

Cc



0000058711

A.

37

KENNETH B. BACA
JAMES C. COMPTON
BRADFORD V. CORYELL
DANIEL E. GERSHON
JOHN M. HICKEY
PETER N. IVES

ALBUQUERQUE
SUITE 650, PARK SQUARE
6501 AMERICAS PARKWAY N.E.
P.O. BOX 25165
ALBUQUERQUE, NEW MEXICO 87125
TELEPHONE: (505) 884-6201
FAX: (505) 888-2938

REC
AZ CORP COM
MAY 24 11 02 AM '91
Docket Control
SANTA FE
300 BASEO DE PERALTA
111 SUITE 101
P.O. DRAWER 9730
SANTA FE, NEW MEXICO 87504
TELEPHONE: (505) 988-4300
FAX: (505) 988-4873

REPLY TO SANTA FE OFFICE

May 23, 1991

U-2612-91-175

VIA FEDERAL EXPRESS

Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007
ATTN: Docket Control

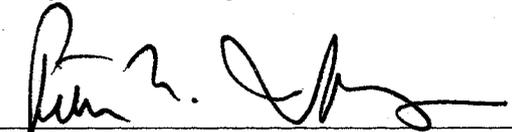
Re: Application for a New Certificate of Convenience
and Necessity (Telecommunications) of Operator Service
Company

Dear Sir/Madam:

Pursuant to instructions from your office, enclosed please
find an original plus ten copies of the above referenced
application. Please return to this office one endorsed copy in the
enclosed stamped and addressed envelop. If you require any
additional information or materials, please contact me.

Very truly yours,

COMPTON, CORYELL, HICKEY & IVES, PA

By: 
Peter N. Ives, Esq.

Enclosures a/s

c: Operator Service Company w/enc.

Arizona Corporation Commission
DOCKETED

MAY 24 1991

DOCKETED BY 

BEFORE THE ARIZONA CORPORATION COMMISSION AZ CORP COM

IN THE MATTER OF THE APPLICATION)
OF OPERATOR SERVICE COMPANY FOR A)
NEW CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO PROVIDE NON-FACILITIES)
BASED INTRASTATE INTERLATA)
ALTERNATIVE OPERATOR SERVICE)
WITHIN THE STATE OF ARIZONA)

MAY 24 11 02 AM '91

Docket No.
DOCKETED
CONTROL
U-262-91-175

APPLICATION FOR
A NEW CERTIFICATE OF CONVENIENCE AND NECESSITY
TO PROVIDE NON-FACILITIES BASED INTRASTATE INTERLATA
ALTERNATIVE OPERATOR SERVICES WITHIN THE STATE OF ARIZONA

Comes now OPERATOR SERVICE COMPANY, a Texas corporation,
("OSC" or Applicant), by and through its attorney, Peter N. Ives,
and hereby makes Application to the Arizona Corporation
Commission for a New Certificate of Convenience and Necessity to
provide Non-Facilities Based Intrastate InterLATA Alternative
Operator Services within the State of Arizona. In support of
this Application, OSC offers the following information in
evidence and demonstration of its fitness to operate.

I.
INTRODUCTION

The Arizona Corporation Commission Administrative Code Rule
R14-2-502 establishes certain requirements and standards for
applications for a New Certificate of Convenience and Necessity.
Arizona Corporation Commission Decision No. 57339 of April 5,
1991 establishes additional rules and regulations for the
provision of intrastate interLATA alternative operator service
("AOS") providers.

OSC submits that it is qualified with respect to the issues
as set forth by the Commission in both its Rule and Decision to

Arizona Corporation Commission
DOCKETED

MAY 24 1991

DOCKETED BY JH

receive a Certificate of Convenience and Necessity to provide non-facilities based intrastate interLATA alternative operator services within the State of Arizona. OSC submits it is in the public interest that it be granted such a Certificate.

II.
REQUIRED INFORMATION PURSUANT TO RULE
R14-2-502

A. The correct name, address and telephone number of the applicant. If doing business under a name other than the applicant name, indicate name.

RESPONSE: Operator Service Company
1220 Broadway, Suite 1700
Lubbock, Texas 79401
1-800-677-6771
806/747-2474
FAX: 806/747-5047

Effective June 10, 1991, OSC's new address will be:

Operator Service Company
1624 10th Street
Lubbock, Texas 79401
1-800-677-6771
806/747-2474
FAX: 806/747-5047

B. Name, address and telephone number of the management contact for the Applicant.

RESPONSE: Andy Wilkinson, Vice President
Operator Service Company
1220 Broadway, Suite 1700
Lubbock, Texas 79401
1-800-677-6771
806/747-2474
FAX: 806/747-5047

Effective June 10, 1991, the new address will be:

Andy Wilkinson, Vice President
Operator Service Company
1624 10th Street
Lubbock, Texas 79401
1-800-677-6771
806/747-2474
FAX: 806/747-5047

C. Name, address and telephone number for the attorney for the Applicant.

RESPONSE: Peter N. Ives, Esq.
Compton, Coryell, Hickey & Ives, P.A.
300 Paseo de Peralta, Suite 101 (87501)
P.O. Drawer 9730
Santa Fe, NM 87504
505/988-4300
FAX: 505/988-4873

D. Describe in detail the nature of the services the Applicant will provide. Indicate whether the Applicant is a facilities based provider, pure reseller, mixed mode provider or alternative operator service provider.

RESPONSE:

The services provided shall be as a non-facilities based intrastate interLATA alternative operator services ("AOS"). For a more complete description, See attached Exhibit 1 which is a copy of OSC's proposed tariff, pages 15 to 18.

E. Indicate whether the Applicant is a "C" Corporation, "S" Corporation, Partnership, or Sole Proprietorship.

RESPONSE:

The Applicant is an "S" Corporation.

F. If the Applicant is a foreign Corporation:

(1) Provide copies of the Articles of Incorporation, the "Authority to Transact Business in Arizona", pursuant to the provisions of the Arizona Revised Statutes, §§ 10-111 and 10-118, and a "Current Certificate of Good Standing" from the State of Arizona and the appropriate State of Incorporation.

RESPONSE:

(a) Articles of Incorporation - See Exhibit 2.

(b) Authority to Transact Business - See Exhibit 3
(Application for Authority to Transact Business is currently being made, a copy of the certificate when received will be supplied as Exhibit 3).

(c) Certificates of Good Standing - See Exhibit 4
(These are in the process of being obtained (see (b) above) and will be supplied upon receipt.)

(2) Provide a list of the names of the Officers and Directors.

RESPONSE:

President	-	Michael R. Smith
Vice President	-	Andy Wilkinson
Secretary/Treasurer	-	Michael R. Smith

Directors: There is only one Director:

Michael R. Smith

G. & H. These items are not applicable as the Applicant is a Corporation.

I., J. & K. These items are not applicable as the Applicant is non-facilities based.

L. Provide the actual number of customers, by class, within the service area as of the time of filing and the estimated number of customers to be served for each of the first five years.

RESPONSE: See attached Exhibit 5.

(M) Provide a current balance sheet and a one year projected balance sheet that will reflect the first year of operation after a Certificate issues.

RESPONSE: See attached Exhibit 6 (These are currently being obtained from the corporation's accountant and will provided shortly).

N. Provide a current income statement or a projected income statement which will reflect the first year of operation. Indicate whether this statement is Arizona jurisdictional

information or company combined.

RESPONSE: See attached Exhibit 7 (These are currently being obtained from the corporation's accountant and will be provided shortly).

O. Indicate the date the utility expects it will begin to make a profit.

RESPONSE: The Applicant is currently profitable.

P. Provide a complete copy of your proposed tariffs which describes all rates and charges, terms and conditions or Rules under which the Applicant will provide services.

RESPONSE: See attached Exhibit 1.

III.
REQUIRED INFORMATION PURSUANT TO
DECISION NO. 57339

Pursuant to Arizona Corporation Commission Decision No. 57339 of April 5, 1991, OSC provides the following additional information:

1. Rates and Charges. OSC has specified in its tariffs the exact rates and charges assessed to end users along with the maximum location-specific surcharge which a subscriber may impose. See Exhibit 1.

2. End-User Notification and Choice. OSC will:

a) state on call initiation, OSC's name and that OSC's rates will apply for all intrastate/interLATA calls.

b) furnish each end-user, upon request and without charge, rate quotations, including the location-specific or tariffed maximum surcharge and will further inform the end-user that the preferred carrier can be reached by an access code or toll-free customer service number.

c) require subscribers to place tent cards and stickers on or near telephones naming OSC, that OSC's rates apply, and including a statement that the calling card carrier will not carry the call, dialing instructions, a toll-free number

for billing inquiries, and a description of complaint procedures. OSC's tariff describes the precise contents and the methods of posting and further requires disconnection of any non-complying subscriber.

d) with respect to collect calls, make the clear identification to the called party of the provider and the rates that apply and further afford the called party for collect calls the opportunity to inform the caller that the call is being refused due to the carrier used.

e) withhold, on a location specific basis, the payment of any compensation, including commissions, to an aggregator which OSC believes is blocking end-users' access to preferred carriers.

3. Public Safety. In an emergency situation, OSC will route all zero-minus calls immediately to the LEC unless OSC clearly and convincingly demonstrates to the Commission that it has the capability to process such calls with equal quickness and accuracy.

4. Billing. OSC will insure that:

a) OSC is identified on all bills if the LEC has the capability to do so, or that the bill identifies the billing agent or clearing house along with a toll free customer service number.

b) OSC's tariff specifies rates for calls charged to calling cards.

c) a full refund is made for any charge levied for an uncompleted call.

d) OSC will not bill for calls occurring more than 60 days prior to the billing date.

e) if termination of services for non-payment of AOS services is to be implemented, such action will be within the detailed procedures set forth in the Commission's rule on termination for telephone utilities, A.A.C. R14-2-509.

5. Call Splashing. Where a call cannot be completed from point of origination to point of termination because the IEC cannot identify the point of origin, the OSC will inform the end-user that the preferred carrier may be reached by access code or toll-free customer service number.

6. Complaint Processing. A detailed description of OSC's complaint processing procedures along with the name, address and telephone number of the representative for complaint

matters is attached hereto as Exhibit 8.

7. Quality of Service. Standards for operator response time and call processing time are attached hereto as Exhibit 9.

8. Intrastate Revenue Loss. All intraLATA toll calls will be transferred to the appropriate LEC.

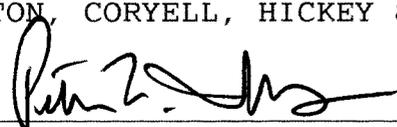
IV. CONCLUSION

OSC submits that it is qualified to provide non-facilities based intrastate interLATA alternative operator service within the State of Arizona as set forth by its responses above to the qualifications as established by this Commission. OSC submits that the public interest will be served by granting this Application.

WHEREFORE, OSC respectfully requests that the Arizona Corporation Commission issue to it a New Certificate of Convenience and Necessity to provide Non-Facilities Based Intrastate InterLATA Alternative Operator Services within the State of Arizona.

Respectfully submitted,

COMPTON, CORYELL, HICKEY & IVES, PA

By: 

Peter N. Ives, Esq.
P.O. Drawer 9730
Santa Fe, NM 87504-9730
(505) 988-4300

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF LUBBOCK)

I, Andy Wilkinson, of lawful age, being duly sworn upon oath say that I am the Vice President of the within named Applicant and that I have read the above foregoing Application, and the statements contained therein are true and correct to the best of my knowledge.

Andy Wilkinson
Andy Wilkinson

Subscribed and sworn to before me this 22nd day of May, 1991, by Andy Wilkinson, Vice President of Operator Service Company, a Texas corporation, on behalf of the corporation.

Hugh Harrell
Notary Public
Hugh Harrell

My commission expires on:

11-7-92

EXHIBIT 1

**TARIFF SCHEDULES
APPLICABLE TO
ALTERNATIVE OPERATOR SERVICES
NAMING
RATES, RULES AND REGULATIONS
GOVERNING OPERATIONS
OF
OPERATOR SERVICE COMPANY**

1624 10th Street
Lubbock, Texas 79401
1-806-747-2474

CHECK SHEET

Pages 1 to 21, inclusive, of this tariff are effective as of the date shown at the bottom of each sheet. Original and revised pages, as named below, contain all changes from the original tariff that are in effect on the date thereon except as otherwise noted.

PAGE	REVISION NUMBER
1	ORIGINAL
2	ORIGINAL
3	ORIGINAL
4	ORIGINAL
5	ORIGINAL
6	ORIGINAL
7	ORIGINAL
8	ORIGINAL
9	ORIGINAL
10	ORIGINAL
11	ORIGINAL
12	ORIGINAL
13	ORIGINAL
14	ORIGINAL
15	ORIGINAL
16	ORIGINAL
17	ORIGINAL
18	ORIGINAL
19	ORIGINAL
20	ORIGINAL
21	ORIGINAL

TABLE OF CONTENTS

	<u>PAGE</u>
Technical Terms and Abbreviations.....	7
Rules and Regulations.....	9
Description of Services.....	15
Rates.....	19

SYMBOLS

Explanation of Symbols - When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised sheet(s) through the use of the following symbols:

- (D) - Delete or Discontinue.
- (I) - Change Resulting in an Increase to a Customer's Bill.
- (M) - Moved from another Tariff Location.
- (N) - New
- (R) - Change Resulting in a Reduction to a Customer's Bill.
- (T) - Change in Text or Regulation, but No Change in Rate or Charge.

TARIFF FORMAT

A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.

B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the ACC. For example, the 4th revised Page 14 cancels the 3rd revised Page 14. Because of various suspension periods, deferrals, etc. the ACC follows in their tariff approval process, the most current page number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the page currently in effect.

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

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

D. Check Sheets - When a tariff filing is made, 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 (i.e., the format, etc. remains the same, just revised revision levels on some pages.) The tariff user should refer to the latest check sheet to find out if a particular page is the most current on file with the Arizona Corporation Commission.

APPLICATION OF TARIFF

This tariff contains the regulations and rates applicable to the furnishing of intrastate resale common carrier telecommunications service associated with the provision of operator services by Operator Service Company in the state of Arizona.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

ACC or Commission

The Arizona Corporation Commission.

Calling Card Call

A billing arrangement by which a call may be charged to a valid telephone company-issued calling card.

Carrier or Company

Whenever used in this tariff, "Carrier" or "Company" refers to Operator Service Company, unless otherwise specified or clearly indicated by the context.

Collect Call

A billing arrangement by which the charge for a call may be charged to the called party, provided the called party accepts the charge.

Commercial Credit Card Call

A billing arrangement by which a call may be charged to an authorized credit card number, such as MasterCard or VISA.

Customer or End User

Any person, firm, partnership, corporation, or other entity furnished telecommunications services under the provisions and regulations of the Company's tariff. The Customer or End User is typically a member of the transient public and, as such, does not contract directly with the Company for provisioning or termination of service.

LATA

Local Access and Transport Area.

OSC

Whenever used in this tariff, "OSC" refers to Operator Service Company, unless otherwise specified or clearly indicated by the context.

Pay Telephone

A telephone instrument equipped with a device that allows a charge to be made for each call.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, (con't.)

Person-to-Person Call

A service whereby the person originating the call specifies to the Company Operator a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant.

Serving Wire Center

A specific geographic point from which vertical and horizontal coordinates are used in the calculation of airline mileage.

Subscriber

The person, firm, partnership, corporation, or other entity who owns, leases, or manages the telephone, PBX, or other switch vehicle from which a Customer places a call utilizing the services of the Company.

Third Party Billed Call

A billing arrangement by which the charges for a call may be billed to a number that is different from the calling number or the called number.

SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of Operator Service Company****2.1.1 General**

Operator Service Company's services are intrastate operator assisted communications offered via Subscribers' telephones, PBX or similar switch vehicle to customers for direct transmission of voice telecommunications to locations throughout the State of Arizona. Operator Service Company's services are provided through the terminal equipment of Subscribers serving the transient public. OSC may act as the Subscriber's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Subscriber, to allow connection of a Subscriber's location to OSC's or OSC's underlying carrier's facilities. The Subscriber is responsible for all charges due for such service arrangements.

2.1.2 Limitations

- (A) Service is offered subject to the availability of the necessary facilities or equipment, or both facilities and equipment, and subject to the provisions of this tariff.
- (B) The Company reserves the right to discontinue service when necessitated by conditions beyond its control, or when the Customer or Subscriber is using the service in violation of the provisions of this tariff, or in violation of the law.

SECTION 2 - RULES AND REGULATIONS, (con't.)

2.1 Undertaking of Operator Service Company (con't)

2.1.2 Limitations, (con't.)

- (C) The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- (D) The Company reserves the right to discontinue service, when any governmental or regulatory condition imposed upon OSC materially and negatively impacts the financial viability of the service as determined by OSC in its best business judgment.

2.2 Use

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

2.3 Liability

- (A) The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

SECTION 2 - RULES AND REGULATIONS, (con't.)**2.3 Liability (con't)**

- (B) The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer and Subscriber against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, tradename or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer or Subscriber; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use, or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- (C) No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company, except independent sales agents who may from time to time be employed by another carrier.
- (D) The Company shall not be liable for any defacement of or damages to the premises of a Subscriber resulting from the furnishing of service which is not the direct result of the Company's negligence.

2.4 Installation and Termination

Service is installed upon contractual agreement between the Subscriber and the Company. The contractual agreement specifies the terms and conditions of installation, termination of service, commission structure, and commission payment schedule. The service contract does not alter rates specified in the tables and schedules contained in this tariff. Service contracts do not apply to End Users.

SECTION 2 - RULES AND REGULATIONS, (con't.)

2.5 Notice Information

The Company requires Subscribers to post notice on or near each telephone used to access its services. Such notice must include: the Company's name, dialing instructions, an indication that the Company's rates apply, a statement that the calling card carrier will not carry the call, a toll-free telephone number for inquiries, description of complaint procedures, and location-specific surcharges.

2.6 Noncompliance by Subscribers

In instances where the Company finds that a Subscriber is not in compliance with information posting and notice requirements of the Arizona Corporation Commission, the Company will contact the Subscriber and request compliance. If, after the above steps are taken, the Subscriber refuses to comply with the Commission's rules, the Company will discontinue service to the Subscriber.

2.7 Terminal Equipment

Carrier's facilities and service may be used with or terminated in Subscriber provided terminal equipment or Subscriber provided communications systems, such as a PBX or pay telephone. Such terminal equipment shall be furnished and maintained at the expense of the Subscriber, except as otherwise provided. The Subscriber is responsible for all costs at his/her premises, including Subscriber personnel, wiring, electrical power, and the like, incurred in his/her use of Carrier's services. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry.

SECTION 2 - RULES AND REGULATIONS, (con't.)

2.8 Payment for Service and Credit Allowance

2.8.1 Payment for Service

All charges due by the Customer are payable to any agency duly authorized to receive such payments. The billing agency may be a local exchange telephone company or credit card company. Terms of payment shall be according to the rules and regulations of the billing agency. Any objection to billed charges should be promptly reported to the Company's billing agent. Adjustments to Customer's bills shall be made to the extent that records are available and circumstances exist which reasonably indicate that such charges are appropriate. OSC shall not cause local service to be terminated for an End User's failure to pay for operator services provided by the Company.

2.8.2 Taxes and Fees

Any governmental assessments, fees, licenses, or other similar taxes or fees imposed upon the Company shall be added pro rata, insofar as practical, to the rates and charges stated in the Company's rate schedules. Company shall add to the bills of Customers an amount sufficient to recover any such tax or fee.

2.8.3 Deposits

Deposits are not required to establish service.

SECTION 2 - RULES AND REGULATIONS, (con't.)

2.9 Advance Payments

The Company reserves the right to require an advance payment not to exceed one month's estimated charges. Any such payment will be applied against the next month's charges and, if necessary, a new advance payment may be collected for the next month.

2.10 Third Party Billing

To protect against fraud, OSC reserves the right to refuse to accept third party billed calls at its discretion.

2.11 Access to Other Carriers

Neither the Company nor its Subscribers may block access to other certificated carriers unless a waiver is granted by the Arizona Corporation Commission.

2.12 Access Charges

The Company, either directly or indirectly through its underlying carriers, will pay intrastate access charges for use of local exchange company facilities when completing intrastate Arizona calls.

SECTION 3 - DESCRIPTION OF SERVICES

3.1 General

The Carrier endeavors to provide high quality service. OSC relies on the quality service provided by its underlying carrier(s) whose switching equipment is designed and engineered to provide high quality transmission of voice and data with a minimum level of impairment such as noise and echo. Overall quality may vary due to the variability in quality of the connections provided by the local telephone companies and other carriers which is beyond OSC's control.

3.1.1 Timing of Calls

- (A) No charge applies for incomplete calls.
- (B) OSC's underlying carrier will determine that an initiated call has been answered by signal from the local exchange carrier or other generally accepted industry standards.

SECTION 3 - DESCRIPTION OF SERVICES, (con't.)**3.1 General, (con't.)****3.1.2 Determination of Mileage**

Calls are measured and billed from the point of origination to the point of termination. If calls to be transferred to another carrier cannot be billed from the actual originating and terminating points, the operator will inform the End User and instruct the caller that their preferred carrier may be reached by access code or toll-free customer service number. The method for calculating call mileage is set forth below.

(A) Calls are measured from the Serving Wire Center of the Subscriber's terminal or switch location to the Serving Wire Center of the destination of the call.

(B) The distance between the Serving Wire Center of the Subscriber's switch and that of the destination point is calculated by using the "V" and "H" coordinates as defined by local exchange telephone companies in the following manner:

Step 1 - Obtain the "V" and "H" coordinates for the Subscriber's switch and the destination point.

Step 2 - Obtain the difference between the "V" coordinates of each of the Serving Wire Centers. Obtain the difference between the "H" coordinates.

Step 3 - Square the difference obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the squares obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the Serving Wire Centers.

SECTION 3 - DESCRIPTION OF SERVICES, (con't.)**3.2 OSC Long Distance Service**

OSC Long Distance Service is provided for use by transient End Users at host locations. This service anticipates the provision of Operator Services or billing options. Charges for calls are based on mileage, call duration and time of day. Calls are rounded to the next higher full minute for billing purposes. Minimum call duration for OSC Long Distance Service is one minute.

3.2.1 Operator Service Charges

Appropriate operator services or special billing charges are billed on a per call basis. One of the following charges applies to each call:

(A) Customer Dialed Calling Card Charge

This charges applies in addition to per minute usage charges when a call is billed to a telephone company issued calling card and no operator assistance is required.

(B) Operator Dialed Calling Card/Commercial Credit Card Charge

This charge applies in addition to per minute usage charges when operator assistance is used to dial a calling card number or commercial credit card number regardless of the type of originating equipment used (i.e. rotary or touch-tone phone).

(C) Operator-Station Charge

This charge applies in addition to other per minute usage charges for station-to-station calls placed with operator assistance. Calls may be billed to the called party (collect) or to another telephone number (third number billing).

SECTION 3 - DESCRIPTION OF SERVICES, (con't.)

3.2 OSC Standard Service, continued

3.2.1 Operator Service Charges, continued

(D) Person-to-Person Charge

This charge applies in addition to per minute usage charges when the call is placed on a person-to-person basis.

3.3 Subscriber Surcharge

This surcharge is imposed by the Subscriber to be paid by the End User for the use of the Subscriber's telephone equipment and other facilities in obtaining access to OSC's services. The maximum allowable Subscriber Surcharge is specified in Section 4 of this tariff. This surcharge applies in addition to the operator service charges specified in Section 3.2.1 of this tariff.

SECTION 4 - RATES

4.1 General

End Users are charged individually for each call placed through the Carrier. Charges are computed on an airline mileage basis as described in Section 3.1.2 of this tariff. Calls are billed in one-minute increments. End users are billed based on the rate plan selected by the Subscriber.

For each rate plan the initial minute period charge applies to all calls. The additional minute period charge applies to each full and fractional minute beyond the initial period.

4.2 Application of Rates and Charges

4.2.1 Rates and charges specified for services offered under this Tariff are maximums. Any change to a rate or charge at or below the maximum level shall not be construed as an application to increase rates. The rates and charges applicable at any given time are covered in a price list furnished to the Arizona Corporation Commission by this Carrier.

4.2.2 Not less than 14 days prior to the effective date of any changes in the rates and charges, the Carrier will furnish the Commission a new price list reflecting the changed rates and charges. New Tariff pages would be filed with the Commission for approval only when increasing maximum levels.

SECTION 4 - RATES, (con't.)

4.3 OSC Long Distance Service - Maximum Rates

4.3.1 Maximum Intrastate Rates

MILES	DAY		EVENING		NIGHT	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
0-10	\$.2400	\$.1100	\$.2400	\$.1100	\$.2400	\$.1100
11-22	.3400	.1600	.3400	.1600	.3400	.1600
23-55	.3600	.2000	.3600	.2000	.3600	.2000
56-124	.4300	.2600	.4300	.2600	.4300	.2600
125-292	.4400	.2700	.4400	.2700	.4400	.2700
292-9999	.4500	.3100	.4500	.3100	.4500	.3100

4.3.2 Maximum Operator Service Charges

The following per-call charges apply in addition to the per minute usage rates when applicable. These charges apply in all rate periods.

Customer Dialed Calling Card	\$0.50
Operator Dialed Calling Card/Commercial Credit Card	\$1.30
Operator Station	\$1.30
Person-to-Person	\$3.00
Subscriber Surcharge (Maximum)	\$1.00

SECTION 4 - RATES, (con't.)

4.4 Rate Periods used in Application of Rates

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	DAY RATE PERIOD						
5:00 PM TO 1:00 AM*	EVENING RATE PERIOD						
1:00 AM TO 8:00 AM*	NIGHT RATE PERIOD						

* to, but not including

4.5 Emergency Calls

No charges apply to emergency calls placed to recognized emergency agencies.

OSC LONG DISTANCE SERVICE

Current Intrastate Rates

MILES	DAY		EVENING		NIGHT	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
0-10	\$.2400	\$.1100	\$.2400	\$.1100	\$.1200	\$.0550
11-22	.3400	.1600	.3400	.1600	.1700	.0800
23-55	.3600	.1900	.3600	.1900	.1950	.1000
56-124	.4300	.2500	.4300	.2500	.2300	.1300
125-292	.4300	.2700	.4300	.2700	.2300	.1500
292-9999	.4400	.3000	.4400	.3000	.2550	.1550

Current Operator Service Charges

Customer Dialed Calling Card	\$0.50
Operator Dialed Calling Card/Commercial Credit Card	\$1.30
Operator Station	\$1.30
Person-to-Person	\$3.00
Subscriber Surcharge (Maximum)	\$1.00

EXHIBIT 2



The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

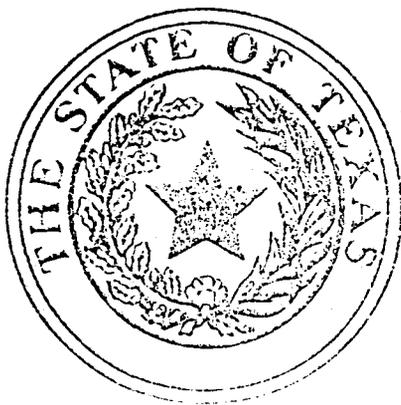
OF

OPERATOR SERVICE COMPANY
CHARTER NUMBER 01040746

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT ARTICLES OF INCORPORATION FOR THE ABOVE
CORPORATION, DULY SIGNED AND VERIFIED HAVE BEEN RECEIVED IN THIS
OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SUCH SECRETARY OF STATE, AND BY
VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES
THIS CERTIFICATE OF INCORPORATION AND ATTACHES HERETO A COPY OF THE
ARTICLES OF INCORPORATION.

DATED JUNE 5, 1987



Paul M. Reins
Secretary of State

ARTICLES OF INCORPORATION
OF
OPERATOR SERVICE COMPANY

FILED
In the Office of the
Secretary of State of Texas
JUN 05 1987
Clerk J-C
Corporations Section

ARTICLE ONE

The name of the Corporation is "OPERATOR SERVICE COMPANY".

ARTICLE TWO

The period of its duration is perpetual.

ARTICLE THREE

The purpose or purposes for which the Corporation is organized is for the transaction of any or all lawful business for which Corporations may be incorporated under the Texas Business Corporation Act.

ARTICLE FOUR

The aggregate number of shares which the Corporation shall have the authority to issue is Ten Thousand (10,000) shares of no par value. (The consideration to be received for each share shall be fixed from time to time by the Board of Directors.)

ARTICLE FIVE

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

ARTICLE SIX

The Shareholders shall not have the preemptive right to acquire additional or treasury shares of the Corporation as and when the same may be issued or sold.

ARTICLE SEVEN

The street address of its initial registered office is 6400 Quaker, Suite B, Lubbock, Texas 79413, and the name of its initial registered agent at such address is O. Murray McNeely.

ARTICLE EIGHT

The number of Directors constituting the initial Board of Directors is one, and the name and address of the person who is to serve as Director until the first Annual Meeting of Shareholders or until his successor is elected and qualified is:

Michael R. Smith, 4403 80th Street, Lubbock, Texas 79424.

ARTICLE NINE

The name and address of the incorporator is:

O. Murray McNeely, 6400 Quaker, Suite B, Lubbock, Texas 79413.

O. Murray McNeely
Incorporator

SWORN AND SUBSCRIBED TO BEFORE ME, the undersigned authority, on this the 2nd day of June, 1987, by the above named incorporator.

Susan Gafford
Notary Public in and for
The State of Texas

My Commission Expires:

5-15-89



SUSAN GAFFORD
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES 5-15-89

EXHIBIT 3

APPLICATION FOR AUTHORITY OF

OPERATOR SERVICE COMPANY 0

Exact Corporate Name

TO: ARIZONA CORPORATION COMMISSION
Corporations Division
P. O. Box 6019, Phoenix, AZ 85005
(or)
402 West Congress, Tucson, AZ 85701

PURSUANT TO THE PROVISIONS OF SECTIONS 10-110, 10-111 and 10-118, ARIZONA BUSINESS CORPORATION ACT, THE UNDERSIGNED CORPORATION HEREBY APPLIES FOR AUTHORITY TO TRANSACT BUSINESS IN ARIZONA.

FIRST: This application is:

- (1) An original application pursuant to A.R.S. Sec. 10-110.
- (2) An application for new authority pursuant to A.R.S. Sec. 10-118 as a result of:
 - (a) A change in the corporation's name as set forth in the second paragraph.
 - (b) A desire to pursue in this State different or additional purposes than those set forth in the corporation's prior Application for Authority as more fully described in the ninth paragraph herein.

SECOND: The name of the corporation is: Operator Service Company

THIRD: If the name of the corporation does not contain the word "association", "bank", "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 ARIZONA is:

FISCAL YEAR END: December 31st

FOURTH: It is incorporated under the laws of the State of Texas

FIFTH: The date of its incorporation is June 5, 1987
and the period of its duration is Perpetual

SIXTH: The address of its principal office in the jurisdiction under the laws of the state or county in which it is incorporated is: Metro Tower; 1220 Broadway, Suite 1700
Lubbock, Texas 79401

SEVENTH: The address of the proposed known place of business in Arizona is: _____

EIGHTH: The name and address of the proposed statutory agent in Arizona is:
Gary Ramaeker, 25 El Camino Real, Suite 1
Sierra Vista, Arizona 85635

NINTH: A brief statement of the character of the business which the corporation initially intends to conduct in Arizona and the purpose for which the corporation is organized is:
To provide intrastate operator-assisted resold telecommunications services to the public from hotels, motels, convenience stores and hospitals and coin-operated telephones operated both publicly and privately.

and the transaction of all lawful business for which corporations may be incorporated under the Arizona Business Corporation Act.

TENTH: The names and respective addresses of its directors and officers are:

NAME	OFFICE	ADDRESS	DATE OF TAKING OFFICE
Michael R. Smith	President/Secretary, Treasurer	3103 80th Street Lubbock, Texas 79423	June 5, 1987
Andy Wilkinson	Vice President	5205 92nd Street Lubbock, Texas 79424	September, 1989

ELEVENTH: The aggregate number of shares which it is authorized to issue, itemized by class, 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
10,000	None	None	

TWELFTH: The aggregate number of its issued shares, itemized by class, 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
N/A			

THIRTEENTH: The amount of its stated capital, as defined in the Arizona Business Corporation Act is:
\$ 10,000

FOURTEENTH: The application is accompanied by a copy of its Articles of Incorporation and all amendments thereto, duly authenticated by the proper officer of the State or County under the laws of which it is incorporated.

FIFTEENTH: Has any person(s): (a) serving either by election or appointment as an officer, director or trustee, incorporator of the corporation, (b) controlling or holding 20% of the proprietary, beneficial or membership interest in the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked?

YES ___ NO X

If your answer to the above question is "YES", you MUST attach the following information for each such corporation:

1. Name and address of the corporation
2. Full name, including alias(es) and address(es) of each person or person(s) involved.
3. State(s) in which the corporation:
 - (a) Was incorporated
 - (b) Has transacted business
4. Dates of corporate operation
5. A description of the bankruptcy, receivership or charter revocation, including the date, the court or agency involved, and the file or cause number of the case.

SIXTEENTH: Under penalties of law, I declare that I will comply with the provisions of A.R.S. Sec. 10-128.01.
Under penalties of law, I declare that I have examined this application and to the best of my knowledge and belief it is true, correct and complete.

Operator Service Company
(CORPORATE NAME)

By: _____
President

By: _____
Secretary

I, _____, having been designated to act as Statutory Agent, hereby consent to act in that capacity until removed or resignation is submitted in accordance with the Arizona Revised Statutes.

(Signature of Statutory Agent)

EXHIBIT 4

EXHIBIT 5

EXHIBIT 5

OSC does not currently have any customers in the State of Arizona. It anticipates that at the end of its first year of operations within the State that it would be servicing approximately 1000 payphones and 2000 hotel rooms. The company anticipates that its operations within the State of Arizona would grow at the approximate rate of twenty percent (20%) per annum for the ensuing four years.

EXHIBIT 6

EXHIBIT 7

EXHIBIT 8

EXHIBIT 8

The person at OSC who is responsible for complaint matters is:

John Petty
Operator Service Company
1220 Broadway, Suite 1700
Lubbock, Texas 79401
1-800-677-6771
806/747-2474
FAX: 806/747-5047

Effective June 10, 1991, Mr. Petty's new
address will be:

Operator Service Company
1624 10th Street
Lubbock, Texas 79401
1-800-677-6771
806/747-2474
FAX: 806/747-5047

OPERATOR SERVICE COMPANY

Procedure for Handling Customer Complaints

Customer complaints at Operator Service Company are handled by the Customer Service Manager and staff. Complaints reach the office by mail, through the operator positions in the operator center and by office phone.

1. Mail Complaints: A customer service rep copies the letter and files the original. The copy goes to data entry which determines:

- ANI(s) in question
- Billing address if different from letter
- Marketing company involved

The Customer Service Manager calls the complainant to say the letter has been received and the problem is being investigated. A callback commitment is made usually for within 24 hours.

The marketer is faxed the letter along with OSC's information and asked to reply to the inquiry in 24 hours. Following resolution of the problem, the marketer faxes OSC with the settlement. This is noted and filed.

2. Telephone Complaints: When the complaint comes by phone, the representative completes a Customer Inquiry Form and follows step #1

3. Operator Center Complaints: If a customer calls directly from a payphone or hotel, the operator completes a trouble report and forwards it to Customer Service. Representatives then handle it as a regular telephone complaint.

OSC has a 800 number for inquiries that is answered "in person" 24-hours a day. Customer Service picks up any inquiries the next morning, however, the answering person has the Customer Service Manager's home number in case of emergencies.

**ZERO PLUS DIALING, INC.
CUSTOMER SERVICE PROCEDURES**

The customer service group has access to a database which contains the most recent six months of customer call detail. Data prior to this is retained on microfiche.

At the time of the initial call, the representative requests the end user's bill number (Note: Call detail can also be obtained by use of the "From Number" and/or "To Number"). Once the account is accessed, the OSP is identified. If the OSP performs their own customer service function, their toll free number is given to the end user. If the OSP is one for which ZPDI provides customer service, the representative proceeds to determine the nature of the inquiry. Depending on the reason for the inquiry, the representative proceeds to ask a series of questions to determine if the dispute is valid. Examples of questions might include:

- Does another family member or friend have access to your calling card number?
- Was someone else at home who might have accepted the collect call?
- Were you or anyone you know, traveling through or visiting that city during that time period?

Page 2 - Customer Service Procedures

- Have you cancelled your stolen/lost calling card? If so, when?
- Do you know anyone in the city that was called?

The representative then makes a determination of whether to sustain (deny credit), refer the account to investigations or provide a refund. **Every effort is made to sustain the charges.**

All refunds for \$75.00 and over are generated by a credit memorandum to the appropriate LEC. The charges for each of these IC/EC forms vary, from approximately \$3.50 to \$12.50 for each individual credit memorandum. Currently, two LEC'S charge on a per record/line basis.

All refunds less than \$75.00 are issued by a check (with the exception of Pacific Bell). This is more cost effective because the LEC charges for credit memorandums are not incurred.

ZPDI is in the process of further mechanization; therefore, the IC/EC memorandums and the checks may be issued in a mechanized or manual method. When the check or IC/EC is issued the mechanized way, the representative is able to automatically generate the refund from our database. The

Page 3 - Customer Service Procedures

charges for a credit memorandum are the same whether the form is manually prepared or is mechanized. The end of month report will reflect the refunds issued by both methods.

All DAK's (Deny All Knowledge) \$50.00 and over are investigated. Investigation procedures include, but are not limited to the following:

- Contacting the LEC to determine if an adjustment has been made by them and, if so, why (if required).
- Contacting the LEC to determine if a calling card has been cancelled and, if so, when.
- Analyzing the call detail for frequently called numbers, high usage time, etc.
- Contacting the called parties to determine if they, or anyone at their number, knows the end user.
- If necessary contacting the from numbers to determine if calls were placed from pay phones, hotel, residence, etc.

If the inquiry is sustained, a letter is sent to the customer. All DAK's \$75.00 and over will be forwarded to the OSP's on a daily basis.

The Director - Customer Services has established a procedure to track LEC recourses. We are making every effort to ensure that the LEC'S are in compliance with our billing and collection contracts. Each recourse is being evaluated and referred to the LEC Account Executive if necessary.

Per our contracts, if the amount is under \$10.00, the LEC can recourse without notification to ZPDI. If the inquiry is over \$10.00, the LEC should give ZPDI an opportunity to investigate a dispute before the account is recoured. ZPDI investigates the potential recourse as soon as it is received and notifies the LEC of our disposition. However, please note that the LEC still has the prerogative to provide credit eventhough ZPDI has denied credit.

The customer service group has also established a "trouble shooting" procedure. If the customer service representative receive several inquiries of the same type for an OSP, they prepare a "trouble shooting" form. A supervisor analyzes the information, determines if a pattern is emerging and, if so, forwards the potential problem to the OSP. ZPDI will usually request that the OSP provide refund instructions for these inquiries.

Page 5 - Customer Service Procedures

Reports are generated on a monthly basis. The OSP'S receive a reconciliation statement, listings of all ZPDI customer service refunds and recourses issued by the LEC'S and all supporting documentation.

EXHIBIT 9

EXHIBIT 9

OSC's network is engineered to provide a P.01 grade of service. End user calls, once connected to OSC's switching equipment, will be answered within 2 to 7 seconds, depending in part on whether the call goes to a live or automated operator. Blocking and/or line quality are also dependent on equipment and facilities provided by the host location and may be beyond the control of OSC. Quality of service is an important criteria in the selection of OSC's underlying carrier.