



210 N. Park Ave
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

July 21, 2005
Via Overnight

Ms. Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602-0615

**RE: Administrative Case No. 2005-00186; Talk America Inc.
Responses to Commission and Attorney General Data Requests**

Dear Ms. O'Donnell:

Enclosed for filing are the original and five (5) copies the responses of Talk America Inc to the Commission and Attorney General Data Requests in the above-referenced proceeding. One copy of these responses is being filed with the Office of the Attorney General, Office of Rate Intervention.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided. Any questions you may have pertaining to this filing may be directed to me at (407) 740-3031 or via email at sthomas@tminc.com. Thank you for your assistance.

Sincerely,

Sharon Thomas
Consultant to
Talk America Inc.

cc: Office of the Attorney General, Rate Intervention
T. Kirby - Talk
file: Talk - KY
tms: kyX0506

RECEIVED

JUL 22 2005

PUBLIC SERVICE
COMMISSION

BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSOIN

TALK AMERICA INC. RESPONSE TO COMMISSION DATA REQUEST
IN ADMINISTRATIVE CASE NO. 2005-00186 DATED JUNE 22, 2005

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 on which the plans can be found.

Response:

Talk America has grandfathered all of its unlimited service offerings in Kentucky, and therefore does not actively offer any such plans. The Company continues to provide to existing customers certain plans that include the term "unlimited" in the name. See tariff pages in Attachment PSC-1 for a description of those plans.

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.

Response:

Yes. See page 75 of the tariff pages provided in response to Item 1 for restrictions that apply to residential unlimited offerings, and page 82 for restrictions applicable to business offerings.

3. How and when are customers or potential customers notified of the limitations on the unlimited plan? Describe the notification.

Response:

Customers in Kentucky who subscribed to unlimited plans were notified of the usage restrictions at the point of sale via disclosers made in sales literature and/or sales scripts.

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.

Response:

Talk America does not use third-party telemarketers and is not currently marketing its unlimited plans in Kentucky. In areas where Talk America does market its services, the Company has a strict policy concerning marketing materials and sales activities employed by agents who are authorized to sell the Company's service. This policy requires that agents obtain prior approval for all marketing materials.

5. Assuming a customer has subscribed to an "unlimited" plan that has use limitations, is the customer notified when those limitations are exceeded? If yes, how is the customer notified?

Response:

Yes. Talk America does not impose any additional charges on customers whose usage is determined to be outside the terms of its tariffs unless and until the customer has been notified first. If a customer's usage appears to violate the terms of the tariff, the customer is sent a written letter. To date, Talk America has not applied any additional charges to customers in Kentucky due to usage of unlimited plans exceeding the usage restrictions.

6. How and when are customers notified that changes have been made to the plan?

Response:

Any changes to the Company's rate plans are filed with the Commission as tariff revisions and customers are notified in accordance with the applicable state and federal rules.

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?

Response:

Yes. Customers can check their local and long distance usage on a real-time basis by accessing their account through Talk America's website.

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

Response:

Talk America's calling plans do provide for unlimited voice usage; however, limits apply in order to prevent excessive usage and cost associated with non-voice applications, such as data application, telemarketing, etc. Such excessive non-voice usage imposes considerable costs on Talk America, which can far exceed the monthly rates charged for the unlimited calling plans. The use of the term "unlimited," with a caveat that some usage limitations apply, is consistent with industry practices.

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).

Response:

Talk America applies its rates and practices as described in its tariffs and does not discriminate in the application of those rates and practices.

10. Provide summary 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, description of complaint resolution, and date the complaint was closed.

Response:

Talk America has had no complaints regarding its unlimited calling plans in Kentucky since January 1, 2001.

BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSOIN

TALK AMERICA INC. RESPONSE TO COMMISSION DATA REQUEST
IN ADMINISTRATIVE CASE NO. 2005-00186 DATED JUNE 22, 2005

Attachment PSC-1

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.3 Residential Bundled Local Service

6.3.1 General

- A. The Company offers basic local exchange service only as part of a bundle or package of telecommunications services to residential Customers.

(D)

For service packages which include unlimited local, intraLATA, and/or interLATA usage, the services are available for residential voice calling only. If it is determined that usage is not consistent with residential voice applications, such as for Internet access services, commercial facsimile or auto-dialing, telemarketing or other non-residential uses; Company may immediately suspend, restrict or cancel the customer's service without prior notice and assess an additional \$50.00 monthly recurring charge for each month in which such usage occurred. Incidental Internet and other data usage is permitted, provided however, that any usage in excess of 5,000 minutes per month shall be presumed to be not consistent with residential voice applications and shall be subject to the conditions above.

(D)
(N)

- B. End-User Common Line (EUCL) Recovery Charge

A monthly recurring charge applies to recover End User Common Line charges billed to the incumbent LEC, pursuant to the Company's federal rate schedules

- C. Combination Charge

A Combination Charge applies to each line to allow the Company to combine elements into a service offering available to Customers in the State of Kentucky.

| | |
|---------------------------------|----------------|
| | <u>Monthly</u> |
| UNE-P Combination Charge | \$10.00 |
| Total Resale Combination Charge | \$10.00 |

(N)

Issued: July 3, 2003

Effective: August 2, 2003

By:

Aloysius T. Lawn, IV, Executive Vice President
6805 Route 202
New Hope, Pennsylvania 18938

Kul0206

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.3 Residential Bundled Local Service, (Cont'd.)

6.3.10 Local Bundle XI (United Unlimited Plan) *

(C)

(A) Local Bundle XI (United Unlimited Plan) includes the following services:

- Unlimited local voice calling
- Unlimited Custom Calling and/or CLASS features (subject to availability), excluding Voice Mail and the Custom Calling features that are priced on a per call basis. Voice Mail is available to United Unlimited Plan Customers at \$5.95 per month/per line.
- Unlimited intraLATA and interLATA long distance voice usage to any other Customer who also subscribes to bundled local services from the Company.

(B) **Per Minute Rate**

Per Minute

IntraLATA Toll

See Company's Long Distance Tariff.

(C) **Monthly Recurring Charge:**

1. Initial Line

Per Month

| | |
|--------|---------|
| Zone 1 | \$39.95 |
| Zone 2 | \$47.95 |
| Zone 3 | \$74.95 |

4. Each Additional Line

Per Month

| | |
|--------|---------|
| Zone 1 | \$39.95 |
| Zone 2 | \$47.95 |
| Zone 3 | \$74.95 |

* As of December 14, 2002, this service is grandfathered and only available to existing Customers at existing locations.

(C)

(C)

Issued: November 14, 2002

Effective: December 14, 2002

By:

Aloysius T. Lawn, IV, Executive Vice President
 6805 Route 202
 New Hope, Pennsylvania 18938

KY10206

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.3 Residential Bundled Local Service, (Cont'd.)

6.3.12 Local Bundle XIII (United Unlimited Plan B) *

(C)

(A) Local Bundle XIII (United Unlimited Plan B) includes the following services:

- Unlimited local voice calling
- Unlimited Custom Calling and/or CLASS features (subject to availability), excluding Voice Mail and the Custom Calling features that are priced on a per call basis. Voice Mail is available to United Unlimited Plan B Customers at \$5.95 per month/per line.
- Unlimited intraLATA and interLATA long distance voice usage to any other Customer who also subscribes to bundled local services from the Company. Long distance usage to end-users who are not subscribed to Company's bundled local service are available and described in Company's long distance tariff.

(B) **Monthly Recurring Charge:**

| | | |
|----|----------------------|------------------|
| 1. | Initial Line | <u>Per Month</u> |
| | Zone 1 | \$36.95 |
| | Zone 2 | \$44.95 |
| | Zone 3 | \$71.95 |
| 4. | Each Additional Line | <u>Per Month</u> |
| | Zone 1 | \$36.95 |
| | Zone 2 | \$44.95 |
| | Zone 3 | \$71.95 |

(C)

(C)

** As of March 13, 2004, this service will only be available to current customers' existing lines at current locations.*

Issued: February 12, 2004

Effective: March 13, 2004

By:

Aloysius T. Lawn, IV, Executive Vice President
6805 Route 202
New Hope, Pennsylvania 18938

KY10206

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.3 Residential Bundled Local Service, (cont'd.)

6.3.13 Local Bundle XIV (Talk Unlimited Nationwide Plan) *

(C)

(A) Talk Unlimited Nationwide Plan includes the following services:

- A bundle of a local/long distance services which includes unlimited local voice usage, unlimited intraLATA voice usage, and unlimited interLATA (intrastate and interstate) long distance voice usage.
- Unlimited Custom Calling and/or CLASS features (subject to availability), excluding the Custom Calling features that are priced on a per call basis.
- Voice mail.

(B) Monthly Recurring Charges:

1. Initial Line

| | |
|--------|---------|
| Zone 1 | \$49.95 |
| Zone 2 | \$83.95 |

2. Each Additional Line

| | |
|--------|---------|
| Zone 1 | \$49.95 |
| Zone 2 | \$83.95 |

** As of March 13, 2004, this service will only be available to current customers' existing lines at current locations.*

(C)
(C)

Issued: February 12, 2004

Effective: March 13, 2004

By:

Aloysius T. Lawn, IV, Executive Vice President
6805 Route 202
New Hope, Pennsylvania 18938

KY10206

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.3 Residential Bundled Local Service, (cont'd.)

6.3.15 Local Bundle XVI (United Unlimited Plan v 1.0)*

(T)

(A) Local Bundle XVI (United Unlimited Plan v 1.0) includes the following services:

- Unlimited local voice calling
- Unlimited Custom Calling and/or CLASS features (subject to availability), excluding Voice Mail and the Custom Calling features that are priced on a per call basis. Voice Mail is available to United Unlimited Plan v 1.0 customers for an additional charge.
- Unlimited intraLATA and interLATA long distance voice usage to any other Customer who also subscribes to bundled local services from the Company. Long distance usage to end-users who are not subscribed to Company's bundled local service are available and described in Company's long distance tariff.

(B) Monthly Recurring Charge:

| | | |
|----|----------------------|------------------|
| 1. | Initial Line | |
| | | <u>Per Month</u> |
| | Zone 1 | \$38.95 |
| | Zone 2 | \$46.95 |
| | Zone 3 | \$76.95 |
| 2. | Each Additional Line | |
| | | <u>Per Month</u> |
| | Zone 1 | \$38.95 |
| | Zone 2 | \$46.95 |
| | Zone 3 | \$76.95 |

*Effective May 8, 2005, this service is grandfathered and available only to existing Customers at existing locations.

(T)

(T)

Issued: April 8, 2005

Effective: May 8, 2005

By:

Aloysius T. Lawn, IV, Executive Vice President
6805 Route 202
New Hope, Pennsylvania 18938

KYL0503

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.3 Residential Bundled Local Service, (cont'd.)

6.3.17 Local Bundle XVIII (United Unlimited Plus Plan)* (T)

(A) United Unlimited Plus Plan includes the following services:

- Unlimited local voice and intraLATA voice calling, per line, per month.
- Unlimited Custom Calling and/or CLASS features (subject to availability) excluding the Custom Calling features that are priced on a per call basis.
- Unlimited interLATA long distance minutes to any other Customer who also subscribes to bundled local services from the Company. Additional long distance service is available and described in Company's long distance tariff.

(B) Monthly Recurring Charge:

1. Each Initial Line

| | <u>Per Month</u> |
|--------|------------------|
| Zone 1 | \$43.95 |
| Zone 2 | \$51.95 |
| Zone 3 | \$82.95 |

2. Each Additional Line

| | <u>Per Month</u> |
|--------|------------------|
| Zone 1 | \$43.95 |
| Zone 2 | \$51.95 |
| Zone 3 | \$82.95 |

*Effective May 8, 2005, this service is grandfathered and available only to existing Customers at existing locations. (T)
 (T)

Issued: April 8, 2005
 By:

Aloysius T. Lawn, IV, Executive Vice President
 6805 Route 202
 New Hope, Pennsylvania 18938

Effective: May 8, 2005

KYL0503

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)**6.3 Residential Bundled Local Service, (Cont'd.)****6.3.18 Local Bundle XIX (Talk Unlimited Nationwide Plan v 1.0)***

(T)

(A) Talk Unlimited Nationwide Plan v 1.0 includes the following services:

- Unlimited local voice usage, unlimited intraLATA voice usage, and unlimited interLATA (intrastate and interstate) long distance voice usage;
- Unlimited Custom Calling and/or CLASS features (subject to availability), excluding the Custom Calling features that are priced on a per call basis; and
- Voice mail.

(B) Monthly Recurring Charges:

1. Initial Line

| | |
|--------|----------|
| Zone 1 | \$ 68.95 |
| Zone 2 | \$ 77.95 |
| Zone 3 | \$108.95 |

2. Each Additional Line

| | |
|--------|----------|
| Zone 1 | \$ 68.95 |
| Zone 2 | \$ 77.95 |
| Zone 3 | \$108.95 |

*Effective May 8, 2005, this service is grandfathered and available only to existing Customers at existing locations.

(T)

(T)

Issued: April 8, 2005

Effective: May 8, 2005

By:

Aloysius T. Lawn, IV, Executive Vice President
6805 Route 202
New Hope, Pennsylvania 18938

KYL0503

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

6.4 Standard Business Local Exchange Service

Standard Business Local Exchange Service provides the Customer with a single, analog, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Standard Business Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephones, facsimile machines or other station equipment. Company's business services which are billed on a flat rate basis are available only for business voice use, and may not be used for the purpose of telemarketing products or services, and may not be used for other purposes, including but not limited to, placing calls using automatic dialing devices or any other manual or automated calling methods, and/or for data transmission. An optional per line Hunting feature is available for multi-line Customers which routes a call to the next idle line in a prearranged group when the called line is busy.

In the event the Company reasonably determines that the Customer usage is outside the terms of its service, it may terminate the service or apply a surcharge to all usage outside the terms of service, after due notice to the Customer. The surcharge will be \$0.01/minute for each additional local minute and \$0.05/minute for each additional intraLATA minute.

(N)
|
|
|
(N)

Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided. Service is available on a flat rate, measured rate or message rate basis depending on the service plan selected by the Customer. Not all service plans will be available in all areas.

Recurring charges for Standard Business Local Exchange Service are billed monthly in advance. Usage charges, if applicable are billed in arrears. Usage charges may apply for calls placed from the Customer's line. No usage charges will apply to calls received by the Customer. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Issued: July 3, 2003

Effective: August 2, 2003

By: Aloysius T. Lawn, IV, Executive Vice President
6805 Route 202
New Hope, Pennsylvania 18938

KY10206

SECTION 6.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)**6.6 Business Bundled Local Service, (Cont'd.)****6.6.6 Talk Unlimited Nationwide Plan for Business***

(T)

(A) Description

Talk Unlimited Nationwide Plan for Business is available only to business customers as part of a bundle or package of services. The monthly service fee is billed in advance. For long distance billing purposes calls will be billed in six (6) second increments, with a one (1) minute minimum.

(B) The Talk Unlimited Nationwide Plan for Business includes the following services:

Unlimited local, intraLATA, interLATA, and interstate long distance voice usage for the following monthly recurring charges; and

Unlimited Custom Calling and/or CLASS features (subject to availability), but not the Custom Calling features that are priced on a per call basis; and

Voice mail.

(C) Monthly Charge, per line

| | | |
|------------------|---------|---------|
| Primary Line: | Zone 1: | \$59.95 |
| | Zone 2: | \$64.95 |
| | Zone 3: | \$79.95 |
| Additional Line: | Zone 1: | \$53.00 |
| | Zone 2: | \$58.00 |
| | Zone 3: | \$71.00 |

*Effective May 8, 2005, this service is grandfathered and available only to existing Customers at existing locations.

(T)

(T)

 Issued: April 8, 2005

Effective: May 8, 2005

 By: Aloysius T. Lawn, IV, Executive Vice President
 6805 Route 202
 New Hope, Pennsylvania 18938

KYLO503

BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

TALK AMERICA INC. RESPONSE TO ATTORNEY GENERAL DATA REQUEST
IN ADMINISTRATIVE CASE NO. 2005-00186

1. 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.

Response:

Not applicable. Talk America does not advertise, market or sell its services in Kentucky nor has it done so in the past three months.

2. 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 copy for every customer.

Response:

Talk America does not utilize customer contracts for its provision of telecommunications services in Kentucky.