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June 8, 2006

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way, Ste. 7
Lansing, MI 48911

Re: In the matter, on the Commission's own motion, to implement the provisions of
Section 301a of 2005 PA 235
MPSC Case No. U-14899

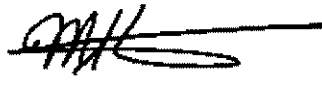
Dear Ms. Kunkle:

Enclosed for filing is Talk America Inc. and LDMI Telecommunications, Inc.'s Response
to May 25, 2006 Order. Confidential Exhibits B - F are being filed under seal by hand-delivery.

If you have any questions, please contact my office.

Very truly yours,

FRASER TREBILCOCK DAVIS & DUNLAP, P.C.

 Mike
Ashton

Michael S. Ashton

MSA/dkl

Enclosure

Digitally signed by Mike
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STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * *

In the matter, on the Commission's own motion,	)	
to implement the provisions of Section 301a of	)	Case No. U-14899
2005 PA 235.	)	
_____	)	

**TALK AMERICA INC. AND LDMI TELECOMMUNICATIONS, INC.'S
RESPONSE TO MAY 25, 2006 ORDER**

Talk America Inc. ("Talk America") and its wholly owned subsidiary LDMI Telecommunications, Inc. ("LDMI") hereby files this docket as evidence of Talk America's and LDMI's (collectively, the "Talk America Companies") compliance with the Michigan Public Service Commission's (the "Commission") December 20, 2005 Order (the "Primary Basic Local Exchange Service Order" or "PBLES Order"), in response to the Commission's May 25, 2006 Order, as follows:

1. The Talk America Companies established the PBLES plan during 2005 in anticipation of passage of Act 235. Since Act 235 passed and became law, the Talk America Companies have discussed the PBLES requirements with Commission staff and have adequately prepared for customers' subscription to the PBLES plan.
2. Attached as Exhibit A is Talk America's tariff filing made in compliance with the PBLES Order. Talk America filed this tariff as a revision to its initial PBLES plan tariff filed in 2005.
3. LDMI offers only local business services and refers all residential local service inquiries to Talk America through a call transfer.

4. Attached as Exhibit B¹ is Talk America's inbound telemarketing script, which offers PBLES service to customers who request such service. Talk America does not actively market such service, nor does it advertise such service. However, any residential customer who requests "PBLES service," "Primary Basic Line," "the line the legislature authorized," or "Call Plan 100" will be transferred to Talk America's sales department and will be offered Talk America's PBLES service. The inquiring customer will then be lead through the sales script in a dynamic sales process designed to ensure that customers are informed of all material terms and conditions of the service, while enabling the customers to interrupt and ask questions tailored to such customer's individual interest. (The software that the sales department utilizes for this process is known as the "point of sale software.")

5. Attached as Exhibit C is Talk America's description of the PBLES plan. As with all plans available for sale by the Talk America Companies, the customer service department keeps the descriptions of the plans along with responses to frequently asked questions about the plans, commonly known as "faqs." In the case of the PBLES plan, these faqs were created by the customer service department in anticipation of questions customers might have about PBLES, rather than as a result of actual customer questions. The faqs are a good example of how the Talk America Companies have adequately prepared for PBLES customers in the absence of customer demand.

6. Attached as Exhibit D is Talk America's confirmation of completion of a programming change to create a PBLES-specific welcome kit. Prior to completion of the programming change, there were no PBLES customers served.

¹ Exhibits B through F constitute commercial information are exempt from public disclosure and have been filed separately under seal pursuant to MCL 484.2210.

7. Attached as Exhibit E is a sample of the Talk America PBLES-specific welcome kit that is available as a result of the programming change identified in response 4, above. Exhibit E represents a sample welcome kit only; the actual PBLES welcome kit that will be sent to a PBLES customer will include the appropriate price (\$28.95), which is automatically populated in it through a macro used by the welcome kit vendor. Talk America submits welcome kit requests to the vendor and the vendor prints those welcome kits and sends them directly to customers with the plan specific information included therein.

8. Attached as Exhibit F is Talk America's "Product Document" for the PBLES plan. Talk America's regulatory department distributed the Product Document in March 2006 to describe the PBLES plan for the Talk America Companies' management. Product Documents serve as a guide for the regulatory, customer service, marketing, sales, provisioning, billing, finance and legal departments with respect to each product. The Product Document is posted on Talk America's intranet where it is available for reference. To the extent any changes were subsequently made to a product, the Product Document would be changed and posted to Talk America's intranet. As such, the Product Document serves as a constant reminder to company management of the material terms and conditions of available products, such as the PBLES plan.

9. Talk America's regulatory department instructed Talk America's billing department to create a PBLES plan bill in accordance with the tariff filings identified in response 2, above.

10. Talk America's regulatory department instructed Talk America's sales department to create PBLES plan scripting for inbound sales calls and to make it available in the point of sale software as of April 1, 2006. The sales department completed such scripting and programmed the scripting into the point of sale software as of April 1, 2006. In addition, sales and customer service representatives were trained about the new PBLES plan prior to such implementation.

Finally, Talk America's regulatory department established the plan, contacted all parts of the Talk America companies required to implement the plan, and hosted a formal "kick-off" meeting on March 24, 2006 to finalize with sales, customer service, and billing the requirements and availability of the PBLES plan. At the kick-off meeting, LDMI customer service managers established the protocol to ensure all inquiring LDMI customers would be transferred to Talk America's sales department for the PBLES offer. In addition, Talk America's billing audit managers were instructed to look for the PBLES plan in subsequent billings to ensure that the new plan would bill correctly. Finally, sales managers reviewed the PBLES plan and sent it to the sales floor for training and instructed sales operations to ensure that appropriate welcome kits be printed for the PBLES plan

11. Talk America does not have records of any specific requests for the PBLES plan since the passage of Act 235.

12. As of May 1, 2006, the Talk America Companies did not have any PBLES customers. As of the date of this filing, Talk America has 1 PBLES customer. Talk America currently has one customer on the PBLES plan and that customer was solicited by Talk America in order to test its billing platform.

Talk America believes that the steps set forth above adequately demonstrate the Talk America Companies' implementation of the PBLES Plan. Talk America has adequately prepared for customer's subscription to the PBLES Plan; indeed, Talk America has undergone programming changes, created scripts and a welcome kit, changed its billing platform and solicited and provisioned a test customer. These steps were all taken in the absence of any customer demand for the product in order to comply with the Commission's rules and orders.

Respectfully submitted,

**TALK AMERICA INC. AND
LDMI TELECOMMUNICATIONS, INC.**

Mike Ashton

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MPSC CASE NO. U-14899

EXHIBIT A

**TO
TALK AMERICA INC. AND LDMI
TELECOMMUNICATIONS, INC.'S
RESPONSE TO MAY 25, 2006 ORDER**

SECTION 3 - SERVICE OFFERINGS, (CONT'D.)**3.7 Standard Residence Line, (Cont'd.)****3.7.2 Talk America Basic Service****A. General**

Talk America Basic Service is available to residential customers only for voice* telecommunications services. The monthly recurring charge set forth in Section 3.7.2.B includes the following services and features:

- Access to local dial tone
- Access to E911, operator and directory services
- 100 outgoing local calls per month
- Unlimited incoming local calls
- Access to interLATA and interLATA long distance services**, which are priced separately.
- Access to optional calling features**, which are priced separately

B. Rates and Charges**1. Nonrecurring charges**

Nonrecurring charges, as set forth in Section 3.7.1(D) apply.

2. Monthly Recurring Charge

Monthly Charge Per Line:	\$28.95	(D)
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3. Local Usage Charge

Per Local Call in excess of 100 Calls	\$0.05
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*Monthly local usage in excess of 12,000 minutes per month is assumed to be inconsistent with the use of this service for voice communications, and is subject to a \$.01 per minute surcharge.

**These services are not regulated by the Michigan Public Service Commission.

Issued: January 19, 2006

Effective:

April 1, 2006

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

MIL0602

Issued under the authority of the MPSC Order dated December 20, 2005 Case No. U-14731.

SECTION 3 - SERVICE OFFERINGS, (CONT'D.)**3.7 Standard Residence Line, (Cont'd.)****3.7.2 Talk America Basic Service (Cont'd.)****B. Rates and Charges (Cont'd.)****4. End-User Common Line (EUCL) Recovery Charge****(a) Interstate End-User Common Line (EUCL) Recovery Charge**

A monthly recurring charge applies to recovery of interstate End User Common Line charges billed to the Company by the incumbent LEC, pursuant to the Company's federal rate schedules.

(b) Intrastate End User Common Line Charge (EUCL)

In addition to the Interstate EUCL, a monthly recurring charges applies to recover intrastate End User Common Line Charges.

Intrastate End User Common Line Charge	<u>Per Month</u>
Per Line	\$3.28

(N)

(N)

Issued: November 10, 2005

Effective:

November 11, 2005

By:

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

MIL0512