TC01-193

DOCKET NO.

In the Matter of IN THE MATTER OF THE APPLICATION OF NUI TELECOM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA

Public Utilities Commission of the State of South Dakota

DATE		MEMORANDA
12/17	01	Filed and Docketed;
12/20	01	Weekly Filing;
3/6	02	Revised Tariff Page;
4/4	02	Order Granting COA;
4/4	02	Docket Closed.

STATE PUBLISHING CO., PIERRE, SOUTH DAKOTA—SMEAD 104 ...

TC01-193

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

ATTORNEYS AT LAW

900 COMERICA BUILDING
KALAMAZOO, MICHIGAN 49007-4752
TELEPHONE (616) 381-8844
FAX (616) 349-8525

GEORGE H. LENNON
DAVID G. CROCKER
MICHAEL D. O'CONNOR
HAROLD E. FISCHER, JR.
LAWRENCE M. BRENTON
GORDON C. MILLER
GARY P. BARTOSIEWICZ
BLAKE D. CROCKER
ROBERT M. TAYLOR
RON W. KIMBREL
PATRICK D. CROCKER
ANDREW J. VORBRICH
TYREN R. CUDNEY
WILLIAM B. JOHNSON
STEVEN M. BROWN
KRISTEN L. GETTING

[illegible]

December 14, 2001

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

RECEIVED
DEC 17 2001
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: NUI TELECOM, INC.

Dear Mr. Bullard:

Enclosed herewith for filing with the Commission please find an original and ten (10) copies of the above captioned corporation's Application for a Certificate of Public Convenience and Necessity to Transact the Business of a Reseller of Interexchange Telecommunications Services in the State of South Dakota along with a check in the amount of $250.00 for filing fees.

Also enclosed is an exact duplicate of this filing. Please date-stamp the duplicate and return same to me in the enclosed postage pre-paid, addressed envelope.

Should you have any questions concerning this filing, please contact me.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D Crocker /pas

Patrick D. Crocker
PDC/pas

TC01-195

BEFORE THE
PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

RECEIVED

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF:

THE APPLICATION OF)
NUI TELECOM, INC.)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO TRANSACT THE BUSINESS) DOCKET NO
OF A RESELLER OF INTEREXCHANGE)
TELECOMMUNICATIONS SERVICES AND)
FOR APPROVAL OF ITS INITIAL TARIFF)

APPLICATION FOR AUTHORIZATION

NUI Telecom, Inc. (hereinafter "Applicant") respectfully requests that the Public Utilities Commission of the State of South Dakota (hereinafter referred to as "Commission") grant Applicant authority pursuant to SDCL 49-31-3 and in accordance with ARSD 20:10:24:02 to provide intrastate telecommunications services to the public within South Dakota through the resale of similar services offered by other interexchange carriers ("IXCs") in the State. Applicant further requests that the Commission approve its initial proposed tariff. Applicant, for purposes of verification, and as evidence of its fitness to operate and the public need for its services, offers the following information in support of this Application:

Identification of the Applicant

1. Applicant maintains its headquarters at 550 Route 202-206, 2nd Floor, Bedminster, NJ 07921.

2. Applicant is organized under the laws of the State of New Jersey. A copy of the Company's Articles of Incorporation is attached hereto as **Exhibit A**. Applicant has the authority to transact business within the State of South Dakota as a foreign corporation. A copy of the qualifying document is set forth in **Exhibit B** hereto.

3. Correspondence regarding this Application should be directed to:

Patrick D. Crocker
EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.
900 Comerica Building
Kalamazoo, MI 49007-4752
(616) 381-8844

4. The name of Applicant's Registered Agent, and the address of the registered office of the corporation in South Dakota is:

Ronald D. Olinger, Esq.
117 E. Capitol
Pierre, SD 57501-0066

<u>Description of Authority Requested</u>

5. Applicant seeks authority to operate as a reseller of intrastate telecommunications services to the public on a statewide basis. Applicant seeks authority to offer a full range of "1+" interexchange telecommunications services on a resale basis. Specifically, Applicant seeks authority to provide MTS, in-WATS, out-WATS, and Calling Card services.

6. Applicant does not intend to provide operator services, 900 or 700 services.

7. Applicant owns no transmission facilities. Applicant will offer service to its subscribers using facilities of the communications networks of Sprint, or other facilities-based IXCs and the local exchange telephone companies ("LECs").

8. Applicant has no plans at this time to construct any telecommunications transmission facilities of its own and seeks no construction authority by means of this Application. Applicant will operate exclusively as a reseller.

9. Applicant will abide by all rules governing telecommunications resellers which the Commission has promulgated or may promulgate in the future, unless application of such rules in specifically waived by the Commission.

Proposed Services

10. Applicant intends to offer MTS, in-WATS, out-WATS, and Calling Card services to subscribers within South Dakota. Applicant combines high quality transmission services with very competitive rates, flexible end user billing, professional customer service and excellent reporting to create a unique blend which meets the individualized needs of such business customers.

11. Applicant's services are designed to be especially attractive to business customers.

12. Applicant's intends to engage in "switchless" resale. Applicant will arrange for the traffic of underlying subscribers to be routed directly over the networks of Applicant's network providers.

13. Applicant is committed to the use of ethical sales practices. All distributors of its products must commit in writing to market Applicant's services in a professional manner, and to fairly and accurately portray Applicant's services and the charges for them.

Description and Fitness of Applicant

14. Applicant's officers have extensive managerial, financial and technical experience with which to execute the business plan described herein. Applicant's management personnel represent a broad spectrum of business and technical disciplines, possessing many years of individual and aggregate telecommunications experience. In support of Applicant's managerial and technical ability to provide the services for which authority is sought herein, Applicant submits a description of the background and experience of its current management team as **Exhibit C.** Applicant is a wholly owned subsidiary of NUI Corporation. In support of Applicant's financial ability to provide the proposed services, Applicant attaches NUI Corporation's 10Q as **Exhibit D.**

Public Interest Considerations

15. Applicant's entry into the South Dakota marketplace is in the public interest because Applicant intends to make a uniquely attractive blend of service quality, network management and reporting, and low rates available.

16. In addition to the direct benefits delivered to the public by its services, Applicant's entry into the South Dakota marketplace will benefit the public indirectly by increasing the competitive pressure felt by existing IXCs, spurring them to lower costs and improve services in response.

Requested Regulatory Treatment

17. Applicant is a non-dominant reseller of interexchange telecommunications services. Applicant requests to be regulated by the Commission in the same relaxed fashion extended to other, similarly situated resellers.

Initial Proposed Tariff

18. Applicant proposes to offer service pursuant to the rules, regulations, rates and other terms and conditions included in Applicant's initial proposed tariff which is attached hereto as **Exhibit E.** Billing, payment, credit, deposit and collection terms are set forth in Applicant's proposed tariff.

Compliance with ARSD 20:10:24:02

19. In accordance with ARSD 20:10:24:02, Applicant provides the following information:

(1). The name, address and telephone number of Applicant:

NUI Telecom, Inc.
550 Route 202-206, 2nd Floor
Bedminster, NJ 07921

(2). Applicant shall provide services under the name:

NUI Telecom, Inc.

(3). (a) Applicant is incorporated in the State of New Jersey. A copy of Applicant's articles of incorporation is attached as Exhibit A. A copy of the Applicant's certificate of authority to transact business in South Dakota is attached as Exhibit B.

(b) Applicant has no principal office in South Dakota. Applicant's registered agent is set forth in paragraph 4 hereinabove.

(c) The names of Applicant's shareholders and numbers of shares held by each:

Shareholders	Percentage
NUI Corporation 550 Route 202-206 P.O. Box 760 Bedminster, NJ 07921	100%

Applicant is a wholly owned subsidiary of NUI Corporation.

(4). Applicant is not a partnership.

(5). See paragraph 5 of the Application.

(6). See paragraph 7 of the Application.

(7). Applicant shall offer services on all equal access areas within the State of South Dakota. Accordingly, Applicant does not attach a map describing service boundaries.

(8). See Exhibits D and E attached hereto.

(9). All complaints and regulatory matters should be directed to Applicant as set forth in paragraph 1 of this Application.

(10). A list of states where the Applicant is certified is attached hereto as Exhibit F. Applicant has not been denied certification in any state, and is in good standing with the appropriate regulatory agency in the states where registered or certified.

(11). Applicant intends to market its services to primarily business customers.

(12). Cost support for rates shown in the company's tariff for all noncompetitive or emerging competitive services are as follows:

Applicant's Cost for Underlying Transport Services

Applicant proposes to resell services within South Dakota in excess of Applicant's cost of purchasing services from Applicant's underlying carrier Sprint. Applicant purchases intrastate services from Sprint for approximately $____ per minute and resells to the public for approximately $______ a minute.

(13). Applicant's federal employer ID number is 22-3293327.

(14). Applicant has had no complaints filed against the applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered.

Conclusion

A decision by the Commission to grant Applicant a Certificate of Public Convenience and Necessity is plainly in the public interest. Applicant will introduce important new products and services at very competitive rates as well as enhance the competitiveness of the overall long distance market in South Dakota.

WHEREFORE, NUI Telecom, Inc. respectfully requests that this Commission grant it authority to transact the business of a reseller of interexchange telecommunications services within the State of South Dakota, that the Commission regulate it in a streamlined fashion, and that the Commission approve Applicant's initial proposed tariff effective on the date of the Order granting authority.

Respectfully submitted,

NUI Telecom, Inc.

Dated: 12-13-01

By:____________________________
Patrick D. Crocker
EARLY, LENNON, CROCKER & BARTOSIEWICZ , P.L.C.
900 Comerica Building
Kalamazoo, MI 49007-4752

Its: Attorneys

VERIFICATION

Richard M. Boudria, President for NUI Telecom, Inc. first being duly sworn on oath, deposes and says that he has read the foregoing Application and verifies that the statements made therein are true and correct to the best of his knowledge, information, and belief.

NUI Telecom, Inc.

By: Richard M. Boudria

Richard M. Boudria, President

The foregoing instrument was acknowledged before me this 31 day of October, 2001 by Richard M. Boudria.

Joyce M. Fainor

Notary Public

For the County of Somerset

My Commission Expires:

Joyce M. Fainor
Notary Public of NJ
My Commission Expires
August 20, 2005

EXHIBIT A

Articles of Incorporation

CERTIFICATE PURSUANT TO N.J.S.A. 14A:9-5
BY INTERNATIONAL TELEPHONE GROUP, INC.

FEB 22 2000

State Treasurer

TO: Secretary of State
State of New Jersey

Pursuant to the provisions of N.J.S.A. 14A:9-5 of the New Jersey Business Corporation Act; the undersigned Corporation certifies that:

1. The name of the Corporation is International Telephone Group, Inc. to be changed by the attached Restated and Amended Certificate of Incorporation to "NUI Telecom, Inc."

2. The attached Restated and Amended Certificate of Incorporation was approved by the Directors of the Corporation and thereafter duly adopted by the shareholders of the Corporation on the date hereof.

3. The total number of shares entitled to vote was 94.9375. The number of shares voting for such amendment was 94.9375. The number of shares voting against such amendment is 0.

4. The Amended and Restated Certificate of Incorporation shall be effective as of February 22, 2000.

NUI Telecom, Inc.
formerly International Telephone Group, Inc.

DATED: 2/18/00

By:
John Kean, Jr.
Chairman

Corporation is organized.

ARTICLE VI. BOARD OF DIRECTORS

There are five (5) Directors of the Corporation. Their names and addresses are:

John Kean, Jr.
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

A. Mark Abramovic
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

James R. Van Horn
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

Robert Lurie
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

Richard M. Boudria
1300 Mount Kemble Avenue
Morristown, New Jersey 07960

The number of directors shall be fixed by the by-laws, which may specify that the number of directors shall not be less than a specified minimum or more than a specified maximum and provide a method for determining the actual number. The shareholders of the Corporation shall have the authority to elect or remove any or all of the directors with or without cause on the affirmative vote of a majority of the votes case by the holders of shares entitled to vote for the election of directors.

ARTICLE VII. MEETINGS

Any action required or permitted to be taken by the shareholders of the Corporation must be effected at an annual or special meeting of shareholders of the Corporation or may be taken without a meeting if all the shareholders entitled to vote thereon consent thereto in writing. Except as otherwise required by law ~~and subject to~~ the rights of the holders of any class or any series of preferred stock having a preference over the common stock as to dividends or upon liquidation, special meetings of shareholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized Directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption).

ARTICLE VII. CORPORATE BY-LAWS

Except as set forth in the final sentence of this subsection, the By-Laws of the Corporation may be altered, amended or repealed by the affirmative vote of a majority of the entire Board of Directors then in office. The By-Laws of the Corporation may also be altered, amended or repealed by the shareholders, but only by an affirmative vote of the holders of at least 75 percent of all the then-outstanding shares of the voting stock, voting together as a single class. Any By-Law may provide that it may only be altered, amended or repealed by the affirmative vote of the holders of at least 75 percent of all the then-outstanding shares of the voting stock, voting together as a single class, in which event such By-Law may only be altered, amended or repealed by such vote.

ARTICLE IX. NO PERSONAL LIABILITY/INDEMNIFICATION OF CORPORATE AGENTS

(a) A Director or officer of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as Director or officer, as the case may be, except to the extent that such exemption from liability or limitation of liability is not permitted under the New Jersey Business Corporation Act as currently in effect or as subsequently amended. No amendment to or repeal of this Article IX and no amendment to or repeal or termination of effectiveness of any law permitting the exemption from or limitation of liability provided for in this Article IX shall apply to or have any effect on the liability or alleged liability of any Director or officer for or with respect to any acts or omissions of that director or officer occurring prior to such amendment, repeal or termination of effectiveness.

(b)(1) Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that such person or anyone for whom such person is the legal representative, is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action or inaction in an official capacity as a Director, officer, employee or agent or in any other capacity while serving as a Director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the New Jersey Business Corporation Act or any other law, as the same exists or may hereafter be amended (but in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in this paragraph (b), the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this paragraph (b) shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the New Jersey Business Corporation Act requires, the payment of such expenses incurred by a Director or officer in his or her capacity as a Director or officer of the Corporation (and not in any other capacity in which service was or is rendered by such person while a Director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such Director or officer, to repay all amounts so advanced unless it shall ultimately be determined that such Director or officer is entitled to be indemnified under this Section or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of Directors and officers.

(2) Right of Claimant to Bring Suit. If a claim under subparagraph (b)(1) is not paid in full by the Corporation within 30 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or part, the claimant shall be entitled to be paid also the expense (including, without limitation, reasonable attorney fees) of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the New Jersey Business Corporation Act for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the claimant has met the applicable standard of conduct set forth in the New Jersey Business Corporation Act nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(3) Non-Exclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this paragraph (b) shall not be exclusive of any other right which any person may have or hereafter acquire

under any statute, provision of the Certificate of Incorporation, by-law, agreement, vote of shareholders or disinterested Directors or otherwise.

(4) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the New Jersey Business Corporation Act.

ARTICLE X. AMENDMENTS

The Corporation reserves the right to amend and repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of New Jersey. All rights herein conferred are granted subject to this reservation.

NUI Telecom, Inc.

By: ______________________
John Kean, Jr.
Chairman

By: ______________________
Richard M. Boudria
President

____
James R. Van Horn
Secretary

EXHIBIT B

Evidence of Authority to Transact Business Within the State of South Dakota

State of South Dakota

OFFICE OF THE SECRETARY OF STATE

Certificate of Authority

ORGANIZATIONAL ID #: FB025780

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of **NUI TELECOM, INC. (NJ)** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state.

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 December 12, 2001.

Joyce Hazeltine

Joyce Hazeltine
Secretary of State

Cert of Authority Merge.doc

RECEIVED

Secretary of State
State Capitol
500 E. Capitol Ave.
Pierre SD 57501
Phone 605-773-4845
Fax 605-773-4550

FILE NO. ______ 12 77

RECEIPT NO. ______

Application for Certificate of Authority

Pursuant to the provisions of SDCL 47-8-7, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of South Dakota and for that purpose submits the following statement:

(1) The name of the corporation is NUI TELECOM, INC.
(exact corporate name)

(2) If the name of the corporation does not contain the word "corporation", "company", "incorporated" or "limited" or does not contain an abbreviation of one of such words, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this state is

(3) State where incorporated NEW JERSEY Federal Taxpayer ID# 22-3293327

(4) The date of its incorporation is 4/14/1994 and the period of its duration, which may be perpetual, is PERPETUAL

(5) The address of its principal office in the state or country under the laws of which it is incorporated is 550 ROUTE 202-206, 2ND FL., BEDMINSTER, NJ Zip Code 07921
mailing address if different from above is: Zip Code

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is 117 E. CAPITOL, PIERRE, SD 57501-5066 Zip Code
and the name of its proposed registered agent in the State of South Dakota at that address is RONALD D. OLINGER, ESQ.

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: (state specific purpose)

TO PROVIDE TELECOMMUNICATION SERVICES

(8) The names and respective addresses of its directors and officers are:

Name	Officer Title	Street Address	City	State	Zip
RICHARD M. BOUDRIA	DIR., PRES, CEO	14 KNAPTON HILLRD.,	MENDHAM,	NJ	07945
JEANNE M. BRATSAFOLIS	SECRETARY	7 KARY WAY,	MORRISTOWN,	NJ	07960
PATTI HELFER	TREASURER	14 STOUT DRIVE,	BELLE MEADE,	NJ	08502
ROBERT P. LURIE	DIRECTOR	8 STURBRIDGE CT.,	LAMBERTVILLE,	NJ	08530

(9) The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
2,500	COMMON	-	WITHOUT PAR VALUE

certath.pdf

(10) The aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
2,300	COMMON	-	WITHOUT PAR VALUE

(11) The amount of its stated capital is $ 13,202,153
Shares issued times par value equals stated capital. In the case of no par value stock, stated capital is the consideration received for the issued shares.

(12) This application is accompanied by a CERTIFICATE OF FACT or a CERTIFICATE OF GOOD STANDING duly acknowledged by the Secretary of State or other officer having custody of corporate records in the state or country under whose laws it is incorporated.

(13) That such corporation shall not directly or indirectly combine or make any contract with any incorporated company, foreign or domestic, through their stockholders or the trustees or assigns of such stockholders, or with any copartnership or association of persons, or in any manner whatever to fix the prices, limit the production or regulate the transportation of any product or commodity so as to prevent competition in such prices, production or transportation or to establish excessive prices therefor.

(14) That such corporation, as a consideration of its being permitted to begin or continue doing business within the State of South Dakota, will comply with all the laws of the said State with regard to foreign corporations.

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or by the president or by another officer

I DECLARE AND AFFIRM UNDER THE PENALTY OF PERJURY THAT THIS APPLICATION IS IN ALL THINGS, TRUE AND CORRECT

Dated 11/16/01

Richard W. Bondrea
(Signature)
President & CEO
(Title)

STATE OF New Jersey
COUNTY OF Somerset
I, Joyce M. Fajnor, a notary public, do hereby certify that on this 16th day of November 2001, personally appeared before me ______ who, being by me first duly sworn, declared that he/she is the President CEO of NUI TELECOM, INC. ______, that he/she signed the foregoing document as officer of the corporation, and the statements therein contained are true.

8/20/05
My Commission Expires

Joyce M Fajnor
(Notary Public)

Notarial Seal

Joyce M. Fajnor
Notary Public of NJ
My Commission Expires
August 20, 2005

****

The Consent of Appointment below must be signed by the registered agent listed in number six.

Consent of Appointment by the Registered Agent

I, RONALD D. OLINGER, ES.Q, hereby give my consent to serve as the registered agent for NUI TELECOM, INC.
(name of registered agent)
(corporate name)

Dated 12-12 2001

Ronald Olinger
(signature of registered agent)

EXHIBIT C

Resumes

Richard M. Boudria
14 Knapton Hill Road
Mendham, New Jersey 07945
Residence: 201-543-6254
Business: 908-470-4700

Business Experience:

1/94 - Present:	NUI Telecom, Inc. f/k/a International Telephone Group, Inc. <u>President</u> Founding partner of corporation engaged in domestic and international sale/resale of telecommunications network services to business customers.
1/89 - 12/93:	Augusta Associates, Ltd. <u>President</u> Telecommunications consultants serving major corporations both domestically and internationally. Fortune 50 client base including IBM, Morgan Stanley, Sony and Chase Manhattan Bank.
6/84 - 1/89:	GTE Corporation <u>Director of Strategic Planning</u> Responsible for the development of all facets of the five year strategic plan for telephone operations generating $12 billion annual revenue.
9/75 - 6/84:	Xerox Corporation <u>New York Operations Sales Manager</u> Ranked one of fifty <u>Account Executive</u> Ranked first nationally <u>Sales Executive</u> Ranked one of one hundred and fifty
1/74 - 9/75:	Merrill Lynch, New York, NY Account Executive

EXHIBIT D

Financial Statement

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-Q

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from ________________ to ____________________.

Commission File Number 001-16385

NUI CORPORATION
(Exact name of registrant as specified in its charter)

New Jersey	22-3708029
(State of incorporation)	(IRS employer identification n...)

550 Route 202-206, PO Box 760, Bedminster, New Jersey 07921-0760
(Address of principal executive offices, including zip code)

(908) 781-0500
(Registrant's telephone number, including area code)

ndicate by check mark whether the registrant: (1) has filed all reports equired to be filed by Section 13 or 15(d) of the Securities Exchange Act f 1934 during the preceding 12 months (or for such shorter period that the egistrant was required to file such reports), and (2) has been subject to uch filing requirements for the past 90
ays. Yes X No

APPLICABLE ONLY TO CORPORATE ISSUERS:

he number of shares outstanding of each of the registrant's classes of mmon stock, as of July 31, 2001: Common Stock, No Par Value: 13,751,703 hares outstanding.

NUI Corporation and Subsidiaries
Consolidated Balance Sheet
(Dollars in thousands)

	June 30, 2003 (Unaudited)	September 30, 2002
ASSETS		
Current Assets		
Cash and cash equivalents	$ 6,971	$ 1,419
Accounts receivable (less allowance for doubtful accounts of $2,468 and $1,544, respectively)	105,630	100,623
Notes Receivable	-	7,096
Fuel inventories, at average cost	35,192	17,121
Unrecovered purchased gas costs	45,485	5,506
Prepayments and other	105,494	83,380
Total Current Assets	299,772	223,676
Property, Plant and Equipment		
Property, plant and equipment at original cost	928,323	898,150
Accumulated depreciation and amortization	(308,375)	(301,916)
Unamortized plant acquisition adjustments, net	28,355	29,442
	648,303	625,676
Funds for Construction Held by Trustee	15,501	20,704
Investments in TIC Enterprises, LLC	-	40,259
Other Investments	5,099	5,181
Assets Held for Sale	1,744	-
Other Assets		
Regulatory Assets	49,986	50,613
Deferred Assets	60,692	15,300
Total Other Assets	110,678	65,913
Total Assets	$ 1,091,104	$ 920,657
CAPITALIZATION AND LIABILITIES		
Current Liabilities		
Notes payable to banks	$ 215,832	$ 96,700
Notes payable	2,000	-
Current portion of capital lease obligations	2,123	1,960
Accounts payable, customer deposits and accrued liabilities	129,270	122,207
Federal income and other taxes	13,977	11,888
	363,202	232,755
Other Liabilities		
Capital lease obligations	3,714	4,196
Deferred federal income taxes	85,511	75,240
Unamortized investment tax credits	4,497	4,835
Environmental Remediation Reserve	32,669	33,381
Regulatory and other liabilities	37,689	34,325

	164,080	152,185
Capitalization		
Common shareholder's equity	293,931	256,969
Preferred stock	-	-
Long-term debt	268,973	268,947
Total Capitalization	562,904	525,916
	$ 1,091,186	$ 920,857
	========	=======

*Derived from audited financial statements.

See the notes to the consolidated financial statements.

NUI Corporation and Subsidiaries
Consolidated Statement of Cash Flows (Unaudited)
(Dollars in thousands)

	Nine Months Ended June 30, 2001	Nine Months Ended June 30, 2000
Operating Activities		
Net Income	$ 23,827	$ 26,818
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	25,069	23,189
Deferred Federal income taxes	7,014	3,817
Amortization of deferred investment tax credits	(328)	(345)
Other	14,030	1,393
Effects of changes in:		
Accounts receivable, net	9,450	(15,601)
Fuel inventories	1,805	8,559
Accounts payable, deposits, accruals	(15,436)	(2,157)
Over (under) recovered purchase gas costs	(42,285)	9,130
Other	(41,918)	(3,672)
Net cash (used in) provided by operating activities	(18,772)	51,127
Financing Activities		
Proceeds from sales of common stock, net of treasury purchased	417	642
Dividends to shareholders	(9,777)	(9,502)
Funds for construction held by trustee, net	14,122	6,282
Notes receivable from Virginia Gas	(13,000)	-
Notes payable for TIC acquisition	3,000	-

Principal repayments under capital lease obligations	(1,524)	(7,660)
Net short-term borrowings (repayments)	73,705	(11,610)
Net cash provided by (used for) financing activities	66,943	(18,928)
Investing Activities		
Cash expenditures for property, plant and equipment	(30,856)	(30,356)
Other	(13,859)	(1,959)
Net cash used in investing activities	(44,715)	(32,315)
Net increase (decrease) in cash and cash equivalents	$ 3,456	$ (116)
	=======	=======
Cash and cash equivalents		
At beginning of period	$ 3,515	$ 1,561
At end of period	$ 6,971	$ 1,445
Supplemental Disclosures of Cash Flows		
Income taxes paid, net	$ 3,865	$ 1,277
Interest paid	$ 20,832	$ 17,056

See the notes to the consolidated financial statements

NUI Corporation and Subsidiaries
Notes to the Consolidated Financial Statements

1. Basis of Presentation

The consolidated financial statements include all operating divisions and subsidiaries of NUI Corporation (collectively referred to as NUI or the Company). NUI is a multi-state company engaged in the sale and distribution of natural gas, energy commodity trading and marketing, sales outsourcing and telecommunications. The Company's utility divisions serve approximately 380,000 customers in seven states along the eastern seaboard of the United States and comprise Elizabethtown Gas Company (New Jersey), City Gas Company of Florida, North Carolina Gas, Elkton Gas (Maryland), Valley Cities Gas (Pennsylvania), Waverly Gas (New York) and Virginia Gas (see Note 4). Virginia Gas is also engaged in other activities, such as pipeline operation; natural gas storage; gathering, marketing and distribution services; natural gas exploration, production and well operation; and propane distribution. The Company's non-regulated businesses include NUI Energy, Inc. (NUI Energy), an energy retailer; NUI Energy Brokers (NUI Energy Brokers), an energy wholesaler; NUI Energy Solutions, Inc., an energy project development and consulting entity; NUI Environmental Group, Inc., an environmental project development subsidiary; Utility Business Services, Inc., (UBS), a geospatial and customer information systems and services subsidiary; NUI Telecom, Inc. (NUI Telecom), a telecommunications services subsidiary (see Note 3); and TIC Enterprises, L.L.C (TIC), a sales outsourcing subsidiary (see Note 5). All intercompany accounts and transactions have been eliminated in consolidation.

On May 15, 2001, the Company acquired the remaining 51 percent interest of TIC that it did not previously own (see Note 5). NUI originally acquired a 49 percent interest in TIC on May 18, 1997, for $22 million.

The consolidated financial statements contained herein have been prepared without audit in accordance with the rules and regulations of the Securities and Exchange Commission and reflect all adjustments which, in the opinion of management, are necessary for a fair statement of the results for interim periods. All adjustments made were of a normal recurring nature. The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto that are included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2000.

NUI is a Holding Company and is exempt from registration under the Public Utility Holding Company Act of 1935. NUI's wholly owned subsidiary, NUI Utilities, Inc. is subject to regulation as an operating utility by the public utility commissions of the states in which it operates. Certain subsidiaries of NUI Virginia Gas are regulated by the Virginia State Corporation Commission. Because of the seasonal nature of gas utility operations, the results for interim periods are not necessarily indicative of the Company's results for an entire year.

2. Common Shareholders' Equity

The components of common shareholders' equity were as follows (dollars in thousands):

	June 30, 2001	September 2000
Common stock, no par value	$ 240,571	$ 215
Shares held in treasury	(2,246)	(2,
Retained earnings	59,506	45
Unearned employee compensation	(3,900)	(1,
Total common shareholders' equity	$ 293,931	$ 256

3. Purchase of NUI Telecom

On November 12, 1999, the Company closed on its acquisition of

International Telephone Group, Inc. (ITG). The acquisition was treated as a merger whereby ITG merged with and into a subsidiary of the Company. ITG subsequently changed its name to NUI Telecom, Inc. The purchase price totaled $5.8 million and included the issuance of 113,200 shares of NUI common stock, with the remainder paid in cash. NUI Telecom is a full service telephone company that provides its customers with a single service solution for all their telecommunication requirements including local, long distance, cellular, internet, and data communications services. The Agreement and Plan of Merger contains a provision whereby the previous shareholders of NUI Telecom will receive an additional $1.0 million in NUI common stock if NUI Telecom achieves certain revenue targets no later than December 31, 2003.

The acquisition was accounted for as a purchase. The excess of the purchase price over the net assets of NUI Telecom is approximately $5.5 million, which includes the additional earnings contingency noted above, and is being amortized on a straight-line basis over a 20-year period.

4. Purchase of Virginia Gas Company

On March 28, 2001, the Company completed its acquisition of Virginia Gas Company (VGC). The acquisition was treated as a merger whereby VGC became a wholly-owned subsidiary of NUI. The purchase price totaled $29 million and included the issuance of 792,600 shares of NUI common stock, with the remainder paid in cash. VGC is a natural gas storage, pipeline, and propane and natural gas distribution company, which operates in a region of the nation that has a rapidly growing demand for natural gas and power generation due to significant development. It owns one natural gas facility with fast-injection, fast-withdrawal capabilities and has 50 percent ownership of a second storage facility. During June 2001, the Company reached an agreement to acquire the remaining interest in this storage facility (see "Capital Expenditures and Commitments").

The acquisition is being accounted for as a purchase. The excess of the purchase price over the fair value of the net assets of VGC is estimated to be approximately $4.6 million and will be amortized on a straight-line basis over a 30-year period. In conjunction with the acquisition, the Company has identified two operations of Virginia Gas that will be held for sale. Accordingly, the net assets of Virginia Gas' Propane and Marketing operations as well as VGC's 50 percent equity interest in a distribution company have been segregated and classified as "Assets Held for Sale" on the Consolidated Balance Sheet at June 30, 2001.

5. Purchase of TIC Enterprises, LLC

On May 15, 2001, the Company acquired the remaining 51 percent interest of TIC Enterprises, LLC (TIC) it did not previously own. The amount paid to the majority owner totaled $8 million, which was paid in cash and a note payable. TIC is a sales outsourcing firm located in Roswell, GA. TIC has exclusive contracts with the United States Postal Service (USPS), and various telecommunications equipment and service providers that enable TIC to provide a broad range of telephony and data products and services to its customers.

The acquisition is being accounted for as a purchase. The excess of the purchase price over the fair value of the net assets of TIC is estimated to be approximately $35.7 million and will be amortized on a straight-line basis over a 25-year period.

The Company recorded losses of $5.3 million through May 15, 2001, for 49 percent of the operating losses TIC incurred prior to completing the acquisition of the remaining 51 percent interest it did not previously own. TIC has experienced longer and more costly delays in transitioning from selling the products of one telecommunications equipment provider to those of another. The demand for telecommunications equipment has also weakened nationwide, adversely affecting TIC's results. As a result of these difficulties, TIC has aggressively taken steps toward cost reductions and restructuring of compensation plans in order to improve its financial performance. The Company expects TIC to achieve break-even status by September 2001 and be well positioned for further growth. While there can be no assurance that the current economic climate for telecommunications equipment will improve in the near-term or that TIC will return to profitability, management believes that the current carrying value of its investment has not been impaired.

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6. Goodwill

The excess of the cost over the net assets of acquired businesses is recorded as goodwill, which is included in deferred charges on the balance sheet. Goodwill is amortized on a straight-line basis over its estimated useful life, ranging from 20 to 30 years. The Company has goodwill of $45.[illegible] million, net of accumulated amortization, at June 30, 2001. Goodwill is reviewed for recoverability periodically or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Company has recorded amortization of goodwill of $420,000 and $971,000 for the three-month and nine-month period ended June 30, 2001, respectively.

7. Contingencies

Environmental Matters. The Company is subject to federal and state laws with respect to water, air quality, solid waste disposal and employee health and safety matters, and to environmental regulations issued by the United States Environmental Protection Agency (EPA), the New Jersey Department of Environmental Protection (NJDEP) and other federal and state agencies.

The Company owns, or previously owned, certain properties on which manufactured gas plants (MGP) were operated by the Company or by other parties in the past. In New Jersey, the Company has reported the presence of the six MGP sites to the EPA, the NJDEP and the New Jersey Board of Public Utilities (NJBPU) and is currently conducting remedial activities at all six sites with oversight from the NJDEP. The Company also owns, or previously owned, 10 former MGP facilities located in the states of North Carolina, South Carolina, Pennsylvania, New York and Maryland. Based on the most recent assessment, the Company has recorded a total reserve for environmental investigation and remediation costs of approximately $33 million, which is the probable minimum amount that the Company expects to expend during the next 20 years. Of this reserve, approximately $29 million relates to the six New Jersey MGP sites and approximately $4 million relates to the 10 sites located outside New Jersey.

The Company's prudently incurred remediation costs for the New Jersey MGP sites have been authorized by the NJBPU to be recoverable in rates. In New Jersey, the Company is currently recovering MGP-related expenditures on an annual basis through base rates and over a rolling seven-year period through its NJBPU approved MGP Remediation Adjustment Clause. As a result, the Company has begun rate recovery of approximately $8.3 million of environmental costs incurred through June 30, 2000. Accordingly, the Company has recorded a regulatory asset of approximately $35.3 million as of June 30, 2001, reflecting the future recovery of both incurred costs and future environmental remediation liabilities related to New Jersey MGP sites. The Company has also been successful in recovering a portion of MGP remediation costs incurred for the New Jersey sites from the Company's insurance carriers and continues to pursue additional recovery. With respect to costs associated with the remaining MGP sites located outside New Jersey, the Company intends to pursue recovery from ratepayers, former owners and operators, and insurance carriers, although the Company is not able to express a belief as to whether any or all of these recovery efforts will be successful. The Company is working with the regulatory agencies to prudently manage its MGP costs so as to mitigate the impact of such costs on both ratepayers and shareholders.

Gas Procurement Contracts. Certain of the Company's long-term contracts for the supply, storage and delivery of natural gas include fixed charges that amount to approximately $60.5 million annually. The Company currently recovers, and expects to continue to recover, such fixed charges through its purchased gas adjustment clauses. As a result of the forthcoming unbundling of natural gas services in New Jersey, these contracts may result in the realization of stranded costs by the Company. Management believes the outcome of these actions will not have a material adverse effect on the Company's results. The Company also is committed to purchase, at market-related prices, minimum quantities of gas that, in the aggregate, are approximately 2.6 billion cubic feet (Bcf) per year or to pay certain costs in the event the minimum quantities are not taken. The Company expects that minimum demand on its systems for the duration of these contracts will continue to exceed these minimum purchase obligations.

Other. The Company is involved in various claims and litigation incidental to its business. In the opinion of management, none of these claims and litigation will have a material adverse effect on the Company's results of operations or its financial condition.

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6. New Accounting Standards

The Company will adopt Statement of Financial Accounting Standards No. 141, "Business Combinations" (SFAS 141) and Statement of Financial Accounting Standards No. 142, "Goodwill and Intangible Assets" (SFAS 142) in fiscal 2002. These statements were issued in July 2001 and, when implemented, no longer require that companies amortize goodwill; however an annual assessment is required to determine if the carrying value of goodwill has been impaired. In general, under SFAS 142, acquired intangible assets are to be separately recognized if the intangible asset arises from contractual or other legal rights, or if the intangible asset can be sold, transferred, licensed, rented, or exchanged, regardless of the company's intent do to so. The value of these intangibles will continue to be amortized over their estimated useful lives. As noted, the Company expects to implement these statements at the beginning of its next fiscal year, October 1, 2001, and will review goodwill recorded for its recent acquisitions to identify the existence of intangibles requiring amortization and support the carrying value of its goodwill.

9. Business Segment Information

The Company's operations are organized and managed by three primary segments: Distribution Services, Energy Sales and Services and Customer Services. The Distribution Services segment distributes natural gas in six states through the Company's regulated utility divisions. The Energy Sales and Services segment reflects the operations of the Company's NUI Energy, NUI Energy Brokers and NUI Virginia Gas subsidiaries, as well as off-system sales made by NUI Energy Brokers on behalf of the utility divisions. The Customer Services segment reflects the operations of the Company's UBS, NUI Telecom and TIC subsidiaries, as well as appliance leasing, repair and maintenance operations. The Company also has corporate operations that do not generate any revenues.

The following table provides information concerning the major segments of the Company for the three and nine month periods ended June 30, 2001 and 2000. Revenues include intersegment sales to affiliated entities, which are eliminated in consolidation. All of the Company's operations are in the United States and therefore do not need separate disclosure by geographic region.

	Three Months Ended June 30,		Nine Months E June 30,
(Dollars in thousands)	2001	2000	2001
Revenues:			
Distribution Services	$ 99,768	$ 79,183	$ 459,543
Energy Sales and Services	157,318	128,190	614,132
Customer Services	16,486	6,324	36,059
Intersegment Revenues	(41,643)	(14,958)	(133,540)
Total Revenues	$ 231,929	$ 198,739	$ 976,194
Pre-tax Operating Income (Loss):			
Distribution Services	$ 2,077	$ 5,444	$ 54,128
Energy Sales and Services	7,052	1,364	12,219
Customer Services	(1,407)	101	(1,095)
Total Pre-tax Operating Income (Loss)	$ 7,722	$ 6,909	$ 65,252

A reconciliation of the Company's segment pre-tax operating income to amounts reported on the consolidated financial statements is as follows:

	Three Months Ended June 30,	Nine Months E June 30,

(Dollars in thousands)	2001	2000	2001
Segment Pre-tax Operating Income	$ 7,722	$ 6,909	$ 65,252
Non-segment pre-tax operating income	(938)	24	(1,793)
Pre-tax Operating Income	$ 6,784	$ 6,933	$ 63,459
	=====	=====	======

NUI Corporation and Subsidiaries
Summary Consolidated Operating Data

	Three Months Ended June 30,		Nine Months June 30
	2001	2000	2001
Operating Revenues (Dollars in thousands)			
Firm sales:			
Residential	$ 50,131	$ 36,583	$ 282,352
Commercial	19,236	14,420	104,109
Industrial	1,870	1,686	10,811
Interruptible Sales	18,836	15,850	68,539
Unregulated Sales	113,207	116,987	478,021
Transportation Services	9,035	9,925	32,135
Customer Service, Appliance Leasing, and Other	19,614	5,280	40,391
	$ 231,929	$ 198,739	$ 976,194
	=======	=======	=======
Gas Sold or Transported (MMcf)			
Firm sales:			
Residential	3,891	3,407	23,056
Commerctial	1,841	1,613	10,027
Industrial	78	241	1,072
Interruptible Sales	3,207	3,765	9,860
Unregulated Sales	22,836	31,454	74,887
Transportation Services	8,282	8,764	27,920
	40,135	49,246	146,820
	======	======	======
Average Utility Customers Served			
Firm sales:			
Residential	354,129	348,122	353,914
Commerctial	23,891	23,426	23,889
Industrial	250	238	260
Interruptible Sales	38	46	44
Transportation Services	3,457	3,828	3,681
	381,765	375,660	381,786

	======	======	======
Degree Days in New Jersey			
Actual	485	566	4,971
Normal	568	554	5,101
Percentage variance from normal	15%	2%	3%
	warmer	colder	warmer
Employees (period end)			[illegible]

NUI Corporation and Subsidiaries
Management's Discussion and Analysis of Financial Condition
and Results of Operations

The following discussion and analysis refers to NUI Corporation and all of its operating divisions and subsidiaries (collectively referred to as the Company). NUI is a multi-state company engaged in the sale and distribution of natural gas, energy commodity trading and marketing, sales outsourcing and telecommunications. The Company's utility divisions serve approximately 380,000 customers in seven states along the eastern seaboard of the United States and comprise Elizabethtown Gas Company (New Jersey), City Gas Company of Florida, North Carolina Gas, Elkton Gas (Maryland), Valley Cities Gas (Pennsylvania) and Waverly Gas (New York) and Virginia Gas. Virginia Gas is also engaged in other activities, such as pipeline operation; natural gas storage; gathering, marketing and distribution services; natural gas exploration, production and well operation; and propane distribution. The Company's non-regulated subsidiaries include NUI Energy, Inc. (NUI Energy), an energy retailer; NUI Energy Brokers, Inc. (NUI Energy Brokers), an energy wholesaler; NUI Energy Solutions, Inc., an energy project development and consulting entity; NUI Environmental Group, Inc., an environmental project development subsidiary; Utility Business Services, Inc. (UBS), a geospatial and customer information systems and services subsidiary; NUI Telecom, Inc. (NUI Telecom), a telecommunications services subsidiary; and TIC Enterprises, L.L.C. (TIC), a sales outsourcing subsidiary.

On March 28, 2001, the Company completed its acquisition of Virginia Gas Company (VGC) of Abingdon, Virginia. On May 15, 2001, the Company acquired the remaining 51 percent interest of TIC that it did not previously own. NUI originally acquired a 49 percent interest in TIC on May 18, 1997, for $22 million.

Results of Operations

Three-Month Periods Ended June 30, 2001 and 2000

Net Income. Net income for the three-month period ended June 30, 2001, was $0.7 million, or $0.05 per share, as compared with net income of $1.5 million, or $0.11 per share, for the three-month period ended June 30, 2000. Net income for the current period includes losses of $1.0 million, or $0.07 per share, for the operations of TIC Enterprises, since it became a wholly-owned subsidiary of the Company on May 15, 2001.

Operating Revenues and Operating Margins. The Company's operating revenues include amounts billed for the cost of purchased gas pursuant to purchased gas adjustment clauses. Such clauses enable the Company to pass through to its customers, via periodic adjustments to customers' bills, increased or decreased costs incurred by the Company for purchased gas without affecting operating margins. Since the Company's utility operations do not earn a profit on the sale of the gas commodity, the Company's level of regulated operating revenues is not necessarily indicative of financial performance.

The Company's operating revenues increased by $33.2 million, or 17 percent, for the three-month period ended June 30, 2001, as compared with the three-month period ended June 30, 2000. The Company's Distribution Services' revenue increased by approximately $20.6 million, mainly due to higher gas prices charged through the Company's purchased gas adjustment clauses, an increase in base rates in Florida (see Regulatory Matters), and customer growth. These increases were partially offset by the effect of weather that was 14 percent warmer compared to the three-month period ended June 30, 2000. Customer Services' revenue increased by approximately $9.0 million, net of intercompany transactions, due to higher sales volumes by NUI Telecom and the recent acquisition of TIC Enterprises (see Note 5 of the Notes to the Consolidated Financial Statements). Energy Sales and Services' revenue increased by approximately $3.6 million, net of intercompany transactions, primarily due to higher gas prices, an increase in unregulated off-system sales and the acquisition of NUI Virginia Gas.

The Company's operating margins increased by $14.8 million, or [illegible] percent, for the three-month period ended June 30, 2001, as compared with the three-month period ended June 30, 2000. The increase was primarily attributable to an increase of approximately $8.3 million in the Company's Energy Sales and Services segment due to fees earned as part of a customer's future electricity purchases, the continuing volatility

of gas prices experienced throughout the nation, and the recent acquisition of NUI Virginia Gas. NUI's wholesale business, NUI Energy Brokers, increased operating margins $4.5 million, or 199 percent, and NUI's retail subsidiary, NUI Energy, increased margins $2.4 million, or 214 percent, as gas costs decreased from the unprecedented levels experienced this past winter. As the price of gas declined, NUI Energy customers began moving away from the month-to-month arrangements to long-term contracts as protection against future seasonal increases. Operating margins increased in the Customer Services segment by approximately $7.2 million, net of intercompany transactions, due to increased sales by NUI Telecom and UBS, as well as the inclusion of results from TIC Enterprises (see Note 5 of the Notes to the Consolidated Financial Statements). These increases were offset by a decrease of approximately $0.7 million in the Company's Distribution Services segment as a result of weather that was 14 percent warmer as compared with the three-month period ended June 30, 2000.

Other Operating Expenses. Operations and maintenance expenses increased approximately $14.5 million, or 66 percent, for the three-month period ended June 30, 2001, as compared with the three-month period ended June 30, 2000. The increase was the result of operating expenses for the recent acquisitions of NUI Virginia Gas and TIC Enterprises, higher provisions for bad debts, increased labor and employee benefit costs, higher commissions for Energy Brokers as a result of increased margins, and costs associated with the Company's new technology lease. The Company previously owned the technology assets it replaced during the year.

Other Income and Expense, Net. Equity in the losses of TIC decreased approximately $0.4 million due to operating losses TIC incurred prior to NUI's acquisition of the remaining equity interest in company. The decrease was primarily the result of the continuing slowdown in the demand for telecommunications equipment. Now under NUI's ownership, TIC has continued to work toward improving its cost structure to enable TIC to return to profitability in the near-term.

Interest Expense. Interest expense increased by approximately $1.6 million for the three-month period ended June 30, 2001, as compared to the same period in the prior year. During the three-month period ended June 30, 2000, in accordance with a Stipulation approved by the New Jersey Board of Public Utilities, the Company was able to recover the carrying costs computed on previously deferred expenses incurred for the investigation and remediation of manufactured gas plant sites in New Jersey. The current year increase is a result of the effect of the prior year recovery, coupled with higher average debt outstanding during 2001 (see Financing Activities and Resources). Partially offsetting this increase was $0.6 million of interest recorded as a regulatory asset in accordance with a recently approved Stipulation by the New Jersey Board of Public Utilities, which allows the Company to recover carrying costs computed on under-recovered gas costs (see Regulatory Matters).

Nine-Month Periods Ended June 30, 2001 and 2000

Net Income. Net income for the nine-month period ended June 30, 2001, was $23.8 million, or $1.80 per share, as compared with net income of $26.8 million, or $2.08 per share, for the period ended June 30, 2000. The decrease in the current period was primarily due to losses incurred by TIC which totaled $6.3 million, or $0.48 per share, that was offset by improved results of the Company's core businesses.

Operating Revenues and Operating Margins. The Company's operating revenues increased by $264.7 million, or 37 percent, for the nine-month period ended June 30, 2001, as compared with the nine-month period ended June 30, 2000. The Company's Distribution Services' revenue increased by approximately $117.8 million, mainly due to the higher cost of gas and customer growth. Weather in New Jersey was 3 percent warmer than normal, but 11 percent colder than the prior year period. Energy Sales and Services' revenue increased by approximately $134.9 million, net of intercompany transactions, due to higher gas prices and an increase in unregulated off-system sales. Customer Services' revenue increased by approximately $12.0 million, net of intercompany transactions, due to increased volumes by NUI Telecom, higher sales by UBS and the appliance services operations, and the recent acquisition of TIC (see Note 5 of the Notes to the Consolidated Financial Statements).

The Company's operating margins increased by $20.5 million, or 13 percent, for the nine-month period ended June 30, 2001, as compared with the nine-month period ended June 30, 2000. The increase was primarily attributable to an increase of $10.4 million in the Company's Energy Sales and Services segment as a result of the acquisition of NUI Virginia Gas, fees earned as part of a customer's future electricity purchases, and the continued volatility in the price of natural gas. Operating margins increased approximately $2.2 million in the Company's Distribution Services segment as a result of customer growth and increased sales due to colder weather in the current period. The Company has weather normalization clauses in its New Jersey and North Carolina tariffs, which are designed to help stabilize the Company's results by increasing

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amounts charged to customers when weather has been warmer than normal and by decreasing amounts charged when weather has been colder than normal. As a result of weather normalization clauses, operating margins were approximately $0.6 million and $4.9 million higher in the fiscal 2001 and 2000 periods, respectively, than they otherwise would have been without such clauses. Operating margins increased in the Customer Services segment by approximately $7.9 million, net of intercompany transactions, due to higher sales by NUI Telecom, UBS and the appliance services operations, as well as the recent acquisition of TIC (see Note 5 of the Notes to the Consolidated Financial Statements).

Other Operating Expenses. Operations and maintenance expenses increased approximately $17.1 million, or 25 percent, for the nine-month period ended June 30, 2001, as compared with the nine-month period ended June 30, 2000. The increase was primarily the result of the addition of operating expenses of NUI Virginia Gas and TIC since their acquisition dates (see Notes 4 and 5 of the Notes to the Consolidated Financial Statements), higher bad debt expense due to the increase in operating revenues, increased labor and employee benefit costs, higher costs incurred related to the Company's growth businesses, higher commissions for Energy Brokers as a result of increased margins and costs associated with the Company's new technology lease. The Company previously owned the technology assets it replaced during the year.

Depreciation and amortization increased approximately $1.[illegible] million in the current period, due to additional plant in service and the acquisitions of NUI Virginia Gas and TIC.

Interest Expense. Interest expense increased approximately $2.9 million, or 19 percent, due to higher levels of short-term debt necessary to finance the Company's purchases of natural gas. The high cost of gas resulted in an average short-term debt balance of $154.1 million for the nine-month period ended June 30, 2001, compared to $72.1 million in the previous year (see Financing Activities and Resources). Also contributing to the increase in the current year was the previously noted effect of the prior year recovery of the carrying costs computed on deferred expenses incurred for the investigation and remediation of manufactured gas plant sites in New Jersey in fiscal 2000. Partially offsetting this increase was higher capitalized interest and amounts capitalized as regulatory assets to recover the carrying costs associated with the under-recovery of gas costs.

Regulatory Matters

The Company's City Gas division received approval from the Florida Public Service Commission (FPSC) on January 16, 2001, to increase its annual base rates by $5.13 million. The new rate level provides for an allowed return on equity of 11.5 percent and an overall allowed rate of return of 7.88 percent.

On November 1, 2000, the New Jersey Board of Public Utilities (NJBPU) issued an order approving an increase in the New Jersey purchased gas adjustment clause (PGA) of 17.3 percent. The rate increase was effective immediately and results in a revenue increase of approximately $47 million annually. In addition, the Company was allowed to increase the PGA rate by an additional 2 percent each month between December 2000 and April 2001. Each of these monthly rate increases added revenues of up to $6 million on an annual basis. The increased PGA rate was granted to cover the higher costs the Company has been paying for its natural gas purchases, which had risen from about $2.50 per dekatherm in July 1999 to as high as $10.00 per dekatherm in January 2001 (see "Financing Activities and Resources"). In a December 1, 2000 filing, the Company proposed the extension of the monthly 2 percent rate adjustments for an additional three months and authorization to record interest on its under-recovered gas balance. On March 20, 2001, the NJBPU issued an order approving the Company's request to extend the monthly 2 percent increases through July 2001 if actual gas costs warrant such increases. The Company has implemented these increases. In addition, the order allows the Company to begin recording interest on its under-recovered gas cost balance, and established a new rate adjustment to recover the gas cost under-recovery balance as of October 31, 2001 with associated interest over a three-year period.

Financing Activities and Resources

The Company had net cash used in operating activities of $[illegible] for the nine-month period ended June 30, 2001, compared to net cash provided by operating activities of $51.1 million for the same period in the prior year. The decrease was primarily due to substantial increases in cash required to fund under-recovered gas costs and the timing of payments to gas suppliers. These increases were partially offset by amounts collected from customers.

The Company expects to raise $60 million from the issuance of intermediate debt during August 2001. The proceeds would be used to repay the short-term debt used, in part, to acquired NUI Virginia Gas. Additionally, the Company plans an equity offering of approximately $25 million of common stock in the fall of 2001. The proceeds of the equity offering would be used to further reduce its short-term indebtedness and other general corporate purposes.

Because the Company's business is highly seasonal, short-term debt is used to meet seasonal working capital requirements. The Company also borrows under its bank lines of credit to finance portions of its capital expenditures, pending refinancing through the issuance of equity or long-term indebtedness at a later date, depending upon prevailing market conditions.

Short-Term Debt. The weighted average daily amounts outstanding of notes payable to banks and the weighted average interest rates on those amounts were $154.1 million at 5.9 percent for the nine-month period ended June 30, 2001, and $72.1 million at 6.6 percent for the nine-month period ended June 30, 2000. At June 30, 2001, the Company had outstanding notes payable to banks amounting to $215.8 million and available unused lines of credit amounting to $15.7 million. Notes payable to banks increased as of June 30, 2001, as compared to the balance outstanding at September 30, 2000, due to reasons discussed above.

Long-Term Debt and Funds for Construction Held by Trustee. The Company deposits in trust the unexpended portion of the net proceeds from its Gas Facilities Revenue Bonds until drawn upon for eligible expenditures. As of June 30, 2001, the total unexpended portions of all of the Company's Gas Facilities Revenue Bonds were $7.2 million and are classified on the Company's consolidated balance sheet, including interest earned thereon, as funds for construction held by trustee.

Common Stock. On November 12, 1999, the Company issued 113,200 shares of NUI common stock that was used for the purchase of NUI Telecom (see Note [illegible] of the Notes to the Consolidated Financial Statements). On March 28, 2001, the Company issued 792,600 shares of NUI common stock that was used for the purchase of Virginia Gas (see Note 4 of the Consolidated Financial Statements).

Dividends. The Company's long-term debt agreements include, among other things, restrictions as to the payment of cash dividends. Under the most restrictive of these provisions, the Company is permitted to pay approximately $80.9 million of cash dividends at June 30, 2001.

Assets Held for Sale . Upon completing the acquisition of Virginia Gas, the Company now seeks to focus on the development of the Virginia Gas operations that complement and augment existing NUI businesses and have opportunities for growth. Accordingly, the Company intends to sell the net assets of NUI Virginia Gas' Propane and Marketing operations, as well as its 50 percent equity investment in a distribution company. The proceeds are expected to be reinvested in additional pipeline and storage capacity to facilitate the growth of NUI Virginia Gas.

Capital Expenditures and Commitments

Capital expenditures, which consist primarily of expenditures to expand and upgrade the Company's gas distribution systems, were $30.9 million for the nine-month period ended June 30, 2001, as compared to $30.4 million for the nine-month period ended June 30, 2000. Capital expenditures are expected to be approximately $64 million for all of fiscal 2001, as compared with a total of $52.7 million in fiscal 2000. Included in the spending for fiscal 2001 is approximately $14 million related to Phase I construction of a distribution pipeline to bring natural gas service to Florida Crystals Corporation and the nearby towns of South Bay and Belle Glade, Florida. The remaining capital expenditure budget for fiscal 2001 will be used primarily for the continued expansion and upkeep of the Company's natural gas distribution system, as well as certain technology projects.

Environmental. The Company owns or previously owned six former manufactured gas plant (MGP) sites in the state of New Jersey and ten former MGP sites in the states of North Carolina, South Carolina, Pennsylvania, New York and Maryland. Based on the Company's most recent assessment, the Company has recorded a total reserve for environmental investigation and remediation costs of approximately $33 million, which is the probable minimum amount that the Company expects it will expend in the next 20 years to remediate the Company's MGP sites. Of this reserve, approximately $29 million relates to New Jersey MGP sites and approximately $4 million relates to the MGP sites located outside New Jersey. The Company believes that all costs associated with the New Jersey MGP sites will be recoverable in rates or from insurance carriers. In New Jersey, the Company is currently recovering environmental costs on an annual basis through base rates and over a rolling seven-year period through its MGP Remediation Adjustment Clause. As a result, the Company has begun rate recovery of approximately $8.3 million of environmental costs incurred through June 30, 2000. With respect to costs that may be associated with the MGP sites located outside the state of New Jersey, the Company intends to pursue recovery from ratepayers, former owners and operators of the sites and from insurance carriers. However, the Company is not able, at this time, to express a belief as to whether any or all of these recovery efforts will ultimately be successful.

Gas Procurement Contracts. Certain of the Company's long-term contracts for the supply, storage and delivery of natural gas include fixed charges that amount to approximately $60.5 million annually. The Company currently recovers, and expects to continue to recover, such fixed charges through its purchased gas adjustment clauses. As a result of the [illegible] unbundling of natural gas services in New Jersey, these contracts may result in the realization of stranded costs by the Company. Management believes the outcome of these actions will not have a material adverse effect on the Company's results. The Company also is committed to purchase, at market-related prices, minimum quantities of gas that, in the aggregate, are approximately 2.6 billion cubic feet (Bcf) per year or to pay certain costs in the event the minimum quantities are not taken. The Company expects that minimum demand on its systems for the duration of these contracts will continue to exceed these minimum purchase obligations.

Long-Term Debt . The Company is scheduled to repay [illegible] million of Medium-Term Notes in August 2002.

Joint Venture with Duke Energy. On April 30, 2001, the Company announced an agreement with a unit of Duke Energy to develop a natural gas storage facility in Saltville, Virginia. NUI's Virginia Gas subsidiary and Duke Energy Gas Transmission (DEGT) have agreed to basic business terms and will create a limited liability company, Saltville Gas Storage Company LLC. The transaction is subject to execution of definitive agreements.

The agreement will allow for the expansion of the present Saltville storage facility from its current capacity of 1.1 billion cubic feet (Bcf) to 10 Bcf and connect it to DEGT's East Tennessee Natural Gas (ETNG) mainline system. At full capacity, the Saltville storage field will be able to deliver up to 500 million cubic feet of natural gas to area markets. The Saltville facility features fast-injection and fast-withdrawal capabilities offered by salt cavern storage.

Development of the Saltville facility creates a strategically located energy-trading hub for NUI's wholesale trading arm, NUI Energy Brokers. This will enable the Company to capitalize on the energy supply, wholesale trading and portfolio management opportunities in the rapidly developing Mid-Atlantic region. The additional storage capacity will allow the Company to meet the significant demand from local distribution companies as well as power plant development that is underway in the region.

Sale of Valley Cities Gas and Waverly Gas. On October 4, 2000, the Company agreed to sell the assets of its Valley Cities Gas and Waverly Gas utility divisions (VCW) to C&T Enterprises, Inc. (C&T), of Pennsylvania for $15 million. C&T will pay an additional $3 million to the Company should certain revenue targets be achieved. The transaction is expected to close during the latter portion of fiscal 2001 after all regulatory approvals have been obtained. For the nine months ended June 30, 2001, VCW generated $10.5 million of operating revenues, $3.0 million of operating margin and $0.8 million of operating income.

Acquisition of Virginia Gas Storage Company and Virginia Gas Distribution Company. During June 2001, the Company completed an agreement with the individuals that own of the remaining 50 percent interests in Virginia Gas Storage Company (VGSC) and Virginia Gas Distribution Company (VGDC). Two individuals each own 25 percent of the stock of both VGSC and VGDC. Under terms of the agreement, the Company would pay each owner $750,000 and issue 72,324 shares of NUI Common Stock in exchange for their stock in both VGSC and VGDC. The transaction is expected to close in the fall of 2001 after regulatory approval has been obtained. As noted in "Financing Activities and Resources- Assets Held for Sale", the Company intends to sell the assets of VGDC within the next twelve months.

Market Risk Exposure

The Company's wholesale trading subsidiary, NUI Energy Brokers, uses derivatives for multiple purposes: i) to hedge price commitments and minimize the risk of fluctuating gas prices, ii) to take advantage of market information and opportunities in the marketplace, and iii) to fulfill its trading strategies and, therefore, ensure favorable prices and margins. These derivative instruments include forwards, futures, options and swaps.

The risk associated with uncovered derivative positions is closely monitored on a daily basis, and controlled in accordance with NUI Energy Brokers' Risk Management Policy. This policy has been approved by the Company's Board of Directors and dictates policies and procedures for all trading activities. The policy defines both value-at-risk (VaR) and loss limits, and all traders are required to read and follow this policy. At the end of each day, all trading positions are marked-to-market and a VaR is calculated. This information, as well as the status of all limits, is disseminated to senior management daily.

NUI Energy Brokers utilizes the variance/covariance VaR methodology. Using a 95 percent confidence interval and a one-day time horizon, as of June 30, 2001, NUI Energy Brokers' VaR was $250,000.

Forward-Looking Statements

This document contains forward-looking statements. These statements are based on management's current expectations and information currently available and are believed to be reasonable and are made in good faith. However, the forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected in the statements. Factors that may make the actual results differ from anticipated results include, but are not limited to, economic conditions; competition from other providers of similar products; and other uncertainties, all of which are difficult to predict and some of which are beyond our control. For these reasons, you should not rely on these forward-looking statements when making investment decisions. The words "expect," "believe," "project," "anticipate," "intend," "should," "could," and variations of such words and similar expressions, are intended to identify forward-looking statements. We do not undertake any obligation to update publicly any forward-looking statement, either as a result of new information, future events or otherwise.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

None

(b) Reports on Form 8-K

On May 15, 2001, the Company filed a Form 8-K, Item 5, Other Events, reporting the NUI had reached a definitive agreement with the majority owner of TIC Enterprises, LLC to acquire the outstanding 51 percent equity interest in TIC it did not own.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NUI CORPORATION

August 13, 2001

JOHN KEAN, JR.
President and Chief Executive Officer

August 13, 2001

A. MARK ABRAMOVIC
Sr. Vice President, Chief Operating Officer & Chief Financial Officer

EXHIBIT E

Proposed Tariff

SOUTH DAKOTA TELECOMMUNICATIONS TARIFF

This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services within the State of South Dakota by NUI Telecom, Inc. ("Company"). This Tariff is on file with the South Dakota Public Utilities Commission, and copies may also be inspected, during normal business hours, at the following location: 550 Route 202-206, 2nd Floor, Bedminster, NJ 07921.

CHECK SHEET

The title page and pages 1-39 inclusive of this Tariff are effective as of the date shown. Original and revised sheets, as named below, comprise all changes from the original Tariff in effect on the date indicated.

SHEET	REVISION	SHEET	REVISION
1	Original	22	Original
2	Original	23	Original
3	Original	24	Original
4	Original	25	Original
5	Original	26	Original
6	Original	27	Original
7	Original	28	Original
8	Original	29	Original
9	Original	30	Original
10	Original	31	Original
11	Original	32	Original
12	Original	33	Original
13	Original	34	Original
14	Original	35	Original
15	Original	36	Original
16	Original	37	Original
17	Original	38	Original
18	Original	39	Original
19	Original		
20	Original		
21	Original		

* New or Revised Sheets

Issued by: Richard M. Boudria, President
NUI Telecom, Inc.
550 Route 202-206, 2nd Floor

CONCURRING, CONNECTING AND OTHER PARTICIPATING CARRIERS

CONCURRING CARRIERS:

No Concurring Carriers

CONNECTING CARRIERS:

No Connecting Carriers

OTHER PARTICIPATING CARRIERS:

No Participating Carriers

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Bedminster, NJ 07921

TARIFF FORMAT

Sheet Numbering - Sheet numbers appear in the upper right hand corner of the page. Sheets are numbered sequentially and from time to time new pages may be added to the Tariff. When a new page is added between existing pages, a decimal is added to the preceding page number. For example, a new page added between Sheets 3 and 4 would be numbered 3.1.

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

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

Check Sheets - When a Tariff filing is made with the Commission, an updated check sheet accompanies the Tariff filing. The check sheet lists the pages contained in the Tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision, all revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it. The Tariff user should refer to the latest check sheet to find out if a particular page is the most current on file with the Commission.

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550 Route 202-206, 2nd Floor
Bedminster, NJ 07921

APPLICABILITY

This Tariff contains the Service offerings, rates, terms and conditions applicable to the furnishing of intrastate interexchange telecommunications services within the State of South Dakota by NUI Telecom, Inc. ("Company").

EXPLANATION OF SYMBOLS

(D) To signify discontinued material

(I) To signify a rate or charge increase

(M) To signify material relocated without change in text or rate

(N) To signify new material

(R) To signify a reduction

(T) To signify a change in text but no change in rate or regulation

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1. TECHNICAL TERMS AND ABBREVIATIONS

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

Access Coordination

Provides for the design, ordering, installation, coordination, pre-service testing, service turn-up and maintenance on a Company or Customer provided Local Access Channel.

Administrative Change

A change in Customer billing address or contact name.

Alternate Access

Alternate Access is a form of Local Access except that the provider of the Service is an entity, other than the Local Exchange Carrier, authorized or permitted to provide such Service. The charges for Alternate Access may be subject to private agreement rather than published or special tariff if permitted by applicable governmental rules.

Application for Service

A standard Company order form which includes all pertinent billing, technical and other descriptive information which will enable the Company to provide a communication Service as required.

ASR

ASR (Access Service Request) means an order placed with a Local Access Provider for Local Access.

Authorized User

A person, firm, corporation or other entity that either is authorized by the Customer to receive or send communications or is placed in a position by the Customer, either through acts or omissions, to send or receive communications.

Bandwidth

The total frequency band, in hertz, allocated for a channel.

Bill Date

The date on which billing information is compiled and sent to the Customer.

Call

A completed connection between the Calling and Called Stations.

Called Station

The telephone number called.

Calling Station

The telephone number from which a Call originates.

Cancellation of Order

A Customer initiated request to discontinue processing a Service order, either in part or in its entirety, prior to its completion. Cancellation charges will be assessed for each Circuit-end or Dedicated Access line canceled from an order prior to its completion by the Company, under the following circumstances: (1) if the LEC has confirmed in writing to the Company that the Circuit-end or Dedicated Access line will be installed; or (2) if the Company has already submitted facilities orders to an interconnecting telephone company.

Channel or Circuit

A dedicated communications path between two or more points having a Bandwidth or Transmission Speed specified in this Tariff and selected by a Customer.

Commission

South Dakota Public Utilities Commission

Company

NUI Telecom, Inc.

Company Recognized National Holidays

The following are Company Recognized National Holidays determined at the location of the originator of the Call: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day

The evening rate is used unless a lower rate would normally apply. When a Call begins in one rate period and ends in another, the rate in effect in each rate period applies to the portion of the Call occurring within that rate period. In the event that a minute is split between two rate periods, the rate in effect at the start of that minute applies.

Customer

The person, firm, corporation or governmental unit which orders Service and which is responsible for the payment of charges and for compliance with the Company's Tariff regulations. A Customer is considered to be an account for billing purposes. The term Customer also includes an entity that remains presubscribed to the Company Service after its account(s) are removed from the Company's billing system, subsequently continues to use Company's network, and is billed by a local exchange carrier for such use, or otherwise uses Service for which no other Customer is obligated to compensate Company.

Customer Premises/Customer's Premises

Locations designated by a Customer where Service is originated/terminated whether for its own communications needs or for the use of its resale customers.

DCS

DCS means Digital Cross-Connect System.

Dedicated Access/Special Access

Dedicated Local Access between the Customer's Premises or serving wire center and the Company's Point-of-Presence for origination or termination of Calls.

DS-0

DS-0 means Digital Signal Level 0 Service and is a 64 Kbps signal.

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DS-1

DS-1 means Digital Signal Level 1 Service and is a 1.544 Mbps signal.

DS-0 with VF Access

DS-0 Service with VF Local Access facilities provides for the transmission of analog voice and/or data within 300 Hz to 3000 Hz frequency range.

DS-0 with DDS Access

DS-0 Service with DDS Access facilities provides for the transmission of digital data at speeds 2.4, 4.8, 9.6 or 56 Kbps.

Due Date

The Due Date is the date on which payment is due.

Expedite

A Service order initiated at the request of the Customer that is processed in a time period shorter than the Company's standard Service interval.

FCC

Federal Communications Commission

Individual Case Basis (ICB)

Individual Case Basis (ICB) determinations involve situations where complex Customer-specific Company arrangements are required to satisfactorily serve the Customer. The nature of such Service requirements makes it difficult or impossible to establish general tariff provisions for such circumstances. When it becomes possible to determine specific terms and conditions for such offerings, they will be offered pursuant to such terms and conditions.

Installation

The connection of a Circuit, Dedicated Access line, or port for new, changed or an additional Service.

Interexchange Service

Interexchange Service means that portion of a communications channel between a Company-designated Point-of-Presence in one exchange and a Point-of-Presence in another exchange.

Interruption

Interruption shall mean a condition whereby the Service or a portion thereof is inoperative, beginning at the time of notice by the Customer to Company that such Service is inoperative and ending at the time of restoration.

Kbps

Kilobits per second.

LATA (Local Access Transport Area)

A geographical area established for the provision and administration of communications Service of a local exchange company.

Local Access

Local Access means the Service between a Customer Premises and a Company designated Point-of-Presence.

Local Access Provider

Local Access Provider means an entity providing Local Access.

Local Exchange Carrier (LEC)

The local telephone utility that provides telephone exchange services.

Mbps

Megabits per second.

Multiplexing

Multiplexing is the sequential combining of lower bit rate Private Line Services onto a higher bit rate Private Line Service for more efficient facility capacity usage or vice versa.

N/A

Not available.

Nonrecurring Charges

Nonrecurring Charges are one-time charges.

Payment Method

The manner which the Customer designates as the means of billing charges for Calls using the Company's Service.

Physical Change

The modification of an existing Circuit, Dedicated Access line or port, at the request of the Customer, requiring some Physical Change or retermination.

Point-of-Presence (POP)

A Company-designated location where a facility is maintained for the purpose of providing access to its Service.

Primary Route

The route which, in the absence of Customer-designated routing or temporary re-routing, would be used by the Company in the provision of Service.

Private Line

A dedicated transmission channel furnished to a customer without intermediate switching arrangements for full-time customer use.

Private Line Service

A dedicated full-time transmission Service utilizing dedicated access arrangements.

Rate Center

A specified geographical location used for determining mileage measurements.

Requested Service Date

The Requested Service Date is the date requested by the Customer for commencement of Service and agreed to by the Company.

Restore

To make Service operative following an interruption by repair, reassignment, re-routing, substitution of component parts, or otherwise, as determined by the carrier(s) involved.

Route Diversity

Two channels which are furnished partially or entirely over two physically separate routes.

Service

Service means any or all Service(s) provided pursuant to this Tariff.

Service Commitment Period

The term elected by the Customer and stated on the Service order during which the Company will provide the Services subscribed to by the Customer. The term can be monthly or in the case of Private Line Services for a period of up to 5 years.

Special Promotional Offerings

Special trial offerings, discounts, or modifications of its regular Service offerings which the Company may, from time to time, offer to its Customers for a particular Service. Such offerings may be limited to certain dates, times, and locations.

Start of Service Date

The Requested Service Date or the date Service first is made available by the Company whichever is later.

Tariff

The current Intrastate Services Tariff and effective revisions thereto filed by the Company with the Commission.

Transmission Speed

Data transmission speed or rate, in bits per seconds (bps).

Two-Way Conversation

A Two-Way Conversation is a telephone conversation between or among two or more parties.

VF

VF is voice frequency or voice-grade Service designed for private-line Service. Normal transmission is in the 300 hertz to 3000 hertz frequency band.

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2. RULES AND REGULATIONS

2.1. Description and Limitations of Services

2.1.1. Intrastate Telecommunications Service ("Service") is the furnishing of Company communication Services contained herein between specified locations under the terms of this Tariff.

2.1.2. Any member of the general public (including any natural person or legally organized entity such as a corporation, partnership, or governmental body) is entitled to obtain Service under this Tariff, provided that the Company reserves the right to deny Service: (A) to any Customer that, in the Company's reasonable opinion, presents an undue risk of nonpayment, (B) in circumstances in which the Company has reason to believe that the use of the Service would violate the provisions of this Tariff or any applicable law or if any applicable law restricts or prohibits provision of the Service, or (C) if insufficient facilities are available to provide the Service (in such cases Company shall make best efforts to accommodate the needs of all potential Customers by means of facility improvements or purchases of capacity, if such efforts will, in the Company's opinion, provide the Company with a reasonable return on its expenditures), but only for so long as such unavailability exists.

2.1.3. Company, when acting at the Customer's request and as its authorized agent, will make reasonable efforts to arrange for Service requirements, such as special routing, Diversity, Alternate Access, or circuit conditioning.

2.1.4. Service is offered in equal access exchanges subject to the availability of facilities and the provisions of this Tariff. Company reserves the right to refuse to provide Service to or from any location where the necessary facilities and/or equipment are not available.

2.1.5. Service may be discontinued after five business days written notice to the Customer if:

2.1.5.A. the Customer is using the Service in violation of this Tariff; or

2.1.5.B. the Customer is using the Service in violation of the law or Commission regulation.

2.1.6. Service begins on the date that billing becomes effective and is provided on the basis of a minimum period of at least one month, 24 hours per day. For the purposes of computing charges in this Tariff, a month is considered to have 30 days.

2.1.7. Service will be provided until canceled, by the Customer on not less than thirty (30) days' written notice from the date of postmark on the letter giving notice of cancellation.

2.1.8. Nothing herein, or in any other provision of this Tariff, or in any marketing materials issued by the Company shall give any person any ownership, interest, or proprietary right in any code or 800 number issued by the Company to its Customers.

2.1.9 The Company reserves the right to discontinue furnishing Services or billing options, upon written notice, when necessitated by conditions beyond its control. Conditions beyond the Company's control include, but are not limited to, a Customer's having Call volume or a calling pattern that results, or may result, in network blockage or other Service degradation which adversely affects Service to the calling party, the Customer, or other Customers of the Company.

2.1.10. Except as otherwise provided in this Tariff or as specified in writing by the party entitled to receive Service, notice may be given orally or in writing to the persons whose names and business addresses appear on the executed Service order and the effective date of any notice shall be the date of delivery of such notice, not the date of mailing. By written notice, Company or Customer may change the party to receive notice and/or the address to which such notice is to be delivered. In the event no Customer or Company address is provided in the executed Service order, notice shall be given to the last known business address of Customer or, as appropriate.

2.2. <u>Other Terms and Conditions</u>

2.2.1. The name(s) of the Customer(s) desiring to use the Service must be stipulated in the Application for Service.

2.2.2. The Customer agrees to operate the Company provided equipment in accordance with instructions of the Company or the Company's agent. Failure to do so will void the Company liability for interruption of Service and may make Customer responsible for damage to equipment pursuant to Section 2.2.3 below.

2.2.3. Customer agrees to return to the Company all Company-provided equipment delivered to Customer within five (5) days of termination of the Service in connection with which the equipment was used. Said equipment shall be in the same condition as when delivered to Customer, normal wear and tear only excepted. Customer shall reimburse the Company, upon demand, for any costs incurred by the Company due to Customer's failure to comply with this provision.

2.2.4. A Customer shall not use any service-mark or trademark of the Company or refer to the Company in connection with any product, equipment, promotion, or publication of the Customer without prior written approval of the Company.

2.2.5. In the event suit is brought or any attorney is retained by the Company to enforce the terms of this Tariff, the Company shall be entitled to recover, in addition to any other remedy, reimbursement for reasonable attorneys' fees, court costs, costs of investigation and other related expenses incurred in connection therewith.

2.2.6. The provision of Service will not create a partnership or joint venture between the Company and the Customer nor result in joint Service offerings to their respective Customers.

2.2.7. The rate or volume discount level applicable to a Customer for a particular Service or Services shall be the rate or volume discount level in effect at the beginning of the monthly billing period applicable to the Customer for the particular Service or Services. When a Service is subject to a minimum monthly charge, account charge, port charge or other recurring charge or Nonrecurring Charge for both intrastate and interstate Service, only one such charge shall apply per account and that charge shall be the interstate charge.

2.2.8. Service requested by Customer and to be provided pursuant to this Tariff shall be requested on Company Service Order forms in effect from time to time or Customer's forms accepted in writing by an authorized headquarters representative of the Company (collectively referred to as "Service Orders").

2.2.9. If an entity other than the company (e.g., another carrier or a supplier) imposes charges on the Company in connection with a Service that entity's charges will be passed through to the Customer also.

2.2.10. The Service Commitment Period for any Service shall be established by the Service Order relevant thereto and commence on the Start of Service Date. Upon expiration, each Service Commitment Period for such Service shall automatically be extended subject to written notice of termination by either Company or Customer as of a date not less than thirty (30) days after delivery of said notice to the other. The charges for Interexchange Service during any such extension shall not exceed the then current Company month-to-month charges applicable to such Service.

2.3. Liability

2.3.1. Except as provided otherwise in this Tariff, the Company shall not be liable to Customer or any other person, firm or entity for any failure of performance hereunder if such failure is due to any cause or causes beyond the reasonable control of the Company. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, any law, order, regulation, direction, action or request of the United States government or of any other government or of any civil or military authority, national emergencies, insurrections, riots, wars, strikes, lockouts or work stoppages or other labor difficulties, supplier failures, shortages, breaches or delays, or preemption of existing Services to restore service in compliance with Part 64, Subpart D, Appendix A, of the FCC's Rules and Regulations.

2.3.2 The Company is not liable for any act or omission of any other company or companies (including any Company affiliate that is a participating or concurring carrier) furnishing a portion of the Service or facilities, equipment, or Services associated with such Service.

2.3.3. The Customer is responsible for taking all necessary legal steps for interconnecting the Customer provided terminal equipment with the Company facilities. The Customer shall ensure that the signals emitted into the Company's network do not damage Company equipment, injure personnel or degrade Service to other Customers. The Customer is responsible for securing all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. In addition, the customer shall comply with applicable LEC signal power limitations.

2.3.4. The Company may rely on Local Exchange Carriers or other third parties for the performance of other Services such as Local Access. Upon Customer request and execution and delivery of appropriate authorizing documents, the Company may act as agent for Customer in obtaining such other Services. Customer's liability for charges hereunder shall not be reduced by untimely Installation or non-operation of Customer provided facilities and equipment.

2.3.5. The failure to give notice of default, to enforce or insist upon compliance with any of the terms or conditions herein, the waiver of any term or conditions herein, or the granting of an extension of time for performance by the Company or the Customer shall not constitute the permanent waiver of any term or condition herein. Each of the provisions shall remain at all time in full force and effect until modified in writing.

2.3.6. In the event parties other than Customer (e.g., Customer's customers) shall have use of the Service directly or indirectly through Customer, then Customer agrees to forever indemnify and hold Company and any affiliated or unaffiliated third-party, third-party provider or operator of facilities employed in provision of the Service harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to any Defects.

2.3.7. In the event that Company is required to perform a Circuit redesign due to inaccurate information provided by the Customer; or, circumstances in which such costs and expenses are caused by the Customer or reasonably incurred by the Company for the benefit of the Customer, the Customer is responsible for the payment of all such charges.

2.4 Cancellation of Service by a Customer

2.4.1 If a Customer cancels a Service Order before the Service begins, before completion of the Minimum Period, or before completion of some other period mutually agreed upon by the Customer and the Company, a charge will be levied upon the Customer for the nonrecoverable portions of expenditures or liabilities incurred expressly on behalf of the Customer by the Company and not fully reimbursed by Installation and monthly charges. If, based on a Service order by a Customer, any construction has either begun or been completed, but no Services provided, the nonrecoverable costs of such construction shall be borne by the Customer.

2.4.2 Upon thirty (30) days' prior written notice, either Customer or Company shall have the right, without cancellation charge or other liability, to cancel the affected portion of the Service, if the Company is prohibited by governmental authority from furnishing said portion, or if any material rate or term contained herein and relevant to the affected Service is substantially changed by order of the highest court of competent jurisdiction to which the matter is appeal, the Federal Communications Commission, or other local, state or federal government authority.

2.5 Cancellation for Cause by the Company

2.5.1. Upon nonpayment of any sum owing to the Company, or upon a violation of any of the provisions governing the furnishing of Service under this Tariff, the Company may, upon five business days written notification to the Customer, except in extreme cases, without incurring any liability, immediately discontinue the furnishing of such Service. The written notice may be separate and apart from the regular monthly bill for service. Customer shall be deemed to have canceled Service as of the date of such disconnection and shall be liable for any cancellation charges set forth in this Tariff.

2.5.2. Without incurring any liability, the Company may discontinue the furnishing of Service(s) to a Customer upon five business days written notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or Services under the following circumstances, except under extreme cases where the customer may be disconnected immediately and without notice:

2.5.2.A. if the Customer refuses to furnish information to the Company regarding the Customer's credit-worthiness, its past or current use of common carrier communications Services or its planned use of Service(s);

2.5.2.B. if the Customer provides false information to the Company regarding the Customer's identity, address, credit-worthiness, past or current use of Customer communications Services, or its planned use of the Company Service(s);

2.5.2.C. if the Customer states that it will not comply with a request of the Company for reasonable security for the payment for Service(s);

2.5.2.D. if the Customer has been given five business days written notice in a separate mailing by the Company of any past due amount (which remains unpaid in whole or in part) for any of the Company's communications Services to which the Customer either subscribes or had subscribed or used;

2.5.2.E. in the event of unauthorized use.

2.5.2.F. Following the disconnection of service for any of these reasons, the Company or the local exchange utility acting as Company agent, will notify the telephone user/customer that service was disconnected and why. The notice will include all reasons for the disconnection and will include a toll-free number where an end user/customer can obtain additional information. Notice shall be deemed given upon deposit, postage prepaid, in the U.S. Mail to the end user's/customer's last known address and in compliance with the Commission's rules.

2.5.3 The discontinuance of Service(s) by the Company pursuant to this Section does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of discontinuance. The remedies set forth herein shall not be exclusive and the Company shall at all times be entitled to all rights available to it under either law or equity.

2.6. Credit Allowance

2.6.1. Credit allowance for the interruption of Service is subject to the general liability provisions set forth in this Tariff. Customers shall receive no credit allowance for the interruption of service which is due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer. The Customer should notify the Company when the Customer is aware of any interruption in Service for which a credit allowance is desired. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission within Customer's control, or is not in wiring or equipment, if any, furnished by the Customer in connection with the Company's Services.

2.6.2. No credit is allowed in the event service must be interrupted in order to provide routine service quality or related investigations.

2.6.3. No credit shall be allowed:

2.6.3.A. For failure of services or facilities of Customer; or

2.6.3.B. For failure of services or equipment caused by the negligence or willful acts of Customer.

2.6.4. Credit for an interruption shall commence after Customer notifies Company of the interruption and ceases when services have been restored.

2.6.5. Credits are applicable only to that portion of Service interrupted.

2.6.6. For purposes of credit computation, every month shall be considered to have 720 hours.

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

2.6.8. The Customer shall be credited for an interruption of two hours or more at a rate of 1/720th of the monthly recurring charge for the service affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula.

Credit Formula:

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

"A" = outage time in hours
"B" = total monthly charge for affected facility

2.7. <u>Use of Service</u>

2.7.1 The Services offered herein may be used for any lawful purpose, including residential, business, governmental, or other use. There are no restrictions on sharing or resale of Services. However, the Customer remains liable for all obligations under this Tariff notwithstanding such sharing or resale and regardless of the Company's knowledge of same. The Company shall have no liability to any person or entity other than the Customer and only as set forth in Section 2.3. The Customer shall not use nor permit others to use the Service in a manner that could interfere with Services provided to others or that could harm the facilities of the Company or others.

2.7.2. Service furnished by the Company may be arranged for joint use or authorized use. The joint user or Authorized User shall be permitted to use such Service in the same manner as the Customer, but subject to the following:

2.7.2.A. One joint user or Authorized User must be designated as the Customer.

2.7.2.B. All charges for the Service will be computed as if the Service were to be billed to one Customer. The joint user or Authorized User which has been designated as the Customer will be billed for all components of the Service and will be responsible for all payments to the Company. In the event that the designated Customer fails to pay the Company, each joint user or Authorized User shall be liable to the Company for all charges incurred as a result of its use of the Company's Service.

2.7.3. In addition to the other provisions in this Tariff, Customers reselling Company Services shall be responsible for all interaction and interface with their own subscribers or customers. The provision of the Service will not create a partnership or joint venture between Company and Customer nor result in a joint communications Service offering to the Customers of either the Company or the Customer.

2.7.4. Service furnished by the Company shall not be used for any unlawful or fraudulent purposes.

2.7.5. The Customer will be billed directly by the LEC for certain Dedicated Access arrangements selected by the Customer for the provisioning of direct access arrangements. In those instances where the Company at the Customer's request may act as agent in the ordering of such arrangements, the Company will bill the Customer Local Access charges.

2.8. Payment Arrangements

2.8.1. The Customer is responsible for payment of all charges for Services furnished to the Customer or its joint or Authorized Users. This responsibility is not changed due to any use, misuse, or abuse of the Customer's Service or Customer provided equipment by third parties, the Customer's employees, or the public.

2.8.2. The Company's bills are due upon receipt. Amounts not paid within 30 days from the Bill Date of the invoice will be considered past due. Customers will be assessed a late fee on past due amounts in the amount not to exceed the maximum lawful rate under applicable state law. If a Customer presents an undue risk of nonpayment at any time, the Company may require that Customer to pay its bills within a specified number of days and to make such payments in cash or the equivalent of cash.

2.8.3. In determining whether a Customer presents an undue risk of nonpayment, the Company shall consider the following factors: (A) the Customer's payment history (if any) with the Company and its affiliates, (B) Customer's ability to demonstrate adequate ability to pay for the Service, (C) credit and related information provided by Customer, lawfully obtained from third parties or publicly available, and (D) information relating to Customer's management, owners and affiliates (if any).

2.8.4. Disputes with respect to charges must be presented to the Company in writing within 180 days from the date the invoice is rendered or such invoice will be deemed to be correct and binding on the Customer.

2.8.5. If a LEC has established or establishes a Special Access surcharge, the Company will bill the surcharge beginning on the effective date of such surcharge for Special Access arrangements presently in Service. The Company will cease billing the Special Access surcharge upon receipt of an Exemption Certificate or if the surcharge is removed by the LEC.

2.8.6. In the event the Company incurs fees or expenses, including attorney's fees, in collecting, or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

2.8.7. Company will not require deposits or advance payments by Customers for Services

2.9. Assignment

2.9.1. The obligations set forth in this Tariff shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns, provided, however, the Customer shall not assign or transfer its rights or obligations without the prior written consent of the Company.

2.10. Tax and Fee Adjustments

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

2.10.2. If at any future time a municipality acquires the legal right to impose an occupation tax, license tax, permit fee, franchise fee or other similar charge upon the Carrier, and imposes the same by ordinance or otherwise, such taxes, fees or charges shall be billed to the end users receiving service within the territorial limits of such municipality. Such billing shall allocate the tax, fee or charge among end users uniformly on the basis of each end user's monthly charges for the types of service made subject to such tax, fee or charge

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NUI Telecom, Inc.
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Bedminster, NJ 07921

2.10.3. If at any future time a county or other local taxing authority acquires the legal right to impose an occupation tax, license tax, permit fee, franchise fee or other similar charge upon the Carrier, and imposes the same by ordinance or otherwise, such taxes, fees or charges shall be billed to the end users receiving service within the territorial limits of such county or other taxing authority. Such billing shall allocate the tax, fee or charge among end users uniformly on the basis of each end user's monthly charges for the types of service made subject to such tax, fee or charge.

2.10.4. When utility or telecommunications assessments, franchise fees, or privilege, license, occupational, excise, or other similar taxes or fees, based on interstate or intrastate receipts are imposed by certain taxing jurisdictions upon the Company or upon local exchange companies and passed on to the Company through or with interstate or intrastate access charges, the amounts of such taxes or fees will be billed to Customers in such a taxing jurisdiction on a prorated basis. The amount of charge that is prorated to each Customer's bill is determined by the interstate or intrastate telecommunications service provided to and billed to an end user/customer service location in such a taxing jurisdiction with the aggregate of such charges equal to the amount of the tax or fee imposed upon or passed on to the Company.

2.10.5. When any municipality, or other political subdivision, local agency of government, or department of public utilities imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee or regulatory fee, such taxes and fees shall, insofar as practicable, be billed pro rata to the Company's Customers receiving service within the territorial limits of such municipality, other political subdivision, local agency of government, or public utility commission.

2.10.6. The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amount it is required by governmental or quasi-government authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for use of their payphones to access the Company's services.

2.11. Method for Calculation of Airline Mileage

2.11.1. The airline mileage between two cities can be calculated using the Vertical (V) and Horizontal (H) coordinates of the serving wire centers associated with the Company's POP locations. The method for calculating the airline mileage is obtained by reference to AT&T's Tariff F.C.C. No. 10 in accordance with the following formula:

the square root of: $\dfrac{(V1-V2)^2 + (H1-H2)^2}{10}$

where V1 and H1 correspond to the V&H coordinates of City 1 and V2 and H2 correspond to the V&H coordinates of City 2.

Example:

	V	H
City 1	5004	1406
City 2	5987	3424

the square root of: $\dfrac{(5004-5987)^2 + (1406-3424)^2}{10}$

The result is 709.83 miles. Any fractional miles are rounded to the next higher whole number; therefore, the airline mileage for this example is 710 miles.

2.12. Time of Day Rate Periods

2.12.1. Time of Day Rate Periods are determined by the time of day at the location of the Calling Station.

The rates shown in Section 4 apply as follows:

DAY: From 8:01 AM to 5:00 PM Monday - Friday

EVENING: From 5:01 PM to 11:00 PM Monday - Friday and Sunday

NIGHT/ WEEKEND: From 11:01 PM to 8:00 AM Everyday
From 8:01 AM to 11:00 PM Saturday
From 8:01 AM to 5:00 PM Sunday

2.13. Special Customer Arrangements

2.13.1. In cases where a Customer requests a special or unique arrangement which may include engineering, conditioning, Installation, construction, facilities, assembly, purchase or lease of facilities and/or other special Services not offered under this Tariff, the Company, at its option, may provide the requested Services. Appropriate recurring charges and/or Nonrecurring Charges and other terms and conditions will be developed for the Customer for the provisioning of such arrangements.

2.14. Inspection

2.14.1. The Company may, upon notice, make such tests and inspections as may be necessary to determine that the requirements of this Tariff are being complied with in the Installation, operation or maintenance of Customer or the Company equipment. The Company may interrupt the Service at any time, without penalty to the Company, should Customer violate any provision herein.

2.15. Customer Inquires and Complaints

2.15.1. Customers may direct inquiries and complaints to the Company or the Commission by using the address and toll free number set forth below:

NUI Telecom, Inc.
550 Route 202-206, 2nd Floor
Bedminster, NJ 07921
(800) 768-2852

South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501
(800) 332-1782

2.14. Inspection

2.14.1. The Company may, upon notice, make such tests and inspections as may be necessary to determine that the requirements of this Tariff are being complied with in the Installation, operation or maintenance of Customer or the Company equipment. The Company may interrupt the Service at any time, without penalty to the Company, should Customer violate any provision herein.

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Pierre, South Dakota 57501
(800) 332-1782

3. DESCRIPTION OF SERVICES

3.1. Wide Area ("WATS") and Message ("MTS") Toll Services

3.1.1. The Company offers WATS and MTS intrastate interexchange long distance service utilizing switched or dedicated access arrangements between the Customers Premises and the Company's facilities for call origination. Call termination is completed through a combination of Company facilities and LEC switched access arrangements.

3.2. Switched Inbound Service

3.2.1. Switched inbound service permits inward calling (via 800 codes) to a specific location utilizing premium switched, Feature Group D access on both ends.

3.3. Switched Outbound Service

3.3.1. Switched outbound services permits outward calling utilizing premium switched Feature Group D access on both the originating and terminating ends.

3.4. Dedicated Inbound Service

3.4.1. Dedicated inbound service permits inward calling (via 800 codes) to a specific location featuring the use of a dedicated, special access type connection on the terminating end. The Customer shall be responsible for all LEC charges in addition to the Recurring, Non-recurring and Usage charges set forth hereinafter.

3.5. Dedicated Outbound Service

3.5.1. Dedicated outbound service permits outward calling to stations in diverse service areas. Dedicated outbound service is distinguished from other services by the existence of a dedicated, special access connection on one end. The Customer shall be responsible for all LEC charges in addition to the Recurring, Non-recurring and Usage charges set forth hereinafter.

3.6. Calling Card Service

3.6.1. The Company's Calling Card Service permits Customers to place long distance calls utilizing Company issued Calling Cards for billing purposes.

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NUI Telecom, Inc.
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3.7. Timing of Calls

3.7.1. Long distance usage charges are based on the actual usage of the Company network. Chargeable time begins when a connection is established between the Calling Station and the Called Station. Chargeable time ends when either party "hangs up" thereby releasing the network connection.

3.7.2. Unless otherwise specified in this Tariff, the minimum call duration for billing purposes is eighteen (18) seconds. In addition, unless otherwise specified in this Tariff, usage is measured thereafter in six (6) second increments and rounded to the next higher six (6) second period.

3.8. Minimum Call Completion Rate

3.8.1. A Customer can expect a call completion rate of not less than 90% during peak use periods for all services.

4. RATES AND CHARGES

4.1. Usage Rates

4.1.1. The following are the per minute usage charges which apply to all calls. These charges are in addition to the Non-recurring Charges and Recurring Charges referred to herein.

4.2. Switched Inbound Usage Rates

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional 6 Seconds
ALL	0.0535	0.0178

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4.3. Switched Outbound Usage Rates

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional 6 Seconds
All	0.0529	0.0176

4.4. Dedicated Inbound Usage Rates

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional 6 Seconds
All	0.0293	0.0098

4.5. Dedicated Outbound Usage Rates

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional 6 Seconds
ALL	0.0282	0.0094

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4.6. Calling Card Usage Rates

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 60 Seconds	Additional 60 Seconds
ALL	0.25	0.25

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550 Route 202-206, 2nd Floor
Bedminster, NJ 07921

4.7. Recurring Charges

4.7.1. Reserved for future use.

4.8. Non-recurring Charges

4.8.1. Reserved for future use.

4.9. Special Promotional Offering

4.9.1. The Company may from time to time engage in Special Promotional Offerings or Trial Service Offerings limited to certain dates, times or locations designed to attract new subscribers or increase subscriber usage when approved by Commission. Company will not have special promotional offerings for more than 90 days in any 12 month period. In all such cases, the rates charged will not exceed those specified in Section 4 hereof.

4.10. Emergency Calls

4.10.1. Customer shall configure its PBX or other switch vehicle from which a customer places a call so that 911 emergency calls, where available, and similar emergency calls will be automatically routed to the emergency answering point for the geographical location where the call originated without the intervention of Company.

4.11 Payphone Use Service Charge

4.11.1. A Payphone Use Service Charge applies to each completed interLATA and intraLATA non-sent paid message made over a pay phone owned by a utility or Customer Owned Pay Telephone (COPT) Service. This includes calling card service, collect calls, calls billed to a third number, completed calls to Directory Assistance and Prepaid Card Service calls. This charge is collected on behalf of the pay phone owner. All Customers will pay the Company a per call service charge of $0.30.

4.12. Universal Connectivity Charge

4.12.1. Services provided pursuant to this tariff are subject to an undiscountable monthly Universal Connectivity Charge. This monthly service charge is equal to 10.0% of the Customer's total net intrastate, interstate and international charges, after application of all applicable discounts and credits.

4.12.1.A. The Company will waive the Universal Connectivity Charge with respect to specifically identified Company charges to the extent that the Customer demonstrates to the Company's reasonable satisfaction that:

1. the Customer has filed a Universal Service Worksheet with the Universal Service Administrator covering the twelfth month prior to the month for which the Customer seeks the waiver;

2. the charges with respect to which the waiver is sought are for services purchased by Customer for resale; and

3. the Customer will file a Universal Service Worksheet with the Universal Service Administrator in which the reported billed revenues will include all billed revenues associated with the Customer's resale of services purchased from the Company.

4.12.1.B. The Universal Connectivity Charge will not be waived with respect to:

1. charges for services purchased by the Customer for its own use as an end user; or

2. charges for which the bill date is on, prior to, or within fifteen days after, the date on which the Customer applies for a waiver with respect to those charges.

NUI TELECOM, INC.
550 ROUTE 202-206
BEDMINSTER, NJ 07921
(908) 470-4700

MELLON BANK, N.A.
PITTSBURGH, PA 15259
60-160/433

3509

11/6/2001

Pay to the Order of South Dakota Public Utilities Commission $ **250.00

Two Hundred Fifty and 00/100*** Dollars

South Dakota Public Utilities Commission

memo Filing fees

Richard M. Bordua

⑈003509⑈ ⑆043301601⑆ 069⑈3732⑈

NUI TELECOM, INC. 3509

South Dakota Public Utilities Commission 11/6/2001

Filing fees 250.00

TC01-193

131951 · Checking Filing fees 250.00

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of December 13, 2001 through December 19, 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

CT01-059 **In the Matter of the Complaint filed by Donald R. Carstensen, Owanka, South Dakota, against Direct One Com.Long Distance Regarding Unauthorized Telecommunications Charges and Services.**

Complainant alleges that he was billed on his credit card for unauthorized long distance services. The company has failed to provide him credits for the unauthorized charges. Complainant is requesting a complete refund of unauthorized charges in the amount of $240.26 and $500.00 for the inconvenience and for ignoring his requests to refund the charges for services that were not wanted nor rendered.

Staff Analyst: Charlene Lund
Staff Attorney: Kelly Frazier
Date Docketed: 12/13/01
Intervention Deadline: N/A

CT01-060 **In the Matter of the Complaint filed by Don R. Larsen, Sisseton, South Dakota, against AT&T Communications of the Midwest, Inc. Regarding Delayed Services.**

Complainant states that on October 27, 2001, he made arrangements to have his 800# transferred from his business in Canada to his business in South Dakota effective November 1, 2001. Complainant states that although this transfer did take place, it lasted for only a couple of days. Callers began receiving a recording stating that the number had been disconnected. Complainant made several calls to AT&T to correct the situation with no success. Finally on December 4, 2001, Complainant's 800# began working at his business. Because of the 800# not working, Complainant states that he has lost $75,000.00 in business. Complainant feels that AT&T knows that they are at fault as they did not send proper documentation to his provider in Canada to make the 800# switch. Complainant wants AT&T to make him a reasonable offer to offset the loss in business.

Staff Analyst: Mary Healy
Staff Attorney: Karen Creamer
Date Docketed: 12/19/01
Intervention Deadline: N/A

CT01-061 **In the Matter of the Complaint filed by Todd Wagner, St. Lawrence, South Dakota, against AT&T Communications of the Midwest, Inc. Regarding Unauthorized Billing for Services.**

Complainant states that since he began his service, that he has never authorized AT&T to bill him for any services. Complainant requests that the Public Utilities Commission review the complaint and advise him of his rights. Under South Dakota law 49-31-93, the company that initiates the unauthorized billing for products and services shall pay the consumer $1,000.00.

Staff Analyst: Mary Healy
Staff Attorney: Karen Cremer
Date Docketed: 12/19/01
Intervention Deadline: N/A

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

ATTORNEYS AT LAW

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BLAKE D. CROCKER

ROBERT M. TAYLOR
RON W. KIMBREL
PATRICK D. CROCKER
ANDREW J. VORBRICH
TYREN R. CUDNEY
WILLIAM B. JOHNSON
STEVEN M. BROWN
KRISTEN L. GETTING

OF COUNSEL

THOMPSON BENNETT
JOHN T. PETERS, JR.

VINCENT T. EARLY
([illegible])
JOSEPH J. BURGIE
([illegible])

March 5, 2002

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

RECEIVED
MAR 06 2002
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: NUI TELECOM, INC.
TC01-193

Dear Mr. Bullard:

In response to correspondence dated February 21, 2002 from staff member, Heather K. Forney, regarding the request that NUI obtain and provide the Commission with a $25,000 bond, we respectfully request that the Commission waive the bond requirement. As stated in the Company's SDPUC Tariff No. 1, Page No 26, Section 2.8.7, attached hereto as Attachment 1, the "Company will not require deposits or advance payments by Customers for Services."

Also enclosed is an exact duplicate of this filing. Please date-stamp the duplicate and return same to me in the enclosed postage pre-paid, addressed envelope.

Should you have any questions concerning this filing, please contact me.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D. Crocker
PDC/pas

ATTACHMENT 1

2.8.3. In determining whether a Customer presents an undue risk of nonpayment, the Company shall consider the following factors: (A) the Customer's payment history (if any) with the Company and its affiliates, (B) Customer's ability to demonstrate adequate ability to pay for the Service, (C) credit and related information provided by Customer, lawfully obtained from third parties or publicly available, and (D) information relating to Customer's management, owners and affiliates (if any).

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EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

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March 19, 2002

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

RECEIVED
MAR 20 2002
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: NUI TELECOM, INC.
TC01-193

Dear Mr. Bullard:

In accordance with the recommendation in correspondence dated March 6, 2002 from staff member, Heather K. Forney, we hereby respectfully withdraw our request that the Commission waive the bond requirement. Ms. Forney has advised that the request is unnecessary, and that Staff will recommend the Commission place such language in the final order.

Also enclosed is an exact duplicate of this filing. Please date-stamp the duplicate and return same to me in the enclosed postage pre-paid, addressed envelope.

Should you have any questions concerning this filing, please contact me.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D. Crocker
PDC/pas

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF NUI TELECOM, INC. FOR A CERTIFICATE OF AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN SOUTH DAKOTA	**)))))**	**ORDER GRANTING CERTIFICATE OF AUTHORITY** **TC01-193**

On December 17, 2001, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, received an application for a certificate of authority from NUI Telecom, Inc. (NUI).

NUI proposes to offer a full range of "1+" interexchange telecommunications services on a resale basis. Specifically, NUI seeks authority to provide MTS, in-WATS, out-WATS and Calling Card Services. A proposed tariff was filed by NUI. The Commission has classified long distance service as fully competitive

On December 20, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of January 4, 2002, to interested individuals and entities. No petitions to intervene or comments were filed and at its March 28, 2002, meeting, the Commission considered NUI's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to the condition that NUI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that NUI has met the legal requirements established for the granting of a certificate of authority. NUI has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. The Commission approves NUI's application for a certificate of authority, subject to the condition that NUI not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. As the Commission's final decision in this matter, it is therefore

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

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

Dated at Pierre, South Dakota, this 4th day of April, 2002.

CERTIFICATE OF SERVICE

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

By: Delaine Kolbo

Date: 4/8/02

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

Robert K. Sahr

ROBERT K. SAHR, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

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

Authority was Granted as of the date of the
Order Granting Certificate of Authority
Docket No. TC01-193

This is to certify that

NUI TELECOM, INC.

is authorized to provide interexchange telecommunications services in South Dakota, subject to the condition that it not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission.

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 4th day of April, 2002.

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION:

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

ROBERT K. SAHR, Commissioner