

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN ADMINISTRATIVE CASE NO. 2005-00186 DATED JUNE  
22,2005

RECEIVED

JUL 22 2005

PUBLIC SERVICE  
COMMISSION

1. Does the utility offer a plan that is described, named or marketed as “unlimited”? If yes, identify and describe the plan and provide copies of the tariff sheets, which the plan can be found.  
  
Yes, LecStar offered America Unlimited (AM) and America Unlimited (AMVM) with Voicemail bundles to customers under a promotional tariff that expired April 25,2005. LecStar is re-evaluating the product for a revised promotion.
  
2. If the utility has an “unlimited” plan, are there use restrictions or other limitations on the plan? If yes, describe these restrictions and reference the utility’s tariff.  
  
Yes, AM and AMVM products have a use restriction limiting the use to domestic local and long distance services as outlined in the attached tariff.
  
3. How and when are customers or potential customers notified of the limitations on the unlimited plan? Describe the notification.  
  
LecStar informs its customers of the usage limitation of voice long distance and the 4000-minute cap in two ways depending on the method of customer

contact. Online – customers click on the disclaimer section on our page offering AM and AMVM. In addition, our website describes the usage restriction pertaining to voice long distance calling. For customers contacting our call center, the sales script includes information related to the usage restriction and the cap as part of the sales process for AM and AMVM.

4. If third parties (agents, telemarketers, consignees, etc.) market, advertise, or otherwise offer end-users the utility's unlimited plan, explain how those "marketers" are required to verify compliance with the notice requirements.  
LecStar does not use third parties for marketing our residential services in Kentucky.
5. Assuming a customer has subscribed to an "unlimited" plan that has use limitations, is the customer notified when the limitations are exceeded? If yes, how is the customer notified?  
Customers exceeding the 4000 minute/month threshold are identified at the time of invoicing. An email is sent to Customer Service team leads so that they can contact the customer ASAP. The customer is contacted to remind them of the usage restriction and give the option of changing service plans.
6. How and when are customers notified that changes have been made to the plan?

Customers are notified via the website. Any updates are posted in the disclaimer section of the product pages available on the website.

7. Are customers able to check the number of minutes they have used in order to determine if they will exceed the plan's limitations?

LecStar provides the customer with a monthly invoice with call detail and cumulative number of minutes used as an optional feature on the account.

8. Explain why the utility markets, names, or describes a plan as "unlimited" when limits on the plan exist?

The plan limits are set high enough that no Kentucky customer has ever exceeded our 4000-minute limit. Limits are not intended to deceive the customer; they are intended to serve as a proxy for voice only traffic. LecStar has no ability to identify voice versus data traffic on a long distance call. A limit is used to prevent misuse by the consumer using the line for dial-up Internet connection via a long distance service and other abuses. Instances where abnormal voice usage can be demonstrated, the overage charges of \$0.05 per minute are waived.

9. Explain how the utility ensures that the unlimited plan is offered and the rates, terms, and conditions of service are applied without discrimination as required by KRS 278.170(1).

KRS 278.170(1) prohibits any utility from giving an unreasonable preference or advantage to any person. LecStar ensures that the promotional offer complies by application of its usage limitations to prevent free-rider usage in the form of makeshift call center and misuse of the product for data services. Customers that open in home call centers convert their unlimited services into a wholesale service, selling long distance through their home service, fraudulently creating an unreasonable advantage. The limitations identify potential fraud and misuse and prevent pricing discrimination.

10. Provide summary of records of all complaints received by the utility regarding any unlimited plans offered in Kentucky since January 1,2001. Include the date that the complaint was opened, customer class, description of complaint resolution, and date the complaint was closed.

LecStar has no record of any complaints regarding it application of the America Unlimited promotion.

11. Please provide copies of all advertisements, regardless of medium, solicitations, and explanations provided to the public to introduce, explain and or/market any plan labeled or otherwise described as “unlimited”. In the event that the medium used is audio or video in nature, a transcript of same is deemed sufficient.

A copy of our web pages describing the product is provided as an attachment to this response.

12. Please provide a copy of any and all contracts signed by customers who have participated or are participating in a plan labeled or otherwise described as “unlimited”. This request seeks only a copy of the blank contract(s), not the executed contract for every customer.

Customers do not sign a contract for AM or AMVM service with LecStar.



Products & Services

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Home > Products & Services > Residential Services > Advantage Unlimited

## America Unlimited

# \$42.95

per month!

**Never Worry About Long Distance Again**  
UNLIMITED long distance calls  
UNLIMITED local calls

Choose any of our 11 calling features  
All on one bill for one fixed low price

Call for details on all our packages...

\*All applicable FCC imposed charges, state and local taxes will apply. Deposit may be required. Installation fees required for new service. Credit check required. Service may be denied or limited based on credit check. Unlimited long distance under the America Unlimited Plan is for domestic residential voice usage only and does not apply to data or long distance online services. The America Unlimited plan is available to residential customers only and is subject to availability.

Disclaimer

## America Unlimited for \$42.95 per month!

### Switching is easy! Call 888-895-5539

Includes any or all of these 11 calling features:

- Anonymous Call Rejection
- Call Blocking
- Call Return
- Call Selector

- Call Tracing
- Call Waiting Deluxe
- Caller ID Deluxe
- Repeat Dialing
- Distinctive Ring
- 3 Way Calling
- 30 Number Speed Dial

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Products & Services

Customer Care

My Lecstar

About LecStar

Home > Products & Services > Residential Services > Advantage Unlimited

### Disclaimer for America Unlimited Calling Plan

The America Unlimited plan is for typical domestic residential voice usage only. Customers must be subscribers to LecStarTelecom and also to LecStar's Local Voice and Long Distance Services. Subscribers to this plan may use it only for typical residential voice usage and may not use it for extended Internet or data calling to numbers outside of your local calling area. Call Detail is currently unavailable with this plan. Subscribers to this plan are prohibited from using this service for any commercial use. This plan is not available on lines that bill to another number or is the recipient of charges billed from another number. You must establish separate billing accounts for each line.

Customer lines associated with educational institutions, (colleges, universities, etc.) are not eligible for this plan. Unlimited plan usage does not include multi-party conference calls, calls to 900 numbers, directory assistance, calling card, operator services, international calling and toll free calling services. If LecStar Telecom determines, at its sole discretion, that usage under this plan is not consistent with typical Residential Customer usage, the Customer may be subject to additional fees and/or offered an alternative plan at LecStar Telecom's sole discretion. For the purposes of this plan, usage of more than 4,000 minutes per month shall be considered not to be typical residential usage. The Customer will be charged \$0.05 per minute for usage over 4,000 minutes per month. In order to be eligible for this plan, LecStar Telecom must be able to verify that the Customer meets each of the eligibility requirements. Customers who no longer meet these eligibility requirements will not be eligible for this plan and will be contacted by LecStarTelecom and offered an alternative plan. Taxes, fees and other charges, including the Universal Service Fund, apply.



Ernie Fletcher  
Governor



LaJuana S. Wilcher  
Secretary

Commonwealth of Kentucky  
**Environmental and Public Protection Cabinet**  
Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460

January 25, 2005

Monica Borne Haab  
Nowalsky, Brontston & Gothard  
3500 North Causeway Blvd.  
Suite 1442  
Metairie, LA 70002

RE: Filing No. **TFS2004-01481**  
LecStar Telecom Services, Inc. - Special Promotion called LecStars America  
Unlimited Plan with Voicemail Promotion to residential customers.

Dear Monica Borne Haab:

The above referenced filing has been received and reviewed. An accepted copy is enclosed for your files.

NOTE 1: A 30-day notice is required for ALL local exchange promotions.

NOTE 2: ALL filings and/or promotions of unlimited plans containing limitations must clearly specify the method in which the customer is notified of the limitations and penalties on unlimited service.

Sincerely,

  
Dennis Brent Kirtley  
Tariff Review Branch Manager

# NOWALSKY, BRONSTON & GOTHARD

A Professional Limited Liability Company

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Monica Borne Haab  
EllenAnn G. Sands  
Bruce C. Betzer  
Philip R. Adams, Jr.

October 15, 2004

RECEIVED

*Via Express Delivery*

OCT 18 2004

Executive Director  
Kentucky Public Service Commission  
730 Schenkel Lane  
P.O. Box 615  
Frankfort, KY 40602

PUBLIC SERVICE  
COMMISSION

RE: Promotional Offering by LecStar Telecom, Inc.

Dear Sir or Madam:

This letter serves as notification of a promotional offering to be granted by LecStar Telecom, Inc. for a period of ninety (90) days. LecStar's America Unlimited Plan with Voicemail promotion shall become effective on November 1, 2004 and will expire on February 1, 2005. This offering is applicable to new and existing residential customers in Zones 1 & 2.

Set forth below is the text of the proposed LecStar promotional offering:

## Residential Customers

This promotion is available to new and existing residential customers subscribing to LecStar's America Unlimited Service.

Customers will receive Local Telephone Service, Voicemail, Unlimited Local and 48 state Domestic Long Distance calling (excluding Alaska and Hawaii) as well as their choice of any of 11 Local Calling features for \$49.95 per month. Calling Features include the following:

Anonymous Call Rejection  
Call Selector  
Caller ID Deluxe  
3 Way Calling

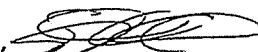
Call Blocking  
Call Tracing  
Repeat Dialing  
30 Number Speed Dial

Call Return  
Call Waiting Deluxe  
Distinctive Ring

Qualifying customers may be required to pay a deposit based on their track history. Some forms of usage may also be limited such as International Toll and Collect or other Third Party Calling Services.

PUBLIC SERVICE COMMISSION  
ON FILE TRACK HISTORY  
11/17/2004  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By



Executive Director

**RESTRICTIONS**

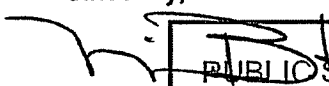
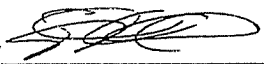
1. Customers must subscribe to this service prior to February 1, 2005.
2. Promotion is limited to BellSouth UNE Zones 1 & 2 residential customers only.
3. Callers must dial 1+ the domestic number for the call to be included without an additional charge in the Advantage Unlimited Plan.
4. Call detail is not provided with this plan. An additional charge of \$25.00 will apply to receive a call detail report. Allow 3-4 weeks for delivery.
5. This plan may not be used to place calls to on-line services, or Internet access services.
6. This plan cannot be used for any commercial use or for any services that do not involve a person-to-person conversation or voice messages.
7. This plan is separately billed on multi-line accounts.
8. Customer lines associated with educational institutions, (colleges, universities, etc.) are not eligible for this plan.
9. Unlimited plan usage does not include multi-party conference calls, calls to 900 numbers, directory assistance, calling card, operator services, international calling and toll free calling services. Some or all of these services may, at LecStar's discretion, be limited.
10. If LecStar determines that usage is not consistent with typical Residential Customer usage, the Customer may be subject to an additional fee of \$0.05 per minute and the customer will be offered an alternative plan at the Company's sole discretion. For the purposes of this plan, usage that equals or exceeds 300% of the Company's average usage for customers under this or similarly constructed unlimited plans will be deemed to be inconsistent with "typical Residential unlimited usage" and subject to the overage charges described above.
11. LecStar reserves the right to bill applicable tariff rates for calls to certain terminating numbers.
12. In order to be eligible for this plan, the Company must be able to verify that the Customer meets these eligibility requirements. Customers who no longer meet eligibility requirements will not be eligible for this plan and will be contacted by the Company and offered an alternative plan.

An additional copy of this promotional notice has been enclosed for return of a file-stamped copy in the self-addressed, stamped envelope provided.

Should you have any questions regarding this notice, please do not hesitate to call.

Sincerely,

Monica Borne Haab

<p> PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE 11/17/2004 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</p> <p>By  Executive Director</p>
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Enclosure (4 copies + 1 return)