## Douglas E. Hart <br> Attorney at Law

May 21, 2015

## Filed Electronically

Barcy F. McNeal, Secretary
The Public Utilities Commission of Ohio
180 East Broad Street
$11^{\text {th }}$ Floor - Docketing
Columbus, OH 43215-3793

## Re: In the Matter of the Application of Cincinnati Bell Telephone Company LLC to Revise Its Lifeline Recovery Surcharge, Case No. 11-1339-TP-ATA

Dear Ms. McNeal:
In connection with the Lifeline Recovery Surcharge Annual Report filed by Cincinnati Bell Telephone Company LLC ("CBT") on May 1, 2015 in this matter, discussions with the Staff have led to the discovery that there was an error in the description accompanying line $G$ of the True-Up Calculation contained in Exhibit C of the earlier filing. Enclosed please find a corrected version of that page.

CBT will be separately filing a Renewed Motion for Protective Order together with a confidential envelope containing three copies of an unredacted version of the corrected page.

Please do not hesitate to contact me if there are any questions about this filing.
Very truly yours,


DEH
Enclosures

# Cincinnati Bell Telephone Company LLC 

 Lifeline Recovery Surcharge Historic Revenue versus Expenses and True-Up Calculation April 2015
## Historic Revenue and Expenses - Total

| A | Historic Revenue Surplus - CBT Annual Report Filing for 2014 <br> Surcharge Revenue minus CBT Funded Discounts, May 2011-Mar 2014 <br> (See May 1, 2014 Filing in Case No. 11-1339-TP-ATA) | \$33,943 <br> B |
| :--- | :--- | ---: |
| Surcharge Revenue April 2014 - March 2015 |  |  |
| C | CBT Funded Lifeline Discounts/Expenses April 2014 - March 2015 | Redacted |
| D = B - C + A | Historic Surplus (Revenue minus Expenses) May 2011 - Mar 2015 | Redacted |

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

E Current CBT Funded Lifeline Discount/Expense per Month (Mar 2015)

F Current Lifeline Recovery Surcharge Revenue per Month (Feb 2015)
Redacted

Note: CBT uses booked revenue (net of adjustments) versus billed revenue for the Lifeline Recovery Surcharge Revenue. March 2015 revenue has an unually high adjustment. CBT is investigating this adjustment but is insure of its cause. CBT expects adjustments will return to normal levels in future months. Thus, CBT is basing its true-up calculation on February data. This process is conservative in that it protects the customer because larger revenue adjustments will result in CBT under-recovering expenses.

| G | Projected CBT Lifeline Discount/Expense April 2015 - April 2016 <br> Note: The annual Lifeline recertification has historically resulted in a surplus because approximately $20 \%$ of CBT's Lifeline customers do not recertify. To adjust for the Lifeline enrollment decrease with the Lifeline certification, this calculation assumes that expenses beginning in December 2015 will be $80 \%$ of the expenses prior to the recertification. Expenses are based on February 2015 data as described in the note for Line E. The resulting calculation is (Mar exp * 8 months)+ ( .8 *Mar exp * 5 months) | Redacted |
| :---: | :---: | :---: |
| $\mathrm{H}=\mathrm{G}-\mathrm{D}$ | Projected Expense April 2015 - April 2016 less Surplus | Redacted |
| $\mathrm{I}=13 * \mathrm{~F}$ | Projected Revenue April 2015 - April 2016 assuming no change to surcharge using Feb 2015 data | Redacted |
| $\mathrm{J}=\mathrm{H} / \mathrm{l}$ | Ratio of projected expense to projected revenue | Redacted |
| K | Current Surcharge | \$0.08 |
| $\mathrm{L}=\mathrm{J} * \mathrm{~K}$ | New Surcharge amount | \$0.04 |

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.

| $M=1 / 2^{*} \mid$ | Projected surcharge revenue at new amount | Redacted |
| :--- | :--- | ---: |
| $\mathrm{N}=\mathrm{H}-\mathrm{M}$ | Projected surplus/shortfall April 2015 - April 2016 | Cincinnati Bell Telephone Company LLC Confidential |

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

Summary: Letter of Notification filing correction to True-Up Calculation electronically filed by Mr. Douglas E. Hart on behalf of Cincinnati Bell Telephone Company LLC

