

FILE

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of)
Doylestown Telephone Company for a Waiver of)
Edge-Out Access Rate Reduction Requirements.)

Case No. 08-0117-TP-WVR

THE AT&T ENTITIES' REPLY

AT&T Ohio¹, AT&T Long Distance², AT&T Communications of Ohio, Inc., and TCG Ohio (the "AT&T Entities"), by their attorneys and pursuant to Ohio Admin. Code § 4901-1-12(B)(2), hereby reply to Doylestown Telephone Company's March 11, 2008 opposition to their motion to intervene.

Doylestown claims that the AT&T Entities' motion to intervene is not appropriate given the procedural posture of this case. Doylestown, pp. 1-2. Doylestown notes that its waiver request could have been filed in the carrier-to-carrier rulemaking docket, Case No. 06-1344-TP-ORD. Doylestown, p. 1. The AT&T Entities participated in the carrier-to-carrier rulemaking docket and would not have needed to intervene if the request had been filed there. But Doylestown chose to file its waiver request separately. The AT&T Entities should not be handicapped by that turn of events.

Based on the opposition to Doylestown's proposed waiver detailed in the filings of both Embarq and the AT&T Entities, the AT&T Entities hope the Commission will deny the

¹ The Ohio Bell Telephone Company uses the name AT&T Ohio.

² SBC Long Distance, LLC uses the name AT&T Long Distance.

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request or, at a minimum, commence a "proceeding" in which intervention will be permitted under Ohio Admin. Code § 4901-1-11. Regardless whether it is described as a rulemaking or an adjudication, intervention is permitted in any proceeding under the applicable rule. Doylestown acknowledges the Ohio Supreme Court's recent articulation that intervention ought to be liberally allowed. Doylestown, p. 1.

It would not be appropriate to grant the requested waiver and to force the AT&T Entities to file a complaint, as Doylestown suggests. Doylestown, pp. 2. Those entities seek to prevent the waiver from being granted in the first place. It is appropriate that they be allowed to participate in this case, at this stage, in order to express their concerns. Other than delay, no purpose would be served by deferring these issues to a complaint case to be filed after the requested waiver is granted.

Doylestown also argues that the AT&T Entities arguments against its waiver request are without merit. Doylestown, pp. 2-3. It describes its edge-out operations and seeks to distinguish them from those of a "regular" CLEC. Doylestown, p. 2. Whatever distinctions exist, however, should make no difference when it comes to levying the appropriate access charges in any ILECs' territory. The rule is (as it should be) that access charges are capped at the levels of the incumbent ILEC in its ILEC exchanges. The AT&T Entities pay access charges for traffic originating or terminating in the exchanges in question and therefore have a real and substantial interest in this matter.


From a public policy standpoint, it is simply not reasonable for an ILEC with edge-out operations (and low basic rates) to "win" the in-territory ILEC's customer and then to charge the in-territory ILEC the significantly higher access charges of the edge-out ILEC. Indeed, in such a scenario, not only do the in-territory ILEC's retail revenues decrease (due to the loss of the retail customer), but the in-territory ILEC's expenses increase due to the high access charges of the edge-out ILEC. The effect is that the in-territory ILEC subsidizes the edge-out ILEC's theoretically competitive edge-out operations. That cannot be good public policy, by any reasonable measure. Moreover, other carriers would be placed at a competitive disadvantage by the same circumstances. Long-distance companies whose customers make calls to Doylestown customers in the edge-out areas will be forced to pay Doylestown's higher access charges if they are not capped at Embarq's level. CLECs that choose to operate in the same areas would be competitively disadvantaged because the cap would apply to them but not to their rival in the same area, Doylestown. Doylestown's local rates would receive a subsidy no other party can receive, to the competitive disadvantage of other competing providers. Viewed from every vantage point (except, perhaps, Doylestown's), the granting of the requested waiver would be unfair and contrary to good public policy.

For the foregoing reasons, the AT&T Entities motion to intervene should be granted.

Respectfully submitted,

AT&T Ohio
AT&T Long Distance
AT&T Communications of Ohio, Inc.
TCG Ohio

By:



Jon F. Kelly (Counsel of Record)

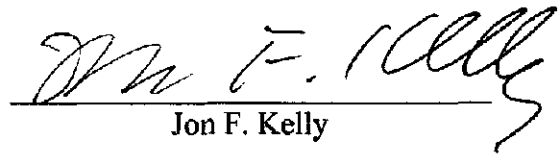
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via first class mail,
postage prepaid, on the parties listed below on this 13th day of March, 2008.


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