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PUBLIC SERVICE  
COMMISSION

December 21, 2005

VIA PRIORITY MAIL

Ms. Beth A. O'Donnell, Executive Director  
Kentucky Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602-0615

RE: Network Telephone Corporation's Response to Attorney General's  
Supplemental Requests for Information in Administrative Case No. 2005-  
00186

Dear Ms. O'Donnell:

Enclosed for filing please find an original and five (5) copies of Network Telephone's response to the Attorney General's Supplemental Requests for Information in Administrative Case No. 2005-00186. A copy of this correspondence with the requested information has also been provided to the Attorney General's Office.

An additional copy of this letter has been enclosed to be date stamped and returned as evidence of receipt of this filing. If you have any questions, please let me know.

Sincerely,

Margaret H. Ring, Director  
Regulatory & Governmental Affairs

cc: Dennis G. Howard II  
Assistant Attorney General  
1024 Capital Center Drive, Suite 200  
Frankfort, KY 40601-5453

Encl.

NETWORK TELEPHONE CORPORATION'S RESPONSE  
TO ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR INFORMATION  
ADMINISTRATIVE CASE NO. 2005-00186

1. State whether your company has changed any tariffs applicable to plans described, named, or marketed as "unlimited", as previously identified in your responses to the Commission's first data request, since the date of the Commission's first set of data responses, and if so, please attached /enclose copies of same.

Network Telephone has not changed tariffs applicable to the plans described since the Commission's first set of data requests.

2. With regard to any such plans, state specifically whether the word "unlimited" refers to minutes of use, area(s) of calling, or both. If the word "unlimited" modified any other terms in the applicable tariffs(s), please identify the terms so modified.

The word "unlimited" applies to minutes, with reference to normal business usage.

3. With regard to any such plans, state:

- a. whether the tariff indicates that a penalty of any type or sort (including relegating the customer to a different plan) may apply in the event the customer exceeds any limitation on number of minutes included in the plan;

The tariff indicates that the subscriber may be charged an additional fee of \$50 per month per line, or may be offered another plan.

- b. the nature of the penalty;

The subscriber may be charged an additional fee of \$50 per month per line, or may be offered another plan.

- c. whether the penalty has ever been imposed;

The penalty has never been imposed. Network Telephone has not had a Kentucky customer who exceeded the plan's limitations.

- d. whether notice of the penalty is provided to the consumer, and if so, identify precisely where in the tariff or other materials (including but not limited to contract, advertising or marketing materials) any such notice is located, and cite the complete language of any and all such notices.

NETWORK TELEPHONE  
RESPONSE TO ADMINISTRATIVE CASE NO. 2005-00186  
PAGE TWO

Network Telephone's plans are provided under contract. The contract, which is signed by each customer subscribing to the plan, clearly states the plan's terms and the penalty for exceeding those terms. A sample contract is attached, and the pertinent language is marked.

Commands:  
[\[ Print \]](#) [\[ Open in CRM \]](#)



**36 Month Business Phone Line Package Term Agreement**

This agreement is entered on July 13, 2005 by and between Network Telephone Corporation ("Network") and Call-a-lot ("Customer").

Customer, by applying for Network phone services, hereby agrees to a **36 Month** Agreement beginning as of the date of service origination specified on the Customer's first invoice for phone services. Customer Agrees to Services and pricing as specified on the Order Summary. The charges for other services are set out in Network price lists and tariffs, which are available on request and on the Network web site.

Installation: One-time installation charges per line are assessed upon installation. Line connection charges apply only to new lines, or to lines moved to a new location. Note: In the case of installation procedures that exceed regular/standard services, the customer will be charged a pre-agreed hourly rate. Extraneous installations charges may include, but are not limited to, inside wiring, LAN and WAN configurations, etc.

Equipment: Network will furnish the customer premise equipment (CPE) to provide voice service up to Customer's existing demarcation point. All equipment provided by Network under this arrangement shall remain the sole property of Network. Customer shall use reasonable care to avoid CPE damage, and will not move, relocate, alter, sell, lease, assign, encumber or otherwise tamper with the equipment without the expressed written consent of Network. Should customer modify CPE to the extent service is interrupted and, at the request of Customer, it becomes necessary for Network to restore service because of Customer's modification of CPE, Customer will incur an hourly rate of \$50 per hour for service restoration. Should Customer or Network terminate service for any reason prior to the expiration of this Agreement, Customer shall release said equipment to Network within ten (10) days after termination of service. If the equipment is not returned to Network in good condition within ten (10) days of service deactivation, Customer agrees to pay full replacement cost for said equipment. By accepting service from Network Telephone, customer acknowledges receipt of this equipment.

Should Customer terminate this Agreement prior to Term listed and agreed to above, Customer will pay termination fees to include any promotional credits (including installation credits) provided from the Company to the Customer, plus the following termination penalty of 33% of remaining monthly recurring charges, excluding regulatory fees and taxes, for the unfulfilled Term of the agreement. During the term of this agreement, should Customer relocate outside of Network Telephone's serviceable area, Customer will only pay a \$199 cancellation fee. Customer will pay a \$50 one-time termination fee for cancellation of a voice line. During the term of this Agreement, Network reserves the right to alter pricing, upon written notice to Customer. Should said pricing change result in a price increase for the services specifically contracted hereunder, Customer has the option to terminate this Agreement upon 30 days written notice and will not be subject to termination fees or penalties from Network.

A Missed Appointment penalty of \$178.50 will be assessed if Customer does not make the service location available to the BellSouth or Network Telephone technician on any pre-scheduled installation date, as communicated by Network Telephone to Customer via email and/or telephone prior to the date. This charge will be assessed for all pre-scheduled appointments that are missed by Customer. Customer will not incur a Missed Appointment penalty if Customer is not notified of the scheduled appointment date in advance. If customer does not allow scheduling of installation of services within 10 days of installation of circuit, Network reserves the right to charge any waived installation fees.

The following terms and conditions apply to Network Telephone's Unlimited Long Distance Offering: All of the customer's lines at the service location must subscribe to an unlimited LD plan billed on one bill. Network must be the selected carrier for in-state toll and state-to-state long distance. Includes Outbound domestic calls to the 48 continental states only. Toll free and International calls are not included. Customer may not use service with auto-dialers, PBXs, call centers or call center applications. If LD usage exceeds by 10x the average usage of all customers on this plan, subscriber may be charged an additional fee of \$50 per month per line, or may be offered another plan at the discretion of Network Telephone.

Line changes ordered by the customer during this agreement will fall under the general terms and conditions outlined in the agreement. If the requested changes impact pricing, charges will be quoted to the customer at the time of change order.

To receive Network Telephone's bundled service package, all lines in the package must be classified as business service. The customer understands and accepts a change of service for the listed numbers, if required, in order to receive the bundled pricing.

Notwithstanding anything herein to the contrary, Network Telephone Corporation and its affiliates shall not be liable for any incidental or consequential damages of any kind or nature, including but not limited to lost profits, lost revenues, lost goodwill, lost customers, or otherwise, resulting from any service failures regardless of cause. Customer agrees to comply with Network's "Acceptable Use Policy" detailed on Network's web site at [http://www.networktelephone.net/NTCportal/Visitor/Visitor\\_AUP](http://www.networktelephone.net/NTCportal/Visitor/Visitor_AUP). Customer may not use Network services for improper or unlawful purposes or in a manner which is offensive or for a purpose which is unlawful, nor allow others to do so. From time to time Network Telephone may email, mail or otherwise contact customer with service and related information including a quarterly eNewsletter (eWire). NTC does not have the authority to contact customer's existing long distance carrier to disconnect service. Customer, in signing below, agrees to switch all voice service from current provider to Network's system. Customer warrants there are no existing contracts or obligations that will prevent Customer from switching service to NTC.

The parties acknowledge and agree that the state and federal courts having jurisdiction in Escambia County, Florida shall have exclusive jurisdiction over the parties and the subject matter hereof and shall be the exclusive venue and forum for any and all controversies arising hereunder. This agreement shall be construed under and in accordance with the laws of the state of Florida.

At the expiration of the initial Term, the service will be billed at the applicable month-to-month rates for the same service and the agreement will renew on a month-to-month basis at these rates. Customer must give 30 days advance written notice to cancel this Agreement. Monthly charges will accrue for 30 days following notification.

\_\_\_\_\_  
 (Signature) Date

\_\_\_\_\_  
 Print Name

**Call-a-lot**  
 \_\_\_\_\_  
 Company/Name

\_\_\_\_\_  
 Title