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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of SBC)
Ohio for Approval of an Alternative)
Form of Regulation.) Case No. 02-3069-TP-ALT

AT&T OHIO'S REPLY IN SUPPORT OF ITS WAIVER

AT&T Ohio, by its attorneys, submits this Reply to the January 29, 2007, Office of the Ohio Consumers' Counsel's ("OCC") Memorandum in Opposition to AT&T Ohio's Request for Waiver filed on January 12, 2007. As stated in its waiver, AT&T Ohio "seeks a waiver of the current rules that restricts the purchase of vertical features by Lifeline customers... [t]he purpose underlying the request is to provide AT&T Ohio the ability to fully respond to its Lifeline customers' stated needs when ordering service, as well as to provide the most economical service to its customers." (AT&T Waiver p. 1). Obviously included would be the waiver of the prohibition to market vertical features to Lifeline customers. The Company is not seeking a waiver of the rule that provides only one Lifeline discount per household.

The merits of the waiver, coupled with the Lifeline Advisory Board's vote to support the waiver, the discussion that occurred at the January 29th Advisory Board Meeting, and the numerous letters of support (from outreach agencies and other consumer service agencies), demonstrate that the OCC is out of touch with the needs of its low-income constituents.

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The letters of support (a list is attached), and the discussion at the January 29th Advisory Board Meeting, consistently argued that low-income customers should not be treated differently than other residential customers.

The OCC filed its Memorandum only hours after participating in the January 29th Board meeting, as apparently the Board Members', outreach agencies' and other consumer service agencies' pleas fell on deaf ears at the OCC. Lifeline customers deserve better, and the Commission should reject the OCC's memorandum in its entirety.

The OCC's memorandum is a rejection of the Lifeline Ohio Advisory Board's decision to support the waiver. In stark contrast to those supporting the waiver, the OCC believes low income customers are incapable of making appropriate budget decisions, and thus need to be protected from themselves. Clearly, the outreach agencies, and other consumer service agencies, that deal with low income customers on a daily basis, disagree with the OCC.

The OCC argues that the purchase of vertical features by low-income customers will "place[] the customer at a greater risk of disconnection." (OCC Mem. p. 7). This argument was proffered several times during various Board Meetings and overwhelmingly rejected by the Board and the letters of support.

Further, the OCC ignores the benefits that current low-income customers would receive if the vertical feature restriction was removed. Indeed, nearly 10,000 HEAP

participants were not auto-enrolled into Lifeline as a result of having vertical features on their account. In addition, the OCC ignores the Lifeline-eligible customers that call into the Company's business office every month, yet choose to forgo the Lifeline discount and instead opt to purchase vertical features.

The OCC attacks the Company's concern regarding customer confusion with the self-certification form. (OCC Mem. p. 4). The OCC fails to recognize that the customer confusion is due to the unreasonable requirements of the Rule. As specifically identified in the Company's waiver, "...1) self-certifying program eligibility, 2) self certifying a health or safety reason for each optional feature; and 3) identifying the optional feature(s) all on the same self-certification form is cumbersome at best and has caused considerable, unnecessary and avoidable customer confusion." (AT&T Waiver p. 4). It is unreasonable to expect a customer to list on the self-certification form the feature(s) they want or need absent knowledge of what is available to them. And the Rule prohibits the disclosure of such information to the customer.

It is ironic that the OCC proposes a trial period and an alternative package that includes one additional vertical feature. Their proposal continues to ignore the pleas of the outreach agencies and other consumer service agencies that low-income customers be treated no differently than other residential customers. These agencies repeatedly argued for the need of low-income customers to select features that meet their specific – and unique – wants and needs. Further, the OCC's proposal would allow only a portion of

the 10,000 HEAP current customers to be auto-enrolled. The OCC's proposal must be rejected.

The OCC argues that the Company should be required to provide data, including customer disconnection and arrearage information. Here again, the OCC ignores the essence of the argument: low-income customers should not be treated differently than other residential customers despite the OCC's inappropriate paternalistic intentions.

The OCC argues the Company will aggressively market features to Lifeline customers. This tired argument is totally unsupported. The Commission Staff has, does, and likely will continue to monitor calls to the Company's business office and review customer complaints for any non-compliance issue. Further, aggressive marketing would not be in AT&T Ohio's best business interest.

AT&T Ohio has shown good cause for the waiver. The Board overwhelmingly supported the waiver. In addition, numerous letters of support from outreach agencies and other consumer service agencies throughout the state have been filed in this case since AT&T Ohio filed the waiver request. Further, many Board members had an opportunity to express their personal support of the waiver to Commissioner Ronda Fergus, Commission staff members, the OCC and AT&T Ohio at its January 29, 2007, Board meeting. If the waiver was approved, nearly 10,000 HEAP participants would be auto-enrolled into the Lifeline program and receive its benefits.

Conclusion

The Commission is urged to empathize with the Board. The OCC is out of touch with the needs and desires of Lifeline customers. It has failed to engage Board members who are in touch with Lifeline customers on a daily basis as to their specific concerns regarding the Lifeline restrictions. AT&T Ohio urges the Commission to approve its waiver as originally filed as soon as possible.

Respectfully submitted:

AT&T Ohio



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ATTACHMENT

Letters of support filed as of 2/05/07.

1. Friendship Foundation of American-Vietnamese.
2. Lucas Metropolitan Housing Authority.
3. The Center for Community Solutions.
4. Lifecare Alliance
5. Oasis
6. Mahoning County Senior Center.
7. West Side Ecumenical Ministry.
8. Ohio Conference of NAACP.
9. Greater Toledo Urban League, Inc.
10. The Dayton Urban Ministry Center.
11. Retired and Senior Volunteer Program.
12. Love Inc. (FAX)
13. Hispanic Business Association.
14. Info Line.
15. Community Action Agency of Columbiana County, Inc.
16. Cuyahoga County
17. Elderly United of Springfield & Clark County, Inc.
18. University Settlement
19. Judy Seiber.
20. Empowerment Center of Greater Cleveland.
21. Parkview Areawide Seniors, Inc.
22. Community Action Agency of Muskingum County.
23. Eastside Community Ministry.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via first class mail, postage prepaid, on the parties listed below on this 5th day of February, 2007.


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