



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

<b>IN THE MATTER OF LDC )</b>	<b>ORDER FOR AND NOTICE</b>
<b>TELECOMMUNICATIONS, INC.'S FAILURE TO )</b>	<b>OF SHOW CAUSE HEARING</b>
<b>SUBMIT A REPORT AND PAY THE GROSS )</b>	
<b>RECEIPTS TAX )</b>	<b>TC01-174</b>

SDCL 49-1A-1 establishes the South Dakota Public Utilities Commission (Commission) Gross Receipts Tax Fund. This fund is financed by assessing a tax of .0015 or \$250, whichever is greater, on the annual intrastate gross receipts received by a utility from the company's customers within the state of South Dakota, and requires that all telecommunications companies submit on June 1, each year, a report of the amount of such gross receipts received during the preceding calendar year and pay the tax. A penalty of 10% of the tax is imposed for each month of delinquency.

Despite reminder letters from the Commission on May 3, 2001 and July 13, 2001, LDC Telecommunications, Inc. (LDC) has failed to file the required report and pay the gross receipts tax.

Pursuant to SDCL 49-1A-6, the Commission may collect this debt by distress and sale of any personal property of the company within South Dakota. Further, the Commission has the authority, under SDCL 49-31-3, to suspend or revoke the certificate of authority granted to the company; assess a civil fine against the company from \$200 to \$1,000 under SDCL 49-31-38; proceed under SDCL 49-31-38.2 or 49-31-38.3 to stop the company from transacting any future business in South Dakota; or take any other enforcement actions against the company allowed by law.

LDC shall appear on December 12, 2001, at 3:00 P.M. (CST) in the Cactus Conference Room, State Capitol Building, 500 E. Capitol, Pierre, South Dakota, to show cause why action should not be taken against the company for failure to comply with SDCL Chapter 49-1A. The hearing is being held pursuant to the Commission's jurisdiction over telecommunications companies found at SDCL Chapters 1-26, 49-1, 49-1A, and 49-31, specifically, 49-1-11(4), 49-1A-3, 49-1A-4, 49-1A-5, 49-1A-6, 49-31-3, and ARSD 20 10 01 45

The issue at the hearing is whether the Commission shall fine, or suspend or revoke LDC's Certificate of Authority, assess a civil fine against the company, and/or institute collection proceedings against LDC for failure to pay gross receipts tax.

The hearing shall be an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to be present and to be represented by an attorney. These rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place set for the hearing, the Final Decision will be based solely on the testimony and evidence provided.

if any, during the hearing or a Final Decision may be issued by default pursuant to SDCL 1-26-20. After the hearing, the Commission will consider all evidence and testimony that was presented at the hearing. The Commission will then enter Findings of Fact, Conclusions of Law, and a Final Decision regarding this matter. As a result of the hearing, the Commission shall determine whether to fine, or suspend or revoke LDC's Certificate of Authority, assess a civil fine against the company, and/or institute collection proceedings against LDC for failure to pay gross receipts tax. The Commission's Final Decision may be appealed by the parties to the state Circuit Court and the state Supreme Court as provided by law. It is therefore

ORDERED, that a show cause hearing in the matter of LDC shall be held on December 12, 2001, at 3:00 P.M. (CST) in the Cactus Conference Room, State Capitol Building, 500 E. Capitol, Pierre, South Dakota. And it is

FURTHER ORDERED, that, in the event LDC shall file an appropriate report and pay the delinquent gross receipts tax, including the 10% penalty for each month of delinquency, the hearing and actions mentioned herein shall not be held or taken, otherwise this order shall remain in effect.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1762 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 7<sup>th</sup> day of November, 2001.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes with charges prepaid thereon.	
by	<u>Melaine Kalko</u>
date	<u>11/8/01</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

5535  
 1025  
 0004  
 5220  
 7099

Article Sent To:  
 LDC Tele, Inc

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
<b>Total Postage &amp; Fees</b>	<b>\$</b>	

Name (Please Print Clearly) (To be completed by mailer)

Street, Apt. No., or PO Box No.  
 4034 7th St Hwy 19 N, Ste 232

City, State, ZIP+4  
 Tarpon Springs, FL 34689

PS Form 3811, July 1995 See Reverse for Instructions

174

If your return address is completed on the reverse side

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:  
 LDC Telecommunications, Inc  
 4034 7th St Hwy 19 N  
 Ste. 232  
 Tarpon Springs, FL  
 34689


4a. Article Number  
 7099 3220 0004 5220 5535

4b. Service Type

<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Certified
<input type="checkbox"/> Express Mail	<input type="checkbox"/> Insured
<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> COD

7. Date of Delivery  
 11-13-01

5. Received By: (Print Name)  
 Frank Caroselle

6. Signature (Addressee or Agent)  


8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

South Dakota Public Utilities Commission

**WEEKLY FILINGS**

For the Period of November 1, 2001 through November 7, 2001

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

CONSUMER COMPLAINTS

**CT81-048** In the Matter of the Complaint filed by Ida Lagge, Scotland, South Dakota, against MCI WorldCom Regarding Unauthorized Switching of Services.

Complainant states that she continuously receives calls from MCI asking her to change her long distance service to MCI. Each time Complainant states that she told the caller that she did not want to change providers. To Complainant's knowledge, she did not change her long distance provider to MCI. Complainant became aware that her long distance had been changed when she attempted to make a long distance call and she had no long distance service on her line. Complainant requests that the Commission review the tape of her conversation with the MCI representative and put sanctions on MCI. Complainant also requests that all charges be removed and that she be awarded \$1,500.00 from MCI for the undue harassment, mental anguish and the many sleepless nights they have caused her.

Staff Analyst: Mary Hooley  
Staff Attorney: Karen Cremer  
Date Docketed: 11/05/01  
Intervention Deadline: N/A

**CT81-050** In the Matter of the Complaint filed by Margaret Underwood, Pierre, South Dakota, against Talk America, Inc. Regarding Failure to Cancel Telecommunications Services.

Complainant states that she is receiving unauthorized billings by Talk America, Inc. Complainant further states that the company told her that they would remove the monthly charge and refund her money, but on the next bill she was charged again and not given a refund. Complainant states she wants the account closed and a complete refund of all charges.

Staff Analyst: Charlene Lund  
Staff Attorney: Kelly Frazier  
Date Docketed: 11/07/01  
Intervention Deadline: N/A

ELECTRIC

**EL01-016** In the Matter of the Filing by Otter Tail Power Company for Approval of an Electric Service Agreement for the Supply of Bulk Interruptible Power between Otter Tail Power Company and Valley Queen Cheese Factory, Inc.

On September 2, 2001, the Commission received a filing from Otter Tail Power Company in accordance with South Dakota Codified Law 49-34A. The Agreement is entered into pursuant to Otter Tail's Bulk Interruptible Service Tariff, as on file with the Commission.

Staff Analyst: Dave Jacobson  
Staff Attorney: Kelly Frazier  
Date Docketed: 11/02/01  
Intervention Deadline: 11/23/01

**Report and Pay the Gross Receipts Tax.**

- TC01-170** In the Matter of Enhanced Communications Network, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-171** In the Matter of erbia Network, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-172** In the Matter of Internet Telephone Company's Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-173** In the Matter of JATO Operating Two Corp.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-174** In the Matter of LDC Telecommunications, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-175** In the Matter of NewPath Holdings, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-176** In the Matter of Ozark Telecom, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-177** In the Matter of PAM Oil, Inc. d/b/a PAM Communications' Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-178** In the Matter of PNV, Inc. f/k/a PNV.net, Inc. f/k/a Park 'N View, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-179** In the Matter of ServiSense.com, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-180** In the Matter of SouthNet Telecomm Services, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-181** In the Matter of Special Accounts Billing Group, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-182** In the Matter of Telera Communications, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-183** In the Matter of Telcor Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-184** In the Matter of Telscape USA, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-185** In the Matter of Teltrust Communications Services, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-186** In the Matter of TotalAcess.com, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.
- TC01-187** In the Matter of Vee Em, Inc. f/k/a Speer Virtual Media, Ltd.'s Failure to Submit a Report and Pay the Gross Receipts Tax.

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

<p><b>IN THE MATTER OF LDC ) TELECOMMUNICATIONS, INC.'S FAILURE TO ) SUBMIT A REPORT AND PAY THE GROSS ) RECEIPTS TAX )</b></p>	<p>) ) ) ) ) ) )</p>	<p><b>FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ORDER; NOTICE OF ENTRY OF FINAL ORDER TC01-174</b></p>
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On November 7, 2001, the Public Utilities Commission (Commission) issued an Order for and Notice of Show Cause Hearing against LDC Telecommunications, Inc. (LDC) for failure to submit an annual report and pay the gross receipts tax. The hearing was held as scheduled on December 12, 2001, at 3:00 P.M. in the Cactus Conference Room, State Capitol Building, 500 E. Capitol, Pierre, South Dakota. The reason for the hearing was to give LDC an opportunity to show cause why the Commission should not revoke its Certificate of Authority, or other specified actions, for failure to submit an annual report as required by ARSD 20:10:24:04 or pay the gross receipts tax as required by SDCL 49-1A-1. Commissioners Burg and Nelson were present. Also present were Carol E. Cronin, Commission Staff Attorney and Sue Cichos, Deputy Executive Director for the Commission. No representative of LDC appeared at the hearing. After hearing the testimony, the Commission voted unanimously to revoke LDC's Certificate of Authority for failure to pay the gross receipts tax.

The Commission, having heard the testimony presented at the hearing, makes the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

- 1 LDC is a telecommunications company holding a Certificate of Authority, issued by this Commission, to provide telecommunications services in South Dakota.
- 2 Sue Cichos, Deputy Executive Director for the Commission, sent letters to LDC on May 2, 2001 and July 13, 2001, requesting payment of the gross receipts tax as authorized by SDCL 49-1A-1. She testified that LDC never paid the gross receipts tax.
- 3 A copy of the Order for and Notice of Show Cause Hearing was sent by certified mail to LDC on November 8, 2001.
- 4 No representative of LDC appeared at the hearing to show cause why the Commission should not revoke its Certificate of Authority.

**CONCLUSIONS OF LAW**

- 1 The Commission has jurisdiction over this matter pursuant to SDCL 49-1A-3, 49-1A-4, 49-1A-5, 49-1A-6, and 49-31-3.
- 2 Pursuant to 49-1A-3, the Commission assesses a tax of .0015 or \$250, whichever is greater, on the annual intrastate gross receipts received by a telecommunications company from the company's customers within the state of South Dakota. Pursuant to 49-1A-5, the tax is due on June 1st of each year.

3. LDC has failed to pay the gross receipts tax.

4. The Commission has the authority, under SDCL 49-31-3, to suspend or revoke a Certificate of Authority granted to a company for a willful violation of the laws of this state. Based on the failure of LDC to pay the gross receipts tax in violation of 49-1A-5, the Commission revokes LDC's Certificate of Authority.

Based on the foregoing Findings of Fact and Conclusions of Law, it is therefore

**ORDERED**, that the Certificate of Authority granted to LDC by this Commission is hereby ~~revoked~~ and shall be returned to the Commission within thirty (30) days from the date of this Order.

NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 20<sup>th</sup> day of December, 2001. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

Dated at Pierre, South Dakota, this 20<sup>th</sup> day of December, 2001.

<b>CERTIFICATE OF SERVICE</b>	
The undersigned hereby certifies that this document has been served today upon all parties of record on this docket, as listed on the docket service list, by personal or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
by	<u>Alvin Kalbo</u>
on	<u>12/21/01</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner



# LDC TELECOMMUNICATIONS, INC.

*Providing Telecommunications Support*

January 4, 2002

South Dakota Public Utilities Commission

500 E. Capital Ave.  
PierreSD57501

Re: New mailing address.

Dear Sir or Madam:

Please be informed that as of January 18, 2002 LDC Telecommunications, Inc. will have a new mailing address.

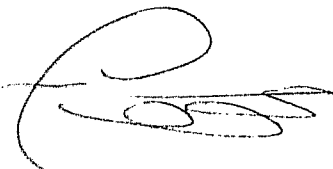
The new address will be:

LDC Telecommunications  
c/o InterControllers, Inc.  
3350 Bushwood Park Dr., Suite 265  
Tampa, Fl. 33618

Tel. 813-933-6519

Please update your record to reflect this change and direct all future correspondence to our new mailing address.

Sincerely,



Frank Garosella  
Director of Finance/CFO  
LDC Telecommunications, Inc.

RECEIVED

JAN 09 2002

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION