

DT 00-264

TALK.COM HOLDING CORPORATION

Petition for Approval of a Pro Forma Reincorporation

Order Approving Transfer of Control

O R D E R N O. 23,698

May 7, 2001

On November 20, 2000, Talk.com Holding Corporation, a New Hampshire Corporation, formerly known as Tel-Save, Inc. d/b/a The Phone Company of New Hope and Network Services of New Hope, (Talk.com the Company) filed a letter with the New Hampshire Public Utilities Commission (the Commission) requesting approval of the transfer of the Company's authority to provide local and long distance services. On January 11, 2001, Talk.com supplemented its original request with a letter indicating that the request is submitted pursuant to RSA 374:30 and that the public interest is served because the transfer will result in "operational efficiencies as a result of eliminating a superfluous corporation structure." The transaction would result in the Company changing its state of incorporation from New Hampshire to Pennsylvania.

On April 19, 2001, the Company filed an additional supplemental letter with the Commission stating that since its original filing, the name of Talk.com was changed to Talk America, Inc. in its domestic state of incorporation,

Pennsylvania. The Company now requests modification of its original request and seeks approval to transfer Talk.com local and long distance services provision authority in New Hampshire to Talk America, Inc. (Talk America). In its letter the Company states upon consummation of the transfer it will remove all fictitious names relating to the Talk.com. (i.e., The Phone Company of New Hope and Network Services of New Hope) as currently filed in New Hampshire.

The Commission originally authorized Talk.com as a Competitive Local Exchange Provider in New Hampshire on June 17, 1997, in Order No. 22,626. The Commission found that the Company demonstrated the financial, managerial and technical ability to provide intrastate telecommunications services in New Hampshire. The Company is also authorized to provide intrastate long distance services in New Hampshire pursuant to Authorization No. IXC. 18997. Additionally, Talk.com d/b/a Network Services of New Hope received Commission authorization to provide intrastate long distance services in New Hampshire pursuant to Authorization No. IXC 03197.

The transaction requires Talk.com to merge with Talk America, Inc. In accordance with New Hampshire Business Corporation Act RSA 293-A:15.01, Talk America will file with the Department of State for authorization to do business as a

foreign corporation in New Hampshire. Thereafter, Talk America, Inc. will provide local and long distance services in New Hampshire that were previously provided under the name of Talk.com.

The parties represent that the customers will not be affected by the transfer, as the transaction will not adversely affect the rates, terms, service or operation of the Company within the State of New Hampshire. Essentially the petitioners purport that there will be no change in the operational, managerial, financial makeup of the company, and the transaction will be seamless to the customers.

We find that the merger of Talk.com and Talk America will be for the public good, a finding necessary for approval of the transfer of a public utility's franchise, works, or system. RSA 374:30. The public interest is served as a result of operational efficiencies that will be realized from eliminating a superfluous corporation structure. Customers will continue to receive the same service, at the same rate with the only change being the Company's name.

Based upon the foregoing, it is hereby

ORDERED, that the proposed transfer of Talk.com Holding Corporation, a New Hampshire corporation, to Talk America, a Pennsylvania corporation, is APPROVED, with the

condition that Talk.com provide customer notification of the Company's name change; and it is

FURTHER ORDERED, that the Company file a copy of their New Hampshire Secretary of State Certificate of Authority to do business in the state as a foreign corporation using the name Talk America, Inc.; and it is

FURTHER ORDERED, that Talk America, Inc. will file a compliance tariff with the Commission in accordance with N.H. Admin. Rules, Puc 1603.02 (b).

By order of the Public Utilities Commission of New Hampshire this seventh day of May, 2001.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Get
Executive Director and Secretary