charges billed, Cypress Telecommunications shall investigate the case and report the results to the customer. Applicant will not try to collect the dispated amount, or assess late frees during the investigation; however, the customer will be required to pay the undispated part of the bill. Cypress Telecommunications will make every effort to solve all dispatical parts.

2.7.5 Late Charge

If a customer's bill is not paid by the beginning of the next billing cycle, the company imposes a late charge of 1.5% per month on the delinquent amount.

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2.8 Obtaining Service

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- 2.8.1 To obtain service, the company requires the customer to sign a Proof of Authorization form.
- 2.8.2 Establishment of Credit
 - A. Customer Elects to Be Billed by Incumbent LEC

Incumbent LFC establishes credit based on the rules and regulations included in their South Dakota intrastate tariff.

- B. Customer Elects to Be Billed by Company
 - Residential accounts and business accounts with average monthly long distance usage of less than \$500 per month;

Credit is determined by reviewing the customer's payment history from a report from a local credit bureau. If the credit history shows no more than two (2) occurrences in the past year of being more than thirty (30) days past due and the subscriber is not classified as a "very slow pay," credit is established and the company will direct bill the amount.

 Business accounts with average monthly long distance usage of \$500 or more per month;

Credit is established using the same criteria set forth in Paragraph 2.8.2.B.a, above. If credit is not established, the company will collect a two-month deposit.

2.8.3 Deposits

A. Customer Elects to Be Billed by Incumbent LEC

Incumbent LFC collects deposits based on the rules and regulations included in their South Dakota intrastate tariff.

- B. Customer Elects to Be Billed by Company
 - a. General

Deposits are collected only from applicants whose average long distance usage is \$500 per month or greater, if the applicant has failed to establish credit according to Paragraph 2.8.2 B, above.

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2.8 Obtaining Service (continued)

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2.8.3 Deposits (continued)

b. Amount of Deposit

The amount of any deposit shall not exceed the estimated charges for two month's service.

c. Return of Deposit

A deposit will be returned:

When an application for service has been canceled prior to the establishment of service. The deposit will be applied to any charges applicable in accordance with the tariff, and the excess portion of the deposit will be returned.

At the end of one year of satisfactory credit history.

Upon discontinuance of service, the company will refund the customer's deposit on the balance in excess of unpaid bills.

d. Interest on Deposits

The company will pay interest on deposits pursuant to the rules and regulations of the State of South Dakota.

2.9 Customer Service

Customer Service may be contacted in writing at Cypress Telecommunications Corporation, 11811 North Freeway, Suite 800, Houston, TX 77060. Billing disputes may also be referred via telephone to 1800 324-6123. Service representatives are exallable to assist with billing inquiries Monday through Friday from 7 30 AM to 6:00 PM central time. After hours, on weekends, and on holidays, the calls go to a voice reception system. If the call is an emergency, a pager is dialed and the customer is called back within thirty (30) minutes of call origination.

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2.10 Cancellations

2 10.1 Cancellation by Customer

A customer may cancel service by giving a written notice or by calling Customer Service. However, when a request to cancel service is received over the telephone, the company verifies that the request to cancel is from an authorized representative of the customer. The customer's service is disconnected within seventi-viw of 72) hours of receipt of the request.

2.10.2 Cancellation by Company

Cancellation of service by the company as set forth within this tariff shall be in compliance with the South Dakota Public Utilities Commission rules and regulations, and state and federal laws.

2.11 Taxes

All state and local taxes (i.e., sales tax, gross receipts tax, municipal utilities tax) are listed as separate line items and are not included in quoted rates.

A customer claiming tax exempt status must provide the company with copies of all tax exemption certificates and documents required by the company at the time service is ordered in order to be granted tax exempt status. Failure to provide the required documentation at the time service is ordered will result in all taxes, as noted herein, being levied by the company on the customer's service and to customer will be responsible for the payment of same until such time as the company has ceased billing the applicable taxes. In the event taxes are erroneously paid, the company is not hable for refunding any such payments to the customer. The customer is responsible for seeking refunds for such taxes from the appropriate taxing authority. Failure to pay the appropriate taxes prior to tax exempt status being accorded by the company will result in termination of service.

2.12 Transfer or Assignment

The company's intrastate services may not be transferred or assigned to a new customer unless the new customer's credit is approved. Paragraph 2.2.4 covers the additional conditions under which the company reserves the right to refuse service to customers.

2.13 Timing of Calls

Chargeable time begins when connection is established between the calling station and the called station. Chargeable time ends when the calling station "hangs up." If the called station "hangs up." but the calling station does not, chargeable time ends when the connection is released by automatic timing equipment in the network.

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2.14 Minimum Call Completion Rate

A customer can expect a call completion rate (number of calls completed/number of calls attempted) of not less than 99% during peak use periods.

2.15 Calculation of Distance

2.15.1 General

Each rate center or POP has a unique set of assigned vertical horizontal (V&II) coordinates which are used for calculating mileage. Calculation of mileage is in accordance with V&II coordinates system.

The distance is measured using either

- 1 The V&II coordinates associated with the rate center of the station;
- 2. The V&H coordinates associated with the POP.

The type of access determines whether the V&H of the rate center or POP are used to mileage the call.

If the call is originated or terminated via switched access, the distance is measured using the V&H coordinates associated with the rate center of the originating or terminating station. If the call is originated or terminated via dedicated access, the distance is measured using the V&H coordinates associated with the originating or terminating POP.

The rate for a call between access lines associated with stations that use the same central office is the rate for zero miles. If the NPA-NXX is unavailable for a given call, the call is rated using the V&H coordinates associated with the NPA centroid.

2.15.2 Determination of Airline Mileage

The airline mile is determined by applying the following formula to the vertical and horizontal (V&H) coordinates associated with the rate center or POP involved. The company uses the vertical and horizontal coordinates that are produced by Bell Communications Research in its NPA-NXX V&H Coordinates Tape and in NECA Tariff No. 4.

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2.15 Calculation of Distance (continued)

2.15.2 Determination of Airline Mileage (continued)

Formula

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

2.16 Application of Charges

Usage charges apply to all completed calls. The usage charges for each completed call during a billing month will be computed to three (3) decimal places. If the charge includes a fraction is ounded up to the next whole cent.

2.17 Rate Period

2.17.1 General

Different rates may be applicable to a call at a different time of the day and on certain days of the week as specified in the appropriate rate schedule for that call. The rate periods shown below apply. All times shown are local time at the calling station in the case of outbound calls and at the terminating station in the case of inbound calls.

2.17.2 Day, Evening and Night Rate Periods

RATE	TIMES A	DAYS	
PERIOD .	FROM	TO BUT NOT INCLUDING	APPLICABLE
Day	8.00 AM	5:00 PM	Monday- Friday
Evening	5.00 PM	11:00 PM	Sunday-Friday
Night	11:00 PM 8:00 AM 8:00 PM	8:00 AM 11:00 PM 5:00 PM	All days Saturday Sunday

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2.17 Rate Period (continued)

2.17.3 Peak and Off-Peak Periods

Peak ra.e periods are Monday through Friday from 8.00 AM to 5.00 PM. All other times are off-peak time periods.

2.18 Determining Rate in Effects

Calls originating in one time period and terminating in another time period will be billed according to the rates ir. effect during the time period in which the call originates.

2.19 Holiday Rates

2 19 | Residential 1+

The term "holiday" denotes the following holidays:

- New Year's Day (January 1)
- Independence Day (July 4)
- Labor Day
- Thanksgiving Day
- Christmas Day (December 25)

2 19.2 All Other Services

Holiday rates do not apply.

2.20 Promotions

From time to time the company shall promote subscription or stimulate usage by offering to waive some or all of the nonrecurring or recurring charges for the customers of target services for a limited duration. Such promotion shall be made available to all simularly stimed customers in the target market area.

2.20.1 Competitive Response Program

In order to acquire or retain customers, the company will match certain offers made by other carriers. The customer must demonstrate to the company's satisfaction that without such offer as an inducement to subscribe to or remain subscribed to the company's services, the customer will subscribe to or remain subscribed to the service of other carriers.

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2.21 Initial and Additional Periods

2.21.1 General

The usage rates are based on an initial period plus any additional period or periods. In some rate plans, the initial billing period is therty (30) seconds, with additional period(s), if any, billed in sta-second increments (1/10 of a minute). In other rate plans, the initial period is one (1) minute, with additional period(s) if any, billed in one (1) minute increments. Each rate plan in Section 4: Rates and Charges—indicates how initial and additional periods are billed.

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SECTION 3 - DESCRIPTION OF SERVICES

3.1 Outbound Services

3.1.1 General

Intrastate outbound services are available to customers that subscribe to one of the company's product plans containing interstate and intrastate outbound services.

In order to prevent filing duplicate charges for interstate and intrastate tariffs, monthly recurring charges such as minimum usage charges, monthly account or service charges, one-time installation fees for dedicated lines and 800 numbers, and monthly wats access line charges, where applicable, are filed one time in the Interstate FCC Tariff.

3.1.2 Switched Access Service

Switched access service is available to customers that utilize switched access to reach the long distance network of the underlying carrier. Switched access services are available only in equal access areas.

3.1.3 Dedicated Access Service

Dedicated access service is available to customers utilizing dedicated access to reach the POP of the underlying carrier.

3.2 Inbound Services

3.2.1 General

Inbound service permits calls to be completed to the customer's location without charge to the calling party. Access to the service is gained by dialing a ten-digit telephone Number (800) XXX-XXXX which terminates at the customer's location. Calls are originated from any point in the state or any type of access.

3.2.2 Switched Access Service

Switched access service is available to customers that utilize switched access to reach the long distance network of the underlying carrier. Switched access services are available only in equal access areas. Rates are usage sensitive. Usage charges apply to all completed calls.

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SECTION 3 - DESCRIPTION OF SERVICES

3.2 Inbound Services (continued)

3.2.3 Dedicated Access Service

Dedicated access service is available to customers utilizing dedicated access lines to the underlying carrier's point-of-presence. Rates are usage sensitive. Usage charges apply to all completed calls.

3.3 Operator Services

3.3.1 Description of Service

Operator services are any variety of telephone services which require the assistance of a long distance operator. Examples include collect calls and person-to-person calls. Operator service is evoked when a customer dials 00 or 0+ the called number. The call is routed to the company's switch.

3.3.2 Availability of Service

Operator toll assistance is available to any customer that subscribes to an outbound service.

3.4 Directory Assistance

Intrastate directory assistance involves the supplying of assistance in determining or attempting to determine the telephone number of a party.

3.5 Travel Card

Cytel's travel card allows customers or end users to bill a call to their primary service location when the caller is away from their established service location. Customers access the network from anywhere in the state by daling a universal "800" number plus a calling card code and the called telephone number.

3.4 Prepaid Calling Card

Cytel's prepaid calling rard is a debit card. The customer prepays the amount he/she wants to purchase to make long distance calls. Customers complete calls by dialing an "800" number and inputting the customer's authorization code plus the called telephone number.

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4.1 Outbound Services

4.1.1 Direct Distance Dial (DDD)

A. Availability of Service

Direct Distance Dial is an outbound switched access service.

B Usage Rates

The usage rates are as follows:

	D.	AY .	EVEN	and	Night	/WE
MILLAGE	FIRST MINUTE	ADD. MINS.	FIRST MINUTE	ADD. MINS.	FIRST	ADD. MINS.
0 - 10	\$0.3000	\$0.1800	\$0.2400	\$0.1440	\$0.1800	\$0.1080
11 - 16	0.3800	0.2000	0.3040	0.1600	0.2280	0.1200
17 - 22	0.3900	0.2200	0.3120	0.1760	0.2340	0.1320
23 - 30	0.4300	0.2400	0.3440	0.1920	0.2580	0.1440
31 - 40	0.4500	0.2600	0.3600	0.2080	0.2700	0.1560
41 - 55	0.4800	0.2900	0.3840	0.2320	0.2880	0.1740
56 - 85	0.5100	0.3200	0.4080	0.2560	0.3060	0.1920
86 - 124	0.5300	0.3400	0.4240	0.2720	0.3180	0.2040
125 - 244	0.5400	0.3600	0.4320	0.2880	0.3240	0.2160
245+	0.5500	0.3800	0.4400	0.3040	0.3300	0.2280

4.1.2 Advantage Plan

A. Availability of Service

Advantage Plan is an outbound switched access service.

B. Usage Rates

The usage rates are as follows:

First 30 Seconds	ADDITIONAL 6 SECONDS
\$0.0945	\$0.0189

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4.1 Outhound Services (continued)

4.1.3 Alternative Plan

A. Availability of Service

Alternative Plan is an outbound switched access service. It is designed for commercial customers with monthly usage of at least \$1,000 and for residential customers with monthly usage of at least \$25.00.

B Usage Rates The usage rates are as follows:

COMMERCIAL		
FIRST 30 SECONDS	ADDITIONAL 6 SECONDS	
\$0.0645	\$0.0129	

RESIDENTIAL		
Pir	MINUTE RATE	
\$0.1290		

4.1.4 Award Gold

A. Availability of Service

Award Gold is an outbound switched access service. It is designed for customers with monthly usage of at least \$250,00.

B. Usage Rates

The usage rates are as follows:

MONTHS	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
1 - 12	\$0.0750	\$0.0150
13 - 24	0.0725	0.0145
25 - 36	0.0700	0.0140
37+	0.0675	0.0135

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4.1 Outbound Services (continued)

4.1.5 Award Plan

- A. Availability of Service Award Plan is an outbound switched access service. It is designed for customers with monthly usage of at least \$200.00.
- B. Usage Rates
 The usage rates are as follows:

FIRST 30 SECONDS	Additional 6 Seconds	
\$0.0845	\$0.0169	

4.1.6 Business Advantage

A. Availability of Service
 Business Advantage is an outbound switched access service.

B. Usage Rates
The usage rates are as follows:

Fi	FIRST 30 SECONDS			ADDITIONAL 6 SECONDS		
DAY	EVENING	NiGHT/WE	DAY	EVENING	NIGHT/WE	
\$0.1145	\$0.0945	\$0.0745	\$0.0229	\$0.0189	\$0.0149	

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4.1 Outbound Services (continued)

4.1.7 Business Select

A. Availability of Service

Business Select is an outbound switched access service.

B. Usage Rates

The usage rates are as follows:

MONTHS	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
1 - 12	\$0.0945	\$0.0189
13 - 24	0.0925	0.0185
25 - 36	0.0900	0.0180
37 +	0.0875	0.0175

4.1.8 Carrier Program

A. Availability of Service

Carrier Program is an outbound switched access service.

B. Usage Rates

The usage rates are as follows:

PER MINUTE RATES				
DAY EVENING NIGHT/W				
\$0.1950	\$0.1850	\$0.1750		

4.1.9 Celebration Savings

A. Availability of Service

Celebration Savings is an outbound switched access service. It is designed for customers with monthly usage of at least \$50.00

B. Usage Rates

The standard usage rates are the same as Paragraph 4.1.1 less 10%.

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4.1 Outbound Services (continued)

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4.1.9 Celebration Savings (continued)

C. Discount Usage Rates

Every 10th domestic call is billed at \$0.01 for up to a ten-minute call. If the tenth call is an intrastate call, decall will be billed as follows: a call that is expant to or less than ten minutes in duration is billed at \$0.01. A call that is more than ten minutes in duration is billed at \$0.01 for the first ten minutes and at regular Celebration Savings rates in excess of ten minutes Every 10th month of long distance is free (based on the average of the previous nine months).

4.1.10 Easy Savings

A. Availability of Service

Easy Savings is an outbound switched access service. It is designed for customers with monthly usage of at least \$250.00.

B Usage Rates

The usage rates are the same as Paragraph 4.1.1.

C. Discounts

Customers subscribing to Easy Savings receive a 25% discount on calls to the most frequently called area code during the billing month. If the most frequently called area code is within the state, the discount applies to those calls. If the most frequently called area code is not within the state, a 15% discount applies to the usage rates in Paragraph 4.1.1.

4.1.11 Global Select I

A. Availability of Service

Global Select 1 is an outbound switched access service. It is designed for customers with monthly usage of at least \$200.00.

B. Usage Rates

The usage rates are as follows:

FIRST 30 SECONDS	ADDITIONAL 6 SECONDS	
\$0.0800	\$0.0160	

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4.1 Outbound Services (continued)

4.1.12 Option

A. Availability of Service

Option is an outbound switched access service. Options 1, 2, and 3 are designed for customers with monthly usage of at least \$250.00. Options 4, 5, and 6 are designed for customers with monthly usage of at least \$500.00. Options 7 through 13 are designed for customers with monthly usage of at least \$1,000.00.

B. Usage Rates
The usage rates are as follows:

PIAN	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
Option 1	\$0.0750	\$0.0150
Option 2	0.0725	0.0145
Option 3	0.0725	0.0145
Option 4	0.0695	0.0139
Option 5	0.0735	0.0147
Option 6	0.0725	0.0145
Option 7	0.0575	0.0115
Option 8	0.0600	0.0120
Option 9	0.0500	0.0100
Option 10	0.0650	0.0130
Option 11	0.0675	0.0135
Option 12	0.0595	0.0119
Option 13	0.0513	0.0103

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SECTION 4 - RATES AND CHARGES

4.1 Outbound Services (continued)

4 1 13 Premiere

A Availability of Service

Premiere is an outbound switched access service.

B Usage Rates

The usage rates are determined by totaling the monthly dollar volume of domestic long distance usage. The usage rates are as follows:

USAGE	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
\$0-\$249.99	\$0 1050	\$0.0210
\$250-\$499.99	0.0945	0.0189
\$500-\$999.99	0.0890	0.0178
\$1,000-\$2,499.99	0.0840	0.0168
\$2,500.00+	0.0790	0.0158

4 1 14 Prime Net

A. Availability of Service

Prime Net is an outbound switched access service. It is designed for customers with monthly usage of at least \$500.00.

B. Usage Rates

The usage rates are as follows:

FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
\$0.0695	\$0.0139

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- 4.1 Outbound Services (continued)
 - 4.1.15 Residential 1+
 - A Availability of Service Residential 1+ is an outbound switched access service.
 - B. Usage Rates
 The usage rates are as follows:

P	ER MINUTE RAT	IES				
DAY	EVENING NIGHT/W				DAY EVENING NIGHTA	
\$0.1990	\$0.1590	\$0.1190				

- 4.1.16 Small Business Solution
 - A. Availability of Service Small Business Solution is an outbound switched access service. It is designed for customers with monthly usage of at least \$500.00.
 - B. Usage Rates
 The usage rates are as follows:

P	ER MINUTE RAT	ns
DAY	EVENING	NIGHT/WE
\$0.1390	\$0.1390	\$0.1390

- 4.1.17 Ten Sense Club aka Simple Savings Clubs
 - A. Availability of Service

Ten Sense Club is an outbound switched access service. It is designed for customers with monthly usage of at least \$1,000.00.

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- 4.1 Outbound Services (continued)
 - 4.1.17 Ten Sense Club aka Simple Savings Clubs (continued)
 - B Usage Rates The usage rates are as follows:

P	ER MINUTE RAI	II.S
DAY	EVENING	NiGIT/WE
\$0.1000	\$0.1000	\$0.1000

- 4.1.18 200 Free Minutes
 - A. Availability of Service 200 free Minutes is an outbound switched access service. It is designed for customers with monthly usage of at least \$50.00.
 - B. Usage Rates The usage rates are as follows:

P	ER MINUTE RAI	nes
DAY	EVENING	NiGHT/WI
\$0.2100	\$0.1490	\$0.1290

- 4.1.19 Mega Wats Gold
 - A. Availability of Service Mega Wats Gold is an outbound switched access service. It is designed for customers with monthly usage of at least \$750.00.
 - B Usage Rates The usage rates are as follows:

FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
\$0.0625	\$0.0125

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4.1 Outbound Services (continued)

4.1.20 Ultra Wats

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A. Availability of Service

Ultra Wats is an outbound switched access service.

B. Usage Rates

The usage rates are determined by totaling the monthly dollar volume of domestic usage. The usage rates are as follows:

Mo.	FIRST 30 SECONDS			ADDITIONAL 6 SECONDS		
USAGE \$\$	DAY	EVENING	NiGHI/WE	DAY	EVENING	NIGHT/WI
\$0-\$199.99	\$0.1095	\$0.1045	\$0.1045	\$0.0219	\$0.0209	\$0.0209
\$200-\$499.99	0.1040	0.0995	0.0995	0.0208	0.0199	0.0199
\$500-\$999.99	0.0985	0.0940	0.0940	0.0197	0.0188	0.0188
\$1,000-\$2,999.99	0.0960	0.0915	0.0915	0.0192	0.0183	0.0183
\$3,000.00+	0.0930	0.0890	0.0890	0.0186	0.0178	0.0178

4.1.21 Ultra Wats II

A. Availability of Service

Ultra Wats II is an outbound switched access service.

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SECTION 4 - RATES AND CHARGES

4.1 Outbound Services (continued)

4 121 Ultra Wats II (continued)

B Usage Rates

The usage rates are determined by totaling the monthly dollar volume of domestic usage. The usage rates are as follows:

Mo.	FIRST 30 SECONDS			ADDITIONAL 6 SECONDS		
USAGE \$\$	DAY	EVENING	NiGHT/WE	DAY	EVENING	NIGHT/WE
\$0-\$249.99	\$0.1045	\$0.0995	\$0.0995	\$0.0209	\$0.0199	\$0.0199
\$250-\$749.99	0.0995	0.0995	0.0995	0.0199	0.0199	0.0199
\$750-\$1,999.99	0.0995	0.0995	0.0995	0.0199	0.0199	0.0199
\$2,000.00+	0.0995	0.0995	0.0995	0.0199	0.0199	0.0199

4.2 Calling Cards

4.2.1 Calling Card

A. Availability of Service

The standard calling card is available to customers subscribing to outbound service.

B Usage Rates

The usage rates are as follows:

FIRST MINUTE	ADDITIONAL MINUTES	
\$0.4500	\$0.3600	

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4.2 Calling Cards (continued)

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4.2.2 Advantage Calling Card

A. Availability of Service The Advantage calling card is available to customers subscribing to the Advantage Plan outbound service.

B. Usage Rates
The usage rates are as follows:

PER MINUTE RATE SO 1890

4.2.3 Award Gold and Global Select 1 Calling Cards

A Availability of Service

The Award Gold calling card is available to customers subscribing to the Award Gold outboard service. The Global Select 1 calling card is available to customers subscribing to the Global Select 1 outboard service.

B. Usage Rates
The usage rates are as follows:

PER MINUTE RATE \$0.2500

4.2.4 Business Select Calling Card

A. Availability of Service

The Business Select calling card is available to customers subscribing to the Business Select outbound service.

B. Usage Rates

The usage rates are as follows:

PER MINUTE RATE \$0,2000

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Roger L. Scott, President

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SECTION 4 - RATES AND CHARGES

4.2 Calling Cards (continued)

4.2.5 Carrier Calling Card

A. Availability of Service

The Carrier calling card is available to customers subscribing to the Carrier outbound service.

B. Usage Rates

The usage rates are as follows:

P	ER MINUTE RAI	ES
DAY	EVENING	NiGHI/WE
\$0.3000	\$0.2500	\$0.2000

4.2.6 Option Calling Card

A. Availability of Service

The Option calling card is available to customers subscribing to the Option outbound service.

B Usage Rates

The usage rates are as follows:

OPTION PLAN	FIRST MINUTE	ADDITIONAL MINUTES
Option I	\$0.2500	\$0.2000
Option 2 thru 13	\$0.2500	\$0.2500

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4.2 Calling Cards (continued)

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4.2.7 Prime Net Calling Card

A. Availability of Service

The Prime Net calling card is available to customers subscribing to the Prime Net outbound

B Usage Rates

The usage rates are as follows:



A \$0.75 surcharge is added to each call placed.

4.2.8 Small Business Solution Calling Card

A. Availability of Service

The Small Business Solution calling card is available to customers subscribing to the Small Business Solution outbound service.

B. Usage Rates

The usage rates are as follows:

P	ER MINUTE RAI	TES	
DAY EVENING NIGHT/WI			
\$0.2000	\$0.2000	\$0.2000	

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By: Roger L. Scott, President

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

- 4.2 Calling Cards (continued)
 - 4.2.9 Ten Sense Club / Simple Savings Calling Card
 - A Availability of Service
 The Ien Sense calling card is available to all customers subscribing to the Ten Sense outbound service.
 - B. Usage Rates
 The usage rates are as follows:

P	ER MINUTE RAI	1S
DAY	EVENING	NiGHT/WE
\$0.2000	\$0.2000	\$0.2000

- 4.3 Inbound Services
 - 4.3.1 Advantage 800
 - A. Availability of Service. Advantage 800 is an inbound switched access service, and it may only be used as a multiple plan with the Advantage Plan.
 - B. Usage Rates
 The usage rates are as follows:

FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
\$0.0945	\$0.0189

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4.3 Inbound Services (continued)

4.3.2 Award Gold

A. Availability of Service. Award Gold 800 is an inbound switched access service and it may only be used as a multiple plan with Award Gold.

B. Usage Rates The usage rates are as follows:

MONTHS	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
1 - 12	\$0.0800	\$0.0160
13 - 24	0.0775	0.0155
25 - 36	0.0750	0.0150
37 +	0.0725	0.0145

4.3.3 Award Plan 800

A Availability of Service

Award Plan 800 is an inbound switched access service and it may only be used as a multiple plan with the Award Plan.

B. Usage Rates

The usage rates are as follows:

Fir	FIRST 30 SECONDS		FIRST 30 SECONDS ADDITIONAL 6 SECOND		ECONDS
DAY	EVENING	NIGHT/WE	DAY	EVENING	NIGHT/WE
\$0.0800	\$0.0650	\$0.0650	\$0.0160	\$0.0130	\$0.0130

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By Roger I. Scott, President

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

4.3 Inbound Services (continued)

4.3.4 Business 800

A Availability of Service Business 800 is an inbound switched access service.

B. Usage Rates

The usage rates are as follows:

FIRST 30 SECONDS		ADDITIONAL 6 SECONDS		ECONDS	
DAY	EVENING	NIGHT/WE	DAY	EVENING	NIGHT/WE
\$0.1195	\$0.0995	\$0.0995	\$0.0239	\$0.0199	\$0.0199

4.3.5 Business Select 800

A. Availability of Service

Business Select 800 is an inbound switched access service and it may only be used as a multiple plan with Business Select.

B. Usage Rates

The usage rates are as follows:

MONTHS	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
1 - 12	\$0.0995	\$0.0199
13 - 24	0.0975	0.0195
25 - 36	0.0950	0.0190
37 +	0.0925	0.0185

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By

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4.3 Inbound Services (continued)

4.3.6 Carrier Program 800

A Availability of Service

Carrier Program 800 is an inbound switched access service and it may only be used as a multiple with the Carrier Program.

B. Usage Rates

The usage rates are as follows:

Pi	R MINUTE RAT	IS
DAY	EVENING	Night/WI
\$0.2000	\$0.1900	50.1800

4.3.7 800 Home and 800 Office

A. Availability of Service

800 Home and 800 Office are inbound switched access service.

B. Usage Rates

The usage rates are as follows:

800 HOME PER MINUTE RATES			
DAY EVENING NIGHT/W			
SO 2000	\$0.2000	\$0.2000	

800	OFFICE PER	MINUTE RA	ILS
First 30	SECONDS	ADDITIONA	L 6 SECOND
PLAK	OH PEAK	PLAK	OH PEAK
S0 1000	S0.1000	\$0.0200	\$0.0200

Issued: March 5, 1997

Roger L. Scott, President

Lifective:

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Lexas 77060

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SECTION 4 - RATES AND CHARGES

4.3 Inbound Services (continued)

4.3.8 Global Select 1.800

- A. Availability of Service Global Select 1 800 is an inbound switched access service and it may only be used as a multiple plan with Global Select 1.
- B. Usage Rates The usage rates are as follows:

First 30 !	SECONDS	ADDITIONA	a 6 Seconds
PEAK	OH PEAK	PEAK	OH PLAK
\$0.0800	\$0.0750	\$0.0160	\$0.0150

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Roger L. Scott, President

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77000

4.3 Inbound Services (continued)

4.3.9 Option

A. Availability of Service

Option 800 is an inbound switched access service and it may only be used as a multiple plan with the Option Plan

B. Usage Rates

The usage rates are as follows:

PIAN	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
Option 1	\$0.0750	\$0.0150
Option 2	0.0925	0.0185
Option 3	0.0850	0.0170
Option 6	0.0800	0.0160
Option 7	0.0695	0.0139
Option 8	0.0700	0.0140
Option 9	0.0660	0.0132
Option 10	0.0725	0.0145
Option 11	0.0675	0.0135
Option 12	0.0600	0.0120
Option 13	0.0660	0.0132

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Roger L. Scott, President Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

4.3 Inbound Services (continued)

4.3.10 Premiere 800

A. Availability of Service Premiere 800 is an inbound switched access service and it may only be used as a multiple plan with the Premiere Plan.

B. Usage Rates. Interstate and intrastate monthly long distance usage is totaled to determine the dollar volume of monthly long distance usage. The usage rates are as follows:

USAGE \$	FIRST 30 SECONDS	ADDITIONAL 6 SECONDS
\$0-\$249.99	\$0.1245	\$0.0249
\$250-\$499.99	0.1120	0.0224
\$500-\$999.99	0.1050	0.0210
\$1,000-\$2,499.99	0.0995	0.0199
\$2,500.00 +	0.0935	0.0187

4.3.11 Prime Net 800

A Availability of Service Prime Net 800 is an inbound switched access service.

B. Usage Rates
The usage rates are as follows:

PER MINUTE RATE \$0.1390

Issued: March 5, 1997

4.3 Inbound Services (continued)

4.3 12 Residential 800

A. Availability of Service. Residential 800 is an inbound switched access service.

B. Usage Rates The usage rates are as follows:

PER MINUTE RATES				
DAY	EVENING	NiGIT/WI		
\$0.2400	\$0.2000	\$0.2000		

4.3.13 Small Business Solution 800

A. Availability of Service

Small Business Solution 800 is an inbound switched access service and it may only be used as a multiple plan with the Small Business Solution Program.

PER MINUTE RATES			
DAY	EVENING	NIGHT/WE	
\$0.1600	\$0.1600	\$0.1600	

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4.4 Operator Assisted Calls

Operator toll assistance is billed on a per minute basis plus a surcharge. Per minute charges are based on the distance, duration of the call, and the rate period (day, evening, or night/weekend) when the call is placed.

4.4.1 Rate Table for All Operator Assisted Calls

Territoria.	D.	DAY		EVENING		/WE
	FIRST MINUTE	ADD. MINS.	FIRST MINUTE	ADD. MINS.	FIRST MINUTE	ADD. MINS.
1 - 10	\$0.3300	\$0.2800	50.2600	\$0.2100	\$0.2200	\$0.1700
11 - 22	0.3500	0.3000	0.2700	0.2200	0.2400	0.1900
23 - 55	0.3900	0.3400	0.2800	0.2300	0.2500	0.2000
56 - 124	0.4000	0.3500	0.2800	0.2300	0.2500	0.2000
125 - 292	0.4100	0.3600	0.2800	0.2300	0.2500	0 2000
293 - 430	0.4100	0.3600	0.3000	0.2500	0.2600	0.2100
431 - 925	0.4100	0.3600	0.3100	0.2600	0.2600	0.2100
926 - 1910	6.4200	0.3700	0.3200	0.2700	0.2700	0.2200
1911 - 3000	0.4200	0.3700	0.3300	0.2800	0.2800	0.2300
3001+	0.4300	0.3800	0.3400	0.2900	0.2800	0.2300

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SECTION 4 - RATES AND CHARGES

4.4 Operator Assisted Calls (continued)

4.4.2 Operator Service Charge (Per Call Charge)

The following charges apply in addition to the per minute usage rates when applicable. These charges apply in all rate periods.

Station-Station	Collect	\$2.25
	Billed to Third Number	\$2.35
	Sent Paid	\$2.30
Person-Person	All Calls	\$4.90
Customer Dialed LEC Calling Car	d	\$1.00
Operator Dialed LEC Calling Care	1	\$2.25
Operator Dialed Cytel Calling Car		\$2.25

Issued: March 5, 1997

Roger L. Scott, President Cypress Telecommunications Corporation 11811 North Freeway, Suite 800

Houston, Texas 77060

4.4 Operator Assisted Calls (continued)

4.4.3 Application of Service Charges and Surcharges

Type of Call	OPERATOR SERVICE CHARGE	OPERATOR DIALED SURCHARGE
One-Plus Dialing	No	No
Operator Station-to-Station C	Collect	
Customer Dialed 0+	Yes	No
Customer Dialed 00-	Yes	Yes
Operator Person-to-Person Co	ollect	
Customer Dialed 0+	Yes	No
Customer Dialed 00-	Yes	Yes
Real Time Rate Time & Char	ges	
Customer Dialed 0+	Yes	No
Customer Dialed 00-	Yes	Yes
Directory Assistance		
Customer Dialed 0+	Yes	No
Operator Dialed 00-	Yes	Yes

4.5 Directory Assistance (DA)

Directory Assistance within the state

\$1.00

The directory assistance charge applies whether or not directory assistance furnishes the requested telephone number. For example, if the number is unlisted, nonpublished, or cannot be found.

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SECTION 4 - RATES AND CHARGES

4.5 Directory Assistance (DA) (continued)

If an operator completes a call, the customer is charged \$1.00 in addition to the charge for the call as indicated in Section 4.4. A per minute rates does not apply to directory assistance.

4.5.1 Busy Line Verification

\$4.00

4.5.2 Busy Line Interruption

\$4.00

If an operator verifies and interrupts a busy line, only one \$4.00 charge per interruption applies. Before a line can be interrupted, it must be verified.

Issued: March 5, 1997

By

Roger L. Scott, President

Cypress Telecommunications Corporation 11811 North Freeway, Suite 800 Houston, Texas 77060

CYPRESS TELECOMMUNICATIONS CORP. 5-93

STATE OF SOUTH DAKOTA

Date 03/07/97

05388

invoice inv.bate 020597-3 03/05/97 Inv. Amt Disc/Fin Prev Pmts

Due Amt.Paid 250.00

250.00

Total 250.00 250.00

250.00

Te97-035

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MAR 1 8 1997

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

05388 25-2/1130

CYPRESS TELECOMMUNICATIONS CORP. P. O. BOX 671905 HOUSTON, TX 77267-1905

Two Hundred Fifty and 00/100

DATE

AMOUNT 03/07/97 \$*********250.00

STATE OF SOUTH DAKOTA PUBLIC UTILITIES COMMISSION 500 E. CAPITAL AVE PIERRE, SD 57501

**005388* ::113000023: **2662092385*

	the appropriate of June 30, 1997.	03/10/97	NA
NA	WorldCom, Inc. filed to renew its Bottom Line Business promotion for new customers with an expiration date of June 30, 1997.	03/12/97	NA
NA	World.com, inc. inequity renew is solutionary and existing SDN, SCS and VTNS customers. The promotions are AT&T filed to offer incremental usage credits to new and existing SDN, SCS and VTNS customers. The promotions are effective March 13, 1997.	03/12/97	10.
NA	effective Matrin 13, 1997 Excel Communications, Inc. filed 1o increase the rates for the Evening and Nighti/Weekend Time of Day rate periods for the following service offerings. Excel Plus II and Premier Plus II. In addition, minor textual changes may have been following service offerings.	03/12/97	NA
1200	included. The revisions are effective March 13, 1997	03/13/97	NA
NA	Least Cost Routing. Inc. filed to amend its rates. The revisions are effective March 14, 1997.	03/13/97	NA
NA	Least Cost Routing in: line to annex find to introduce Option AE (Advanced Option III for Small Business) and Option AF MCI Telecommunications Corporation filed to introduce Option AE (Advanced Option III for Small Business) and Option AF (homeMcI One). The revisions are effective March 23, 1997.		
NA	(momental Cine) The revisions and the Promotional Office and Promotional Offering service, to increase rates for Travel WATS Cable & Wireless, Inc. filed to introduce Personal Office and Promotional Offering service, associated with Focus and Excel products intrastate Calling Card rates on the integrated products associated with Venture VNIS, Semplicity and BFI, Operator Expension and Toll three Meet Me calls and Meet Me calls. CVII incorporates Time Reports for Operator Senors and makes other minor revisions. The revisions are effective March 14, 1997.	02/27/97	NA

PAGE 2 OF 2

South Dakota Public Utilities Commission State Capitol 500 E. Capitol Pierre, SD 57501-5070 Phone: (800) 332-1782 Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS These are the telecommunications service filings that the Commission has received for the period of:

03/07/97 through 03/13/97

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE	INTERVENTION DEADLINE
	REQUEST FOR CERTIFICATION OF AUTHORITY		- Serie
TC97-022	Application by McImetro Access Transmission Services, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff, TSIKC) Applicant "will provide a full-range of telecommunications services including, but not limited to reside various instructed prevale line services and switched services, local exchange and Intra-At toll services. Initially, McImetro plans to provide services by reselling local telecommunications exchange services offered by the incumbent local exchange carrier. McImetro plans to interconnect its network with U.S.WEST and other local exchange carrier.	03/07/97	03/28/97
TC97-023	Application by Atlas Communications. Ltd. to amend its Certificate of Authority to provide local exchange services within the state of South Dakota. (Staff. 15.Cch.) Applicant intends to provide local exchange service on a resale basis. The specific manner in which Applicant will provide local exchange service depends upon the result of negotiations with the incumbent local exchange carriers currently operating within the State. Applicant seeks authority to reself local exchange service in the easing service areas of U.S. WEST and any other relevant carriers."	03/10/97	03/28/97
TC97-024	Application by U.S. Republic Communications, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff. TS:KC). Applicant seeks authority to provide resold long distance telecommunications services in South Dakota. Initially. Applicant's operator services will be provided through the utilization of AT&T's existing operator services.	03/10/97	03/28/97
TC97-025	Application by Cypress Telecommunications Corporation for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) Applicant seeks authority to operate as a reseller of interexchange telecommunications services including operation-assisted services within South Dakota.	03/12/97	03/28/97
TC97-026	Application by East Plains Telecom. Inc. (East Plains) for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (DJKC). East Plains will provide local exchange telephone service within the exchange boundaries of the Alcester and Hudson exchanges. On May 2, 1996, the Commission approved the sale of the Alcester exchange from U.S.WEST Communications to East Plains. On October 24, 1996, the Commission approved the sale of the Hudson exchange from U.S.WEST Communications to East Plains.	03/13/97	03/28/97
	FULLY COMPETITIVE TELECOMMUNICATIONS FILINGS		

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF) ORDER GRANTING CYPRESS TELECOMMUNICATIONS) CERTIFICATE OF CORPORATION FOR A CERTIFICATE OF) AUTHORITY TO PROVIDE) TELECOMMUNICATIONS SERVICES IN) TC97-025 SOUTH DAKOTA

On March 12, 1997, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20 10 24 02, received an application for a certificate of authority from Cypress Telecommunications Corporation (Cypress)

Cypress is a switch-based reseller of interexchange telecommunications services, including operator-assisted services. Cypress intends to provide intrastate intraLATA and interLATA telecommunications services throughout the state of South Dakota. Cypress does not own, operate, control, or manage transmission facilities in South Dakota. A proposed tariff was filed by Cypress. The Commission has classified long distance service as fully competitive.

On March 13, 1997, the Commission electronically transmitted notice of the filing and the intervention deadline of March 28, 1997, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled May 13, 1997, meeting, the Commission considered Cypress' request for a certificate of authority.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20 10 24 02 and 20.10 24 03. The Commission finds that Cypress has met the legal requirements established for the granting of a certificate of authority. Cypress has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves Cypress' application for a certificate of authority. As the Commission's final decision in this matter, it is therefore.

ORDERED, that Cypress' application for a certificate of authority is hereby granted. It is

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

Dated at Pierre South Dakota, this 21 ot day of May, 1997

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes with charges prepaid thereon.

on Allaine Kall

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION

AMES A BURG, Chairman

PAM NELSON 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 May 13, 1997 Docket No. TC97-025

> > This is to certify that

CYPRESS TELECOMMUNICATIONS CORPORATION

is authorized to provide telecommunications services in South Dakota.

This certificate is issued in accordance with SDCL 49 31-3 and ARSD 20.10.24.02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 21st day of Sharp. 1997

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION:

JAMES A BURG, Chairma

PAM NELSON Commissioner

