

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE COMMISSION'S
IMPLEMENTATION OF SUBSTITUTE
HOUSE BILL 402 OF THE 132ND OHIO
GENERAL ASSEMBLY.

CASE NO. 19-173-TP-ORD

ENTRY

Entered in the Journal on March 20, 2019

I. SUMMARY

{¶ 1} The Commission directs that all interested persons or entities wishing to file comments or reply comments with the Commission regarding rules in Ohio Adm.Code Chapter 4901:1-6 to implement Substitute House Bill 402 do so no later than April 10, 2019, and April 22, 2019, respectively.

II. DISCUSSION

{¶ 2} The 132nd Ohio General Assembly adopted Substitute House Bill 402 (Sub. H.B. 402) that, among other things, directed the Commission to: adopt rules that permit incumbent local exchange companies (ILECs) to increase rates for basic local exchange service (BLES) by up to \$2.00 on an annual basis; docket a report no later than three years after the effective date to examine the number of BLES lines in service, the aggregate amount of line loss in the state of Ohio since the bill was enacted, and the change in price for BLES in each exchange area since the effective date; submit a report to the standing committees in the House of Representatives and the Senate; permit, no earlier than four years from the effective date of the legislation, an ILEC to apply for an exemption from the price cap requirements for BLES; exempt telephone companies from treble damages; and, limit the Commission's ability to consider domestic telephone company change of control applications.

{¶ 3} On January 10, 2011, the governor of the state of Ohio issued Executive Order 2011-01K, entitled "Establishing the Common Sense Initiative," which sets forth several factors to be considered in the promulgation of rules and the review of existing rules.

Among other things, the Commission must review any proposed rules to determine the impact that a rule has on small businesses; attempt to balance properly the critical objectives of regulation and the cost of compliance by the regulated parties; and, amend or rescind rules that are unnecessary, ineffective, contradictory, redundant, inefficient, needlessly burdensome, have had negative unintended consequences, or unnecessarily impede business growth.

{¶ 4} Additionally, in accordance with R.C. 121.82, in the course of developing draft rules, the Commission must conduct a business impact analysis regarding the rules. If there will be an adverse impact on business, as defined in R.C. 107.52, the agency is to incorporate features into the draft rules to eliminate or adequately reduce any adverse impact. Furthermore, the Commission is required, pursuant to R.C. 121.82, to provide the Common Sense Initiative (CSI) office the draft rules and the business impact analysis.

{¶ 5} On February 7, 2019, the Commission held a workshop in this proceeding to enable interested stakeholders to propose revisions to the rules in Ohio Adm.Code Chapter 4901:1-6 for the Commission's consideration. Interested stakeholders attended the workshop. Representatives from AT&T Ohio, The Ohio Telecom Association (OTA), and The Ohio Cable Telecommunications Association (OCTA) provided comments.

{¶ 6} The Commission Staff (Staff) has evaluated the rules contained in Ohio Adm.Code Chapter 4901:1-6 and Sub. H.B. 402. Attached to this Entry are the proposed amendments to Ohio Adm.Code Chapter 4901:1-6 (Attachment A) and the BIA (Attachment B), which are also posted on the Commission's Docketing Information System website at <http://dis.puc.state.oh.us>.

{¶ 7} The Commission requests comments from interested persons to assist in the review required by R.C. 111.15, R.C. 106.03, and Executive Order 2011-01K. Comments should be filed, via electronic filing or in hard copy, by April 10, 2019. Reply comments should be filed by April 22, 2019.

III. ORDER

{¶ 8} It is, therefore,

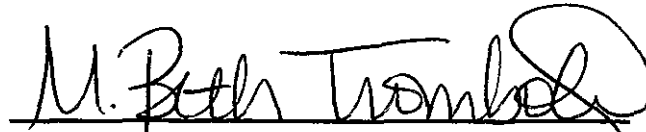
{¶ 9} ORDERED, That all interested persons or entities wishing to file comments or reply comments with the Commission regarding the proposed rules do so no later than April 10, 2019, and April 22, 2019, respectively. It is, further,

{¶ 10} ORDERED, That a copy of this Entry, with the rules and the BIA, be submitted to CSI, in accordance with R.C. 121.82. It is, further,

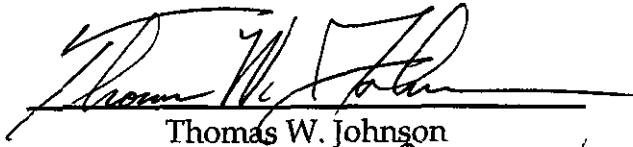
{¶ 11} ORDERED, That a copy of this Entry be served upon the OCTA, OTA, the office of the Ohio Consumers' Counsel, and all other interested persons of record. It is further,

{¶ 12} ORDERED, That notice of this Entry be served upon the telephone industry list-serve.

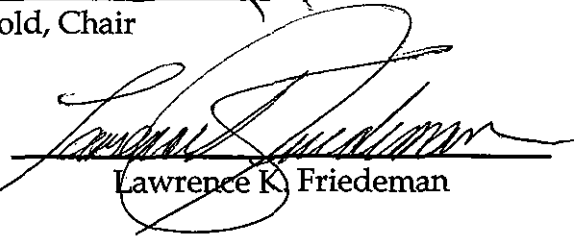
THE PUBLIC UTILITIES COMMISSION OF OHIO



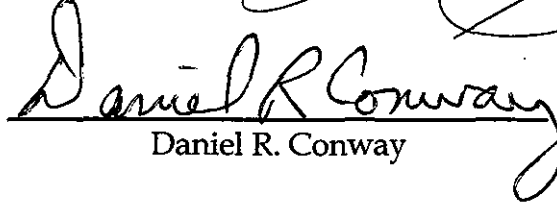
M. Beth Trombold, Chair



Thomas W. Johnson



Lawrence K. Friedeman



Daniel R. Conway

JSA/mef

Entered in the Journal
MAR 20 2019



Tanowa M. Troupe
Secretary

CSI – Ohio

The Common Sense Initiative

Business Impact Analysis

Agency Name: Public Utilities Commission of Ohio (PUCO)
Attention: Angela Hawkins, Legal Director
Phone: 614.466.0463 Fax: 614.466.8373
Angela.Hawkins@puco.ohio.gov
Jeff Jones, Chief Legal Atty./Telecommunications and Water
Phone: 614.466.0463 Fax: 614-466-8373
Jeff.Jones@puco.ohio.gov

Regulation/Package Title: Ohio Adm.Code Chapter 4901:1-6 Telephone Company
Procedures and Standards

Rule Number(s): 4901:1-6-01, 4901:1-6-06, 4901:1-6-07, 4901:1-6-14, 4901:1-6-19,
4901:1-6-29, 4901:1-6-30

Date: March 20, 2019

Rule Type:

☐ New

☒ Amended

☐ 5-Year Review

☐ Rescinded

☐ No Change

The Common Sense Initiative was established by Executive Order 2011-01K and placed within the Office of the Lieutenant Governor. Under the CSI Initiative, agencies should balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, consistency, predictability, and flexibility in regulatory activities. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Regulatory Intent

The 132nd Ohio General Assembly adopted Substitute House Bill 402 (Sub. H.B. 402) that, among other things, directed the Commission to: adopt rules that permit incumbent local exchange companies (ILECs) to increase rates for basic local exchange service (BLES) by up to \$2.00 on an annual basis; docket a report no later than three years after the effective date to examine the number of exchange lines in service, the aggregate amount of line loss in the state of Ohio since the bill was enacted, and the change in price for those services in each

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIOhio@governor.ohio.gov

exchange area since the effective date; submit a report to the standing committees in the House of Representatives and the Senate; permit, no earlier than four years from the effective date of the legislation, an ILEC to apply for an exemption for the price cap requirements for BLES; exempt telephone companies from treble damages; and, limit the Commission's ability to consider domestic telephone company change of control application. A workshop relative to these issues was held on February 7, 2019. Pursuant to the Entry of March 20, 2019, comments were sought regarding the Commission Staff's proposed rules implementing Sub. H.B.402.

1. Please briefly describe the draft regulation in plain language. Please include the key provisions of the regulation as well as any proposed amendments.

Ohio Adm.Code Chapter 4901:1-6 establishes the procedures and standards for telephone companies in the state of Ohio. Rule amendments include:

- a. The amendment of the definition of "exchange area" in the Ohio Adm.Code 4901:1-6-01(L);
- b. The addition of "line loss" in Ohio Adm.Code 4901:1-6-01(T);
- c. The addition of "long run service incremental cost" in Ohio Adm.Code 4901:1-6-01(W);
- d. The addition in Ohio Adm.Code 4901:1-6-06(D) of the clarification that ILEC BLES pricing flexibility applications filed pursuant to Ohio Adm.Code 4901:1-6-14(C)(1)(c) are subject to one full suspension of the automatic approval process and must be approved or denied not later than 90 days after the date of the suspension;
- e. The addition in Ohio Adm.Code 4901:1-6-07(A) of the clarification that the 15 day advance notice pertains to any material change in the rates, terms, and conditions of any retail service required to be tariffed as set forth in Ohio Adm.Code 4901:1-6-11 and the clarification that customer notice is not required for a decrease in rates unless otherwise specified in Chapter 4901:1-6;
- f. The addition in Ohio Adm.Code 4901:1-6-14(C)(1)(a)(i) and (ii) of the clarification that if an ILEC, within 12 months prior to September 13, 2010, increased its BLES rates for an exchange area, during any subsequent 12-month period it may alter its BLES rates downward by any amount but not below the carrier's incremental cost or upward for an exchange area by not more than a total of \$2.00;
- g. The revision in Ohio Adm.Code 4901:1-6-14(C)(1)(b) that the downward flexibility by "any amount, but not below the carrier's incremental cost," or the upward flexibility to raise BLES rates by "not more than \$2.00" applies to eligible ILECs;
- h. The revision in Ohio Adm.Code 4901:1-6-14(C)(1)(c) that the downward flexibility to lower BLES rates for an exchange area at anytime but not below the carrier's incremental cost applies to eligible ILECs;
- i. The revision in Ohio Adm.Code 4901:1-6-14(C)(1)(c)(i) to reflect the Commission's ability to suspend the automatic approval of the BLES application. Following suspension, the Commission must act to approve or deny the application no later than 90 days after the suspension.

- j. The revision in Ohio Adm.Code 4901:1-6-14(C)(1)(c)(ii) clarifying that an eligible ILEC that has a BLES application approved in the amount of \$2.00 may not increase its BLES rates for a subsequent 12-month period.
- k. The revision in Ohio Adm.Code 4901:1-6-14(D) to clarify not-for-profit mutual ILECs.
- l. The revision in Ohio Adm.Code 4901:1-6-14(F) to reflect the parameters under which an ILEC may increase rates in order to comply with the eligibility requirements prescribed by the Federal Communications Commission (FCC) for the federal universal service high-cost program.
- m. The addition in Ohio Adm.Code 4901:1-6-14(G) to establish the criteria and process for an ILEC BLES pricing flexibility exemption.
- n. The addition in Ohio Adm.Code 4901:1-6-14(H) to reflect the process relative to a for-profit ILEC seeking a decrease in its BLES rates.
- o. The revision in Ohio Adm.Code 4901:1-6-19(H) to reflect that eligibility for Lifeline Service shall be consistent with the FCC's requirements set forth in 47 C.F.R. 54.410.
- p. The revision in Ohio Adm.Code 4901:1-6-19(T) to reflect the deletion.
- q. The revision in Ohio Adm.Code 4901:1-6-29 to reflect the process and procedure to be followed at the Commission in those scenarios in which there is a pending application with the FCC regarding either the acquisition of control of a domestic telephone or a holding company controlling a domestic telephone company or a merger of a domestic telephone company.
- r. The addition in Ohio Adm.Code 4901:1-6-30 to reflect that to the extent that a complaint concerning BLES is within the Commission's jurisdiction over a telephone company, the telephone company shall permit the Commission or its staff to investigate or inspect the company's associated plant and facilities.

2. Please list the Ohio statute authorizing the Agency to adopt this regulation.

Rule	Statutory Authority – Ohio Revised Code
4901:1-6-01	4901.13, 4905.84, 4927.01, 4927.02, 4927.03, 4927.10, 4927.11, 4927.12, 4927.123
4901:1-6-06	4901.13, 4927.03, 4927.12
4901:1-6-07	4901.13, 4927.03, 4927.10, 4927.17
4901:1-6-14	4901.13, 4927.03, 4927.12, 4927.123, 4927.124, 4927.125
4901:1-6-19	4901.13, 4927.03
4901:1-6-29	4901.13, 4905.402, 4927.03
4901:1-6-30	4901.13, 4927.03, 4927.19

3. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program? If yes, please briefly explain the source and substance of the federal requirement.

Yes.

Pursuant to Ohio Adm.Code 4901:1-6-01(K), an 'eligible telecommunications carrier is a carrier designated by a state commission as defined in subpart C of 47 C.F.R 54.201

Pursuant to Ohio Adm.Code 4901:1-6-14(E), in order to comply with the eligibility requirements prescribed by the FCC for the federal universal service high-cost program (e.g., 47 C.F.R. 54.318), an ILEC may increase its rates by any amount.

Pursuant to Ohio Adm.Code 4901:1-6-19, an incumbent local exchange carrier that is an eligible telecommunications carrier under 47 C.F.R. 54.201 shall implement lifeline service throughout the incumbent local exchange carrier's eligible telecommunications carrier's traditional service area for its eligible residential customers. Eligibility for Lifeline service shall be consistent with 47 C.F.R. 54.410. All incumbent local exchange eligible telecommunications carriers must verify customer eligibility consistent with the FCC's requirements in 47 C.F.R. 54, in order to enroll customers into lifeline assistance who qualify through household income-based requirements. All incumbent local exchange eligible

telecommunications carriers must establish procedures to verify an individual's continuing eligibility for both program and income-based criteria consistent with the FCC's requirements in 47 C.F.R. 54.409-54.410. If an incumbent local exchange carrier chooses to establish a customer billing surcharge to recover its Lifeline expenses, the surcharge shall appear in the section of the bill reserved for taxes and government-mandated charges as set forth in 47 C.F.R. 64.2400-64.2401

Pursuant to Ohio Adm.Code 4901:1-6-29(D), a telephone company may elect to demonstrate compliance with the required customer notification by providing evidence of its satisfying the notification procedures set forth in 47 C.F.R. 63.71.

4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

The areas of certification and operation of telephone providers relative to their intrastate offerings is under the jurisdiction of the PUCO, and not the FCC. Therefore, the majority of Ohio Adm.Code Chapter 4901:1-6, the regulation neither exceeds nor is inconsistent with any federal requirements. In other cases (i.e., See responses to Question 3), the regulation relies upon and is consistent with the existing federal regulation.

5. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

The public purpose of the Ohio Adm.Code Chapter 4901:1-6 is to implement the statutory authority regarding the retail telecommunication services as set for the in R.C. 4927.04 and 4927.05. The specific amendments being addressed in this case pertain to Substitute House Bill 402 of the 132nd Ohio General Assembly that, among other things, directed the Commission to: adopt rules that permit ILECs to increase rates for BLES by up to \$2.00 on an annual basis; docket a report no later than three years after the effective date to examine the number of exchange lines in service, the aggregate amount of line loss in the state of Ohio since the bill was enacted, and the change in price for those services in each exchange area since the effective date; submit a report to the standing committees in the House of Representatives and the Senate; permit, no earlier than four years from the effective date of the legislation, an ILEC to apply for an exemption from the price cap requirements for BLES; exempt telephone companies from treble damages; and, limit the Commission's ability to consider domestic telephone company change of control applications.

6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

Among other things, the PUCO will be able to monitor the number of providers entering and exiting the market and the related service offerings, the number of customers subscribing to the service offerings, and the number of customer complaints.

Development of the Regulation

- 7. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation. If applicable, please include the date and medium by which the stakeholders were initially contacted.**

On January 24, 2019, in Case No. 19-173-TP-ORD, the PUCO issued an entry by U.S. mail and email indicating that a workshop would be conducted on February 7, 2019, to listen to any proposed modifications to the proposed rules resulting from Sub. H.B. 402. The entry was served upon The Ohio Telecom Association (OTA), the office of the Ohio Consumers' Counsel (OCC), and the telephone industry list-serve. The workshop was held as scheduled.

- 8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?**

The February 7, 2019, workshop was attended by the OTA, AT&T Ohio, CentryLink, The Ohio Cable Telecommunications Association (OCTA), Cincinnati Bell, Charter Spectrum, and the OCC. Comments at the workshop were offered by AT&T Ohio, OTA and OCTA.

The PUCO also grants other opportunities for stakeholders to provide input on the proposed rules, including the PUCO call center and through the formal comment of the rule review process as set forth in the PUCO's Entry of March 20, 2019.

- 9. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?**

No scientific data was used to develop the rules.

- 10. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?**

The PUCO reviewed the existing rules set forth in Ohio Adm.Code Chapter 4901:1-6 and, for the most part, decided that no modifications were necessary as the current rules track, in many respects, R.C. Chapter 4927. Therefore, considerations of alternative regulations were not necessary. In a limited number of cases, the PUCO made some minor modifications to the existing rules for the purpose of clarification. In other cases, some or portions of the existing rules were deleted since they are no longer applicable.

- 11. Did the Agency specifically consider a performance-based regulation? Please explain. Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance.**

No. The chapter by its very nature is largely process driven since it implements procedures and standards that track R.C. Chapter 4927.

12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?

The PUCO has reviewed other Ohio regulations and found no duplication.

13. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

The adoption of Ohio Adm.Code Chapter 4901:1-6 will provide the PUCO with a framework to ensure consistent and predictable application for affected entities as well as to provide guidance to stakeholders when necessary. These rules have been in effect since 2011 without complaints regarding inconsistent application of the Chapter.

Adverse Impact to Business

14. Provide a summary of the estimated cost of compliance with the rule. *Specifically, please do the following:*

a. Identify the scope of the impacted business community;

The scope of the business community impacted by the adoption of Ohio Adm.Code Chapter 4901:1-6 includes regulated telephone companies and their customers.

b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); and

The rules were drafted in an effort to minimize any adverse impact on businesses. While Commission approval is required for the filing of certain applications, most approvals are intended to occur on an automatic basis with minimal time allocated for the purpose of Commission review and/or public input. Other applications are to be simply considered on a zero-day notice basis.

c. Quantify the expected adverse impact from the regulation. *The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a "representative business." Please include the source for your information/estimated impact.*

No new impacts are expected from the adoption of these rules.

15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

There is no additional recognized impact to the regulated business community or to their customers as these rules will, for the most part, remain the same as they have since their adoption. The only exceptions are the necessary provisions for the purposes of implementing Sub. H.B. 402.

Regulatory Flexibility

16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

The rules provide an impacted entity with the opportunity to seek a waiver of a provision of these rules.

17. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

The rules in Ohio Adm.Code Chapter 4901:1-6 do not impose specific fines or penalties for failure to comply. Fines or penalties for violation of this chapter may only be ordered by the PUCO after notice and hearing. The PUCO will fully comply with R.C. 119.14 and it is not the PUCO's intent to seek and recover administrative fines or civil penalties on any small business for a first-time paperwork violation.

18. What resources are available to assist small businesses with compliance of the regulation?

Commission Staff works with all affected entities, including small businesses, to assist such companies with compliance.

4901:1-6-01 Definitions.

As used within this chapter, these terms denote the following:

- (A) "Alternative operator services (AOS)" means any intrastate operator-assisted services, other than inmate operator services (IOS), in which the customer and the end user are totally separate entities. The AOS provider contracts with the customer to provide the AOS; however, the AOS provider does not directly contract with the billed party to provide the services even though it is the billed party who actually pays for the processing of the operator-assisted calls. AOS does not include coin-sent calls.
- (B) "Alternative provider" 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.
- (C) "Basic local exchange service" (BLES) shall have the meaning set forth in division (A)(1) of section 4927.01 of the Revised Code.
- (D) "Bundle or package of services" shall have the meaning set forth in division (A)(2) of section 4927.01 of the Revised Code.
- (E) "Carrier access" shall have the meaning set forth in division (A)(3) of section 4927.01 of the Revised Code.
- (F) "Commission" means the public utilities commission of Ohio.
- (G) "Competitive eligible telecommunications carrier (CETC)" means a carrier, other than an incumbent local exchange carrier, designated by a state commission as an eligible telecommunications carrier.
- (H) "Competitive emergency services telecommunications carrier (CESTC)" means a telephone company that is a 9-1-1 system service provider that with respect to a service area, that was not an incumbent 9-1-1 system service provider on or after the date of enactment of the Telecommunications Act of 1996 (1996 act) or its successor or assignee of an incumbent local exchange.
- (I) "Competitive local exchange carrier (CLEC)" means, with respect to a service area, any facilities-based and nonfacilities-based local exchange carrier that was not an incumbent local exchange carrier on the date of enactment of the 1996 act or is not an entity that, on or after such date of enactment, became a successor or assignee of an incumbent local exchange carrier.

(J) "Customer" means any person, firm, partnership, corporation, municipality, cooperative organization, government agency, etc., that agrees to purchase a telecommunications service and is responsible for paying charges and for complying with the rules and regulations of the telephone company. For purposes of this chapter, customer means a retail customer except where the term is specifically designated within a rule to mean a wholesale customer of the telephone company.

(K) "Eligible telecommunications carrier (ETC)" means a carrier designated by a state commission as defined in subpart C of FCC 47 C.F.R. 54.201.

(L) ~~"Exchange area" means a geographical service area established by an incumbent local exchange carrier and approved by the commission, which embraces a city, town, or village and a designated surrounding or adjacent area. There are currently seven hundred thirty eight exchanges in the state shall have the meaning set forth in division (A) of section 4927.12 of the Revised Code.~~

(M) "Facilities-based CLEC" means, with a respect to a service area, any local exchange carrier that uses facilities it owns, operates, manages or controls to provide basic local exchange services to consumers on a common carrier basis; and that was not an incumbent local exchange carrier on the date of the enactment of the 1996 act. Such carrier may partially or totally own, operate, manage or control such facilities. Carriers not included in such classification are carriers providing service(s) solely by resale of the incumbent local exchange carrier's local exchange services.

(N) "Federal poverty level" shall have the meaning set forth in division (A)(4) of section 4927.01 of the Revised Code.

(O) "Flat rate" service means unlimited number of local calls at a fixed charge.

(P) "Incumbent local exchange carrier (ILEC)" shall have the meaning set forth in division (A)(5) of section 4927.01 of the Revised Code.

(Q) "Inmate operator services (IOS)" means any intrastate telecommunications service initiated from an inmate telephone, i.e., a telephone instrument set aside by authorities of a secured correctional facility for use by inmates or juvenile offenders.

(R) "Internet protocol-enabled services" shall have the meaning set forth in division (A)(6) of section 4927.01 of the Revised Code.

(S) "Large ILEC" means any ILEC serving fifty thousand or more access lines in Ohio.

(T) "Line loss" shall have the meaning set forth in division (A) of section 4927.123 of the Revised Code.

~~(U)~~ "Local exchange carrier" shall have the meaning set forth in division (A)~~(78)~~ of section 4927.01 of the Revised Code.

~~(V)~~ "Local service area" shall have the meaning set forth in division (A)~~(89)~~ of section 4927.01 of the Revised Code.

(W) "Long run service incremental cost" means the cost for a new or existing product that is equal to the per unit cost of increasing the volume of production from zero to a specified level, while holding all other product and service volumes constant.

~~(X)~~ "Nonresidential service" means a telecommunication service primarily used for business, professional, institutional or occupational use.

(Y) "Postmark" means a mark, including a date, stamped or imprinted on a bill or a piece of mail which serves to record the date of its mailing, which in no event shall be earlier than the date on which the item is actually deposited in the mail. The postmark of a bill that is sent electronically must appear on the electronic bill and shall in no event be earlier than the date which it is electronically sent.

~~(Z)~~ "Preferred carrier freeze" (PCF) means a service that prevents a change in a customer's preferred carrier selection, unless the customer gives consent for such change to the carrier from whom the freeze was requested.

~~(AA)~~ "Provider of last resort" means an ILEC or successor telephone company that is required to provide basic local exchange service on a reasonable and non-discriminatory basis to all persons or entities in its service area requesting that service as set forth in section 4927.11 of the Revised Code.

(BB) "Public safety answering point" (PSAP) means a facility to which 9-1-1 system calls for a specific territory are initially routed for response and where personnel respond to specific requests for emergency service by directly dispatching the appropriate emergency service provider, relaying a message to the appropriate provider, or transferring the call to the appropriate provider.

(ACC) "Regulated service" means service under the jurisdiction of the commission.

(~~BBDD~~) "Residential service" means a telecommunications service provided primarily for household use.

(~~EEEE~~) "Small business" shall have the meaning set forth in division (A)(~~910~~) of section 4927.01 of the Revised Code.

(~~DDFF~~) "Tariff" means a schedule of rates, tolls, rentals, charges, classifications, and rules applicable to services and equipment provided by a telephone company that has been filed or posted in such places or in such manner as the commission orders.

(~~EEGG~~) "Telecommunications" shall have the meaning set forth in division (A)(~~1011~~) of section 4927.01 of the Revised Code.

(~~FFHH~~) "Telecommunications carrier" shall have the meaning set forth in division (A)(~~1112~~) of section 4927.01 of the Revised Code.

(~~GGII~~) "Telecommunications relay service (TRS)" means intrastate transmission services that provide the ability for an individual who has a hearing or speech impairment to engage in a communication by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual, who does not have a hearing or speech impairment, to communicate using voice communication services by wire or radio. TRS includes services that enable two-way communication between an individual who uses a telecommunications device for the deaf or other nonvoice terminal device and an individual who does not use such a device.

(~~HHJJ~~) "Telecommunications service" shall have the meaning set forth in division (A)(~~1213~~) of section 4927.01 of the Revised Code.

(~~HKKK~~) "Telephone company" shall have the meaning set forth in division (A)(~~1314~~) of section 4927.01 of the Revised Code.

(~~JJLL~~) "Telephone exchange service" shall have the meaning set forth in division (A)(~~1415~~) of section 4927.01 of the Revised Code.

(~~KKMM~~) "Telephone toll service" shall have the meaning set forth in division (A)(~~1516~~) of section 4927.01 of the Revised Code.

(~~LLNN~~) "Traditional service area" means the area in which an ILEC provided basic local exchange service on the date of enactment of the Telecommunications Act of 1996, 110 Stat. 60, 47 U.S.C. 153, and includes any commission-approved changes to an ILEC's traditional service area after that date.

~~(MMQQ)~~ "Voice over internet protocol service" (VoIP) shall have the meaning set forth in division (A)~~(1618)~~ of section 4927.01 of the Revised Code.

~~(NNPP)~~ "Wireless service" shall have the meaning set forth in division (A)~~(1719)~~ of section 4927.01 of the Revised Code.

~~(OOQQ)~~ "Wireless service provider" shall have the meaning set forth in division (A)~~(1820)~~ of section 4927.01 of the Revised Code.

4901:1-6-06 Suspensions.

(A) Unless otherwise provided in law, the commission, legal director, deputy legal director, or attorney examiner may impose a full or partial suspension of any automatic approval process, notice filing, or tariff approved pursuant to this chapter, if such filing is contrary to law or the rules of the commission.

(B) Under this rule, if a tariff filing is contrary to law or the rules of the commission, the commission may require a telephone company to discontinue provision of the affected tarified telecommunications service(s) or, under partial suspension, cease offering the affected tarified telecommunications service(s) to new customers, or take other actions with regard to the affected service(s) as the commission may require.

(C) Unless the law specifically precludes suspension of an automatic approval process, a pending application under full or partial suspension will be automatically approved sixty days from the date of suspension if all issues are resolved. If all issues are not resolved by the sixtieth day, the application will be either dismissed by entry or suspended a second time. Any such second suspension shall be accompanied by notice to the applicant explaining the rationale for the additional suspension. Applications under a second suspension cannot be approved without a commission entry or order.

(1) Under this paragraph, an application under full suspension is entirely precluded from taking effect.

(2) Under this paragraph, an application under partial suspension is permitted to take effect, in part or in its entirety, under the proposed terms and conditions, subject to further review by the commission. The applicant is put on notice that the commission, subsequent to further review, may modify the rates and/or terms and conditions of tarified telecommunications service(s) affected by the application.

(D) For-profit ILEC BLES pricing flexibility applications, filed pursuant to paragraph (C)(1)(c) of rule 4901:1-6-14 of the Administrative Code, are subject to one full suspension of the automatic approval process and must be approved or denied not later than ninety days after the date of suspension. Under this paragraph, an application under full suspension is entirely precluded from taking effect.

(E) A full or partial suspension of tariffed telecommunications services may also be imposed, after an application has been approved under the automatic approval process or is subject to a zero-day notice filing, if an ex post facto determination is made that the tariff may not be in the public interest, or is in violation of law or commission rules.

Replaces: 4901:1-6-07

Five Year Review (FYR) Dates: 3/2/2018 and 03/02/2023

Promulgated Under: 111.15

Statutory Authority: 4901.13, 4927.03

Rule Amplifies: 4927.03, 4927.15, 4927.05

Prior Effective Dates: 4/8/03, 9/18/07, 1/20/11

Prior History: (Effective: 01/20/2011

R.C. 119.032 review dates: 11/30/2015

Promulgated Under: 111.15

Statutory Authority: 4901.13, 4927.03

Rule Amplifies: 4927.03, 4927.15

Prior Effective Dates: 4/8/03, 9/18/07)

4901:1-6-07 Customer notice requirements.

(A) Except for notices for abandonment or withdrawal of telecommunications service pursuant to rules 4901:1-6-26 and 4901:1-6-25 of the Administrative Code, respectively, and upward alterations of basic local exchange service(BLES) rates pursuant to rule 4901:1-6-14 of the Administrative Code, a telephone company shall provide at least fifteen days advance notice to its affected customers, of any material change in the rates, terms, and conditions of a any retail service required to be tariffed, as set forth in rule 4901:1-6-11 of the Administrative Code, and any change in the company's operations that are not transparent to customers and may impact service. Customer notice is not required for a decrease in rates, unless otherwise specified in this chapter.

(B) For abandonment or withdrawal of telecommunications service and upward alterations of BLES rates, a telephone company shall provide at least

thirty days advance notice to its affected customers in accordance with rules 4901:1-6-26, 4901:1-6-25, and 4901:1-6-14 of the Administrative Code, respectively.

(C) For every customer notice, a telephone company shall provide to the commission a copy of the actual customer notice and an affidavit verifying that the customer notice was provided to affected customers. A copy of the applicable customer notice must be provided to commission staff no later than the date it is provided to customers by emailing the text of the customer notice to a commission-provided electronic mailbox at: Telecomm-Rule07@puc.state.oh.us.

(D) Every customer notice shall identify the name of the company or brand name familiar to the customer (i.e. the company's "doing business as" name) and the company's customer service toll-free telephone number and web site (if one exists), along with a clear description of the impact on the customer. If the notice is informing a customer of a material change in the rates, terms, or conditions of service, the notice shall also name the service offering being changed, a description of the change including any increase in rate(s), the effective date of the change, and the company's contact information.

(E) Notice shall be provided to affected customers in any reasonable manner, including bill insert, bill message, direct mail, or, if the customer consents, electronic means.

(F) For change in operation applications filed pursuant to rule 4901:1-6-29 of the Administrative Code, the customer notice must explain how the customer will be directly impacted by the application and what customer action, if any, is necessary as a result of such application.

(G) At a minimum, the notice for a withdrawal or abandonment of service should provide the proposed effective date of the service withdrawal, instructions to the customers on how they may obtain replacement service(s), and the commission's toll-free and TTY-TDD telephone numbers.

(H) In the event that the commission staff determines that a notice provided to customers is not consistent with the law or commission rules, the commission staff may require the company to re-notice customers.

Replaces: part of 4901:1-6-11, 4901:1-6-12, 4901:1-6-17

Effective: 01/20/2011

R.C. 119.032 review dates: 11/30/2015

Promulgated Under: 111.15

Statutory Authority: 4901.13, 4927.03

Rule Amplifies: 4927.17

Prior Effective Dates: 4/8/03, 9/18/07

4901:1-6-14 BLES pricing parameters.

(A) Rates for basic local exchange service (BLES) offered by a local exchange company (LEC) shall be subject to the tariff requirements and pricing constraints set forth in this rule.

(B) BLES regulatory framework

(1) BLES shall only be offered by LECs pursuant to approved tariffs on file with the commission. A LEC offering BLES shall maintain a complete, up-to-date tariff on file at the offices of the commission at all times.

(2) The tariff for BLES shall contain all rates, terms, and conditions for BLES and installation and reconnection fees for BLES.

(3) The BLES pricing flexibility for incumbent local exchange carriers (ILECs) set forth in this rule shall be applied to the monthly recurring rates for the network access line component or equivalent of a single residential BLES line or a primary small business BLES line.

(4) BLES is considered BLES for purposes of these rules regardless of what other a la carte services and features to which a customer may subscribe.

(5) A bundle or package of telecommunications services which includes telephone exchange service is not subject to the pricing constraints contained in paragraph (C) of this rule and section 4927.12 of the Revised Code and may be priced at market-based rates.

(6) An ILEC offering BLES outside of its traditional service area or a competitive local exchange carrier (CLEC) affiliate of an ILEC offering BLES within or outside of that ILEC's traditional service area shall follow all BLES rules in this chapter that are applicable to CLECs offering BLES.

(C) For-profit ILEC BLES pricing flexibility

(1) Upon not less than thirty day's notice, pursuant to paragraph (F)(5) of this rule, a for-profit ILEC may increase its rates for BLES:

(a) If the ~~an~~ ILEC, within twelve months prior to September 13, 2010, increased the ILECs' rates for BLES for the exchange area, both of the following apply:

~~(i) The~~An ILEC may not alter its rates for BLES for the exchange area upward by any amount during the period that ends twelve months after the date of the last increase of the rates for BLES.

~~(ii) In no event may the ILEC during the twelve-month period that begins immediately after the end date of the period described in paragraph (C)(1)(a)(i) of this rule, and during any subsequent twelve-month period, may alter the ILEC's monthly rates for BLES downward by any amount, but not below the carrier's incremental cost or upward for an exchange area by not more than one two dollar-dollars and twenty-five cents. For the purpose of this rule, an ILEC's incremental cost of providing BLES shall be the ILEC's long run service incremental cost (LRSIC) of providing BLES.~~

~~(iii) An ILEC may make multiple rate increases, in the exchange to which the application applies, within the twelve-month period that begins on the thirty-first day after the company files the application, and during any subsequent twelve-month period in compliance with paragraph (F)(5) of this rule, as long as the multiple increases do not exceed the one two dollar-dollars and twenty-five cents annual price increase cap. An ILEC does not have to increase the carrier's monthly rates for BLES for residential and business customers concurrently.~~

(b) If the ILEC did not, within twelve months prior to September 13, 2010, increase the ILEC's rates for BLES for an exchange area, and if the commission has made a prior determination that the exchange area qualified for alternative regulation of BLES under Chapter 4901:1-4 of the Administrative Code, as that chapter existed on September 13, 2010, ~~in no event may the ILEC, during the twelve-month period that begins on September 13, 2010, and during any subsequent twelve-month period, may~~ alter the ILEC's monthly rates for BLES downward by any amount, but not below the carrier's incremental cost, or upward for the exchange area by not more than one two dollar-dollars and twenty-five cents.

(c) If the commission has not made a prior determination that ~~the~~ an exchange area qualified for alternative regulation of BLES under Chapter 4901:1-4, of the Administrative Code, as that chapter existed on September 13, 2010, an ILEC may, at any time, alter the ILEC's rate for BLES for that exchange area downward by any amount, but not below the carrier's incremental cost. But the carrier may not alter its rates for BLES upward for that exchange area unless the ILEC first applies to the commission and the commission determines that the application demonstrates that two or more alternative providers offer, in the exchange area, competing service to the BLES offered by the ILEC in the exchange area, regardless of the technology

and facilities used by the alternative provider, the alternative provider's location, and the extent of the alternative provider's service area within the exchange area.

(i) Upon the filing of an application under paragraph (C)(1)(c) of this rule pursuant to a BLS case purpose code, the commission shall be deemed to have found that the application meets the requirements of that paragraph unless the commission, within thirty days after the filing of an application, does either of the following: (1) issues an order finding that the requirements have not been met or (2) suspends the automatic approval for good cause shown. The commission should then act to approve or deny the application not later than ninety-days after the date of suspension.

(ii) ~~In no event may an~~ If an ILEC that applies to the commission under paragraph (C)(1)(c) of this rule and the application is approved or deemed approved under paragraph (C)(1)(c)(i), the ILEC during the twelve-month period that begins on the thirty-first day after the company files the application was deemed approved or the date the commission issues an order approving an application that was suspended, and during any subsequent twelve-month period, may alter the carrier's monthly rates for BLES upward for the exchange area to which the application applies by not more than one two dollar dollars and twenty-five cents.

(2) Banking

Any rate increase allowed by this rule that is not used during a twelve-month period by a for-profit ILEC may not be used in any subsequent year.

(D) Not-for profit ILEC pricing flexibility.

At any time, and upon no less than thirty days' notice pursuant to paragraph (F)(5) of this rule, a not-for-profit mutual ILEC, owned and operated exclusively by and solely for its customers may increase its rates for BLES by any amount.

~~(E) In no event may an ILEC, before January 1, 2012, alter its rates for BLES upward for a customer receiving lifeline service.~~

(E) Federal universal service high-cost program for-profit ILEC BLES price increase.

(1) In order to comply with the eligibility requirements prescribed by the federal communications commission for the federal universal service high-cost program, an ILEC, upon no less than thirty days' notice pursuant to paragraph (F)(5) of this rule, may increase its rates by any amount. The

corresponding tariff amendment shall be filed as a zero-day tariff amendment (ZTA).

(2) The commission may order such rate increase be phased in over a period not greater than three years, if the commission determines that a phase-in is necessary to protect the public interest.

(F) ILEC BLES application, process, and notice

(1) If the commission has not made a prior determination that the exchange area qualified for alternative regulation of BLES under Chapter 4901:1-4 of the Administrative Code, as that chapter existed on September 13, 2010, a for-profit ILEC must file an application seeking approval to obtain BLES pricing flexibility as set forth in paragraph (C)(1)(c)(i) of this rule, using the most up-to-date telecommunications filing form, under the case purpose code TP-BLS.

(2) A for-profit ILEC shall establish or maintain a tariffed rate cap for BLES consistent with paragraphs (C)(1)(a)(ii), (C)(1)(b), and (C)(1)(c)(ii) of this rule. Such ILECs shall file an updated tariff, for each exchange area with BLES pricing flexibility, at the end of each exchange's twelve-month period, to reflect the new anniversary date and, as necessary, the new tariffed rate cap for BLES. Such tariff shall be filed as a zero-day tariff amendment (ZTA).

(3) A for-profit ILEC's BLES price change(s) below its annual tariffed cap for BLES is subject to a zero-day notice filing under the company's tariff filing (TRF) docket.

(4) A not-for-profit ILEC's BLES rates may be established and changed in its tariff pursuant to a zero-day notice filing under the company's tariff filing (TRF) docket.

(5) Increases in an ILEC's BLES rates pursuant to paragraphs (C), ~~and (D)~~, and (E) of this rule require customer notice, consistent with the requirements of rule 4901:1-6-07 of the Administrative Code, to all affected customers, including the office of the Ohio consumers' counsel (OCC) if residential BLES is involved, not less than thirty days prior to the rate increase. A copy of the applicable customer notice must be provided to commission staff no later than the date it is provided to customers by emailing the text of the customer notice to a commission-provided electronic mailbox at: Telecomm-Rule07@puco.ohio.gov.

(G) BLES pricing flexibility exemption for ILECs.

Not earlier than four years after the effective date of section 4927.123 of the Revised Code, an ILEC may apply for an exemption from the requirements of paragraph (C) of this rule for an exchange are subject to paragraph (G)(3) of this rule.

(1) Upon not less than thirty days' notice, pursuant to paragraph (F)(5) of this rule, a for-profit ILEC may apply for an exemption from the requirements of paragraph (C) of this rule provided that:

(a) the ILEC shows it has experienced at least fifty percent line loss in the exchange area since January 1, 2002 and one of the following applies:

(i) the ILEC, within twelve months prior to September 13, 2010, increased the ILEC's rates for BLES for the exchange area;

(ii) the commission has made a prior determination that the exchange area qualified for alternative regulation of BLES under Chapter 4901:1-4 of the Administrative Code, as that chapter existed on September 13, 2010 or;

(iii) the ILEC filed an application for the exchange area that was approved or deemed approved pursuant to paragraph (C)(1)(c) of this rule.

(2) Upon the filing of an application under paragraph (G)(1) of this rule pursuant to a BEX case purpose code, the commission shall be deemed to have found that the application meets the requirements of that paragraph unless the commission, within thirty days after the filing of an application issues an order finding that the requirements have not been met.

(3) If an ILEC that applies to the commission under paragraph (G)(1) of this rule and the application is approved or deemed approved under paragraph (G)(2), the ILEC shall be exempt from the requirements of paragraph (C) of this rule for the exchange area to which the application applies, except the ILEC may not alter the ILEC's BLES rate below the ILEC's incremental cost.

(4) Increases in an ILEC's BLES rates, after the application is approved or deemed approved under paragraph (G)(2) require customer notice, consistent with the requirements of rule 4901:1-6-07 of the Administrative Code, to the commission and all affected customers, including the office of the Ohio consumers' counsel (OCC) if residential BLES is involved, not less than thirty days prior to the rate increase. A copy of the applicable customer notice must be provided to commission staff no later than the date it is provided to customers by emailing the text of the customer notice to a commission-provided electronic mailbox at: Telecomm-Rule07@puco.ohio.gov.

(5) Subsequent rate alterations to BLES rates, in exchanges approved or deemed approved under paragraph (G)(2) of this rule, shall be changed in its tariff pursuant to a zero-day notice filing under the company's tariff filing (TRF) docket.

(6) The granting of an exemption does not impair the rights of any person to file a complaint pursuant to R.C. 4927.21 or restrict the rights of the Commission to initiate such a complaint.

(H) A decrease in BLES rates by a for-profit ILEC, under paragraphs (C), (D), or (G) of this rule, shall be changed in the company's tariff pursuant to a zero-day notice filing under the company's tariff filing (TRF) docket, include an affidavit attesting that the decreased rate is not below the ILEC's incremental cost and are required to provide thirty day customer notice pursuant to paragraph (F)(5) of this rule.

(GI) CLEC BLES pricing flexibility, process, and notice:

(1) CLECs may establish the tariffed rate(s) for any BLES offerings based on the marketplace.

(2) A CLEC's BLES rate change(s) is subject to a zero-day notice filing under the company's tariff filing (TRF) docket.

(3) A CLEC may increase its BLES rates on no less than thirty days' written notice to affected customers, including OCC if residential BLES is involved. Such increases require customer notice consistent with the requirements of rule 4901:1-6-07 of the Administrative Code. A copy of the applicable customer notice must be provided to commission staff no later than the date it is provided to customers by emailing the text of the customer notice to a commission-provided electronic mailbox at: Telecomm-Rule07@puco.ohio.gov.

(HJ) New services, change in terms and conditions and expansion of local service area

(1) In order to introduce BLES or for an expansion of a local service area, a LEC must docket a zero-day notice filing (ZTA) with the commission to amend its tariff, in accordance with the process set forth in rule 4901:1-6-04 of the Administrative Code. The ZTA will take effect in accordance with paragraph (B) of rule 4901:1-6-05 of the Administrative Code.

(2) Material changes in terms and conditions of an existing BLES by a LEC, including the introduction of a nonrecurring service charge, surcharge or fee to BLES by a CLEC, shall be filed through a thirty-day application for tariff

amendment (ATA) filing. A standard of reasonableness will be applied to these charges including, but not limited to, a comparison with similar charges previously approved by the commission and similar charges assessed by other providers. Such application requires a customer notice to be filed in accordance with rule 4901:1-6-07 of the Administrative Code.

~~(IK)~~ BLES late payment charges

Late payment charges for BLES may be introduced or increased through a thirty-day ATA filing. A standard of reasonableness will be applied to late payment charges including, but not limited to, a comparison with similar charges previously approved by the commission and similar charges assessed by non-regulated providers. Such application requires a customer notice to be filed in accordance with rule 4901:1-6-07 of the Administrative Code.

~~(JL)~~ BLES installation and reconnection fees

Any ILEC nonrecurring service charges for installation and reconnection of a single residential or primary business BLES line shall be included in the BLES tariff and may be increased through a thirty-day application for tariff amendment (ATA) filing. A standard of reasonableness will be applied to nonrecurring service charges for installation and reconnection. Applications for increases to nonrecurring reconnection charges requires a customer notice to be filed in accordance with rule 4901:1-6-07 of the Administrative Code.

Effective: 5/24/2018

Five Year Review (FYR) Dates: 3/2/2018 and 05/14/2023

Promulgated Under: 111.15

Statutory Authority: 4901.13, 4927.03

Rule Amplifies: 4927.12

Prior Effective Dates: 4/8/03, 9/18/07, 1/20/11

4901:1-6-19 Lifeline requirements.

[Comment: For dates of references to a section of either the United States Code or a regulation in the code of federal regulations, see rule 4901:1-6-02 of the Administrative Code.]

(A) An incumbent local exchange carrier (ILEC) that is an eligible telecommunications carrier (ETC) under 47 C.F.R. 54.201 shall implement lifeline service throughout the ILEC ETC's traditional service area for its eligible residential customers.

(B) Lifeline service shall be a ~~flat-rate~~, monthly, primary access line service with touch-tone service and shall provide all of the following:

(1) A recurring discount to the monthly basic local exchange service rate that provides for the maximum contribution of federally available assistance;

(2) Not more than once per customer at a single address in a twelve-month period, a waiver of all nonrecurring service order charges for establishing service;

(3) Free blocking of toll service, 900 service, and 976 service;

(4) A waiver of the federal universal service fund end user charge;

(5) A waiver of the telephone company's service deposit requirement.

(C) The ILEC ETC may offer to lifeline service customers any other services and bundles or packages of service at the prevailing prices, less the lifeline discount.

(D) The ILEC ETC also shall offer special payment arrangements to lifeline service customers that have past due bills for regulated local service charges, with the initial payment not to exceed twenty-five dollars before service is installed, and the balance for regulated local service charges to be paid over six, equal monthly payments. Lifeline service customers with past due bills for toll service charges shall have toll restricted service until the past due toll service charges have been paid or until the customer establishes service with another toll provider.

(E) Every large ILEC required to implement lifeline service shall establish an annual marketing budget for promoting lifeline service and performing outreach regarding lifeline service. Every large ILEC shall work with the advisory board established in paragraph (F) to reach consensus, where possible, regarding an appropriate budget for promoting lifeline and performing outreach and regarding how the budget will be spent. All funds allocated to this budget shall be spent for the promotion and marketing of lifeline service and outreach regarding lifeline service and only for those purposes and not for any administrative costs of implementing lifeline service.

(F) All activities relating to the promotion of, marketing of, and outreach regarding lifeline service provided by the large ILECs shall be coordinated through a single advisory board composed of staff of the public utilities commission of Ohio, the office of the Ohio consumers' counsel (OCC), consumer groups representing low income constituents, two representatives from the Ohio association of community action agencies, and every large ILEC. Commission staff shall, with the assistance of the office of the consumers' counsel, work with the advisory board to reach consensus on the organization of the board and all activities relating to the promotion of, marketing of, and outreach regarding lifeline service. However, where consensus is not possible, the commission's staff shall make the final determination. Decisions on the organization of the board and decisions of the advisory board including decisions on how the lifeline marketing, promotion, and outreach activities are implemented are subject to commission review.

(G) All other aspects of an ILEC ETC's state-specific lifeline service shall be consistent with federal requirements. The rates, terms, and conditions for the ILEC's lifeline service shall be tarified in accordance with rule 4901:1-6-11 of the Administrative Code.

(H) Eligibility for lifeline service under this rule shall be consistent with the federal communications commission (FCC) requirements set forth in 47 C.F.R. 54.410 and is based on either of the following criteria:

(1) An individual's verifiable participation in any federal or state low-income assistance program that limits assistance based on household income. These programs include:

(a) Medical assistance under Chapter 5111. of the Revised Code (medicaid) or any state program that might supplant Medicaid;

(b) Supplemental nutritional assistance program (SNAP/food stamps);

(c) Supplemental security income (SSI) under Title XVI of the Social Security Act;

(d) Federal public housing assistance, or section 8; or

(e) Veteran's and survivor's pension benefits.

The commission may add or remove programs from this list as required by federal or state law.

(2) Other verification that an individual's household income is at or below one hundred thirty-five per cent of the federal poverty level. ILEC ETC's may use any reasonable method of verification. Consistent with federal law, examples of acceptable documentation include the following:

- (a) State or federal income tax return;
- (b) Current income statement or W-2 from an employer;
- (c) Three consecutive months of current pay stubs;
- (d) Social security statement of benefits;
- (e) Retirement/pension statement of benefits;
- (f) Unemployment/workmen's compensation statement of benefits;
- (g) Any other legal document that would show current income (such as a divorce decree or child support document); or
- (h) Veteran's administration statement of benefits.

(I) All ILEC ETCs must verify customer eligibility consistent with the federal communications commission's (FCC) requirements in 47 C.F.R. 54, to enroll customers into lifeline assistance who qualify through household income-based requirements.

(J) To the extent that an ILEC ETC is the only service provider in a particular exchange, the ILEC ETC where possible, may provide automatic enrollment at its election. ILEC ETCs electing to enroll subscribers via automatic enrollment shall take all necessary steps to ensure that there is no duplication of lifeline service for a specific subscriber.

(K) General de-enrollment: An ILEC ETC shall provide written customer notification if it has a reasonable basis to believe that a Lifeline subscriber no longer meets the criteria to be considered a qualifying low-income consumer and the subscriber's customer's lifeline service benefits are to be terminated due to failure to submit acceptable documentation for continued eligibility for that assistance. The ILEC ETC and shall provide the customer subscriber an additional thirty days following the date of the impending termination letter to submit acceptable documentation of continued eligibility or dispute the carrier's findings regarding termination of the lifeline service.

(L) De-enrollment for non-usage: Following any continuous thirty-day period of nonusage of a lifeline service that does not require the ETC to assess or collect a monthly fee from its subscriber, an ETC shall notify the customer through any reasonable means that he/she is no longer eligible to receive lifeline benefits, and shall afford the customer a fifteen-day grace period during which the customer may demonstrate usage.

(M) De-enrollment for failure to re-certify. An ILEC ETC shall de-enroll a lifeline subscriber who does not respond to the carrier's attempts to obtain re-certification of the subscriber's continued eligibility as required by CFR 47 54.410(f); or who fails to provide the annual one-per-household recertification as required by CFR 47 54.410(f). Prior to de-enrolling a subscriber under this paragraph, the ILEC ETC shall notify the subscriber in writing that failure to respond to the re-certification request will trigger de-enrollment. A subscriber must be given sixty days to respond to recertification efforts

(N) An ILEC ETC shall establish procedures to verify an individual's continuing eligibility for both program and income-based criteria consistent with the FCC's requirements in 47 C.F.R. 54.409 to 54.410. ILEC ETCs shall maintain records to document compliance with these requirements and shall attest, as part of the periodic ETC certification process by the commission, that they comply with the FCC's requirements.

(O) An ILEC ETC may recover through a customer billing surcharge on retail customers of the ILEC's telecommunications service other than lifeline service customers, any lifeline service discounts and any other lifeline service expenses that are not recovered through federal or state funding and that are approved by the commission under this paragraph. The surcharge may not include recovery of expenses related to the marketing and promotion of lifeline service. The surcharge may be established through one of the following means:

(1) An ILEC ETC that chooses to establish a customer billing surcharge to non-lifeline customers, to recover lifeline service discounts and expenses identified in this paragraph shall file a thirty-day application for tariff amendment (ATA). Such application may request recovery of lifeline service discounts that are not recovered through federal or state funding such as federal universal service fund end user charges, service connection charges, blocking of 900/976, recurring discount maximizing the contribution of federally available assistance, and recurring retail price differences between the frozen lifeline service rate and residential BLES rates, as well as lifeline service expenses that are not recovered through federal or state funding such as administrative expenses for the sole purpose of verifying the eligibility and enrolling of lifeline customers. An applicant must provide documentation to support its proposed

surcharge and its compliance with this rule. Absent suspension or other commission action, the application shall be deemed approved and become effective on the thirty-first day or later date if requested by the company.

(2) An ILEC ETC requesting recovery of any expenses not specified in paragraph (O)(1) of this rule shall file an application with the commission, using the most up-to-date telecommunications filing form, under the TP-UNC case purpose code. An applicant must provide documentation to support its proposed customer billing surcharge and its compliance with this rule and must further support its request for recovery of any expenses not specified in paragraph (O)(1) of this rule with a detailed supporting memorandum. Absent suspension or commission action, the application shall be deemed approved and become effective on the one hundred twenty-first day or later date if requested by the company.

(P) If an ILEC ETC chooses to establish a customer billing surcharge to recover its lifeline expenses under paragraph (O)(1) or (O)(2) of this rule, the lifeline surcharge shall not appear in the section of the bill reserved for taxes and government-mandated charges as set forth in 47 C.F.R. 64.2400 to 64.2401.

(Q) An ILEC ETC that is authorized to establish a customer billing surcharge under either paragraph (O)(1) or (O)(2) of this rule shall annually file with the commission a report that identifies actual amounts recovered and the actual lifeline service discounts and any other lifeline service expenses incurred for the prior period. The company shall provide such data as necessary to enable the commission to validate such amounts to ensure that the company did not over recover its approved expenses from customers. The commission shall establish for each such company the time frame for filing this report when the commission approves any such billing surcharge. The annual filing may be contained in a request to adjust the billing surcharge in accordance with paragraph (O)(1) or (O)(2) of this rule, but shall be provided via a separate filing and docketed in a generic case number to be established by the commission, if no adjustment to the billing surcharge is sought. Any over-recovery or under-recovery shall be offset against or added to the next year's recovery.

(R) Every ILEC ETC shall file with the commission in its annual report for fiscal assessment the number of its customers who receive, at the time of filing of the report, lifeline service.

(S) Upon request of commission staff, additional information regarding customer subscription to and disconnection of lifeline service shall be provided to commission staff in accordance with rule 4901:1-6-30 of the Administrative Code.

(T) Competitive eligible telecommunication carriers (CETCs) lifeline requirements.

(1) The lifeline requirements found in paragraphs (B), (C), (D), (G), (H), (I), (J), (K), (L), (M), and (N) of this rule apply to the lifeline service offered by any CETC, as applicable to that CETC's service offerings.

~~(2) The flat rate requirement of paragraph (B) of rule 4901:1-6-19 of the Administrative Code does not apply to a CETC's free wireless lifeline service offerings.~~

(32) A CETC shall provide to commission staff, upon request, information regarding the number of its lifeline customers and any additional information regarding customer subscription to and disconnection of lifeline service in the manner and time frame determined by commission staff.

(43) CETCs that offers lifeline services that include a defined local calling area shall establish a toll-free or local customer service number in order that customers can raise customer service concerns free of charge.

(54) CETCs that offer do not have a defined local calling area shall not deduct minutes for customer service-related calls.

(65) CETCs shall, at a minimum, accept customer service and repair calls at their respective customer service number during normal business hours.

(U) The payment of financial incentives by ILEC ETCs and CETCs to community organizations for client referrals is permitted provided the payments are non-tiered and the arrangements are nonexclusive.

Effective:	5/24/2018
Five Year Review (FYR) Dates:	3/2/2018 and 05/14/2023
Promulgated	Under: <u>111.15</u>
Statutory	Authority: <u>4927.03, 4901.13</u>
Rule	Amplifies: <u>4927.04</u>
Prior Effective Dates:	1/20/11

4901:1-6-29 Telephone company procedures for notifying the commission of changes in operations.

[Comment: For dates of references to a section of either the United States Code or a regulation in the code of federal regulations, see rule 4901:1-6-02 of the Administrative Code.]

(A) Every telephone company shall update its certification authority if there is any change in its operations as identified in this rule.

(B) Procedures for notifying the commission of updates to certification authority and certain changes in operations by a local exchange carrier (LEC) providing basic local exchange service (BLES).

(1) A LEC providing BLES shall file a telecommunications filing form pursuant to paragraph (A) of rule 4901:1-6-04 of the Administrative Code and the required attachments as set forth on that form for an application notifying the commission of the following changes in its operations in the appropriate application listed in this paragraph:

(a) ATC - An application to transfer a certificate to a preselected transferee.

(b) ATR - An application to conduct a transaction involving one or more LECs providing BLES for the purchase, sale, or lease of property, plant, or business which may affect the operating authority of a party to the transaction.

(c) ACN - An application to change the name of a LEC providing BLES.

(2) All applications filed pursuant to paragraph (B)(1) of this rule are subject to a thirty-day automatic approval process as described in rule 4901:1-6-05 of the Administrative Code.

(C) Procedures for notifying the commission of updates to certification authority and certain changes in operations by telephone companies.

(1) All telephone companies, except LECs providing BLES subject to the exception set forth in paragraph (E)(2), shall file a telecommunications filing form pursuant to paragraph (A) of rule 4901:1-6-04 of the Administrative Code and the required attachments as set forth on that form when notifying the commission of the following changes in operations (CIO):

(a) For any change in ownership which is transparent to customers.

(b) For an application to transfer a certificate and/or conduct a sale or lease of property, plant, customer base, or business which may affect the operating authority of a party(ies) to the transaction.

(c) For an application by two or more telephone companies to merge.

(d) For an application to change the name of a telephone company.

(2) A CIO application is subject to a zero-day notice filing process as described in rule 4901:1-6-05 of the Administrative Code.

(D) Customer notification

A telephone company shall provide to its affected customers, in accordance with rule 4901:1-6-07 of the Administrative Code, at least fifteen days' advance notice (e.g., direct mail, bill insert, or bill notation) of any change in the company's operations identified by this rule that is not transparent to its customers and may impact service, and file a copy of such notice with the commission concurrent with the filing of an application under this rule. In the alternative, a telephone company subject to the notification procedures set forth in 47 C.F.R. 63.71, may submit evidence of a customer notice already provided for the purpose of informing subscribers of a change in operations consistent with the requirements of the federal communications commission.

(E) Procedures for merger and change in control applications of a LEC providing BLES

(1) A LEC providing BLES shall obtain the prior approval of the commission for a change in control (ACO) or approval of a merger with another telephone company (AMT) under section 4905.402 of the Revised Code. An applicant shall file with the commission a telecommunications filing form pursuant to rule 4901:1-6-04 of the Administrative Code and the required attachments as set forth on that form. An AMT and/or ACO application must demonstrate that the change in control or merger will promote public convenience and result in the provision of adequate service for a reasonable rate, rental, toll, or charge. If the commission considers a hearing necessary, it may fix a time and place for hearing. If, after review of the application, and after any necessary hearing, the commission is satisfied that approval of the application will promote public convenience and result in the provision of adequate service for a reasonable rate, rental, toll, or charge, the commission shall approve the application and make such order as it considers proper. If the commission fails to issue an order within thirty days of the filing of the application, or within twenty days of the conclusion of a hearing, if one is held, the application shall be deemed approved.

(2) Paragraph (E)(1) of this rule does not apply in any instance where there is a pending application with the federal communications commission (FCC) regarding either the acquisition of control of a domestic telephone company or a holding company controlling a domestic telephone company or a merger of a domestic telephone company. A domestic telephone company or a holding company controlling a domestic telephone company that files an application with the FCC seeking authority for a transfer of control or merger shall file notice of the application with the public utilities commission of Ohio

following the procedures set forth in paragraph (C) of this rule. Such notice shall include an internet link to the application.

Effective: 5/24/2018

Five Year Review (FYR) Dates: 3/2/2018 and 05/14/2023

Promulgated Under: 111.15

Statutory Authority: 4927.03

Rule Amplifies: 4927.05

Prior Effective Dates: 1/20/11

4901:1-6-30 Company records and complaint procedures.

(A) The commission may investigate or examine the books, records, or practices of any telephone company to the extent of the commission's jurisdiction over the company under sections 4927.01 to 4927.21 of the Revised Code. Telephone companies shall have available for auditing or inspection by commission staff sufficient books, records, contracts, documents, and papers for any purpose incidental to the commission's authority under sections 4927.01 to 4927.21 of the Revised Code, in accordance with this chapter and the rules and procedures prescribed by the federal communications commission.

(1) Such records should be retained by telephone companies for at least eighteen months, unless otherwise specified by the commission.

(2) Upon commission staff request, the telephone company shall provide such records of sufficient detail, to permit review of the telephone company's compliance with the rules of this chapter. Upon request, the telephone company shall provide data or information in a format agreed upon by the commission staff.

(B) Following a complaint made to the public utilities commission of Ohio by a consumer concerning basic local exchange service, a telephone company shall permit the commission or commission staff to investigate or inspect the company's plant and facilities implicated by the complaint to the extent the complaint is within the commission's jurisdiction over the company under sections 4927.01 to 4927.21 of the Revised Code.

(C) A telephone company shall provide commission staff with a company contact, including a toll free number and an e-mail address, for complaint resolution and shall respond to commission and consumer inquiries and complaints in a reasonable and timely manner.

Five Year Review (FYR) Dates: 3/2/2018 and 03/02/2023
Promulgated Under: 111.15
Statutory Authority: 4927.03
Rule Amplifies: 4927.19, 4927.20
Prior Effective Dates: 1/20/11

Prior
R.C. 119.032 review
Promulgated
Statutory
Rule Amplifies: 4927.19)

History: (Effective: 01/20/2011
dates: 11/30/2015
Under: 111.15
Authority: 4927.03)