

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of GTE)
North Incorporated for Approval to)
Revise its Exchange Rate Tariff, P.U.C.O.) Case No. 96-1079-TP-ATA
No. 6, to Introduce a New Local)
Calling Plan to Certain Exchanges.)

FINDING AND ORDER

The Commission finds:

- (1) The Commission recently brought interested stakeholders together to explore solutions to extended area service (EAS) which would allow customers to customize their local calling areas to meet their individual needs. Through a cooperative effort, the Commission, the Ohio Consumers' Counsel (OCC), Ohio telephone companies, and the Coalition of Ohioans for State-of-the-Art Communications (COSAC) developed a framework for experimenting with different local calling options in Ohio (EAS framework).

Under that EAS framework, Ohio's large local telephone companies are to file, for approval by the Commission, pilots targeted at areas in which customers cannot call contiguous exchanges, school districts, or county seats, as well as areas in which customers have calling needs beyond those boundaries.

- (2) Prior to the development of the EAS framework, GTE North Incorporated (GTE) filed, on October 9, 1996, an application for a new local calling plan. On March 19, 1998, GTE replaced its original filing. This new filing addresses the EAS framework, and is called "GTE Local Calling Plan" (LCP).
- (3) In developing the pilot, GTE obtained direct input from its customers, the OCC, and the Commission staff.
- (4) LCP is an optional, one-way, service which provides both residence and business customers with two additional calling options:

Community Calling: provides flat rate calling within the customer's home exchange and to their Local Calling Area exchanges listed in the tariff. Calls to certain other exchanges are rated based upon minutes of use.

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Technician Juan S. Schepker Date Processed 4/10/98

Community Plus: provides flat rate calling within the customer's home exchange, their Local Calling Area exchanges listed in the tariff, as well as to certain other exchanges. Calls to certain additional exchanges are rated based upon minutes of use.

The two plans can be distinguished by the additional exchanges included as part of the flat rate calling area in the Community Plus plan.

- (5) As contemplated by the EAS framework, GTE gave special consideration to certain pending, previously denied, and withdrawn EAS requests as follows: Case Nos. 87-13-TP-PEX, 91-790-TP-PEX, 91-797-TP-PEX, 92-729-TP-PEX, 93-1745-TP-PEX, 93-1767-TP-PEX, 93-2049-TP-PEX, 96-1413-TP-PEX, and 97-442-TP-PEX.
- (6) The proposed plan is in addition to any existing calling options currently available to GTE's customers.
- (7) As permitted by the EAS framework, GTE has proposed a flexible band of rates.
- (8) GTE states that it "will work with PUCO Staff and OCC on customer education materials to explain and promote the LCP offering." GTE is required to file in this docket its customer notices and educational materials for staff review at least 45 days prior to the implementation of the plan.
- (9) GTE indicates that it plans to implement LCP, within the following Highland County exchanges, within 10 months of the approval of this filing: Greenfield, Leesburg, Lynchburg, Mowrystown, New Vienna, Sardinia, and Sinking Spring. GTE also states that additional exchanges are expected to be added to LCP in the near future once its discussions with Delaware County representatives are completed.
- (10) GTE will report to the Commission on a periodic basis various agreed-upon data to be gathered during the pilots to assist in assessing economic feasibility and customer response and acceptance. GTE has agreed to comply with reporting requirements that are to be developed in the near future through a cooperative effort.
- (11) The Commission will establish a process in order to provide all interested stakeholders an opportunity to provide input in evaluating the feasibility and effectiveness of the pilot plans in addressing EAS issues in Ohio.

- (12) On April 3, 1998, the OCC filed comments regarding GTE's application. The OCC recommends that GTE's application be approved by the Commission in that it substantially fulfills the terms of the framework. The OCC states that "This EAS pilot program should provide substantial benefits to eligible GTE customers." The OCC goes on to state that GTE's application has met the "just and reasonable" standard set forth in Ohio Revised Code §4909.18. The OCC does raise concern with respect to GTE's inability to carry traffic across LATA boundaries (because it does not have any interLATA facilities), which causes a significant number of exchanges to be lost in the pilot, and "will probably adversely affect the number of subscribers to the pilot."
- (13) Based upon a thorough review of GTE's proposed EAS pilot plan, the staff agrees with the plan, and has concluded that it does not appear to be unjust or unreasonable. Further, staff concludes that the application appears to be consistent with the EAS framework. Staff, therefore, recommends the approval of GTE's application on an experimental basis.
- (14) This application has been filed pursuant to Section 4909.18, Revised Code, and the Commission finds, as GTE alleges, that it is not for an increase in any rate, joint rate, toll, classification, charge or rental and does not appear to be unjust or unreasonable and should be approved on an experimental basis. Therefore, the Commission finds it unnecessary to hold a hearing in this matter.

The Commission, too, is concerned with GTE's inability to carry traffic across LATA boundaries, and will consider this when we evaluate the effectiveness of the pilot plans. Further, the Commission encourages GTE to consider another EAS pilot since its lack of interLATA facilities reduced the number of exchanges included in this pilot.

- (15) The Commission commends the customers and the OCC for their time, effort, and cooperation on this important step towards addressing the calling needs of customers in Ohio. The Commission also commends GTE for its efforts in working with its customers, the OCC and the Commission Staff to develop these optional calling plans.

It is, therefore,

ORDERED, That GTE's application is approved on an experimental basis. It is, further,

ORDERED, That GTE establish an in-service date within 90 days of this Finding and Order, and inform Terry Roush, the OCC and file a notice in this docket. Should it

become apparent that the in-service date cannot be met, GTE shall notify the same list no later than 30 days prior to the scheduled date, together with the reason for the delay. It is, further,

ORDERED, That GTE file its customer notices and educational material for staff review at least 45 days prior to implementation of the plans. It is, further,

ORDERED, That GTE is authorized to file in final form three complete printed copies of its final tariffs consistent with this Finding and Order when it is prepared to offer LCP. GTE should file its tariffs under one cover letter which references both this case number and its "TRF" case number. The revised tariff sheets shall be effective upon the institution of the service. It is, further,

ORDERED, That GTE comply with the data reporting requirements that are to be developed. It is, further,

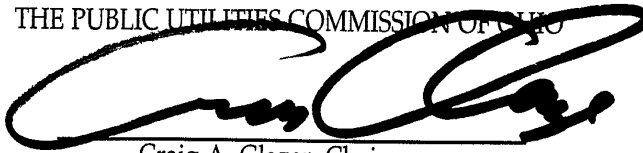
ORDERED, That GTE actively participate and cooperate in the review process to be established. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

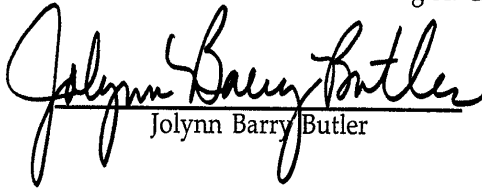
ORDERED, That this case be closed of record. It is, further,

ORDERED, That a copy of this Finding and Order be served upon GTE, Terry Roush, COSAC, the OCC, and any other interested persons of record.

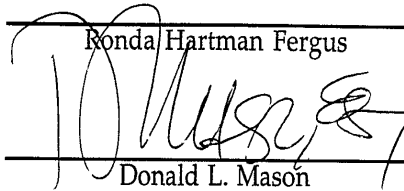
THE PUBLIC UTILITIES COMMISSION OF NEVADA



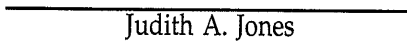
Craig A. Glazer, Chairman



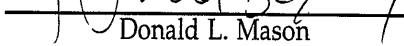
Jolynn Barry Butler



Ronda Hartman Fergus



Judith A. Jones



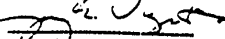
Donald L. Mason

HJM:dj

Entered in the Journal

APR 9 1998

A True Copy



Gary E. Vigorito
Secretary

SERVICE NOTICE

PAGE 1

CASE NUMBER 96-1079-TP-ATA
CASE DESCRIPTION GTE NORTH INCORPORATED
DOCUMENT SIGNED ON April 9, 1998
DATE OF SERVICE 4/10/98

PERSONS SERVED

PARTIES OF RECORD

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