

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of	)	
Middle Point Home Telephone	)	Case No. 90-5027-TP-TRF
Company to amend its Basic Local	)	Case No. 14-191-EL-UNC
Exchange Service "BLES" Tariff and	)	
to Authorize a Mechanism to Change	)	
its BLES Rates under R.C.		
4927.15(C).		

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**MOTION TO AMEND APPLICATION AND REQUEST FOR EXPEDITED RULING**

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Pursuant to Rule 4901-1-12, Ohio Administrative Code ("OAC"), Middle Point Home Telephone Company ("Middle Point") moves to amend its Application in this matter for the reasons set out in the accompanying memorandum in support. A copy of the Amended Application is attached. Further, Middle Point requests an expedited ruling on its motion.

Respectfully submitted,

/s/ Frank P. Darr

Frank P. Darr  
Scott Elisar  
Industrial Energy Users of Ohio  
21 East State Street, 17th Floor  
Columbus, Ohio 43215  
fdarr@mwncmh.com  
selisar@mwncmh.com

**March 25, 2014**

**On Behalf of Middle Point Home Telephone  
Company**

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of	)	
Middle Point Home Telephone	)	Case No. 90-5027-TP-TRF
Company to amend its Basic Local	)	Case No. 14-191-EL-UNC
Exchange Service "BLES" Tariff and	)	
to Authorize a Mechanism to Change	)	
its BLES Rates under R.C.		
4927.15(C).		

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**MEMORANDUM IN SUPPORT OF MOTION TO AMEND APPLICATION AND  
REQUEST FOR EXPEDITED RULING**

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Rule 4901-1-12, OAC, provides the procedure by which a party may seek an order of the Public Utilities Commission of Ohio ("Commission"). Rule 4901-1-06, OAC, permits a party to seek to amend an application by motion. Middle Point, through this Motion, seeks to amend its application to address issues raised in discussions with the Commission Staff and comments raised by one of the intervening parties. A copy of the Amended Application is attached.

To address concerns raised by interested parties, Middle Point is requesting the authority to increase its basic local exchange service ("BLES") rates by \$3 per month and for authority to implement a mechanism to adjust its BLES rates in the future to address changes brought about in federal regulation of High Cost Loop Support ("HCLS"). A detailed explanation of the requested changes is outlined in Exhibit C of the attached Amended Application.

Middle Point also requests that the Motion be addressed on an expedited basis. See Rule 4901-1-12(C), OAC. Counsel for Middle Point contacted counsel for

intervening parties, and they do not object to the expedited issuance of a ruling granting the Motion to Amend.

Because timing is critical to minimizing the revenue effect of the changes in HCLS and there is no objection to expedited approval of the Motion to Amend, Middle Point urges the Commission to grant the Motion to Amend on an expedited basis and promptly establish a comment cycle as set out in the Amended Application.

Respectfully submitted,

/s/ Frank P. Darr

Frank P. Darr

Scott Elisar

Industrial Energy Users of Ohio

21 East State Street, 17th Floor

Columbus, Ohio 43215

fdarr@mwncmh.com

selisar@mwncmh.com

On Behalf of Middle Point Home  
Telephone Company

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *MOTION TO AMEND APPLICATION AND REQUEST FOR EXPEDITED RULING* was served upon the following parties of record this 25th day of March 2014, via electronic transmission, hand-delivery or first class U.S. mail, postage prepaid.

\_\_\_\_\_  
/s Frank P. Darr

Frank P. Darr

Jon F. Kelly  
AT&T Services, Inc.  
150 E. Gay St., Rm. 4-A  
Columbus, Ohio 43215  
jk2961@att.com

**On Behalf of AT&T Services, Inc.**

Jay Agranoff  
Attorney Examiner  
Public Utilities Commission of Ohio  
180 E. Broad St., 6th Fl.  
Columbus, Ohio 43215  
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BRUCE J. WESTON  
OHIO CONSUMERS' COUNSEL  
Terry L. Etter, Counsel of Record  
Assistant Consumers' Counsel  
Office of the Ohio Consumers' Counsel  
10 West Broad Street, Suite 1800  
Columbus, Ohio 43215-3485  
terry.etter@occ.ohio.gov

**On Behalf of the Office of the Ohio  
Consumers' Counsel**

Charles R. Moses  
Ohio Telecom Association  
17 S. High Street, Suite 600  
Columbus, Ohio 43215  
moses@ohiotelecom.com

**On Behalf of the Ohio Telecom  
Association**

*The Public Utilities Commission of Ohio*  
**TELECOMMUNICATIONS FILING FORM**  
(Effective: 01/20/2011)

This form is intended to be used with most types of required filings. It provides check boxes with rule references for the most common types of filings. It does not replace or supersede Commission rules in any way.

In the Matter of the Application of Middle Point Home Telephone Company to amend its Basic Local Exchange Service "BLES" tariff and to authorize a mechanism to change its BLES rates under R.C. 4927.15(C). )

TRF Docket No. 90-5027-TP-TRF

Case No. 14 - 0191 - TP - UNC

NOTE: Unless you have reserved a Case #, leave the "Case No" fields BLANK.

AMENDED APPLICATION

Name of Registrant(s) Middle Point Home Telephone Company

DBA(s) of Registrant(s) \_\_\_\_\_

Address of Registrant(s) 106 1/2 E. Jackson St., Middle Point, Ohio 45863

Company Web Address telserco.com

Regulatory Contact Person(s) Kimberly C. Klingler

Phone 419 739-2296

Fax 419 739-2299

Regulatory Contact Person's Email Address kimk@telserco.com

Contact Person for Annual Report Lonnie D. Pedersen

Phone 419 739-2227

Address (if different from above) 2 Willipie St., Wapakoneta, Ohio 45895

Consumer Contact Information Kimberly C. Klingler

Phone \_\_\_\_\_

Address (if different from above) 2 Willipie St., Wapakoneta, Ohio 45895

Motion for protective order included with filing? ☐ Yes ☒ No

Motion for waiver(s) filed affecting this case? ☐ Yes ☒ No [Note: Waivers may toll any automatic timeframe.]

**Notes:**

Section I and II are Pursuant to Chapter 4901:1-6 OAC.

Section III – Carrier to Carrier is Pursuant to 4901:1-7 OAC, and Wireless is Pursuant to 4901:1-6-24 OAC.

Section IV – Attestation.

(1) Indicate the Carrier Type and the reason for submitting this form by checking the boxes below.

(2) For requirements for various applications, see the identified section of Ohio Administrative Code Section 4901 and/or the supplemental application form noted.

(3) Information regarding the number of copies required by the Commission may be obtained from the Commission's web site at [www.puco.ohio.gov](http://www.puco.ohio.gov) under the docketing information system section, by calling the docketing division at 614-466-4095, or by visiting the docketing division at the offices of the Commission.

(4) An Incumbent Local Exchange Carrier (ILEC) offering basic local exchange service (BLES) outside its traditional service area should choose CLEC designation when proposing to offer BLES outside its traditional service area or when proposing to make changes to that service.

**All Filings that result in a change to one or more tariff pages require, at a minimum, the following exhibits.**

Exhibit	Description:
A	The tariff pages subject to the proposed change(s) as they exist before the change(s)
B	The Tariff pages subject to the proposed change(s), reflecting the change, with the change(s) marked in the right margin.
C	A short description of the nature of the change(s), the intent of the change(s), and the customers affected.
D	A copy of the notice provided to customers, along with an affidavit that the notice was provided according to the applicable rule(s).

## Section I – Part I - Common Filings

<b>Carrier Type</b> <input checked="" type="checkbox"/> <b>Other</b> (explain below)	<input checked="" type="checkbox"/> <b>For Profit ILEC</b>	<input type="checkbox"/> <b>Not For Profit ILEC</b>	<input type="checkbox"/> <b>CLEC</b>
Change terms & conditions of existing BLES	<input type="checkbox"/> ATA <u>1-6-14(H)</u> (Auto 30 days)	<input type="checkbox"/> ATA <u>1-6-14(H)</u> (Auto 30 days)	<input type="checkbox"/> ATA <u>1-6-14(H)</u> (Auto 30 days)
Introduce non-recurring charge, surcharge, or fee to BLES			<input type="checkbox"/> ATA <u>1-6-14(H)</u> (Auto 30 days)
Introduce or Increase Late Payment	<input type="checkbox"/> ATA <u>1-6-14(I)</u> (Auto 30 days)	<input type="checkbox"/> ATA <u>1-6-14(I)</u> (Auto 30 days)	<input type="checkbox"/> ATA <u>1-6-14(I)</u> (Auto 30 days)
Revisions to BLES Cap.	<input type="checkbox"/> ZTA <u>1-6-14(F)</u> (0 day Notice)		
Introduce BLES or expand local service area (calling area)	<input type="checkbox"/> ZTA <u>1-6-14(H)</u> (0 day Notice)	<input type="checkbox"/> ZTA <u>1-6-14(H)</u> (0 day Notice)	<input type="checkbox"/> ZTA <u>1-6-14(H)</u> (0 day Notice)
Notice of no obligation to construct facilities and provide BLES	<input type="checkbox"/> ZTA <u>1-6-27(C)</u> (0 day Notice)	<input type="checkbox"/> ZTA <u>1-6-27(C)</u> (0 day Notice)	
Change BLES Rates	<input type="checkbox"/> TRF <u>1-6-14(F)</u> (0 day Notice)	<input type="checkbox"/> TRF <u>1-6-14(F)(4)</u> (0 day Notice)	<input type="checkbox"/> TRF <u>1-6-14(G)</u> (0 day Notice)
To obtain BLES pricing flexibility	<input type="checkbox"/> BLS <u>1-6-14</u> <u>(C)(1)(c)</u> (Auto 30 days)		
Change in boundary	<input type="checkbox"/> ACB <u>1-6-32</u> (Auto 14 days)	<input type="checkbox"/> ACB <u>1-6-32</u> (Auto 14 days)	
Expand service operation area			<input type="checkbox"/> TRF <u>1-6-08(G)</u> (0 day)
BLES withdrawal			<input type="checkbox"/> ZTA <u>1-6-25(B)</u> (0 day Notice)
<b>Other*</b> (explain) Amended UNC-amend its BLES tariff and authorize a mechanism to change BLES rates under R.C. 4927.15 (C).			

## Section I – Part II – Customer Notification Offerings Pursuant to Chapter 4901:1-6-7 OAC

Type of Notice	Direct Mail	Bill Insert	Bill Notation	Electronic Mail
<input type="checkbox"/> 15-day Notice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> 30-day Notice	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Date Notice Sent:</b> To Be Determined				

## Section I – Part III –IOS Offerings Pursuant to Chapter 4901:1-6-22 OAC

IOS	Introduce New	Tariff Change	Price Change	Withdraw
<input type="checkbox"/> IOS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Section II – Part I – Carrier Certification – Pursuant to Chapter 4901:1-6-08, 09 & 10 OAC

Certification	ILEC (Out of Territory)	CLEC	Telecommunications Service Provider Not Offering Local	CESTC	CETC
* See Supplemental form	<input type="checkbox"/> ACE <u>1-6-08</u> * (Auto 30- day)	<input type="checkbox"/> ACE <u>1-6-08</u> *(Auto 30 day)	<input type="checkbox"/> ACE <u>1-6-08</u> *(Auto 30 day)	<input type="checkbox"/> ACE <u>1-6-10</u> (Auto 30 day)	<input type="checkbox"/> UNC <u>1-6-09</u> *(Non-Auto)

\*Supplemental Certification forms can be found on the Commission Web Page.

## Section II – Part II – Certificate Status & Procedural

Certificate Status	ILEC	CLEC	Telecommunications Service Provider Not Offering Local
Abandon all Services		<input type="checkbox"/> ABN <u>1-6-26</u> (Auto 30 days)	<input type="checkbox"/> ABN <u>1-6-26</u> (Auto 30 days)
Change of Official Name *	<input type="checkbox"/> ACN <u>1-6-29(B)</u> (Auto 30 days)	<input type="checkbox"/> ACN <u>1-6-29(B)</u> (Auto 30 days)	<input type="checkbox"/> CIO <u>1-6-29(C)</u> (0 day Notice)
Change in Ownership *	<input type="checkbox"/> ACO <u>1-6-29(E)</u> (Auto 30 days)	<input type="checkbox"/> ACO <u>1-6-29(E)</u> (Auto 30 days)	<input type="checkbox"/> CIO <u>1-6-29(C)</u> (0 day Notice)
Merger *	<input type="checkbox"/> AMT <u>1-6-29(E)</u> (Auto 30 days)	<input type="checkbox"/> AMT <u>1-6-29(E)</u> (Auto 30 days)	<input type="checkbox"/> CIO <u>1-6-29(C)</u> (0 day Notice)
Transfer a Certificate *	<input type="checkbox"/> ATC <u>1-6-29(B)</u> (Auto 30 days)	<input type="checkbox"/> ATC <u>1-6-29(B)</u> (Auto 30 days)	<input type="checkbox"/> CIO <u>1-6-29(C)</u> (0 day Notice)
Transaction for transfer or lease of property, plant or business *	<input type="checkbox"/> ATR <u>1-6-29(B)</u> (Auto 30 days)	<input type="checkbox"/> ATR <u>1-6-29(B)</u> (Auto 30 days)	<input type="checkbox"/> CIO <u>1-6-29(C)</u> (0 day Notice)

\* Other exhibits may be required under the applicable rule(s). ACN, ACO, AMT, ATC, ATR and CIO applications see the 4901:1-6-29 Filing Requirements on the Commission's Web Page for a complete list of exhibits.

## Section III – Carrier to Carrier (Pursuant to 4901:1-7), and Wireless (Pursuant to 4901:1-6-24)

Carrier to Carrier	ILEC	CLEC
Interconnection agreement, or amendment to an approved agreement	<input type="checkbox"/> NAG <u>1-7-07</u> (Auto 90 day)	<input type="checkbox"/> NAG <u>1-7-07</u> (Auto 90 day)
Request for Arbitration	<input type="checkbox"/> ARB <u>1-7-09</u> (Non-Auto)	<input type="checkbox"/> ARB <u>1-7-09</u> (Non-Auto)
Introduce or change c-t-c service tariffs,	<input type="checkbox"/> ATA <u>1-7-14</u> (Auto 30 day)	<input type="checkbox"/> ATA <u>1-7-14</u> (Auto 30 day)
Request rural carrier exemption, rural carrier suspension or modification	<input type="checkbox"/> UNC <u>1-7-04 or 05</u> (Non-Auto)	
Changes in rates, terms & conditions to Pole Attachment, Conduit Occupancy and Rights-of-Way.	<input type="checkbox"/> UNC <u>1-7-23(B)</u> (Non-Auto)	
Wireless Providers See <u>4901:1-6-24</u>	<input type="checkbox"/> RCC [Registration & Change in Operations]	<input type="checkbox"/> NAG [Interconnection Agreement or

Section IV. – Attestation

Registrant hereby attests to its compliance with pertinent entries and orders issued by the Commission.

**AFFIDAVIT**

***Compliance with Commission Rules***

I am an officer/agent of the applicant corporation, Middle Point Home Telephone Company, and am authorized to make this statement on its behalf.

(Name) Lonnie D. Pedersen

Please Check ALL that apply:

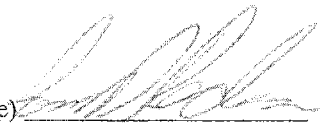
☒ I attest that these tariffs comply with all applicable rules for the state of Ohio. I understand that tariff notification filings do not imply Commission approval and that the Commission's rules as modified and clarified from time to time, supersede any contradictory provisions in our tariff. We will fully comply with the rules of the state of Ohio and understand that noncompliance can result in various penalties, including the suspension of our certificate to operate within the state of Ohio.

☐ I attest that customer notices accompanying this filing form were sent to affected customers, as specified in Section II, in accordance with Rule 4901:1-6-7, Ohio Administrative Code.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on (Date) 3/24/14

at (Location) Wapakoneta, Ohio 45895

\*(Signature and Title)  (Date) 3/24/14

Lonnie D. Pedersen, Chief Operating Officer

- *This affidavit is required for every tariff-affecting filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant.*

**VERIFICATION**

I, Lonnie D. Pedersen verify that I have utilized the Telecommunications Filing Form for most proceedings provided by the Commission and that all of the information submitted here, and all additional information submitted in connection with this case, is true and correct to the best of my knowledge.

\*(Signature and Title)  Lonnie D. Pedersen, Chief Operating Officer (Date) 3/24/14

*\*Verification is required for every filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant.*

*Send your completed Application Form, including all required attachments as well as the required number of copies, to:*

**Public Utilities Commission of Ohio  
Attention: Docketing Division  
180 East Broad Street, Columbus, OH 43215-3793**

**Or**

***Make such filing electronically as directed in Case No 06-900-AU-WVR***



Lonnie D. Pedersen, Chief Operating Officer  
Middle Point, Ohio

**EXHIBIT A**  
**(Current Tariff Sheet)**

P.U.C.O. NO. 4

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EXCHANGE RATES

The classifications and rates provided in this section apply at any point within the Base Rate Area of the Middle Point, Ohio exchange as defined below. The rates hereunder entitle the subscribers connected with the Middle Point, Ohio Exchange of the Middle Point Home Telephone Company of Middle Point, Ohio.

	<u>MONTHLY RATE</u>	<u>MAXIMUM RATE</u>
Business - Individual Access Line	\$7.55 (I)	\$7.55 (I)
Residence - Individual Access Line	6.30 (I)	6.30 (I)
Payphone		
Coin Operated Telephone Service Access Line	5.30	
Coin supervision Additive	7.20	

Any service provided in Section 1 hereof will be furnished to any applicant at any point outside the base rate Areas of the Middle Point, Ohio exchange at the rate specified in Section 1 for such service, plus the rate provided in this section for the distance beyond such Base Rate Area limits, defined above measured by airline.

	<u>MONTHLY RATE</u>	<u>MAXIMUM RATE</u>
Individual Access Line, each quarter mile or fraction thereof including pay stations	\$ .50	\$ .50

The following rates for rural party Access Line Service, apply at any point outside the base Rate Areas described in Section 1 hereof connected with the Middle Point, Ohio Exchange of the Middle Point Home Telephone Company.

BASE RATE AREA DEFINITION

That portion or portions of an exchange area, usually the continuously built-up section surrounding and including the central office or offices, within which any of the regularly offered classes of main station service, except rural service are offered at rates that do not vary with the distance from the central office.

This area may be described in one of the following ways:

1. as the village or city corporate limits
2. as the village or city corporate limits as of a given date
3. by means of a map specifically identifying the area

Lonnie D. Pedersen, Chief Operating Officer  
Middle Point, Ohio

**EXHIBIT B**

**(Proposed Tariff Sheet)**

The Middle Point Home Telephone Company  
Middle Point, Ohio

Section No. 1  
Third Revised Sheet No. 2  
Replaces Second Revised Sheet No. 2

P.U.C.O. NO. 4

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EXCHANGE RATES

The classifications and rates provided in this section apply at any point of the Middle Point, Ohio exchange. The rates hereunder entitle the subscribers connected with the Middle Point, Ohio Exchange of the Middle Point Home Telephone Company of Middle Point, Ohio. (C)

	<u>MONTHLY RATE</u>	<u>MAXIMUM RATE</u>	
Business - Individual Access Line	\$10.55	\$ 10.55	(C)
Residence - Individual Access Line	9.30	9.30	(C)
Payphone			
Coin Operated Telephone Service Access Line	5.30		
Coin supervision Additive	7.20		

(N)

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Issued: March 24, 2014

Effective:

Issued by the Public Utilities Commission of Ohio

## **EXHIBIT C**

## Amended Application

### Exhibit C

The applicant, Middle Point Home Telephone Company ("Middle Point"), requests authorization from the Public Utilities Commission of Ohio ("Commission") of a mechanism that would permit Middle Point to adjust Basic Local Exchange Service ("BLES") rates on thirty days' notice to the Commission and its BLES customers. Based on that mechanism, Middle Point also seeks authorization to amend Section No. 1, Second Revised Sheet No. 2 to increase its Business and Residential BLES rate \$3.00. The mechanism and proposed adjustment in BLES rates are necessary to address the Federal Communications Commission's ("FCC") *USF/ICC Transformation Order and Further Notice of Proposed Rulemaking* reforming the universal service and intercarrier compensation system and establishing an urban rate floor for maintaining High Cost Loop Support ("HCLS").

Middle Point is a for-profit incumbent local exchange telephone company and qualifies for HCLS. It provides BLES and other services to business and residential customers in its exchange. Its exchange has full coverage for broadband services as well. By providing additional support for infrastructure, HCLS helps ensure that voice and broadband services are available to the customers of Middle Point.

On November 18, 2011, the FCC released the *USF/ICC Transformation Order and Further Notice of Proposed Rulemaking* that included orders that reformed rules defining eligibility for HCLS. The *Transformation Order* revised the revenue that Middle Point secures through intercarrier compensation. Pursuant to the *Transformation Order*, the baseline for determining intercarrier compensation revenue was reduced 5% annually. *Transformation Order*

at ¶39. For Middle Point, that aspect of the Transformation Order reduced intercarrier compensation revenue by over \$8,000 in 2013, with additional reductions required by the *Transformation Order*.

Additionally, the FCC has established an urban local rate floor for Residential BLES rates. If Middle Point's Residential BLES rate is below the urban local rate floor, the Rulemaking and resulting FCC rules require the administrator of HCLS to reduce Middle Point's eligibility for HCLS, on a dollar for dollar basis, in an amount equal to the difference between Middle Point's current Residential BLES rate and urban local rate floor times the number of residential access lines. 47 C.F.R. § 54.318. The urban local rate floor is currently \$14. Beginning July 1, 2014, the urban local rate floor will be established through an annual survey of voice rates. *Id.* On July 1, 2014, the urban local rate floor will increase to \$20.46, but it is unclear when the new floor will be used to determine HCLS. See <http://www.fcc.gov/document/bureau-seeks-comment-extending-phase-phone-subsidy-reform>.

Middle Point has exercised the limited amount of rate flexibility currently available to it as provided by R.C. 4927.12. In *In the Matter of the Application of Middle Point Home Telephone Company to Obtain BLES Pricing Flexibility*, Case No. 13-1249-TP-BLS, Application (May 28, 2013) ("*BLES Pricing Flexibility Application*"), Middle Point provided notice to the Commission that it would alter BLES rates because two or more alternative providers offer, in the exchange area, competing service to the BLES offered by Middle Point. Effective July 1, 2013, its rates for Residential and Business BLES are \$6.30 and \$7.55 per month, respectively. Under the authority provided by R.C. 4927.12, Middle Point may not increase its BLES rates until July 1, 2014, and that increase is limited to \$1.25 per month per line. R.C. 4927.12(C)(1)(a) & (b); Rule 4901:1-6-14, Ohio Administrative Code. Thus, even if

Middle Point increased its BLES rates on July 1, 2014 by the full amount permitted by R.C. 4927.12, its Residential BLES rate will remain under the current urban local rate floor and its HCLS will be reduced.<sup>1</sup>

Further, a change in the Residential BLES rate on July 1, 2014 will not satisfy an FCC reporting requirement to prevent further HCLS reductions. Pursuant to FCC rules, carriers must report residential lines and rates as of June 1 of each year. 47 C.F.R. § 54.313(h). (If rates are permitted to adjust, the adjusted rates may be reported in January of each year.) Thus, because the Residential BLES rate will remain at the current level on June 1, 2014 unless the Commission promptly acts on this Amended Application, Middle Point's HCLS will be reduced based on the FCC's rules by the difference of the current Residential BLES rate and at least \$14. Based on current Residential BLES rate and customer line count, the additional revenue reduction associated with this reduction in HCLS is estimated to be \$3,042. Because the urban local rate floor will increase based on the recently published survey results, the amount of the reduction will increase.

This Amended Application seeks Commission orders that will permit Middle Point to address the revenue reductions effected by the *Transformation Order*. The Commission is authorized to create a mechanism to address access policy including HCLS pursuant to R.C. 4927.15(C). That section provides that the Commission may create and administer mechanisms for carrier access reform including high cost support. R.C. 4927.15(B) provides that any resulting rate changes necessary to comply with R.C. 4927.15(C) shall be in addition to any upward rate alteration made under R.C. 4927.12.

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<sup>1</sup> Further, Middle Point has recently reduced carrier access charges. *In the Matter of the Application of Middle Point Home Telephone Company to Revise its Intrastate Access Tariff to Comply with FCC Requirements and to Remove Language that is no Longer Applicable*, Case No. 13-1905-TP-ATA (Sept. 5, 2013).



To address the effects of the *Transformation Order* and the timing of reporting requirements affecting the calculation of HCLS, Middle Point is seeking an order authorizing a mechanism to permit it to adjust its BLES rates pursuant to R.C. 4927.15. The proposed mechanism would permit Middle Point upon 30 days' notice to adjust the BLES rates to the urban local rate floor as established under Section 54.318 of Chapter 47 of the Code of Federal Regulations or any successor regulation. A copy of the proposed notice is attached as Exhibit D to this Application.

At this time and in light of concerns raised by one party, Middle Point is not seeking to exercise the full authority it would have under the mechanism through this Amended Application. Middle Point requests that it be authorized to amend its BLES tariff to increase its BLES rates \$3 per BLES line per month, effective no later than June 1, 2014. This authorization is needed so that Middle Point can mitigate the current and impending additional erosion of revenue through intercarrier compensation reform including HCLS under FCC rules. Even with the increase in BLES rates proposed by Middle Point, it anticipates a reduction in total revenue due to the various revenue effects of this Amended Application and changes effected by the *Transformation Order*.

To assure that its customers are not adversely affected by the adjusted change in BLES rates, Middle Point also proposes to update its tariff structure to eliminate two charges applicable to some of its customers. First, it would eliminate the optional extended area service calling plan. The effect of eliminating the optional calling plan would be to expand the local calling area to all customers as part of BLES. The revenue effect on Middle Point would be a reduction of revenue of nearly \$12,000. Additionally, Middle Point would eliminate mileage charges for

those customers that receive BLES but are outside the base rate area. Elimination of the mileage charges would result in a revenue reduction of \$3,528.

In order to expedite the Commission's review of this needed change, Middle Point requests that the Commission provide for a shortened comment period if it finds that one is necessary. Counsel for Middle Point has contacted counsel for the Office of the Ohio Consumers' Counsel, the Ohio Telecom Association, and the AT&T Entities regarding an expedited comment cycle to address this Amended Application. Counsel indicated that they do not oppose a comment cycle that would provide ten days for the filing of initial comments and three days for reply comments.

Although the requested relief would result in an increase in the BLES rates, Middle Point's rates would remain substantially below the current local exchange rates of Ohio incumbent local exchange carriers that provide Residential BLES in other parts of Ohio. With the additional commitments to eliminate the optional calling plan charges and mileage rates, customers will see immediate benefits. Further, authorization of the mechanism and rate adjustment will allow Middle Point to retain revenue that would otherwise not remain in Ohio under FCC rules.<sup>2</sup> The mechanism would also assist Middle Point in assuring continued investment in facilities and services providing quality local exchange service. Additionally, Middle Point is at risk for the changes. As Middle Point recently demonstrated in its *BLES Pricing Flexibility Application*, Time Warner Cable, Verizon Wireless, AT&T Wireless, and Sprint offer competing service to BLES offered by Middle Point in its exchange. *BLES Pricing Flexibility Application*, Ex. E. See, also, Exhibit E attached to this Application. Because the

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<sup>2</sup> 47 C.F.R. § 54.318(g).

Middle Point customers have a choice of providers, the business and financial risk associated with the proposed mechanism falls on Middle Point.

## EXHIBIT D

### (Customer Notice and Affidavit)

The following customer notice will appear on bills that are mailed to customers on **Date to be Determined**, once Middle Point Home Telephone Company receives approval to include a mechanism, pursuant to R.C. 4927.15(C), permitting the Company to change Basic Local Exchange Service ("BLES") rates, so that it will remain eligible for Federal Universal Service High Cost Support. This notice will also be sent to the Office of Consumers' Counsel electronic mailbox ([occtelco@occ.state.oh.us](mailto:occtelco@occ.state.oh.us)) and to the Commission's electronic mailbox ([Telecomm-Rule07@puc.state.oh.us](mailto:Telecomm-Rule07@puc.state.oh.us)) no less than thirty days prior to the rate increase:

Effective **Date to be Determined**, our local telephone rates will increase by \$3.00 per month for residential and business customers. The residential customer rate will increase from \$6.30 to \$9.30 and the business customer rate will increase from \$7.55 to \$10.55. Many rural telephone companies, including Middle Point Home Telephone Company, receive support from the Federal Universal Service Fund. New rules have reduced such support if a telephone company's rates are below the national average.

To assure that customers are not adversely affected by the adjusted changes in Basic Local Exchange Service (BLES) rates, Middle Point will eliminate the optional extended area service calling plan and expand the local calling area to all customers as part of BLES and eliminate mileage charges for those customers that receive BLES but are outside the base rate area.

If you have any questions about the revised rates, please call our office at (419) 968-2000.

The following affidavit will be prepared and filed with the Commission after the customer notice is provided to customers on **Date to be Determined**:

I, \_\_\_\_\_, am an (officer, authorized agent or counsel) of the applicant Corporation. Middle Point Home Telephone Company, and am authorized to make this statement on its behalf. I attest that the customer notice accompanying this affidavit was sent to affected customers as a bill message on **Date to be Determined**, in accordance with Rule 4901:1-6-07, Ohio Administrative Code. I declare under penalty that the foregoing is true and correct.

## **EXHIBIT E**

**(Alternative Providers)**

## **EXHIBIT E**

### **(Demonstration of Alternative Providers)**

Effective July 1, 2013, the Commission determined in Case No. 13-1249-TP-BLS, that the Middle Point Home Telephone Company qualified for alternative regulation of BLES, determining that the application demonstrated that two or more alternative providers offer, in the exchange area, competing service to the BLES service offered by the company. An alternative provider, under R.C. 4927.12(C)(3)(a), includes a telephone company, including a wireless service provider, a telecommunications carrier, and a provider of internet protocol-enabled services, including voice over internet protocol.

Middle Point Home Telephone Company demonstrated that two or more alternative providers offer competing service to the BLES service offered in its exchange, namely Verizon Wireless, AT&T Wireless, Time Warner Cable, and Sprint.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**3/25/2014 12:20:53 PM**

**in**

**Case No(s). 14-0191-TP-UNC, 90-5027-TP-TRF**

Summary: Motion to Amend Application and Request for Expedited Ruling electronically filed by Mr. Frank P Darr on behalf of Middle Point Home Telephone Company