

highlighting the information for which it seeks confidential treatment or filing redacted copies of Exhibit B (which would just be blank pages in this instance). Windstream East understands that this approach is consistent with the Commission's established practice. Windstream East's unredacted version will highlight the confidential business operational information contained in Mr. Weeks' testimony, and the copies will have that information redacted.

Statutory Standard

3. KRS 61.878 excludes from the public disclosure requirements of the Open Records Act the following information:

- "Public records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy;"¹
- "[R]ecords confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records."²

The Confidential Information at issue in this motion satisfies this exception to Kentucky's Open Records Act.

The Information is of a Personal Nature and Disclosure would Constitute an Unwarranted Invasion of Privacy

4. The information contained in Exhibit B to Mr. Weeks' testimony includes CPNI. Specifically, Exhibit B includes Mrs. Bowers' account number and telephone number, along with the services purchased by Mrs. Bowers from Windstream East and the amount Windstream East charged her for those services. Additionally, Exhibit B sets forth the total Windstream East charges to Mrs. Bowers for the period at issue in the invoice, including her service rates and applicable taxes, surcharges, and fees. This information is protected from disclosure to third

¹ KRS 61.878(1)(a).

² KRS 61.878(1)(c)(1).

parties by the Telecommunications Act of 1996 and by subsequent orders issued by the Federal Communications Commission.

The Information is Generally Recognized as Confidential and Proprietary and Disclosure Will Result in an Unfair Commercial Advantage to Windstream East's competitors.

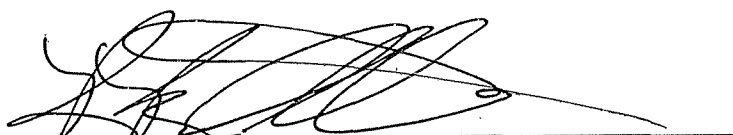
5. The information contained on page 7 of Mr. Weeks' testimony includes internal information regarding Windstream East's business operations. This information is generally considered confidential and is maintained as such by Windstream East. This information is not available to, or ascertainable by, persons outside Windstream East by proper means other than on a confidential basis.

6. In light of the confidential and proprietary nature of the information at issue, Windstream East takes all reasonable efforts to protect it from public disclosure. These measures include limiting access to the information within Windstream East to only those persons with a legitimate need to access the information and protecting the information against disclosure outside Windstream East.

7. The confidential information included on page 7 of Mr. Weeks' testimony, if disclosed to competitors of Windstream East, would provide an unfair competitive advantage to those competitors by offering them otherwise-unavailable commercial evidence about Windstream East's market position. This information about Windstream East and other carriers is not public, and disclosure of the information in this proceeding will cause Windstream East to suffer a competitive economic injury.

8. The information at issue in this motion is regularly afforded confidential treatment by the Commission and Windstream East simply asks for the same treatment in this instance.

Respectfully submitted,



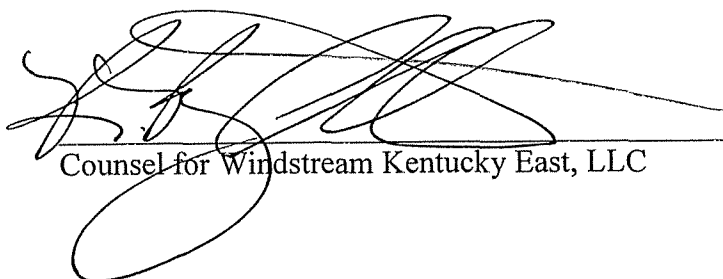
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing WINDSTREAM KENTUCKY EAST, LLC'S MOTION FOR CONFIDENTIAL TREATMENT was served by United States First Class Mail, postage prepaid, on this 10th day of June, 2011 upon:

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JUN 10 2011

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:)
)
Dana Bowers, Complainant)
v.)
Windstream Kentucky East, LLC, Defendant)

Case No. 2010-00447

DIRECT TESTIMONY
OF
STEPHEN WEEKS

ON BEHALF OF WINDSTREAM KENTUCKY EAST, LLC

Filed June 10, 2011

DIRECT TESTIMONY OF STEPHEN WEEKS

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Q. Please state your name and business address.

A. My name is Stephen Weeks. My business address is 4001 Rodney Parham Road, Little Rock, Arkansas, 72212.

Q. By whom are you employed and in what capacity?

A. I am employed by Windstream Communications, Inc. as Director of Wholesale Services and in this capacity have authority to present this testimony on behalf of Windstream Kentucky East, LLC (“Windstream East”).

Q. Please describe your experience in the telecommunications industry and at Windstream.

A. I began my telecommunications career in 1994 with ALLTEL Corporation, serving in various managerial positions in wireless field operations including Vice President / General Manager. Since 1999, I have served in various managerial positions at corporate headquarters in Little Rock and was named Director of Wholesale Services in 2003. My responsibilities over the last twelve years have included functions such as negotiating inter-carrier agreements, managing inter-carrier relationships and, as of February 2008, overseeing the persons responsible for maintaining our local subscriber tariffs and price lists. I am not an attorney, and while I may have to refer to portions of Kentucky law in my testimony, I reserve the legal arguments in this proceeding for my counsel.

Q. What is the purpose of your testimony?

A. My testimony will show that the claims set forth by Dana Bowers (“Mrs. Bowers” or “Plaintiff”) in her Petition for Declaratory Ruling filed on November 16, 2010

1 (“Complaint”) are in error regarding the Gross Receipts Surcharge (“GRS”) assessed by
2 Windstream East.

3 **Q. Please provide an overview of your testimony.**

4 A. The crux of Mrs. Bowers’ allegations is that Windstream East violated KRS 278.160
5 “when it charged her, and its other customers, an unfiled rate for telecommunications
6 services provided under tariff.” (Complaint p. 1) The purported “unfiled rate for
7 telecommunications services” to which she refers is the GRS. Mrs. Bowers contends that
8 this is a simple issue that the GRS is a rate for service that was required to have been but
9 was not tariffed in Windstream East’s local tariff. She is wrong on all accounts, and the
10 simple response to her allegations is as follows:

- 11 1. **Mrs. Bowers does not purchase services subject to KRS 278.160;**
- 12 2. **Regardless of what services she purchases, Mrs. Bowers did not**
13 **comply either with (a) the dispute provisions in the very tariff on**
14 **which she bases her claims or (b) similar dispute provisions in the**
15 **terms that govern her nonbasic services; and**
- 16 3. **Windstream East was not required to tariff the GRS and otherwise**
17 **has precautionary tariff language sufficiently addressing the GRS.**

18 My testimony will demonstrate that no matter how you view the GRS, it is not an unfiled
19 rate for service that was required to be tariffed.

20 **Q. How did Mrs. Bowers’ Complaint come to be filed with the Commission?**

21 A. A class action lawsuit was filed on her behalf generally claiming that the GRS is an
22 “illegal rate” that was required to be tariffed. (Class Action Complaint, Paragraph 1,
23 “lawsuit”.) As a part of the lawsuit, the federal court referred one of Mrs. Bowers’ claims

1 to the Commission. That claim, as Mrs. Bowers filed it in her Complaint with the
2 Commission, pertains to whether Windstream East was required to have tariffed the GRS
3 in its local tariff before applying the GRS to Mrs. Bowers' services she purchases from
4 Windstream East. The answer to that question is no.

5 **Q. What action is Windstream East asking the Commission to take in this proceeding?**

6 A. We are requesting that the Commission deny Mrs. Bowers' claims in her Complaint
7 including finding specifically that the GRS is not a rate for a telecommunications service
8 that is subject to the Commission's mandatory tariff regime in KRS 278.160. The
9 Commission should find that Mrs. Bowers does not subscribe to any jurisdictional
10 services subject to KRS 278.160. Further, the Commission should find that even as to
11 jurisdictional services, the assessment of the GRS is not required to be tariffed, and
12 Windstream East's precautionary tariff language otherwise addresses the GRS. Finally,
13 the Commission should find as a threshold matter that, in seeking to enforce Windstream
14 East's tariff, Mrs. Bowers is required to have complied with all applicable provisions of
15 the tariff including most notably the provisions for filing timely disputes.

16
17 **Mrs. Bowers' Services**

18
19 **Q. What general category of customer is Mrs. Bowers?**

20 A. Mrs. Bowers is a residential customer of Windstream East. When asked to acknowledge
21 that she does not purchase any services from Windstream East under Tariff No. 8 (its
22 intrastate access tariff), Mrs. Bowers refused to admit the response but failed to identify
23 any access services purchased under that tariff. She did, however, acknowledge that she

1 is not a telecommunications provider or a business customer of Windstream East which
2 supports that she does not purchase any intrastate access services from Windstream East.
3 Mrs. Bowers also admitted that she at no time has subscribed to services from
4 Windstream Kentucky West, LLC or Windstream Communications, Inc. (Requests for
5 Admission Nos. 1-6.)

6 **Q. What services does Mrs. Bowers purchase from Windstream East?**

7 A. During all relevant time periods, Mrs. Bowers has purchased Windstream East's
8 residential local service as part of the "Feature Pack A" telephone service, DSL Ultra
9 broadband services, and DSL Protection Plus wire maintenance plan.

10 **Q. Does Mrs. Bowers purchase "basic local exchange service" from Windstream East?**

11 A. No. That term is defined to refer specifically to stand-alone residential or business
12 telephone service that provides only for unlimited calls within Windstream East's local
13 exchange area, dual-tone multifrequency dialing, and access to the following: emergency
14 911 telephone service, all locally available long distance companies, directory assistance,
15 operator services, relay services, and a standard alphabetical directory listing. The term
16 also encompasses certain mandatory extended area service routes.

17 **Q. What do you mean by the terms "stand-alone" telephone service and service that
18 provides "only" for the functions listed above?**

19 A. These terms are used to distinguish basic local exchange service from other nonbasic
20 services. Basic dial-tone residential or business service is that which is not bundled or
21 packaged with any other service(s) and service that instead provides "only" for those
22 functions I listed above. For example, if a customer has a basic phone line without any
23 other features like Call Waiting or Caller ID or without any other services, that customer

1 has basic local exchange service. On the other hand, if a customer has a basic phone line
2 with features like Call Forwarding and Call Waiting or other service like broadband, then
3 she has nonbasic services.

4 **Q. Does Mrs. Bowers purchase stand-alone basic local exchange service from**
5 **Windstream East that provides only the functions you identified?**

6 A. No. Mrs. Bowers purchases nonbasic service from Windstream East – not basic local
7 exchange service. Mrs. Bowers, like the overwhelming majority of our customers,
8 purchases local service that is packaged or bundled with other products and services like
9 broadband and/or calling features. Therefore, Mrs. Bowers’ services include functions
10 well beyond those I identified above that comprise only basic local exchange service.
11 Mrs. Bowers acknowledged in her discovery responses that she purchases local service
12 that provides the functions listed above, but that she also purchases additional services
13 including packaged calling options, broadband service, and Protection Plus. (Requests for
14 Admission Nos. 7 and 8.) The partial June 14, 2010 invoice Mrs. Bowers attached to her
15 Complaint also reflects that she does not purchase only a basic local telephone line from
16 Windstream East. (Complaint, Exhibit C.) Consistent with her own exhibit, Mrs. Bowers
17 purchases two residential phone lines that are each packaged with the “Feature Pack A”
18 calling option services. These packaged calling features permit Mrs. Bowers’ residential
19 phone lines to perform functions well in excess of the ones I identified for basic local
20 exchange service. For instance, her calling features include functions such as anonymous
21 call rejection, automatic busy redial, call return, call block, call forwarding, call waiting,
22 Caller ID, selective call acceptance, and three-way calling. Additionally, her invoice
23 reflects that she purchases “DSL Ultra-Renewal” and “DSL-Protection Plus.” (*Id.*)

1 Because she purchases these additional features and services, Mrs. Bowers' service is
2 categorized as nonbasic and not as basic local exchange service.

3 **Q. What is the significance of whether Mrs. Bowers purchases basic local exchange**
4 **service or nonbasic service?**

5 A. I will leave the detailed legal discussions to the parties' attorneys, but I will note that
6 distinguishing between the types of services Mrs. Bowers purchases from Windstream
7 East is critical in determining what type of legal obligations may apply to the services
8 and specifically whether there is any validity to her claims regarding her purchase of
9 alleged jurisdictional services subject to KRS 278.160. (*See*, Complaint, Paragraphs 5-7.)
10 A "basic local exchange service", as that term is defined by the General Assembly, may
11 be considered for now a "jurisdictional service" subject to certain tariffing requirements,
12 while nonbasic services like those purchased by Mrs. Bowers are "nonjurisdictional
13 services" and exempt from such requirements.

14 **Q. What percentage of Windstream East's residential customers purchase**
15 **jurisdictional basic local exchange service?**

16 A. Only approximately of Windstream East's residential customers purchase
17 jurisdictional service. The vast majority of our customers in today's competitive
18 environment purchase nonbasic (*i.e.*, nonjurisdictional) services primarily in the form of
19 bundled services that are detariffed and have been since December 1, 2008 when
20 Windstream East filed with the Commission to remove the bundle from its local tariff.

21 **Q. Does Mrs. Bowers purchase any jurisdictional service?**

22 A. No. In her Responses to Requests for Admission, Mrs. Bowers incorrectly denies that she
23 purchases no jurisdictional services from Windstream East. (Request for Admission No.

1 5.) Based on Mrs. Bowers' admissions, she purchases local service that is packaged with
2 other services including calling features, broadband, and Protection Plus. (Requests for
3 Admission Nos. 7-8 and Complaint, Paragraph 7.) Thus, she does not purchase any
4 jurisdictional service from Windstream East despite her failure to admit it.

5 **Q. Despite the foregoing, do you know why Mrs. Bowers seems to believe that she**
6 **purchases jurisdictional service from Windstream East?**

7 A. She appears to believe that because the individual components of her packaged service
8 (*i.e.*, her residential lines and Feature Pack A calling options) are identified in
9 Windstream East's local tariff (Tariff No. 7) that they are jurisdictional services.

10 **Q. Is that assertion correct?**

11 A. No. It is correct that the services are identified in Windstream East's Tariff No. 7 but not
12 that they are jurisdictional services.

13 **Q. Can you please explain?**

14 A. The individual components of Mrs. Bowers' packaged services are identified in
15 Windstream East's Tariff No. 7. Specifically, the residential lines (a total service rate to
16 Mrs. Bowers of \$34.14 per month) are identified in Section S3 - Basic Local Exchange
17 Service of Tariff No. 7 at a flat service rate of \$17.07 per line in the Elizabethtown
18 exchange. The optional calling features with which those basic residential lines are
19 packaged (a total service rate to Mrs. Bowers of \$32.00 per month) are identified in
20 Section S13 - Miscellaneous Service Arrangements of Tariff No. 7 at a monthly service
21 rate of \$16.00 per package. However, the fact that these packaged components are
22 identified in Windstream East's Tariff No. 7 does not make them jurisdictional services.

1 **Q. If the package components purchased by Mrs. Bowers are identified in Windstream**
2 **East’s tariff, why then are those components not considered jurisdictional services?**

3 A. The answer involves an understanding of actions taken by the General Assembly in 2006
4 to make nonbasic services – including packaged services like those purchased by Mrs.
5 Bowers – subject to greater regulatory flexibility. The historical mandatory tariff
6 requirements for jurisdictional services in KRS 278.160 upon which Mrs. Bowers bases
7 her claims apply to all types of utilities operating under the Commission’s oversight.
8 However, as far back as 2006 the General Assembly recognized that telephone utilities
9 were subject to significant marketplace competition that mitigated the need for the same
10 continued administrative oversight. As a result, the General Assembly enacted provisions
11 designed to substitute the Commission’s administrative oversight over telephone utilities
12 (including historical tariffing regulations) with marketplace oversight in the form of
13 pricing and tariffing flexibility. In doing so, the General Assembly granted all telephone
14 utilities in Kentucky rate and tariffing flexibility for nonbasic (or “nonjurisdictional”)
15 services – including exemption from KRS 278.160.

16 **Q. What were the new provisions enacted by the General Assembly?**

17 A. The new provisions are set forth primarily in KRS 278.544, but I refer to my attorneys to
18 address the legalities of the specific language in those provisions.

19 **Q. What was the result of the new legislation?**

20 A. By exempting all telephone utilities from historical tariffing regulations like those in KRS
21 278.160 for nonbasic services, telephone utilities (unlike other utilities whose industries
22 may not be subject to the same level of competition) were permitted greater flexibility
23 over the ways in which they offer nonbasic services to their customers. Telephone

1 utilities like Windstream East are not required to maintain tariffs for nonjurisdictional
2 services (but voluntarily may do so), and they now may provide those nonbasic services
3 subject to their own company terms and conditions like Windstream East does with Mrs.
4 Bowers.

5 **Q. Why then did the General Assembly still require individual packaged components**
6 **to remain on file in tariffs with the Commission?**

7 A. During the time the General Assembly was considering this flexibility for telephone
8 utilities, there was concern about whether bundled options would be limited for
9 consumers in the future or whether individual components of existing packages would
10 still be made available to customers. Put another way, there was concern that customers
11 still had a menu of existing feature options from which to choose. Consequently, certain
12 packaged features continue to be identified individually in the telephone utility's tariffs.
13 Specifically, packages comprised of optional calling features like those purchased by
14 Mrs. Bowers that were tariffed and available on an individual basis as of February 1,
15 2006 have to continue to be identified in the tariff. At the same time, however, the
16 General Assembly determined that regardless of these considerations, nonbasic services –
17 including packages and their individual features – are governed exclusively by the
18 marketplace and are exempt from KRS 278.160.

19 **Q. What is the result of the General Assembly's actions as they relate to Mrs. Bowers'**
20 **services?**

21 A. The result is that packaged services like those purchased by Mrs. Bowers are
22 nonjurisdictional, nonbasic services subject to marketplace pricing and Windstream
23 East's terms and conditions regardless of whether the individual components (here, Mrs.

1 Bowers' residential lines and Feature Pack A calling options) are identified in any tariff.
2 Accordingly, Mrs. Bowers' nonbasic services are governed by contractual arrangements
3 she has with Windstream East, including the terms and conditions of service. Those terms
4 include the condition that fees and surcharges may apply to her services and also the
5 obligation that she timely dispute her charges within a month of receiving the invoice.
6

7 **Application of the GRS to Customer Invoices**
8

9 **Q. Are Mrs. Bowers' services subject to taxes, fees, and surcharges?**

10 A. Yes. Mrs. Bowers' services, which I have established above are nonjurisdictional services
11 subject to Windstream East's terms and conditions, are assessed various taxes, fees, and
12 surcharges. Mrs. Bowers is also assessed what is called a subscriber line charge ("SLC")
13 which appears on her bill as the "Access Charge Per FCC Order." While the SLC is a
14 charge for "End User Access Service" established by the Federal Communications
15 Commission, as this Kentucky Commission is likely aware, the SLC is a charge assessed
16 incidental to a customer's local service and subject to the telephone utility's local billing
17 arrangements with that customer. At issue in this proceeding is the application of one
18 surcharge – the GRS – to customers' invoices, namely Mrs. Bowers' invoices.

19 **Q. Is the GRS assessed on all items in Mrs. Bowers' monthly invoices?**

20 A. No. The GRS is assessed on only those items on customers' bills, including those of Mrs.
21 Bowers, for which Windstream East is itself levied a tax on the corresponding revenues
22 from those items. Through our implementation of the GRS which I will discuss in greater
23 detail below, we assess the GRS to our customers on the same services and charges on

1 which Windstream East's revenues are taxed. Mrs. Bowers is assessed the GRS on her
2 Feature Pack A and Protection Plus services and to certain of her other charges like the
3 SLC. However, contrary to Mrs. Bowers' statements in Paragraph 7 of her Complaint the
4 GRS is not assessed to her broadband service.

5 **Q. Is the GRS assessed to Windstream East's customers in the same percentage as the**
6 **tax percentage levied on Windstream East's corresponding revenues?**

7 A. No. The GRS is not a direct pass-through of a tax on customers and instead is a surcharge
8 designed to help recover Windstream East's costs of the tax that is levied on Windstream
9 East. The GRS assessed to Mrs. Bowers, therefore, has varied in amounts to enable
10 Windstream East to recover the underlying costs of the tax. Plaintiff has misrepresented
11 that the GRS "has been used by Windstream to collect approximately double the amount
12 of the state tax that applies to communications service providers." (Complaint, Paragraph
13 13.) As with some other fees and surcharges, the GRS may vary depending on
14 Windstream East's total underlying costs of the tax. There was also a significant period
15 of time during which Windstream East's costs of the tax went unrecovered as a result of
16 it (and other providers) being unconstitutionally precluded from collecting their costs of
17 the tax in the form of a line item surcharge. We have not used the GRS to recover more
18 than our costs of the gross revenues tax levied on us.

19
20 **Timely Dispute of the GRS**

1 **Q. When did Windstream East first begin applying the GRS to customers' invoices?**

2 A. Windstream East first began applying the GRS to customers' invoices, including those of
3 Mrs. Bowers, in their June 2007 invoices.

4 **Q. Did any customers question the GRS when Windstream East implemented it?**

5 A. Yes, customers did question the GRS including two residential customers like Mrs.
6 Bowers. However, unlike Mrs. Bowers, these customers promptly reviewed their monthly
7 invoices and filed timely inquiries and disputes regarding the GRS. (See Exhibit A.) The
8 first customer filed an inquiry with Windstream on July 21, 2007 regarding charges he
9 noticed on his invoice for the GRS and the universal service fee. A second customer used
10 the Commission's informal complaint procedures to question Windstream East's
11 authority to collect the GRS. In that instance, the Commission referred the informal
12 complaint to Windstream East for resolution, and we resolved the complaint with the
13 customer to the Commission's satisfaction.

14 **Q. When did Mrs. Bowers first dispute the application of the GRS to her invoices?**

15 A. Our records show that prior to her attorneys filing the lawsuit on her behalf on June 22,
16 2009, Mrs. Bowers had not filed any dispute or made any inquiry with Windstream East
17 regarding the GRS even though it had been implemented two years prior. We sought
18 information from Mrs. Bowers in discovery to confirm that she previously had not filed
19 any complaints regarding the GRS with Windstream East. While refusing to respond
20 directly and stating only that she brought the lawsuit (which again was in 2009), Mrs.
21 Bowers did not refute Windstream East's records that prior to June 22, 2009, she had not
22 inquired about or disputed the GRS with Windstream East and/or the Commission.
23 (Request for Admission No. 14.) She did acknowledge that Windstream East began

1 assessing the GRS two years prior to that in June 2007. (Request for Admission No. 12.)
2 Mrs. Bowers, nevertheless, failed to file a timely dispute of Windstream East's
3 application of the GRS to her invoices.

4 **Q. What do you mean that Mrs. Bowers failed to “timely” file a dispute of the GRS?**

5 A. I am referring to the fact that much more than one month passed from the time that
6 Windstream East implemented the GRS and the time that Mrs. Bowers' attorneys filed
7 the lawsuit disputing the GRS. Approximately two years had passed. As I explained
8 above, Mrs. Bowers purchases nonbasic, nonjurisdictional services from Windstream
9 East which are subject to a monthly term and Windstream East's terms and conditions.
10 Included in those terms and conditions are the requirements that Mrs. Bowers be
11 responsible for applicable taxes, surcharges, fees, and assessments – which includes the
12 GRS – and that she submit timely disputes with respect to the charges on her monthly
13 invoices.

14 **Q. How are customers like Mrs. Bowers advised of these terms of service, including the**
15 **timely dispute provisions?**

16 A. Customers including Mrs. Bowers are informed of these terms in a variety of ways. To
17 begin, certain terms are included with every monthly invoice customers receive from
18 Windstream East. (An example of Mrs. Bowers' complete monthly invoice is attached as
19 Exhibit B.) For instance, since before the time that Windstream East began assessing the
20 GRS, Mrs. Bowers and other customers have received instructions with each of their
21 monthly invoices stating that explanations of their rates and charges and information
22 about how to verify the accuracy of a bill may be obtained by calling Windstream East's
23 toll-free number or from a Windstream retail location. The instructional terms appear

1 directly above the explanations on the bill for various fees and surcharges like the GRS
2 and advise on a monthly recurring basis of the need for customers like Mrs. Bowers to
3 report any discrepancies in the bills within twenty days to assure prompt attention to the
4 issue. Further, each monthly invoice references Windstream's website where the
5 complete set of terms and conditions are located. A customer who refers to our website
6 for service and product information also may access the terms and conditions of service
7 directly. In June 2010, customer invoices also added language reminding customers that
8 their use of the services provided by Windstream East constitutes their agreement to
9 Windstream's terms and conditions.

10
11 I should also explain that customers frequently receive periodic bill messages or other bill
12 inserts and letters explaining items on their bill and the applicability of various service
13 terms. For instance, Mrs. Bowers and other customers received a bill message in their
14 June 2007 invoices stating: "Effective with this billing statement, the Kentucky Gross
15 Receipts Surcharge will begin appearing on your bill. This surcharge recovers a tax
16 imposed by the State of Kentucky on all communications and entertainment providers."
17 The message also instructed customers to call Windstream East's customer service if they
18 had any questions about the surcharge, which Mrs. Bowers did not do. In addition to the
19 bill message regarding the GRS, the sample bill inserts and letters attached as Exhibit C
20 provide examples of the frequent notices that customers like Mrs. Bowers receive. These
21 letters and inserts advise that Windstream's terms and conditions may apply to the
22 services. Mrs. Bowers, who is a long-time Windstream East customer, received similar

1 notices as far back as 2002 advising her of the website with information pertaining to her
2 services. (See Exhibit D.)

3 **Q. Should Mrs. Bowers have been aware of these terms and conditions such as the**
4 **applicability of surcharges and the need to timely dispute charges on her invoices?**

5 A. Yes, based on the number of ways in which we communicate these terms to our
6 customers. Although she does not recall receiving some of the notices as early as 2002
7 (Requests for Admission Nos. 19-20), Mrs. Bowers cannot deny receiving her invoices
8 from Windstream East on a recurring monthly basis. As I explained above, her monthly
9 invoices expressly reference her responsibility to timely dispute the charges on her bills.
10 We attempted to obtain information to determine what other surcharges Mrs. Bowers has
11 been assessed from her other utility and cable providers to determine whether she was
12 aware of other surcharges assessed by those providers and also whether she had reviewed
13 and/or disputed those providers' invoices. However, Mrs. Bowers declined to provide
14 that information stating instead her position that the request was irrelevant, harassing, and
15 burdensome. (Data Request No. 4.) We do not agree with that characterization and
16 believe these facts would have supported that Mrs. Bowers should have known that she
17 had a responsibility to timely review and dispute her utility providers' monthly invoices.

18 **Q. Is it reasonable to expect Mrs. Bowers to have examined her monthly telephone bills**
19 **and timely disputed the assessment of the GRS prior to her attorneys filing a lawsuit**
20 **on her behalf two years later?**

21 A. Yes. As a threshold matter, Mrs. Bowers is precluded from challenging Windstream
22 East's assessment of a surcharge more than two years after its implementation because
23 she did not timely challenge the surcharge at the time Windstream East began assessing

1 it. Given that Mrs. Bowers disregarded the instructions on her monthly invoices for
2 disputing the GRS and the terms of her service, the Commission should not allow her to
3 do so now by virtue of a lawsuit her attorneys filed on her behalf two years later. In fact,
4 in filings made in the lawsuit, Mrs. Bowers represented that she and her attorneys
5 discussed her Windstream East bill in February 2009. (See Pls.' Reply in Support of Mot.
6 for Class Cert., at 12.) Yet, if that is the case, even after that discussion, Mrs. Bowers did
7 not file any dispute until the lawsuit was filed on her behalf four months later and instead
8 continued paying her monthly invoices in full and without dispute.

9 **Q. Should Mrs. Bowers be excused for failing to file a timely dispute regarding the**
10 **GRS?**

11 A. No, particularly where some customers did file timely disputes and Windstream had the
12 opportunity to address those disputes. In her discovery responses, Mrs. Bowers stated that
13 she believes that if she “fails to pay her bill from Windstream, which is issued monthly,
14 Windstream will terminate her telephone service.” (Request for Admission No. 9.) Her
15 statement ignores the express instructions in her invoices - including the February 2009
16 invoice that her attorneys purportedly discussed with her as well as those in Tariff No. 7
17 for customers purchasing jurisdictional services (and which Mrs. Bowers is seeking to
18 enforce in her Complaint) - that disputed charges may be withheld while the dispute is
19 pending. Our experience is that most residential customers are knowledgeable about
20 telecommunications charges and terms – many even frequently shopping offers among
21 Windstream East and its competitors. They should not, therefore, be permitted to accept
22 certain terms but not others, and Mrs. Bowers is no exception. She established a multi-
23 million dollar internet company “ipay” that, according to one media source, operates

1 pursuant to contracts with its own customers. (See article attached as Exhibit E.) We also
2 attempted in discovery to obtain information from Mrs. Bowers to determine if the
3 contracts and processes she used with ipay's customers contain similar obligations about
4 the need for customers to timely file disputes, but she also refused to provide this
5 information. (Request for Production No. 2.) Nevertheless, even after purportedly
6 discussing her invoice with her attorneys, Mrs. Bowers failed to timely examine her
7 invoices and abide by her contractual terms with Windstream East including the
8 provisions requiring timely dispute of her invoices within one month. She also
9 acknowledges that she has never filed an informal complaint with the Commission. (Data
10 Request No. 5.) She should not be permitted to now pursue challenges to the GRS – a
11 surcharge that appeared on every one of her monthly invoices with dispute instructions –
12 years after the initial assessment of the GRS.

13 **Q. Are invoices for jurisdictional services also subject to a similar dispute provision?**

14 A. Yes. Ironically, although Mrs. Bowers suggests incorrectly that she purchases
15 jurisdictional services from Windstream East, she overlooks that the claims in her
16 Complaint would also be precluded by her failure to abide by the dispute provisions in
17 Windstream East's Tariff No. 7 which are similar to those I described above for nonbasic
18 services. Even if Mrs. Bowers purchased jurisdictional services from Windstream East,
19 her failure to file a timely dispute precludes her claim.

20 **Q. What does Tariff No. 7 provide regarding disputes of invoices?**

21 A. Windstream East's Tariff No. 7, Section S2.4.3 -- Payment for Services provides that if a
22 written or verbal objection is not received by Windstream East within thirty days after the
23 bill is rendered, the customer's account shall be deemed correct and binding upon the

1 customer. The tariff provisions (like Windstream's terms and conditions) provide that if a
2 customer disputes a bill, the customer may be required to pay the undisputed portion of
3 the bill to avoid discontinuance of service. Also under the tariff provisions, if a dispute is
4 not reconciled, then Windstream East will advise the customer that she may apply to the
5 Commission for review and disposition of the dispute. To the extent that she claims to
6 have invoices for jurisdictional services, Mrs. Bowers failed to follow these provisions of
7 Tariff No. 7. As a threshold matter, Mrs. Bowers failed to honor her applicable billing
8 dispute terms, and her claims should be denied.

9 **Q. If Mrs. Bowers purchased jurisdictional services, should she be held responsible for**
10 **complying with these dispute terms in the tariffs before bringing other tariff claims**
11 **like those in the Complaint?**

12 A. Yes. Customers purchasing jurisdictional services should be responsible for complying
13 with the timely dispute provisions in the tariffs. I should also reiterate that this is not a
14 question of whether Mrs. Bowers filed a dispute of the GRS after it began appearing on
15 each of her monthly invoices days or even weeks after the timely dispute provisions.
16 Rather, she filed no dispute and made no inquiry regarding the GRS until two years after
17 its implementation when her attorneys filed the lawsuit on her behalf. Mrs. Bowers did
18 not even file a dispute within the four months preceding the lawsuit after she allegedly
19 discussed her February 2009 bill with her attorneys. Yet, her Complaint centers around
20 the Filed Rate Doctrine. While this issue will be discussed in greater detail by the
21 attorneys in our briefs, I am not aware that in asserting the Filed Rate Doctrine, a
22 complaining party like Mrs. Bowers is free to ignore certain tariff provisions simply
23 because those provisions would preclude her claims.

1 **Q. Did Mrs. Bowers accept the dispute provisions in the terms and conditions and/or**
2 **the tariff?**

3 A. Yes, through her continued purchase of services from Windstream East. Consistent with
4 this Commission's decades of practice (and the lack of any regulations to the contrary),
5 customers of utilities offering jurisdictional service (whether electric, gas, or telephone)
6 accept the terms of the utility's tariff by continuing to purchase monthly the applicable
7 service from the utility. Application of the tariff as it applies to jurisdictional service is
8 key to the very Filed Rate Doctrine upon which Mrs. Bowers bases the claims in her
9 Complaint. As I understand it, that doctrine does not allow a party like Mrs. Bowers to
10 pick and chose which portions of the tariff she wants to enforce. As for Windstream's
11 terms and conditions for nonjurisdictional services such as those purchased by Mrs.
12 Bowers, they also provide that they apply when a customer purchases the services. In this
13 instance, Windstream East did have customers who honored their applicable terms of
14 service and filed timely disputes, but Mrs. Bowers did not. Therefore, whether viewed
15 under the terms and conditions or the tariff, she should be precluded as a threshold matter
16 from pursuing claims regarding the GRS years after the implementation of the GRS.

17
18 **The GRS and Tariff No. 7**

19
20 **Q. Assuming that Mrs. Bowers had filed a timely dispute and was allowed to pursue**
21 **claims regarding the surcharge, what is the GRS that is the focus of the Complaint?**

22 A. As explained in the bill message provided to Windstream East's customers at the time it
23 was implemented in 2007, the GRS is a monthly surcharge assessed by Windstream East

1 to help recover its costs of a gross revenues tax levied on Windstream East by the
2 Kentucky Department of Revenue. It is not, as Mrs. Bowers suggests, a rate for a
3 telecommunications service. Rather, it is a surcharge applied to certain communications
4 services designed to help recover Windstream East's costs of a tax levied on those same
5 communications service revenues. I should mention, however, that if the GRS itself were
6 to be construed as an actual rate for a telecommunications service, then it would be a rate
7 for a nonbasic service because it does not meet the definition of a jurisdictional basic
8 local exchange service discussed at the beginning of my testimony.

9 **Q. Does Windstream East's Tariff No. 7 include such fees and surcharges as part of the**
10 **actual rates for services to which the surcharges are assessed?**

11 A. No. Tariff No. 7, which Plaintiff insists incorrectly is required to apply to her nonbasic
12 services, does not include such taxes, fees, and surcharges in the actual rates for service.
13 For example, various taxes, fees, and surcharges apply to Mrs. Bowers' Feature Pack A
14 service, but the actual service rates for the package components identified in Tariff No. 7
15 are only the \$17.07 and \$16.00 service rates. Further, Mrs. Bowers is incorrect to the
16 extent she asserts that the GRS amount is required to be listed in the tariff in a specific
17 amount. Assuming that the GRS were even required to be on file in a tariff (which it is
18 not), it is a surcharge and not required to be identified in the same manner as a specific
19 rate amount. By way of example, 911 fees are surcharges and may vary by the
20 municipality imposing the fee. Similarly, certain Lifeline credits which also may vary
21 are not identified as specific rate amounts. Even under the Commission's historical rate-
22 of-return ratemaking methodologies, fees and surcharges like franchise fees were not
23 included in a telephone utility's rate base for purposes of determining an underlying

1 service rate. Instead, they were (and still are) treated as “additives” and not themselves an
2 actual rate for service.

3 **Q. Do telephone companies like Windstream East necessarily tariff with the**
4 **Commission all taxes, fees, and surcharges that may apply to customers’**
5 **communications bills, including any such fees that may apply to jurisdictional basic**
6 **local exchange service?**

7 A. No, particularly those fees and surcharges that are imposed outside the Commission’s
8 jurisdiction. For instance, I am not aware that Windstream East has ever tarified or that
9 the Commission has ever required that we tariff each franchise fee imposed directly by a
10 municipality in Kentucky. Similarly, I am aware that many of the local exchange carriers
11 in Kentucky do not tariff every (or any) 911 surcharge that may be imposed by various
12 municipalities.

14 The GRS and Replacement of Municipal Franchise Fees

15
16 **Q. Why did Windstream East begin assessing the GRS to its customers?**

17 A. On January 1, 2006, Kentucky eliminated franchise fees imposed directly on certain
18 providers like Windstream East by individual municipalities and began imposing a tax on
19 the gross revenues received by providers of communications services..

20 **Q. Did the General Assembly allow the providers to pass through the cost of the tax to**
21 **their customers in the form of a surcharge?**

22 A. Not initially. Unlike its predecessor franchise fees that were passed through to customers
23 in the form of a line item surcharge, the gross revenues tax statute, at its inception,

1 unconstitutionally barred providers from recovering the tax directly from their customers
2 or separately stating the tax on bills to their customers; however, it did not prevent
3 communications service providers generally from passing the costs of the tax through to
4 their customers. Communications providers were allowed initially to pass through their
5 costs of the tax but prevented from using a line item surcharge to do so.

6 **Q. What was the operational result of the unconstitutional ban on line item surcharges**
7 **under the new statutory provision?**

8 A. The result for Windstream East was that its costs of the gross revenues tax being levied
9 on it went unrecovered throughout the time that Windstream East was unconstitutionally
10 barred from passing through the costs in the form of a line item surcharge as it had been
11 permitted to do previously with the municipal franchise fees.

12 **Q. When did Windstream East begin recovering its costs of the tax in the form of a line**
13 **item surcharge?**

14 A. In 2007, when the court struck down the constitutional provision, it meant that we could
15 recover our costs via a surcharge, and should have been permitted to do so from the time
16 that the tax was initially imposed on us. Much like it had done with the pass through of
17 prior franchise fees, Windstream East implemented the GRS to begin recovering its costs
18 of the tax that had gone unrecovered for more than a year. Additionally, when we
19 implemented the GRS, we determined that we would assess the GRS to the same services
20 for which revenues are considered part of our gross revenues subject to the tax as detailed
21 in guidelines from the Kentucky Department of Revenue.

22 **Q. Has Windstream East used the GRS to recover more than its costs of the gross**
23 **revenues tax?**

1 A. No. We have recovered less through the GRS than we have paid in gross revenues tax.

2 **Q. Has the Commission been aware since 2007 that Windstream East is assessing the**
3 **GRS?**

4 A. Yes. The Commission was aware through several sources that Windstream East is
5 assessing the GRS and has been since 2007. As I mentioned above, we had one
6 residential customer who filed a timely dispute of the GRS through the Commission's
7 informal complaint procedures. The Commission referred that matter to Windstream East
8 to handle with the customer, which we did. Additionally, once a year the Commission
9 asks us to provide information regarding our basic local exchange service rate and the
10 various fees and surcharges that apply to that service. Windstream East identifies the
11 GRS as part of that filing. (See Exhibit F.) Out of an abundance of caution, we submitted
12 tariff amendments to the Commission in August 2007 to update our existing tariff
13 language. Within a couple of days, we informed the Commission that the tariff
14 amendments were not required and that we would withdraw them. The Commission did
15 not take further action regarding our amendments but does continue to acknowledge the
16 GRS on our annual rate/surcharge information report I mentioned above.

17 **Q. Did the gross revenues tax imposed on Windstream East increase Windstream**
18 **East's cost of doing business as Plaintiff asserts at Paragraph 4 of her Complaint?**

19 A. No. Windstream East had previously passed through franchise fees in the form of a line
20 item surcharge. Thus, when the new gross revenues tax eliminated direct franchise fees
21 and also unconstitutionally barred pass through of the costs of the tax in the form of a
22 surcharge, it was the unconstitutional surcharge ban that temporarily could have been
23 viewed as increasing our cost of doing business. That ban, however, was struck which

1 restored our ability to continue passing through our costs in the form of a surcharge as we
2 had done prior to 2006. Moreover, to the extent that Plaintiff's reference to Windstream
3 East's "cost of doing business" is intended to reference the Commission's historical rate-
4 of-return methodologies, I should emphasize that Mrs. Bowers' claims overlook that she
5 has nonbasic services that are subject to marketplace pricing.

6 **Q. Were the prior franchise fees discussed above rates for service set by the**
7 **Commission?**

8 A. No. They were additives not considered as part of a telephone utility's rate base and
9 instead were surcharges established pursuant to Windstream East's negotiations directly
10 with various municipalities. Although we were required to petition the Commission for
11 authority to bid on a municipal franchise, the Commission did not exercise authority over
12 the resulting franchise fees. I am not aware of any instance since Windstream East began
13 operating in Kentucky in 2002 when the Commission attempted to establish the amount
14 of our telephone utility franchise fees or otherwise subjected our telephone utility
15 franchise fees to a mandatory tariff regime. I cannot speak to the manner in which the
16 Commission may establish franchise fees for other types of utilities like electric utilities.
17 I can say that other fees like 911 fees are also established between telephone utilities and
18 the municipalities and not required to be tarified with the Commission.

19 **Q. Can you elaborate on what you mean when you say that the gross revenues tax**
20 **replaced the prior franchise fees?**

21 A. Previously, municipalities were allowed to directly collect franchise fees from
22 Windstream East to recover for what the municipalities perceived was Windstream East's
23 burden to the public rights-of-way. In 2006, that method of direct collection changed, and

1 the General Assembly precluded the municipalities from continuing to collect franchise
2 fees directly from communications providers like Windstream East. Instead, the state
3 imposes a gross revenues tax on Windstream East, the funds from which are used to help
4 benefit local municipalities in lieu of the prior franchise fees they collected directly.

5 **Q. What is the significance to Plaintiff's Complaint of the gross revenues tax replacing**
6 **the prior franchise fees?**

7 A. The crux of Plaintiff's claims in her Complaint is that the GRS is an unfiled rate for
8 telecommunications service. To the extent that Mrs. Bowers may be said to purchase
9 jurisdictional services subject to Windstream East's Tariff No. 7 and to have met the
10 timely dispute provisions thereunder, then there is already precautionary language in
11 Tariff No. 7 providing for application of surcharges like the GRS. This language defeats
12 the claims in the Complaint in their entirety. Specifically, Tariff No. 7 provides:

13
14 There shall be added to the customer's bills, as a separate item, an amount
15 equal to the proportionate part of any license, occupation, franchise, or
16 other similar fee or tax now or hereafter agreed to or imposed upon the
17 Company by local taxing authorities, whether imposed by ordinance,
18 franchise or otherwise, and which fee or tax is based upon a percentage of
19 the gross receipts, net receipts, or revenues of the Company. Such amount
20 shall be added to bills of customers receiving service within the territorial
21 limits of the taxing authority. Where more than one such fee or tax is
22 imposed, each of the charges or taxes applicable to a customer shall be
23 added to the customer's bill as separately identified items.
24
25

26 Mrs. Bowers stumbles around the significance of this language by trying to suggest that it
27 pertains only to "local" taxes and does not include the gross revenues tax which is a
28 "state tax." (Complaint, Paragraph 13.) Plaintiff is incorrect. First, she is wrong that a
29 "local" tax cannot include one assessed by the Commonwealth of Kentucky. For instance,
30 in our business we often may use the term "local" to distinguish intrastate matters from

1 interstate matters. Second, Mrs. Bowers ignores that the gross revenues tax eliminated
2 franchise fees previously collected directly by municipalities and now is collected by the
3 Commonwealth for the benefit of those local municipalities.

4
5 **Conclusion**
6

7
8 **Q. Can you please summarize your testimony?**

9 A. Mrs. Bowers' Complaint should be denied. She erroneously asserts that she has
10 jurisdictional services, but she purchases nonbasic/nonjurisdictional services from
11 Windstream East. Mrs. Bowers' services are subject to our terms and conditions that
12 require her to be responsible for applicable surcharges and to timely dispute charges on
13 her monthly bills. Even if she did purchase jurisdictional service from Windstream East,
14 she is still incorrect that the GRS was a rate for telecommunications service that had to be
15 tariffed with the Commission. In fact, Mrs. Bowers' claims are inconsistent with the very
16 tariff she seeks to enforce. First, she asserts claims under the Filed Rate Doctrine but
17 ignores that the tariff requires her to dispute charges within thirty days. Mrs. Bowers,
18 however, did not dispute the GRS until a lawsuit was filed on her behalf two years after
19 Windstream East began including the GRS on each of Mrs. Bowers' monthly invoices
20 (and four months after her attorneys state they reviewed one of her invoices with her).
21 Second, she asserts that the GRS is "unfiled" but overlooks that the very tariff she claims
22 governs her service already contains precautionary language providing for such a
23 surcharge. No matter how you view them, Mrs. Bowers' claims fail.

24 **Q. Does this conclude your direct testimony?**

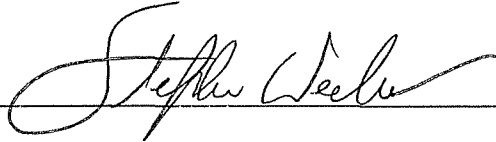
25 A. Yes, at this time.

AFFIDAVIT

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

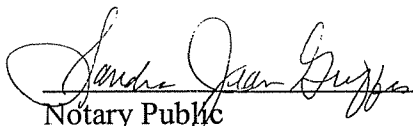
SS:

Stephen Weeks, being duly sworn according to law, deposes and says that he is Director of Wholesale Services for Windstream Communications, Inc., and that in this capacity he is authorized to and does make this Affidavit on behalf of Windstream Kentucky East, LLC and that the statements set forth in the foregoing Direct Testimony are true and correct to the best of his knowledge, information and belief.



Sworn and Subscribed to before me this 9th day of June, 2011.

(SEAL)



Notary Public

My Commission Expires:

9/1/11





ALL STATE LEGAL 2/0/22/05/0 EDC11 RECYCLED

PSC Consumer Inquiry System

8/15/2007

Complaint:	[REDACTED]	Entry Date:	8/15/2007	Closed Date:		Contact Type:	Hotline
Name:	[REDACTED]	Utility:	Windstream Kentucky East	Utility Nbr:	[REDACTED]	Location:	Residence
Address:	[REDACTED]	Utility Type:	Local	Reason:	Billing (Billing policies/practices) (none) (none)		
County:	[REDACTED]	Complaint referred by:					
Home:	[REDACTED]	Work:					
Fax:		CBR Nbr:					
Call:		Email:					
Contacted Utility?	<input type="checkbox"/>	Spoke with:	customer service				
		Cust Relations:	Not Knowledgeable				
Utility Contact:	Phyllis Masters		Contact's	(859) 357-6121			
Preliminary Description:	new charge on bill		Other Contacts:				
Processor:	CAROLJ.CUMMINS						
See File	<input type="checkbox"/>	Case Related	<input type="checkbox"/>	Staff Referral	<input type="checkbox"/>	Confidential	<input type="checkbox"/>
Info Only	<input type="checkbox"/>	Formal Forms	<input type="checkbox"/>	Ref to Util	<input checked="" type="checkbox"/>	Customer Satisfied	Yes <input type="radio"/> No <input type="radio"/>

PSC Narratives:

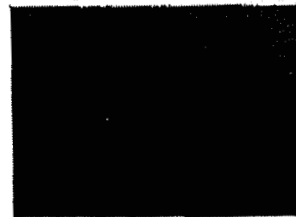
Investigator: CAROLJ.CUMMINS

Date: 8/15/2007 9:02:03 AM

There was a new charge on customer's bill (Ky Gross Receipts). When she called Windstream, the rep could not tell her what it was for. Please have someone call to explain charges to the customer.

CONFIDENTIAL

REDACTED



Windstream Communications, Inc.
ATTN: Tax Department
4001 Rodney Parham Road
Little Rock, AR 72212

July 21, 2007

RE: Account number [REDACTED]

Dear Tax Department:

I am writing because I have noticed that my bill has risen by approximately \$1.50 in the period of March 2007 to July 2007. Upon investigation, I found that this entire increase is due to the following reasons:

- (a) The Universal Services Fee is being charged to my account three (3) times per month
- (b) The addition of a KY Gross Receipts Surcharge, which is being charged to my account two (2) times per month, beginning with the June 2007 statement.

Here is a table of these charges over the period of May 2007 to July 2007:

Month	Universal Services Fee	Universal Service Fund - RES	USF Charge - Blended Rate - RES	KY Gross Receipts Surcharge (1)	KY Gross Receipts Surcharge (2)	Monthly Delta
March	\$0.63	\$0.19	\$0.63	\$0.00	\$0.00	
April	\$0.76	\$0.19	\$0.75	\$0.00	\$0.00	\$0.25
May	\$0.76	\$0.23	\$0.75	\$0.00	\$0.00	\$0.04
June	\$0.76	\$0.23	\$0.75	\$0.41	\$0.23	\$0.64
July	\$0.73	\$0.23	\$0.72	\$0.82	\$0.44	\$0.56

Note the delta of \$0.25 between March and April, the \$0.64 delta between May and June, and the \$0.56 delta between June and July. My services have not changed, nor have the costs of these services changed, in the time period in question. I believe that I am entitled to an explanation for these increases.

Furthermore, note that there are three (3) occurrences of the Universal Service Fee, albeit under slightly different names. I am told that the first is a tax for calling intra- and inter-state, the second is a tax for my line, and the third is a tax for my service bundle. This in my mind is a case of triple charging this tax on my account, although it is subtly hidden by the very slight differentiation in name.

CONFIDENTIAL

WS001749

Finally, note that there are two occurrences of the KY Gross Receipts Surcharge, which I have labeled (1) and (2) for differentiation. They appear in two different locations on my bill, and there is not even an attempt to differentiate between them with a naming change. Again, this in my mind is a case of double charging the same tax to my account. In addition to the double-charging, notice that the KY Gross Receipts Surcharges doubled from June 2007 to July 2007, even though my service and service cost did not change.

I firmly believe that I am entitled to the following:

1. An clear, detailed explanation by a live person (not by written correspondence) of the Universal Services Fees and Gross Receipts Surcharges being applied to my account.
2. A justification for the sharp rise in these taxes over the last few months.
3. A clear, detailed explanation by a live person (not by written correspondence) of the reason that my account is being charged multiple times for each of these taxes.
4. A refund or credit to my account of the multiple instances of the same tax.

I look forward to hearing from your representative as soon as possible on this matter.



REDACTED

CONFIDENTIAL

WS001750

ALL-STATE LEGAL 800-322-0510 EDS11 RECYCLED



EXHIBIT B

IS

ENTIRELY REDACTED



Sample A. Sample

#1 Address Line

#2 Address Line

City, State 12345-6789

High-speed Internet now available in your neighborhood.

Get any speed for just \$19.99 per month (first 3 months with qualifying services)

Dear Sample A. Sample,

We've expanded our Broadband service so it's now available at your address! And just in time for you to take advantage of our limited-time Broadband offer. It's a deal with speeds so fast and affordable, you won't be able to pass it up.

	Broadband 1.5 Mbps	Broadband 3 Mbps	Broadband 6 Mbps
Open 1 MB family photo e-mail	About 6 sec.	About 3 sec.	About 1 sec.
Download 3.5 MB movie preview	About 22 sec.	About 11 sec.	About 5 sec.

Check out the enclosed brochure and see the back for more details.

Get any speed for just \$19.99 per month (first 3 months with qualifying services)

Sign up now and you'll also receive:

- Free professional installation
- Free modem (after rebate)
- 30-day satisfaction guarantee

If you've been looking for high-speed Internet at a low price, now's the time to get it. Call 1-877-511-2680 today—and get on your way to downloading your favorite music, sharing online photos and watching video streams at speeds faster than ever.

Sincerely,

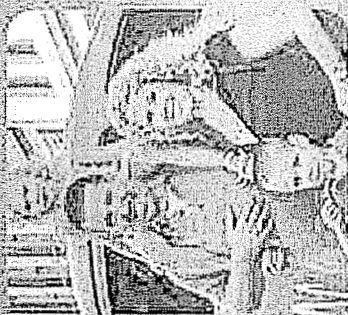
Brad Williams

Brad Williams
Windstream Broadband Service

P.S. Don't delay! Call 1-877-511-2680 today!

Offer ends 3/31/08 and is available to new Windstream residential Broadband customers. Subject to availability. Requires Windstream local phone service. Broadband Offer: Price for any Broadband speed of 1.5 Mbps or higher when bundled with Connect package and/or Digital TV. After first six months, current list price applies. Includes Broadband transport and Internet access. Speeds are distance-sensitive and availability varies by address. The actual data transfer rate is an "up to" speed. Windstream cannot guarantee speeds or uninterrupted, error-free service. **Free Professional Installation:** Available on only one computer per household. **Free Modem:** Available after \$49.99 instant credit and \$50 mail-in rebate. A \$12.99 shipping and handling fee applies. **Satisfaction Guarantee:** If customer cancels within the first 30 days, first month fee will be refunded and cancellation fee will be waived. Modem equipment must be returned upon termination. Shipping and handling fees are non-refundable. **Additional Information:** Credit approval required. Taxes, fees and other charges, including Universal Service Fund, apply. Services convert to the regular tariffed monthly rate if any bundled service is disconnected. Windstream reserves the right to alter or discontinue this plan at any time. Other conditions may apply. Subject to Windstream Terms and Conditions available at Windstream stores or windstream.com. Windstream is a registered service mark of Windstream Corporation. ©2008 Windstream Corporation

See What You've Been Missing At Windstream



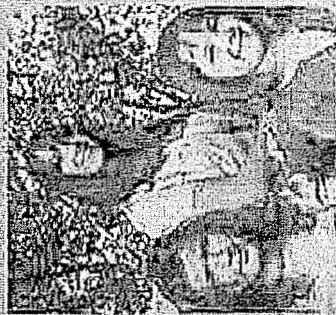
"We check recipes, get help for school, even book travel. Windstream keeps our family ONLINE."

-The Boone Family



"Speed and reliability— It's everything I need."

-Vincent Bingham



"With Windstream, we bundled our services and got everything on one bill."

-Rebecca Randazzo



2001 Rodney Parham Road
Little Rock, AR 72222

PHONE
BROADBAND
DIGITAL

PRESORT
STANDARD
U.S. POSTAGE
PAID
WINDSTREAM



Great low prices. One easy bill.

Windstream 20/20

High-Speed Internet

\$20 per month for 12 months with qualifying services

Reliable Phone

\$20 per month with qualifying services

Input Source Code
Sample A. Sample
#1 Address Line
#2 Address Line
Anytown, USA 12345-6789
12345678922!

Act now and get Windstream's best offer



A deal for our neighbors

Why Windstream 20/20?

- **Simple.** Two products, one bill.
- **Convenient.** Spend less time paying bills.
- **Affordable.** Enjoy savings over Cable Internet and phone.
- **Switching is easy.** Keep your same number.
- **Plus, FREE professional installation of your Windstream High-Speed Internet!**

Maybe your service provider isn't meeting your standards and you aren't seeing the savings and reliability you need. We provide quality phone connections that can't be matched by wireless or cable phone providers.

The Road to Safety Begins With a Landline.

All over the country, and right in your town, friends and neighbors are talking about the safety, security and reliability of a landline phone.

To learn more, visit

www.mostreliablephone.com

High-Speed Internet Broadband 3 Mbps

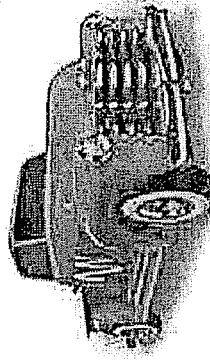
- > Free Professional Installation
- > Free Modem (after rebate)
- > Technical Support—24/7
- > 30-Day Satisfaction Guarantee

\$20
per month
for 12 months
with qualifying
services

Reliable Phone Service Connect Select

- > Monthly Residential Service
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- > Caller ID
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per month
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switch from Cable Internet
(available with speeds 1.5 Mbps and higher)

Time-limited offer for former and new Windstream residential customers, subject to availability. Broadband: Pricing good for speeds up to 3.0 Mbps (excluding Broadband Lite) when bundled with a Connect package. Includes Broadband transport and Internet access. Speeds are distance-sensitive and availability varies by address. Windstream cannot guarantee speeds or uninterrupted, error-free service. Free Modem: Available after \$49.99 instant credit and 50 mail-in rebate. A \$1.299 shipping and handling fee applies. Satisfaction guarantee: If customer cancels within the first 30 days, this amount will be refunded to same station fee will be waived. Modem equipment must be returned upon termination. Shipping and handling fees are non-refundable. Connect Select: Pricing good only when bundled with Broadband service up to 3.0 Mbps. Package does not include long distance. Free Professional Installation: Free professional installation of a landline phone. Cable Switcher Offer: Requires subscription to Broadband 1.5 or higher. Not available on Broadband Lite. \$5 monthly discount good for 12 months and then regular rate for selected service applies. Requires submission of current Cable Internet service information. Only one offer per residential customer. Additional Information: Credit approval required. Taxes, fees and other charges, including Universal Service Fund, apply. Services convert to the regular tariffed monthly rate if any unbundled service is disconnected. Windstream reserves the right to alter or discontinue this plan at any time. Other conditions may apply. Subject to Windstream Terms and Conditions available at Windstream stores or Windstream.com. Windstream is a registered service mark of Windstream Corporation. ©2008 Windstream Corporation



Dear Valued Customer,

Great News! 12 Mbps High-Speed Internet Is Now Available To Your Home.

Windstream has made some major network enhancements in your area. This means you can now get amazing **new Internet speeds of up to 12 Mbps**. Better still, these blazing-fast speeds are available to you for **only \$19.99 per month** for six months with qualifying services. So if you've contacted us before about high-speed Internet—only to find the speed you wanted was unavailable—now's the time to call again for the speed you need.

A Better Value Than Cable Internet.

Windstream gives you the fastest, most reliable speed for your money. And now, when you switch from cable Internet, you'll **get an extra \$5 off per month**. It's the speed you need, the reliability you count on and the value that cable just can't offer. And with this "no-risk" offer it's easier than ever to test-drive our new, blazing-fast Internet speeds including:

- 30-day satisfaction guarantee.
- FREE professional installation.
- FREE modem (after rebate).

The Speed You Want.

So if you're looking to spend less time waiting on downloads and more time enjoying them—look no further. The improved Windstream network can deliver the high-speed Internet you want and need, now with connection speeds **up to 12 Mbps**. Call **1.866.577.5201** and take it for a spin today!

Sincerely,

Brad Williams

Brad Williams
Windstream Customer Service

PHONE

BROADBAND

DIGITAL TV

Call Today! 1.866.577.5201 | windstream.com

Offer ends 6/30/08 and is available to new Windstream residential Broadband customers. Subject to availability. Requires Windstream local phone service. Offer Details: Price for any Broadband speed of 1.5 Mbps or higher when bundled with Connect package and/or Digital TV. Rate increases after six-month promotional period. Speeds are distance-sensitive and availability varies by address. **Free Modem:** Available after \$49.99 instant credit and \$50 mail-in rebate. A \$12.99 shipping and handling fee applies. **Free Professional Installation:** Available on only one computer per household. **Satisfaction Guarantee:** If customer cancels within the first 30 days, first month fee will be refunded and cancellation fee will be waived. Modem equipment must be returned upon termination. Shipping and handling fees are non-refundable. **Cable Switcher Offer:** Requires subscription to Broadband 1.5 or higher. Not available on Broadband Lite. \$5 monthly discount good for 12 months and then regular rate for selected service applies. Requires submission of current Cable Internet bill within 30 days of service activation. Only one offer per residential customer. **Additional Information:** Credit approval required. Taxes, fees and other charges, including Universal Service Fund, apply. Services convert to the regular tariffed monthly rate if any bundled service is disconnected. Windstream reserves the right to alter or discontinue this plan at any time. Other conditions may apply. Subject to Windstream Terms and Conditions available at Windstream stores or windstream.com. Windstream is a registered service mark of Windstream Corporation. ©2008 Windstream Corporation

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Little Rock, AR 72232

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DOUBLE YOUR SERVICE, NOT YOUR BILL

\$49⁹⁹
per month
for 12 months

High-Speed Internet

Unlimited Talk

Call Today
1.866.577.2295

High-Speed Internet

+

Unlimited Talk

=

\$49⁹⁹ per month
for 12 months

SIMPLE CHOICE

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HOT 24/7 931.444.4068



Dear Valued Business Customer,

Now your business can boost productivity and manage costs. By bundling your business voice services with Windstream's **Business Connect SB** plan, we can help you connect like never before. Whatever your business needs, Windstream has the communications tools to meet them. After all, personalizing your business solutions is at the heart of what we do—products and services specifically designed to improve your productivity and your bottom line.

The voice services you need – all for one low monthly price

With Windstream's Business Connect SB plan, you get unlimited local calling, 100 minutes of long distance, voice mail, caller ID and more. Plus you get free activation—all for only **\$39.99 per month**.

Connect with customers – around the state and across the country

Add Unlimited Long Distance and stay connected with customers around the state or across the country. For just **\$20 more per month**, you can instantly communicate with valued contacts anywhere in the nation.

All for you and your business

We're the largest telecommunications and entertainment services company focused on serving rural America and surrounding cities—and that means we're here for you. Why not take advantage of this special offer? Call us today at **1.866.445.5929** and join the thousands of Windstream customers who are getting down to business and keeping down costs.

Sincerely,

Brad Williams

Brad Williams
Windstream Customer Service

P.S. Call **1.866.445.5929** today and have a Personal Business Representative put together your business communications plan.

Bundle your business voice services

**BUSINESS
CONNECTSM SB**

\$39.99
per month
with qualifying services
and agreement

BUSINESS CONNECT SB

- Unlimited Local Calling
- 100 Minutes of Long Distance
- Voice Mail, Caller ID & More
- Free Activation
- Add Unlimited Long Distance for \$20 per month

VOICE

HIGH SPEED
DATA

COMMUNICATIONS
SYSTEMS

Call Today! 1.866.445.5929 | Windstream.com/mybiz

Limited-time offer. Subject to availability. Business Connect SB: Requires 3-year agreement. Long distance is intended for voice calls within the U.S. and its select territories. After the first 100 minutes, additional long-distance usage will be billed in 100-minute increments at a charge of \$5 each. Some features may not be available in all areas. \$200 early termination fee applies. Unlimited Long Distance: Price when bundled with Business Connect SB. For direct-dialed, one-plus business voice use only and cannot be used for auto-dialing (including automatic outbound dialing systems or call distribution systems), broadcast fax, long-distance Internet or Intranet access, fax machines, softphones or data devices, transcript services, telemarketing, multi-party conferencing calling (excluding 3-way calls), party lines, chat lines, adult entertainment lines, calls to 900 and 976 numbers, call center and certain switching applications. Additional charges apply for directory assistance, calling cards, collect calls, operator services, international calling and/or toll-free calling services. Usage may be monitored for compliance/abnormal usage and the customer may be required to demonstrate compliance with these restrictions where monitoring indicates non-compliance. If usage is inconsistent with typical business voice service, including excessive usage, Windstream may immediately restrict use or change the customer's long-distance plan to an alternative plan. Additional Information: Credit approval required. Taxes, fees and other charges, including Universal Service Fund, apply. Services convert to the regular tariffed monthly rate if any bundled service is disconnected. Windstream reserves the right to alter or discontinue this plan at any time. Other conditions may apply. Subject to Windstream Terms and Conditions available at Windstream stores or windstream.com. Windstream is a registered service mark of Windstream Corporation. ©2008 Windstream Corporation

Lacey and Meg Garrison
Windstream Customers



Your neighbors are talking about Windstream

**“We switched to Windstream
because it was a great value.
We ended up saving about
\$40 a month by bundling all
three services together.”**



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Little Rock, AR 72222

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6 great products. 1 easy bill.

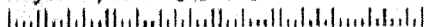
Low bundle prices

- > High-speed Internet
- > Unlimited calling
- > DISH Network®

Just
\$84⁹⁷
per month
with qualifying
services

Visit your local retail store at:
123 Main Street, Anytown
Mon.-Fri, 8:00am-5:00pm, Closed from 1:00pm-2:00pm
XXX-XXX-XXXX

Input Source Code
Sample A. Sample
#1 Address Line
#2 Address Line
Anytown, USA 12345-6789



Windstream delivers all the right services at the right price, right in your neighborhood



3 great services

Just

\$84.97
per month
plus taxes & fees



We're talking blazing-fast internet

Windstream Broadband is a hot topic these days. It delivers all the internet has to offer, right to your home, and you pick the speed — 1.5, 3 or 6 Mbps. You can telecommute, shop, bank and enjoy podcasts, and download music, photos and videos.



We're talking unlimited phone service

Here's the buzz—Connect Unlimited brings you local and long-distance phone service with unlimited minutes, no dropped calls and fewer service interruptions than cell phones. And this is the only phone service that reliably pinpoints your location for 911 emergency services. If keeping in touch is as important as keeping costs down, Windstream speaks your language.



We're talking all-digital entertainment

The word is out—Windstream brings you the entertainment you love from DISH Network, including your favorite shows and movies as well as news, weather, sports and more. Plus, you get savings and convenience—no equipment to buy, FREE equipment upgrades and Standard Professional Installation. It's great entertainment at a great low price.

Get more services for less

> HIGH-SPEED INTERNET

- Connect to the Web at any speed — 1.5, 3 or 6 Mbps
- FREE modem (after rebate)
- FREE professional installation
- Technical support, all day, every day

TRY ANY SPEED for just

\$19.99 per month
for the highest speeds
with qualifying services

> PHONE SERVICE

- Connect Unlimited phone service
- Home phone line
- Unlimited local and long-distance calling
- Caller ID, Call Waiting and more

\$39.99 per month
with qualifying service

> DISH Network

- Over 40 channels, including locals (where available)
- FREE Standard Professional Installation (up to 4 rooms)
- No equipment to buy
- FREE equipment upgrades

\$24.99 per month
with agreement

It's not just talk
When you bundle services, you save.

Call 1.866.590.9614

Limited-time offer. Subject to availability. High-Speed Internet: Offer good for new residential broadband customers. Requires Windstream local phone service. Price when bundled with Connect package and/or Digital TV. After first six months, current list price applies. Speeds are distance-sensitive and availability varies by address. Windstream cannot guarantee speeds or uninterrupted, error-free service. Free Modem: Available after \$49.99 instant credit and \$9 mail-in rebate less shipping and handling fee applies. Free Professional Installation: Available on only one computer per household. Phone Service: Offer good for new residential customers. Windstream may restrict use or convert plan to Windstream no. Examples of non-residential voice calling available for phone service. Additional charges may apply for directory assistance, calling cards, and collect, operator, international or toll-free calls. Offer expires 7/31/08 and is available in the continental United States for new, first-time DISH Network residential customers. Price for DISH FAMILY package. Requires 24-month qualifying programming subject to change without notice. Local and state sales taxes apply. Where applicable, equipment rental fees and programming are taxed separately. All DISH Network programming, and any content, that are provided select, receive to the terms and conditions of the promotional agreement and Residential Customer Agreement, available at windstream.com or upon request. Local Channels packages by satellite are only available to customers who reside in the specified local service area (DMA). Local channels may require an additional dish antenna from DISH Network, installed free of any charges. Social Security Numbers are used to obtain credit scores and will not be released to third parties except for verification and collection purposes only or if required by governmental authorities. DISH Network is a registered trademark of DISH Network L.L.C. Additional information: Credit approval required. Taxes, fees and other charges, including Universal Service Fund, apply. See terms and conditions at windstream.com. Windstream is a registered service mark of Windstream Corporation. ©2008 Windstream Corporation

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YOU CAN CUT CABLE.**



THREE GREAT PRODUCTS. ONE INCREDIBLE VALUE.

SAVE THE SUMMER WITH:

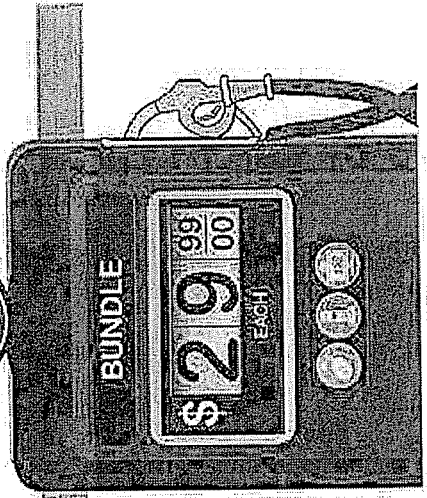
- High-Speed Internet
- Payphone Service
- CASH Network

Just **\$29.99** each per month

(See inside for details)

Visit your local retail store at:
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Mon-Fri: 8:00am-5:00pm, Closed from 2:00pm-2:30pm
555-835-6935

Input Source Code:
Sample A, Sample B, Sample C
#1 Address Line
#2 Address Line
Anytown, USA 12345 6789
For full details, visit www.windstream.com



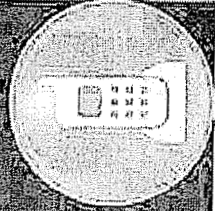
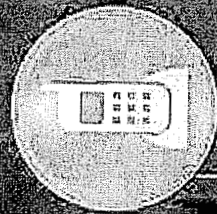
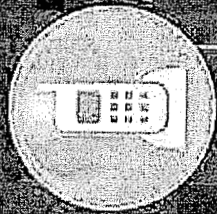


BUNDLE NOW AND HAVE SAVINGS TO BURN.

THREE GREAT SERVICES. ONE INCREDIBLE VALUE.

Method of sale offer. Subject to availability. High-speed internet. Offer good for new residential broadband customers. Requires Windstream local phone service. Price when bundled with Connect package and/or Digital TV. Speeds are down to 10 Mbps and availability varies by address. Windstream cannot guarantee speeds or uninterrupted, error-free service. Satisfaction Guarantee: If customer cancels service within the first 30 days, first month fee will be refunded and cancellation fee will be waived. Modern equipment must be returned upon termination. Shipping and handling charges apply for directory assistance, calling card, and other services. Service when bundled with Broadband and Digital TV. Long distance minutes included for personal, residential use only. Additional charges may apply for directory assistance, calling card, and other services. Service when bundled with Broadband and Digital TV. Long distance minutes included for personal, residential use only. Additional charges may apply for directory assistance, calling card, and other services. Offer expires 7/31/15 and is available to customers who must subscribe to qualify for HD programming or a \$7.00/mo. HD Enabling fee will apply. Least upgrade fee may apply for select receivers based on model. Monthly \$5.99. All services and programming subject to change without notice. Local and state sales taxes may apply. Where applicable, equipment rental fees and programming are taxed separately. All DigiTV network programming, and any other services that are provided, are subject to the terms and conditions of the promotional agreement and residential customer agreement, available at www.windstream.com or upon request. Local channels packages by satellite are only available to customers who reside in the specified local designated Market Area.

SIMPLE MATH



Two Phone Lines Are Greater Than One.

MyLine

Get an additional phone line for just \$9.99 a month

Get an extra phone line for your family with MyLine from Windstream and keep the lines of communication open. Then the kids can talk, you can fax, all without tying up your primary phone line. And installation of your new, residential phone line is FREE. It all adds up—two lines are greater than one. Call Windstream today and simplify your life through addition.

\$9.99
per month

Don't Wait. Call
1.866.259.4496 today.

Your new additional phone line includes:

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- Call Waiting
- 3-Way Calling

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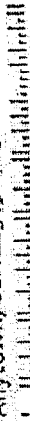
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Little Rock, AR 72212

Visit your local retail store at:

223 Main Street, Anytown
Mon. - Fri. 8:00am - 5:00pm, Closed from 1:00pm - 2:00pm
555-895-6985

Input Source Code
Sample A, Sample
#1 Address Line
#2 Address Line

Anytown, USA 12345-6789



MyLine, requires subscription to a Windstream Connect/feature package on primary line. MyLine is a 2nd access residential line only, and will be billed to the primary line. Additional information: taxes, fees and other charges, including Universal Service Fund, apply. Windstream reserves the right to alter or discontinue this plan at any time. Other conditions may apply. Subject to Windstream Terms and Conditions available at Windstream.com. Windstream is a registered service mark of Windstream Corporation. ©2008 Windstream Corporation

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**Windstream has
something for everyone.**

Entertainment and Communications Catalog - Spring/Summer 2009



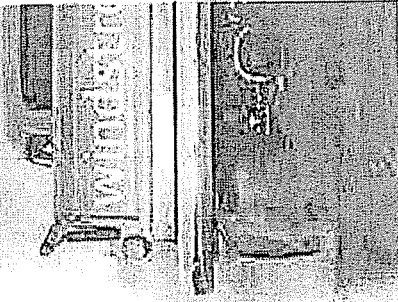
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Double Your Speed For
A Few Dollars More

Call 1-866-577-2415
mlm@earthlink.net

- 1 Get online with speeds up to 424 Mbps
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- 3 Choose a high-speed Internet connection that fits your online needs.
- 4 Upgrade your speed at any time.



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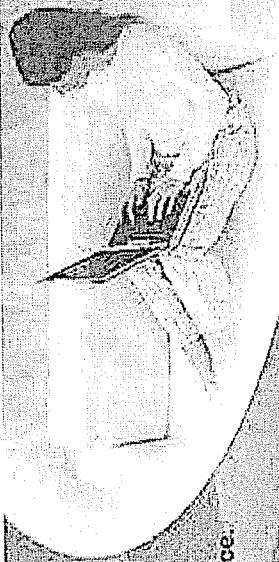
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- ▶ Save \$10 off retail price.
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- ▶ Helps protect against identity theft, viruses, spam and scams.
- ▶ Parental controls to protect children and control time spent online.

Call 1-866-577-1213
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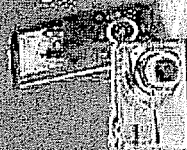


Connect with the coolest gadgets in communication.

➔ Add your new gadget to your Windstream bill or call us to pay in installments—up to six months.

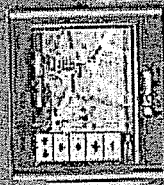
➔ From cool cordless phones with Bluetooth to MP3 players and GPS units, it has never been easier to own them and afford them.

➔ Order your phones or gadgets at windstreamphones.com and have them shipped directly to your home.



Coby GEM3300
\$39.99

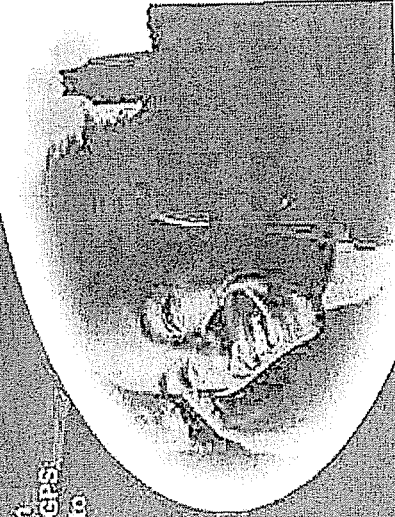
Kodak S200 MP3 EasyShare
Digital Camera
\$105.99



GPS with real-time navigation
\$199.99



Mitsubishi phone
with flip-out
\$149.99



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windstreamphones.com

Out the cable for better TV.



Best price guaranteed
\$9.99
 per month plus taxes and fees

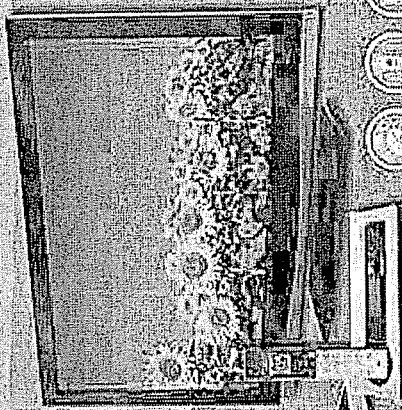
- 1 Go 100% digital with DISH Network digital satellite TV.
- 2 TV the way you want it—packages range from over 55 to over 250 channels.
- 3 Add HD to most packages or get 100% HD service with TurboHD.
- 4 Digital Video Recorder (DVR) with multi-room viewing capability lets you watch what you want, when you want.
- 5 Get movie packages, sports packages, Pay-Per-View, Video On-Demand, Latino and other international programming.
- 6 With DISH Network digital satellite TV, you're ready for the 2009 digital conversion.
- 7 Switching is easy with **FREE** on-demand professional installation.

Call 1-866-577-1243 windstream.com



Get it all and save with a Windstream bundle.

\$69.99



Call 1.866.577.1213
windstream.com

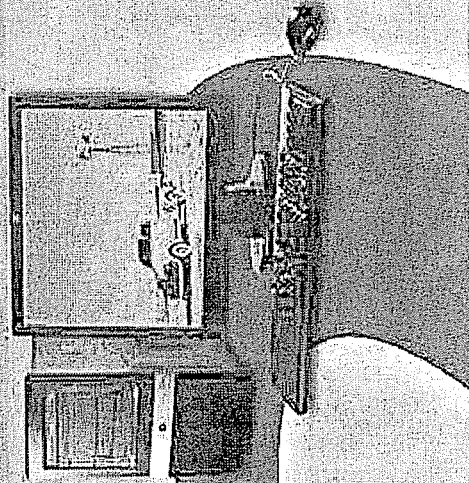
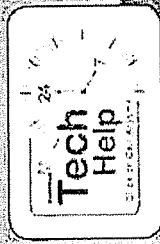
▶ Ask about the 2-year price guarantee on phone and High-Speed Internet.

▶ Save BIG and get premium services—without paying premium prices.

▶ All your services delivered by one company, with one number to call with questions about your bill, help with your Internet, or working your DVR.



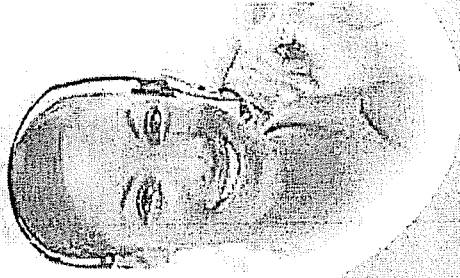
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Online: www.techhelp.com



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consumer catalog

ALLTEL IN THE COMMUNITY

As a company with more than 60 years behind us, we've come in contact with millions of customers along the way. But in the grand scheme of things, we strive to do more than keep people in touch; we hope to touch a few lives ourselves. That's why involving ourselves in the community—from little gestures to grand efforts—is so important to who we are. Here are a few current highlights:

Connecting for Kids: ALLTEL and the Make-A-Wish Foundation®

Since 1980, the Make-A-Wish Foundation of America has been dedicated to granting the wishes of children with life-threatening illnesses. This year ALLTEL joined the cause with a \$100,000 donation that will directly affect more than 20 children, as well as the gift of 100,000 minutes of free long-distance for Wish Kids and their families to use during their difficult time. ALLTEL is proud to be the first communications company to partner with this organization at a national level.

Being Good Sports: NASCAR and Other Sponsorships

Yeah, we love sports, too. And by supporting local sports and entertainment—including your Kentucky Wildcats—we get to support the local economy as well. We've also formed relationships with NASCAR driver Ryan Newman and teams in the NFL, NHL and your favorite colleges. If they've got a game, they've also got ALLTEL.

ALLTEL services, at your service



Look inside for information on long-distance, high-speed Internet, calling packages and more!

ALLTEL

Are you connected?



ALLTEL

To order, call 1-800-347-1991 or go to www.alltel.com

Thanks for taking the time to learn a little more about ALLTEL and the services that we're so excited to bring you. We wanted to provide you with a quick guide to our products and services, as well as a little about where we come from and where we're headed. So here goes.

We started more than 60 years ago as a rural Arkansas telephone company. Through a simple commitment to providing quality service in the small towns that feel like home to us, we've grown to be a Fortune 500 company. So we're big enough to offer the latest products and services to keep you connected, yet we're committed to a strong hometown presence and involvement. And even though we're new to these parts, we're an old friend to Kentucky.

Inside you'll find lists and helpful descriptions about everything we currently offer and all your buying options so you can make the best choices for you and your family. You'll also find a few special features like a safety program just for ALLTEL customers and information about our community involvement around your neighborhood and around the nation.

Thank you for making a place for us in your community. We look forward to serving you for many years to come.

WHAT'S INSIDE

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- Calling Features 6
- Voice Mail 6
- Calling Packages 7
- Travel Safety Plus 8
- Protection Plus 9
- Online Billing 9
- ALLTEL in the Community 10





To order, call 1-800-347-1991 or go to www.alltel.com

RESIDENTIAL LONG-DISTANCE

Dime All The Time

The name says it all. Call any time of the day to any where in the US for just 10¢ per minute, no kidding. That's in-state or out-of-state. 24/7 with no monthly charge.

ALLTEL 7

Here's a plan that's hard to beat. 7¢ a minute on all state-to-state calls, 24 hours a day, 7 days a week. And the best part? You pay less when you bundle long-distance with other ALLTEL services. \$3 per month for customers with other ALLTEL services. \$5 per month otherwise.

ALLTEL Nickel Sense

It's the lowest per-minute rate we offer. Just 5¢ per minute on all state-to-state calls. 24 hours a day, 7 days a week. For out-of-state callers, it just makes sense. \$6 per month for customers with other ALLTEL services. \$8 per month otherwise.

ALLTEL 500

If you talk a lot, here's your chance to save a lot! Enjoy 500 state-to-state minutes for just \$20 per month. At just 4¢ per minute, this plan lets you stock up each month and save \$20 per month.

Residential Toll-Free Number

Just one more way it pays to be connected to ALLTEL. Sign up for any of the preceding plans and get a free 800 number, you can share with family members or even use to call home yourself. There's no setup charge or monthly fee. Only a 20¢ per-minute rate applies. It's toll-free for them and fee-free for you! No monthly charge for ALLTEL long-distance customers.

ALLTEL International

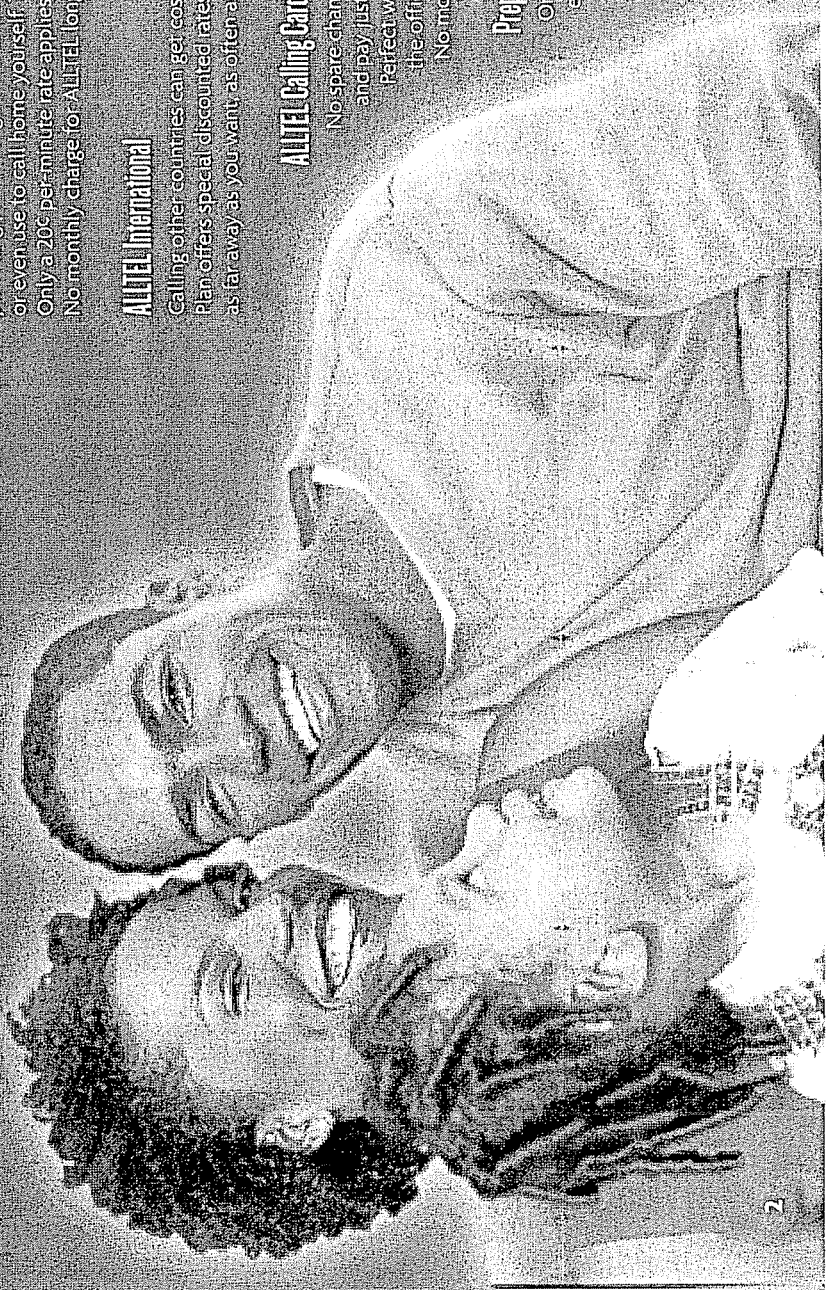
Calling other countries can get costly. But our exclusive ALLTEL International Plan offers special discounted rates to more than 150 countries. So you can call as far away as you want as often as you want. \$3 per month.

ALLTEL Calling Card

No spare change? No problem. Get an ALLTEL calling card and pay just 35¢ per minute on all domestic calls. Perfect when you're at a payphone, a friend's home or the office. Payphone surcharges may apply. No monthly charge.

Prepaid Long-Distance Calling Cards

One more way to stay with a name you know, even when you're away from home. Give them to your kids as gifts, or keep them for yourself. Available online and at your nearest ALLTEL store in 30-, 60- and 90-minute cards. \$3 to \$9.





To order, call 1-800-347-1991 or go to www.alltel.com

ALLTEL

CALLING FEATURES

We provide the features, but you're the one in control. You have the option to mix and match what you see below or pick a whole package. Hey, it's your phone, so it's your choice.

Identifying Callers

- Caller ID Deluxe
- Caller ID on Call Waiting
- Ring Plus
- Call Selector

Blocking Unwanted Callers

- Anonymous Call Rejection
- Selective Call Rejection
- Selective Call Acceptance

Getting the Calls You Want

- Call Waiting
- Preferred Call Forwarding

Making Calls

- Repeat Dial
- Call Return (*69)
- Speed Calling 30
- Three-Way Calling

VOICE MAIL

It picks up where answering machines leave off. Not only do you get the benefits of the most expensive answering machines for just a few dollars a month — things like a time/date stamp and the ability to change your greeting from anywhere — you also get important features that answering machines just don't offer. Voice Mail takes messages during power failures and even when you're on the phone or online — or while someone else is leaving a message. It's reliable. It's affordable. Get the message?

CALLING PACKAGES

Preferred Connections — SAVE 40%

It's the easiest way to save on everything for your phone. Includes Voice Mail, Protection Plus coverage, your choice of any ALLTEL long-distance plan and these 14 calling features: Call Waiting, Cancel Call Waiting, Caller ID Deluxe, Caller ID on Call Waiting, Anonymous Call Rejection, Selective Call Rejection, Selective Call Acceptance, Call Return, Three-Way Calling, Repeat Dial, Ring Plus, Call Forwarding, Preferred Call Forwarding and Call Selector.

Feature Pack A — SAVE 69%

We've packed 14 of our most popular calling features into one money-saving plan. Includes Call Waiting, Cancel Call Waiting, Caller ID Deluxe, Caller ID on Call Waiting, Anonymous Call Rejection, Selective Call Rejection, Selective Call Acceptance, Call Return, Three-Way Calling, Repeat Dial, Ring Plus, Call Forwarding, Preferred Call Forwarding and Call Selector.

Feature Pack B — SAVE 50%

Get 6 essential calling features for one low price. Includes Call Waiting, Cancel Call Waiting, Selective Call Rejection, Call Forwarding, Three-Way Calling and Call Return.





To order call 1-800-347-1991 or go to www.alltel.com

ALLTEL

TRAVELER PLUS

By now we hope you know that Alltel can help with all your residential calling needs. But what a lot of people don't know is that we've got you covered away from home, too. How? We've partnered with Road America, a motor club with more than 24 years of experience, to develop an inexpensive auto assistance program designed exclusively for ALLTEL residential customers. With this comprehensive plan, we hope to deliver greater safety and peace of mind to the people we serve every day.

Use any of these services an unlimited number of times.

- Home lockout service
 - Vehicle lockout service
 - Towing service
 - Flat tire service
 - Dead battery service
 - Gas and fuel delivery
 - Trip mapping, including local guides and attractions
 - Discounts on rental cars, hotels and auto care
- \$195 a month

PROTECTION PLUS

If even your phone *vires* go haywire, there's no need to worry. Protection Plus coverage means you'll never have to pay for a repair visit from ALLTEL. In fact, you'll pay no charges for diagnostic service calls, repairs to wiring and phone jacks or inspection and diagnosis of detachable phones. Plus, you'll get a free loaner telephone for up to 30 days if your phone's malfunctioning. So if you ever have a problem, it's no problem if you have Protection Plus. \$195 per month.

ONLINE BILLING

Put away your pen and save your stamps. With online billing, you can view and pay your bill online with a checking account or credit card. After you've received at least one paper bill, you can sign up by logging on to alltel.com and clicking on Online Billing for your convenience. You'll get a paper bill in the mail and you can still choose to pay by mail at any time. Free service.



FREQUENTLY ASKED QUESTIONS

Q. Will this transition affect my telephone service?

A. No. You will keep the same rates, the same telephone number and you will call the same phone numbers to contact the local telephone company. You also retain the right to choose any long-distance or local phone service provider in your area.

Q. Who do I call to handle service requests?

A. Beginning August 1, ALLTEL will handle any service requests, questions or complaints.

Q. How will I be notified of other service changes?

A. It is important to note that there are no changes to your rates or services. In the future, you will be notified by letter or through a message in your monthly bill should there be any changes affecting your rates or services.

Q. What if I have chosen Verizon with a preferred carrier freeze?

A. ALLTEL will automatically remove the freeze and you will have to contact ALLTEL to reinstate it.

BusinessFirstofLouisville.com

iPay co-founder Dana Bowers wins regional Ernst & Young award

BY BRENT ADAMS AND SARAH JEFFORDS PESTER | STAFF WRITERS
 bsadams@bizjournals.com, spister@bizjournals.com

iPay Technologies LLC, a rapidly growing, bill-payment service provider in Elizabethtown, Ky., has become a well-known name in the financial-services industry that it serves. And the person who has guided the company's growth recently gained recognition of her own.

Dana Bowers, co-founder and managing partner of iPay Technologies, was named the Ernst & Young LLP Entrepreneur of the Year Award winner for the South Central Ohio and Kentucky region.

"It was very humbling," Bowers said. "I'm extremely thankful."

Founded in 2001, iPay offers a proprietary, online bill-payment software. It works

with more than 2,800 financial institutions nationwide, and another 800 customers are under contract to begin using the services later this year.

And iPay announced this week that it has a contract with My CU Services LLC, a subsidiary of Mid-Atlantic Corporate Federal Credit Union, which has outsourced its bill-payment operations to iPay.

Bowers called the agreement a "significant" win for iPay, which has increased revenue and profit every year since its inception.

She declined to disclose specific figures, but she said the company's revenue rose about 35 percent in 2008. Projections for this year call for a similar increase.

Small-business product introduced

The growth stems from a combination of

DANA BOWERS

Age: 49
 Husbands: Michael Bowers
 Children: three biological children, three stepchildren
 Residence: Hardin County
 Education: Bachelor's degree, business management, Embury Middle University, 1982
 Career: Worked in banking for nine years at Citicorp Bank before launching her first bill-payment company, My CU Services, in 1997. Bowers founded Bill My Bill, a direct-to-iPay, which she sold to Atlanta-based Netzer two years later. She worked for Netzer for a year as a sales representative. Bowers bought back the company and relabeled it as iPay Technologies LLC.



Bowers

payment services, are considered a "mission-critical product," so financial institutions have continued to buy the services despite the economic downturn.

Along with its consumer bill-payment technology, iPay recently launched Biz 2.0, a second-generation small-business application that includes online invoicing and payment tools, account-to-account transfers, payroll deposits and business bill payment.

More than 400 financial institutions already are using the product.

Biz 2.0 has not been a large driver of the current uptick in business, but Bowers expects it will be key to maintaining and increasing revenue growth in the next two to three years.

Winner of national award to be announced in November

iPay employs 225 workers, about 200 of whom are located in the company's Elizabethtown headquarters on North Black Branch Road.

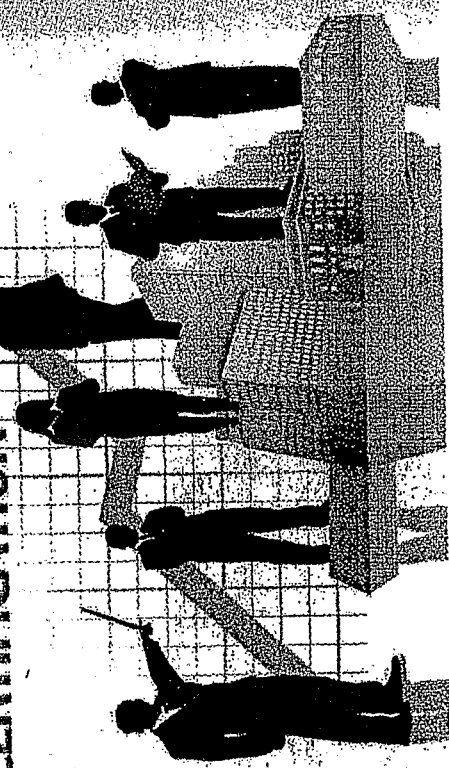
Bowers said one of the most fulfilling aspects of her success with iPay is that she has been able to bring career opportunities to her hometown and "give back to the community that raised me."

By winning the regional award, Bowers is eligible to compete for the Ernst & Young LLP Entrepreneur of the Year 2009 National Award.

The winner will be announced at an event on Nov. 14 in Palm Springs, Calif. |

Earn Your SIX SIGMA GREENBELT CERTIFICATION

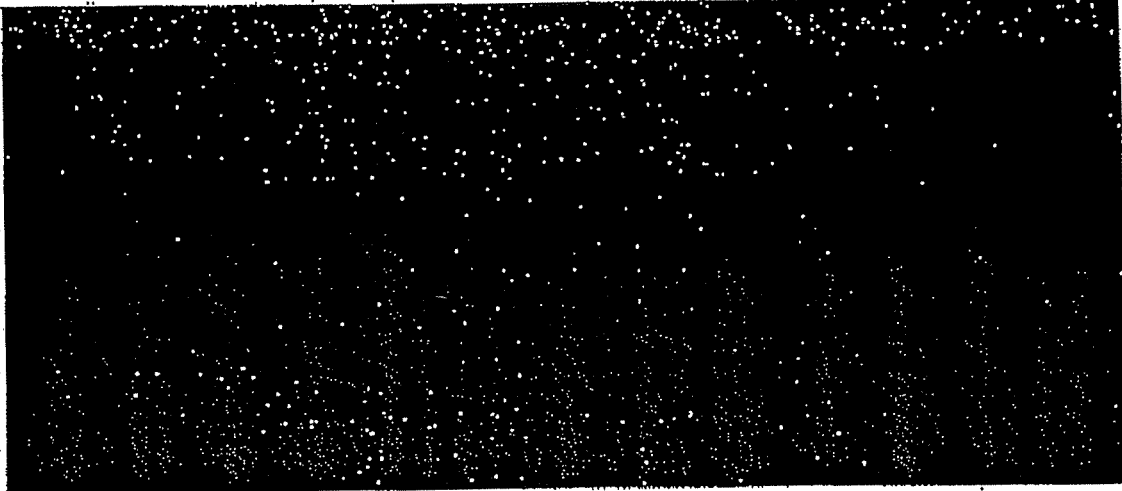
- ▶ Are you responsible for lowering the cost of doing business within your organization?
- ▶ Are you responsible for improving the service or business processes within your organization?
- ▶ Are you responsible for reducing defects in a variety of processes?





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-----Original Message-----

From: Stevens, Jim (PSC) [mailto:wjstevens@ky.gov]
Sent: Friday, February 15, 2008 3:04 PM
To: Logsdon, Daniel
Subject: Windstream.xls

Dan, The attached spreadsheet contains a calculation of a basic telephone bill for Windstream in Lexington, I have copied the information from last year assuming no changes. If there have been any changes since last year please update the information. This information is used by the state cabinet for families and children.

If you are not the right person for this please pass this on to the proper person.

Jim

Jim Stevens, CPA
Manager, Telecommunications Revenue Requirements Branch
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602
502-564-3940 x 238
502-564-1582 Fax

<<Windstream.xls>>

4/7/2011

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WS000840

Windstream - Lexington		EOY 2007
Basic Rate with Touch Tone		\$ 18.95
Federal Subscriber Line Charge		\$ 8.50
Federal Universal Service Charge		\$ 0.63
Kentucky Lifeline Support		\$ 0.08
KY TRS/TAP Support		\$ 0.09
Local Number Portability		\$ -
911 Charge		\$ 1.31
Subtotal		<u>\$ 27.56</u>
Federal Ex 3.00%		\$ 0.84
Local Scho 3.00%		\$ 0.59
Local Trans 3.00%		\$ 0.67
State Sales 6.00%		\$ 1.14
Total Basic Bill		<u>\$ 30.70</u>

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WS000841

REDACTED

From: Logsdon, Daniel
Sent: Thursday, February 19, 2009 12:07 PM
To: 'Stevens, Jim (PSC)'
Subject: RE: Windstream.xls

Jim

See the attached. Let me know if you have questions

Dan

-----Original Message-----

From: Stevens, Jim (PSC) [mailto:wjstevens@ky.gov]
Sent: Wednesday, February 18, 2009 3:25 PM
To: Logsdon, Daniel
Subject: Windstream.xls

Dan,

We are doing the annual rate survey for the State assistance. Can you verify the numbers in the attached spread sheet and change where necessary.

<<Windstream.xls>>

The information contained in this message, including attachments, may contain privileged or confidential information that is intended to be delivered only to the person identified above. If you are not the intended recipient, or the person responsible for delivering this message to the intended recipient, Windstream requests that you immediately notify the sender and asks that you do not read the message or its attachments, and that you delete them without copying or sending them to anyone else.

Windstream - Lexington

EOY
2008

Basic Rate with Touch Tone			
Federal Subscriber Line Charge		\$ 0.63	
Federal Universal Service Charge		\$ 0.08	
Kentucky Lifeline Support		\$ 0.09	
KY TRS/TAP Support		\$ -	
Local Number Portability		\$ 1.31	2.10 rate change 7-1-08
911 Charge			
	Subtotal	\$ 27.56	
KY state G/R surcharge		\$ 0.45	added 7-07
Federal Excise Tax	3.00%	\$ 0.84	
Local School Tax	3.00%	\$ 0.59	
Local Franchise Fee	3.00%	\$ 0.57	0.00 removed 1-1-06
State Sales Tax	6.00%	\$ 1.14	
	Total Basic Bill	\$ 30.70	

Shearer, Jeanne

From: Shearer, Jeanne
Sent: Tuesday, February 23, 2010 7:52 AM
To: 'Stevens, Jim (PSC)'
Subject: RE: Rate Survey
Attachments: Windstream 2009.xls

Jim,

Per your request attached are the updates you requested.

Jeanne

From: Stevens, Jim (PSC) [mailto:wjstevens@ky.gov]
Sent: Tuesday, January 12, 2010 2:39 PM
To: Shearer, Jeanne
Subject: Rate Survey

Hi Jeanne, Each year at the PSC we are asked to do a rate survey for the Cabinet for Families and Children for the State. They use the rates to determine assistance levels. We get rates for the major cities, Lexington and Louisville. Attached is a spreadsheet that shows the charges that would appear on a bill for basic service only. Please verify the rates and make any necessary changes. I can verify most rates except the Federal USP, 911 and the tax calculations. Any questions let me know.

Jim Stevens, CPA
Manager, Telecommunications Revenue Requirements Branch
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602
502-564-8940 x 238
502-564-1582 Fax

<<Windstream 2009.xls>>

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2/23/2010

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WS000842

Response to PSC [initials]
2/23/10

Windstream - Lexington		EOY 2009
Basic Rate with Touch Tone		\$18.95
Federal Subscriber Line Charge		\$ 6.60
Federal Universal Service Charge		\$20.80
Kentucky Lifeline Support		\$ 0.08
KY TRS/FAP Support		\$ 0.04
Local Number Portability		\$ -
911 Charge		\$20.99
	Subtotal	\$28.58
KY state C/R surcharge	1.30%	\$10.95
Federal Excise Tax	3.00%	\$10.88
Local School Tax	3.00%	\$10.67
Local Franchise Fee	0.00%	\$ -
State Sales Tax	6.00%	\$17.58
	Total Basic Bill	\$31.58

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REDACTED

From: Shearer, Jeanne
Sent: Thursday, March 03, 2011 8:03 AM
To: 'Stevens, Jim (PSC)'
Subject: FW: Basic Bill

Jim,

The factor used to calculate the federal universal service charge changed; I marked the spreadsheet accordingly.
Note: Effective 1-1-11, the factor changed again, but my understanding is you want the charges as of 12-31-10,

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WS001038

and that is what the spreadsheet reflects.

If you have any questions, let me know. Have a great day.

Jeanne

From: Stevens, Jim (PSC) [mailto:wjstevens@ky.gov]
Sent: Monday, February 14, 2011 2:02 PM
To: Shearer, Jeanne; Shearer, Jeanne
Subject: Basic Bill

I'm doing our annual check of the calculations of the Bill for Basic Service in Lexington as of the end of 2010 for the Cabinet for Families and Children. Attached is a spread sheet with the Calculations, please make any corrections and return to me.

<<Windstream Basic Bill 2010.xls>>

Thanks
Jim

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WS001039

Windstream - Lexington		EOY 2010
Basic Rate with Touch Tone		\$18.95
Federal Subscriber Line Charge		\$ 6.50
Federal Universal Service Charge		\$ 0.84
Kentucky Lifeline Support		\$ 0.08
KY TRS/TAP Support		\$ 0.04
Local Number Portability		\$ -
911 Charge		\$ 2.19
	Subtotal	\$28.60
KY state G/R surcharge	1.30%	\$ 0.35
Federal Excise Tax	3.00%	\$ 0.86
Local School Tax	3.00%	\$ 0.57
Local Franchise Fee	0.00%	\$ -
State Sales Tax	6.00%	\$ 1.58
	Total Basic Bill	<u>\$31.60</u>

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WS001040