

# 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 ON REHEARING

Entered in the Journal on July 17, 2019

### I. SUMMARY

{¶ 1} The Commission grants the application for rehearing filed by the Ohio Cable Telecommunications Association for the purpose of further consideration of the matters specified in the application for rehearing.

### 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 24, 2019, the Commission opened this case for the purpose of amending the existing Ohio Adm.Code Chapter 4901:1-6 consistent with Sub. H.B. 402.

{¶ 4} 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 to implement Sub. H.B. 402. Interested stakeholders attended the workshop. Representatives from AT&T Ohio, Ohio Telecom Association (OTA), and Ohio Cable Telecommunications Association (OCTA) provided comments at the workshop.

{¶ 5} Pursuant to the Entry of March 20, 2019, proposed amendments to Ohio Adm.Code Chapter 4901:1-6 to implement Sub. H.B. 402 were issued for comment. Initial comments were filed by: OCTA; OTA; and jointly by Greater Edgemon Community Coalition, the Legal Aid Society of Cleveland, the Legal Aid Society of Southwest Ohio LLC, the Office of the Ohio Consumers' Counsel (OCC), the Ohio Association of Community Action Agencies, the Ohio Poverty Law Center, Pro Seniors, Inc., and Southeastern Ohio Legal Services (collectively, Consumer Groups). Reply comments were filed by OCTA, OTA, and Consumer Groups.

{¶ 6} Pursuant to its May 29, 2019 Finding and Order, the Commission adopted amended rules in Ohio Adm.Code Chapter 4901:1-6 in accordance with Sub. H.B. 402.

{¶ 7} R.C. 4903.10 states that any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined in that proceeding, by filing an application within 30 days after the entry of the order upon the journal of the Commission.

{¶ 8} On June 28, 2019, OCTA filed an application for rehearing. In support of its application for rehearing, OCTA contends that it was unjust and unreasonable for the Commission to adopt rules that fail to guard against pricing BLES below incremental cost and to adopt any requirement for advance notice of material changes in wholesale service as required by Sub. H.B. 402. Additionally, OCTA submits that there is no record support for the Commission's presumption that all decreases in ILEC prices will be above incremental cost if the decrease is not more than 20 percent.

{¶ 9} On July 8, 2019, OTA filed a memorandum contra OCTA's application for rehearing.

{¶ 10} The Commission finds that the application for rehearing filed by OCTA should be granted for further consideration of the matters specified in the applications for rehearing.

### III. ORDER

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That the application for rehearing be granted for further consideration of the matters specified in the application for rehearing. It is, further,

{¶ 13} ORDERED, That a copy of this Entry on Rehearing be served upon each party of record.

COMMISSIONERS:

*Approving:*

Sam Randazzo, Chairman

M. Beth Trombold

Lawrence K. Friedeman

Daniel R. Conway

Dennis P. Deters

JSA/mef

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**Case No(s). 19-0173-TP-ORD**

Summary: Entry on Rehearing that the Commission grants the application for rehearing filed by the Ohio Cable Telecommunications Association for the purpose of further consideration of the matters specified in the application for rehearing. electronically filed by Docketing Staff on behalf of Docketing