

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)	
Ohio Bell Telephone Company d/b/a)	Case No. 06-1013-TP-BLS
AT&T Ohio For Approval of an)	
Alternative Form of Regulation of Basic)	Case No. 07-259-TP-BLS
Local Exchange Service and Other Tier 1)	
Services Pursuant to Chapter 4901:1-4)	
Ohio Administrative Code.)	

**REPLY TO
AT&T OHIO'S MEMORANDUM CONTRA
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

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I. INTRODUCTION

The Office of the Ohio Consumers’ Counsel (“OCC”), an intervenor in these cases on behalf of residential utility consumers,¹ replies to the memorandum contra filed by The Ohio Bell Telephone Company d/b/a AT&T Ohio (“AT&T Ohio”) on July 1, 2008.² On June 13, 2008, OCC moved the Public Utilities Commission of Ohio (“PUCO” or “Commission”) to require AT&T Ohio to show cause as to why the alternative regulation (“alt. reg.”) of its basic local exchange service (“basic service” or “BLES”) in eight telephone exchanges – Burton, Cheshire, Dresden, Ironton, Lowellville,

¹ OCC was granted intervention in Case No. 06-1013 (“06-1013”) by Entry dated September 1, 2006 and in Case No. 07-259 (“07-259”) by Entry dated April 11, 2007.

² OCC files this Reply pursuant to Ohio Adm. Code 4901-1-12(B)(2). If OCC does not respond to an argument presented by AT&T Ohio in its memorandum contra, this should not be construed as OCC’s acquiescence to the argument.

New Lexington, Rogers and Toronto – should not be revoked.³ Under basic service alt. reg., AT&T Ohio may increase consumers’ monthly rates up to \$1.25 per year for basic service and up to \$0.50 for Caller ID.⁴

In its Motion, OCC asked the Commission to issue a show cause order pursuant to Ohio Adm. Code 4901:1-4-12(B),⁵ which specifically provides for a show cause order under the circumstances that exist in these cases. OCC noted that, based on a comparison of residential access line totals in AT&T Ohio’s 2002 and 2007 Annual Reports filed with the PUCO, AT&T Ohio no longer meets the line loss criterion of Ohio Adm. Code 4901:1-4-10(C)(4) (“Test 4”). The Commission previously granted alt. reg. for AT&T Ohio’s basic service under Test 4 in the eight exchanges. Thus, the findings upon which the Commission based its decision are no longer valid, and – to protect Ohio consumers – the Commission should consider revoking AT&T Ohio’s basic service alt. reg. for those exchanges, under R.C. 4927.03(C) and Ohio Adm. Code 4901:1-4-12(B).

In its memorandum contra, AT&T Ohio does not deny that it no longer meets the line loss criterion of Test 4 in the eight exchanges.⁶ AT&T Ohio, however, argues that OCC’s Motion is not ripe for consideration because AT&T Ohio has not increased its basic service rates in the eight exchanges.⁷ AT&T Ohio also asserts that the “competitive tests” are thresholds rather than benchmarks that must be constantly maintained,⁸ and argues that Commission should only consider revocation of basic service alt. reg. if there

³ The cases were closed, but were reopened by memoranda docketed on April 12, 2007 (06-1013) and on September 26, 2007 (07-259).

⁴ Ohio Adm. Code 4901:1-4-11(A).

⁵ See also R.C. 4927.03(C).

⁶ See Memorandum Contra at 3.

⁷ Id. at 6.

⁸ Id. at 10-11.

has been a “substantial failure of the marketplace.”⁹ In addition, AT&T Ohio claims that a show cause order is not in the public interest and would “hamstring” the Commission and incumbent local exchange carriers (“ILECs”).¹⁰ Finally, AT&T Ohio states that its due process rights are implicated.¹¹

AT&T Ohio claims that a “very thin reed” is behind OCC’s Motion.¹² In reality, the “very thin reed” is in AT&T Ohio’s arguments against a show cause motion. In the Motion, which reflects AT&T Ohio’s own data, OCC shows that the basis for granting basic service alt. reg. in the eight exchanges has disappeared. AT&T Ohio’s memorandum contra, however, does not address OCC’s arguments. Instead of arguing the facts (such as trying to refute the data set forth in the OCC’s Motion) or arguing the law that OCC cited, AT&T Ohio made policy arguments that have no basis in fact or law. In addition, AT&T Ohio’s policy arguments are generic in nature and fail to specifically focus on any of the exchanges OCC identified in the Motion. The Commission requires specificity in basic service alt. reg. proceedings.¹³

AT&T Ohio does not deny that it no longer meets Test 4 in the eight exchanges. The Commission therefore should issue a show cause order under Ohio Adm. Code 4901:1-4-12(B) regarding the eight exchanges.

⁹ Id. at 11.

¹⁰ Id. at 18-20. The Commission’s basic service alt. reg. rules apply only to incumbent local telephone companies. See Ohio Adm. Code 4901:1-4-08(A).

¹¹ Memorandum Contra at 20-21.

¹² Id. at 3.

¹³ See, e.g., 06-1013, Opinion and Order (December 20, 2006) (“06-1013 Order”) at 7; 07-259, Opinion and Order (June 27, 2007) (“07-259 Order”) at 8.

II. ARGUMENT

AT&T Ohio would have the Commission believe that the basic service alt. reg. statute was written solely for the benefit of incumbent local telephone companies. To the contrary, the statutory requirements to obtain and retain basic service alt. reg. are meant to ensure that consumers do not face rate increases – actual or potential – without there being a healthy and sustainable competitive market.¹⁴ This is evidenced by the additional requirement, under R.C. 4927.03(A)(3), that the Commission determine there are no barriers to entry for basic service. It is evidenced by the General Assembly’s expectation for “just and reasonable rates,” in R.C. 4927.02(A)(2). And it is evidenced by the law of the General Assembly and the rule of the PUCO that provide for considering revocation of alt. reg., which AT&T Ohio would, in effect, have the PUCO write out of the codebooks.

Rather than launching an assault on the Commission’s basic service alt. reg. rules, as AT&T Ohio alleges,¹⁵ OCC’s Motion actually asks the Commission to **uphold** its rules and the statute on which they are based. If the “competitive tests” are in fact a substitute for the statutory requirements for basic service alt. reg., then the Commission must ensure that an ILEC continues to meet the statutory requirements after alt. reg. has been approved. Otherwise, the safeguards contained in Chapter 4927.03 and Ohio Adm. Code 4901:1-4-12(B), that are designed to protect consumers, would be meaningless.

In establishing the basic service alt. reg. rules, the Commission determined that an ILEC’s loss of 15% of its access lines since 2002 in an exchange was part of the means

¹⁴ See R.C. 4927.02(A)(2).

¹⁵ Memorandum Contra at 19.

by which the Commission would deem that an ILEC had met the statutory requirements for basic service alt. reg.:

[T]he Commission, in its rules, focused on specific factors demonstrating for residential BLES customers that all of the statutory criteria found in Section 4927.03(A), Revised Code, have been satisfied. For example, to the extent that an ILEC can demonstrate that it has lost a “real” percentage of its residential customer base and that there are competitive alternatives available to BLES customers, the Commission is satisfied that barriers to entry are not restricting the ability of competitors to compete.¹⁶

In the 06-1013 proceeding, the Commission reiterated that point: “The required presence of unaffiliated facilities-based alternative providers **combined with the requisite** ILEC loss of residential access lines adequately establishes that there are no barriers to entry, thus satisfying Section 4927.03(A)(3), Revised Code.”¹⁷

The fact that AT&T Ohio no longer meets the line loss criterion of Test 4 in the eight exchanges – which AT&T Ohio does not deny¹⁸ – means that the market in the eight exchanges “has changed such that it **may no longer** meet one of the competitive market tests....”¹⁹ The Commission should therefore grant OCC’s Motion, and order AT&T Ohio to show cause as to why basic service alt. reg. in the eight exchanges should not be revoked, pursuant to Ohio Adm. Code 4901:1-4-12(B).

A. AT&T Ohio Does Not Deny That It No Longer Meets the Residential Line Loss Criterion of Test 4 in the Eight Exchanges.

Notably, AT&T Ohio does not argue that it still meets Test 4 – or any other “competitive test” – in the eight exchanges. AT&T Ohio’s only argument is that it does

¹⁶ See *In the Matter of the Implementation of H.B. 218 Concerning Alternative Regulation of Basic Local Exchange Service of Incumbent Local Exchange Telephone Companies*, Case No. 05-1305-TP-ORD (“05-1305”), Entry on Rehearing (May 3, 2006) (“05-1305 Rehearing Entry”) at 18.

¹⁷ 06-1013 Order at 9.

¹⁸ See *id.* at 3.

¹⁹ Ohio Adm. Code 4901:1-4-12(B) (emphasis added).

not have to meet any test. That is contradictory to the plain language of Ohio Adm. Code 4901:1-4-12(B) and, by implication, to R.C. 4927.03(C).

The fact (which AT&T Ohio does not dispute) is that AT&T Ohio does not meet the line loss criterion of Test 4 in the eight exchanges, based on the company's 2007 Annual Report filed with the PUCO, and thus does not meet the "competitive test" on which basic service alt. reg. was granted. That is the single criterion which the Commission has chosen for issuing a show cause order under Ohio Adm. Code 4901:1-4-12(B). OCC has set forth reasonable grounds for the Commission to issue a show cause order under Ohio Adm. Code 4901:1-4-12(B) and R.C. 4927.03(C). AT&T Ohio has not provided the Commission with any reason to refrain from doing so.

B. AT&T Ohio's Characterization of the Statute and the Commission's Rules Would Render Meaningless the Commission's Authority and Process for Determining Whether an Incumbent Telephone Company's Basic Service Alternative Regulation Should Be Revoked.

AT&T Ohio characterizes the Commission's basic service alt. reg. rules as "threshold tests; they are not permanent benchmarks that are etched in stone that must be monitored and met every day."²⁰ If one were to believe AT&T Ohio's view of R.C. 4927.03, the sole purpose of the statute is to give ILECs the unfettered ability to raise the rates they charge consumers. But AT&T Ohio's view is wrong and directly contradicts the Commission's own pronouncements regarding the nature and purpose of the rules. As the Commission stated in the rulemaking proceeding:

The Commission is not surprised that the ILECs are opposed to anything less than unfettered pricing flexibility. As stated in the Opinion and Order, the Commission attempted to "strike a balance between the important public policy of ensuring the availability of stand-alone BLES at just and reasonable rates, while at the same time

²⁰ Memorandum Contra at 12.

recognizing the continuing emergence of a competitive environment through flexible regulatory treatment”....²¹

R.C. 4927.03(A)(1) allows alt. reg. “**provided the commission finds** that any such measure is in the public interest and either of the following conditions exists: (a) The telephone company or companies are subject to competition with respect to such public telecommunications service; (b) The customers of such public telecommunications service have reasonably available alternatives.” (Emphasis added.) For basic service alt. reg., R.C. 4927.03(A)(3) states, “**the commission additionally shall find** that there are no barriers to entry.” (Emphasis added.) Ohio Adm. Code 4901:1-4-10(C) states, “If the applicant can demonstrate that at least one of the following competitive market tests is satisfied in a telephone exchange area, the applicant will be deemed to have met the statutory criteria found in division (A) of section 4927.03 of the Revised Code for BLES and other tier one services in that telephone exchange area.”

Thus, the “competitive tests” are the means by which the Commission makes the findings required by the statute. R.C. 4927.03(C) allows the Commission to modify or abrogate an alt. reg. plan “if it determines that the findings upon which the order was based **are** no longer valid....” (Emphasis added.) The statute phrases the validity of the findings in the present tense, meaning that the current situation is such that the basis for the Commission’s findings no longer exists. This meaning is consistent with R.C. 1.42, which states, regarding the meaning of Ohio statutes: “Words and phrases shall be read in context and construed according to the rules of grammar and common usage.”

Thus, in order to retain alt. reg. authority, ILECs must meet the criteria upon which the authority is based on an ongoing basis. That is reflected in Ohio Adm. Code

²¹ 05-1305 Rehearing Entry at 23, quoting 05-1305 Order at 40.

4901:1-4-12(B), which states that a show cause order may be issued if the Commission has reason to believe “that the market in a telephone exchange area(s) has changed such that it **may no longer meet** one of the competitive market tests....” (Emphasis added.)

R.C. 4927.03 contains numerous consumer protections, as does the policy in R.C. 4927.02(A) that includes “just and reasonable rates.” By requiring that alt. reg. can be achieved for a telecommunications service only if the service is subject to competition or if there are reasonably available alternatives for the service,²² the statute is designed to ensure that consumers have adequate alternatives to the ILEC’s service and protection against abusive rate increases by ILECs with the market power to set prices that are unconstrained by competition.

In addition, for basic service alt. reg., there is the requirement that the Commission find that there are no barriers to entry.²³ This provision is meant to ensure that the competitive market for basic service is healthy and sustainable,²⁴ so that consumer choice will not deteriorate. Further, the revocation provision, R.C. 4927.03(C), allows the Commission to maintain oversight of ILECs’ alt. reg. plans, at least for the first five years, to ensure that the competitive market upon which the grant of alt. reg. was based does not erode. And the statute requires the PUCO to act “in the public interest.”

The Commission should ignore AT&T Ohio’s one-sided view of the statute, and should ensure that consumers are not harmed by erosion of the competition upon which

²² R.C. 4927.03(A)(1)(a) and (b).

²³ R.C. 4927.03(A)(3).

²⁴ See R.C. 4927.02(A)(2).

an ILEC is granted alternative regulation. The Commission should reject AT&T Ohio's position.

C. AT&T Ohio's View That a Show Cause Order Should Be Issued Only If There Has Been a Substantial Failure of the Marketplace Has No Basis in Law.

AT&T Ohio's proposed standard for issuing a show cause order has no basis in law. AT&T Ohio argues that the Commission should not consider revoking an ILEC's alt. reg. unless there has been "a substantial failure of the marketplace."²⁵ AT&T Ohio does not define the term and does not cite any law that supports its argument. In essence, AT&T Ohio would have the PUCO change the law by nullifying the General Assembly's standard for revocation of alt. reg., something the PUCO as a creature of statute cannot do.²⁶

AT&T Ohio's position is inconsistent with Rule 12(B) and the statute upon which it was based, R.C. 4927.03(C). In order for a show cause order to be issued under Rule 12(B), the Commission merely requires a showing that there has been "a change in the telecommunications market in a telephone exchange area(s)" so that the market "may no longer meet one of the competitive market tests...." The rule sets forth a low threshold for issuing a show cause order; **any** change that causes an exchange to no longer meet the "competitive test" upon which basic alt. reg. was granted for the exchange is enough for the Commission to issue a show cause order.

This was recognized in 2007 by the Supreme Court of Ohio. In deciding the appeal of the order in 06-1013, the Court stated: "R.C. 4927.03(C) reserves to the commission the right to modify or abrogate an award of alternative regulatory treatment

²⁵ Memorandum Contra at 11. See also *id.* at 3, 4, 8.

²⁶ See, e.g., *Canton Storage and Transfer Co. v. Public Util. Comm.* (1995), 72 Ohio St. 3d 1.

should any evidence show that the findings relied upon are no longer valid. OCC can notify the commission if **any** conditions change.”²⁷

Along that line, the Commission has established in Rule 12(B) a simple process for interested stakeholders to notify the Commission that conditions in an exchange have changed so that the basis for granting basic service alt. reg. for the exchange might not be valid any longer. An interested stakeholder must file a motion stating reasonable grounds for a show cause order. After responsive pleadings are filed under Ohio Adm. Code 4901-1-12(B), if the Commission has reason to believe that the ILEC no longer meets a competitive test in the exchange, the Commission shall give notice to the ILEC and require it to show cause as to why basic service alt. reg. should not be revoked for the exchanges. After reviewing the ILEC’s response to the show cause order, the Commission will take whatever action it deems necessary, if any, including initiating an investigation or scheduling a hearing regarding the revocation of basic service alt. reg. in the exchange.

AT&T Ohio would turn this simple process into needless complex litigation. AT&T Ohio’s proposed standard for seeking a show cause motion would likely require interested stakeholders to conduct a rigorous investigation of the status of the market in each exchange. In order to conduct the investigation necessitated by AT&T Ohio’s proposed standard, interested stakeholders would need something akin to discovery rights in order to inquire about the number and/or market share of alternative providers in an exchange. Much of the information that would be pertinent to such an investigation

²⁷ *Ohio Consumers’ Counsel v. Pub. Util. Comm.*, 117 Ohio St.3d 301, 2008-Ohio-861, ¶ 37 (emphasis added). See also *Ohio Consumers’ Counsel v. Pub. Util. Comm.*, 117 Ohio St.3d 289, 2008-Ohio-860, ¶ 35. According to AT&T Ohio, “This invitation, of course, does not mean that *any* change in conditions requires the Commission to initiate a show cause proceeding.” Memorandum Contra at 20. AT&T Ohio’s interpretation of the Court’s decision is contrary to the plain language used by the Court.

would likely be considered confidential, and thus would be unavailable to most interested stakeholders absent a protective agreement. Neither R.C. 4927.03(C) nor the Commission's rules envision such a laborious process just for interested stakeholders to bring to the Commission's attention that the basis for its decision to grant basic alt. reg. in an exchange may no longer be valid.

AT&T Ohio's "substantial failure" standard is not supported by statute or PUCO rules. The Commission should reject AT&T Ohio's proposed standard.

D. AT&T Ohio's Information Concerning Competition Does Not Address the Competitive Market in the Eight Exchanges, and Therefore Is Irrelevant to the Commission's Consideration of Whether to Issue a Show Cause Order.

AT&T Ohio's arguments regarding the nature of competition in general²⁸ do not address the issue raised in OCC's Motion, i.e., that AT&T Ohio's 2007 Annual Report filed with the PUCO shows that AT&T Ohio no longer meets the residential line loss criterion of Test 4 in the eight exchanges. Instead, the information submitted by AT&T Ohio "is generic in nature and fails to specifically focus on any of the exchanges identified ... in this proceeding."²⁹

As it did in response to OCC's March 13, 2008 motion in these proceedings,³⁰ AT&T Ohio merely reiterated its stale arguments regarding entry barriers that the Commission dismissed in the basic service alt. reg. rulemaking. In arguing against the show cause revocation process in the basic service alt. reg. rulemaking, AT&T Ohio asserted that no revocation process was needed because, according to AT&T Ohio, the

²⁸ Id. at 12-18.

²⁹ 06-1013 Order at 7.

³⁰ AT&T Ohio Memorandum Contra (March 31, 2008) at 11-14.

basic service market is “irreversibly open.”³¹ The Commission, however, rejected AT&T Ohio’s position. In adopting the show cause revocation process, the Commission stated that “it would be unwise given the newness of BLES alternative regulation to concede that the market for BLES is irreversibly open to competition.”³² The Commission should reach the same conclusion here.

The new information provided by AT&T Ohio is not only generic, but also is highly suspect. As part of its memorandum contra, AT&T Ohio attached a document on competition compiled by the Ohio Telecom Association (“OTA”). OTA’s document does not mention any of the eight exchanges by name, and thus suffers from the same lack of specificity that AT&T Ohio’s argument does.

AT&T Ohio has presented nothing to disprove that the eight exchanges no longer meet Test 4. The Commission should grant OCC’s Motion.

E. OCC’s Motion Is Ripe for Consideration.

AT&T Ohio also argues that OCC’s Motion is not ripe for consideration because AT&T Ohio has not yet raised basic service rates for residential customers in any of the eight exchanges.³³ AT&T Ohio’s approach, however, is not founded in law or rule.

The Commission has a higher duty to Ohio consumers that should dissuade the Commission from waiting until an ILEC actually raises consumers’ rates before invoking Ohio Adm. Code 4901:1-4-12(B). As the rule notes: “Pending any review of alternative regulation of BLES, the ILEC will maintain the pricing flexibility previously granted until or unless otherwise modified by the commission.” Thus, if an ILEC were to raise

³¹ 05-1305, SBC Ohio Initial Comments at 27. At the time, AT&T Ohio was known as SBC Ohio.

³² 05-1305, Opinion and Order (March 7, 2006) (“05-1305 Order”) at 51.

³³ Memorandum Contra at 6-7.

basic service rates under alt. reg. authority, apparently even while a revocation proceeding were pending, the ILEC likely would argue that those rates should remain in effect even if the Commission ultimately determines that alt. reg. should be revoked for a given exchange. Unless the PUCO ruled otherwise, some consumers would not be recompensed for paying a higher rate for basic service than they should have. The PUCO should avoid such unjust treatment of consumers.

F. AT&T Ohio's Arguments Against OCC's Proposals for a Process for Revocation Proceedings Are Baseless.

AT&T Ohio's criticisms of OCC's proposals for a process under Ohio Adm. Code 4901:1-4-12(B) are baseless. OCC's Motion presented the Commission with logical suggestions on the conduct of a revocation proceeding consistent with the Commission's basic service alt. reg. rules. AT&T Ohio's response is essentially that it should not be required to make any showing that it still qualifies for basic service alt. reg. in the eight exchanges.³⁴ Instead, AT&T Ohio would place some unspecified burden on OCC as "the movant" here.³⁵

AT&T Ohio's position is misguided. OCC is "the movant" only for purposes of the show cause order. Under Ohio Adm. Code 4901:1-4-12(B), OCC's burden is to state reasonable grounds for the Commission to issue a show cause order (which OCC has done). Once the Commission issues a show cause order, the burden will be on AT&T Ohio to show that its basic service alt. reg. should not be revoked in the eight exchanges.³⁶ Further, Ohio Adm. Code 4901:1-4-10(A) places the burden on the

³⁴ See *id.* at 19.

³⁵ *Id.*

³⁶ See, e.g., *In the Matter of the Commission Staff's Investigation into the Alleged MTSS Violations of Buzz Telecom*, Entry (December 13, 2006) at 2.

applicant – AT&T Ohio – to demonstrate that it meets one of the “competitive tests” to be granted basic service alt. reg. in an exchange.

Contrary to AT&T Ohio’s assertions,³⁷ it would not be appropriate for AT&T Ohio to use a test other than Test 4 in response to a show cause order in these dockets. The other tests in Ohio Adm. Code 4901:1-4-10(C) require showings that are much different from that required by Test 4. The other showings have not been made in the record of these proceedings. Thus, if AT&T Ohio wants to use a test other than Test 4 in any of the eight exchanges, then it should be required to file a new application.

G. The Commission Has Already Addressed and Rejected AT&T Ohio’s Due Process Argument.

The Commission, in the basic service alt. reg. rulemaking, has already addressed AT&T Ohio’s harangue about due process.³⁸ In response to telephone industry concerns about due process in a revocation proceeding, the Commission stated:

The show cause provision does nothing more than provide the ILEC an opportunity to respond to an allegation that a telephone exchange area may no longer meet one of the competitive tests outlined in adopted Ohio Adm. Code 4901:1-4-10(C). As noted in the sentence that follows the show cause provision, the Commission will determine, after reviewing all the information provided on the subject, whether to close its review, initiate a more formal investigation or schedule a hearing concerning whether to pursue a revocation of the ILEC’s authority in the identified telephone exchange area. ... [W]e view this provision as providing the ILECs more, not less, due process....³⁹

The Commission, therefore, should not be deterred from moving forward with a show cause order. Indeed, as noted above in Section II.C., the Ohio Supreme Court made a point of referencing the recourse of revocation.

³⁷ Memorandum Contra at 19.

³⁸ Id. at 20-21.

³⁹ 05-1305 Order at 51. Notably, AT&T Ohio did not seek rehearing on this issue.

III. CONCLUSION

AT&T Ohio would have the Commission equate ILECs' interests with the public interest. The basic service alt. reg. statute, however, is designed to protect consumers by requiring that an ILEC's basic service be subject to competition or that consumers have reasonably available alternatives to the ILEC's basic service at all times during the term of the alt. reg. plan, by requiring that the PUCO act in the "public interest" in considering revocation and by requiring "just and reasonable rates" as Ohio policy. The statute also requires that there be no barriers to entry for basic service in an exchange. The Ohio Supreme Court noted the opportunity for revocation as a check on the granting of alternative regulation.

The Commission has determined that, in order for these statutory criteria to be met, a certain level of competition must exist for the benefit of customers, based on the number of providers in the market and the percentage of residential access lines that the ILEC has lost. AT&T Ohio does not dispute the fact that it no longer meets the residential criterion of Test 4.

OCC has presented reasonable grounds for the Commission to issue an order requiring AT&T Ohio to show cause as to why its basic service alt. reg. should not be revoked under R.C. 4927.03(C) and Ohio Adm. Code 4901:1-4-12(B). AT&T Ohio has offered nothing of substance in law or fact to dispute OCC's position that a show cause order is appropriate. In order to protect consumers in the eight exchanges, the Commission should proceed with the show cause order.

Respectfully submitted,

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I hereby certify that a copy of the foregoing Reply to AT&T Ohio's Memorandum Contra by the Office of the Ohio Consumers' Counsel was sent by First Class United States Mail, postage prepaid, to the persons listed below this 11th day of July 2008.

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Summary: Reply Reply to AT&T Ohio's Memorandum Contra by The Office of the Ohio Consumers' Counsel electronically filed by Mrs. Mary V. Edwards on behalf of Etter, Terry L. and Office of the Ohio Consumers' Counsel