COMMONWEALTH OF KENTUCKY

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PUBLIC SERVICE COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Petition of 1-800-Reconex, Inc., for
Designation as a Competitive Eligible
Telecommunications Carrier Pursuant To
Section 214(e) Of The Telecommunications
Act of 1996

Commission

Case No. 2006-00060

Case No. 2006-00060

RESPONSE OF 1-800-RECONEX, INC., TO COMMISSION STAFF'S FIRST DATA REQUEST

I. INTRODUCTION

1-800-Reconex, Inc., d/b/a U.S. Tel ("Reconex" or "Company"), by its undersigned counsel submits these Responses to the *Commission Staff's First Data Request To Reconex Communications, Inc.*.

The responses were prepared by William E. Braun, Vice-President and General Counsel, Jim Plantico, Director of Marketing, Dennis Kelley, Director of Operations, and Jennifer Sikes, Regulatory Manager.

II. RESPONSES TO COMMISSION STAFF'S FIRST DATA REQUEST

1. Reconex states in its application that it offers all supported services enumerated in 47 C.F.R. Section 54.101(a)(1)-(9). Provide a tariff reference that shows all supported services are offered.

Response of William E. Braun: All tariff references are to the LOCAL EXCHANGE SERVICE REGULATIONS, RULES AND PRICE LIST

SCHEDULES FOR 1-800-RECONEX, INC. with an Issue Date of September 15, 1997 and an Effective Date of September 17, 1998, including all revisions.

- A. Voice Grade Access to the public switched network. Please see the Reconex tariff at Sections 3.1.2.1, 3.1, and 2.1.1.
- B. Local usage: Please see the Reconex tariff at Section 3.1.
- C. Dual Tone, multi frequency ("DTMF") signaling, or its functional equivalent.

 While DTMF is not mentioned specifically in the Reconex tariff, it is by necessity included in the Voice Grade Access. Attached as Exhibit 1.C. is Section 9, Attachment 2 of the interconnection agreement between BellSouth and Reconex which sets out the signaling services provided to Reconex.

 These signaling services are, by law, identical to those signaling services that BellSouth provides to its own customers.
- D. Single-party service or its functional equivalent: Please see the Reconex tariff at Section 3.1.2.1.
- E. Access to emergency services: Please see the Reconex tariff at Section 3.1 and 3.7.
- F. Access to operator services: Please see the Reconex tariff at Section 3.1.2.3.2.

- G. Access to interexchange services: Please see the Reconex tariff at Sections 1.0 and 3.1.2.2.
- H. Access to directory assistance: Please see the Reconex tariff at Section 3.1.2.3.2.
- I. Toll limitation for qualifying low-income consumers: Please see the Reconex tariff at Sections 1.0, 3.1, and 3.1.2.3.2.
- 2. Eligible Telecommunication Carriers ("ETCs") must provide the services enumerated in 47 C.F.R. Section 54.101(a)(1)-(9) by either using their own facilities or a combination of their own facilities and resale of services of another facilities-based carrier. In its petition, Reconex states it intends to "provide universal service...using a combination of unbundled network elements, via the UNE-P replacement product of BellSouth (DS0 Service Agreement), and resale of BellSouth's local exchange service." Provide a complete discussion of how Reconex provides qualifying services to its customers and include a description of the facilities that Reconex owns and the percentage of customers service by these facilities. If no facilities are owned, when will facilities be constructed? Also include the percentage of customers currently served by purchasing Unbundled Network Elements ("UNEs") and those served by resale from other facilities-based carriers.

Response of William E. Braun:

As stated, Reconex provides service via the UNE-P replacement product of BellSouth, which is known as the DS0 Agreement. This means that Reconex provides service via the usage of unbundled network elements (please see footnote 14 at page 9 of Reconex's original Petition) which it orders directly from BellSouth. These elements consist primarily of the loop, port, switching, and transport. Reconex does not currently own its own facilities but will construct those facilities when it achieves the requisite density within a service area (wire center) which would justify a facilities build-out. Depending on the success of Reconex in marketing its product, the time period could be as short as one year or as long as five years.

The percentage of customers currently served in Kentucky via the purchase of unbundled network elements is 93%. The remaining 7% are served via resale.

3. In the petition Reconex states that its designation as an ETC will benefit consumers by enhancing its ability to construct and improve network facilities. Describe Reconex's construction plans?

Response of William E. Braun:

As stated in our response to Data Request No. 2, above, once the Company achieves the requisite density (i.e. number of customers) in a service area (wire center), it is the Company's intent to construct facilities. In the opinion of the Company the requisite density which would justify a facilities build-out is 50,000.

4. In the petition Reconex states that it offers unlimited local usage in each of its local service rate plans. However, some of the rate plans in the tariff include only a limited number of minutes free of charge. Explain how this meets the requirements of 47 C.F.R. Section 54.101 (a)(2) and 47 C.F.R. Section 54.202 (a)(6)(ii)(4).

Response of William E. Braun:

The Reconex Lifeline offering will provide for unlimited local usage, with no limitation of minutes. All plans in the current Reconex (prepaid) tariff provide for unlimited local usage. One plan contained in the U.S. Tel tariff (The Reconex post-paid product) does limit the local minutes, however, the Company plan is to offer the Lifeline/Link-Up service through its Reconex (prepaid) tariff exclusively. It has been our opinion for some time that many of the Reconex customers qualify for Lifeline/Link-Up services and it would beneficial to those customers and to the Company to be able to provide them with a discounted product.

5. Carriers designated as ETCs are required to offer Lifeline and Link-Up services to their customers. Provide a proposed Lifeline and Link-Up tariff and affirm that Reconex intends to offer Lifeline and Link-Up to its customers.

Response of Jennifer Sikes:

Attached as Exhibit 5 please find the Reconex draft Lifeline/Link-Up tariff Sections. Reconex anticipates adding a new Section 5.0 to its existing local exchange tariff which will provide for Lifeline/Link-Up services.

6. All rate plans for local service contained in Reconex's tariff include long-distance usage and custom calling features. Does Reconex intend to offer a plan without inclusion of long distance and custom calling features at a reduced rate?

Response of William E. Braun:

The rate plans in the Reconex (prepaid) tariff do include sixty minutes of free long distance service. The plans do not include any, for charge, long distance or features.. The subscriber is, however, free to add those services as they may desire.

7. Carriers designated as ETCs are required to advertise the availability of Lifeline and Link-Up service in a manner designed to effectively reach those customer likely to benefit from such programs. Describe the advertising plan Reconex will employ to reach Lifeline and Link-Up customers.

Response: Jim Plantico:

Reconex will reach potential Lifeline customers via customer referrals (also known as "word-of-mouth" advertising), direct mail, and television advertising. The Reconex referral program will award service credits to individuals who refer individuals who ultimately become new Reconex customers. Reconex utilizes demographic information to reach those customers likely to qualify and benefit from the Lifeline program.

8. Explain Reconex's plan to remain functional in emergency situations.

Response of William E. Braun:

As the Company does not currently its own facilities, it is completely reliant on the ability of the underlying facilities-based carrier, BellSouth, to remain functional in an emergency situation.

9. Explain Reconex's availability of customer service to its customers including contacts for repair, billing and general questions about service.

Response of Dennis Kelley:

Reconex provides all of its customers toll free phone numbers for repair issues, billing issues, and general questions.

- 10. Under 47 C.F.R. Section 54.201(d)(2), a common carrier designated as an ETC under this section shall be eligible to receive universal service support in accordance with Section 254 of the Act and shall, throughout the service area for which designation is received:
 - (2) Advertise the availability of such services and the charges therefore using media of general distribution.

Provide examples of advertising that Reconex has done in the past. Include information such as dates, circulation numbers for print advertising, number of pieces mailed for direct mail, and market information for television and radio advertisements.

Response of Jim Plantico:

Attached as Exhibit 10 please find the following:

- A. 1-800-Reconex direct mail piece.
- B. 1-800-Reconex nickel ad piece.
- C. 1-800-Reconex direct mail piece.
- D. 1-800 Reconex direct mail piece.
- E. Prior direct mail and print advertising campaigns.
- F. Demographic information for TV markets.
- 11. Provide the budgeted amounts for future advertising and full descriptions of planned advertisements.

Response of Jim Plantico:

Attached as Exhibit 11 please find the budgeted amounts for direct mail, nickel ads, and TV for the Kentucky market from November, 2001, through December, 2006.

12. Describe the sales network in which Reconex secures customers, such as retail stores, telemarketing, or other means.

Response of Jim Plantico:

The Reconex sales market is limited to "word of mouth" generated by existing and former customers. Reconex does not utilize retail stores, telemarketing, or other means, other than those described above.

13. Affirm that Reconex will commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service.

Response of William E. Braun:

As stated in its Petition at page 9 and affirmed here, Reconex will provide service throughout its designated service area to all customers making a reasonable request for service.

Dated: May 24th, 2006

Respectfully submitted,

1-800-Reconex

By:

William E. Braun

Vice-President & General Counsel

2500 Industrial Avenue

Hubbard, Oregon 97032

Telephone: 503.982.5573

Facsimile: 503.982.6077

E-mail: bill.braun@reconex.com

CERTIFICATE OF SERVICE

I hereby certify that I have on this 24th day of May, 2006, service a true and correct copy of the foregoing RESPONSE OF 1-800-RECONEX, INC. TO COMMISSION STAFF'S FIRST DATA REQUEST on the following party by first-class, U.S. Mail:

BellSouth Telecommunications 601 West Chestnut Street Louisville, Kentucky 40203

Jennifer Sikes

Paralegal for 1-800-Reconex, Inc.



- 8.3 Interface Requirements
- 8.3.1 BellSouth shall offer LIDB in accordance with the requirements of this subsection.
- 8.3.2 The interface to LIDB shall be in accordance with the technical references contained within.
- 8.3.3 The CCS interface to LIDB shall be the standard interface described herein.
- 8.3.4 The LIDB Data Base interpretation of the ANSI-TCAP messages shall comply with the technical reference herein. Global Title Translation shall be maintained in the signaling network in order to support signaling network routing to the LIDB.
- 8.3.5 The application of the LIDB rates contained in Exhibit B to this Attachment will be based on a Percent CLEC LIDB Usage ("PCLU") factor. 1-800-RECONEX, Inc. shall provide BellSouth a PCLU. The PCLU will be applied to determine the percentage of total LIDB usage to be billed to the other Party at local rates. 1-800-RECONEX, Inc. shall update its PCLU on the first of January, April, July and October and shall send it to BellSouth to be received no later than thirty (30) calendar days after the first of each such month based on local usage for the past three months ending the last day of December, March, June and September, respectively. Requirements associated with PCLU calculation and reporting shall be as set forth in BellSouth's Jurisdictional Factors Reporting Guide, as it is amended from time to time.

9 Signaling

9.1 BellSouth shall offer access to signaling and access to BellSouth's signaling databases subject to compatibility testing and at the rates set forth in this Attachment. BellSouth may provide mediated access to BellSouth signaling systems and databases. Available signaling elements include signaling links, signal transfer points and service control points. Signaling functionality will be available with both A-link and B-link connectivity.

9.2 Signaling Link Transport

- 9.2.1 Signaling Link Transport is a set of two or four dedicated 56 kbps transmission paths between 1-800-RECONEX, Inc.-designated Signaling Points of Interconnection that provide appropriate physical diversity.
- 9.2.2 Technical Requirements
- 9.2.3 Signaling Link Transport shall consist of full duplex mode 56 kbps transmission paths and shall perform in the following two ways:
- 9.2.3.1 As an "A-link" Signaling Link Transport is a connection between a switch or SCP and a home Signaling Transfer Point switch pair; and

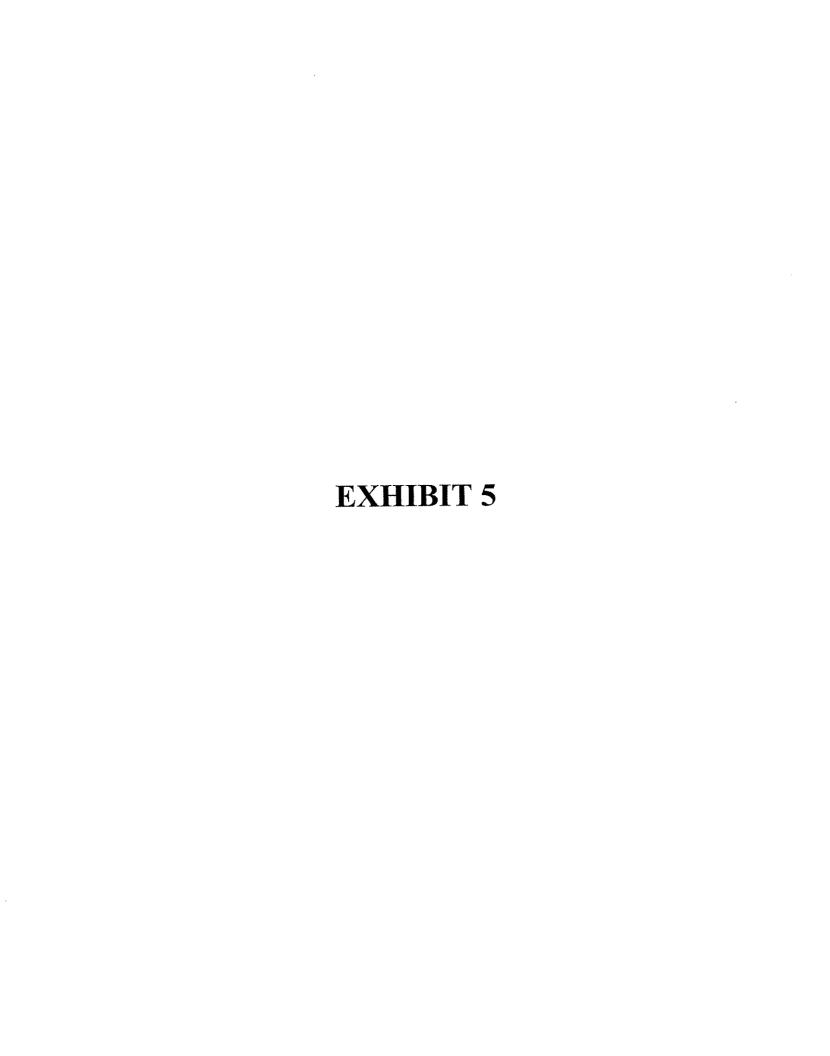
- 9.2.3.2 As a "B-link" Signaling Link Transport is a connection between two Signaling Transfer Point switch pairs in different company networks (e.g., between two Signaling Transfer Point switch pairs for two CLECs).
- 9.2.4 Signaling Link Transport shall consist of two or more signaling link layers as follows:
- 9.2.4.1 An A-link layer shall consist of two links.
- 9.2.4.2 A B-link layer shall consist of four links.
- 9.2.4.3 A signaling link layer shall satisfy interoffice and intraoffice diversity of facilities and equipment, such that:
- 9.2.4.4 No single failure of facilities or equipment causes the failure of both links in an A-link layer (i.e., the links should be provided on a minimum of two separate physical paths end-to-end); and
- 9.2.4.5 No two concurrent failures of facilities or equipment shall cause the failure of all four links in a B-link layer (i.e., the links should be provided on a minimum of three separate physical paths end-to-end).
- 9.2.5 Interface Requirements
- 9.2.5.1 There shall be a DS1 (1.544 Mbps) interface at 1-800-RECONEX, Inc.'s designated SPOIs. Each 56 kbps transmission path shall appear as a DS0 channel within the DS1 interface.
- 9.3 Signaling Transfer Points (STPs)
- 9.3.1 A Signaling Transfer Point is a signaling network function that includes all of the capabilities provided by the signaling transfer point switches (STPs) and their associated signaling links that enables the exchange of SS7 messages among and between switching elements, database elements and signaling transfer point switches.
- 9.3.2 Technical Requirements
- 9.3.2.1 Signaling Transfer Point s shall provide access to BellSouth Local Switching or Tandem Switching and to BellSouth Service Control Points/Databases connected to BellSouth SS7 network. Signaling Transfer Point also provide access to third-party local or tandem switching and Third-party-provided Signaling Transfer Points.
- 9.3.2.2 The connectivity provided by Signaling Transfer Points shall fully support the functions of all other Network Elements connected to the BellSouth SS7 network. This includes the use of the BellSouth SS7 network to convey messages that

neither originate nor terminate at a signaling end point directly connected to the BellSouth SS7 network (i.e., transit messages). When the BellSouth SS7 network is used to convey transit messages, there shall be no alteration of the Integrated Services Digital Network User Part or Transaction Capabilities Application Part (TCAP) user data that constitutes the content of the message.

- 9.3.2.3 If a BellSouth tandem switch routes traffic, based on dialed or translated digits, on SS7 trunks between a 1-800-RECONEX, Inc. local switch and third party local switch, the BellSouth SS7 network shall convey the TCAP messages that are necessary to provide Call Management features (Automatic Callback, Automatic Recall, and Screening List Editing) between 1-800-RECONEX, Inc. local STPs and the STPs that provide connectivity with the third party local switch, even if the third party local switch is not directly connected to BellSouth STPs.
- 9.3.2.4 STPs shall provide all functions of the SCCP necessary for Class 0 (basic connectionless) service, as defined in Telcordia ANSI Interconnection Requirements. This includes Global Title Translation (GTT) and SCCP Management procedures, as specified in ANSI T1.112.4. Where the destination signaling point is a 1-800-RECONEX, Inc. or third party local or tandem switching system directly connected to BellSouth SS7 network, BellSouth shall perform final GTT of messages to the destination and SCCP Subsystem Management of the destination. In all other cases, BellSouth shall perform intermediate GTT of messages to a gateway pair of STPs in an SS7 network connected with BellSouth SS7 network, and shall not perform SCCP Subsystem Management of the destination. If BellSouth performs final GTT to a 1-800-RECONEX, Inc. database, then 1-800-RECONEX, Inc. agrees to provide BellSouth with the Destination Point Code for 1-800-RECONEX, Inc. database.
- 9.3.2.5 STPs shall provide all functions of the OMAP as specified in applicable industry standard technical references, which may include, where available in BellSouth's network, MTP Routing Verification Test (MRVT); and SCCP Routing Verification Test (SRVT).
- 9.3.2.6 Where the destination signaling point is a BellSouth local or tandem switching system or database, or is a 1-800-RECONEX, Inc. or third party local or tandem switching system directly connected to the BellSouth SS7 network, STPs shall perform MRVT and SRVT to the destination signaling point. In all other cases, STPs shall perform MRVT and SRVT to a gateway pair of STPs in an SS7 network connected with the BellSouth SS7 network. This requirement may be superseded by the specifications for Internetwork MRVT and SRVT when these become approved ANSI standards and available capabilities of BellSouth STPs.

9.4 SS7 Advanced Intelligent Network (AIN) Access

9.4.1 When technically feasible and upon request by 1-800-RECONEX, Inc., SS7 AIN Access shall be made available in association with switching. SS7 AIN Access is



5.0 Lifeline Program

The Lifeline program provides assistance for eligible Residential customers. The Federal Lifeline program reduces the subscriber's monthly telephone bill by an amount equal to the subscriber line charge, plus \$1.74, plus an amount equal to one-half of the amount provided by state funding up to \$1.75.

5.1.1 Eligibility

Customers are eligible if they participate in at least one of the following programs:

Medicaid
Food Stamps
Federal Public Housing
Supplemental Security Income
Low Income Home Energy Assistance Program
Temporary Assistance to Needy Families (TANF)
National School Lunch's free lunch program (NSL)

5.1.2 Lifeline Service

The Lifeline service will consist of voice-grade access to the public switched network, unlimited local usage, dual-tone multi frequency signaling, single-party service, access to emergency services, access to operator services, access to interexchange services, access to directory assistance, and toll limitation (at the customer's request and at no charge).

5.1.3 Regulations

- (a) Customer eligible under the Lifeline program are also eligible for connection assistance under the Link-Up program.
- (b) Lifeline service is available only with residential service and is limited to one line per household at the customer's primary residence.
- (c) Toll limitation services, if elected, will be provided at no charge to the Lifeline subscriber.

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Issued by:	William E. Braun, Secretary 1-800-RECONEX, Inc. 2500 Industrial Avenue Hubbard, Oregon 97032	

- (d) The Lifeline plan will apply after receipt and processing of a completed Lifeline application, including documentation of eligibility.
- (e) Customers of the Lifeline service must notify the Company of any changes that would affect qualification. The Company reserves the right to periodically audit its records, working in conjunction with the appropriate state agencies, for the purpose of determining continuing eligibility. Information obtained during such audit will be treated as confidential information to the extent required under State and Federal laws. The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Lifeline program.

5.1.4 Link-Up

Link-Up is offered to Customers who meet eligibility requirements for Lifeline. Link-Up waives the lesser of one-half (1/2) or \$30.00 of the initial installation charges.

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Issued by:	William E. Braun, Secretary 1-800-RECONEX, Inc. 2500 Industrial Avenue Hubbard, Oregon 97032	

EXHIBIT 10

Save now on Home Phone Service

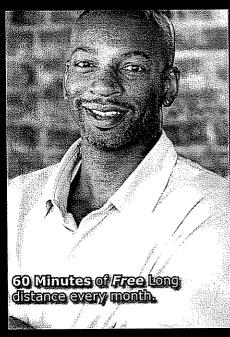
"Reconnect regardless of your back bills"

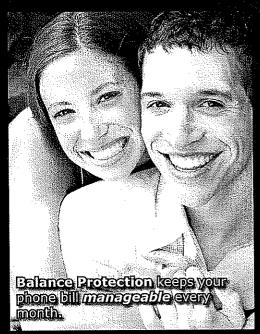
"Sign up new or convert your current telephone service without deposits and regardless of your back phone bills."

Sign-up over the phone Call toll-free

1-800-418-6028







NO DEPOSITS, NO CREDIT CHECKS OR ID REQUIRED

Unlike mobile phones we have full 911 access.



Limited-Time Offer FREE Installation!

Ask about our bonus long distance and feature offers.



Call toll-free

1-800-418-6028

Because Everybody Needs A Phone...



Dial toll-free

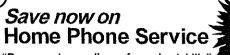
1-800-418-6016

Unlike mobile phones we have full 911 access. Ask about our bonus long distance and feature offers

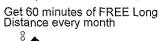
1800-RECONER

Unlimited Local calling

Never run out of minutes









Because Everybody Meeds A Phone...

1-800-BECOMEX







STOP

Going without Phone Service.

Get Connected and Stay in Touch.

1-800-RECONEX

Because Everybody Needs A Phone



• FREE Long Distance Minutes

Every Month

 Earn a FREE Month of Service with EVERY Referral



All customers pre-qualify for a MasterCard®

1-800-RECONEX

Because Everybody Needs A Phone

Direct Mail and Print Advertising

Direct Mail

Direct Mail Campaign July 2005 10,000 pieces

Delivery Zip Codes: 42301, 40211, 40203, 40212

Print Advertising

Louisville, KY

American Classifieds Circulation: 55,000

Owensboro, KY

American Classifieds Circulation: 9,000

Dates Printed:

Louisville, KY Owensboro, KY

07/28/05

08/04/05

08/11/05

08/18/05

08/25/05

09/01/05

09/08/05

09/15/05

09/22/05 09/29/05

10/06/05

10/13/05

10/20/05

10/27/05

11/03/05

11/10/05

11/17/05

11/24/05

12/01/05 12/01/05

12/08/05 12/08/05

12/15/05 12/15/05

12/29/05 12/29/05

01/05/06 01/05/06

01/12/06

01/26/06

02/02/06 02/02/06

03/02/06

03/09/06

Louisville, KY

DMA Rank: 53

Louisville Demographic Data

Households: 614,940 Population white: 85% Population black: 11% Population Asian: 1% Population Hispanic: 2%

Owner Occupied Households: 61.0% Average Household Income: \$55,582 Average Household Vehicles: 1.9

Average Age: 37.4

Television Stations

WAVE (NBC Affiliate)
WDRB (Fox Affiliate)
WHAS (ABC Affiliate)
WKMJ (PBS Affiliate)
WKPC (PBS Affiliate)
WKZT (PBS Affiliate)
WLKY (CBS Affiliate)
WFTE (UPN Affiliate)
WBNA (PaxTV Affiliate)
W24BW (Low Power)
WBKI (WB Affiliate)

Lexington, KY

DMA Rank: 66

Lexington Demographic Data

Households: 470,912 Population white: 92% Population black: 5% Population Asian: 0% Population Hispanic: 2%

Owner Occupied Households: 60.0% Average Household Income: \$45,754 Average Household Vehicles: 1.9

Average Age: 36.4

Television Stations

WDKY (Fox Affiliate)
WKHA (PBS Affiliate)
WKLE (PBS Affiliate)
WKMR (PBS Affiliate)
WKSO (PBS Affiliate)
WKYT (CBS Affiliate)
WLEX (NBC Affiliate)
WLEX (NBC Affiliate)
WLJC (Independent)
WTVQ (ABC Affiliate)
WYMT (CBS Affiliate)
WYMT (CBS Affiliate)
WUPX (PaxTV Affiliate)
W39CK (Low Power)

Paducah, KY-Cape Girard, IL

DMA Rank: 83

Paducah Demographic Data Households: 392,876 Population white: 90% Population black: 6% Population Asian: 0%

Population Hispanic: 1%

Owner Occupied Households: 62.0% Average Household Income: \$43,334 Average Household Vehicles: 1.8

Average Age: 38.5

Television Stations

WKMU (PBS Affiliate)
WKPD (PBS Affiliate)
WPSD (NBC Affiliate)
WSIU (PBS Affiliate)
KFVS (CBS Affiliate)
WSIL (ABC Affiliate)
KBSI (Fox Affiliate)
KPOB (ABC Affiliate)
WTCT (Independent)
WDKA (WB Affiliate)



Market Media		ensboro ect Mail	Bowling Direct N	•	uisville CKEL	Owe	ensboro KEL	Lo	ouisville /	Pa TV		Lexingto TV	on
Nov-01										\$ 3	3,500.00		
Dec-01	•									\$ 4	1,200.00		
Jan-02	=									\$ 2	2,100.00	\$ 3,390.	.00
Feb-02	*									\$ 2	00.000,2	\$ 3,500.	.00
Mar-02	•									\$ 2	2,400.00	\$ 4,200.	.00
Apr-02												\$ 5,455.	.60
May-02	•											\$ 5,529.	.20
Jun-02												\$ 4,498.	.80
Aug-05	**				\$ 576.00			\$	720.00	\$	480.00		
Sep-05					\$ 240.00			\$	2,500.00	\$	480.00		
Oct-05	•				\$ 192.00			\$	2,500.00				
Nov-05	_				\$ 192.00			\$	2,240.00				
Dec-05					\$ 192.00	\$	144.00	\$	600.00				
Jan-06					\$ 192.00	\$	144.00	.\$	2,380.00				
Feb-06					\$ 192.00	\$	144.00	\$	1,500.00				
Mar-06	•				\$ 96.00	\$	144.00	\$	1,850.00				
Apr-06								\$	1,500.00				
May-06	-							\$	1,875.00				
Jun-06	\$	1,981.00	\$	1,211.44				\$	1,400.00				
Jul-06	\$	1,981.00	\$	1,211.44				\$	1,625.00				
Aug-06								\$	1,625.00				
Sep-06	•							\$	1,625.00				
Oct-06								\$	1,625.00				
Nov-06	_							\$	1,625.00				
Dec-06	**							\$	1,625.00				

1-800-RECONEY Because Everybody Needs A Phone 2500 Industrial Avenue Hubbard, OR 97032



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

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PUBLIC SERVICE
COMMISSION

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