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Public Utilities Commission

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#### **BEFORE**

#### THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Review	)	
of Chapter 4901:1-7, of the Ohio	)	
Administrative Code, Local Exchange	)	Case No. 12-922-TP-ORD
Carrier-to-Carrier Rules.	)	

### **ENTRY**

## The Commission finds:

- (1) Section 119.032, Revised Code, requires all state agencies to conduct a review, every five years, of their rules and to determine whether to continue their rules without change, amend their rules, or rescind their rules. The Commission has established the rule review date for the local exchange carrier-to-carrier rules contained in Chapter 4901:1-7, Ohio Administrative Code (O.A.C.), as November 30, 2012.
- (2) Section 119.032(C), Revised Code, requires that the Commission determine:
  - (a) Whether the rules should be continued without amendment, be amended, or be rescinded, taking into consideration the purpose, scope, and intent of the statute under which the rules were adopted;
  - (b) Whether the rules need amendment or rescission to give more flexibility at the local level;
  - (c) Whether the rules need amendment to eliminate unnecessary paperwork; and
  - (d) Whether the rules duplicate, overlap with, or conflict with other rules.
- (3) In addition, on January 10, 2011, the governor of the state of Ohio issued Executive Order 2011-01K, entitled "Establishing the Common Sense Initiative," which sets forth several factors to be considered in the promulgation of rules and the review of existing rules. Among other things, the Commission must review its rules to determine the impact that a rule has on small businesses; attempt to balance properly the critical objectives of regulation and the cost of compliance by the regulated parties; and amend or rescind rules

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that are unnecessary, ineffective, contradictory, redundant, inefficient, or needlessly burdensome, or that have had negative unintended consequences, or unnecessarily impede business growth.

- (4) Additionally, in accordance with Section 121.82, Revised Code, in the course of developing draft rules, the Commission must evaluate the rules against the business impact analysis. If there will be an adverse impact on businesses, as defined in Section 107.52, Revised Code, the agency is to incorporate features into the draft rules to eliminate or adequately reduce any adverse impact.
- (5) In making its review, an agency is also required to consider the continued need for the rules, the nature of any complaints or comments received concerning the rules, and any factors that have changed in the subject matter area affected by the rules.
- (6) The Commission's staff (staff) has evaluated the rules contained in Chapter 4901:1-7, O.A.C., and recommends amendments to several rules as shown in the attachment to this entry. Specifically, staff recommends the elimination of Rules 4901:1-7-27 and 4901:1-7-28, O.A.C. Specific to Rule 4901:1-7-27, O.A.C., staff believes that this rule is no longer necessary as the Commission has previously granted a permanent waiver of the rule. See Case No. 09-586-TP-WVR, In the Matter of the Application of the Ohio Telecom Association, on Behalf of its Members, for an Order Granting a Waiver of Rule 4901:1-7-27, Ohio Administrative Code, Entry (August 12, 2009). In regard to Rule 4901:1-7-28, O.A.C., staff believes that, while this rule may in theory serve a purpose, its application, in actuality, is problematic due to the difficulty of engaging in discovery and preparing testimony within compressed hearing time frames.

Consistent with the Federal Communications Commission's Report and Order and Further Notice of Proposed Rulemaking in WC Docket No. 07-135 et al., In the Matter of Establishing Just and Reasonable Rates for Local Exchange Carriers (rel. November 18, 2011), staff proposes specific modifications to Rules 4901:1-7-12, O.A.C., (Compensation termination for the transport and 4901:1-7-14, telecommunications traffic), and O.A.C., (Compensation for intrastate switched access traffic and carrier-tocarrier traffic).

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Staff also proposes clarifying language modifications to Rule 4901:1-7-01, O.A.C., (Definitions), Rule 4901:1-7-02, O.A.C., (General applicability), Rule 4901:1-7-03, O.A.C., presubscription), Rule 4901:1-7-04 (Rural telephone company exemption), Rule 4901:1-7-05, O.A.C., (Rural carrier suspensions and modifications), Rule 4901:1-7-06, O.A.C., (Interconnection), Rule 4901:1-7-08, O.A.C., (Negotiation and mediation of 47 U.S.C. 252 interconnection agreements), Rule 4901:1-7-09, O.A.C., (Arbitration of 47 U.S.C. 252 interconnection agreements), Rule 4901:1-7-13, O.A.C., (Transit traffic compensation), Rule 4901:1-7-20, O.A.C., (Cost study requirements), Rule 4901:1-7-23, O.A.C., (Rights-of-way, poles, ducts, and conduit), Rule 4901:1-7-24, O.A.C., (Local number portability), 4901:1-7-25, O.A.C., (Number optimization), Rule 4901:1-7-26, O.A.C., (Competitive safeguards), and Rule 4901:1-7-29, O.A.C., (Local exchange carrier default).

Staff's proposed changes to Chapter 4901:1-7, O.A.C., are posted under Pending Rules and Rules of Special Interest, Local Exchange Carrier-to-Carrier Rules at: <a href="www.puco.ohio.gov/puco/rules">www.puco.ohio.gov/puco/rules</a>. To minimize the expense of this proceeding, the Commission will serve a paper copy of only this entry. All interested persons are directed to download the proposed rules from the above website, or to contact the Commission's Docketing Division to be sent a paper copy.

(7) The Commission requests comments from interested persons to assist in the review required by Section 119.032(C), Revised Code, and Executive Order 2011-01K. Comments should be filed, either via electronic filing or in hard copy, by April 13, 2012. Reply comments should be filed by April 27, 2012.

It is, therefore,

ORDERED, That all interested persons file comments on the proposed rule changes by April 13, 2012 and file any reply comments by April 27, 2012. It is, further,

ORDERED, That a copy of this entry be served upon all regulated telephone companies, the Ohio Telecom Association, and any other interested person of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Todd A. Snitchler, Chairman

Paul A. Cepfolella

Andre T. Porter

Steven D. Lesser

Cheryl L. Roberto

JSA/dah

Entered in the Journal

MAR 2 1 2012

Barcy F. McNeal

Secretary