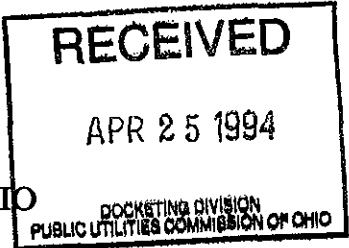


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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In The Matter Of The Application Of The)
Ohio Bell Telephone Company For Approval)
Of An Alternative Form Of Regulation.)

CASE NO. 93-487-TP-ALT

In The Matter Of The Complaint Of The)
Office Of Consumers' Counsel,)

Complainant,)

v.)

Ohio Bell Telephone Company,)

Respondent,)

Relative To The Alleged Unjust And)
Unreasonable Rates And Charges.)

CASE NO. 93-576-TP-CSS

THE CITY OF MENTOR'S OBJECTIONS TO THE
STAFF REPORT OF THE PUBLIC UTILITIES COMMISSION OF
OHIO AND STATEMENT OF ISSUES

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On Behalf of the City of Mentor

FILED: APRIL 25, 1994

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In The Matter Of The Application Of The Ohio Bell Telephone Company For Approval Of An Alternative Form Of Regulation.)))	CASE NO. 93-487-TP-ALT
In The Matter Of The Complaint Of The Office Of Consumers' Counsel,)))	
Complainant,)	
v.)	
Ohio Bell Telephone Company,)	CASE NO. 93-576-TP-CSS
Respondent,)	
Relative To The Alleged Unjust And Unreasonable Rates And Charges.))	

**OBJECTIONS TO THE STAFF REPORT OF INVESTIGATION
AND STATEMENT OF ISSUES**

Pursuant to Ohio Rev. Code § 4909.19, and Ohio Admin. Code Rule 4901-1-28, the City of Mentor ("Mentor"), files its Objections to the Staff Report of Investigation docketed in the above referenced proceeding on March 25, 1994. Mentor submits that these objections meet the specificity requirements of Ohio Admin. Code Rule 4901-1-28.

Mentor submits that failure to object to any aspect of the Staff Report should not preclude it from cross-examination or introduction of evidence or argument in regard to issues on which the Staff's position changes between the issuance of the Staff Report and the closing of the record and/or upon which other parties raise objections.

OBJECTIONS TO STAFF REPORT

Mentor objects to the determination and conclusions contained in the Staff Report in the following particulars:

1. The Staff erred in failing to address Applicant's provision of "Local Calling Plus" as a non-optional as opposed to optional service thereby limiting customer choice.
2. The Staff erred in failing to make recommendations concerning the Applicant's provision of one-way calling services, specifically with respect to the pricing of this service which is excessive, unjust and unreasonable especially between Mentor and the Cleveland telephone exchanges.
3. The Staff erred in failing to make recommendations concerning the Applicant's provision of its "Econo-call" service, specifically with respect to the pricing of this service which is excessive, unjust and unreasonable particularly when combined with Local Calling Plus which results in a double payment of the same service between the Mentor and Cleveland telephone exchanges.
4. The Staff erred in not finding that the Applicant has been overearning in prior years.
5. The Staff erred in failing to find that the lack of extended area telephone service in some geographic locations (such as between Cleveland and Mentor) has resulted in overpayments by the telephone subscribers in these areas and has unjustly contributed to the Applicant's overearning.

6. The Staff erred in not finding that the Applicant's commitment to the infrastructure does not warrant any alternative regulation.

7. The Staff failed to address how Ohio Bell's alternative regulation plan will affect the provision of adequate local telephone service, including extended area service.

STATEMENT OF ISSUES

Ohio Bell's plan fails to address the adequacy of service, including the provision of local telephone service. For instance, the Ohio Bell plan fails to address the effect of the plan on the provision of extended area service. In particular, Mentor is concerned that the Applicant's plan does not address the fact that its provision of Local Calling Plus in conjunction with one-way calling can result in customers being charged twice for the same service.

Specifically, with respect to the City of Mentor, since Local Calling Plus is not available to every exchange within the greater Cleveland calling area called by a Mentor citizen, such citizen will be forced to also subscribe to one-way calling.

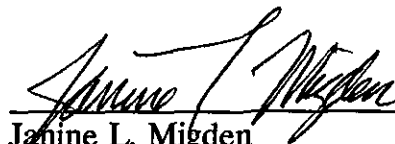
This can best be illustrated by considering that a Local Calling Plus customer currently pays a usage sensitive rate for service to limited areas within the Cleveland Metropolitan area. A customer who subscribes to one-way calling pays a flat rate for such service to numerous areas in the Cleveland Metropolitan area. If a customer makes a number of calls into an area not served by Local Calling Plus, he/she will have to also subscribe to one-way calling. For this customer, whenever he/she makes a call into an area served by Local Calling Plus, a charge will be incurred for both services because the Local

Calling Plus usage sensitive rate will be charged despite the fact that the customer is paying a flat rate to be able to call that area (as well as others).

Stated differently, Local Calling Plus, when offered, covers limited geographical areas. In order for a customer to reach other cities within the Cleveland metropolitan area, that customer must subscribe to Econocall or one-way calling which overlaps in part with the area covered by Local Calling Plus. When a customer is paying a flat rate for one-way calling and calls an area covered by Local Calling Plus, that customer is billed on a measured service basis for that call, and that one-way rate or the Econocall rate becomes inapplicable. This redundancy causes a rate increase for the customers under those circumstances.

Such action on the part of Applicant surely contribute to Applicant's overearnings.

Respectfully submitted,




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On Behalf of the City of Mentor

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Objections to the Staff Report of Investigation and Statement of Major Issues have been served by first class mail, postage prepaid, or hand delivered to the following parties of record this 25th day of April, 1994.


Jamine L. Migden

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