

THE PUBLIC UTILITIES COMMISSION OF ORIECEIVED



In the Matter of the Application of Ameritech Ohio for Approval of an Alternative Form of Regulation))	FEB 1 6 1995 Case No. 93-487-TP-ALT DOCKETING DIVISION
In the Matter of the Application of Ameritech Ohio for an Order Approving a Reasonable Arrangement Between The Toledo Edison Company and Ameritech Ohio, Pursuant to Section 4905.31 of the Revised Code of Ohio))))	PUBLIC UTILITIES COMMISSION OF OHIO Case No. 88-1549-TP-AEC
In the Matter of the Application of Ameritech Ohio to Revise its Exchange and Network Services Tariff, PUCO No. 1, to Reflect the Current End User Common Line (EUCL) Multiline Business Rate as it Relates to the Parity Provision Adjustment for Centrex CO 100 Service and Centrex CO Zone - Type I and II Service)	Case No. 89-1147-TP-ATA
In the Matter of the Application of Ameritech Ohio to Revise its Exchange and Network Services Tariff, PUCO No. 1, to Establish a New Service Called Ameritech Integrated Services Digital Network (ISDN) Local Calling Value Plan (AILCVP)))))	Case No. 94-1132-TP-ATA
In the Matter of the Application of Ameritech Ohio to Revise its Private Line Service Tariff, PUCO No. 2, To Establish Rates and Regulations for Power Fault Protection))))	Case No. 94-1472-TP-ATA
In the Matter of the Application of Ameritech Ohio to Revise its Exchange and Network Services Tariff, PUCO No. 1, To Establish Regulation and Rates for Two-Way Direct Inward Dialing (DID) With Call Transfer))))	Case No. 94-1615-TP-ATA

In the Matter of the Application of Ameritech Ohio to Revise its Exchange and Network Tariff, PUCO No. 1, to Establish Regulations and Rates for Ameritech Customer Location Alternative Routing and Ameritech Network Switch Alternative Routing))))	Case No. 94-1706-TP-ATA
In the Matter of the Application of)	
Ameritech Ohio to Revise its Exchange)	
and Network Tariff, PUCO No. 1, to)	Case No. 94-1925-TP-ATA
Revise the Regulations for Call Blocking)	
In the Matter of the Application of Ameritech Ohio to Revise its Exchange and Network Services Tariff, PUCO No. 1, to Modify Advanced Custom Calling Rates and Change Multiple Feature Discounts))))	Case No. 94-1939-TP-ATA
In the Matter of the Application of Ameritech Ohio to Revise its Exchange and Network Services Tariff, PUCO No. 1, To Extend the Trial Period for Toll Restriction)))	Case No. 94-2004-TP-ATA

MEMORANDUM CONTRA AMERITECH OHIO'S APPLICATION FOR REHEARING

Now comes Time Warner AxS ("Time Warner"), an intervenor in Case No. 93-487-TP-ALT, and files its Memorandum Contra to Ameritech Ohio's ("Ameritech") Application for Rehearing filed in this matter on February 6, 1995. Ameritech seeks rehearing to establish a maximum price of twice the initial rate established under the alternative regulation plan ("Plan") for Automated Calling Card Station to Station, Customer Dialed - Operator Assisted - Calling Card Station to Station, and Operator Handled - Third Number Billed Services ("Operator Services"). Application at 2. Ameritech claims that the treatment afforded operator services pursuant to the Commission's January 5, 1995 Entry in this matter is inconsistent with the

Stipulation, regulation for Cell 2 services established by the Commission's November 23, 1994 Opinion and Order, and the flexibility granted to Ameritech's competitors for the same services. *Id*.

Ameritech also claims that, pursuant to the Commission's Entry ruling on the pricing for operator services, the services are treated as though they are already subject to min-max pricing. *Id.* Ameritech should not be heard to complain about the pricing afforded operator services because the Stipulation in Case No. 93-487-TP-ALT speaks for itself. Ameritech devotes some time in its Application for Rehearing to addressing what the parties did and did not intend in the Stipulation. Time Warner contends that the Stipulation speaks for itself. Other parties to the Stipulation agree, as is evidenced by the Joint Memorandum Contra Application for Rehearing, filed February 15, 1995 (Joint Memorandum Contra). The Commission must remember that Ameritech is one party to the Stipulation and since the agreement between the parties speaks for itself, Ameritech's view should not prevail.

Ameritech also claims that the Commission's Entry will "rob these services of the marketplace pricing, both upward and downward, which was intended to be created by the Stipulation." *Id.* at 5. If such upward and downward pricing was intended, the Stipulation should have so stated. Ameritech also points to specific instances of pricing flexibility or ranges for various services that were included in the Plan. For example, specific rate increases were agreed to as part of the calculation of the overall revenue reduction in the Plan. Specific limitations on future increases for services such as Advanced Customer Calling - Call Screening were included in the Plan. For payphone rates the parties "explicitly included language in the Stipulation that . . . no rate increases could take place during the term of the Plan." *Id.* at 5-6.

Ameritech claims that because no similar limiting language was agreed to for Cell 2 Operator Services, no such limitation was intended. Time Warner questions why, if the parties were so careful to specify intent regarding those important matters outlined by Ameritech, the intent regarding operator services also was not carefully crafted out in the Stipulation? As the Joint Memorandum Contra reflects, "the drafters did not speak to increases after the initial three years had passed. They did, however, intend to limit the increases . . . to the amounts identified in the Stipulation." *Joint Memorandum Contra* at 4. If Ameritech was so concerned about the rates for operator services after the second anniversary date of the Plan, it should have made sure that its intent regarding these rates were reflected in the Stipulation, as such intent was evidently reflected for rates of other services for the duration of the Plan. Thus, Time Warner disagrees with Ameritech's assessment that the pricing treatment afforded operator services by the Commission is inconsistent with the Stipulation language.

Ameritech also focuses on the fact that operator services are not currently subject to minmax pricing and have been "maximum priced" since the Commission's 944 Orders. *Id* at 4. Without addressing the merit of these claims, Time Warner would direct the Commission to pages 8-19 of the Stipulation. In particular, the pricing scheme for operator services appears on pages 11-12 of the Stipulation. As the Commission will note, and duly noted in its Entry in this matter, the parties to the Stipulation specifically addressed pricing considerations for various services beyond year three of the Plan. For example, residence local usage rates, found on page 11 of the Stipulation, have specific reductions for years one through six of the Plan. The Network Access line rate, addressed on pages 15-16 of the Stipulation, also has specific provisions for the third through sixth anniversary dates of the Plan. The Stipulation is full of other examples wherein the parties have made particular provisions for the duration of the Plan.

The fact that such provisions were not made for operator services speaks for itself. This should be the focus of the Commission's consideration and <u>not</u> the fact that, according to Ameritech, operator services are not currently subject to min-max pricing.

Ameritech should not be granted the opportunity to essentially "fix" an alleged oversight in the Plan because the Stipulation does not afford Ameritech the ability to increase the price of operator services 100% above their existing rates. Most critical of all is the broader concern that one party to a Stipulation comes to the Commission to obtain a result not embodied in the Stipulation, when other parties to the Stipulation disagree with the result requested. The Stipulation speaks for itself and accordingly, Ameritech's Application for Rehearing should be denied.

Respectfully submitted,

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