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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Joint Application of)
Cincinnati Bell Telephone Company and)
Cincinnati Bell Long Distance For a) Case No. 99-1496-TP-UNC
Waiver of Certain of the Commission's)
Local Service Guidelines.)

REPLY COMMENTS OF UNITED TELEPHONE
COMPANY OF OHIO d/b/a SPRINT and
SPRINT COMMUNICATIONS COMPANY L.P.

United Telephone Company of Ohio d/b/a Sprint and Sprint Communications Company L.P. (collectively hereafter "Sprint") respectfully submit their Reply Comments herein. In these comments, Sprint will not note the numerous areas in which it agrees with those parties who filed initial comments objecting to the proposed waivers. Instead, Sprint will reply here only to a portion of the argument contained in the Objections of the Ohio Consumers' Counsel ("OCC Objections").

Of the three waivers requested by Cincinnati Bell Telephone Company ("CBT"), and Cincinnati Bell Long Distance ("CBLD"), OCC has objected to one of the requests unconditionally and has objected to the other two unless CBT and CBLD are required to serve the residential customers throughout the companies' service territory in Ohio.¹ Sprint submits that, notwithstanding any requirement to serve residential customers, the waivers requested by CBT and CBLD regarding the requirements to have a separate NEC affiliate in order to compete outside the ILEC's service territory and to serve the entire area depicted on maps filed with the Commission should be denied.

CBT and CBLD have requested a waiver of that portion of Section II.A.4 of the Local Service Guidelines ("LSG") which requires that ILECs have a structurally separate affiliate to compete in other ILEC service areas. CBT and CBLD also seek a waiver of

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LSG Section II.C.4 which requires a NEC to offer service within the entire serving area depicted on maps on file with the Commission.

At pages 3 through 8 of its Objections, the OCC argues persuasively against granting the two waivers described above. However, OCC then at pages 9 and 10 suggests that the waivers could be granted provided that the Commission grants them as part of a pilot program **and** with the requirement that CBT and CBLD be required to serve residential customers outside CBT territory in the same proportion of residence to business customers that CBT now serves within its territory.²

Sprint submits that the conditions OCC proposes for granting the waiver of LSG Section II.A.4 fails to address the rationale underlying that particular requirement. The rationale for that requirement, as OCC noted, is to avoid the potential for cross-subsidization and anti-competitive practices to occur between the ILEC and NEC operations.³ However, the OCC's conditions simply do not address the potential for cross-subsidization or anti-competitive practices. The OCC's conditions would, to be sure, permit a certain number of residential customers to benefit if cross-subsidization and anti-competitive practices occurred, but that would do nothing to protect the ILEC (or others) with whom CBT would be competing out of territory. Accordingly, the proposed OCC conditions are not a sufficient reason to grant the waiver requested for the separate subsidiary requirement.

Sprint does not oppose, in principle, the waiver requested by CBT and CBLD of the requirement that a NEC offer service within the entire serving area depicted on the maps filed with the Commission. However, Sprint does object to granting such a waiver

¹ OCC Objections, pp. 2, 3.

² OCC Objections, at 10.

³ OCC Objections, at 6.

to CBT and CBLD alone. If this requirement is to be eliminated for anyone, it should be eliminated for all entities in connection with the revision of the LSG. CBT and CBLD have not provided any reason why they alone should be excused from the requirement, and the conditions proposed by the OCC similarly do not justify giving CBT and CBLD special treatment.

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Reply Comments Of United Telephone Company Of Ohio d/b/a Sprint and Sprint Communications Company L.P. was sent via U. S. mail with adequate postage affixed thereto, to the following parties on this 7th day of February, 2000.


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