

8140 Ward Parkway P. O. Box 8417 Kansas City, MO 64114-0417

April 22, 1994

RECEIVED

APR 2 5 1994

DOCKETING DIVISION PUBLIC UTILITIES COMMISSION OF OHIO

VIA FEDERAL EXPRESS

Ms. Daisy Crockron Public Utility Commission of Ohio 180 East Broad Street Columbus, Ohio 43266-0573

> Re: In the Matter of the Application of Ohio Bell Telephone Company for Approval of an Alternative Form of Regulation and for a Threshold Increase in Rates. Case No.: 93-487-TP-ALT

Dear Ms. Crockron:

Enclosed for filing, please find the original and 21 copies of Objections to the Staff Report of Sprint Communications Company L.P. in the above-referenced docket. Please return one file-stamped copy in the enclosed envelope.

Thank you for your assistance. If you have any questions, please free to call me at (913) 624-6551.

Very truly yours,

Mary a. Hull

Mary A. Hull

MAH:len Enclosures

cc: Service List

RECEIVED

APR 2 5 1994

BEFORE

)

)

)

)

THE PUBLIC UTILITIES COMMISSION OF OHIO PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Bell Telephone Company for Approval of an Alternative Form of Regulation and for a Threshold Increase in Rates.

Case No. 93-487-TP-ALT

OBJECTION TO THE STAFF REPORT OF SPRINT COMMUNICATIONS COMPANY L.P.

Sprint Communications Company L.P. (Sprint) submits its objections to the Staff Report of Investigation filed in Case No. 93-487-TP-ALT on March 29, 1994.

1. On page 79-80 of the Staff Report, staff concurs with Ohio Bell's proposal to enter into customer specific contracts.

A. Sprint objects to the failure of staff to recommend that Ohio Bell be required to pass an imputation test for services provided under contract that rely on Cell 1 and/or Cell 2 services as essential inputs to the provision of other firms' competitive services.

2. Sprint objects to the failure of staff to address Ohio Bell's local calling plus rates in its report. Staff should require Ohio Bell to demonstrate that such rates are set above incremental cost, are not predatorialy priced, and pass an imputation test.

3. On page 74 of the Staff Report, staff concurs in Ohio Bell's proposed framework for imputation. A. Sprint objects to the failure of staff to require Ohio Bell to perform adequate imputation studies.

B. Sprint objects to the failure of Staff to require Ohio Bell to impute all rates that competitors must pay, including subsidy payments.

C. Sprint objects to the failure of staff to reject Ohio Bell's proposed imputation test as it is contrary to the Commission's imputation requirement contained in Section XII(A)14) of its alternative regulation rules.

4. On page 79 of the Staff Report, staff states that it would be supportive of Ameritech's request for MFJ relief to the extent it had addressed certain barriers to competition.

A. Sprint objects to staff's recommendation to lift interLATA restrictions because exchange service would not be made competitive simply by lifting certain barriers to competition.

B. Sprint objects to staff's recommendation to lift InterLATA restrictions because jurisdiction over this matter does not lie with the Public Utilities Commission of Ohio.

5. Sprint objects to the failure of staff to require Ohio Bell to make access rate reductions in its report.

A. Sprint objects to the failure of staff to recommend a mechanism that will cap the CCLC and phase down and eventually eliminate that rate element.

B. Sprint objects to the failure of staff to require Ohio Bell to reduce its CCLC access rates to eliminate subsidies built into those rates. 6. On page 71 of the Staff Report, staff concurs with Ohio Bell's proposed LRSIC methodology.

A. Sprint objects to Staff's concurrence with this methodology. The Ohio Bell proposed plan does not provide sufficient information to determine whether the methodology which Ohio Bell will use to determine LRSIC, for any service subject to a cost test, includes an adjustment to LRSIC calculated in compliance with the PUCO's rules. Further Sprint objects to the failure of staff to recommend that LRSIC studies be made available to parties, pursuant to appropriate protective agreements.

7. On page 77-79 of the Staff Report, staff recommends that Ohio Bell implement 1+ IntraLATA presubsription toll service throughout its service territory within 24 months of the plan. Sprint concurs with staff's recommendation, but objects to the failure of staff to recommend a shorter time-frame (12-18 months) for implementation.

Sprint reserves the right to supplement and amend these objections in the event staff subsequently alters or modifies its positions as reflected in the staff report.

Respectfully submitted,

Mary A. Hull Sprint Communications Company, L.P. 8140 Ward Parkway, 5E Kansas City, MO 64114 (913) 624-6551 (913) 624-5681 FAX

DATED: 4/22/94

4

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was mailed, first class postage prepaid, this 22nd day of April, 1994 to the following attached service list.

va Mace

Michael T. Mulcahy, Esq. Ohio Bell Telephone Co. 45 Erieview Plaza, #1400 Sleveland, OH 44114

Joseph P. Meissner, Esq. Dir. of Urban Development 1223 W. 6th Street Cleveland, OH 44113

Barry Cohen, Esq. Office of the Consumers' Counsel 77 S. High Street Columbus, OH 43266

William A. Clark William A. Clark & Assoc. 8538 Chateau Drive Pickerington, OH 43147

Ann E. Henkener, Esq. Public Utilities Commission of Ohio 180 E. Broad St., 7th Floor Columbus, OH 43255-0573

Douglas W. Trabaris, Esq. MCI Telecommunications 205 N. Michigan Ave., Suite 3200 Chicago, IL 60601

Douglas W. Kinkoph James D. Heflinger Litel Telecommunications 4650 Lakehurst Court Dublin, OH 43017

Sally W. Bloomfield Bricker & Eckler 100 S. Third Street Columbus, OH 43215

Jodie L. Donovan, Counsel Teleport Communications Group, Inc. One Teleport Drive Staten Island, NY 10311

Robert Hegler, Esq. Swidler & Berlin 3000 K St., N.W., Suite 300 Washington, DC 20007 Judith B. Sanders, Esq. Bell, Royer & Sanders 33 S. Grant Avenue Columbus, OH 43215-3927

Helen L. Liebman Jones, Day, Reavis & Pogue 1900 Huntington Center 41 S. High Street Columbus, OH 43215

William M. Mosca, Jr. AT&T of Ohio, Inc. 227 W. Monroe St., Floor 6N Chicago, IL 60606

Thomas E. Taylor Frost & Jacobs P.O. Box 5715 201 E. 5th St., #2500 Cincinnati, OH 45201-5715

Sandy Williams United Telephone of Ohio P.O. Box 3555 Mansfield, OH 44907

William A. Adams Arter & Hadden 10 W. Broad Street Columbus, OH 43215