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Arizona Corporation Commission

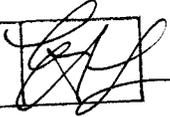
DOCKETED

NOV 17 2014

November 17, 2014

HAND-DELIVERY

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

DOCKETED BY 

RE: **Response of Talk America Services, LLC to Staff's First Set of Data Requests (STF 1.1-1.21) in Commission Docket T-20918A-14-0342**

Dear Docket Control:

Enclosed are Talk America Services, LLC's responses to STF 1.1-1.21. These responses were supplied to Staff on November 13, 2014, by email and hand-delivery.

Sincerely,

Joan S. Burke

RECEIVED
2014 NOV 17 P 4:40
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS
TALK AMERICA SERVICES, LLC
("TAS" OR "THE COMPANY")
DOCKET NO. T-20918A-14-0342
RESPONSES DATED NOVEMBER 13, 2014**

STF 1.1 Will TAS have any employees located in Arizona? If yes, how many?

TAS RESPONSE: TAS will not have any employees located in Arizona at this time.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.2 In regards to Section 2.9 of the proposed tariff included with the application, will TAS be providing any other means by which customers may pay their bill other than requiring the customer to visit a physical drop off location or mail the payment?

TAS RESPONSE: Customers will be able to make payments online through the TAS secure website, and payments will also be taken over the phone via a live representative or through an automated system.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.3 In regards to Section 2.9.3 of the proposed tariff, please provide the justification of the proposed \$12.00 Collection Fee. Please provide examples where this has been previously approved by Arizona Commission Staff or the Arizona Commission.

TAS RESPONSE: TAS will revise the tariff page to remove this fee. See Attachment D.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.4 In regards to Section 3.1.3 of the proposed tariff, please explain how the term "Unlimited" calling can be considered equivalent to a cap of 5,000 calling minutes per month.

RESPONSE: The service is essentially unlimited for residential use. 5,000 calling minutes is equivalent to a little over 83 hours of calling per month and over 2 hours of call time a day. The 5,000 limit is explained to the customer in the tariff but also during the point of sale. In the event a customer exceeds the 5,000 minute limit TAS will notify the customer prior to taking any actions resulting in termination, increased payment obligation or suspension.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

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STF 1.5 In regards to Section 3.4.5 of the proposed tariff, please provide the justification of the proposed *initial* \$5.50 PIC/LPIC selection charge.

RESPONSE: TAS will revise the tariff page to remove the charge for the initial PIC/LPIC selection. See Attachment D.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.6 The Arizona Commission requires local exchange companies to provide 2-Primary Interexchange Carriers ("2-PIC") equal access. 2-PIC equal access allows customers to choose different carriers for interLATA and intraLATA toll service and would allow customers to originate intraLATA calls using the preferred carrier on a 1+ basis. Would TAS be agreeable to including one of the versions of the language (but not both) provided in Attachment 1 to these DRs in its proposed tariff? If not, please explain why.

RESPONSE: TAS will revise its tariff to include Option 1. See Attachment D.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.7 In regards to Section 3.4.8 of the proposed tariff, please provide the justification of the proposed \$30.00 Account Handling Charge. Please provide examples where this has been previously approved by Arizona Commission Staff or the Arizona Commission.

RESPONSE: TAS will revise its tariff to remove this charge. See Attachment D.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.8 In regards to Section 3.4.10 of the proposed tariff, please confirm that TAS is proposing to offer Toll Free numbers as a service option for residential customers.

RESPONSE: TAS is proposing to offer Toll Free numbers as a service option for residential customers.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

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STF 1.9 In regards to Section 3.5.2 of the proposed tariff, in the table of Miscellaneous Charges, the first column of Current Add/Change Fees appears to Staff to include charges that are in addition to Service Charges listed separately in other sections of the proposed tariff. For example, there is a \$10.80 Add/Change Fee for 800 Numbers while there is an Order Charge listed in Section 3.4.10 for what appears to be the same activity. Please clarify if Staff's perception is correct. If it is, please present justification for this additional fee.

RESPONSE: TAS will revise its tariff to clarify that it will charge \$10.80 for adds, changes and deletions and will eliminate the Order Charge in Section 3.4.10. The Move charge in Section 3.4.11 will be revised to \$35.95. See Attachment D.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.10 In regards to Section 3.5.3.A of the proposed tariff (as an example of several instances of this language), please explain how collecting an Installation Fee of \$39.95 from a customer who fails a credit check prior to providing service is not the same as collecting a deposit. Please also clarify if this \$39.95 Installation Fee will be collected in addition to the \$80.00 Line Installation Service Charge listed in Section 3.4.11.

RESPONSE: The Installation fee will be charged to all new customers. TAS requires the fee to be paid up front by customers that fail a credit check. Customers that pass the credit check will receive the installation fee included in their first invoice. Unlike a deposit the installation fee is non-refundable. The \$39.95 installation fee applies to the service packages listed in sections 3.5.3.A, 3.5.3.B, and 3.5.3.C, and will apply in lieu of the new line installation rate found in Sect 3.4.11. The \$80.00 Line Installation Service Charge will apply to any services purchased outside of the bundles included in section 3.5.3. If a customer is assessed a \$39.95 installation fee they will not receive an additional \$80.00 Line Installation Service Charge. TAS will revise its tariff to indicate that the \$80.00 installation fee is associated with an unbundled service.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

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STF 1.11 Please add a standalone Local Exchange service offering to the proposed tariff that gives the customer the option of PIC'ing to a long distance carrier of choice.

RESPONSE: Customers have the option of PIC'ing to a long distance carrier of choice under each of TAS' service offerings. The Value Phone Plan does not include long distance usage in the monthly recurring rate; accordingly, a customer who wished to PIC to an alternative long distance carrier might opt for this service plan.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.12 Please provide an example of the Publication of Legal Notice TAS is required to publish for this application. (Application Question (A-16)).

RESPONSE: Please see Attachment A.

RESPONSIBLE: Cesar Caballero – Sr. Regulatory Counsel
4001 N. Rodney Parham Rd, Little Rock, AR 72212

STF 1.13 In reference to (A-18) of TAS' application, please provide an updated list of the jurisdictions in which TAS has been given the authority to provide intrastate telecommunications service and those jurisdictions in which TAS has had an application denied to offer telecommunications services. If there are any states where the latter occurred, please explain the reason for the denial, per state.

RESPONSE: TAS has received authority to provide intrastate telecommunications services in the following states: Alabama, Arkansas, Iowa, North Carolina, Vermont, Washington, and Wisconsin. To date, no TAS application has been denied.

RESPONSIBLE: Cesar Caballero – Sr. Regulatory Counsel
4001 N. Rodney Parham Rd, Little Rock, AR 72212

STF 1.14 The Key Personnel provided with TAS' application are indicated as officers with Communications Sales & Leasing. Please provide the position they will hold with Talk America Services or provide the actual key personnel for TAS.

RESPONSE: Communications Sales & Leasing will ultimately be the parent company of Talk America Services. Therefore the officers identified for Communications Sales and Leasing will hold the same positions in regards to Talk America Services, LLC.

RESPONSIBLE: Cesar Caballero – Sr. Regulatory Counsel
4001 N. Rodney Parham Rd, Little Rock, AR 72212

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STF 1.15 Please provide an organizational chart of TAS. The chart should include and not be limited to the inclusion of all owners, corporate officers and key employees.

RESPONSE: Please see Attachment B. The employees of TAS include the officers identified in the petition and referenced in response to Question STF 1.14, and James Severance – Director Consumer Service.

RESPONSIBLE: Cesar Caballero – Sr. Regulatory Counsel
4001 N. Rodney Parham Rd, Little Rock, AR 72212

STF 1.16 Please provide the location of the company's customer service center, the hours of availability for the customer support provided by TAS and the toll free customer support number for its customers.

RESPONSE: The customer support center is located in Richmond, VA. The toll free number is 855-546-5000. Calls are accepted Monday-Friday from 8:00 am – 8:00 pm EST and on Saturday from 8:00 am – 5:00 pm. As the residential customer base increases in the western states TAS will revise its service hours to remain open longer.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.17 Please describe how the company will handle customer complaints.

RESPONSE: TAS will customer complaints through the toll free customer service number, also any written complaints that are received will be addressed promptly. TAS will provide resolutions to all customer complaints within a reasonable timeframe but will not take more than 14 business days to acknowledge complaints received.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.18 Please describe how the company will handle customer requests for maintenance and repair.

RESPONSE: TAS is entering into a Master Wholesale Agreement with Windstream's CLEC companies. The Master Wholesale Agreement will incorporate all maintenance and repair requests to be handled by the Windstream CLEC companies on behalf of TAS. Customers will report all repair needs to TAS directly and TAS will work with Windstream to schedule repairs.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

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STF 1.19 Please indicate why TAS believes that its rates are just and reasonable using a competitive market analysis. The analysis should contain publicly available examples of tariff rates and charges charged by other carriers for similar services. Include supporting material and any other information that TAS believes demonstrates that the proposed tariff rates and charges are just and reasonable.

To support your answer, please use a matrix format to list the Company's proposed services, rates, and charges (see provided Excel file). Based on TAS' proposed tariff, list all of the telecommunications services the company will provide in Arizona. For each of the telecommunications services listed, provide the tariff page numbers that support each of the TAS' services, rates, and charges. Also, provide the same information requested of TAS for CenturyLink and two other Arizona local exchange competitors using the same matrix format. List each competitor's services, rates, and charges for the same or comparable services and include copies of the tariff page of each service, rate and charge of each competitor. For a list of telecommunications carriers certified in Arizona, go to www.azcc.gov/divisions/utilities/utilitylist.asp. For a list of Commission-approved telecommunications rates and tariffs, go to www.azcc.gov/Divisions/Utilities/Tariff.

RESPONSE: See Attachment C. As a competitive service provider, the Company's ability to set prices at levels that will be attractive to consumers is dictated by the market; therefore, if its prices exceed those of other competitors for comparable levels of service, consumers will not purchase service from the Company.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

STF 1.20 How will TAS market its service in the Arizona market? Please provide any marketing material TAS will be using.

RESPONSE: TAS has not fully developed its marketing plan and materials. Marketing will however, occur through TAS' website, referrals from existing customers and a direct marketing campaign will be launched once TAS is certified to provide service.

RESPONSIBLE: James Severance, Director – Consumer Service
2134 W. Laburnum Ave., Richmond, VA 23227

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STF 1.21 Please confirm that the transfer of customers to TAS as mentioned in the response to question (A-20) in the application will be the subject of a future filing with the Commission and will not occur until such a filing is approved by the Commission.

RESPONSE: Applicant will file a request for a waiver of A.A.C. R14-2-1904 as early as possible and recognizes the transfer cannot occur until the Applicant is certified.

RESPONSIBLE: Cesar Caballero – Sr. Regulatory Counsel
4001 N. Rodney Parham Rd, Little Rock, AR 72212

**NOTICE OF APPLICATION FOR A
CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE
RESOLD LONG DISTANCE AND RESOLD LOCAL EXCHANGE
TELECOMMUNICATION SERVICES BY TALK AMERICA SERVICES, LLC
(DOCKET NO. T-20918A-14-0342)**

Time Talk America Services, LLC ("Applicant") has filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide competitive resold long distance telecommunications services and competitive resold local exchange telecommunication services in the State of Arizona. Applicant will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission.

The applications, report of the Commission's Utilities Division Staff, and any written exceptions to the Staff report prepared by the applicant are available for inspection during regular business hours at the offices of the Commission located at 1200 West Washington Street, Phoenix, Arizona 85007, and at the office of counsel for the Applicant, 1650 N. 1st Avenue, Phoenix, Arizona, 85003.

Under appropriate circumstances, interested parties may intervene in the proceedings, and participate as a party. Intervention shall be in accordance with the A.A.C. R14-3-105, except that all motions to intervene must be filed on or within twenty (20) days of the date of this notice. You may have the right to intervene in the proceedings, or you may make a statement for the record. If you have any comments, mail them to:

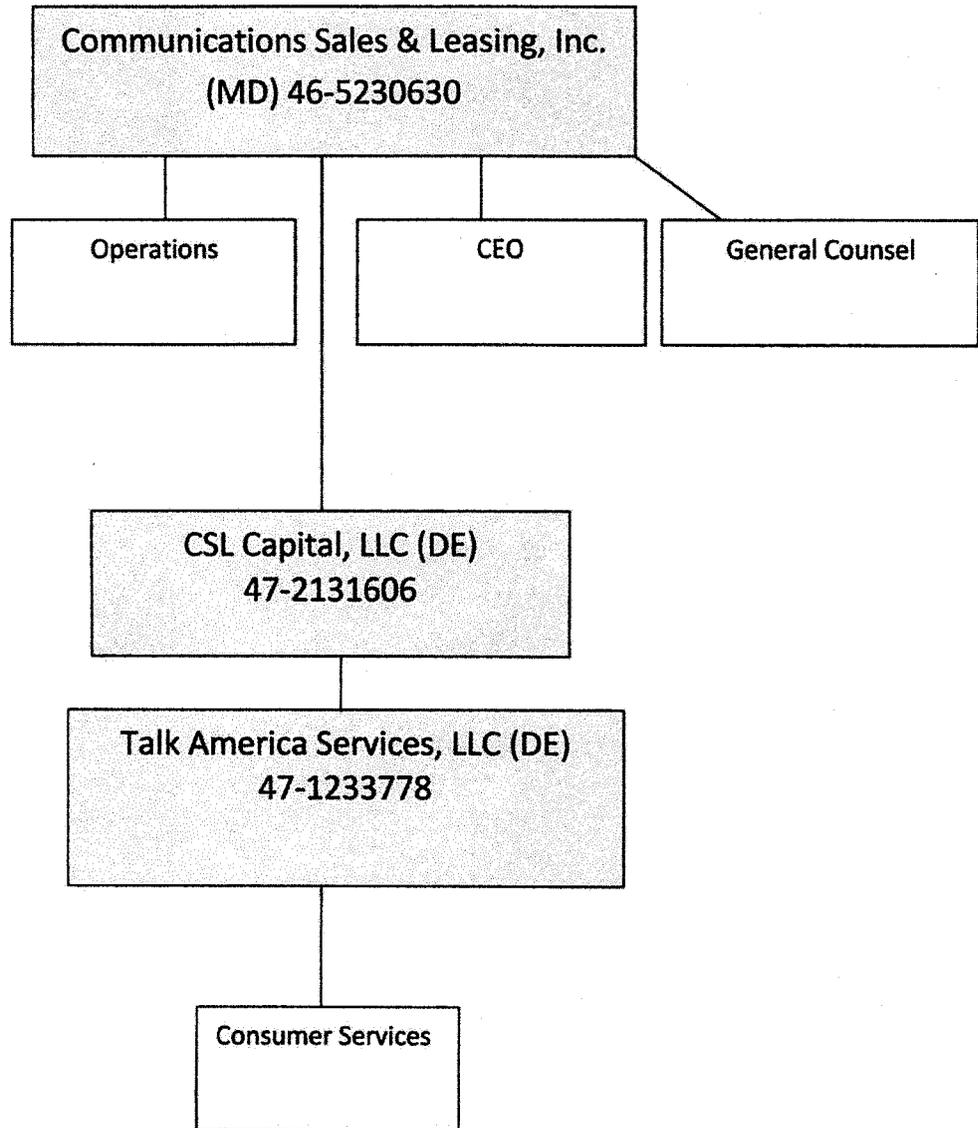
The Arizona Corporation Commission
Attention Docket Control
RE: Talk America Services, LLC
Docket No. T-20918A-14-0342
1200 West Washington Street
Phoenix, Arizona 85007

All Comments should be received within twenty (20) days of the date of this notice.

If you have any questions about this application or have any objections to its approval, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, AZ 85007, or call (602) 542-4251 or (800) 222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request reasonable accommodations such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin Bernal, ADA Coordinator, phone number (602) 542-3931, or Email at SBernal@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodations.

TALK AMERICA SERVICES, LLC – ORGANIZATIONAL CHART



**ATTACHMENT C
BY COMPETITOR**

Product/Service	Applicant's Arizona Tariff Talk America Services, LLC			Competitor #1 Arizona Tariff Qwest d/b/a CenturyLink QC			Competitor #2 Arizona Tariff SpectraTel, Inc.			Competitor #2 Arizona Tariff Matrix Telecom d/b/a Excel Telecommunications			
	Charges & Rates (\$)	Section Number	Page Number	Charges & Rates (\$)	Section Number	Page Number	Charges & Rates (\$)	Section Number	Page Number	Charges & Rates (\$)	Section Number	Page Number	
Residence Rate Comparison of Telecommunications Services provided by Competitor's in Arizona	Basic Local Service	\$30.00/\$19.95 + \$6.00 EUCI/3.5.3.A	51	\$16.47/\$14.49 + \$8.10 EUCI/5.2.4	5-15	5-3	\$28.00/\$13.18	02	\$40.00 + \$.18 for TouchTone	02	4.2.1	64	
	Service Connect Fee	\$50.00/\$39.95	51	\$55/\$27.50	5-15		N/A		N/A				
	Line Installation	3.5.3.A		5.2.4									
	Dispatch Call & Trouble Isolated on cust. equip.	\$100/\$60	3.4.11	See above	5.2.4	4.1	\$55/\$27.50	51	N/A		4.1	63	
	Move Line	\$150/\$85/hour	3.4.B		13.2.D.4	4.3	\$140/\$85	51	N/A				
	Add/Change/Delete	\$20/\$10.80	3.5.2				see invoice add/change		\$52.00		4.1	63	
	Restoration of Service	\$50/\$35	3.4.3	\$10	5.2.A.4.B	5-10	\$20/\$10	51	\$5.00 - \$25.00		4.1	63	
	Directory Assistance	\$4.00/\$1.99/call	3.2.6	\$25	2.2.B.B.2	2-18	\$22/\$16	51	\$20.00		4.1	63	
	Unlimited DA	\$15/\$12.95	3.5.1	\$1.99/\$1.85/call	6.2.4	6-17	1.15 - 2.48		\$0.75		4.5.1	68	
				N/A			N/A		N/A				
Features (All Cards)	Distinctive Ring	\$10/\$4.95	3.5.1	\$2.25/\$.75	5.4.3	5-104	\$10.00/\$4.80	65	\$3.95		4.3	66	
	Caller ID	\$7.00/\$5.75	3.5.3.A	\$15.00/\$9.00	5.4.3	5-103	\$18.00/\$9.00	65	\$3.95		4.3	66	
	Call Waiting	\$5.00/\$3.25	3.5.3.A	\$7.50/\$5.80	5.4.3	5-102	\$10.00/\$4.80	65	\$3.95		4.3	66	
	Anonymous Call Rejection	\$4.00/\$2.95	3.5.3.A	\$12.00/\$5.50	5.4.3	5-102	\$11.00/\$5.50	65	\$3.95		4.3	66	
	Call Blocking	\$5.50/\$3.75	3.5.3.A	\$8.10/\$2.70 (security screen)	5.4.3	5-104	\$11.00/\$5.50	65	\$3.95		4.3	66	
	Call Forwarding	\$5.00/\$3.25	3.5.3.A	\$9.00/\$3.30	5.4.3	5-102	\$13.00/\$6.65	65	\$3.95		4.3	66	
	Remote Call Forward	\$6.50/\$5.00	3.5.3.A	\$10.35/\$6.00	5.4.3	5-104	\$12.00/\$6.00	65	N/A				
Miscellaneous Services & Rates	Returned Check Charge (NSF)	\$25.00	3.4.4	\$12.50/\$10.00	2.3.2	2-30	\$35/\$25	32	\$15.00		2.3.9	32	
	Bill copies	\$5.00	3.4.7	\$5.00	2.3.2	Call. 2-2	N/A		N/A				
	Payphone Surcharge	\$0.70	3.4.9	Not found.			\$8.60/\$0.60	55	N/A				
Listings	Directory Listing Service - Primary Listing	0	3.3	0			0		0		4.4	67	
	Directory Listing Service - Non-Published	\$10.00/\$5.95	3.3.1	\$1.12/\$.99	5.7.1	5-146	\$3.80/\$1.90	64	\$1.10		4.4	67	
	Directory Listing Service - Non-Listed	\$10.00/\$5.95	3.3.2	\$69/\$6.60	5.7.1	5-146	\$3.00/\$1.50	64	\$1.10		4.4	67	
	Long Distance												
Long Distance	Toll Free	\$3.15/\$10/minute	3.5.2	N/A			\$30/15/min + \$30/\$10/month	78	\$19/min (My 800)		5.8	100	
	Travel Calling Card	\$35/\$25/min + \$2.00/\$1.25/c2.5.2	3.5.2	\$1.39/\$.69/min (option 1)	3.3.1	Call No. 1 p. 3-6	\$24/12/min + \$3.98/1.98/call	79	\$30/min + \$40/call		5.11	108	
	Direct Dialed Station-to-Station (include all relevant billing elements used to make the comparison)**	\$1.25/\$.09/min	3.5.2	\$75/\$25/min	6.2.1	6-10	\$30/0.15/min	77	\$195/min (Premier Dial One)		5.3.1	98	

*Value Phone

**Direct dial rate for value phone plan

NOTE: Where 2 rates are shown (e.g., \$30/\$19.95), the first rate is that tariffed maximum rate and the second is the current rate. If only one rate is shown, it reflects the current rate.