

TC98-197

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November 10, 1998

RECEIVED

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

VIA FEDERAL EXPRESS

William Bullard, Executive Director
South Dakota Public Utilities Commission
State Capitol
500 East Capitol
Pierre, South Dakota 57501

RE: Petition of Internet Telephone Company for Authority to Resell
Telecommunications Services Intrastate

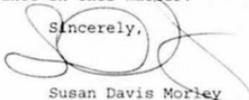
Dear Mr. Bullard:

Enclosed please find the original and ten (10) copies of
Internet Telephone Company's Petition for authority to resell
telecommunications services intrastate, along with the \$250 filing
fee.

Please acknowledge receipt of this transmittal by returning a
date-stamped copy of the enclosed cover letter duplicate in the
return envelope provided for that purpose.

Thank you for your assistance in this matter.

Sincerely,



Susan Davis Morley

Enclosures

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

IN RE: Petition of Internet Telephone) Cause No.
Company for authority to resell)
telecommunications services intrastate)

PETITION

Pursuant to Rule 20:10:24:02 of the Commission's Telecommunications Services Rules, comes now Internet Telephone Company (ITC) and shows:

1. The name, address, and telephone number of the applicant is:

Internet Telephone Company
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867
(714) 245-1616

2. ITC will provide service under its name as listed above.

3. (a) ITC is a Delaware corporation. It was incorporated on May 11, 1998. ITC's authority to operate as a foreign corporation in South Dakota is provided as Exhibit 1.

(b) ITC does not have an office in South Dakota. ITC's registered agent in the State of South Dakota is:

Corporation Services Company
503 South Pierre Street
Pierre, South Dakota 57501

(c) The name and address of any corporation, association, partnership, cooperative or individual holding a twenty percent or greater ownership or management interest in the applicant corporation and the amount and character of the ownership

or management interest:

Dan Fisher - 1100 Shares
Sole Director and Shareholder
Internet Telephone Company (ITC)
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867
(714) 245-1616

(d) ITC does not own or control any subsidiaries.

4. ITC seeks authority to resell interexchange telecommunications services to customers throughout the State of South Dakota. Customers will access the Company's services through 10-XXX and direct dialing. Service is provided twenty-four hours a day, seven days a week. Customer billing is offered on an electronic basis through the Company's World Wide Web site. LEC billing is also available.

5. ITC's network is based on the resale of facilities-based carriers. These carriers route calls through their switched network for ITC, and, are responsible for maintenance and supervision of the network. A software program identifies the calls as ITC's for tracking and billing purposes.

6. ITC intends to provide service throughout the State of South Dakota.

7. A current balance sheet and income statement are provided in Exhibit 2.

8. The terms and conditions of service, as well as all rates and charges are provided in Exhibit 3, the proposed tariff.

01500474

9. Inquiries regarding this application should be directed

to:

Susan Davis Morley
Attorney for Internet Telephone Company
Wiggins & Villacorta, P.A.
2145 Delta Blvd., Suite 200
Post Office Drawer 1657
Tallahassee, Florida 32302
(850) 385-6007

Inquiries regarding the ongoing operations of the Company
should be directed to:

Robert S. Cook
President
Internet Telephone Company
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867
(714) 245-1616
(714) 245-1618 (FAX)

ITC utilizes a software program which identifies calls as
ITC's for tracking and billing purposes. ITC has a customer
service department. This department is reached by dialing ITC's
toll-free number (1-877-999-4482), during normal business hours.
It is ITC's policy to resolve any disputes within one business day.

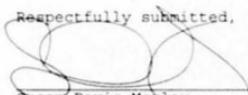
10. ITC has authority to provide its service in Montana, New
Jersey, North Dakota, Oregon, Texas, and Washington. Applications
are pending in Arizona, California, Georgia, Illinois, Kansas,
Kentucky, Louisiana, Massachusetts, Nevada, New Hampshire, New
York, Ohio, Pennsylvania, South Carolina and Tennessee. ITC has
never been denied registration or certification in any state.

11. ITC's service is marketed on the Internet through its World Wide Web site. ITC does not engage in any multilevel marketing.

WHEREFORE, Internet Telephone Company requests that this Commission issue a Certificate of Authority to offer resold telecommunication services throughout the State of South Dakota.

Dated this 10th day of November, 1998.

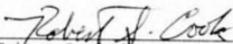
Respectfully submitted,



Susan Davis Morley
Attorney for Internet Telephone
Company
Wiggins & Villacorta, P.A.
2145 Delta Blvd., Suite 200
Post Office Drawer 1657
Tallahassee, Florida 32302
(850) 385-6007

VERIFICATION

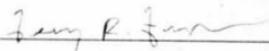
I, Robert S. Cook, first being duly sworn upon oath depose and say that I am President of Internet Telephone Company, a Delaware corporation; and that I have read the above and foregoing petition by me subscribed and know the contents thereof; that said contents are true in substance and in fact, except as to those matters stated upon information and belief, and as to those, I believe same to be true.



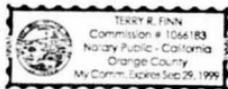
Robert S. Cook
President
Internet Telephone Company

State of California
County of Orange

Subscribed and sworn to before me
this 4th day of October, 1998.



Notary Public, California



7-24-05-10

EXHIBIT 1

00-74-0001-0

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 INTERNET TELEPHONE COMPANY (DE) 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 INTERNET TELEPHONE COMPANY.



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 August 18, 1998.

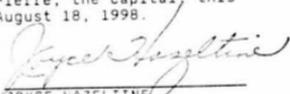

JOYCE HAZELTINE
Secretary of State

EXHIBIT 2

INTERNET TELEPHONE COMPANY
BALANCE SHEET
JUNE 30, 1998

ASSETS

CURRENT ASSETS

CASH IN BANK - FIRST BANK	\$28,286.00	
ADVANCES	<u>1,000.00</u>	
TOTAL CURRENT ASSETS		<u>29,286.00</u>
TOTAL ASSETS		<u>\$29,286.00</u>

INTERNET TELEPHONE COMPANY
BALANCE SHEET
JUNE 30, 1998

LIABILITIES AND EQUITY

LONG-TERM LIABILITIES

LOANS PAYABLE	<u>\$55,000.00</u>	
TOTAL LONG-TERM LIABILITIES		<u>55,000.00</u>
TOTAL LIABILITIES		<u>55,000.00</u>

STOCKHOLDERS EQUITY

COMMON STOCK	1,000.00	
RETAINED EARNINGS - PRIOR	.00	
RETAINED EARNINGS - CURRENT YEAR	<u>(26,714.00)</u>	
TOTAL STOCKHOLDERS EQUITY		<u>(25,714.00)</u>
TOTAL LIABILITIES AND EQUITY		<u>\$29,286.00</u>

015500.47.111

INTERNET TELEPHONE COMPANY
 INCOME STATEMENT
 FOR THE PERIOD THAT ENDED JUNE 30, 1998

	+---PERIOD TO DATE---+		+---YEAR TO DATE---+	
	ACTUAL	PERCENT	ACTUAL	PERCENT
GROSS PROFIT	<u>&.00</u>	<u>.0%</u>	<u>.00</u>	<u>.0</u>
GENERAL & ADMIN EXPENSE				
LEGAL & ACCOUNTING	(12,371.00)	.0	(26,714.00)	.0
TOTAL GENERAL & ADMIN EXPENSE	(12,371.00)	.0	(26,714.00)	.0
NET INCOME FROM OPERATIONS	(12,371.00)	.0	(26,714.00)	.0
EARNINGS BEFORE INCOME TAX	(12,371.00)	.0	(26,714.00)	.0
NET INCOME (LOSS)	<u>(12,371.00)</u>	<u>.0%</u>	<u>(26,714.00)</u>	<u>.0</u>

0155004713

EXHIBIT 3

INTERNET TELEPHONE COMPANY

Tariff SDPUC No. 1
Original Sheet 1

TITLE SHEET

INTERNET TELEPHONE COMPANY

RESALE COMMON CARRIER SERVICE

This tariff contains the regulations and rates applicable to the furnishing of intrastate resale common carrier communications service by Internet Telephone Company ("ITC"), a corporation ("Carrier") between various locations within the State of South Dakota.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

CHECK SHEET

Sheets 1 through 18, 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 page.

SHEET	REVISION
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

*Indicates new or revised sheet included in this filing.

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CONCURRING CARRIERS

NONE

CONNECTING CARRIERS

NONE

OTHER PARTICIPATING CARRIERS

NONE

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SYMBOLS

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

- C - To signify the changed conditions or regulation.
 - D - Delete or discontinue.
 - I - Change Resulting in an increase to a customer's bill.
 - K - To signify that material has been transferred to another sheet or place in the tariff.
 - M - Moved from another tariff location.
 - N - New.
 - O - To signify no change*
 - R - Change resulting in a reduction to a customer's bill.
 - T - Change in text or regulation.
- * The use of the symbol "O" shall be discretionary unless its use in the interest of clarity is evident or specifically requested by the Commission.

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TARIFF FORMAT

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. From time to time new sheets may be added to the tariff. When a new page is added between existing pages a decimal is added to the preceding page number. For example, a new sheet added between sheets 14 and 15 would be 14.1.

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 SDPUC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the SDPUC follows in its tariff approval process, the most current sheet number on file with the Commission is not always the tariff in effect. Consult the Check Sheet for the sheet 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.(1).
- 2.1.1.A.1.(a).I.(1).(1).

D. Check Sheets - When a tariff filing is made with the SDPUC, 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 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. remain the same, just revised revision levels on 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 SDPUC.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to an Internet Telephone Company switching center or point of presence.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Carrier's service.

Carrier or Company - Whenever used in this tariff, "Carrier," "Company," or "ITC" refers to Internet Telephone Company unless otherwise specified or clearly indicated by the context.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for payment of charges and compliance with the Company's tariff.

Carrier or Company - Whenever used in this tariff, "Carrier," "Company," or "ITC" refers to Internet Telephone Company unless otherwise specified or clearly indicated by the context.

Commission - The South Dakota Public Utilities Commission.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for payment of charges and compliance with the Company's tariff.

Dedicated Access Origination - Where originating access between the Customer and the interexchange carrier is provided on dedicated circuits.

ITC - Used throughout this tariff to mean Internet Telephone Company unless clearly indicated otherwise by the text.

LEC - Local Exchange Company.

SDPUC - South Dakota Public Utilities Commission.

Switched Access Origination - Where originating access between the customer and the interexchange carrier is provided on local exchange company Feature Group circuits.

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SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of Internet Telephone Company**

ITC's services and facilities are furnished for intraLATA and interLATA communications originating at specified points within the State of South Dakota under terms of this tariff.

ITC installs, operates, and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff. ITC may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities as required in the Commission's rules and orders, when authorized by the Customer, to allow connection of a Customer's location to the ITC network. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise indicated, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2 ITC reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4 No assignment or transfer of the Company's service is permitted.

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Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

- 2.4.1 ITC's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, tradename, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of

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Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.**2.4 Liabilities of Company, cont.**

2.4.3 (continued)

the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.

2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

2.4.6 The Company shall not be liable for any claim, loss or refund as a result of loss or theft of Personal Identification Numbers issued for use with the Company's services.

2.5 Deposits

The Company does not require a deposit from the Customer.

2.6 Advance Payments

For Customers from whom the Company feels an advance payment is necessary, ITC reserves the right to collect an amount not to exceed two (2) months' estimated charges as an advance payment for service. This will be applied against the next one or two months' charges and a new advance payment may be collected for the next one or two month period.

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SECTION 2 - RULES AND REGULATIONS, CONT.**2.7 Taxes and Regulatory Charges**

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

2.8 Terminal Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX, key systems or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.9 Installation

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this tariff.

2.10 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls by the Company. This includes payment for all calls or services originating from the Customer's number(s), as well as calls placed using the Company's prepaid accounts and appropriate PINs from any location, by any party. The Customer is responsible for all prepaid calls placed by any party as a result of Customer's intentional or negligent disclosure of his or her PIN.

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Irvine, California 92604-1867

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83.

SECTION 2 - RULES AND REGULATIONS, CONT.

2.10 Payment for Service, cont.

All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Terms of payment shall be according to the rules and regulations of the Company, the billing agent and the SDPUC. Any objections to billed charges or depletion of prepaid calling accounts must be reported to the Company or its billing agent within sixty days following the billing date or depletion of the prepaid account balance. Adjustments to Customer's bills or prepaid calling balances shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate. Customers may contact the Company at 14252 Culver Drive, Suite A-530, Irvine, California 92604-1867, telephone number (714) 245-1616.

All charges to commercial credit cards, including prepaid calling renewals, are subject to the terms and conditions of the issuing commercial credit card company and those of the Company's credit card processing agent.

2.11 Cancellation by Customer

Subscriber may cancel service by providing 30 days' notice to the Company.

2.12 Interconnection

Service furnished by ITC may be connected with the services or facilities of other carriers or enhanced service providers. The Customer is responsible for all charges billed by these entities for use in connection with ITC's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the Customer.

Issued: November 10, 1998

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by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

8
1-550
4
N.N.

SECTION 2 - RULES AND REGULATIONS, CONT.

2.13 Refusal or Discontinuance by Company

ITC may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given seven days written notice to comply with any rule or remedy any deficiency:

- 2.13.1 For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- 2.13.2 For use of telephone service for any other property or purpose than that described in the application.
- 2.13.3 For neglect or refusal to provide reasonable access to ITC or its agents for the purpose of inspection and maintenance of equipment owned by ITC or its agents.
- 2.13.4 For noncompliance with or violation of Commission regulation or ITC's rules and regulations on file with the Commission, provided five days written notice is given before termination.
- 2.13.5 For nonpayment of bills, provided that suspension or termination of service shall not be made without five days written notice to the Customer, except in extreme cases.
- 2.13.6 Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect ITC's equipment or service to others.
- 2.13.7 Without notice in the event of tampering with the equipment or services owned by ITC or its agents.
- 2.13.8 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, ITC may, before restoring service, require the Customer

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SECTION 2 - RULES AND REGULATIONS, CONT.**2.13 Refusal or Discontinuance by Company, cont.**

- 2.13.8 (continued)
to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- 2.13.9 Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Carrier from furnishing such services.
- 2.13.10 For extended periods of inactivity.
- 2.13.11 With live or automated verbal notification when the available prepaid calling balance is depleted to a level insufficient to place a one-minute call to the location of least cost.

2.14 Interruption of Service

Credit allowances for interruptions of service which are not due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Carrier's terminal. Interruptions caused by Customer-provided or Carrier-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via local exchange company access.

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SECTION 2 - RULES AND REGULATIONS, CONT.**2.15 Restoration of Service**

The use and restoration of service shall be in accordance with the rules and regulations of the Commission.

2.16 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Carrier shall be made available to the Carrier for tests and adjustments as may be deemed necessary by the Carrier for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.17 Tests, Pilots, Promotional Campaigns and Contests

The Carrier may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Carrier may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by the Carrier. From time to time, the Company may waive all processing fees for a Customer.

2.18 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of Carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.19 Late Fee

A late fee of 1.5% monthly may be charged on any past due balances beginning 30 days from the date of the bill.

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015004.74.92

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

- 3.1.1 Long distance usage charges are based on the actual usage of ITC's network. The Company will determine that a call has been established when the called party's station answers. When the station answers is determined by hardware answer supervision, through which the local telephone company sends a signal to indicate an answer. A call is terminated when either party hangs up.
- 3.1.2 Minimum billed call duration and billing increments differ from product to product. Product specific information is included in Section 4 of the Rate Schedules.
- 3.1.3 Usage is measured and rounded to the next higher billing increment for billing purposes.
- 3.1.4 There is no billing applied for incomplete calls.

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by: Robert S. Cook, President
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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.2 ITC Long Distance Services**

ITC's Long Distance service is a resold switched outbound long distance service accessed by the Customer through 10-XXX access or direct 1+ dialing. Calls are billed in one minute increments, with a one minute minimum call duration. Rates are not time of day or mileage sensitive. Service is offered in conjunction with interstate and international long distance service.

Billing information for ITC's long distance service is transmitted to customers on an electronic basis, through the Company's World Wide Web home page. Internet billing information is available twenty-four hours a day, seven days a week, and is updated on an expedited basis. Customers access their confidential account information by entering a proprietary identification number (PIN).

Customer payments (cash, check, credit card) will be forwarded directly to the Company. Prepaid calling and automatic credit card billing is also available.

LEC billing is also offered. Where LEC billing is selected, a monthly recurring charge per BTN will apply.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 4 - RATES

4.1 General

Each Customer is charged individually for each call placed through the Carrier. Rates vary with call duration.

Customers are billed based on their use of ITC's long distance service. Monthly recurring charges may also apply.

4.2 ITC Long Distance

Each Minute: \$0.10

Monthly Recurring Charge (LEC billing only): \$5.00 per BTN.

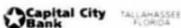
Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

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WIGGINS & VILLACORTA, P.A.
POST OFFICE DRAWER 1657
TALLAHASSEE, FL 32302-1657
PHONE (850) 389-6007



63-68-831

TALLAHASSEE
FLORIDA

09777

11/10/98

PAY TO THE ORDER OF Public Utilities Commission

\$ **250.00

Two Hundred Fifty and 00/100***** DOLLARS

Public Utilities Commission

MEMO ITC/162 - South Dakota

⑈009777⑈ ⑆063⑆00688⑆ 02⑆80388⑆0⑆

WIGGINS & VILLACORTA, P.A.
TALLAHASSEE, FL 32302
Public Utilities Commission

ITC/162 - South Dakota

11/10/98

09777

250.00

TC98-197

Cash - Checking CCB ITC/162 - South Dakota

250.00

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of November 6, 1998 through November 12, 1998

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing.
Phone: 605-773-3705 Fax: 605-773-3809

TELECOMMUNICATIONS

TC98-197 - In the Matter of the Application of Internet Telephone Company for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Application by Internet Telephone Company for a Certificate of Authority to provide intrastate switched outbound interexchange telecommunications service within the State of South Dakota.

Staff Attorney: Karen Cremer
Staff Analyst: Dave Jacobson
Date Filed: 11/12/98
Intervention Deadline: 11/27/98

You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe to the PUC mailing list at <http://www.state.sd.us/puc/>

401-74-05118

TC 98-197

WIGGINS & VILLACORTA, P.A.
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TELEPHONE (850) 385-6007
FACSIMILE (850) 385-6008
INTERNET: wiggiv@hattaly.com

RECEIVED

APR 21 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

April 20, 1999

VIA FEDERAL EXPRESS

William Bullard, Executive Director
South Dakota Public Utilities Commission
State Capitol
500 East Capitol
Pierre, South Dakota 57501

RE: Petition of Internet Telephone Company for Authority to Resell Telecommunications
Services Intrastate

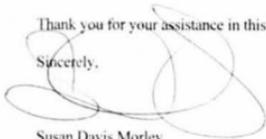
Dear Mr. Bullard:

Pursuant to the staff's instructions, enclosed for filing are the original and ten (10) copies of
Internet Telephone Company's replacement tariff pages. The Customer Complaint section has been
added and affected sections and pages have been renumbered.

Please acknowledge receipt of this transmittal by returning a date-stamped copy of the enclosed
cover letter duplicate in the return envelope provided for that purpose.

Thank you for your assistance in this matter.

Sincerely,



Susan Davis Morley

SDM:keh

Enclosures

01550004474.50

CHECK SHEET

Sheets 1 through 19, 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 page.

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15	Original
16	Original
17	Original
18	Original
19	Original

*Indicates new or revised sheet included in this filing.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

01500476

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Section 2 - Rules and Regulations 8
Section 3 - Description of Service 17
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Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.**2.15 Restoration of Service**

The use and restoration of service shall be in accordance with the rules and regulations of the Commission.

2.16 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Carrier shall be made available to the Carrier for tests and adjustments as may be deemed necessary by the Carrier for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.17 Tests, Pilots, Promotional Campaigns and Contests

The Carrier may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Carrier may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by the Carrier. From time to time, the Company may waive all processing fees for a Customer.

2.18 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of Carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.19 Customer Complaint Actions

Notwithstanding any other provision of this tariff and pursuant to S.D. Codified Laws § 49-13-1 and 4-13-1.1, any person claiming to be damaged by Carrier may either make complaint to the Commission or may bring suit on his own behalf for the recovery of damages in any court of competent jurisdiction in

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

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INTERNET TELEPHONE COMPANY

Tariff SDPUC No. 1
Original Sheet 16

SECTION 2 - RULES AND REGULATIONS, CONT.

2.19 Customer Complaint Actions, cont.

South Dakota, but no person may pursue both remedies at the same time.

2.20 Late Fee

A late fee of 1.5% monthly may be charged on any past due balances beginning 30 days from the date of the bill.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

015804739

SECTION 3 - DESCRIPTION OF SERVICE

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- 3.1.1 Long distance usage charges are based on the actual usage of ITC's network. The Company will determine that a call has been established when the called party's station answers. When the station answers is determined by hardware answer supervision, through which the local telephone company sends a signal to indicate an answer. A call is terminated when either party hangs up.
- 3.1.2 Minimum billed call duration and billing increments differ from product to product. Product specific information is included in Section 4 of the Rate Schedules.
- 3.1.3 Usage is measured and rounded to the next higher billing increment for billing purposes.
- 3.1.4 There is no billing applied for incomplete calls.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.2 ITC Long Distance Services**

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14252 Culver Drive, Suite A-530
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2145 DELTA BOULEVARD, SUITE 200
TALLAHASSEE, FLORIDA 32303

TELEPHONE (850) 385-6007
FACSIMILE (850) 385-6008
INTERNET: wiggvill@netally.com

May 7, 1999

RECEIVED

MAY 10 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

VIA FEDERAL EXPRESS

South Dakota Public Utilities Commission
Attn: Dave Jacobson
State Capitol
500 East Capitol
Pierre, South Dakota 57501

RE: Petition of Internet Telephone Company for Authority to Resell Telecommunications
Services Intrastate

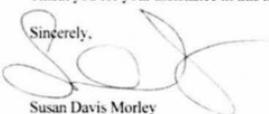
Dear Mr. Jacobson:

Pursuant to staff request, enclosed for filing are the original and ten (10) copies of Internet Telephone Company's replacement tariff pages. All references to prepaid accounts have been deleted. Sections 2.6 and 2.13.11 have been deleted. Language has been added to Section 2.16 stating that promotions will be filed with the Commission. Affected sections and pages have been renumbered. In addition, the Customer Complaint Action Section requested by the staff has been relocated to Section 2.4.1. This filing should supercede the previous tariff replacement pages submitted on April 20, 1999.

Please acknowledge receipt of this transmittal by returning a date-stamped copy of the enclosed cover letter duplicate in the return envelope provided for that purpose.

Thank you for your assistance in this matter.

Sincerely,



Susan Davis Morley

Enclosures

cc: Karen Cremer

CHECK SHEET

Sheets 1 through 19, 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 page.

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by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

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Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

- 2.4.1 ITC's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, shall be determined in accordance with SDCL 49-13-1 and 49-13-1.1 and any other applicable law.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, tradename, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.

2.4 Liabilities of Company, cont.

2.4.3 (continued)

the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.

2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

2.5 Deposits

The Company does not require a deposit from the Customer.

Issued: November 10, 1998

Effective:

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14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.**2.6 Taxes and Regulatory Charges**

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

2.7 Terminal Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX, key systems or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.8 Installation

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this tariff.

2.9 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls by the Company. This includes payment for all calls or services originating from the Customer's number(s).

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.**2.9 Payment for Service, cont.**

All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Terms of payment shall be according to the rules and regulations of the Company, the billing agent and the SDPUC. Any objections to billed charges must be reported to the Company or its billing agent within sixty days following the billing date. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such charges are appropriate. Customers may contact the Company at 14252 Culver Drive, Suite A-530; Irvine, California 92604-1867, telephone number (714) 245-1616.

All charges to commercial credit cards are subject to the terms and conditions of the issuing commercial credit card company and those of the Company's credit card processing agent.

2.10 Cancellation by Customer

Subscriber may cancel service by providing 30 days' notice to the Company.

2.11 Interconnection

Service furnished by ITC may be connected with the services or facilities of other carriers or enhanced service providers. The Customer is responsible for all charges billed by these entities for use in connection with ITC's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the Customer.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.

2.12 Refusal or Discontinuance by Company

ITC may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given seven days written notice to comply with any rule or remedy any deficiency:

- 2.12.1 For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- 2.12.2 For use of telephone service for any other property or purpose than that described in the application.
- 2.12.3 For neglect or refusal to provide reasonable access to ITC or its agents for the purpose of inspection and maintenance of equipment owned by ITC or its agents.
- 2.12.4 For noncompliance with or violation of Commission regulation or ITC's rules and regulations on file with the Commission, provided five days written notice is given before termination.
- 2.12.5 For nonpayment of bills, provided that suspension or termination of service shall not be made without five days written notice to the Customer, except in extreme cases.
- 2.12.6 Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect ITC's equipment or service to others.
- 2.12.7 Without notice in the event of tampering with the equipment or services owned by ITC or its agents.
- 2.12.8 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, ITC may, before restoring service, require the Customer

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.**2.12 Refusal or Discontinuance by Company, cont.**

2.12.8 (continued)

to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

2.12.9 Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Carrier from furnishing such services.

2.12.10 For extended periods of inactivity.

2.13 Interruption of Service

Credit allowances for interruptions of service which are not due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Carrier's terminal. Interruptions caused by Customer-provided or Carrier-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via local exchange company access.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

SECTION 2 - RULES AND REGULATIONS, CONT.**2.14 Restoration of Service**

The use and restoration of service shall be in accordance with the rules and regulations of the Commission.

2.15 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Carrier shall be made available to the Carrier for tests and adjustments as may be deemed necessary by the Carrier for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.16 Tests, Pilots, Promotional Campaigns and Contests

The Carrier may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Carrier may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by the Carrier. From time to time, the Company may waive all processing fees for a Customer. Such promotions will be filed with the South Dakota Commission.

2.17 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of Carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.18 Customer Complaint Actions

Notwithstanding any other provision of this tariff and pursuant to S.D. Codified Laws § § 49-13-1 and 4-13-1.1, any person claiming to be damaged by Carrier may either make complaint to the Commission or may bring suit on his own behalf for the recovery of damages in any court of competent jurisdiction in

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SECTION 2 - RULES AND REGULATIONS, CONT.

2.18 Customer Complaint Actions, cont.

South Dakota, but no person may pursue both remedies at the same time.

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A late fee of 1.5% monthly may be charged on any past due balances beginning 30 days from the date of the bill.

Issued: November 10, 1998

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14252 Culver Drive, Suite A-530
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SECTION 3 - DESCRIPTION OF SERVICE**3.1 Timing of Calls**

- 3.1.1 Long distance usage charges are based on the actual usage of ITC's network. The Company will determine that a call has been established when the called party's station answers. When the station answers is determined by hardware answer supervision, through which the local telephone company sends a signal to indicate an answer. A call is terminated when either party hangs up.
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SECTION 4 - RATES

4.1 General

Each Customer is charged individually for each call placed through the Carrier. Rates vary with call duration.

Customers are billed based on their use of ITC's long distance service. Monthly recurring charges may also apply.

4.2 ITC Long Distance

Each Minute: \$0.10
Monthly Recurring Charge (LEC billing only): \$5.00 per BTN.

Issued: November 10, 1998

Effective:

by: Robert S. Cook, President
14252 Culver Drive, Suite A-530
Irvine, California 92604-1867

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF)
INTERNET TELEPHONE COMPANY FOR A)
CERTIFICATE OF AUTHORITY TO PROVIDE)
TELECOMMUNICATIONS SERVICES IN)
SOUTH DAKOTA)

ORDER GRANTING
CERTIFICATE OF
AUTHORITY

TC98-197

On November 12, 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 Internet Telephone Company (ITC).

ITC seeks authority to resell interexchange telecommunications services to customers throughout the state of South Dakota. A proposed tariff was filed by ITC. The Commission has classified long distance service as fully competitive.

On November 12, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of November 27, 1998, to interested individuals and entities. No petitions to intervene or comments were filed and at its May 12, 1999, meeting, the Commission considered ITC's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that ITC 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 ITC has met the legal requirements established for the granting of a certificate of authority. ITC 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 ITC's application for a certificate of authority, subject to the condition that ITC 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 ITC's application for a certificate of authority is hereby granted, subject to the condition that ITC not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. It is

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

Dated at Pierre, South Dakota, this 18th day of May, 1999.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By	<u>William Kach</u>
Date	<u>5/18/99</u>
(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, 1999
Docket No. TC98-197

This is to certify that

INTERNET TELEPHONE COMPANY

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 12th day of May, 1999.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Laska Schoenfelder

LASKA SCHOENFELDER, Commissioner