

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of AT&T Ohio)
to update its Pole Attachment provisions) **Case No. 15-0920-TP-ATA**

**AT&T OHIO’S MEMORANDUM CONTRA TO
OCTA’S APPLICATION FOR REHEARING**

The Ohio Bell Telephone Company d/b/a AT&T Ohio (“AT&T Ohio”), hereby responds to the Application for Rehearing of the Ohio Cable Telecommunications Association (“OCTA”), filed on June 17, 2016. In the Application for Rehearing, the OCTA seeks rehearing of the portion of the Commission’s May 18, 2016 Finding and Order (“Order”) that approved AT&T Ohio’s \$200 non-recurring fee for applications for pole attachments (“Administrative Fee”). The Commission correctly decided this issue and the Application for Rehearing should be denied.

The crux of the OCTA’s argument is that AT&T Ohio’s Administrative Fee recovers the same costs that are recovered in its recurring pole attachment rate of \$2.48 per year. The OCTA fully developed this argument in its Objections filed August 3, 2015, and the Commission properly rejected it. There is nothing new here that justifies a different result.

AT&T Ohio fully responded to the OCTA objection by explaining that the costs recovered by the \$200 Administrative Fee were *not* included in its rate development of the \$2.48/year fee for pole attachments. Specifically, the costs in the \$200 fee are those booked to account 6535 - “OSP Planning and OSP Design.” The administrative cost factor calculation for that annual fee on line Q of the AT&T Ohio Rate Calculation Spreadsheet is based on costs in accounts 67XX. Those are two separate accounts that track completely different costs. Therefore, there is no improper “double recovery” of pole attachment costs.

Despite having ample opportunity in its Objections filed August 3, 2015, and its Application for Rehearing filed June 17, the OCTA offers nothing to show that the administrative costs recovered in the \$200 fee are included in the recurring pole attachment rate. There is no evidence and there is no factual analysis.

Instead, the OCTA relies on a diffuse, generalized supposition that there must be something wrong with the \$200 fee because it is called an “Administrative Fee,” and line Q of the AT&T Ohio Rate Calculation Spreadsheet refers to an “administration” cost. But the record evidence is uncontroverted that the \$200 Administrative Fee for pole attachments tracks costs that are different than those shown on line Q.

Moreover, the \$200 fee is a long-standing rate in Ohio that was approved by the Commission in 2003 and has not increased in over 13 years. *The Matter of the Application of SBC Ohio (formerly Ameritech Ohio) to Propose Changes to its Pole Attachment and Occupancy Accommodation Tariff, as well as to Introduce the Structure Access Guidelines As An Addendum to the Tariff*. Case No. 97-1658-TP-ATA, May 8, 2003. It has been just and reasonable for over a decade, and OCTA’s unsupported allegations are simply insufficient to justify its challenge to the rate now.

The OCTA also suggests that the FCC takes a dim view of non-recurring charges for pole attachments, but that vastly overstates the FCC’s holdings in this area. What those FCC orders say is that pole owners cannot charge a separate fee for administrative costs if the costs recovered are included in the rate development for the recurring pole attachment rate.¹ That is

¹ *Texas Cable & Telecom. Ass’n v GTE Southwest*, 14 FCC Rcd. 2975 (rel. Feb. 18, 1999).

nothing more than the very familiar regulatory principle against double recovery of costs. There is no rule against having an application fee for pole attachments, and there is nothing improper about it. In fact, a \$200 non-recurring administrative fee is also charged by the AT&T ILECs in Indiana, Illinois, Michigan and Wisconsin. See, e.g., MPSC Tariff No. 20R, Part 2, Section 6, 9th Revised Sheet 30; AT&T Illinois Guidebook, Part 2, Section 6, Original Sheet 17; and AT&T Wisconsin Guidebook, Part 2, Section 6, Third Revised Sheet 30.

In short, the Commission appropriately weighed the evidence presented, it properly determined that there was no double recovery, and it correctly rejected the OCTA objections to the Application Fee. AT&T Ohio respectfully requests that the Application for Rehearing be denied.

Respectfully submitted,

AT&T Ohio

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served this 27th day of June 2016
via U.S. Mail and/or electronic mail on the parties shown below.

/s/ Mark R. Ortlieb
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Summary: Memorandum AT&T Ohio's Memorandum Contra to OCTA's Application for Rehearing electronically filed by Mr. Mark R Ortlieb on behalf of AT&T Entities and AT&T Ohio and Ohio Bell Telephone Company and AT&T Corp.