#### RECEIVED

MAR 2 2 1999

SOUTH DAKOTA PUBLIC



returned check

March 19, 1999

William Bullard, Executive Director Public Utilities Commission 500 E Capitol Pierre, SD 57501

Dear Mr. Bullard:

Enclosed herein, on behalf of CCCSD, Inc. d/b/a Connect!, is the original and ten copies of an application for a Certificate of Public Convenience and Necessity to offer local exchange service. Also enclosed is a check in the amount of \$250.00 as a filing fee.

I have enclosed an extra copy of the application along with a self-addressed envelope, which I would appreciate your stamping with the file date and returning to me.

If any questions arise concerning this application, please contact Beth Montgomery at 501-401-7717.

Sincerely,

Ted L. Snider, Jr.

Chief Executive Officer

124 WEST CAPITOL AVENUE, SUITE 250, LITTLE ROCK, ARKANSAS 72201 TEL 501.401.7700 FAX 501.401.7625

#### STATE OF SOUTH DAKOTA SOUTH DAKOTA PUBLIC UTILITIES COMMISSION PIERRE

In the Matter of	)	RECEIVED
CCCSD, INC. d/b/a Connect!	)	MAR 2 2 1999
	)	SOUTH DAKOTA PUBLIC
Application for a Certificate of Authority	)	UTILITIES COMMISSION
to Provide Local Exchange and	)	
Exchange Access Service as a Public Utility	)	

CCCSD, Inc. d/b/a Connect! (Connect!) hereby petitions the Commission for grant of a Certificate of Authority to Provide Local Exchange Service as a Public Utility. In support of its Application, CCCSD, Inc. submits the following information.

Name of Applicant, Corporate Headquarters, and Principal Corporate Officers
 The name of the Applicant is CCCSD, Inc. d/b/a Connect!. Connect! is a corporation organized and existing under the laws of the State of South Dakota. The Principal address of Connect!'s corporate headquarters is:

Connect!
One Telecom Plaza
124 W. Capitol Ave. Ste. 250
Little Rock, AR 72201
Telephone: (501) 401-7700
Facsimile: (501) 401-7799
E-mail: dsnider@mail.snider.net

The name(s) of the Principal Corporate Officers are:

Ted L. Snider, Jr.
Chief Executive Officer
CCCSD, Inc.
One Telecom Plaza
124 W. Capitol Ave. Ste. 250
Little Rock, AR 72201

Telephone: (501) 401-7901 Facsimile: (501) 401-7799

- The name CCCSD, Inc. will be doing business as in South Dakota as Connect!.
- 4. Connect! has no offices located in South Dakota. The corporate address and person who will be responsible for South Dakota operations is:

Bill Jester, Director of Operations Connect! One Telecom Plaza 124 W. Capitol Ave. Ste. 250 Little Rock, AR 72201 Telephone: (501) 401-7770 Facsimile: (501) 401-7799

The name and address of CCCSD, Inc.'s registered age at for service of process in the State of South Dakota is:

CT Corporation System 319 South Cotaue Street Pierre, South Dakota 57501

The principal shareholder of CCCSD, Inc. is Ted L. Snider, Jr.. CCCSD, Inc. was incorporated in the State of South Dakota October 5, 1998. Attached hereto as Exhibit A is a copy of CCCSD, Inc.'s Articles of Incorporation.

#### CCCSD,Inc.'s Telecommunications Experience

CCCSD, Inc. is a wholly owned subsidiary of Connect Holdings Corporation (CHC). CHC does not operate in any jurisdiction and has no independent source of income. CHC has the same ownership and management as Connect Communications Company (CCC). CCC has a contract to serve several multi-state business accounts with extensive telecommunications requirements. CCC intends to implement its contract through the affiliate subsidiaries, such as CCCSD, Inc. in each state. CCC is funding the start up operations and providing management expertise to CCCSD, Inc. until such time

Connect! seeks authority to provide local exchange service to subscribers to and from all points in South Dakota and, therefore, seeks statewide authorization.

Consequently, Connect! requests waiver of the requirement to file a map of Connect!'s exchange service area as required by the Commission.

#### Key Technicai Personnel

Attached hereto as Exhibit B are professional biographies of Connect!'s key technical personnel. Connect! does believe that the abilities of key personnel will provide extensive experience and enable Connect! to provide high quality service to its customers.

#### Provisions to Customers for Emergency Services

Connect! will be purchasing unbundled network services from the incumbent service providers that will enable Connect!'s customers to have access to all emergency services.

#### 11. Financial Balance Sheets for Connect!

Because Connect! is a start-up company that has not previously done business in the State of South Dakota or in any other State, the financial data asked for in the application are not available. If the Commission needs proof of financial stability, Connect! can provide projected financial data as well as any other information the Commission deems necessary.

#### Interconnections

Connect! has plans to interconnect with U S West initially and anticipates interconnecting with GTE and other major CLECs as needed to provide service within South Dakota. Connect! has signed an interconnection agreement with U S West as of

December 23, 1998. We will request interconnection agreements with major CLECs in the future as needed. Connect! plans to initiate interconnecting with U S West within the First Quarter of 2000. At this time, there are no plans to initiate interconnection with other CLECs.

#### Tariff/Price List for Connect!

Attached as Exhibit C is a copy of the Tariff to be filed for Connect!

#### Rate's Cost Support

Cost support for rates shown in the tariff is found to be Not Applicable for Connect!

#### 15. Marketing Strategy, Target Markets, and Marketing Brochures

Connect! will market its local exchange service through a small, companyemployed, central sales group. We will target customers who can benefit from the
pricing made possible by our business model that emphasizes cost efficiencies,
employment of radically innovative technology, and a high level of personal service. We
will not use any type of multilevel marketing. As we are not doing business presently in
South Dakota, there are no company sales or service brochures available.

#### 16. Service Area of a Rural Telephone Company

Connect! does not intend to provide service within an area that is serviced by a rural telephone company.

#### 17. States Connect! is Registered or Certified to Provide Telecommunications Service

Connect! has been certified within the State of South Dakota and has no plans to register the company in any other State. Connect! has never been denied certification from any other state. Connect! is in good standing with the Commission

in South Dakota.

#### 18. Representative for CCCSD, Inc. Regarding Customer Complaints

All complaints or questions concerning regulatory matters should be addressed to:

V. Ed Moore, Director of Regulatory Affairs 124 W Capitol Ave Suite 250 Little Rock, AR 72201 Telephone: (501) 401-7700

Facsimile: (501) 401-7799

E-mail address: emoore@cnct.net

#### Billing and Collecting Charges from Customers

CCCSD, Inc. will send monthly bills to customers detailing their usage in keeping with the existing written agreement with each customer. All bills will be due monthly and any collection efforts necessary will be handled by the company's accounts receivable department.

#### Solicitation of New Customers

All solicitation of customers will be handled by Connect!'s own central sales group. Each employee of the sales group is and will be a "stake holder" in the company, thus receiving thorough training and understanding the strong ethical foundation embraced by the company. Further, each new customer will receive verification by a company supervisor prior to switching over to the company's service.

#### Complaints Received Concerning CCCSD, Inc. Services

Because Connect! is not operational at this time, there have been no complaints filed with any State Commission.

#### 22. Written Request for Waiver of Inapplicable Rules

Connect! respectfully requests waiver of any inapplicable rules pertaining to Application for Certificate of Public Convenience and Necessity submitted by Applicant. WHEREFORE, CCCSD, Inc. d/b/a Connect! respectfully requests that the Commission issue it a Certificate of Public Convenience and Necessity authorizing it to provide local exchange and exchange access telecommunications services in South Dakota.

March 19, 1999

Respectfully submitted,

CCCSD, Inc. d/b/a Connect!

Ted L. Snider, Jr. Chief Executive Officer I, Ted L. Snider, Jr., being duly sworn, state that I am Chief Executive Officer of CCCSD, Inc. d/b/a Connect! and that I have reviewed the foregoing Application for a Certificate of Public Convenience and Necessity to Provide Local Exchange Service as a Public Utility and that the contents thereof are true and correct to the best of my knowledge, information, and belief.

Ted L. Snider, Jr. Chief Executive Officer

Subscribed and sworn to before me This 19th day of March, 99.

Notary Public

My commission expires:

1/20/2008

" NOTARY SEAL "
Cyvithia S. Lee, Notary Public
Faulkner County, State of Arkansas
My Commission Expires 1/20/2008

#### EXHIBIT A

## ARTICLES OF INCORPORATION CCCSD d/b/a CONNECT!

## Secretary of State

State Capitol, Ste 204 500 East Capitol Avenue Pierre, South Dakota 57501-5070 sdsos@sos.state.sd.us



JOYCE HAZELTINE

Secretary of State

TOM LECKEY Deputy

FROM:

Joyce Hazeltine, Secretary of State

Corporation

RE:

DOMESTIC BUSINESS ARTICLES OF INCORPORATION

The articles of incorporation have been received and filed on behalf of the enclosed named corporation.

Enclosed is the Certificate attached to the duplicate articles along with a receipt for the filing fee.

SD law requires the filing of a corporate annual report with our office between the anniversary date of qualification and prior to the first day of the second month following. The report is due the year following qualification. An annual report form will be mailed to the registered agent/address listed in the articles for timely filing. Please contact our office if the address changes or if the form is not received.

Thank you.

### State of South Bakota

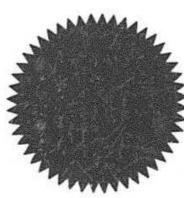


#### OFFICE OF THE SECRETARY OF STATE

## CERTIFICATE OF INCORPORATION BUSINESS CORPORATION

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Articles of Incorporation of CCCSD, INC. duly signed and verified, pursuant to the provisions of the South Dakota Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Incorporation and attach hereto a duplicate of the Articles of Incorporation.



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 October 5, 1998.

GOYCE HAZELTINE Secretary of State

#### SOUTH DAKOTA SECRETARY OF STATE

OFFICIAL RECEIPT

NI MBER 740789

FORM OF PAYMENT CHECK CHICK NBR 1410366.03

DATE 10/05/1998 AMOUNT \$ 90.00 BY STREWAR

CT CORPORATION SYSTEM 120 SOUTH CENTRAL AVE CLAYTON MO 63105-\_

THIS RECEIPT IS IN REFERENCE TO: CCCSD, INC.

TRANSACTION DESCRIPTION

AMOUNT.

ARTICLES OF INCORPORATION..... \$ 90.00

## SUMMARY OF QUALIFICATIONS OF KEY PERSONNEL OF CONNECT COMMUNICATIONS CORPORATION, MANAGER OF CCCSD, INC. d/b/a CONNECT!

#### CONNECT COMMUNICATIONS CORPORATION MANAGEMENT PROFILES

#### TED L. SNIDER, Jr. - CHIEF EXECUTIVE OFFICER, SOLE STOCKHOLDER AND CHAIRMAN

Mr. Snider has fifteen years of management experience, mostly in telecommunications. While building a company (sold in 1997) that operated radio stations, he also developed Snider Communications Corporation from a start-up to a company which serves over 10,000 customers with state-of-the-art technology and the largest paging system in Arkansas.

He received a Bachelor of Science degree in Systems Engineering from the U.S. Naval Academy as well as a Master of Business Administration degree from UCLA.

#### R D SAENZ - CHIEF FINANCIAL OFFICER

Mr. Saenz has twenty-five years of business experier to consisting of eleven years with Price Waterhouse, eight years as a senior financ al officer (for a regional retail chain and for a company serving the telecommunications industry), three years in senior management positions with a financial services firm, and several years of independent business consulting.

He received a bachelor's degree in accounting, with honors, from the University of West Florida. Professional certifications include Certified Public Accountant and Certified Fraud Examiner.

#### BILL JESTER - DIRECTOR OF OPERATIONS

Mr. Jester has twenty years experience in the business sector, with an emphasis on Business Development and Marketing/Sales. He spent eleven years as president for two companies and has nine years experience in management. He also served 42 years in the U.S. Army and retired as a Major General.

He holds a Bachelor of Science in Business Administration, along with a MBA in management and finance from the University of Arkansas.

#### RICHARD SPAVINS - DIRECTOR OF NETWORK ENGINEERING

Mr. Spavins has worked in the telecommunications field for the last 34 years. He has extensive experience in installation of office and plant PBX systems, cable networks, and installation of Powertel switches. Mr. Spavins was employed at

APCo for fifteen years, American Mobilphone for thirteen years, Metrex Communications Group for three years, and Powertel for two years. He is in charge of installation as well as maintenance of the Harris switches nation-wide.

He was granted a bachelor's degree in Electrical Engineering from Auburn University March 1971. He is a registered Professional Engineer in the States of Alabama and Louisiana with a General Radiotelephone License With Radar Endorsement. He has certification for Rolm CBX and GTD 1000 & 120 PBX.

#### ED MOORE - DIRECTOR OF REGULATORY AFFAIRS

Mr. Moore has spent twenty-eight years in the telecommunications industry, fourteen each with Southwestern Bell and AT&T. He worked primarily in the area of network design, planning and administration for Southwestern Bell, and in regulatory and legislative management for AT&T.

He received a bachelor's degree in mathematics and physics from the University of Central Arkansas.

#### CHANNON LIGON-HUMAN RESOURCES DIRECTOR

Ms. Ligon has eight years experience in Human Resources. She served as the Vice President of Human Resources for a 500 person manufacturing company and spent over three years with Anderson Consulting as a Manager in the Change Management Group in a variety of industries, including telecom.

She received a Bachelor of Arts degree in Political Science and Business Administration from Vanderbilt University and has her Professional of Human Resource certification from SHRM.

#### CAL ARNOLD - DIRECTOR OF MARKETING

Mr. Arnold spent 26 years managing commercial radio stations including fifteen years as an owner. Most recently he served as General Manager of a ten radio station cluster plus a state radio network for Citadel Communications. His overall experience has been in planning, problem solving, operations and sales.

He received a Bachelor of Arts in Radio and Television, and a Master of Arts in Mass Communications, both from Baylor University.

#### PHILLIP KENNEDY - NETWORK OPERATIONS MANAGER

Mr. Kennedy has spent eighteen years in the telecommunications industry. He has experience nanaging Network Operations, Switching Center Operations, and LAN management. He has been a Supervisor of operating facilities that processed data for invoicing of all calls switched, collected, rated, and billed. Mr. Kennedy worked for Universal Network Services, Inc. for nine years, Metromedia/LDS Long Distance for six years, Infra-Pak, Inc., for three years, and was a Telecommunications Technician for the Army National Guard Reserves for seven years.

He has received Certification of Database, Maintenance, and MSP40 form DSC and Certification on MVP Operations and Maintenance from Glenayre.

#### DAVE GRANERE - WESTERN REGIONAL MANAGEI

Mr. Granere has spent eighteen years in the telecommunications industry. He has managed all aspects of daily operations that include: field services, switch management, provisioning, dispatch circuit design, network design, and traffic management. He has worked closely with the Regulatory Agencies located in the Western Regions of the United States. Mr. Granere has also worked within the Supervisory Sphere; hiring and staffing, training and resource development, administrative action and personnel budgets. He has extensive knowledge of switching technologies and network systems, design and ordering of voice and data network services, installation and implementation of systems and network components from start to finish, and establishment of "customer care" call centers. He worked closely with major long distance companies, negotiating service agreements, terms and conditions, and developed a thorough understanding of the local and federal (FCC) tariffs that govern the extent and methods to which services can be applied.

Mr. Granere received a Bachelor of Science in History from the University of Utah.

EXHIBIT C

TARIFF FOR CCCSD, INC. d/b/a CONNECT!

# REGULATIONS AND SCHEDULE OF CHARGES APPLYING TO EXCHANGE ACCESS AND END-USER COMMUNICATION SERVICES WITHIN THE STATE OF SOUTH DAKOTA

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.
Chief Executive Of

Chief Executive Officer 124 W. Capitol, Suite 200 Little Rock, Arkansas 72201

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ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.

Chief Executive Officer 124 W. Capitol, Suite 200 Little Rock, Arkansas 72201

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ISSUED: March 8, 1999

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Chief Executive Officer

124 W. Capitol, Suite 200 Little Rock, Arkansas 72201

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ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

EFFECTIVE: April 7, 1999

#### CHECK SHEET

Sheets 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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2	6	Original	4	1	Original			
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2	11	Original	5	3	Original			
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ISSUED: March 8, 1999

Issued by:

Ted L. Snider, JR.

Chief Executive Officer

124 W. Capitol, Suite 200 Little Rock, Arkansas 72201

#### EXPLANATION OF SYMBOLS, REFERENCE MARKS, AND ABBREVIATIONS OF TECHNICAL TERMS USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate or regulation.
- (I) To signify increased rate.
- (M) To signify a move in the location of text.
- (N) To signify new rate or regulation.
- (R) To signify reduced rate.
- (T) To signify a change in text but no change in rate or regulation.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

#### APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user communications services by CCCSD, INC. d/b/a CONNECT!, hereinafter referred to as the Company, to customers within SOUTH DAKOTA.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 1.0 - DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

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

Automatic Number Identification (AANI@): Allows the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

Bit: The smallest unit of information in the binary system of notation.

Collocation: An arrangement whereby the Company's switching equipment is located in a Local Exchange Company's central office.

Commission: Refers to the SOUTH DAKOTA Division of Public Utilities.

<u>Customer or Subscriber</u>: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

<u>Dedicated Inbound Calls</u>: Refers to calls that are terminated via dedicated access facilities connecting the Customer's premises and the Company's Point of Presence (APOP®). This service is offered to the extent facilities are available and where the Company and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to the Company's POP. The Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

<u>Dedicated Outbound Calls</u>: Refers to service that is offered to the extent facilities are available in those cases where the Company and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to the Company's (POP). The Customer shall be responsible for all costs and charg s associated with the dedicated access facilities.

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

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

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

<u>Direct Inward Dial (or "DID")</u>: A service attribute that routes incoming calls directly to stations, bypassing a central answering point.

<u>Direct Outward Dial (or "DOD")</u>: A service attribute that allows individual station users to access and dial outside numbers directly.

<u>Dual Tone Multi-Frequency (or "DTMF")</u>: The pulse type employed by tone dial station sets.

Duplex Service: Service that provides for simultaneous transmission in both directions.

End Office: With respect to each NPA-NXX code prefix assigned to the Company, the location of the Company's "end office" for purposes of this tariff shall be the point of interconnection associated with that NPA-NXX code in the Local Exchange Routing Guide (ALERG®), issued by Bellcore.

Exchange Telephone Coppany or Telephone Company: Denotes any individual, partnership, association, joint-stock company, trust, or corporation authorized by the appropriate regulatory bodies to engage in providing public switched communication service throughout an exchange area, and between exchange areas within the LATA.

<u>Hearing Impaired</u>: Those persons with communication impairments, including those hearing impaired, deaf, deaf/blind, and speech impaired persons who have an impairment that prevents them from communicating over the telephone without the aid of a telecommunications device for the deaf.

Hunting: Routes a call to an idle station line in a prearranged group when the called station line is busy.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

Inbound-Only: A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

IXC or Interexchange Carrier: A long distance telecommunications services provider.

Kbps: Kilobits per second, denotes thousands of bits per second.

LATA: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

Mbps: Megabits, denotes millions of bits per second.

Minimum Point of Presence (AMPOP@): The main telephone closet in the Customer=s building.

Monthly Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Multi-Frequency or ("MF") An inter-machine pulse-type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

CCCRI, Inc.: CCCSD, INC. d/b/a CONNECT!, the issuer of this tariff.

Non-Recurring Charge (ANRCe): The initial charge, usually assessed on a one-time basis, to initiate and establish service.

ISSUED: March 8, 1999

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Issued by:

EFFECTIVE: April 7, 1999

#### SECTION 1.0 - DEFINITIONS, (CONT'D.)

NPA: Numbering plan area or area code.

Other Telephone Company: An Exchange Telephone Company, other than the Company.

PBX: Private Branch Exchange

Point of Presence (APOP®): Point of Presence

<u>Recurring Charges</u>: The monthly charges to the Customer for services, facilities and equipment which continue for the agreed upon duration of the service.

ISSUED: March 8, 1999

Issued by: Ted L. Snider, JR.

Chief Executive Officer 124 W. Capitol, Suite 200 Little Rock, Arkansas 72201

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

<u>Service Order</u> The written request for Network Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

<u>Shared</u>: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

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

Usage Based Charges: Charges for minutes or messages traversing over local exchange facilities.

<u>User or End User</u>: A Customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 2.0 - REGULATIONS

#### 2.1 Undertaking of the Company

#### 2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within SOUTH DAKOTA.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 2.0 - REGULATIONS, (CONT'D.)

#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.

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#### SECTION 2.0 - REGULATIONS, (CONT'D.)

#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.3 Terms and Conditions

- (A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms as d conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations that by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.

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- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.3 Terms and Conditions, (cont'd.)
    - (E) Service may be terminated upon written notice to the Customer if:
      - (1) the Customer is using the service in violation of this tariff; or
      - (2) the Customer is using the service in violation of the law.
    - (F) This tariff shall be interpreted and governed by the laws of the State of SOUTH DAKOTA regardless of its choice of laws provision.
    - (G) No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
    - (H) To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

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#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.4 Liability of the Company

- (A) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- (B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

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# 2.1 Undertaking of the Company, (Cont'd.)

# 2.1.4 Liability of the Company, (cont'd.)

- (C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customerprovided equipment or facilities.
- (E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnities and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.4 Liability of the Company, (cont'd.)

- (F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- (G) The Company shall be indemnified, defended and held harmless by the Customer a painst any claim, loss or damage arising from Customer's use of services, it volving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- (H) The entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- (I) The Company makes no warranties or representations, express or implied either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth berein.

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# 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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# 2.1 Undertaking of the Company, (Cont'd.)

# 2.1.6 Provision of Equipment and Facilities

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided by the Company.

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- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.6 Provision of Equipment and Facilities, (cont'd.)
    - (E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
    - (F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
      - the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
      - (2) the reception of signals by Customer-provided equipment.

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#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.7 Universal Emergency Telephone Number Service (911, E911)

- (A) This Tariff does not provide for the inspection or constant monitoring of facilities to discover errors, defects, or malfunctions in the service, nor does the Company undertake such responsibility.
- (B) 911 information consisting of the names, addresses and telephone numbers of all telephone customers is confidential. The Company will release such information only after a 911 call has been received, on a call by call basis, only for the purpose of responding to an emergency call in progress.
- (C) The 911 calling party, by dialing 911, waives the privacy afforded by non-listed and non-published service to the extent that the telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.
- (D) After the establishment of service, it is the Public Safety Agency's responsibility to continue to verify the accuracy of and to advise the Company of any changes as they occur in street names, establishment of new streets, changes in address numbers used on existing streets, closing and abandonment of streets, changes in police, fire, ambulance or other appropriate agencies' jurisdiction over any address, annexations and other changes in municipal and county boundaries, incorporation of new cities or any other similar matter that may affect the routing of 911 calls to the proper Public Safety Answering Point.

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# 2.1 Undertaking of the Company, (Cont'd.)

# 2.1.7 Universal Emergency Telephone Number Service (911, E911), (cont'd.)

(E) The Company assumes no liability for any infringement, or invasion of any right of privacy of any person or persons caused, or claimed to be caused, directly or indirectly by the use of 911 Service. Under the terms of this Tariff, the Public Safety Agency must agree, (except where the events, incidents, or eventualities set forth in this sentence are the result of the Company's gross negligence or willful misconduct), to release, indemnify, defend and hold harmless the Company from any and all losses or claims whatsoever, whether suffered, made, instituted, or asserted by the Public Safety Agency or by any other party or person, for any personal injury to or death of any person or persons, or for any loss, damage, or destruction of any property, whether owned by the customer or others. Under the terms of this Tariff; the Public Safety Agency must also agree to release, indemnify, defend and hold harmless the Company for any infringement of invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion, or use of 911 Service features and the equipment associated therewith, or by any services furnished by the Company in connection therewith, including, but not limited to, the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing 911 Service hereunder, and which arise out of the negligence or other wrongful act of the Public Safety Agency, its user, agencies or municipalities, or the employees or agents of any one of them, or which arise out of the negligence, other than gross negligence or willful misconduct, of the Company, its employees or agents.

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#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.8 Non-routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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# 2.1 Undertaking of the Company, (Cont'd.)

# 2.1.9 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- (A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- of a type other than that which the Company would normally utilize in the furnishing of its services;
- (C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (D) in a quantity greater than that which the Company would normally construct;
- (E) on an expedited basis;
- (F) on a temporary basis until permanent facilities are available;
- (G) involving abnormal costs; or
- (H) in advance of its normal construction.

#### 2.1.10 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

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#### 2.2 Prohibited Uses

- 2.2.1 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- 2.2.2 The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and SOUTH DAKOTA Division of Public Utilities regulations, policies, orders, and decisions.
- 2.2.3 The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- 2.2.4 A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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# 2.3 Obligations of the Customer

#### 2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

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# 2.3 Obligations of the Customer, (Cont'd.)

#### 2.3.1 General, (cont'd.)

- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C.) Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. asbestos) prior to any construction or installation work;

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#### 2.3 Obligations of the Customer, (Cont'd.)

#### 2.3.1 General, (cont'd.)

- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

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# 2.3 Obligations of the Customer, (Cont'd.)

#### 2.3.2 Claims

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (A) any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- (B) any claim, loss, damage, expense or liabilit, for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

### 2.4 Customer Equipment and Channels

#### 2.4.1 General

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

# 2.4.2 Station Equipment

- (A) Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- (B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

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#### 2.4 Customer Equipment and Channels, (Cont'd.)

#### 2.4.3 Interconnection of Facilities

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an is "End User" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

### 2.4 Customer Equipment and Channels, (Cont'd.)

#### 2.4.4 Inspections

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

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# 2.5 Payment Arrangements

#### 2.5.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Users authorized by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of Network Services.

#### 2.5.2 Billing and Collection of Charges

- (A) Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 d ys after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.

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#### 2.5 Payment Arrangements, (Cont'd.)

### 2.5.2 Billing and Collection of Charges, (cont'd.)

- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) A Late Payment Charge applies to any unpaid balance carried forward from a monthly bill to the next month's bill, including all long distance charges bill by CCCRI, Inc. for its interexchange service. The Customers bill will be considered to be mailed within seven (7) days of the billing cycle and will be considered past due if payment is not received within twenty-four days.
- (F) The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company that a financial institution refused to honor.
- (G) Customers have up to 90 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.
- (H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges

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#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.3 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

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#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.4 Deposits

- (A) To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
  - two months' charges for a service or facility that has a minimum payment period of one month; or
  - (2) the charges that would apply for the minimum payment period for a service or facility that has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- (B) A deposit may be required in addition to an advance payment.
- (C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.
- (D) Deposits held will accrue interest at a rate determined by the Commission with deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

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# SECTION 2.0 - REGULATIONS, (CONT'D.)

#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.5 Discontinuance of Service

- (A) Upon nonpayment of any amounts owing to the Company, the Company may, by giving ten (10) days written notice to the Customer, discontinue or suspend service without incurring any liability.
- (B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 30 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- (C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or su pend service without incurring any liability.

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# 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.5 Discontinuance of Service, (cont'd.)

- (D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- (E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- (F) In the event of fraudulent use of the Company's network, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- (G) Upon the Company's discontinuance of service to the Customer under Section 2.5.5.(A) or 2.5.5.(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

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#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.6 Cancellation of Application for Service

- (A) Applications for service cannot be canceled without the Company's agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced (all discounted to present value at six percent).
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- (D) The special charges described in 2.5.6.(A) through 2.5.6.(C) will be calculated and applied on a case-by-case basis.

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#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.7 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

#### 2.6 Allowances for Interruptions in Service

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

#### 2.6.1 Credit for Interruptions

- (A) A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this tariff. An interruption period begins when the Customer reports a service, facility or circuit to be interrupted and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.
- (B) For calculating credit allowances, every month is considered to have 30 days. A credit allowance for fixed recurring fees only is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

# 2.6 Allowances for Interruptions in Service, (Cont'd.)

# 2.6.1 Credit for Interruptions, (cont'd.)

(C) A credit allowance will be given for interruptions of 30 minutes or more. Credit allowances shall be calculated as follows:

Interruptions of 24 Hours or Less --

Length of Interruption	Interruption PeriodTo Be Credited	
Less than 30 minutes	None	
30 minutes up to but not including 3 hours	1/10 Day	
3 hours up to but not including 6 hours	1/5 Day	
6 hours up to but not including 9 hours	2/5 Day	
9 hours up to but not including 12 hours	3/5 Day	
12 hours up to but not including 15 hours	4/5 Day	
15 hours up to but not including 24 hours	One Day	

Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.

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EFFECTIVE: April 7, 1999

Issued by:

- 2.6 Allowances for Interruptions in Service, (Cont'd.)
  - 2.6.1 Credit for Interruptions, (cont'd.)
    - C. (continued)

Over 24 Hours and Less Than 72 Hours. Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

Interruptions Over 72 Hours. Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than 30 days' credit will be allowed for any one month period.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### 2.6 Allowances for Interruptions in Service, (Cont'd.)

#### 2.6.2 Limitations on Allowances

No credit allowance will be made for:

- interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized user, joint user, or other common carrier providing service connected to the service of the Company;
- (B) interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- (C) interruptions due to the failure or malfunction of non-Company equipment;
- interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- (G) interruption of service due to circumstances or causes beyond the control of Company.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.
Chief Executive Of

Chief Executive Officer 124 W. Capitol, Suite 200 Little Rock, Arkansas 72201

#### 2.6 Allowances for Interruptions in Service, (Cont'd.)

#### 2.6.3 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit that has been subject to the outage or cumulative service credits.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### 2.7 Use of Customer's Service by Others

#### 2.7.1 Resale and Sharing

Any service provided under this tariff may be resold to or shared with other persons at the option of the Customer, subject to compliance with any applicable laws or SOUTH DAKOTA Division of Public Utilities regulations governing such resale or sharing. The Customer emains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

#### 2.7.2 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### 2.8 Cancellation of Service

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.2.

The Customer's termination liability for cancellation of service shall be equal to:

- 2.8.1 all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Customer; plus
- 2.8.2 any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- 2.8.3 all Recurring Charges specified in the applicable Service Order Tariff for the balance of the then current term discounted at the prime rate announced in the <u>Wall Street Journal</u> on the third business day following the date of cancellation; minus
- 2.8.4 a reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

#### 2.9 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- 2.9.1 to any subsidiary, parent company or affiliate of the Company; or
- 2.9.2 pursuant to any sale or transfer of substantially all the assets of the Company; or
- 2.9.3 pursuant to any financing, merger or reorganization of the Company.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.
Chief Executive Officer
124 W. Capitol, Suite 200

Little Rock, Arkansas 72201

#### 2.10 Notices and Communications

- 2.10.1 The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.10.2 The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.10.3 All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.10.4 The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 3.0 - SERVICE AREAS

#### 3.1 Exchanges, Rate Classes, and Local Calling Areas

The Company concurs in the exchange, rate class, local calling area, and zone designations specified in the relevant ILEC=s Local Exchange Services Tariff. The Company does not concur in the rates of the ILEC. The Company's rates are set out in this tariff.

#### 3.2 Extended and Expanded Area Calling Services

Extended and Expanded Area Calling Service allows the Customer to make calls to specific NXX codes within designated exchanges outside the Customer's Local Calling area without paying intraLATA toll rates. The Customer is billed per call according to the duration of the call. the Company may mirror all existing extended and expanded calling areas the ILEC currently has in place for facilities-based or resold services, or establish unique extended and expanded area calling services.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 4.0 - SERVICE CHARGES AND SURCHARGES

#### 4.1 Service Order and Change Charges

Non-recurring charges apply to processing Service Orders for new service, for changes in service, and for changes in the Customer-s primary interexchange carrier (PIC) code.

	Business	Residential
Line Connect on Charge:	\$49.61	\$38.83
Line Change Charge:	\$28.88	\$28.88
Telephone Number Change Charge:	\$35.01	\$27.69

#### 4.2 Maintenance Visit Charges

Maintenance Visit Charges apply when the Company dispatches personnel to a Customer=s premises to perform work necessary for effecting changes in service or resolving troubles reported by the Customer when the trouble is found to be caused by the Customer=s facilities.

Maintenance Visit Charges will be credited to the Customer=s account in the event trouble is not found in the Company facilities, but the trouble is later determined to be in those facilities.

The time period for which the Maintenance Visit Charges is applied will commence when Company personnel are dispatched at the Customer premises and end when work is completed. The rates for Maintenance of Service vary by time per Customer request.

#### Maintenance Visit Charge:

Initial 15 minutes or fraction thereof	\$27.81
Each additional 15 minutes or fraction thereof	\$12.20

#### 4.3 Restoration of Service

A restoration charge applies to the restoration of suspended service and facilities because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-installed.

	Business	Residential
Per occasion:	\$35.01	\$21.91

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EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS

#### 5.1 General

#### 5.1.1 Services Offered

The following Network Services are available to Customers and for resale by other carriers certificated by the Commission:

Standard Access Line Service
Digital Direct Inward Dial (DID) Voice Grade DS-1 Trunk Service
Inbound-only, Data-only DS-1 Service
Integrated Services Digital Network (ISDN) Basic Rate Interface (BRI)
Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI)
Custom Local Area Signaling Service (CLASS) Features

#### 5.1.2 Application of Rates and Charges

All services offered in this tariff are subject to service order and change charges where the Customer requests new services or changes in existing services, as well as indicated Non-Recurring and Monthly Recurring Charges. Charges for local calling services may be assessed on a measured rate basis and are in addition to monthly recurring charges.

ISSUED: March 8, 1999

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Issued by:

#### 5.1 General (Cont'd.)

#### 5.1.3 Emergency Services

Access (at no additional charge) to the local operator or emergency services bureau by dialing 0- or 9-1-1 is offered at no charge to the Customer.

Message toll telephone calls, to governmental emergency service agencies as set forth in (A) below, having primary or principal responsibility with respect to the provision of emergency services to persons and property in the area from which the call is made, meeting the definition and criteria of an emergency call as set forth in (B) following are offered at no charge to Customers:

- (A) Governmental fire fighting, police, and emergency squad service (as designated by the appropriate governmental agency) qualify as governmental emergency service agencies provided they answer emergency service calls on a personally attended (live) twenty-four (24) hour basis, three hundred sixty-five (365) days a year, including holidays.
- (B) An emergency is an occurrence or set of circumstances in which conditions pose immediate threat to human life, property, or both and necessitate that prompt action be taken. An emergency call is an originated call of short duration to a governmental emergency services agency in order to seek assistance for such an emergency.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.

#### 5.2 Call Timing for Usage Sensitive Services

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- 5.2.1 Calls are measured in durational increments identified for each service. All calls which are fractions of a measurement increment are rounded-up to the next whole unit.
- 5.2.2 Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s).
- 5.2.3 Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- 5.2.4 Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- 5.2.5 All times refer to local time.

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#### 5.3 Rate Periods for Time of Day Sensitive Services

5.3.1 For time of day, usage sensitive services, the following rate periods apply unless otherwise specified in this tariff:

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*		DAYTIM	E RATE	PERIOD			
5:00 PM TO 11:00 PM*		EVENIN	G RATE	PERIOD			EVE
11:00 PM TO 8:00 AM*		NIG	HT/WEE	KEND RA	TE PER	IOD	

<sup>.</sup> Up to but not including.

- 5.3.2 Calls are billed based on the rate in effect for the actual time period(s) during which the call occurs. Calls that cross rate period boundaries are billed the rates in effect in that boundary for each portion of the call, based on the t. ne of day at the Customer location.
- 5.3.3 For services subject to holiday discounts, the following are Company recognized national holidays, determined at the location of the calling station. Calls made between 8:00 AM to, but not including, 5:00 PM will be billed at the evening rate, when these holidays fall on a Monday through Friday. All calls will be billed at their normal rate when these holidays fall on a Saturday or Sunday.

New Year's Day	January 1
Memorial Day	As Federally Observed
Independence Day	July 4
Thanksgiving Day	As Federally Observed
Christmas Day	December 25

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Ted L. Snider, JR.

#### 5.4 Standard Access Line Service

A Standard Access Line provides the Customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Standard Access Lines are provided for the connection of Customer-provided wiring and single station sets or facsimile machines. An optional per line Hunting feature is available for multi-line Customers which routes a call to an idle station line in a prearranged group when the called station line is busy.

	Non-Recurring Charge	Monthly Recurring Charge
Business	\$110.00	\$44.00
Residential	\$52.00	\$26.00

ISSUED: March 8, 1999

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Issued by: Ted L. Snider, JR.

#### 5.5 Digital DID Voice Grade DS-1 Trunk Service

Digital DID Voice Grade DS-1 Trunk Service provides business Customers with PBX or PBX-like equipment or other telephonic equipment with access to switch ports. Customers must have the ability to terminate a DS1 signal. The signal is delivered as a digital signal at the DS1 level.

Direct Inward Dialing (ADID®) permits calls incoming to a PBX system or other Customer Premises Equipment to be routed to a specific station without the assistance of an attendant. DID calls are routed directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enable DID service at a Customer=s location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the responsibility of the Customer.

	Non-Recurring Charge	Monthly Recurring Charge
Digital DID Service (per DS1)	\$3,000.00	\$1,200.00
1" Block of 100 numbers	\$ 200.00	\$ 22.50
Each Additional Block of 100 numbers	\$ 200.00	\$ 22.50

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### 5.6 Inbound-Only, Data Only DS-1 Trunk Service

Inbound-Only, Data Only DS-1 Trunk Service provides business Customers with PBX or PBX-like equipment or other telephonic equipment with access to switch ports. This service is reserved for circumstances where the Customer=s usage of any Service offered by the Company is predominantly inbound data and/or has an average per call holding time in excess of 30 minutes. Customers must have the ability to terminate a DS1 signal. The signal is delivered as a digital signal at the DS1 level.

	Non-Recurring Charge	Monthly Recurring Charge
Per DS1	\$3,000.00	\$ 750.00

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI) and Basic Rate Interface (BRI)

Integrated Services Digital Network (ISDN) is a set of transmission protocols that provides end-toend digital connectivity and integration of voice, data and video, on a single Customer loop to support a wide variety of services via the public switched network. The Primary Rate Interface (PRI) consists of a 23B+D configuration with 23 64Kbps Bearer (B) digital channels and 1 64Kbps Data (D) digital channel. The Basic Rate Interface (BRI) consists of a 2B+D configuration with 2 64Kbps Bearer (E) digital channels and 1 64Kbps Data (D) digital channel The B channels are designed for voice, data, image and sound transmissions. B channels can support synchronous, asynchronous or isochronous services at rates up to 64Kbps. B channels can be aggregated for higher bandwidth applications. The D channel provides the out of band signaling, call control and messaging.

This service is reserved for circumstances where the Customer-s usage of any Service offered by the Company is predominantly inbound data and/or has an average per call holding time in excess of 30 minutes.

	Non-Recurring Charge	Monthly Recurring Charge
Each PRI	\$4,000.00	\$1,000.00
Each BRI	\$ 500.00	\$ 100.00

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### 5.8 Hunting/Grouping Service

Hunting/Grouping Service allows calls to be received simultaneously on the same dialed number over lines/trunks included in a given Hunt Group.

	Non-Recurring Charge	Monthly Recurring Charge
Per Line/Trunk Arranged	\$ 50.00	\$1.75

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### 5.9 Custom Local Area Signaling Service (CLASS) Features

#### 5.9.1 Feature Descriptions

- (A) Caller ID Number: Permits the end-user to view a Directory Number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE.
- (B) Caller ID Name: Permits the end-user to view a Directory Name of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE. In some situations, the cailing party=s city and state may be displayed rather than a Directory Name, depending on available call data.

#### 5.9.2 Rates

	Non-Recurring Charge	Monthly Recurring Charge
Caller ID - Number	\$ 18.00	\$ 7.95
Caller ID - Name	\$ 18.00	\$ 7.95

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

#### SECTION 6.0 - MISCELLANEOUS CHARGES AND SERVICES

#### 6.1 Listing Services

For each Customer of Company-provided Exchange Service(s), the Company shall arrange for the listing of the Customer\*s main billing telephone number in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At the Customer\*s option, the Company will arrange for additional listings for an additional monthly charge. Non-directory listed and non-published services are also available for an additional monthly charge.

	Non-Recurring Charge	Monthly Recurring Charge
Business		
Additional Listing	\$10.59	\$2.99
Non-Directory Listed Service	\$10.59	\$2.84
Non-Published Service	\$10.59	\$3.91
Residential		
Additional Listing	\$17.32	\$3.91
Non-Directory Listed Service	\$17.32	\$2.84
Non-Published Service	\$17.32	\$3.91

#### 6.2 Directory Assistance

Provides for identification of telephone directory numbers, via an operator or automated platform. Customers are provided with a maximum of 2 listings per each call to Directory Assistance. Residential and Business Customer will receive five (5) free directory assistance calls during each billing cycle.

Per Directory Assistance Call:

\$0.31

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

Ted L. Snider, JR.

#### SECTION 7.0 - CONTRACT SERVICES

#### 7.1 Contract Services

Arrangements will be developed on a case-by-case basis in response to a bona fide special request from a Customer or prospective Customer to develop a competitive bid for a service not generally offered under this tariff. Contract Service rates will be offered to the Customer in writing and on a non-discriminatory basis.

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by:

#### SECTION 8.0 - PROMOTIONAL OFFERINGS

#### 8.1 Promotions

The Company may make promotional offerings of its tariffed services which may include reducing or waiving applicable charges for the promoted service. No individual promotional offering will exceed twelve months in duration, and any promotional offering will be extended on a non-discriminatory basis to any customer similarly classified who requests the specific offer.

#### 8.2 Discounts

The Company may, from time to time offer discounts based on monthly volume (or, when appropriate, Amonthly revenue commitment@ and/or Atime of day@ may also be included in the tariff).

ISSUED: March 8, 1999

EFFECTIVE: April 7, 1999

Issued by: Ted L. Snider, JR.

#### South Dakota Public Utilities Commission WEEKLY FILINGS

For the Period of March 18, 1999 through March 24, 1999

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**

TC99-024 In the Matter of the Application of Legends Communications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Legends Communications, Inc. has filed a request for a Certificate of Authority to provide resold interexchange telecommunications services throughout South Dakota. Legends intends to initially resell the services of authorized carriers, utilizing the Legend's switch located in Atlanta, GA for call termination. Its product offerings will include 1+ competitive outbound calling, 800/888 toll-free inbound service, travel cards and debit card/prepaid calling cards.

Staff Analyst: Michele Farris Staff Attorney: Karen Cremer

Date Filed: 03/18/99

Intervention Deadline: 04/09/99

In the Matter of the Application of CCCSD, Inc. d/b/a Connect! for a Certificate of Authority to Provide Local Exchange Service in South Dakota.

Connect! is a reseller which intends to offer local exchange services to South Dakota business customers. Connect! plans to "interconnect with U S West initially and anticipates interconnecting with GTE and other major CLEC's as needed to provide services within South Dakota."

Staff Analyst: Keith Senger Staff Attorney: Camron Hoseck

Date Filed: 03/22/99

Intervention Date: 04/05/99

You may receive this listing and other PUC publications via  $\epsilon$  in website or via internet e-mail. You may subscribe or unsubscribe to the PUC mailing lists at http://www.state.sd.us/puc/

# SDITC

### South Dakota Independent Telephone Coalition, Inc.

Richard D. Colt

Executive Director
restite@ad cybernes.net

April 9, 1999

RECEIVED

APR 0 9 1999

Mr. Bill Bullard, Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Ave. Pierre, SD 57501 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

RE: Docket TC99-025 (Application of CCCSD, Inc. d/b/a Connect! for Certificate of Authority)

Dear Bill:

SDITC does not at this time intend to intervene in the above Docket, but would offer this letter as brief comment for the Commission's consideration concerning the application that has been filed.

The application is inconsistent with respect to indicating the geographic area to be served.

Paragraph 10 of the application includes language indicating that "Connect!" is seeking to provide local exchange service to and from all points within South Dakota — that the company is seeking statewide authorization. Paragraph 16 of the application, however, indicates something different. It states that "Connect! does not intend to provide service within an area that is serviced by a rural telephone company."

If Connect! does not intend to provide service within any rural telephone company service area, it should not receive a statewide authorization to provide local exchange services. Before any certification could be granted in any rural service area, rural safeguard issues would have to be addressed.

Connect! should clarify its intentions with the language found in paragraph 10 of its Application.

Sincerely,

Richard D. Coit

Executive Director and General Counsel

cc: Ted L. Snider, Jr., Connect!





Connect! Communications
Cindy Lee, Manager of Regulatory Affairs
124 West Capital Avenue, Suite 250
Little Rock, AR 72201
Phone: (501) 401-780
Fax: (501) 401-7825
Email: clee@cnct.net

#### VIA OVERNIGHT DELIVERY

April 19, 1999

Mr. Bill Bullard, Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Ave. Pierre, SD 57501 RECEIVED

APR 2 0 1999 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

RE: Docket # TC99-025 - Application of CCCSD, Inc. d/b/a Connect! for Certificate of Authority

Dear Mr. Bullard:

I have received a copy of South Dakota Independent Telephone Coalition, Inc.'s (SDITC) comment regarding our application that has been filed.

CCCSD, Inc. d/b/a Connect! only plans to enter markets in South Dakota presently served by U.S. West. Consequently, the only interconnection agreement the Company has sought in South Dakota has been with U.S. West. CCCSD, Inc. d/b/a Connect! has no plans to offer local exchange services in any of the territories served by SDITC. Should CCCSD, Inc. d/b/a Connect! desire, in the future, to provide service in any of these markets, the Company will notify the South Dakota Public Utilities Commission and full, address the concerns raised on behalf of SDITC. I hope that this puts any concerns expressed by SDITC to rest, with regard to the language found in paragraph 8 (not paragraph 10) of our application.

Please acknowledge receipt of this mailing by returning, file-stamped, the extra copy of this letter in the self-addressed, stamped envelope enclosed for this purpose. Any questions may be directed to my attention at (501) 401-7760.

Thank you for your assistance in resolving this matter.

Sincerely,

Cindy Lee

cc: Richard D. Coit, SDITC

May 17, 1999

## RECEIVED

MAY 2 5 1999

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION



Mr. Bill Bullard, Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, SD 57501

Re: Amendment One to applications of CCCSD, Inc., d/b/a Connect!

Dear Mr. Bullard:

Enclosed for filing are the original and eight (8) copies of Amendment ( ne to all submissions of CCCSD, Inc., d/b/a Connect!.

All correspondence should be directed to:

Cindy Lot, Manager for Regulatory Affa Casolis A. Hamon, Regulatory Specialist

124 West Corinal

Little Rock, AR 72201

(501) 401-7711

(301)-401-7625

I have included an extra copy of this letter, which I would appreciate your stamping with the filing time and returning to me.

If you have any questions regarding this amendment, please call me at 501-401-7711.

Sincerely,

Carole Hamon Regulatory Affairs

Carole Stemon

124 WEST CAPITOL AVENUE, SUITE 250, LITTLE ROCK, ARKANSAS 72201 TEL 501.401.7760 FAX 501.401.7625

1649-025

RECEIVED

JUN 0 7 1999 INDEMNITY BOND SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

TO THE PEOPLE OF THE STATE OF SOUTH DAKOTA

BOND #: 040S 103173097 BCM

We, CCCSD, Inc. DBA Connect the principal and applicant for a CERTIFICATE OF AUTHORITY to resell long distance telecommunications services within the State of South Dakota, and TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, as an admitted surety insurer, bind ourselves unto the Public Utility Commission of South Dakota and the consumers of South Dakota as Obligee, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota Law, and reimburse customers of CCCSD, Inc. DBA Connect for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date heron and shall remain in force and effect until the surety is released from liability by the written order of the Public Service Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Service Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 1st day of June, 1 To be effective this 1st day of	
Needs to me amerded.	TRAVELERS CASUALTY & SURETY CO.
Taghe so	Surety
Countersigned this 15th day of	By And E. Sali
Countersigned for South Dakota  By 1100 1000	Ву
Resident Age	Attorney in Fact

#### TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA TRAVELERS CASUALTY AND SURETY COMPANY FARMINGTON CASUALTY COMPANY

Hartford, Connecticut 06183-9062
TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS
Naperville, Illinois 60563-8458

#### POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, a corporation duly organized under the laws of the State of Illinois, and having its principal office in the City of Naperville, County of DuPage, State of Illinois, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Howard E. Hardin, Larry L. Wilson, Thomas G. Mathias, James D. Robinson or Wanda A. Bellairs \*

of Little Rock, AR, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated the following instrument(s):

by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto

not exceeding the sum of CNE MILLION (\$1,000,000.00) DOLLARS per bond \* \*

and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Second Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED. That the Chairman, the President, any Vice Chairman, any Executive Vice President any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of 0 s Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, which Resolution is now in full force and effect:

VOTED. That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Assistant Vice President, any Assistant Vice President, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS have caused this instrument to be signed by their Senior Vice President, and their corporate seals to be hereto affixed this 31st day of August, 1998

STATE OF CONNECTICUT

ISS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA TRAVELERS CASUALTY AND SURETY COMPANY FARMINGTON CASUALTY COMPANY TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS









By\_ Stage St. St.

George W. Thompson Senior Vice President

On this 31st day of August, 1998 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



marie c tetreaut

My commission expires June 30, 2001 Notary Public Marie C. Tetreault

#### CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, stock corporation of the State of Illinois, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked, and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 134 day of









By Bui

in Hoffman

Brian Hoffman Assistant Secretary, Bond

### RECEIVED

JUL 3 0 1999

ITU DAKOTA BURU



Mr. William Bullard, Executive Director South Dekota Public Utilities Commission 500 East Capitol Pierre, South Dakota 57501

RE: Dockst TC99-025, Application of CCCSD, Inc. d/b/e/ Connecti

Dear Mr. Bulland:

July 29, 1999

Enclosed herein, on behalf of CCCSD, Inc. d/b/a Connectl, is the original plus three copies of our reply to your staff's April 20, 1999 letter regarding our application for a Certificate of Public Convenience and Necessity. Each question from your letter has been repeated in the submission, followed by our reply. We apologize for the delay in replying.

I have enclosed an extra copy of this letter, along with a self-addressed, stamped letter, which I would appreciate your stamping with the filing date and returning to me.

If you have any questions regarding this submission, please call me at 501-401-7711.

Sincerely,

Carole Hamon

Regulatory Specialist

Please provide "information regarding policies, personnel, or arrangements made by the
applicant which demonstrates the applicant's ability to respond to customer complaints and
inquiries promptly and to perform facility and equipment maintenance necessary to ensure
compliance with any commission quality of service requirements". [ARSD
20:10:32:03(9)(b)]

In our original submission, filed March 22, 1999, we enclosed management profiles for Mr. Cal Arnold, Mr. Richard Spavins, Mr. Phillip Kennedy, and Mr. Dave Granere. These key personnel have over 70 years of telecommunications experience. Mr. Cal Arnold, Director of Marketing, has over 26 years experience in planning problem solving, operations, and sales. Mr. Richard Spavins, Director of Network Engineering, has 34 years telecommunications experience in installation of PBX and office equipment. Mr. Phillip k ennedy, Network Operations Manager, has 18 years telecommunications experience in management of network and switch center operations. Mr. Dave Granere, Western Regional Manager, has 18 years telecommunications experience in field services and switch management. We believe that their experience adequately fulfills the Commissions requirements. Their profiles have been resubmitted for your consideration. (Exhibit 1)

The CCCSD, Inc. business office will handle Customer requests for service changes, billing inquiries, complaints, and general information. This line (877-200-5022) is staffed weekdays from 8:30 AM to 5:30 PM CST. A 24-hour answering machine takes mesuages after hours for response on the next business day. Network troubles are reported to a number that is manned 24 hours a day. Calls will be directed to the appropriate department and/or individuals who will investigate and resolve the problem.

2. SDCL 49:31:03 states: "A telecommunications company has the burden to prove in its application that it has sufficient technical, financial and managerial capabilities to offer the telecommunications services described in its application before the commission may grant a certificate of authority." ARSD 20:10;31:03(11) states that the applicant shall submit "Financial information including: (a) For the most recent 12 month period, financial statements consisting of balance sheets, income statements, and case flow statements". Connect!'s application states that the financial data required by the ARSD's is not available because Connect! is a start up company. Without these financial statements, Commission staff is unable to determine "financial capabilities" of the applicant. Is the applicant willing to post a \$25,000 bond naming the South Dakota Public Utilities Commission and South Dakota Consumers as beneficiaries in order to prove financial capability? If so please submit a bond and provide a written request for waiver of submission of the financial statements. Should you wish to discuss this further, please contact me at the Commission.

CCCSD, Inc. has posted a \$25,000 bond naming the South Dakota Public Utilities Commission and South Dakota Consumers as beneficiaries of this bond. Connect! respectfully requests a waiver for the submission of financial statements.

CCCSD, INC. db/a Connect!
Reply to SDPCU 4/29/99 Letter

with anknown or marginal financial capabilities from offering prepaid calling cards or collecting customer deposits and advance payments. These restrictions are placed in the Commission Order granting authority. The applicant is free to apply to the Commission for removal of the restrictions once financial capability improves or is made known. Since and advanced payments in the tariff. restrictions? If so please remove all reference: to prepaid calling cards, customer deposits In order to protect South Dakota consumers, SD PUC has, in the past, restricted applicants financial stability, I would suggest these restrictions. Does the applicant agree to the above Connect! is a startup company and is unable to provide financial statement or prove

CCCSD, Inc., at this time does not wish to offer prepaid calling cards

Connect! feels that this requirement is not unfair nor would it be a burden for customers with proven credit records. Therefore, the Company feels that the removal of the deposit or advance payment requirement would be an unfair restriction placed upon Connect!. provided by the customer, lawfully obtained from third parties or publicly available, and noupsyment, the Company shall consider the following factors: (1) the customer's payment history (if any) with the Company and its affiliates, (2) the customer's ability to demonstrate adequate ability to pay for the service, (3) credit and related information of the Company. In determining whether a customer presents an undue risk of customer to make a deposit or an advance payment is designed to safeguard the interests (4) information relating to customer While we understand and appreciate the Commission's concern, the requirement of a 's management, owners and affiliates (if any)

subsidinries, such as CCCSD, Inc. in each state." Please explain why individual subsidiaries The application states that "CCC intends to implement its contract through the affiliate will be set up for each state.

Individual companies were established in each state on the advice of Connect Communications Corporation's legal counsel. This precedent was set with the AT&T/Bell System dissolution on 12/31/83.

# Please provide:

subsidiaries are registered or certified to provide telecommunications services, 1) a list of the states in which CHC, CCC, CFC, CCCSD, Inc. or any other affiliate or

exchange telephone service. Therefore, each company will conduct business within the d/b/a/ Connect!, (XX equals the state), is incorporated within each state to provide local state it represents. CHC, CCC, and CFC are registered to do business in the State of Nevada. CCCXX, Inc.

(CCCID), Kansas (CCCKS), Montana (CCCMT), Nevada (CCCNV), New York (CCCNY), Oregon (CCCOR), Pennsylvania (CCCPA), Rhode Island (CCCRI), Texas CCCXX, Inc. d/b/a/ Connect is approved to do business in the following states: Alabuma (CCCAL), Arkansas (CCCAR), California (CCCCA), Colorado (CCCCO), Idaho (CCCTX), Utah (CCCUT), Washington (CCCWA), and Utah (CCCUT).

state and the reasons for any such denial. whether any of the above entities have ever been denied registration or certification in any

None of the above entities have been denied registration or certification in any state in which application has been made

 a statement as to whether or not the above entities are in good standing with the appropriate regulatory agency in the states where they are registered or certified, and

All of the above entities are in good standing with the appropriate regulatory agency in the states in which they are registered.

 a detailed explanation of why the above entities are not in good standing in a given state, if applicable.

As all of the above entities are in good standing, this is "Not Applicable".

Please provide the applicant's Federal tax identification number. [ARSD 20:10:03(23)]

The Applicant's Employer Identification Number is 58-2457377

 Please add the plan se "in accordance with South Dakota Law" to the end of section 2.1.3(D) in SD Tariff No. 1.

Pursuant to the request of the South Dakota Public Utilities Commission, Section 2.1.3(D) of SD Tariff No. 1 has been amended to include "in accordance with South Dakota Law". A revised copy of the tariff has been included as Exhibit 2.

8. Section 2.5 – Payment Arrangements, of the South Dakota Tariff No 1 submitted with the application does not contain any information relating to customer disputed charges. Please include. This section should include (but is not limited to) the process in which the customer must follow to dispute a charge, the times and toll free number which the customer can call regarding disputed items, and the option to appeal to the South Dakota Public Utilities Commission with address and toll free number.

Pursuant to the request of the South Dakota Public Utilities Commission, SD Tariff No. 1 has been updated to include Section 2.5.8... Billing Disprates. A revised copy of the tariff has been included as Exhibit 2.

CCCSD, INC. d/b/a Connect! Reply to SDPCU 4/29/99 letter

#### Exhibit 1

Management Profiles

#### CONNECT COMMUNICATIONS CORPORATION MANAGEMENT PROFILES

# TED L. SNIDER, Jr. - CHIEF EXECUTIVE OFFICER, SOLE STOCKHOLDER AND CHAIRMAN

Mr. Snider has fifteen years of management experience, mostly in telecommunications. While building a company (sold in 1997) that operated radio stations, he also developed Snider Communications Corporation from a start-up to a company which serves over 10,000 customers with state-of-the-art technology and the largest paging system in Arkansas.

He received a Bachelor of Science degree in Systems Engineering from the U.S. Naval Academy as well as a Master of Business Administration degree from UCLA.

#### R D SAENZ - CHIEF FINANCIAL OFFICER

Mr. Saenz has twenty-five years of business experience consisting of eleven years with Price Waterhouse, eight years as a senior financial officer (for a regional retail chain and for a company serving the telecommu ications industry), three years in senior management positions with a financial services firm, and several years of independent business consulting.

He received a bachelor's degree in accounting, with honors, from the University of West Florida. Professional certifications include Certified Public Accountant and Certified Fraud Examiner.

#### BILL JESTER - DIRECTOR OF OPERATIONS

Mr. Jester has twenty years experience in the business sector, with an emphasis on Business Development and Marketing/Sales. He spent eleven years as president for two companies and has nine years experience in management. He also served 42 years in the U.S. Army and retired as a Major General.

He holds a Bachelor of Science in Business Administration, along with a MBA in management and finance from the University of Arkansas.

#### RICHARD SPAVINS - DIRECTOR OF NETWORK ENGINEERING

Mr. Spavins has worked in the telecommunications field for the last 34 years. He has extensive experience in installation of office and plant PBX systems, cable networks, and installation of Powertel switches. Mr. Spavins was employed at

APCo for fifteen years, American Mobilphone for thirteen years, Metrex Communications Group for three years, and Powertel for two years. He is in charge of installation as well as maintenance of the Harris switches nation-wide.

He was granted a bachelor's degree in Electrical Engineering from Auburn University March 1971. He is a registered Frofessional Engineer in the States of Alabama and Louisiana with a General Radiotelephone License With Radar Endorsement. He has certification for Rolm CBX and GTD 1000 & 120 PBX.

#### ED MOORE - DIRECTOR OF REGULATORY AFFAIRS

Mr. Moore has spent twenty-eight years in the telecommunications industry, fourteen each with Southwestern Bell and AT&T. He worked primarily in the area of network design, planning and administration for Southwestern Bell, and in regulatory and legislative management for AT&T.

He received a bachelor's degree in mathematics and physics from the University of Central Arkansas.

#### SHANNON LIGON-HUMAN RESOURCES DIRECTOR

Ms. Ligon has eight years experience in Human Resources. She served as the Vice President of Human Resources for a 500 person manufacturing company and spent over three years with Anderson Consulting as a Manager in the Change Management Group in a variety of industries, including telecom.

She received a Bachelor of Arts degree in Political Science and Business Administration from Vanderbilt University and has her Professional of Human Resource certification from SHRM.

#### CAL ARNOLD - DIRECTOR OF MARKETING

Mr. Arnold spent 26 years managing commercial radio stations including fifteen years as an owner. Most recently he served as General Manager of a ten radio station cluster plus a state radio network for Citadel Communications. His overall experience has been in planning, problem solving, operations and sales.

He received a Bachelor of Arts in Radio and Television, and a Master of Arts in Mass Communications, both from Baylor University.

#### PHILLIP KENNEDY - NETWORK OPERATIONS MANAGER

Mr. Kennedy has spent eighteen years in the telecommunications industry. He has experience managing Network Operations, Switching Center Operations, and LAN management. He has been a Supervisor of operating facilities that processed data for invoicing of all calls switched, collected, rated, and billed. Mr. Kennedy worked for Universal Network Services, Inc. for nine years, Metromedia/LDS Long Distance for six years, Infra-Pak, Inc., for three years, and was a Telecommunications Technician for the Army National Guard Reserves for seven years.

He has received Certification of Database, Maintenance, and MSP40 form DSC and Certification on MVP Operations and Maintenance from Glenayre.

#### DAVE GRANERE - WESTERN REGIONAL MANAGER

Mr. Granere has spent eighteen years in the telecommunications industry. He has managed all aspects of daily operations that include: field services, switch management, provisioning, dispatch circuit design, network design, and traffic management. He has worked closely with the Regulatory Agencies located in the Western Regions of the United States. Mr. Granere has also worked within the Supervisory Sphere; hiring and staffing, training and resource development, administrative action and personnel budgets. He has extensive knowledge of switching technologies and network sy tems, design and ordering of voice and data network services, installation and in plementation of systems and network components from start to finish, and establishment of "customer care" call centers. He worked closely with major long distance companies, negotiating service agreements, terms and conditions, and developed a thorough understanding of the local and federal (FCC) tariffs that govern the extent and methods to which services can be applied.

Mr. Granere received a Bachelor of Science in History from the University of Utah.

CCCSD, INC. d/b/a Connect! Reply to SDPCU 4/29/99 Letter

Exhibit 2

Tariff No 1

# REGULATIONS AND SCHEDULE OF CHARGES APPLYING TO EXCHANGE ACCESS AND END-USER COMMUNICATION SERVICES WITHIN THE STATE OF SOUTH DAKOTA

ISSUED: July 29, 1999

EFFECTIVE:

lasted by: Ted l

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ISSUED: July 29, 1999

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ISSUED: July 29, 1999

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ISSUED: July 29, 1999

EFFECTIVE:

Issued by: Ted

#### CHECK SHEET

Sheets 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.

Section	Page	Revision	Section	Page	Revision	Section	Page	Revision
Title		Original	2	18	Original	5	10	Original
		2.75	2	19	Original			
Preface	1	Original	2	20	Original	6	1	Original
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2	7	Original	3	1	Original			
2	8	Original						
2	9	Original	4	1	Original			
2	10	Original						
2	11	Original	5	1	Original			
2	12	Original	5	2	Original			
2	13	Original	5	3	Original			
2	14	Original	5	4	Original			
2 2	15	Original	5	5	Original			
2	16	Original	5	6	Original			
2	17	Original	5	7	Original			
			5	8	Original			
			•	0	Original			

ISSUED: July 29, 1999

EFFECTIVE:

Insued by: Tod L. Snider, JR.

#### EXPLANATION OF SYMBOLS, REFERENCE MARKS, AND ABBREVIATIONS OF TECHNICAL TERMS USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate or regulation.
- (I) To signify increased rate.
- (M) To signify a move in the location of text.
- (N) To signify new rate or regulation.
- (R) To signify reduced rate.
- (T) To signify a change in text but no change in rate or regulation.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

#### APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user communications services by CCCSD, INC. d/b/a CONNECT!, hereinafter referred to as the Company, to customers within SOUTH DAKOTA.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

### SECTION 1.0 - DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

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

<u>Automatic Number Identification ("ANI")</u>: Allows the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

Bit: The smallest unit of information in the binary system of notation.

<u>Collocation</u>: An arrangement whereby the Companylls switching equipment is located in a Local Exchange Companylls central office.

Commission: Refers to the SOUTH DAKOTA Division of Public Utilities.

<u>Customer or Subscriber</u>: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

<u>Designed Inbound Calls</u>: Refers to calls that are terminated via dedicated access facilities connecting the Customer's premises and the Company's Point of Presence ("POP"). This service is offered to the extent facilities are available and where the Company and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to the Company's POP. The Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

<u>Dedicated Outbound Colls:</u> Refers to service that is offered to the extent facilities are available in those cases where the Company and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to the Company's (POP). The Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

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

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

Dial Pulse (or \*DP\*): The pulse type employed by rotary dial station sets.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

Ted L. Snider, JR. Chief Executive Officer 124 W. Capitol, Suite 250

Little Rock, Arkansas 72201

<u>Direct Inward Dial (or "DID")</u>: A service attribute that routes incoming calls directly to stations, bypassing a central answering point.

<u>Direct Outward Dial (or "DOD")</u>: A service attribute that a lows individual station users to access and dial outside numbers directly.

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

<u>Duplex Service</u>: Service that provides for simultaneous transmission in both directions.

<u>End Office</u>: With respect to each NPA-NXX code prefix assigned to the Company, the location of the Company's "end office" for purposes of this tariff shall be the point of interconnection associated with that NPA-NXX code in the Local Exchange Routing Guide ("LERG"), issued by Bellcore.

Exchange Telephone Company or Telephone Company: Denotes any individual, partnership, association, joint-stock company, trust, or corporation authorized by the appropriate regulatory bodies to engage in providing public switched communication service throughout an exchange area, and between exchange areas within the LATA.

Hearing Impaired: Those persons with communication impairments, including those hearing impaired, deaf, deaf/blind, and speech impaired persons who have an impairment that prevents them from communicating over the telephone without the aid of a telecommunications device for the deaf.

Hunting: Routes a call to an idle station line in a prearranged group when the called station line is busy.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

Ted L. Snider, JR. Chief Executive Officer

124 W. Capitol, Suite 250 Little Rock, Arkansas 72201

<u>Inbound-Only</u>: A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

IXC or Interexchange Carrier: A long distance telecommunications services provider.

Khos: Kilobits per second, denotes thousands of bits per second.

<u>LATA</u>: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

Mbos: Megabias, denotes millions of bits per second.

Minimum Point of Presence ("MPOP"): The main telephone closet in the Customer's building.

Monthly Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Multi-Frequency or ("MF"): An inter-machine pulse-type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

CCCRI, Inc.: CCCSD, INC. d/b/a CONNECT!, the issuer of this tariff.

Non-Recurring Charge ("NRC"): The initial charge, usually assessed on a one-time basis, to initiate and establish service.

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NPA: Numbering plan area or area code.

Other Telephone Company: An Exchange Telephone Company, other than the Company.

PBX: Private Branch Exchange

Point of Presence ("POP"): Point of Presence

<u>Recurring Charges</u>: The monthly charges to the Customer for services, facilities and equipment which continue for the agreed upon duration of the service.

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Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

<u>Service Order</u>: The written request for Network Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Shared: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

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

Usage Based Charges: Charges for minutes or messages traversing over local exchange facilities.

<u>User or End User</u>: A Customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

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## SECTION 2.0 - REGULATIONS

### 2.1 Undertaking of the Company

#### 2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within SOUTH DAKOTA.

Custome, s and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

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## 2.1 Undertaking of the Company, (Cont'd.)

## 2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

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## SECTION 2.0 - REGULATIONS, (CONT'D.)

## 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.3 Terms and Conditions

- (A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-mouth basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations that by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award in accordance with South Dakota Law.

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- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.3 Terms and Conditions, (cont'd.)
    - (E) Service may be terminated upon written notice to the Customer if:
      - (1) the Customer is using the service in violation of this tariff; or
      - (2) the Customer is using the service in violation of the law.
    - (F) This tariff shall be interpreted and governed by the laws of the State of SOUTH DAKOTA regardless of its choice of laws provision.
    - (G) No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
    - (EI) To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

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## 2.1 Undertaking of the Company, (Cont'd.)

## 2.1.4 Liability of the Company

- (A) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- (B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these rederal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

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### 2.1 Undertaking of the Company, (Cont'd.)

### 2.1.4 Liability of the Company, (cont'd.)

- (C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customerprovided equipment or facilities.
- (E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnities and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(a), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

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## 2.1 Undertaking of the Company, (Cont'd.)

## 2.1.4 Liability of the Company, (coat'd.)

- (F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- (G) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- (H) "he entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- (I) The Company makes no warranties or representations, express or implied either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.

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# 2.1 Undertaking of the Company, (Cont'd.)

### 2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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### 2.1 Undertaking of the Company, (Cont'd.)

## 2.1.6 Provision of Equipment and Facilities

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided by the Company.

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- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.6 Provision of Equipment and Facilities, (cont'd.)
    - (E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
    - (F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
      - the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
      - (2) the reception of signals by Customer-provided equipment.

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## 2.1 Undertaking of the Company, (Cont'd.)

### 2.1.7 Universal Emergency Telephone Number Service (911, E911)

- (A) This Tariff does not provide for the inspection or constant monitoring of facilities to discover errors, defects, or malfunctions in the service, nor does the Company undertake such responsibility.
- (B) 911 information consisting of the names, addresses and telephone numbers of all telephone customers is confidential. The Company will release such information only after a 911 call has been received, on a call by call basis, only for the pu pose of responding to an emergency call in progress.
- (C) The 911 calling party, by dialing 911, waives the privacy afforded by non-listed and non-published service to the extent that the telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.
- (D) After the establishment of service, it is the Public Safety Agency's responsibility to continue to verify the accuracy of and to advise the Company of any changes as they occur in street names, establishment of new streets, changes in address numbers used on existing streets, closing and abandonment of streets, changes in police, fire, ambulance or other appropriate agencies' jurisdiction over any address, annexations and other changes in municipal and county boundaries, incorporation of new cities or any other similar matter that may affect the routing of 911 calls to the proper Public Safety Ar swering Point.

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- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.7 Universal Emergency Telephone Number Service (911, E911), (cont'd.)
    - The Company assumes no liability for any infringement, or invasion of any right Œ) of privacy of any person or person; caused, or claimed to be caused, directly or indirectly by the use of 911 Service. Under the terms of this Tariff, the Public Safety Agency must agree, (except where the events, incidents, or eventualities set forth in this sentence are the result of the Company's gross negligence or willful misconduct), to release, indemnify, defend and hold harmless the Company from any and all losses or claims whatsoever, whether suffered, made, instituted, or asserted by the Public Safety Agency or by any other party or person, for any personal injury to or death of any person or persons, or for any loss, damage, or destruction of any property, whether owned by the customer or others. Under the terms of this Tariff; the Public Safety Agency must also agree to release, indemnify, defend and hold harmless the Company for any infringement of invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion, or use of 911 Service features and the equipment associated therewith, or by any services furnished by the Company in connection therewith, including, but not limited to, the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing 911 Service hereunder, and which arise out of the negligence or other wrongful act of the Public Safety Agency, its user, agencies or municipalities, or the employees or agents of any one of them, or which arise out of the negligence, other than gross negligence or willful misconduct, of the Company, its employees or agents.

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## 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.8 Non-routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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# 2.1 Undertaking of the Company, (Cont'd.)

### 2.1.9 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- (A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- of a type other than that which the Company would normally utilize in the furnishing of its services;
- (C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (D) in a quantity greater than that which the Company would normally construct;
- (E) on an expedited basis;
- (F) on a temporary basis until permanent facilities are available;
- (G) involving abnormal costs; or
- (H) in advance of its normal construction.

# 2.1.10 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

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#### 2.2 Prohibited Uses

- 2.2.1 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- 2.2.2 The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and SOUTH DAKOTA Division of Public Utilities regulations, policies, orders, and decisions.
- 2.2.3 The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- 2.2.4 A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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#### 2.3 Obligations of the Customer

#### 2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Contoner; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

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### 2.3 Obligations of the Customer, (Cont'd.)

#### 2.3.1 General, (cont'd.)

- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C.) Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous a ea if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. asbestos) prior to any construction or installation work;

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## 2.3 Obligations of the Customer, (Cont'd.)

#### 2.3.1 General, (cont'd.)

- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

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## 2.3 Obligations of the Customer, (Cont'd.)

#### 2.3.2 Claims

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (A) any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- (B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

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### 2.4 Customer Equipment and Channels

#### 2.4.1 General

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

### 2.4.2 Station Equipment

- (A) Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- (B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

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### 2.4 Customer Equipment and Channels, (Cont'd.)

#### 2.4.3 Interconnection of Facilities

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an is "End User" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

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# 2.4 Customer Equipment and Channels, (Cont'd.)

## 2.4.4 Inspections

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

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### 2.5 Payment Arrangements

#### 2.5.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Users authorized by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of Network Services.

### 2.5.2 Billing and Collection of Charges

- (A) Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which survice is provided, and Recurring Charges shall be due and payable within 30 c sys after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.

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### 2.5 Payment Arrangements, (Cout'd.)

### 2.5.2 Billing and Collection of Charges, (cont'd.)

- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) A Late Payment Charge applies to any unpaid balance carried forward from a monthly bill to the next month's bill, including all long distance charges bill by CCCRI, Inc. for its interexchange service. The Customers bill will be considered to be mailed within seven (7) days of the billing cycle and will be considered past due if payment is not received within twenty-four days.
- (F) The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company that a financial institution refused to honor.
- (G) Customers have up to 90 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.
- (H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges

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# 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.3 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

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### 2.5 Payment Arrangements, (Cont'd.)

### 2.5.4 Deposits

- (A) To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
  - two months' charges for a service or facility that has a minimum payment period of one month; or
  - (2) the charges that would apply for the minimum payment period for a service or facility that has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- (B) A deposit may be required in addition to an advance payment.
- (C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.
- (D) Deposits held will accrue interest at a rate determined by the Commission with deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

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## 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.5 Discontinuance of Service

- (A) Upon nonpayment of any amounts owing to the Company, the Company may, by giving ten (10) days written notice to the Customer, discontinue or suspend service without incurring any liability.
- (B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 30 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- (C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.

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### 2.5 Payment Arrangements, (Cont'd.)

## 2.5.5 Discontinuance of Service, (cont'd.)

- (D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- (E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- (F) In the event of fraudulent use of the Company's network, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- (G) Upon the Company's discontinuance of service to the Customer under Section 2.5.5.(A) or 2.5.5.(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

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### Payment Arrangements, (Cont'd.)

### 2.5.6 Cancellation of Application for Service

- (A) Applications for service cannot be canceled without the Company's agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced (all discounted to present value at six percent).
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. Ir such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- (D) The special charges described in 2.5.6.(A) through 2.5.6.(C) will be calculated and applied on a case-by-case basis.

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#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.7 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for a rvice, the Customer's installation fee shall be adjusted accordingly.

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#### 2.5.8 Billing Disputes

Any objection to billed charges should be promptly reported to the Company by utilizing its toll-free number, 877-200-5022. This line is staffed weekdays from 8:30 to 5:30 CST. A 24-hour answering machine takes messages after hours for response on the next business day.

Adjustments to customer's bills shall be made to the extent that records are available and/or circumstances exist which reasonable indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where over-billing 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 over-billed.

The user n'ay request, and the Company will provide, an in-depth review of the disputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnect.)

It there is still a disagreement about the disputed amount after the investigation and review by a manager of the company, the user, within seven (7) days following the date on which notification is mailed, may file an appropriate complaint with the Commission. The Commission's address is:

> South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, SD 57501-5057

Telephone: 1-800-332-1782 TTY 1-800-877-1113

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#### 2.6 Allowances for Interruptions in Service

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

#### 2.6.1 Credit for Interruptions

- (A) A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this tariff. An interruption period begins when the Customer reports a service, facility or circuit to be interrupted and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.
- (B) For calculating credit allowances, every month is considered to have 30 days. A credit allowance for fixed recurring fees only is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.

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Chief Executive Officer

Chief Executive Officer 124 W. Capitol, Suite 250 Little Rock, Arkansas 72201

#### 2.6 Allowances for Interruptions in Service, (Cont'd.)

#### 2.6.1 Credit for Interruptions, (cont'd.)

(C) A credit allowance will be given for interruptions of 30 minutes or more. Credit allowances shall be calculated as follows:

Interruptions of 24 Hours or Less --

Length of Interruption	Interruption Period To Be Credited
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 Day
3 hours up to but not including 6 hours	1/5 Day
6 hours up to but not including 9 hours	2/5 Day
9 hours up to but not including 12 hours	3/5 Day
12 hours up to but not including 15 hours	4/5 Day
15 hours up to but not including 24 hours	One Day

Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.

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#### 2.6 Allowances for Interruptions in Service, (Cost'd.)

#### 2.6.1 Credit for Interruptions, (cont'el.)

#### C. (continued)

Over 24 Hours and Less Thun 72 Hours, Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

Interroptions Over 72 Hours, Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than 30 days' credit will be allowed for any one month period.

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#### 2.6 Allowances for Interruptions in Service, (Cont'd.)

#### 2.6.2 Limitations on Allowances

No credit allowance will be made for:

- interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized user, joint user, or other common carrier providing service connected to the service of the Company;
- interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- (C) interruptions due to the failure or malfunction of non-Company equipment;
- interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- (G) interruption of service due to circumstances or causes beyond the control of Company.

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Chief Executive Officer
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Little Rock, Arkansas 72201

#### 2.6 Allowances for Interruptions in Service, (Cont'd.)

#### 2.6.3 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit that has been subject to the outage or cumulative service credits.

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#### 2.7 Use of Customer's Service by Others

#### 2.7.1 Resale and Sharing

Any service provided under this tariff may be resold to or shared with other persons at the option of the Customer, subject to compliance with any applicable laws or SOUTH DAKOTA Division of Public Utilities regulations governing such resale or sharing. The Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

#### 2.7.2 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

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#### 2.8 Cancellation of Service

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.2.

The Customer's termination liability for cancellation of service shall be equal to:

- 2.9.1 all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Customer; plus
- 2.8.2 any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- 2.8.3 all Recurring Charges specified in the applicable Service Order Tariff for the balance of the then current term discounted at the prime rate announced in the <u>Wall Street Journal</u> on the third business day following the date of cancellation; minus
- 2.8.4 a reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

#### 2.9 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- 2.9.1 to any subsidiary, parent company or affiliate of the Company; or
- 2.9.2 pursuant to any sale or transfer of substantially all the assets of the Company; or
- 2.9.3 pursuant to rny financing, merger or reorganization of the Company.

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#### 2.10 Notices and Communications

- 2.10.1 The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.10.2 The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.10.3 All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.10.4 The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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Chief Executive Officer 124 W. Capitol, Suite 250 Little Rock, Arkansas 72201

#### SECTION 3.0 - SERVICE AREAS

#### 3.1 Exchanges, Rate Classes, and Local Calling Areas

The Company concurs in the exchange, rate class, local calling area, and zone designations specified in the relevant ILEC's Local Exchange Services Tariff. The Company does not concur in the rates of the ILEC. The Company's rates are set out in this tariff.

#### 3.2 Extended and Expanded Area Calling Services

Extended and Expanded Area Calling Service allows the Customer to make calls to specific NXX codes within designated exchanges outside the Customer's Local Calling area without paying intraLATA toll rates. The Customer is billed per call according to the duration of the call. the Company may mirror all existing extended and expanded calling areas the ILEC currently has in place for facilities-based or resold services, or establish unique extended and expanded area calling services.

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#### SECTION 4.0 - SERVICE CHARGES AND SURCHARGES

#### 4.1 Service Order and Change Charges

Non-recurring charges apply to processing Service Orders for new service, for changes in service, and for changes in the Customer's primary interexchange carrier (PIC) code.

	Business	Residential
Line Connection Charge:	\$49.61	\$38.83
Line Change Charge:	\$28.88	\$28.88
Telephone Number Change Charge:	\$35.01	\$27.69

#### 4.2 Maintenance Visit ('harges

Maintenance Visit Charges apply when the Company dispatches personnel to a Customer's premises to perform work necessary for effecting changes in service or resolving troubles reported by the Customer when the trouble is found to be caused by the Customer's facilities.

Maintenance Visit Charges will be credited to the Customer's account in the event trouble is not found in the Company facilities, but the trouble is later determined to be in those facilities.

The time period for which the Maintenance Visit Charges is applied will commence when Company personnel are dispatched at the Customer premises and end when work is completed. The rates for Maintenance of Service vary by time per Customer request.

#### Maintenance Visit Charge:

Initial 15 minutes or fraction thereof	\$27.81
Each additional 15 minutes or fraction there ?	\$12.20

#### 4.3 Restoration of Service

A restoration charge applies to the restoration of suspended service and facilities because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-installed.

	Business	Residential
Per occasion:	\$35.01	\$21.91

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#### SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS

#### 5.1 General

#### 5.1.1 Services Offered

The following Network Services are available to Customers and for resale by other carriers certificated by the Commission:

Standard Access Line Service
Digital Direct Inward Dial (DID) Voice Grade DS-1 Trunk Service
Inbound-only, Data-only DS-1 Service
Integrated Services Digital Network (ISDN) Basic Rate Interface (BRI)
Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI)
Custom Local Area Signaling Service (CLASS) Features

#### 5.1.2 Application of Rates and Charges

All services offered in this tariff are subject to service order and change charges where the Customer requests new services or changes in existing services, as well as indicated Non-Recurring and Monthly Recurring Charges. Charges for local calling services may be assessed on a measured rate basis and are in addition to monthly recurring charges.

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#### 5.1 General (Cont'd.)

#### 5.1.3 Emergency Services

Access (at no additional charge) to the local operator or emergency services bureau by dialing 0- or 9-1-1 is offered at no charge to the Customer.

Message toll telephone calls, to governmental emergency service agencies as set forth in (A) below, having primary or principal responsibility with respect to the provision of emergency services to persons and property in the area from which the call is made, meeting the definition and criteria of an emergency call as set forth in (B) following are offered at no charge to Customers:

- (A) Governmental fire fighting, police, and emergency squad service (as designated by the appropriate governmental agency) qualify as governmental emergency service agencies provided they answer emergency service calls on a personally attended (live) twenty-four (24) hour basis, three hundred sixty-five (365) days a year, including holidays.
- (B) An emergency is an occurrence or set of circumstances in which conditions pose immediate threat to human life, property, or both and necessitate that prompt action be taken. An emergency call is an originated call of short duration to a governmental emergency services agency in order to seek assistance for such an emergency.

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#### 5.2 Call Timing for Usage Sensitive Services

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- 5.2.1 Calls are measured in durational increments identified for each service. All calls which are fractions of a measurement increment are rounded-up to the next whole unit.
- 5.2.2 Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s).
- 5.2.3 Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- 5.2.4 Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- 5.2.5 All times refer to local time.

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#### 5.3 Rate Periods for Time of Day Sensitive Services

5.3.1 For time of day, usage sensitive services, the following rate periods apply unless otherwise specified in this tariff:

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*		DAYTIM	E RATE	PERIOD			
5:00 PM TO 11:00 PM*		EVENING RATE PERIOD			EVE		
11:00 PM TO 8:00 AM*		NIG	HT/WEE	KEND RA	TE PER	IOD	

<sup>.</sup> Up to but not including.

- 5.3.2 Calls are billed based on the rate in effect for the actual time period(s) during which the call occurs. Calls that cross rate period boundaries are billed the rates in effect in that boundary for each portion of the call, based on the time of day at the Customer location.
- 5.3.3 For services subject to holiday discounts, the following are Company recognized national holidays, determined at the location of the calling station. Calls made between 8:00 AM to, but not including, 5:00 PM will be billed at the ew sing rate, when these holidays fall on a Monday through Priday. All calls will be billed at their normal rate when these holidays fall on a Saturday or Sunday.

New Year's Day	January 1
Memorial Day	As Federally Observed
Independence Day	July 4
Thanksgiving Day	As Federally Observed
Christmas Day	December 25

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#### 5.4 Standard Access Line Service

A Standard Access Line provides the Customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Standard Access Lines are provided for the connection of Customer-provided wiring and single station sets or facsimile machines. An optional per line Hunting feature is available for multi-line Customers which routes a call to an idle station line in a prearranged group when the called station line is busy.

	Non-Recurring Charge	Monthly Recurring Charge
Business	\$110.00	\$44.00
Residential	\$52.00	\$26.00

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#### 5.5 Digital DID Voice Grade DS-1 Trunk Service

Digital DID Voice Grade DS-1 Trunk Service provides business Customers with PBX or PBX-like equipment or other telephonic equipment with access to switch ports. Customers must have the ability to terminate a DS1 signal. The signal is delivered as a digital signal at the DS1 level.

Direct Inward Dialing ("DID") permits calls incoming to a PBX system or other Customer Premises Equipment to be routed to a specific station without the assistance of an attendant. DID calls are routed directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enable DID service at a Customer's location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the responsibility of the Customer.

	Non-Recurring Charge	Monthly Recurring Charge
Digital DID Service (per DS1)	\$3,000.00	\$1,200.00
1" Block of 100 numbers	\$ 200.00	\$ 22.50
Each Additional Block of 100 numbers	\$ 200.00	\$ 22.50

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#### 5.6 Inbound-Only, Data Only DS-1 Trunk Service

Inbound-Only, Data Only DS-1 Trunk Service provides business Customers with PBX or PBX-like equipment or other telephonic equipment with access to switch ports. This service is reserved for circumstances where the Customer's usage of any Service offered by the Company is predominantly inbound data and/or has an average per call holding time in excess of 30 minutes. Customers must have the ability to terminate a DS1 signal. The signal is delivered as a digital signal at the DS1 level.

	Non-Recurring Charge	Monthly Recurring Charge
Per DS1	\$3,000.00	\$ 750.00

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#### Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI) and Basic Rate Interface (BRI)

Integrated Services Digital Network (ISDN) is a set of transmission protocols that provides end-toend digital connectivity and integration of voice, data and video, on a single Customer loop to
support a wide vari ty of services via the public switched network. The Primary Rate Interface
(PRI) consists of a 23B+D configuration with 23 64Kbps Bearer (B) digital channels and 1 64Kbps
Data (D) digital channel. The Basic Rate Interface (BRI) consists of a 2B+D configuration with
2 64Kbps Bearer (B) digital channels and 1 64Kbps Data (D) digital channel The B channels are
designed for voice, data, image and sound transmissions. B channels can support synchronous,
asynchronous or isochronous services at rates up to 64Kbps. B channels can be aggregated for
higher bandwidth applications. The D channel provides the out of band signaling, call control and
messaging.

This service is reserved for circumstances where the Customer's usage of any Service offered by the Company is predominantly inbound data and/or has an average per call holding time in excess of 30 minutes.

	Non-Recurring Charge	Monthly Recurring Charge
Each PRI	\$4,000.00	\$1,000.00
Each BRI	\$ 500.00	\$ 100.00

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#### 5.8 Hunting/Grouping Service

Hunting/Grouping Service allows calls to be received simultaneously on the same dialed number over lines/trunks included in a given Hunt Group.

	Non-Recurring Charge	Monthly Recurring Charge
Per Line/Trunk Arranged	\$ 50.00	\$1.75

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Ted L. Snider, JR. Chief Executive Officer

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#### 5.9 Custom Local Area Signaling Service (CLASS) Features

#### 5.9.1 Feature Descriptions

- (A) Caller ID Number: Permits the end-user to view a Directory Number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date at d time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE.
- (B) Caller ID Name: Permits the end-user to view a Directory Name of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE. In some situations, the calling party's city and state may be displayed rather than a Directory Name, depending on available call data.

#### 5.9.2 Rates

	Non-Recurring Charge	Monthly Recurring Charge
Caller ID - Number	\$ 18.00	\$ 7.95
Caller ID - Name	\$ 18.00	\$ 7.95

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#### SECTION 6.0 - MISCELLANEOUS CHARGES AND SERVICES

#### 6.1 Listing Services

For each Customer of Company-provided Exchange Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At the Customer's option, the Company will arrange for additional listings for an additional monthly charge. Non-directory listed and non-published services are also available for an additional monthly charge.

	Non-Recurring Charge	Monthly Recurring Charge
Business		
Additional Listing	\$10.59	\$2.99
Non-Directory Listed Service	\$10.59	\$2.84
Non-Published Service	\$10.59	\$3.91
Residential		
Additional Listing	\$17.32	\$3.91
Non-Directory Listed Service	\$17.32	\$2.84
Non-Published Service	\$17.32	\$3.91

#### 6.2 Directory Assistance

Provides for identification of telephone directory numbers, via an operator or automated platform. Customers are provided with a maximum of 2 listings per each call to Directory Assistance. Residential and Business Customer will receive five (5) free directory assistance calls during each billing cycle.

Per Directory Assistance Call:

\$0.31

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#### SECTION 7.0 - CONTRACT SERVICES

#### 7.1 Contract Services

Arrangements will be developed on a case-by-case basis in response to a bona fide special request from a Customer or prospective Customer to develop a competitive bid for a service not generally offered under this tariff. Contract Service rates will be offered to the Customer in writing and on a non-discriminatory basis.

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Little Rock, Arkansas 72201

#### SECTION 8.0 - PROMOTIONAL OFFERINGS

#### 8.1 Promotions

The Company may make promotional offerings of its tariffed services which may include reducing or waiving applicable charges for the promoted service. No individual promotional offering will exceed twelve months in duration, and any promotional offering will be extended on a non-discriminatory basis to any customer similarly classified who requests the specific offer.

#### 8.2 Discounts

The Company may, from time to time offer discounts based on mosthly volume (or, when appropriate, "monthly revenue commitment" and/or "time of day" may also be included in the tariff).

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#### RECEIVED

AUG - 4 1993

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION



Via UPS
Mr. Camron Hoseck
Staff Attorney
South Dakota
Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Re: Application of CCCSD, Inc. d/b/a Connect! Docket TC99-025

Dear Mr. Hoseck:

Enclosed are the original and ten (10) copies of the revis d pages to our tariff at 2.1.4, \*Liability of the Company.\* Pursuant to your directions to Ramona Maxwell, language has been removed for subsections (A), (F) and (H). In our revision we included the language \*Reserved for future use.\*

It is my understanding that no reference is needed on the tariff pages to reflect that they have been revised.

If you have any questions, please contact me at 501-401-7711 or by email chamon@connect.com.

Sincerely.

Carole Harnon Regulatory Specialist

riogaillany Open

Cc: File Legal

- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.4 Liability of the Company
    - (A) Reserved for future use.
    - (B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

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Issued by:

#### 2.1 Undertaking of the Company, (Cont'd.)

#### 2.1.4 Lisbility of the Company, (cont'd.)

- (C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customerprovided equipment or facilities.
- (E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnities and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or othe s, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

- 2.1 Undertaking of the Company, (Cont'd.)
  - 2.1.4 Liability of the Company, (cont'd.)
    - (F) Reserved for future use.
    - (G) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
    - (H) Reserved for future use.
    - (I) The Company makes no warranties or representations, express or implied either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particu'ar use, except those expressly set forth herein.

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

Ted L. Snider, JR.

Chief Executive Officer 124 W. Capitol, Suite 250

Little Rock, Arkansas 72201

### RECEIVED

AUG - 4 1999 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION



Keith Senger South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, South Dakota 57501-5070

RE: SD PUC Docket TC99-025 - SDPUC Letter of August 2, 1999

Dear Mr. Senger.

I have submitted your suggestions regarding our tariff to our legal and marketing departments and they have prepared the following replies.

- 1. Adjustments to customer's 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 overpaying of a subscriber occurs, the amount will be applied to future billings unless a refund is requested by the subscriber. The Compa: / will communicate quickly when an overbilling error occurs. If an overpayment is made due to a billing error, the Company will work with the subscriber on a case-by-case basis. The Company will make every effort to resolve the issue in a timely and appropriate manner.
- If there is still a disagreement about the disputed amount after the investigation and review by a manager of the Company, the user may, within the applicable statute of limitations, file an appropriate complaint with the Commission. The Commission's address is:

South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, SD 57501-5017

Telephone: 1-800-332-1782 TTY 1-800-877-1113 3 Customers have up to 180 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.

If you have any questions, please contact me at 501-401-7711 or by email: <a href="mailto:chamon@connect.com">chamon@connect.com</a>.

Sincerely,

Carole Harnon

Reuglatory Specialist

Cc: File

Legal Marketing

#### 2.5.8 Billing Disputes

Any objection to billed charges should be promptly reported to the Company by utilizing its toll free number, 877-200-5022. This line is staffed weekdays from 8:30 to 5:30 CST. A 24 hour answering machine takes messages after hours for response on the next business day.

Adjustments to customer's 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 overpaying of a subscriber occurs, the amount will be applied to future billings unless a refund is requested by the subscriber. The Company will communicate quickly when an overbilling error occurs. If an overpayment is made due to a billing error, the Company will work with the subscriber on a case-by-case basis. The Company will make every effort to resolve the issue in a timely and appropriate manner.

The user may request, and the Company will provide, an in-depth review of the disputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnect.)

It there is still a disagreement about the disputed amount after the investigation and review by a manager of the company, the user may, within the applicable statute of limitations, file an appropriate complaint with the Commission. The Commission's address is:

> South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, SD 57501-5057

Telephone: 1-800-332-1782 TTY 1-800-877-1113

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:

#### 2.5 Payment Arrangements, (Cont'd.)

#### 2.5.2 Billing and Collection of Charges, (cont'd.)

- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) A Late Payment Charge applies to any unpaid balance carried forward from a monthly bill to the next month's bill, including all long distance charges bill by CCCRI, Inc. for its interexchange service. The Customers bill will be considered to be mailed within seven (7) days of the billing cycle and will be considered past due if payment is not received within twenty-four days.
- (F) The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company that a financial institution refused to honor.
- (G) Customers have up to 180 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.
- (H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges

ISSUED: July 29, 1999

EFFECTIVE:

Issued by:



Connect.com 124 West Capitol Avenue Suite 250 Little Rock, AR 72201 Phone: 501-401-7711 Fac: 501-401-7799

August 19, 1999

RECEIVED

Mr. William Bullard, Executive Director South Dakota Public Utilities Commission 500 East Capitol Pierre, South Dakota 57501-5070 AUG 2 0 1999
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Needs to be countersigned

Re: Docket TC99-025, Amendment to Surety Bond

Dear Mr. Bullard:

Pursuant to the Commission's meeting and subsequent recommendation on Tuesday, August 17, 1999, please find enclosed an amended surety bond which was amended in the following manner. The wording in paragraph one has been changed from "...to resell long distance telecommunications services...." to "...to provide telecommunications services...." in accordance with Mr. Keith Senger's instructions.

If you have any questions, you may contact me at 501-401-7711 or email chamou@connect.com.

Sincerely,

Carole Hamon Regulatory Affairs

cc: File

## INDEMNITY BOND TO THE PEOPLE OF THE STATE OF SOUTH DAKOTA

BOND #: 040\$ 103173097 BCM

We, CCCSD, Inc. DBA Connect the principal and applicant for a CERTIFICATE OF AUTHORITY to provide telecommunications services within the State of South Dakota, and TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, as an admitted surety insurer, bind ourselves unto the Public Utility Commission of South Dakota and the consumers of South Dakota as Obligee, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota Law, and reimburse customers of CCCSD, Inc. DBA Connect for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date heron and shall remain in force and effect until the surety is released from liability by the written order of the Public Service Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Service Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 1st day of June, 1999. To be effective this 1st day of June, 1999.

	By hade	
	(Principal)	
	Travelers Casualty & Surety Co. of America	
Countersigned this 18th lay of August, 1999 Countersigned for South Dakota	Howard E. Hardin, Attorney-In-Fact	
Boddent At	"Revised 8/18/99"	

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA TRAVELERS CASUALTY AND SURETY COMPANY FARMINGTON CASUALTY COMPANY Hartford, Connecticut 06183-9062 TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS Naperville, Illinois 60563-8458

#### POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA. TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, a corporation duly organized under the laws of the State of Illinois, and having its principal office in the City of Naperville, County of DuPage, State of Illinois, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Howard E. Eardin, Larry L. Wilson, Thomas G. Mathias, James D. Robinson or Wanda A. Bellairs \*

of Little Rock, AR, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated the following instrument(s):

by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto

not exceeding the sum of ONE MILLION (\$1,000,000.00) DOLLARS per bond . .

and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Second Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and scal with the Company's scal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Senior Vice President, any Senior Vice President, any Senior Vice President, any Senior Vice President, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS have caused this instrument to be signed by their Senior Vice President, and their corporate seals to be hereto affixed this 31st day of August, 1998.

STATE OF COMNECTICUT

ISS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS









liege st Things

George W. Thompson Senior Vice President

On this 31st day of August, 1998 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals, and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



marie c tetreaut

My commission expires June 30, 2001 Notary Public Marie C. Tetreault

#### CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, stock corporation of the State of Illinois, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked, and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 1814 day of









Bu

Hoffina

Brian Hoffman Assistant Secretary, Bond

### HARDIN & WILSON, INCORPORATED

RECEIVED

August 20, 1999

AUG 23 (299 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Mr. William Bullard, Executive Director Public Utilities Commission of South Dakota State Capitol Building 500 E. Capitol Avenue Pierre, South Dakota 57501-5070

Re: CCCSD, Inc. DBA Connect - Docket #TC99-025

Mr. Bullard:

Enclosed please find the original bond for CCCSD, Inc. which reflects countersignature by a resident agent of South Dakota that represents Travelers Casualty & Surety Company of America.

This bond is being forwarded to you as a result of your phone conversation with Ms. Carol Hamon & Mr. Cameron Hoseck.

The original bond was inadvertently sent back to my attention and a copy was submitted to your attention. The copies of this bond were not countersigned, however, the original bond did show appropriate countersignature.

Please review this bond & let us know if we may be of further service or if you have any questions!

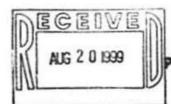
Sincerely,

Denise Thompson, CIC Commercial Lines

enclosure

cc: ch/ccsd





#### INDEMNITY BOND TO THE PEDPLE OF THE STATE OF SOUTH DAKOTA

BOND #: 040\$ 103173097 BCM

We, CCCSD, Inc. DBA Connect the principal and applicant for a CERTIFICATE OF AUTHORITY to provide telecommunications services within the State of South Dakota, and TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, as an admitted surety insurer, bind ourselves unto the Public Utility Commission of South Dakota and the consumers of South Dakota as Obligee, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Lakota Law, and reimburse customers of CCCSD, Inc. DBA Connect for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date beron and shall remain in force and effect until the surety is released from liability by the written order of the Public Service Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Service Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

> Dated this 1st day of June, 1999. To be effective this 1st day of June, 1999.

Original Bond is CCCSD, Inc. DBA Connect

Lattom desk brawer. Travelers Casualty & Surety Co. of America

Countersigned this 18th day of August, 1999 Countersigned for South Dakota

By Ylick Suggo Resident Agent

Howard E. Hardin, Attorney-In-Fact

"Revised 8/18/99"

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA TRAVELERS CASUALTY AND SURETY COMPANY FARMINGTON CASUALTY COMPANY Hartford, Connecticut 06183-9062 TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS Naperville, Illinois 60563-8458

#### POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, a corporation duly organized under the laws of the State of Illinois, and having its principal office in the City of Naperville, County of DuPage, State of Illinois, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Howard E. Hardin, Larry L. Wilson, Thomas G. Mathias, James D. Robinson or Wanda A. Bellairs.

of Little Rock, AR, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated the following instrument(s):

by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto

not exceeding the sum of ONE MILLION (\$1,000,000.00) DOLLARS per bond \* \*

and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED. That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Fower of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS-WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS have caused this instrument to be signed by their Senior Vice President, and their corporate seals to be hereto affixed this 31st day of August, 1998.

STATE OF COMNECTICUT

1SS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS









Stage of The

George W. Thompson Senior Vice President

On this 31st day of August, 1998 belief me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, the corporations described in and which executed the above instrument, that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



marie c tetreaut

My commission expires June 30, 2001 Notary Public Marie C. Tetreault

#### CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, stock corporation of the State of Illinois, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked, and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut Dated this 1814 day of









Ву\_

Buin Hoffman

Assistant Secretary, Bond

## OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF ) OR CCCSD, INC. D/B/A CONNECT! FOR A ) CE CERTIFICATE OF AUTHORITY TO PROVIDE ) LOCAL EXCHANGE SERVICE IN SOUTH ) DAKOTA

ORDER GRANTING CERTIFICATE OF AUTHORITY

TC99-025

On March 22, 1999, the Public Utilities Commission (Commission) received an application for a certificate of authority from CCCSD, Inc. d/b/a Connect! (Connect!).

Connect! proposes providing local exchange service within the state of South Dakota to business customers. A proposed tariff was filed by Connect!.

On March 25, 1999, the Commission electronically transmitted notice of the filing and the intervention deadline of April 9, 1999, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled August 17, 1999, meeting, the Commission considered Connect!'s request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to Connect! furnishing the Commission with a surety bond, and subject to rural safeguards. Commission Staff further recommended a waiver of 20:10:32:03(8) and (11).

The Commission finds that it has jurisdiction over this matter pursuant to Chapter 49-31, specifically 49-31-69 and ARSD 20:10:32:03. The Commission finds that Connect! has met the legal requirements established for the granting of a certificate of authority. Connect! has, in accordance with SDCL 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive subparagraphs (8) and (11) of ARSD 20:10:32:03.

The Commission approves Connect!'s application for a certificate of authority, subject to Connect! furnishing the Commission with a surety bond, and subject to rural safeguards. The certificate of authority for Connect! shall authorize it to offer local exchange services in those areas in South Dakota where U S WEST Communications, Inc. is the incumbent local exchange carrier. In the future, should Connect! choose to provide local exchange services statewide, with respect to rural telephone companies, Connect! will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible telecommunications carrier. In addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that Connect!'s application for a certificate of authority to provide telecommunications services, including local exchange services, is granted, subject to Connect! furnishing the Commission with a surety bond; and it is

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

FURTHER ORDERED, that the Commission shall authorize Connect! to offer its local exchange services in those areas in South Dakota where U S WEST Communications, Inc. is the incumbent local exchange carrier; and it is

FURTHER ORDERED, that the Commission finds good cause to waive subparagraphs (8) and (11) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this 26th day of August, 1999.

## SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

#### CERTIFICATE OF AUTHORITY

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

> Authority was Granted August 17, 1999 Docket No. TC99-025

> > This is to certify that

CCCSD, INC. D/B/A CONNECT!

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 26th day of Lugust, 1999.

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION:

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

ASKA SCHOENPELDER, Commissione