



**STATE OF DELAWARE**  
**THE PUBLIC SERVICE COMMISSION**  
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November 24, 2014

**MEMORANDUM**

**TO:** The Chair and Members of the Commission

**FROM:** Kevin Neilson, Regulatory Policy Administrator

**SUBJECT:** IN THE MATTER OF THE APPLICATION OF TALK AMERICA SERVICES, LLC FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE AND LONG DISTANCE TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED SEPTEMBER 23, 2014; FILED NOVEMBER 20, 2014 ) - PSC DOCKET NO. 14-0417

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Talk America Services, LLC (“TAS” or the “Company”), has applied (“Application”) for a Certificate of Public Convenience and Necessity (“CPCN”) to provide competitive local exchange and long distance telecommunications services within the State of Delaware. The Delaware Public Service Commission staff (“Staff”) has reviewed the Application to determine its compliance with the Rules and Regulations promulgated in 26 *Del. Admin. C.* §4001.

TAS submitted a bond in the amount of \$10,000 issued by Westchester Fire Insurance Company on behalf of TAS in compliance with 26 *Del. Admin. C.* §4001-4.6.1. To demonstrate its financial capability, TAS also provided to Staff pro forma financial statements reflecting its expected financial status following an anticipated transfer of certain “subject assets” of various entities to Communications Sales and Leasing, Inc. (“CSL”), the Company’s direct parent and verification that, as the Company’s direct parent, CSL has committed to and will satisfy either directly or through reimbursement to the Company, all of the Company’s initial start-up costs.

To demonstrate its technical and operational capabilities, TAS provided Staff with background information of its principal officers and employees.

Pursuant to 26 *Del. Admin. C.* §4001-4.3, a copy of the Application was provided to the Division of the Public Advocate, and public notice of the Application was published in The News Journal and in the Delaware State News newspapers on November 13, 2014. Staff reports that it received no formal comments or objections to TAS' Application for a CPCN.

As part of its Application, TAS requested a waiver of the provisions of 26 *Del. C.* §208(b) so that it may maintain its books and records relating to its Delaware operations outside of the State of Delaware. In addition, TAS requested a waiver of the provisions of 26 *Del. Admin. C.* §4001-10.2 so that it may maintain its books consistent with General Accepted Accounting Principles. Staff believes that the waiver requests are reasonable and recommends that the Commission grant the requested waivers.

Based on Staff's review and analysis, TAS has shown that it has the financial, operational, and technical means to provide competitive local exchange and long distance telecommunications services in Delaware. Therefore, Staff recommends that the Commission grant Talk America Services, LLC a CPCN to provide competitive local exchange and long distance telecommunications services within the State of Delaware.