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October 7, 2014

Via Electronic Filing and Overnight Delivery

Oregon Public Utility Commission
Attn: Filing Center, Kathy Shepherd
550 Capitol Street, N.E.
Suite 215
Salem, OR 97301-2551

Re: Talk America Services, LLC Application for Certificate of Authority to Provide Telecommunications Service in Oregon

Dear Ms. Shepherd:

On behalf of Talk America Services, LLC (“Talk America”) we hereby file the enclosed original and one (1) copy of Talk America’s Application for Certificate of Authority to Provide Telecommunications Service in Oregon. The Application and associated attachments have been filed electronically.

Please date-stamp the extra copy of this filing and return it in the envelope provided. Should you have any questions, please do not hesitate to contact us.

Respectfully Submitted,



Russell M. Blau
Jeffrey R. Strenkowski

Counsel to Talk America Services, LLC

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**APPLICATION FOR CERTIFICATE OF AUTHORITY
TO PROVIDE TELECOMMUNICATIONS SERVICE IN OREGON**

INSTRUCTIONS: Complete every applicable section of this application. Attach additional documents and/or sheets to complete responses (if needed). You will be notified when the Commission receives your application, and again when it has been processed. Upon acceptance of this application, the Commission will publish notice pursuant to ORS 759.020(2). After submitting this application electronically, mail one copy with original signature and all attachments.

Classification for which application is made. Check one.

- Competitive Telecommunications Provider (local, long-distance, shared telecommunications service).
 Telecommunications Utility

1. Exact Legal Name of Applicant:

Talk America Services, LLC

Applicant's Assumed Business Name(s) (if any) (e.g., dba, aka)
Must be registered with the Corporation Division.

Applicant's Type of Legal Entity (e.g., corporation, limited partnership)

Delaware limited liability corporation

Business Address

**4001 N. Rodney Parham Road
Little Rock AR 72212**

Phone **501-748-4491**

Fax **330-425-0881**

Email **jeffery.w.small@windstream.com**

2. Name and Address of Person to be Contacted for Further Information Regarding This Application:

**Russell M. Blau and Jeffrey R. Strenkowski
2020 K Street, NW
10th Floor
Washington DC 20006**

Phone **202-373-6000**

Fax **202-373-6001**

Email **jeffrey.strenkowski@bingham.com**

3. Name and Address of Person to be Contacted for Regulatory Information. (Commission will send requests for information to this person):

**Jeffery W. Small, Sr. V.P. - Corp. Dev. and Operations
4001 N. Rodney Parham Road
Corporate Development and Operations
Little Rock AR 72212**

Phone **501-748-5870**

Fax **330-425-0881**

Email **jeffery.w.small@windstream.com**

4. Affiliated Interests:

Are you now or have you ever been affiliated with any provider of telecommunications service that serves Oregon? If so, who? When? Describe affiliation. Affiliated interest is defined in OAR 860-032-0001.

Yes. See Exhibit 1 and Exhibit 2 (Organization Charts).

5. Previous Certificates of Authority:

List each certificate of authority previously granted by the Oregon PUC to Applicant and to each affiliated entity, under a legal name, an assumed business name, or any other name. Include all certificates whether or not canceled. For each certificate include: name of entity, docket number, and order number.

	Name of Entity	Docket Number	Order Number
a.	Windstream Communications, Inc.	CP 1310	06-040
b.	Windstream NuVox, Inc.	CP 1496	10-487
c.	McLeodUSA Telecommunications Services, LLC	CP 719	09-230
d.	Norlight, Inc. (Continued on Exhibit 1)	CP 1385	07-473

AUTHORITY REQUESTED

6. Does applicant request authority to provide the following services?

- a. Shared telecommunications service (STS). STS includes resale of long-distance service to the STS provider's user group, but not to customers outside the user group. If yes, applicant must complete items 10 and 11. Yes No
- b. Local exchange (intraexchange) switched service (i.e., local dial tone). If yes, applicant must complete item 10. Yes No
- c. Local exchange (intraexchange) nonswitched, private line service (i.e., dedicated transmission service). Yes No
- d. Interexchange, switched service (i.e., long-distance toll). If yes, applicant must complete item 10. Yes No
- e. Interexchange, nonswitched, private line service (i.e., dedicated transmission service). Yes No

7. How Services Will Initially Be Provided

The following is required for public notice and information purposes and does not request authority.

- a. Will Applicant resell finished services of other Oregon certified carriers? (Resell means resale of finished services, not unbundled network elements.) Yes No
- b. Will applicant construct lines, loops, wires, fiber, or other transport facilities? Yes No
- c. Will Applicant have its own switching equipment? Yes No
- d. Will Applicant purchase (lease) unbundled network elements from other Oregon certified carriers? Yes No
- e. Will Applicant purchase or lease network components which are not unbundled network elements? Yes No

8. Areas for which Applicant seeks authority:

a. Intraexchange Authority:

Alternative I: List every local exchange in which Applicant seeks to provide local exchange (intraexchange) service.

Alternative II: List every incumbent local exchange carrier in whose exchanges Applicant seeks authority to provide local exchange (intraexchange) service.

Alternative III: If Applicant seeks authority to provide local exchange (intraexchange) service within every telephone exchange in Oregon, then specify "Statewide."

Alternative III: Statewide

b. Interexchange Authority:

Alternative I: List every local exchange in which Applicant seeks to provide interexchange service.

Alternative II: List every incumbent local exchange carrier in whose exchanges Applicant seeks authority to provide interexchange service.

Alternative III: If Applicant seeks authority to provide interexchange service in every telephone exchange in Oregon, then specify "Statewide."

Alternative III: Statewide

9. Describe special characteristics, limitations, or restrictions that will be part of Applicant's services:

Not Applicable.

10. Operator Services:

a. Operator service includes, but is not limited to, billing or completion of third-party billing calls, person-to-person calls, collect calls, and credit card calls. See OAR 860-032-0001.

Will Applicant directly offer operator services? Yes No

b. ORS 759.690(1)(d) defines "operator service provider" as a person who furnishes operator service under contract with a call aggregator. ORS 759.690(1)(a) defines a call aggregator as a person who furnishes a telephone for use by the public, i.e., transient use.

Will Applicant be an "operator service provider" as defined in ORS 759.690(1)(d)? Yes No

11. Shared Telecommunications Service:

Shared Telecommunications Service (STS) service is defined in OAR 860-032-0001. STS includes resale of long-distance service to the STS provider's user group, but not to customers outside the user group.

a. Provide the address of the building where shared service will be provided through privately owned customer premises equipment. If Applicant intends to serve a user group located in two or more buildings, include an electronic copy of a map clearly showing the locations to be served by the Applicant. The information on the map must be precise and legible and include street names and the city where the building(s) is(are) located.

Not Applicable.

b. An STS site or location consists of one building, or it consists of a complex of buildings or a campus on contiguous property. An STS provider may interconnect separate sites in order to aggregate toll traffic. An STS provider may not interconnect separate sites in order to provide local exchange service between those sites.

If serving buildings at separate sites, will applicant interconnect the buildings in order to aggregate toll traffic? Yes No

c. Describe the user group or association at the STS location.

Not Applicable.

NOTE: Applicant must apply to PUC for another certificate of authority in order to add subsequent STS sites.

Conditions of a certificate of authority:

As a condition of a certificate of authority, applicant must comply with all applicable Commission rules and state law, as well as conditions listed in the certificate.

For your convenience, following is a summary of some conditions from OAR 860-032-0001 et seq. (Division 32). Additional conditions may be specified in the certificate.

- a. Certificate holder shall provide only telecommunications services authorized by the certificate.
- b. Certificate holder shall, at a minimum, meet the standard level of service specified in OAR 860-032-0012. The standard level of service is 99 percent probability that a call will not be blocked during the certificate holder's busy hour of the day.
- c. Certificate holder's books and records shall be open to inspection by the Commission to the extent necessary to verify information required by the Commission's rules.
- d. Certificate holder shall maintain its books and records according to generally accepted accounting principles and the applicable rules of the Commission.
- e. Certificate holder shall pay all access charges and subsidies imposed pursuant to the Commission's rules.
- f. Certificate holder shall pay an annual fee to the Commission pursuant to the Commission's rules. This fee will be based on the certificate holder's annual gross retail intrastate revenues and will be no less than \$100 per calendar year. The certificate holder shall collect the fee by charging an equitable amount to each retail customer and describe the amount of the apportioned charge on each retail customer's bill, pursuant to the Commission's rules.
- g. The certificate holder shall pay a quarterly amount to the Oregon Universal Service Fund based on a Commission-approved surcharge percentage assessed on all retail telecommunications services sold in Oregon pursuant to ORS 759.425(4).
- h. Certificate holder shall respond in a timely manner to Commission inquiries.

Pursuant to Residential Service Protection statutes, Chapter 290, Oregon Laws 1987, and Division 22, certificate holder shall be responsible to ensure that the Residential Service Protection Fund surcharge is remitted to the Commission. This surcharge is assessed against each paying retail subscriber at a rate that is set annually by the Commission.

Applicant understands that all services provided by Applicant must comply with all applicable Commission rules and state law, and with conditions of the certificate (check box at left).

<i>Signature of Person Authorized to Represent Applicant</i>	Title Legal Counsel
_____ Typewritten Name Jeffrey R. Strenkowski	Date 10/07/2014

EXHIBIT 1 - AFFILIATES OF TALK AMERICA SERVICES, LLC

I. Continuation sheet for Question 4. Describe Affiliation.

As show in the organization charts provided as **Exhibit 2**, Talk America Services, LLC (“TAS”) is a wholly-owned subsidiary of Communications Sales and Leasing, Inc. which is in turn owned by Windstream Corporation and its parent Windstream Holdings, Inc. (“Windstream”). Windstream Corporation has an ownership interest in Windstream’s operating affiliates in the state of Oregon. Thus, as defined in OAR 860-032-0001, TAS is affiliated with Windstream’s operating affiliates in Oregon including the following entities: McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., Windstream Communications, Inc., Norlight, Inc. and Windstream NuVox, Inc. (collectively, the “Windstream Companies”).

II. Continuation sheet for Question 5. List each certificate of authority.

In Oregon, Windstream’s regulated subsidiaries hold the following authorizations (in addition to those entities already listed in Question 5 on the Application):

- e. PAETEC Communications, Inc., Docket No. CP-540, Order No. 04-486.
- f. Talk America, Inc., Docket No. CP-328, Order No. 01-145.

III. Description of Transactions (Also additional Description of Affiliates)

This Application is being filed in connection with a transaction involving Windstream Holdings, Inc. (“Windstream” as defined in I above). Windstream, and certain of its indirect subsidiaries (the “Windstream Companies” as defined above), are planning to undertake a corporate transaction (the “Transaction”) under which the business will be divided into two independent units: an operating unit that will continue to provide telecommunications and related services, and a real estate investment trust that will hold title to certain distribution plant assets (the “Subject Assets”) and lease those assets exclusively to the Windstream Companies on a long term basis. The Subject Assets of the Windstream Companies, including copper, fiber, real estate and other network assets, will be transferred to Communications Sales and Leasing, Inc. (“CSL”), a newly established Maryland corporation, and CSL will lease them back to Windstream on a long term basis for the exclusive use and benefit of the Windstream Companies. Under the terms of the exclusive lease from CSL, the Windstream Companies will continue to be responsible for the operation and maintenance of the Subject Assets and also continue to have responsibility for meeting all relevant quality of service standards and all other regulatory obligations, just as they do today. Separately, the Windstream Companies intend to transfer all of their residential local exchange and long distance customers to Applicant, TAS.

The Transaction is not being undertaken as a means of market entry as the entity that will be obtaining the Subject Assets will not be providing telecommunications services, but will rather be leasing those assets to the Windstream Companies in order for them to continue providing such services. Further, the transfer of customers to TAS will be undertaken only after TAS has obtained proper authority from the Commission in order to provide resold local exchange and interexchange telecommunications services to residential customers currently subscribed to the Windstream Companies in Oregon.

At the consummation of the Transaction, CSL will be spun-off from Windstream as its own separate publicly-traded company. When the Transaction is consummated, CSL will be owned by the same shareholders that own Windstream, and as such, the transfer of control of

TAS that takes place at that time will be *pro-forma* as the ultimate owners of TAS will be the same before and after the spin-off. TAS requests that the authority requested herein granted by the Commission take into account, to the extent necessary, the ultimate ownership of TAS at the time that the Transaction is consummated: as a subsidiary of CSL, which in turn will be a publicly traded company.

The granting of this Application will promote the public interest by allowing the previously described Transaction to be completed, thereby permitting the residential customers of the Windstream Companies to continue to receive their telecommunications services without interruption. Further, TAS's operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise. The entry of Applicant into the Oregon telecommunications market will enhance competition in the provision of telecommunications services within the State of Oregon. By enhancing competition, Applicant will bring significant benefits to telecommunications users within the State of Oregon by providing: (a) lower-priced and better-quality service; (b) innovative telecommunications services; (c) efficient use of existing communications resources; and (d) increased diversification in the supply of communications services. Applicant's proposed intrastate services are designed to meet the telephone needs of subscribers and permit subscribers to realize cost savings in communications services. Accordingly, Applicant anticipates that its proposed service will provide its subscribers with better quality services and will increase consumer choice through innovative, diversified, and reliable service and equipment offerings.

Applicant respectfully submits that grant of this Application will thereby serve the public interest by providing end users with a broader choice of competitively priced telecommunications services than currently exists.

TAS will promptly provide any other information requested by the Commission.

EXHIBIT 2 - ORGANIZATION CHARTS

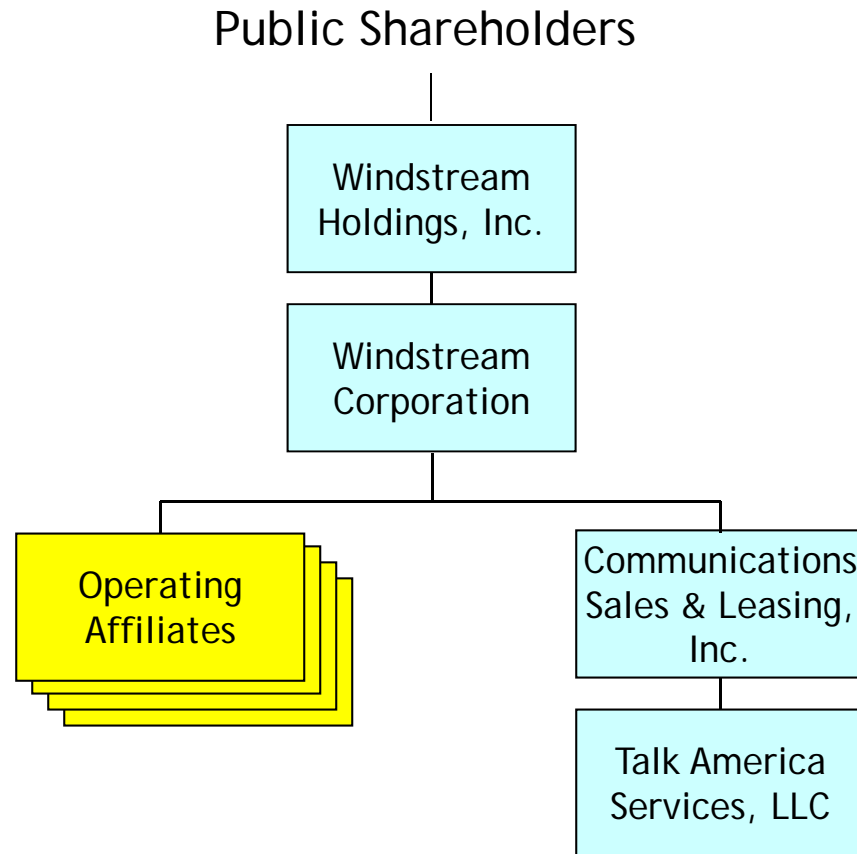


windstream 

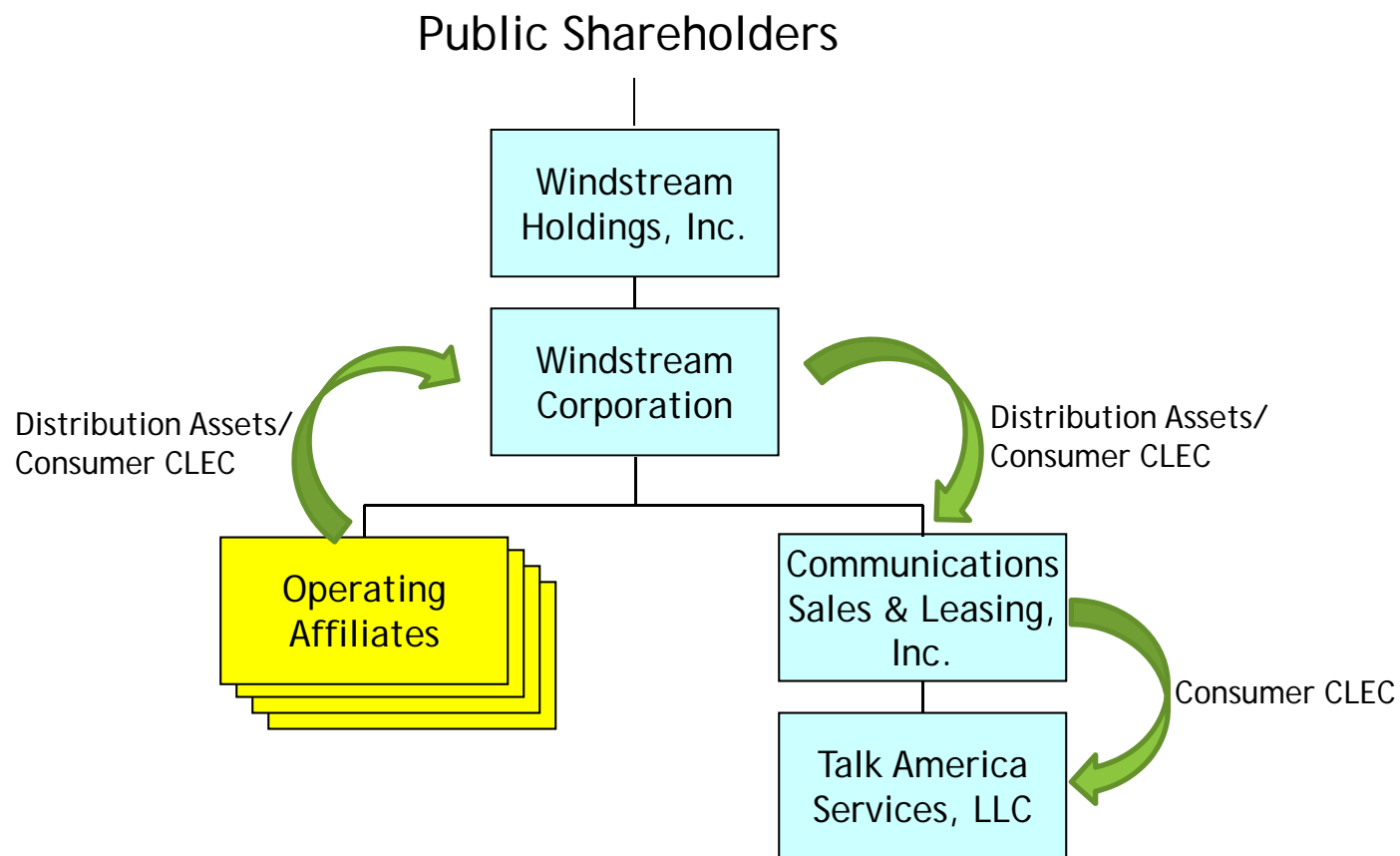


Windstream Holdings, Inc. Spin/REIT

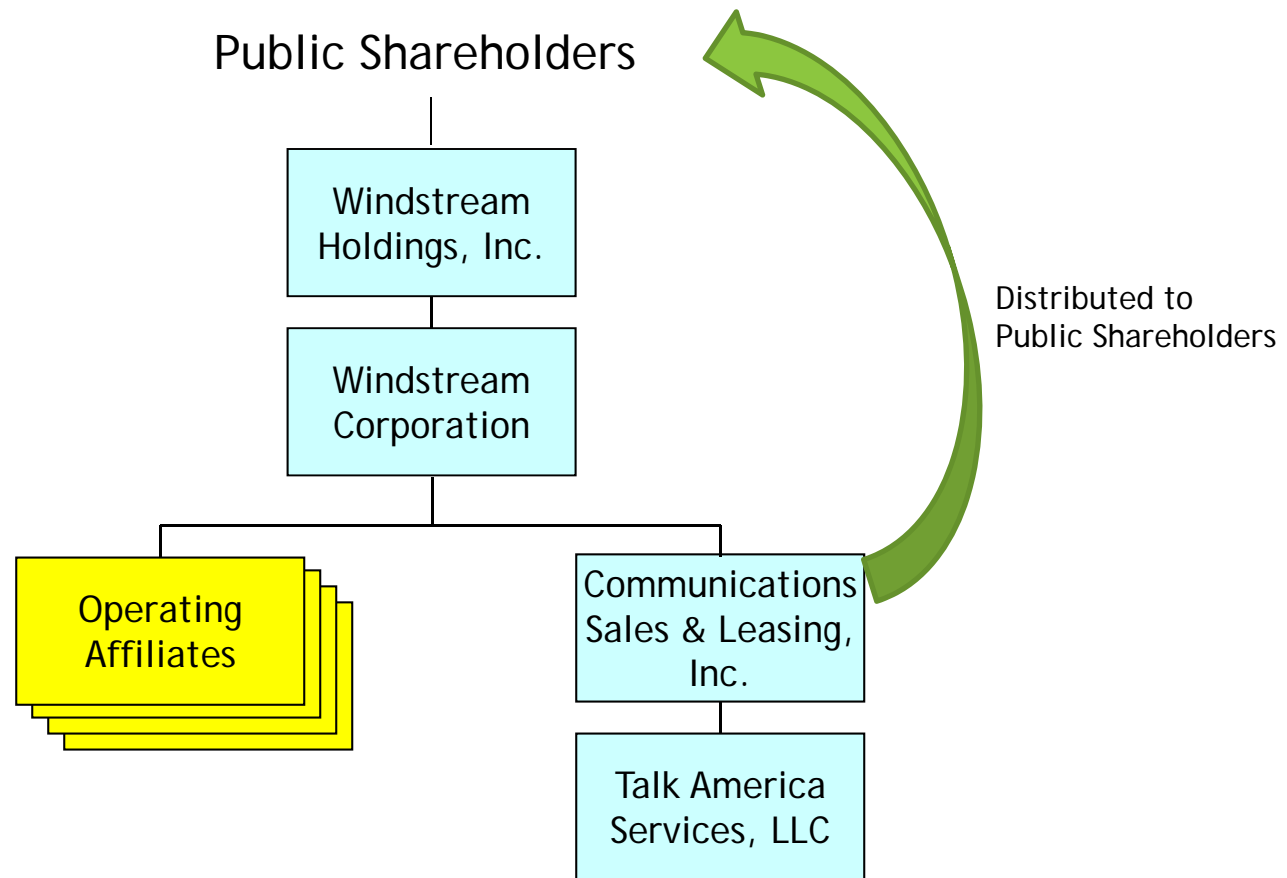
Windstream Holdings, Inc. Pre-Transaction



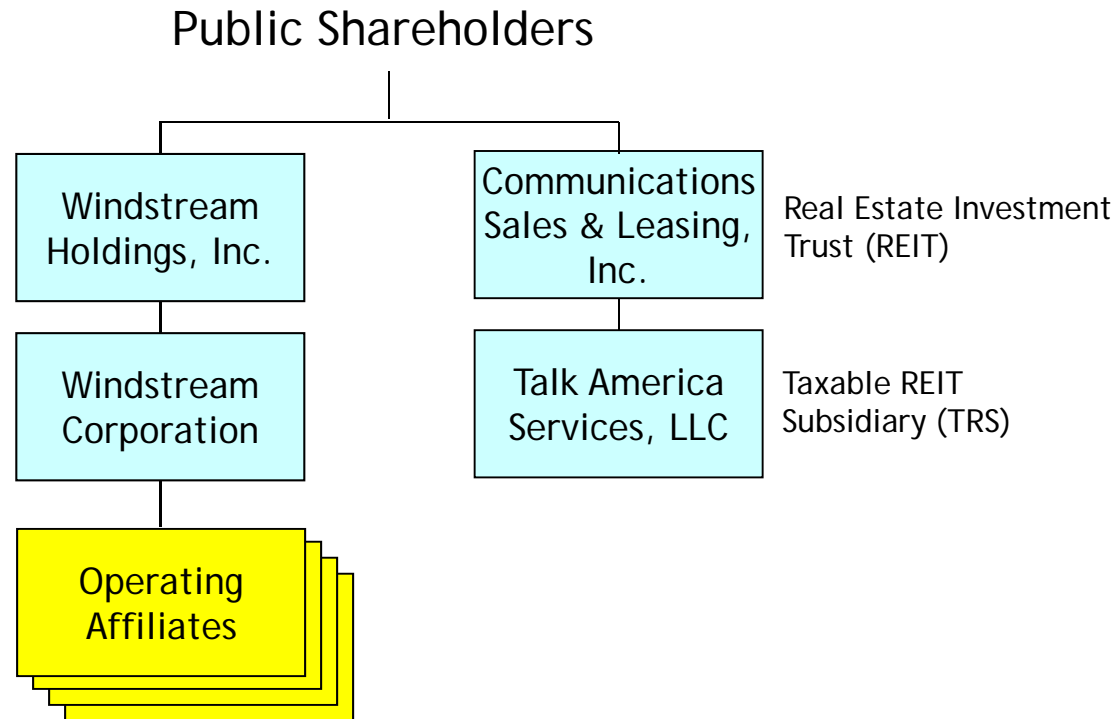
Windstream Holdings, Inc. Transaction Steps



Windstream Holdings, Inc. Transaction Steps



Windstream Holdings, Inc. Post-Transaction




STATE OF ARKANSAS
COUNTY OF PULASKI

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VERIFICATION

I, Jeffery W. Small, state that I am the Senior Vice President Corporate Development and Operations of Talk America Services, LLC, that I am authorized to make this Verification on behalf of Talk America Services, LLC that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Jeffery W. Small
Senior Vice President-
Corporate Development and Operations
Talk America Services, LLC

Sworn and subscribed before me this 7 day of October, 2014.



Notary Public

My commission expires

