

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Investigation)	
into Intrastate Carrier Access Reform Pursuant)	Case No. 10-2387-TP-COI
to S.B. 162)	

VERIZON'S MOTION FOR HEARING

MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services, MCI Communications Services, Inc. d/b/a Verizon Business Services, and Cellco Partnership and its subsidiaries providing wireless service in the state of Ohio, collectively d/b/a Verizon Wireless (together, "Verizon") are interested parties in this matter, in which the Commission is investigating the intrastate switched access charges of Ohio local exchange carriers. The Commission has invited interested parties to provide comments on a staff proposal for access charge reform. For the reasons set forth in the accompanying Memorandum in Support, Verizon hereby moves the Commission to establish a formal hearing process (and related procedures) before acting upon staff's proposal. To date, the Office of the Ohio Consumers' Counsel and Cincinnati Bell Telephone Company LLC also have filed motions asking the Commission for a hearing and associated procedures.

Respectfully submitted on November 18, 2010.

By: /s/ Carolyn S. Flahive
Carolyn S. Flahive
THOMPSON HINE LLP
41 South High Street, Suite 1700
Columbus, Ohio 43215-6101
(614) 469-3200
Carolyn.Flahive@ThompsonHine.com

and

Charles Carrathers
Verizon General Counsel – Central Region
600 Hidden Ridge HQE03H52
Irving, Texas 75038
(972) 718-2415
Email: chuck.carrathers@verizon.com

*Attorneys for MCI metro Access Transmission
Services LLC d/b/a Verizon Access Transmission
Services, MCI Communications Services, Inc. d/b/a
Verizon Business Services, and Cellco Partnership
and its subsidiaries providing wireless services in
the state of Ohio, collectively d/b/a Verizon
Wireless*

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Investigation)	
into Intrastate Carrier Access Reform Pursuant)	Case No. 10-2387-TP-COI
to S.B. 162)	

MEMORANDUM IN SUPPORT OF VERIZON'S MOTION FOR HEARING

MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services, MCI Communications Services, Inc. d/b/a Verizon Business Services, and Cellco Partnership and its subsidiaries providing wireless services in the state of Ohio, collectively d/b/a Verizon Wireless (together, "Verizon") respectfully request that the Commission establish a formal hearing process in this docket before acting upon staff's proposal for intrastate switched access charge reform. While Verizon agrees with the Commission staff's recommendation that Ohio intrastate switched access charges should be reduced, Verizon supports the contentions by the Office of the Ohio Consumers' Counsel ("OCC") and Cincinnati Bell Telephone Company LLC ("CBT") that the Commission should conduct a hearing and receive evidence to consider, among other things, whether there is a need for any revenue recovery mechanism in conjunction with access charge reductions.

Verizon is concerned that staff's proposal *assumes* that Ohio incumbent local exchange carriers ("ILECs") will suffer reductions in access charge revenues that *must* be replaced by the establishment of a state high cost fund (designated in the staff proposal as the "Access Restructuring Fund" or "ARF"). There is no requirement or public policy justification for guaranteeing carriers unconditional, unquestioned revenue recovery through an ARF mechanism that automatically would replace any and all lost access revenues, regardless of whether there has been any showing that any revenue replacement is necessary. On the contrary, merely shifting

the revenue burden from one carrier-funded source (access rates) to another (an ARF) does nothing to solve fundamental problems such as local exchange carriers collecting too great a portion of their operating revenues from other carriers, rather than their own end users. Moreover, insulating one set of providers from competition at the cost of others – as the ARF would do – is incompatible with a healthy, competitive market for communications services. As the FCC has recognized, the proper, economically efficient way to proceed is through recovery of costs primarily from a carrier’s own end users.¹

Accordingly, an evidentiary hearing, including pre-hearing discovery and pre-filed testimony, is warranted to examine the relevance, necessity and structure of any revenue recovery mechanisms in the event access rates are reduced. Verizon therefore joins with OCC and CBT in requesting a full evidentiary hearing before considering staff’s access restructuring plan, including requiring responses to the data requests contained in Appendices C and D to the Commission’s November 3, 2010 Entry before moving toward hearing.

Respectfully submitted on November 18, 2010.

By: /s/ Carolyn S. Flahive
Carolyn S. Flahive
THOMPSON HINE LLP
41 South High Street, Suite 1700
Columbus, Ohio 43215-6101
(614) 469-3200
Carolyn.Flahive@ThompsonHine.com

and

¹ See, e.g., *Access Charge Reform*, First Report and Order, 12 FCC Rcd 15982, ¶ 68 (1997) (“*Access Charge Reform Order*”), *aff’d sub. nom.*, *Southwestern Bell v. FCC*, 153 F.3d 523 (8th Cir. 1998).

Charles Carrathers
Verizon General Counsel – Central Region
600 Hidden Ridge HQE03H52
Irving, Texas 75038
(972) 718-2415
Email: chuck.carrathers@verizon.com

*Attorneys for MCI metro Access Transmission
Services LLC d/b/a Verizon Access Transmission
Services, MCI Communications Services, Inc. d/b/a
Verizon Business Services, and Cellco Partnership
and its subsidiaries providing wireless services in
the state of Ohio, collectively d/b/a Verizon
Wireless*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing Motion for Hearing and Memorandum in Support were served via regular U.S. mail and electronic mail, this 18th day of November 2010 on the following:

David C. Bergmann
Terry L. Etter
Assistant Consumers' Counsel
Office of the Ohio Consumers' Counsel
10 W. Broad Street, Suite 1800
Columbus, OH 43215
bergmann@occ.state.oh.us
etter@occ.state.oh.us

William Wright
Assistant Attorney General
Chief, Public Utilities Section
180 E. Broad Street, 6th Floor
Columbus, OH 43215
bill.wright@puc.state.oh.us

Douglas E. Hart
441 Vine Street, Suite 4192
Cincinnati, OH 45202
dhart@douglashart.com
Attorney for Cincinnati Bell Telephone Company LLC

/s/ Carolyn S. Flahive

Carolyn S. Flahive

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

11/18/2010 11:40:02 AM

in

Case No(s). 10-2387-TP-COI

Summary: Motion for Hearing electronically filed by Carolyn S Flahive on behalf of Verizon