

TC 98-065

TC 98-065

DOCKET NO.

In the Matter of

IN THE MATTER OF THE
APPLICATION OF TELECOM
RESOURCES, INC. FOR A
CERTIFICATE OF AUTHORITY TO
PROVIDE TELECOMMUNICATIONS
SERVICES IN SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

DATE	MEMORANDA
3/30 98	Filed and docketed;
4/2 98	TC Fee Filing;
5/18 98	Order Granting COA;
5/18 98	Docket Closed

TC 98-065
RECEIVED

MAR 30 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

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

Also Admitted in New York
and Maryland

Telephone: (770) 232-9200
Facsimile: (770) 232-9208

March 27, 1998

VIA AIRBORNE EXPRESS

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

Re: Telecom Resources, Inc.

Dear Mr. Bullard:

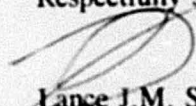
Enclosed please find one original and ten (10) copies of Telecom Resources, Inc.'s Application for Registration of a Telecommunications Company.

In order to expedite the processing of this application, I would like to suggest that all requests for information by the analyst be made by either telephone or facsimile. I will make every effort to respond on the day of the request.

I have also enclosed a check in the amount of \$250.00 payable to the "South Dakota Public Utilities Commission" for the filing fee, and an extra copy of this cover letter to be date stamped and returned to me in the enclosed self-addressed prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,



Lance J.M. Steinhart
Attorney for Telecom Resources, Inc.

Enclosures

cc: Richard McFarland

APPLICATION FOR REGISTRATION
OF TELECOM RESOURCES, INC.
FILED WITH THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

RECEIVED

MAR 30 1998

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

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

APPLICATION

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

1. Name, Address and Telephone Number of Applicant

Telecom Resources, Inc.
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207
214-760-9700

The Applicant will provide services under the name Telecom Resources, Inc.

All inquiries regarding regulatory matters should be addressed to:

Lance J.M. Steinhart, Esq.
6455 East Johns Crossing, Suite 285
Duluth, Georgia 30097
(770) 232-9200
(770) 232-9208 (Fax)

All inquiries regarding complaints against the company should be addressed to:

Taffy Delgado
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207
(800) 296-3536

2. **Registered Agent**

The name and address of the Applicant's registered agent are:

CT Corporation System
319 S. Coteau Street
Pierre, SD 57501

3. **Description of the Applicant**

Applicant was incorporated in the State of Texas on January 13, 1995. Its duration is perpetual. A copy of Applicant's authority to transact business as a foreign corporation in the State of South Dakota is attached hereto as Exhibit A. A copy of the Applicant's Articles of Incorporation is attached as Exhibit B hereto.

4. **Facilities**

Applicant does not own or maintain any transmission facilities or switching equipment in the State of South Dakota. The Applicant will provide services through WorldCom and Vartec, its underlying carriers.

5. Stockholders

The names and addresses of all 5% or greater stockholders of Applicant are as follows:

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Richard McFarland 1950 Stemmons Freeway, Suite 4033 Dallas, Texas 75207	1,150,000	74.92%
Tim Meredith 1950 Stemmons Freeway, Suite 4033 Dallas, Texas 75207	300,000	19.54%

6. Officers and Directors

The name and address of the officers and directors of Applicant are as follows:

OFFICERS

Richard McFarland	Chief Executive Officer
Tim Meredith	President
Michael McSpadden	Chief Operating Officer
Steve Reid	Chief Marketing Officer

Directors

Richard McFarland
Tim Meredith
Doug Allen

All of the above officers can be reached at Telecom Resources, Inc., 1950 Stemmons Freeway, Suite 4033, Dallas, Texas 75207, 214-760-9700.

5. Stockholders

The names and addresses of all 5% or greater stockholders of Applicant are as follows:

Name and Address	Shares Owned	Percentage of all Shares Issued and Outstanding and Voting Control
Richard McFarland 1950 Stemmons Freeway, Suite 4033 Dallas, Texas 75207	1,150,000	74.92%
Tim Meredith 1950 Stemmons Freeway, Suite 4033 Dallas, Texas 75207	300,000	19.54%

6. Officers and Directors

The name and address of the officers and directors of Applicant are as follows:

OFFICERS

Richard McFarland	Chief Executive Officer
Tim Meredith	President
Michael McSpadden	Chief Operating Officer
Steve Reid	Chief Marketing Officer

Directors

Richard McFarland
Tim Meredith
Doug Allen

All of the above officers can be reached at Telecom Resources, Inc., 1950 Stemmons Freeway, Suite 4033, Dallas, Texas 75207, 214-760-9700.

7. **Corporate Ownership**

The name and address of any corporation, association or similar organization holding a five percent (5%) or greater ownership in the Applicant is as follows:

None

8. **Subsidiaries owned or controlled by Applicant**

Telecom Resources International, Inc.
Direct Effect Communications, Inc.

9. **Description of Services**

Applicant is a reseller which intends to offer 1+ direct dialing, 800 toll free, and travel card service through the resale of telephone services provided by facilities-based interexchange carriers. As a reseller, Applicant has no points of presence in the State of South Dakota, thus Applicant neither owns, leases, nor operates any switching, transmission, or other physical facilities in the State of South Dakota, and no such facilities will be used by Applicant in providing service in the State of South Dakota. Rather, Applicant will be engaged in reselling services provided by facilities-based carriers within the State of South Dakota. Upon receiving certification, Applicant intends to provide services throughout the State of South Dakota.

Applicant intends to provide these services to customers on a jurisdictionally interstate basis subject to the FCC's jurisdiction and Applicant intends to provide these services on jurisdictionally intrastate basis pursuant to certification,

registration or tariff requirements, or on an unregulated basis, in all fifty states except Alaska, subject to the jurisdiction of various public service and utilities commissions. Applicant is currently in the process of obtaining all required authorizations from the FCC and the state regulatory agencies. Applicant is currently authorized to provide service in Colorado, Iowa, Michigan, Montana, New Jersey, Pennsylvania, Texas, Utah, Virginia, Washington D.C. and Wyoming. The Applicant has never been denied registration or certification in any state.

Applicant intends to provide high quality service, with an industry standard blocking rate less than P.01. Its services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the State of South Dakota.

11. Customer Billings and Customer Service

The Applicant's customers will be billed performed in house in conjunction with a mailing house. Applicant's toll-free number will be on all invoices and customer service will be provided in-house by the Applicant.

12. Description of Marketing

Applicant intends to market its services primarily to small office/home office, large corporations with multiple locations, trade associations, direct selling corporations and non-profit organizations. Applicant's initial target market will be the Southeastern United States. All sales personnel will have telecommunications service experience. Applicant will market through direct sales, both in-house and through independent representatives and agents, in the form of telemarketing, through affinity groups and casual calling through several channels. Applicant does not intend to engage in multilevel marketing. No marketing materials are available at this time.

11. Financial Qualifications

Applicant is financially qualified to provide intrastate interexchange telecommunications services within South Dakota. In particular, Applicant has adequate access to the capital necessary to fulfill any obligations it may undertake with respect to the provision of intrastate telecommunications services in the State of South Dakota. See Exhibit C which is attached hereto, Applicant's Financial Statements for the year ended December 31, 1997, which demonstrates that Applicant has the financial ability to provide the services that it proposes to offer.

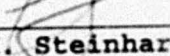
12. Tariff

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

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

DATED this 27 day of March, 1998.

Telecom Resources, Inc.

By: 
Lance J.M. Steinhart, Its Counsel

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

STATE OF TEXAS

COUNTY OF DALLAS

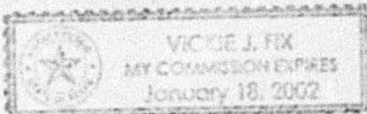
Richard McFarland, being first duly sworn, deposes and says that he is the CEO of Telecom Resources, Inc., the Applicant in the proceeding entitled above, that he has read the foregoing application and knows the contents thereof; that the same are true of his knowledge, except as to matters which are therein stated on information or belief, and to those matters he believes them to be true.

[Handwritten Signature]

Richard McFarland

Subscribed and sworn to before this 24 day of March, 1998.

[Handwritten Signature]
Notary Public



My Commission expires: 1-18-2002

SD

LIST OF EXHIBITS

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

EXHIBIT A - CERTIFICATE OF AUTHORITY

State of South Dakota



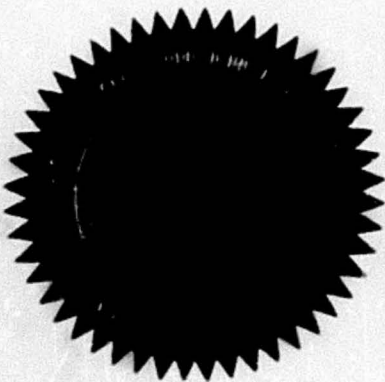
OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of TELECOM RESOURCES, INC. (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 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 under the name of TELECOM RESOURCES, INC.

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 April 16, 1997.



Joyce Hazeltine
JOYCE HAZELTINE
Secretary of State

EXHIBIT B - ARTICLES OF INCORPORATION



RECEIVED
ST APR 16 11:10
SECRETARY OF STATE

The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED, that
Articles of Incorporation
of

TELECOM RESOURCES, INC.
CHARTER NO. 1341050

were filed in this office and a certificate of incorporation was issued on
JANUARY 13, 1995;

IT IS FURTHER CERTIFIED, that no certificate of dissolution has been issued, and
that the corporation is still in existence.

*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 April 14, 1997.*

Antonio O. Garza, Jr.
Secretary of State

DAE

0 0 1 9 4 1 0 3 5 7 2
MANUALLY EXECUTED DOCUMENT

**ARTICLES OF INCORPORATION
OF
TELECOM RESOURCES, INC.**

FILED
In the Office of the
Secretary of State of Texas

JAN 10 1995

Corporations Section

The undersigned incorporator, desiring to form a corporation under the laws and constitution of the state of Texas, does hereby sign and deliver, in duplicate, to the Secretary of State of the state of Texas these Articles of Incorporation for Telecom Resources, Inc. (hereinafter referred to as the "Corporation"):

**ARTICLE I
NAME**

The name of the Corporation shall be: Telecom Resources, Inc.

**ARTICLE II
DURATION**

The period of the Corporation's duration is perpetual.

**ARTICLE III
PURPOSE**

The purpose for which the Corporation is organized is to engage in any lawful business for which corporations may be organized under the Texas Business Corporation Act.

**ARTICLE IV
AUTHORIZED SHARES**

The Corporation shall have the authority to issue 1,000 shares of common stock, par value \$0.001 (the "Common Stock"). Shares of Common Stock may be issued, without shareholder action, from time to time as may be determined by the board of directors.

**ARTICLE V
COMMENCEMENT OF BUSINESS**

The Corporation will not commence business until it has received for the issuance of its shares consideration of the value of One Thousand Dollars (\$1,000.00), consisting of money, labor done, or property actually received.

**ARTICLE VI
NO PRE-EMPTIVE RIGHTS**

No shareholder of the Corporation shall by reason of his holding shares of any class have any pre-emptive or preferential right to purchase or subscribe to any shares of any class of this Corporation, now or hereafter to be authorized, or any notes, debentures, bonds, or other securities convertible into or carrying options or warrants to purchase shares of any class, now or hereafter to be authorized, whether

or not the issuance of any such shares, or such notes, debentures, bonds, or other securities, would adversely affect the dividend or voting rights of such shareholders, other than such rights, if any, as the board of directors in its discretion may fix; and the board of directors may issue shares of any class of this Corporation, or any notes, debentures, bonds, or other securities convertible into or carrying options or warrants to purchase shares of any class, without offering any such shares of any class, either in whole or in part, to the existing shareholders of any class.

ARTICLE VII VOTING

At each election for directors of the Corporation, each shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, only the number of shares owned by him, and no shareholder shall have the right or be permitted to cumulate his votes on any basis, any and all rights of cumulative voting being hereby expressly denied.

ARTICLE VIII SHAREHOLDER ACTION

Any action required by the Texas Business Corporation Act to be taken at any annual or special meeting of shareholders, or any action which may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all shares entitled to vote on the action were present and voted.

ARTICLE IX LIMITATION ON LIABILITY

To the fullest extent permitted by the Texas Business Corporation Act or any other applicable law as now in effect or as it may hereafter be amended, a director of the Corporation shall have no personal liability to the Corporation or its shareholders for monetary damages for any action taken or any failure to take any action as a director.

ARTICLE X INDEMNIFICATION OF OFFICERS, DIRECTORS, AND OTHERS

To the fullest extent permitted by the Texas Revised Business Corporation Act or any other applicable law as now in effect or as it may hereafter be amended, the Corporation shall indemnify directors as set forth in the bylaws. The Corporation may indemnify officers, employees, fiduciaries, and agents to the extent provided for in the bylaws or authorized by the board of directors.

ARTICLE XI REGISTERED OFFICE AND REGISTERED AGENT

The address of the Corporation's registered office and the name of the registered agent at that address in the state of Texas is:

CT Corporation System
350 North St. Paul Street

Dallas, Texas 75201

Either the registered office or the registered agent may be changed in the manner provided for by law.

**ARTICLE XII
INITIAL BOARD OF DIRECTORS**

The number of directors shall, from time to time, be fixed by the bylaws of the Corporation. The number of directors may be increased or decreased from time to time by amendment to the bylaws, but no decrease shall have the effect of shortening the term of any incumbent director. The number of directors constituting the initial board of directors is four, and the names and addresses of the persons who are to serve as the initial directors are:

<u>Name</u>	<u>Address</u>
Richard N. Beckstrand	Independence Square, Washington Building 151 East 5600 South, Suite 300 Murray, Utah 84107
Debbie Sanich	Independence Square, Washington Building 151 East 5600 South, Suite 300 Murray, Utah 84107
Richard E. McFarland	3220 Dalworth Arlington, Texas 76011
Tim Meredith	3220 Dalworth Arlington, Texas 76011

**ARTICLE XIII
INCORPORATOR**

The name and address of the incorporator signing these Articles of Incorporation is as follows:

Richard N. Beckstrand
Independence Square, Washington Building
151 East 5600 South, Suite 300
Murray, Utah 84107

The undersigned affirms and acknowledges, under penalties of perjury, that the foregoing instrument is my act and deed and that the facts stated herein are true.

DATED this 12 day of JAN, 1995.

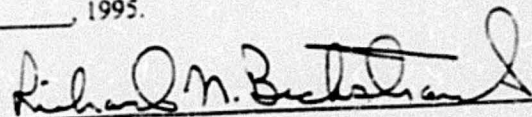

Richard N. Beckstrand

EXHIBIT C - FINANCIAL INFORMATION

TELECOM RESOURCES INC

Consolidating Balance Sheet
December 31, 1997

	TRI	DECI	TRII	Subtotal	Consolidating Entries	Consolidated Total
ASSETS						
Cash	203,740	1,323	103,126	308,190		308,190
Accounts Receivable	496,492	202,433	102	699,027	(384,725)	314,302
Other Current Assets	67,233	32,308	136,208	235,749		235,749
Fixed Assets	575,522	0	0	575,522		575,522
Other Assets	14,701	0	0	14,701	(2,000)	12,701
Total Assets	1,357,688	236,065	239,436	1,833,189	(386,725)	1,446,464
LIABILITIES						
Accounts Payable	369,900	275,397	479,439	1,124,735	(384,725)	740,010
Accrued Liabilities	127,784	22,385	255,462	405,631		405,631
Accrued Taxes	19,258	0	(168,797)	(149,539)		(149,539)
Notes Payable	102,595	0	0	102,595	0	102,595
Total Liabilities	619,537	297,781	566,103	1,483,422	(384,725)	1,098,697
EQUITY						
Common Stock	1,150	1,000	1,000	3,150	(2,000)	1,150
Additional Paid in Capital	999	0	0	999		999
Retained Earnings	1,464,064	0	0	1,464,064		1,464,064
Current Year Net Income	(728,063)	(62,717)	(327,667)	(1,118,446)	0	(1,118,446)
Total Equity	738,150	(61,717)	(326,667)	349,767	(2,000)	347,767
LIABILITIES AND EQUITY	1,357,688	236,065	239,436	1,833,189	(386,725)	1,446,464

TELECOM RESOURCES, INC.
CONSOLIDATED INCOME STATEMENT
FOR YEAR ENDING DECEMBER 31, 1997

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Y-T-D
Revenue	372,186	439,515	610,178	516,400	468,938	203,876	323,698	444,284	241,822	165,716	134,641	597,755	4,519,005
Cost of Sales	187,810	188,230	290,159	231,698	144,656	378,155	193,408	126,689	115,032	112,503	97,024	406,673	2,472,038
Gross Profit	184,376	251,285	320,017	284,702	324,280	(174,279)	130,290	317,595	126,789	53,213	37,618	191,081	2,046,967
Expenses	244,364	285,777	328,066	277,351	1,179,068	314,376	292,607	294,380	304,144	302,761	240,294	283,320	4,346,508
Operating Profit(Loss)	(59,988)	(34,492)	(8,049)	7,351	(854,788)	(488,655)	(162,317)	23,215	(177,354)	(249,548)	(202,676)	(92,238)	(2,299,539)
Other Income/Expense	368,788	187,005	337,978	(15,500)	(260,217)	(9,936)	1,502	(3,602)	1,278	5,160	(2,229)	(5,406)	604,819
Income/(Loss) before Taxes	308,801	152,514	329,927	(8,149)	(1,115,006)	(498,591)	(160,814)	19,613	(176,076)	(244,388)	(204,905)	(97,644)	(1,694,720)
Tax Expense(Benefit)	101,285	49,356	109,338	0	(365,601)	(169,411)	(53,770)	(6,388)	(63,017)	(74,299)	(69,668)	(33,198)	(576,273)
Net income(Loss) after Taxes	207,516	103,158	220,589	(8,149)	(749,405)	(329,180)	(107,044)	26,001	(112,159)	(170,089)	(135,237)	(64,446)	(1,118,446)

EXHIBIT D - PROPOSED TARIFF

TELECOM RESOURCES, INC.

ORIGINAL SHEET 1

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

TITLE SHEET

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by Telecom Resources, Inc. ("TRI"), with principal offices at 1950 Stemmons Freeway, Suite 4033, Dallas, Texas 75207. This tariff applies for services furnished within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

ISSUED: March 31, 1998

EFFECTIVE:

ISSUED BY:

Richard McFarland
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207

TELECOM RESOURCES, INC.

ORIGINAL SHEET 2
SOUTH DAKOTA PUC TARIFF NO. 1
TELECOMMUNICATIONS SERVICES TARIFF

CONCURRING, CONNECTING OR
OTHER PARTICIPATING CARRIERS AND
BILLING AGENTS

1. Concurring Carriers - None
2. Connecting Carriers - None
3. Other Participating Carriers - None
4. Billing Agents - None

ISSUED: March 31, 1998
ISSUED BY:

Richard McFarland
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207

EFFECTIVE:

TELECOM RESOURCES, INC.

ORIGINAL SHEET 3

SOUTH DAKOTA PUC TARIFF NO. 1

TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

Sheets 1 through 28 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 on the bottom of this sheet.

<u>SHEET</u>	<u>REVISION</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
25	Original
26	Original
27	Original
28	Original

* New or Revised Sheet

ISSUED: March 31, 1998

ISSUED BY:

Richard McFarland
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207

EFFECTIVE:

TELECOMMUNICATIONS SERVICES TARIFF

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ISSUED: March 31, 1998
ISSUED BY:

Richard McFarland
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207

EFFECTIVE:

TARIFF FORMAT

A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 12 would be page 11.1.

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

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

- 2.
- 2.1
- 2.1.1
- 2.1.1.A
- 2.1.1.A.1
- 2.1.1.A.1.(a)
- 2.1.1.A.1.(a).I
- 2.1.1.A.1.(a).I.(i)
- 2.1.1.A.1.(a).I.(i).(1)

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

ISSUED: March 31, 1998

ISSUED BY:

Richard McFarland
1950 Stenmons Freeway, Suite 4033
Dallas, Texas 75207

EFFECTIVE:

SYMBOLS

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

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

ISSUED: March 31, 1998
ISSUED BY:

Richard McFarland
1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207

EFFECTIVE:

TELECOMMUNICATIONS SERVICES TARIFFSECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

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

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

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

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

Company or TRI - Used throughout this tariff to mean Telecom Resources, Inc., a Texas Corporation.

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

ISSUED: March 31, 1998

EFFECTIVE:

ISSUED BY:

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TELECOMMUNICATIONS SERVICES TARIFF

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

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

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SECTION 2 - RULES AND REGULATIONS2.1 Undertaking of the Company

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

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

2.2 Use of Services

- 2.2.1 TRI's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of TRI's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.

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

2.3 Liability of the Company

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

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- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.
- 2.3.4 The Company's liability 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 shall not exceed an amount equal to the charges provided for under this tariff for the long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.
- 2.3.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others.
- 2.3.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.

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TELECOMMUNICATIONS SERVICES TARIFF

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

2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by TRI on the Customer's behalf.
- 2.4.3 If required for the provision of TRI's services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to TRI.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to TRI and the Customer when required for TRI personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of TRI's services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of TRI's equipment to be maintained within the range normally provided for the operation of microcomputers.

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

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TELECOMMUNICATIONS SERVICES TARIFF

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

2.5 Cancellation or Interruption of Services

- 2.5.1 Without incurring liability, upon five (5) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, TRI may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:
- 2.5.1.A For nonpayment of any sum due TRI for more than thirty (30) days after issuance of the bill for the amount due,
- 2.5.1.B For violation of any of the provisions of this tariff,
- 2.5.1.C For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over TRI's services, or
- 2.5.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting TRI from furnishing its services.

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

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TELECOMMUNICATIONS SERVICES TARIFF**2.6 Credit Allowance**

- 2.6.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer, are subject to the general liability provisions set forth in 2.3 herein. It shall be the obligation of the Customer to notify the Company immediately 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 his control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's facilities.
- 2.6.2 No credit is allowed in the event that service must be interrupted in order to provide routine service quality or related investigations.
- 2.6.3 Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company or in the event that the Company is entitled to a credit for the failure of the facilities of the Company's Underlying Carrier used to furnish service.
- 2.6.4 Credit for interruption shall commence after the Customer notifies the Company of the interruption or when the Company becomes aware thereof, and ceases when service has been restored.
- 2.6.5 For purposes of credit computation, every month shall be considered to have 720 hours.

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2.6.6 No credit shall be allowed for an interruption of a continuous duration of less than two hours.

2.6.7 The Customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

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

"A" - outage time in hours

"B" - monthly charge for affected activity

2.7 Restoration of Service

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

2.8 Deposit

The Company does not require deposits to commence service.

2.9 Advance Payments

TRI does not require advance payments.

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TELECOMMUNICATIONS SERVICES TARIFF2.10 Payment and Billing

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

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2.11 Collection Costs

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

2.12 Taxes

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

2.13 Late Charge

A late fee of 1% per month or the amount otherwise authorized by law, whichever is lower, will be charged on any past due balances.

2.14 Returned Check Charge

A fee of \$25.00 will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

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

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

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

3.2 Customer Complaints and/or Billing Disputes

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

1950 Stemmons Freeway, Suite 4033
Dallas, Texas 75207
(800) 296-3536

Any objection to billed charges should be reported promptly to TRI. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled.

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

500 East Capitol
Pierre, SD 57501-5070
(605) 773-3201
(800) 332-1782

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

3.3 Level of Service

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

3.4 Billing Entity Conditions

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

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TELECOMMUNICATIONS SERVICES TARIFF**3.5 Service Offerings****3.5.1 1+ Dialing**

The customer utilizes "1+" dialing, or "10XXX" dialing followed by "1 + ten digits" for interLATA calls, or dials "10XXX" followed by "1 + 7 digits" or "1 + 10 digits" for intraLATA calls.

3.5.2 Travel Cards

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

3.5.3 800 Service (Toll-Free)

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

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3.5.4 Directory Assistance.

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

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3.5.5 Specialized Pricing Arrangements.

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

3.5.6 Emergency Call Handling Procedures

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

3.5.7 Promotional Offerings

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

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SECTION 4 - RATES

4.1 1+ Dialing

\$0.089 per minute

A \$3 per month service charge applies.
Calls are billed in one minute increments.

4.2 Travel Cards

\$.200 per minute
Calls are billed in one minute increments.

4.3 Toll Free

\$0.10 per minute

A \$10 per month for commercial customers, and a \$5 per month for residential customers, per number service charge applies.
Calls are billed in one minute increments.

4.4 Directory Assistance

\$.75

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TELECOMMUNICATIONS SERVICES TARIFF**4.5 Returned Check Charge**

\$25.00

4.6 Rate Periods

	Monday - Friday	Sat.	Sun.
8 a.m. to 5 p.m.*	Daytime Rate Period		
5 p.m. to 11 p.m.*	Evening Rate Period		Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend Rate Period		

* To, but not including

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

4.7 Payphone Dial Around Surcharge

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

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6455 E. JONES CROSSING STE. 285
DULUTH, GA 30558

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Pay to the
Order of

South Dakota Wildlife Utilis Comm \$250.00

TWO HUNDRED FIFTY & 00/100 =

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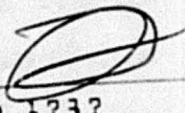
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HARLAND

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (605) 773-3705
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

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

03/27/98 through 04/02/98

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
REQUEST FOR CERTIFICATE OF AUTHORITY			
TC98-065	Application by Telecom Resources, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/KC) Applicant is a reseller which intends to offer 1+ direct dialing, 800 toll free, and travel card service through the resale of telephone services provided by facilities-based interexchange carriers.	03/30/98	04/17/98
TC98-066	Application by Cable & Wireless Global Card Services, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) "Initially, C & W Card Services seeks to offer interexchange service through methods commonly known as prepaid telephone or debit card and postpaid telephone or travel card. Applicant, however, requests general authority to provide a full range of 1+ interexchange services including, inter alia, MTS, WATS, calling card, prepaid calling card and toll free service products."	03/30/98	04/17/98
NONCOMPETITIVE TELECOMMUNICATIONS FILING			
TC98-067	Application by U S WEST Communications, Inc. to correct inconsistent Tariff Information Management code headers and to make other minor text changes in its Exchange and Network Services Tariff and Access Service Tariff. "No terms, conditions or rate changes have occurred in this filing." (Staff: HB/KC)	04/01/98	04/17/98

Important Notice: The Commission is compiling a list of internet addresses. If you have an internet address please notify the Commission by E-mailing it to Terry Norum at: terryn@puc.state.sd.us Faxing the address to the Commission at: 605-773-3809

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

IN THE MATTER OF THE APPLICATION OF)
TELECOM RESOURCES, INC. FOR A)
CERTIFICATE OF AUTHORITY TO PROVIDE)
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA)

ORDER GRANTING
CERTIFICATE OF
AUTHORITY

TC98-065

On March 30, 1998, 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 Telecom Resources, Inc. (TRI).

TRI proposes to offer 1+ direct dialing, 800 toll free, and travel card service through the resale of telephone services provided by facilities-based interexchange carriers. A proposed tariff was filed by TRI. The Commission has classified long distance service as fully competitive.

On April 2, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of April 17, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled May 12, 1998, meeting, the Commission considered TRI's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that TRI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that TRI has met the legal requirements established for the granting of a certificate of authority. TRI 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 TRI's application for a certificate of authority, subject to the condition that TRI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that TRI's application for a certificate of authority is hereby granted, effective May 30, 1998, subject to the condition that TRI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

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

Dated at Pierre, South Dakota, this 18th day of May, 1998.

CERTIFICATE OF SERVICE

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

By Melanie Kaelbo

Date 5/19/98

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

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

IN THE MATTER OF THE APPLICATION OF)
TELECOM RESOURCES, INC. FOR A)
CERTIFICATE OF AUTHORITY TO PROVIDE)
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA)

ORDER GRANTING
CERTIFICATE OF
AUTHORITY

TC98-065

On March 30, 1998, 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 Telecom Resources, Inc. (TRI).

TRI proposes to offer 1+ direct dialing, 800 toll free, and travel card service through the resale of telephone services provided by facilities-based interexchange carriers. A proposed tariff was filed by TRI. The Commission has classified long distance service as fully competitive.

On April 2, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of April 17, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled May 12, 1998, meeting, the Commission considered TRI's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that TRI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that TRI has met the legal requirements established for the granting of a certificate of authority. TRI 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 TRI's application for a certificate of authority, subject to the condition that TRI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

ORDERED, that TRI's application for a certificate of authority is hereby granted, effective May 30, 1998, subject to the condition that TRI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

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

Dated at Pierre, South Dakota, this 18th day of May, 1998.

CERTIFICATE OF SERVICE

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

By Melanie Kaelbo

Date 5/19/98

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted May 12, 1998, effective May 30, 1998
Docket No. TC98-065

This is to certify that

TELECOM RESOURCES, INC.

is authorized to provide telecommunications services in South Dakota.

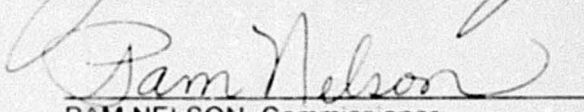
This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24 02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 18th day of May, 1998.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENFELDER, Commissioner