

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 Cincinnati Bell Telephone Company LLC to Revise its Lifeline Recovery Surcharge and Report Associated Annual Expense and Revenue Data) TRF Docket No. 90- 5013
) Case No. 11 - 1339 - **TP** - ATA
) NOTE: Unless you have reserved a Case #, leave the "Case No" fields
) BLANK.

Name of Registrant(s) Cincinnati Bell Telephone Company LLC

DBA(s) of Registrant(s) _____

Address of Registrant(s) 221 East Fourth Street, Cincinnati, OH 45202

Company Web Address cincinnati-bell.com

Regulatory Contact Person(s) Robert Wilhelm Phone 513-397-6858 Fax 513-421-1367

Regulatory Contact Person's Email Address bob.wilhelm@cinbell.com

Contact Person for Annual Report Robert Wilhelm Phone 513-397-6858

Address (if different from above) _____

Consumer Contact Information Kathy Campbell Phone 513-397-1296

Address (if different from above) _____

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 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

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

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 type="checkbox"/> 30-day Notice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Date Notice Sent: Customer notice is not required because the rate is decreasing. Nonetheless, CBT will provide notice on a customer's first bill with the new rate.				

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	Carrier's Not Offering BLES	CESTC	CETC
* See Supplemental form	<input type="checkbox"/> ACE 1-6-08 * (Auto 30- day)	<input type="checkbox"/> ACE 1-6-08 * (Auto 30 day)	<input type="checkbox"/> ACE 1-6-08 * (Auto 30 day)	<input type="checkbox"/> ACE 1-6-10 (Auto 30 day)	<input type="checkbox"/> UNC 1-6-09 * (Non-Auto)

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

Section II – Part II – Certificate Status & Procedural

Certificate Status	ILEC	CLEC	Carrier's Not Offering BLES
Abandon all Services		<input type="checkbox"/> ABN 1-6-26 (Auto 30 days)	<input type="checkbox"/> ABN 1-6-26 (Auto 30 days)
Change of Official Name *	<input type="checkbox"/> ACN 1-6-29(B) (Auto 30 days)	<input type="checkbox"/> ACN 1-6-29(B) (Auto 30 days)	<input type="checkbox"/> CIO 1-6-29(C) (0 day Notice)
Change in Ownership *	<input type="checkbox"/> ACO 1-6-29(E) (Auto 30 days)	<input type="checkbox"/> ACO 1-6-29(E) (Auto 30 days)	<input type="checkbox"/> CIO 1-6-29(C) (0 day Notice)
Merger *	<input type="checkbox"/> AMT 1-6-29(E) (Auto 30 days)	<input type="checkbox"/> AMT 1-6-29(E) (Auto 30 days)	<input type="checkbox"/> CIO 1-6-29(C) (0 day Notice)
Transfer a Certificate *	<input type="checkbox"/> ATC 1-6-29(B) (Auto 30 days)	<input type="checkbox"/> ATC 1-6-29(B) (Auto 30 days)	<input type="checkbox"/> CIO 1-6-29(C) (0 day Notice)
Transaction for transfer or lease of property, plant or business *	<input type="checkbox"/> ATR 1-6-29(B) (Auto 30 days)	<input type="checkbox"/> ATR 1-6-29(B) (Auto 30 days)	<input type="checkbox"/> CIO 1-6-29(C) (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 1-7-07 (Auto 90 day)	<input type="checkbox"/> NAG 1-7-07 (Auto 90 day)
Request for Arbitration	<input type="checkbox"/> ARB 1-7-09 (Non-Auto)	<input type="checkbox"/> ARB 1-7-09 (Non-Auto)
Introduce or change c-t-c service tariffs,	<input type="checkbox"/> ATA 1-7-14 (Auto 30 day)	<input type="checkbox"/> ATA 1-7-14 (Auto 30 day)
Request rural carrier exemption, rural carrier suspension or modification	<input type="checkbox"/> UNC 1-7-04 or 05 (Non-Auto)	
Changes in rates, terms & conditions to Pole Attachment, Conduit Occupancy and Rights- of-Way.	<input type="checkbox"/> UNC 1-7-23(B) (Non-Auto)	
Wireless Providers See 4901:1-6-24	<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, _____, and am authorized to make this statement on its behalf.

(Name)

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)

at (Location)

*(Signature and Title)

(Date)

- *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, Theodore W. Heckmann 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)

(Date) 4/30/14

/s/ Theodore W. Heckmann

Managing Director of Regulatory Affairs and Assistant Corporate Secretary

**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

Cincinnati Bell Telephone Company Lifeline Recovery Surcharge Annual Report

Cincinnati Bell Telephone Company LLC (CBT) is making this filing as its annual Lifeline Recovery Surcharge report in compliance with 4901:1-6-19(R), O.A.C. CBT's April 7, 2011 Supplemental Filing in this docket established May 1 as the date for filing the annual report. CBT's historic and projected Lifeline service expenses, amounts recovered through the Lifeline Recovery Surcharge, and true-up calculation are detailed in the accompanying worksheets. As described herein, CBT is not adjusting the Lifeline Recovery Surcharge at this time.

The calculation of the Lifeline expenses follows the same methodology as described in CBT's January 29, 2013 filing in this docket for Lifeline enrollments beginning August 1, 2012. That is, the expense calculation includes only BLES customers who purchase Lifeline and thus receive the additional monthly Lifeline discount for BLES shown in CBT Local Service Tariff, PUCO No. 1, Section 4, 4th Revised Page 9.¹ CBT continues to calculate the historic surcharge revenue from actual monthly billing and adjustments.² The net result was an over-recovery of \$33,943 since inception of the Lifeline Recovery Surcharge in May 2011 through March 2014. (See attached worksheet for details.)

CBT has already made an adjustment to the Lifeline Recovery Surcharge since filing the 2013 Lifeline Recovery Surcharge Annual Report to address this over-recovery. CBT reduced the Lifeline Recovery Surcharge from \$0.13 to \$0.08 per line, effective February 1, 2014. The primary reason for the over-recovery and this rate change was a large decrease in the number of Lifeline customers in December 2013. This decrease resulted from the annual Lifeline recertification process and CBT's removal of Lifeline benefits from customers who were no longer eligible for Lifeline or who did not respond to the recertification request. With these de-enrollments, the CBT-funded Lifeline discounts decreased significantly while the revenue from the Lifeline Recovery Surcharge was relatively unchanged. Additionally, Lifeline enrollments had consistently declined since July 2013 while monthly revenue from the Lifeline Recovery Surcharge was relatively stable over the same time period.

As a result of these changes in Lifeline demand, CBT had over-recovered its total Lifeline expenses, and the amount of over-recovery was growing each month. Rather than let the over-recovery continue to grow, CBT adjusted the Lifeline Recovery Surcharge rate down to \$0.08 thereby creating a monthly shortfall that would work off the surplus over the next year.³

¹ February and March quantities include a downward adjustment for customer records that erred or otherwise could not be entered into the new National Lifeline Accountability Database (NLAD). NLAD was activated for Ohio on February 27, 2014, and CBT is still reconciling its customer records with the subscriber verifications in NLAD. These quantity adjustments do not impact the amount of the Lifeline Recovery Surcharge as calculated in this filing but may result in an understatement of CBT's Lifeline expenses. CBT reserves the right to adjust the February and March quantities once the NLAD reconciliation is complete.

² CBT bills the Lifeline Recovery Surcharge in advance to be consistent with access line billing. Because of the advance billing, February and March 2014 revenue as shown is net of one-time bill credits to adjust for the Lifeline Recovery Surcharge rate reduction from \$0.13 to \$0.08 that was effective February 1, 2014.

³ See Lifeline Recovery Surcharge True-Up Calculation in CBT's January 31, 2014 filing in this proceeding.

The data in the accompanying true-up calculation show that CBT's current surcharge revenue and Lifeline expenses are consistent with the true-up calculation in CBT's January 31, 2014 filing. That is, the monthly shortfall will approximately offset the historic surplus over the next year. Because the current \$0.08 rate should result in CBT's total Lifeline expenses and surcharge revenue being approximately equal over the next year, CBT is not changing the Lifeline Recovery Surcharge at this time. Any lower rate would result in a substantial under-recovery over the next year.

Cincinnati Bell Telephone Company LLC
Lifeline Recovery Surcharge
Revenue and Expenses April 2013 - March 2014

Exchange	BLES Alt Reg Add'l LL Discount (Note 1)	CBT Lifeline Enrollment - BLES											
		Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Jan 14	Feb 14 (Note 2)	Mar 14 (Note 2)
	(A)	(B)											
Bethany	\$3.75	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Bethel	\$1.25	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Cincinnati	\$6.25	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Clermont	\$2.50	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Hamilton	\$6.25	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Harrison	\$3.75	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Little Miami	\$3.75	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Newtonsville	\$2.50	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Reily	\$1.25	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Seven Mile	\$1.25	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Shandon	\$1.25	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Williamsburg	\$3.75	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Total		Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted

Note 1: Lifeline customers with BLES receive an additional discount equal to the total price increase for BLES under previous alternative regulation rules, 4901:1-4-11 O.A.C., effective August 7, 2006, which capped Lifeline prices for BLES at the prices in effect when the previous alternative regulation plan became effective. This discount varies by exchange depending on the number of years BLES price flexibility was in effect in the exchange and the number of BLES price increases implemented in the exchange. See CBT Local Service Tariff, PUCO No.1, Section 4, 4th Revised Page 9 for additional details.

Note 2: February 2014 and March 2014 quantities include a downward adjustment for customer records that erred or otherwise had issues being entered into the new National Lifeline Accountability Database (NLAD) which may result in an understatement of CBT's Lifeline expenses. CBT reserves the right to adjust the February and March quantities once data reconciliation with NLAD is complete.

Cincinnati Bell Telephone Company LLC
Lifeline Recovery Surcharge
Revenue and Expenses April 2013 - March 2014

Exchange	Total CBT Funded Lifeline Discounts	CBT Funded Lifeline Discount											
		Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Jan 14	Feb 14	Mar 14
		(C) = (A) * (B)											
Bethany	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Bethel	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Cincinnati	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Clermont	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Hamilton	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Harrison	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Little Miami	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Newtonsville	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Reily	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Seven Mile	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Shandon	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Williamsburg	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Total Expenses	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Surcharge Revenue	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
Over/Under Recovery	\$35,533	(\$1,158)	(\$5)	\$357	\$3,377	\$4,555	\$3,890	\$5,346	\$6,347	\$13,548	\$12,998	(\$5,443)	(\$8,279)

Cincinnati Bell Telephone Company LLC
Lifeline Recovery Surcharge Historic Revenue versus Expenses and True-Up Calculation
April 2014

Historic Revenue and Expenses - Total

A	Historic Revenue Shortfall - CBT Annual Report Filing for 2013 Surcharge Revenue minus CBT Funded Discounts, May 2011 - Mar 2013 (See April 30, 2013 Filing in Case No. 11-1339-TP-ATA)	(\$1,590)
B	Surcharge Revenue April 2013 - March 2014	Redacted
C	CBT Funded Lifeline Discounts/Expenses April 2013 - March 2014	Redacted
D = B - C + A	Historic Surplus (Revenue minus Expenses) May 2011 - Mar 2014	\$33,943

True-Up Calculation - Current Surcharge Revenue versus Current Lifeline Expenses

E	Current CBT Funded Lifeline Discount/Expense per Month (March 2014)	Redacted
F	Current Lifeline Recovery Surcharge Revenue per Month (March 2014) Note: CBT bills the Lifeline Recovery Surcharge in advance, consistent with access line billing. As a result, the March 2014 revenue shown on the historic revenue and expense worksheet includes bill credits of \$5,573 to adjust for the February 1, 2014 rate decrease. The monthly revenue listed for this calculation adds the \$5,573 bill credits to the March 2014 surcharge revenue of \$20,101 so that the monthly revenue is comparable to the monthly expenses.	Redacted
G	Current Monthly Revenue minus Current Monthly Lifeline Expense (Shortfall)	(\$2,706)
H = G * 12	Projected Annual Revenue Shortfall/Surplus (April 2014 - March 2015) Note: This calculation assumes that the change in the number of Lifeline subscribers changes at the same rate as the number of total subscribers such that the shortfall remains approximately constant from month to month.	(\$32,472)
I	Projected Shortfall/Surplus at Next Annual Report	\$1,471

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/1/2014 4:35:05 PM

in

Case No(s). 11-1339-TP-ATA

Summary: Report Lifeline Recovery Surcharge Annual Report electronically filed by Mr. Douglas E. Hart on behalf of Cincinnati Bell Telephone Company LLC