

**B. Costs of Network Modifications**

To the extent a LEC's technical requirements involve any addition to or modification of existing standard interconnection arrangements, the costs of such additions and/or modifications to be compatible with such a non-standard interface shall be negotiated between the interconnecting parties. In the event of a dispute between such parties, the Commission will establish whatever process it deems appropriate to resolve the dispute.

**C. Facilities**

Each LEC is individually responsible to provide those network functionalities within its service territory that are necessary for routing, transporting, and billing traffic to and from other certified LEC's networks.

**D. Minimum Compliance**

Upon interconnection with another's network, LECs must, at a minimum, comport with current Commission MTSS requirements, as well as any existing state and industry technical standards necessary to facilitate the seamless and transparent transmission of a call between companies.

**E. Availability of Technical Standards**

A LEC must make available to other LECs technical interfaces that are at least equal in quality to that which it provides itself, or any subsidiary or affiliate. Furthermore, any technical interfaces provided to an interconnecting LEC must also be made available under the same terms and conditions to other LECs making substantially similar requests.

**F. Notice of Changes in Technical Requirements**

If a LEC intends to alter its technical requirements in a manner that will affect its existing interconnection arrangements in any way, the LEC must provide notice of its intentions to all interconnecting parties, the Commission, and all other interested parties. Such notice must be served by the LEC no less than six months prior to implementation of the respective technical changes, and must include at a minimum: (1) the date the changes are to occur; (2) the location(s) at which the changes are to occur; and (3) a description of the changes, in sufficient detail to enable the affected interconnecting parties to adequately respond.

### **G. Service Quality Compatibility**

Each LEC is individually responsible for the quality of service it provides. Where requested, however, and to the extent technically feasible, LECs may implement joint network management controls to further overall service integrity. Where such monitoring is not technically feasible on the part of the NEC, the ILEC, if technically feasible, will perform these functions on the NEC's behalf, subject to time and materials charges, as mutually agreed upon.

### **H. Federal Requirements**

Each LEC is solely responsible for participation in and compliance with any federally mandated technical standard requirements.

### **I. Support Functions**

LECs are not responsible for providing services to each other's end users; however, where one LEC's limitation or lack of facilities dictates, the competing parties must establish arrangements to ensure that support functions (e.g., 9-1-1, operator services, directory assistance, telecommunications relay service, etc.) are available to the customers of both LECs.

## **XVIII. CONSUMER SAFEGUARDS**

### **A. Customer Education**

LECs are responsible for providing their customers with informational, promotional, and educational materials explaining the carrier services, rates, and customers' options. Such materials must also be submitted to the Commission's Consumer Services Department and OCC. These materials include, but are not limited to, the notices required by Section VI. of these guidelines. In those situations where a notice requirement has been or will be placed on LECs by the Commission, such notice requirement takes precedence over this section. These materials shall be written in such a way that allow customers to make comparisons between comparable services. Such information should include basic information such as:

1. An explanation of the nature of the service, its application, and any restrictions or limitations;

2. If services are bundled, an identification and explanation of individual service components and associated prices;
3. An identification and explanation of any one-time, non-recurring charge(s);
4. An identification and explanation of recurring charge(s) (i.e., usage, access, etc.); and
5. An identification of any special attributes of this service.

The Commission may require, review, or request modification of customer notices, billing information, or other customer education materials. Copies of all informational and educational materials for residential services shall be provided to OCC at the same time such materials are provided to the Commission.

#### **B. Marketing Practices**

1. No LEC shall commit an unfair, deceptive, or unconscionable act or practice in connection with a consumer transaction. Such an unfair, deceptive, or unconscionable act or practice by a LEC violates these guidelines whether it occurs before, during, or after the transaction.
2. Engaging in any of these unfair, deceptive, or unconscionable acts or practices constitutes unjust, unreasonable, and inadequate service under Section 4905.26, Revised Code.
3. No LEC shall make any offer for services in written or printed advertising or promotional literature without stating clearly and conspicuously in close proximity to the words stating the offer any material exclusions, reservations, limitations, modifications, or conditions. Disclosure shall be easily legible to anyone reading the advertising or promotional literature and shall be sufficiently specific so as to leave no reasonable probability that the terms of the offer might be misunderstood.
4. Offers made through radio or television advertising must be preceded or immediately followed by a conspicuously clear and oral statement of any specific exclusions, reservations, limitations, modifications, or conditions.

5. All LECs are prohibited from the practice of advertising or offering goods or services as "free" when in fact the cost of the "free" offer is passed on to the consumer by raising the tariffed price of the goods or services that must be purchased in connection with the "free" offer.
6. Subscriber enrollment shall only occur upon the customer affirmatively selecting (positive enrollment) the pertinent service(s). Negative enrollment by the LECs shall not be permitted unless otherwise ordered by the Commission.
7. It shall be the duty of the LEC to preserve the privacy of customer proprietary information and transactions to acquire local exchange service and protect such information and transactions from commercial abuse.

In addition to the guidelines on CPNI set forth in Section XI.C. of these guidelines, a LEC or any LEC affiliate shall not, without the prior affirmative, written consent of the customer, provide to any telecommunications equipment manufacturer or telecommunications provider CPNI for use with or in connection with the manufacturing of telecommunications equipment or the provision of local exchange, interLATA, information, enhanced, or video services that are disseminated by means of such LEC's or any of its affiliates' facilities.

8. All LECs shall comply with all existing and future Commission orders relating to customer notice/education requirements (e.g., inside wire). Failure to comply with such requirements violates the MTSS, Rule 4901:1-5-23 (A), Ohio Administrative Code, which requires that "each local exchange company shall provide the information and assistance necessary to enable an applicant or subscriber to obtain the most economical local exchange company-provided services conforming to his or her stated needs." Further, the Commission may seek appropriate remedies under Sections 4905.54 and 4905.57, Revised Code.
9. If, upon complaint of a customer or upon its own motion, the Commission finds that the practices of any LEC with respect to the marketing of its services or products are unjust or unreasonable, the Commission may require the practices of such LEC to be discontinued and/or may prescribe the practices to be observed by such LEC in its marketing of regulated services.

10. The Commission's Consumer Services Department shall oversee LEC marketing practices by:
  - a. Monitoring complaints received by the Public Interest Center regarding LEC marketing activities;
  - b. Reviewing sales scripts and marketing manuals utilized by LEC sales and customer service personnel when deemed necessary to monitor marketing practices;
  - c. Reviewing LEC advertising and promotional literature when deemed necessary to monitor marketing practices;
  - d. Monitoring live telephone sales presentations by customer service representatives when deemed necessary to monitor marketing practices;
  - e. Recommending needed procedure modifications; and
  - f. Providing regular updates to the Commission regarding the Consumer Services Department's findings.

**C. Local Service Carrier Subscription/Slamming**

1. No subscriber's LEC may be changed unless and until the change has first been confirmed in accordance with one of the following procedures:
  - a. A subscriber's LEC may be changed when the LEC has obtained the subscriber's written authorization on a letter of agency (LOA) that explains what occurs when a subscriber's LEC is changed.
    - i. The LOA shall be a separate document and its sole purpose is to authorize a LEC to initiate a primary LEC change. If the subscriber will incur a charge as a result of changing LECs, the LOA must contain a notification to the subscriber that a charge will be assessed to him/her as a result of the charge. The LOA must be signed and dated by the subscriber to the telephone line(s) requesting the carrier change.
    - ii. The LOA shall not be combined or utilized in conjunction with promotions (e.g., sweepstakes) of

any kind. The LOA may be combined with checks that contain only the required LOA language described below and the necessary information to make the check a negotiable instrument. The LOA check shall not contain any promotional language or material. The LOA check shall contain, in easily readable, bold face type on the front of the check, a notice that the consumer is authorizing a primary LEC change by signing the check. The LOA language shall also be placed near the signature line on the back of the check.

- iii. At a minimum, the LOA must be printed with a type of sufficient readable size and type to be clearly legible and must contain clear and unambiguous language that confirms:
    - a. The subscriber's billing name and address and each telephone number to be covered by the LEC change order;
    - b. The decision to change the LEC from the current LEC to the prospective LEC;
    - c. That the subscriber designates the LEC to act as the subscriber's agent for the LEC change;
    - d. That the subscriber understands that only one carrier may be designated as the primary LEC for any one telephone number. Any carrier designated as the primary LEC must be the carrier directly setting the rates for the subscriber; and
    - e. That the subscriber understands that any change in LECs may involve a charge for such change.
  - iv. LOAs shall not suggest or require that a subscriber take some action in order to retain the subscriber's current LEC.
- b. A subscriber's LEC may be changed once the new LEC has obtained the subscriber's electronic authorization, placed from the telephone number(s) for which the service is to be changed, that confirms the information described in Section XVIII.C.1.a.

above to confirm the authorization. LECs electing to confirm changes electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number(s) will connect a subscriber to a voice response unit, or similar mechanism, that records the required information (including questions and responses) regarding the change of providers, including automatically recording the originating Automatic Number Identification (ANI); or

- c. A subscriber's LEC may be changed by way of an appropriately qualified and independent third party operating in a location physically separate from the telemarketing representative obtaining the subscriber's oral authorization to submit the change order that confirms and includes appropriate verification data (e.g., the subscriber's date of birth or social security number).
2. Requests for a change of LEC may take place immediately upon request. However, within three business days of the subscriber's request for a change of LEC, the new LEC utilizing enrollment options in Section XVIII.C.1.b. or c. above must send each new subscriber an information package by first class mail containing at least the following information concerning the requested change:
    - a. The information is being sent to confirm a telemarketing order placed by the subscriber within the previous week;
    - b. The name of the subscriber's current LEC;
    - c. The name of the new LEC;
    - d. A description of any terms, conditions, and/or charges that will be incurred;
    - e. The name of the person ordering the change;
    - f. The name, address, and telephone number of both the subscriber and the soliciting LEC;
    - g. An LOA and postpaid envelope (the LOA should contain the information outlined in Section XVIII.C.1.a. above and should be returned to the soliciting LEC to be kept on file to confirm the subscriber's selection); and

- h. The address and telephone number of the Commission's Consumer Services Department for consumer complaints.
3. The verification procedures described above are not intended to substitute for written authorization from subscribers as evidence in a LEC change dispute. LECs must obtain LOAs for use in resolving disputes regarding all changes in subscriber service. Any LEC that violates the verification procedures described above and collects charges for the provision of local service from a subscriber shall rerate the subscriber's calls and be liable to the LEC previously selected by the subscriber in an amount equal to all charges paid by such subscriber after such violation. Additionally, the subscriber may file a complaint under Section 4905.26, Revised Code, and the Commission may seek additional penalties and remedies against the offending LEC under Sections 4905.54 and 4905.57, Revised Code, and any other applicable statute

#### **D. End User Complaints**

An end user may contact the Commission's Consumer Services Department to lodge an informal complaint against a LEC. A formal complaint filed by an end user against a LEC will be considered by the Commission pursuant to Section 4905.26, Revised Code.

### **XIX. REGULATORY OVERSIGHT**

#### **A. Principle**

The Commission has an obligation to ensure that the regulatory framework for competing LEC is and remains consistent with the policy of the state as set forth in Section 4927.02, Revised Code.

#### **B. Monitoring of Competitive Market for Local Exchange Services**

1. The Commission shall monitor the implementation of the regulatory requirements prescribed to effectuate competition in the provision of local exchange services, as well as the impact of such requirements upon the local services market and the customers.
2. The Commission reserves the right to impose alternative requirements upon LECs in the event it determines modifications to the adopted guidelines are necessary or advisable to ensure an

effective, competitive marketplace or as required by public interest considerations.

3. No later than three years after the adoption of these guidelines, the Commission shall review, on an ILEC-specific or industry-wide basis, the continuing appropriateness of the guidelines adopted herein in view of the number and size of alternative providers of local exchange services in the respective ILEC's service area, the extent to which services are available from alternative providers in the relevant market, the ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms, and conditions, and other indicators of market power, e.g., market share, growth of market share, ease of entry, and the affiliation of providers of services. The procedures to be followed in implementing any company-specific changes resulting from such review shall be determined with respect to the applicable form of regulation under which the company is operating at the time.
4. Should an ILEC desire to be relieved of certain duties and responsibilities established by these guidelines prior to the Commission's review pursuant to Section XIX.B.3., it may request such relief in an alternative regulation proceeding pursuant to Section 4927.04, Revised Code, or in a proceeding filed pursuant to Section 4927.03, Revised Code.

### **C Resolution of Disputes Among Carriers**

Under its authority pursuant to Section 4905.26, Revised Code, the Commission will consider carrier-to-carrier complaints. The Commission will issue a procedural entry in a case within 60 days of the filing of the complaint, and will endeavor to conclude the case within 180 days.

**ATTACHMENT A, APPENDIX A**

**A. Long Run Service Incremental Cost (LRSIC)**

The purpose of these guidelines shall be to assist the staff in performing a review of service cost studies filed by LECs which provide non-competitive and/or competitive services. Such LECs shall provide LRSIC studies in support of their proposed prices as required by these guidelines. These guidelines set forth parameters for such studies. Although LECs may adopt reasonable parameters for use in their studies other than those set forth herein, any deviation from these parameters must be set forth in a statement accompanying the service cost study and is subject to Commission approval. In contested cases, the presumption of reasonableness established by these guidelines may be overcome by substantial evidence that any specific parameter or parameters are not appropriate in light of the particular circumstances of the product or service which is the subject of the rate filing.

1. LRSIC shall be the appropriate costing methodology to be used in the establishment of price floors. The LRSIC study shall be used to demonstrate that each price associated with the service being studied is at least as large as its LRSIC. The Commission's use of LRSIC and an allocation of joint and common costs as a pricing tool to establish floor prices does not ipso facto create a claim for recovery by the LEC of any amounts uncollected by the LEC that otherwise would cover its fully embedded cost. The LEC is potentially at risk for the non-recovery of its embedded costs of providing a particular service as a result of pricing services at LRSIC or LRSIC plus a percentage of common overhead. The merits of the LEC's recovery of the difference between LRSIC prices and fully embedded costs from other monopoly services will be carefully scrutinized in any proceeding to increase basic local exchange rates pursuant to Sections 4909.18 and/or 4927.04, Revised Code.
2. LRSIC of a service or group of services shall include any costs of the business that would be avoided if the entire output of the service or group of services were not produced. LRSIC is also defined as the cost incurred to produce the entire output of the service and includes the cost of all additional resources necessary to produce the service.
3. A LRSIC study shall show that, whenever the study includes a service sharing joint costs with other services, there is an appropriate specific allocation of these joint costs.

4. LRSIC includes both service-specific fixed costs and service-specific volume sensitive costs.

## **B. General Procedures**

### **1. New or existing products**

The LRSIC is equal to the cost of increasing the volume of production from zero to a specified level while holding all other product and service volumes constant.

- a. The LRSIC is long run in that it includes the cost of producing a product or service using the best combination of inputs.
- b. The LRSIC of a product or service is the sum of all its volume-sensitive costs and its service-specific fixed costs.
- c. The average unit cost is the service-specific volume sensitive cost plus the service-specific direct fixed cost divided by the quantity of service produced.
  - i. The volume-sensitive and service-specific fixed costs can be investment or expense-related.
  - ii. If investment-related, an annual cost shall be computed.
  - iii. Both volume-sensitive and service-specific fixed costs can have recurring and nonrecurring components.

### **2. Service Description**

- a. The service for which the cost study is developed shall be clearly defined in terms of technical characteristics, functionality, application, and availability (e.g., digital centrex lines with Call Waiting, Call Forwarding, and Call Hold).
- b. The components of the service shall then be clearly identified and described in terms of cost elements such as switch memory, line cards, and copper pairs.

**C. Tariff Application Period (TAP)**

1. The TAP shall be the length of run for a cost study, and shall reflect the economic life of the offering. The TAP shall take into consideration forecasted changes in technology and customer demands. The burden of proof that a deployed technology has been rendered obsolete or non-economic by the introduction of new technology shall be on the LEC submitting a LRSIC study.

**D. Demand Forecast**

1. The LEC shall provide the demand forecast used in the LRSIC computations and documentation establishing the basis for the demand forecast.
2. The forecast shall reflect total demand for the service, averaged over the length of run of the cost study, incorporating the time value of money in the average.

**E. Technology**

LRSIC studies shall reflect forward-looking technology. That is, the cost study examines only current and future technologies whose costs can be reasonably estimated by the LEC.

**F. Inflation**

1. LRSIC studies shall reflect costs that are expected to be incurred during the TAP.
2. Such costs shall be projected to their anticipated level over the TAP by using an appropriate index of future cost, such as supplier estimates of price changes, indices developed from labor contracts, or other relevant indices.

**G. Investment Development**

**1. Material Investment**

- a. The development of the material component of investment shall begin with the current vendor price(s) for the hardware and software resources required to provide the service, projected over the TAP as described above.

- b. Other components of material investment shall include inventory, supply expenses, and sales taxes.
- c. The sales tax component of investment shall be calculated by applying a sales tax factor if applicable. The factor shall reflect taxes imposed by state and local taxing bodies on material purchases. It shall be applied to the material and inventory components.
- d. The supply component shall include the expense incurred by the LEC for storage, inventory, and delivery of material.

## **2. Labor Investment**

There are two major components of labor investment, vendor-related and LEC-related.

- a. Vendor labor-related investment shall include billed installation and engineering.
- b. The LEC's labor-related investment may be developed based on account averages or from estimates of product-specific plant engineering and installation hours.
- c. Total labor costs shall be computed by multiplying the account average or product specific work times the appropriate labor rate.
- d. Hourly labor rates include the operational wages, benefits, paid absence, and, if applicable, tools and miscellaneous expenses.

## **3. Utilization Factors**

- a. The investment developed above shall be adjusted to reflect usable capacity by dividing the investment by a utilization factor.
- b. The utilization factor shall be the objective or design fill which shall be derived as the maximum capacity of the capital resource, less any capacity required for maintenance, testing, and administrative purposes.

## **H. Annual Costs**

### **1. Depreciation**

Depreciation is the periodic recognition of investment cost. Forward-looking lives should be used to determine depreciation expense.

### **2. Cost of Money**

The cost of money associated with an investment is the weighted average of the LEC's cost of debt and equity applied to the net investment on a forward-looking basis over the TAP.

### **3. Federal, State, and Local Income Taxes**

- a. Federal, state, and local income tax expenses shall be determined based on the price floor.
- b. Since federal, state, and local taxes are applicable, recognition is given to the "tax-on-tax" situation that results from the deductibility of state and local tax when federal taxes are paid.

### **4. Maintenance**

Maintenance costs are incurred in order to keep equipment resources in usable condition.

- a. Included in this classification are: direct supervision; engineering associated with maintenance work; labor and material costs incurred in the up keep of plant; rearrangements and changes of plant; training of maintenance forces; testing of equipment and facilities; tool expenses; and miscellaneous expenses.
- b. The specific maintenance cost estimates associated with the service in question or investment-related annual maintenance factors may be applied to arrive at an annual maintenance cost.
- c. The factor shall be specific to the investment and expense accounts associated with the service and be developed from the most current data reasonably available to the LEC.

**5. Ad Valorem Taxes**

Ad valorem taxes are levied on the value of plant and are determined by assessment, i.e., local property taxes levied against telephone plant.

- a. For telecommunications services, the ad valorem tax factor is applied against investment.
- b. This factor shall be developed on a forward-looking basis.

**6. Central Office Power**

- a. Central office power equipment is generally fixed in configuration.
- b. Annual costs do not include this element unless it is determined that a service causes the LEC to increase its investment in power equipment.

**7. Land and Buildings**

- a. Land and building costs are generally insensitive to the number of services offered.
- b. Annual costs shall not include this element unless it is determined that a service causes the LEC to increase land and building investment.

**8. Other Recurring and Nonrecurring Product Expenses**

Other direct recurring costs such as marketing, advertising, and sales expenses, and nonrecurring product costs such as the initial programming of the billing system, shall be included in the LRSIC. Labor and material resource costs incurred in connection with these activities shall be developed as specified.

**I. Allocations and Separations**

LRSIC studies shall reflect relevant allocations of regulated and non-regulated costs, and relevant interstate and intrastate separations, as determined by the FCC or the Commission.

## J. Definitions

The following terms and definitions are included in the guidelines in order to facilitate the understanding of cost procedures, as well as to establish a commonality of terminology:

1. Annual costs means the costs of providing a particular service during the course of one year. They include both recurring capital costs and operating expenses.
2. Avoided costs means the costs that would be saved or net incurred if an action is not taken. Direct product costs are avoidable because they are specifically caused by an action and are determined by the principle of cost causations. Avoidable costs can encompass both capital and expenses.
3. Capital costs are the recurring annual costs resulting from expenditures for plant facilities which are capitalized. These annual capital costs include depreciation, cost of money, and income taxes.
4. Common overhead costs are incurred for the benefit of a firm as a whole and are not avoided if individual services or categories of services are discontinued. LRSIC studies do not include any allocation of common overhead costs.
5. Cost element means anything for which the measurement of cost is appropriate.
6. Direct costs means the costs directly caused by the production of a product or service. Alternatively, direct costs can be identified as those costs which could be eliminated were a product to be discontinued. In either case, the costs are calculated by holding constant the production of all other products and services.
7. Expenses means the cost of resources consumed in the production of revenue in the current accounting period.
8. Fixed costs means costs which do not vary with changes in output or level of activity of a firm. There are two kinds of fixed costs. The first is a cost which does not vary when the products or services are added or dropped. This form of fixed cost would normally fall in the common overhead cost category. A second form of fixed cost, a service-specific fixed cost, is part of LRSIC and

is caused by a specific product or service. It is invariable with respect to the specified output level of that product or service.

9. Forward-looking costs are the prospective costs incurred by the LEC in the production of a product or service presuming forward-looking adjustments in a LEC's plant and equipment. Forward-looking costs ignore embedded or historical costs and only consider current and future costs which can be reasonably estimated based on data available to the LEC.
10. Incremental costs are the differential cost between two potential decisions.
11. Investment means a long-term capital asset (normally with a life exceeding one year) which is depreciated rather than shown as an expense in accordance with industry accounting standards.
12. Joint cost means the cost of resources necessary and used to provide a group or family of services. This cost component does not include the common overhead costs of the firm.
13. Marginal cost means the cost of producing and selling the next unit of service. Marginal cost is often measured by volume-sensitive cost per unit.
14. Nonrecurring cost means cost which occurs once in the provision of a service.
15. Principle of cost causation means costs are recognized as being caused by an action, if the costs are brought into existence as a direct result of providing the service or the costs are avoided if the service is not provided.
16. Product-specific contribution is the difference between the revenue from the service and the total incremental cost of the service.
17. Product-family cost means the cost that can be avoided if the family of service is not offered or is discontinued.
18. Recurring costs mean those costs which will continue throughout the economic life of the total service. They included capital costs and expenses.

19. Relevant cost means any cost identifiable by the principle of cost causation. Relevant cost is an avoidable, forward-looking, and incremental cost.
20. Total incremental cost (TIC) of a cost element means cost that can be avoided if a cost element is discontinued or not offered while holding constant the production levels of other services of the firm.
21. Usable capacity means the maximum physical capacity of the equipment or resource less any capacity required for maintenance, testing, or administrative purposes.
22. Volume-sensitive cost means the portion of the LRSIC which varies with the level of output of a product or service and is directly caused by the production of the product or service.

#### **K. Required Workpapers**

1. When a LEC submits a cost study to the Commission staff, it must simultaneously file a complete set of supporting workpapers and source documents.
2. The workpapers must clearly and logically present all data used in developing the estimate and provide a narrative explanation of all formulas or algorithms applied to these data. These workpapers must allow others to replicate the methodology and calculate equivalent or alternative results using equivalent or alternative assumptions.
3. The workpapers must clearly set forth all significant assumptions and identify all source documents used in preparing the cost estimate.
4. The workpapers must be organized so that a person unfamiliar with the study will be able to work from the initial investment, expense, and demand data to the final cost estimate. Every number used in developing the study must be clearly identified in the workpapers as to what it represents. Further, the source should be clearly identifiable and readily available, if not included with the workpapers.
5. Any input expressed as a "dollars per minute," "dollars per foot," "dollars per loop," "dollars per port," and the like must be traceable back to the original source documents containing the number of

dollars, minutes, feet, loops, ports, and the like from which these figures were calculated.

6. To the extent practicable, all data and workpapers must be provided in machine readable form on diskettes using standard spreadsheet or database software formats such as Lotus 1-2-3 or Excel. Each diskette must contain a "read me" or similar file that defines the contents of each file on the diskette and contains an explanation of the definitions, formulas, equations, and data provided on the diskette.

PUBLIC UTILITIES COMMISSION OF OHIO

LOCAL EXCHANGE CARRIER  
REGISTRATION FORM  
EFFECTIVE: AUGUST 15, 1996

In the Matter of the Application of \_\_\_\_\_ )  
to \_\_\_\_\_ ) Case No. \_\_\_\_\_ - \_\_\_\_ -TP - \_\_\_\_

Name of Registrant(s) \_\_\_\_\_  
Address of Registrant(s) \_\_\_\_\_  
Contact Person(s) \_\_\_\_\_ (Phone - \_\_\_\_\_)  
Date \_\_\_\_\_ TRF Docket No \_\_\_\_\_ - \_\_\_\_ -TP -TRF

NOTE: This form must accompany all applications filed by NECs. ILECs should utilize the appropriate form based on each ILEC's currently applicable regulatory framework. However, an ILEC must use this form if it has been granted tariff filing parity pursuant to Section VI.L. of the guidelines established in Case No. 95-845-TP-COI, or if the ILEC is filing an ARB or NAG case pursuant to the guidelines established in Case No. 96-463-TP-UNC.

I. Indicate the reason for submitting this form (check only one):

- 1. (AAC) Application to Amend Certificate (30-day approval, 7 copies)
- 2. (ABN) Abandonment of all Services (NOT automatic, 10 copies)
- 3. (ACE) New Operating Authority (60-day approval, 7 copies)
- 4. (ACN) Application to Change Name (30-day approval, 10 copies)
- 5. (AEC) Application to Establish, Revise, or Cancel a Contract (30-day approval, 7 copies)
  - End User
  - Carrier-to-Carrier Contract Amendment
- 6. (AMT) Merger (NOT automatic, 10 copies)
- 7. (ARB) Application for Arbitration (see 96-463-TP-COI for applicable process, 15 copies)
- 8. (ATA) Application for Tariff Amendment (0-day filing, 10 copies)
  - New End User Service
  - New Carrier to-Carrier Service
- 9. (ATA) Application for Tariff Amendment (30-day approval, 10 copies)
  - Change in Terms and Conditions
  - Withdrawal of Service
- 10. (ATC) Application to Transfer Certificate (NOT automatic, 7 copies)
- 11. (ATR) Application to Conduct a Transaction Between Utilities (NOT automatic, 10 copies)
- 12. (NAG) Negotiated Interconnection Agreement Between Carriers (90-day approval, 15 copies)
- 13. (UNC) Unclassified (explain) \_\_\_\_\_ (NOT automatic, 15 copies)
- 14. Other (explain) \_\_\_\_\_ (NOT automatic, 15 copies)

THE FOLLOWING ARE TRF FILINGS ONLY, NOT NEW CASES (0-day notice, 3 copies)

- 15. Introduction or Extension of Promotional Offering
- 16. New Price List Rate for Existing Service
- 17. Designation of Registrant's Process Agent(s)

II. Indicate which of the following exhibits have been filed. The numbers (corresponding to the list above) indicate, at a minimum, the types of cases in which the exhibit is required:

- A copy of registrant's proposed tariffs. (3)
- Statement affirming that the registrant has notified the Ohio Department of Taxation of its intent to conduct operations as a telephone utility in the State of Ohio. (3)

8/15/96

- List of names, addresses, and phone numbers of officers and directors, or partners.(3,6,10-11)
- Brief description of service(s) proposed, as well as the targeted market(s). (3)
- Copy of superseded tariff sheet(s) & price list(s), if applicable, marked as Exhibit A. (1-2,4,6,8-11,13-16)
- Copy of revised tariff sheets & price lists, marked as Exhibit B. (1-2,4,6,8 -11,13-16)
- If price list increase within an approved range of rates, specify which notice procedure has been utilized: \_\_\_\_\_ real time; or \_\_\_\_\_ newspaper. (8-9,16)
- Copy of real time or newspaper notice which has been provided to customers. (1,2,4,6,10-11,16)
- Copy of customer education and information material for new residential services. (8)
- Description of and rationale for proposed tariff changes, including a complete description of the service(s) proposed or affected. Specify for each service affected whether it is business \_\_\_\_\_, residence \_\_\_\_\_, or both \_\_\_\_\_ as well as whether it is a switched \_\_\_\_\_ or dedicated \_\_\_\_\_ service. Include this information in either the cover letter or Exhibit C. (1-2,4-6,9-11,13-16)
- List of Ohio counties specifically involved or affected. (1-4,6,9-11,13)
- Certification from Ohio Secretary of State as to party's proper standing (domestic or foreign corporation, authorized use of fictitious name, etc.). (3,4,6,10-11,) (In transfer of certificate cases, the transferee's good standing must be established.)
- Explanation of how the proposed services in the proposed market area are in the public interest. (3)
- Definition of the proposed market area. (3)
- Definition of the class of customers that the applicant intends to serve. (3)
- Documentation attesting to the applicant's financial viability, including, at a minimum, a pro forma income statement and a balance sheet. If the pro forma income statement is based upon a certain geographical area(s) or information in other jurisdictions, please indicate. (3)
- Documentation attesting to the applicant's technical expertise relative to the proposed service offering(s) and proposed service area. (3)
- Explanation of the applicant's managerial expertise relative to the proposed service offering(s) and proposed service area. (3)
- Documentation indicating the applicant's corporate structure and ownership. (3)
- Information regarding any similar operations in other states. (3)
- Verification that the applicant will maintain local telephony records separate and apart from any other accounting records in accordance with the USOA. (3)
- Verification of compliance with any affiliate transaction requirements. (3)
- Letters requesting negotiation pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 and a proposed timeline for construction, interconnection, and offering of services to end users. (3)
- Other information requested by the Commission staff.

**III. Registrant hereby attests to its compliance with the following requirements in the Service Requirements Form, as well as all pertinent entries and orders issued by the Commission with respect to these issues. Further, registrant hereby affirms that it will maintain with its TRF docket an up-to-date, properly marked, copy of the Service Requirements Form available for public inspection.**

Mandatory requirements for all basic local exchange providers:

- Sales tax
- Deposits

Service requirements for a NEC's provision of certain services (check all applicable):

- Discounts for Persons with Communication Disabilities and the Telecommunication Relay Service
- Emergency Services Calling Plan
- Alternative Operator Service (AOS) requirements
- Limitation of Liability

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IV. List names, titles, phone numbers, and addresses of those persons authorized to make and/or verify filings at the Commission on behalf of the applicant:

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NOTE: An annual report is required to be filed with the Commission by each company on an annual basis. The annual report form will be sent for completion to the address and individual(s) identified in this Section unless another address or individual is so indicated.

V. List names, titles, phone numbers, and addresses of those persons authorized to respond to inquiries from the Consumer Services Department on behalf of the applicant:

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**VERIFICATION**

I, \_\_\_\_\_ [Name and Title] \_\_\_\_\_ verify that I have utilized, verbatim, the Commission's Local Exchange Carrier Registration Form issued June 12, 1996, and that all of the information submitted here, and all additional information submitted in connection with Case No. \_\_\_-\_\_\_-TP-\_\_\_ is true and correct to the best of my knowledge.

\_\_\_\_\_  
(Signature)\*

\_\_\_\_\_  
(Date)

\* A verification is required for every filing. It may be signed by counsel or an officer of the applicant.

Send your completed Registration Form, including all required attachments as well as the required number of copies, to:

Public Utilities Commission of Ohio  
Attention: Docketing Division  
180 East Broad Street  
Columbus, OH 43215-3793

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**SERVICE REQUIREMENTS FORM**

The provider affirms that it is in compliance with Commission directives concerning the following checked items, and that this represents an up-to-date listing of applicable "generic" service requirements. The provider understands that this in no way supersedes the context of the applicable Commission orders described below.

**A. MANDATORY REQUIREMENTS FOR ALL NECs:** 1. SALES TAX (See also Case No. 87-1010-TP-UNC)

Certain telecommunication services, as defined in the Ohio Revised Code, are subject to state sales tax at the prevailing tax rates, if the services originate, or terminate in Ohio, or both, and are charged to a subscriber's telephone number or account in Ohio

 2. DEPOSITS

If a deposit is requested, it may not exceed the estimated charges for two months tariffed services plus 30 percent of the monthly estimated charge for a specified customer. Deposits held for less than 180 days shall not accrue interest. Interest on intrastate deposits held for 180 days or longer will be handled in accordance with Rule 4901:1-17-05 of the Ohio Administrative Code.

**B. REQUIREMENTS FOR NEC PROVISION OF CERTAIN SERVICES, OR WHERE CERTAIN CONDITIONS OF SERVICE ARE UTILIZED (check all applicable):** 1. DISCOUNTS FOR PERSONS WITH COMMUNICATION DISABILITIES AND THE TELECOMMUNICATION RELAY SERVICE

Applicable to all NECs offering message toll service (MTS) (See also Case Nos. 87-206-TP-COI and 91-113-TP-COI):

- a. For purposes of these requirements, the definition of disabled refers to those persons with communication disabilities, including those hearing disabled, deaf, deaf/blind, and speech disabled persons who have a disability that prevents them from communicating over the telephone without the aid of a telecommunications device for the communicatively disabled.

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- b. Residential disabled customers or disabled members of a customer's household, upon written application and upon certification of their disabled status, which is evidenced by either a certificate from a physician, health care official, state agency, or a diploma from an accredited educational institution for the disabled, are eligible to receive a discount off their MTS rates, and, if they utilize telebraille devices, they are eligible to receive free access to local and intrastate long distance directory assistance. Additionally, TDD lines maintained by non-profit organizations and governmental agencies, upon written application and verification that such lines are maintained for the benefit of the disabled are eligible to receive a discount off their MTS rates.
- c. Upon receipt of the appropriate application, and certification or verification or a person with a communication disability, one of the following discounts shall be made available for the benefit of the disabled person:
- i. Off the basic MTS, current, price list day rates: a 40 percent discount off the intrastate, interexchange, customer-dialed, station-to-station calls occurring between 8:00 a.m. and 4:59 p.m. Monday through Friday; a 60 percent discount off the intrastate, interexchange, customer-dialed, station-to-station calls occurring between 5:00 p.m. and 10:59 p.m. Sunday through Friday, and New Year's Day, Independence Day, Labor Day, Thanksgiving, and Christmas; and a 70 percent discount off the intrastate, interexchange, customer-dialed, station-to-station calls occurring between 11:00 p.m. and 7:59 a.m. any day, 8:00 a.m. and 4:59 p.m. Sunday, and all day Saturday; or
  - ii. Off the basic MTS, current, price list day rates: no less than a straight 70 percent discount shall be made available on a 24-hour a day basis; or
  - iii. For MTS which is offered similar to the mileage-banded rate structure established in the Commission's April 9, 1985 Opinion and Order in Case No. 84-944-TP-COI, with the traditional day, evening, and night/weekend discounts: the "evening" discount off the intrastate, interexchange, customer-dialed, station-to-station calls placed during the "day" period Monday through Friday; and the "night/weekend" discount off the intrastate, interexchange, customer-dialed, station-to-station calls placed during the "evening" period Sunday through Friday, and on

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New Year's Day, Independence Day, Labor Day, Thanksgiving, and Christmas. Furthermore, the "night/weekend" discount plus an additional discount equivalent to no less than ten percent of the company's current, price list, "day" rates for basic MTS shall be made available for intrastate, interexchange, customer-dialed, station-to-station calls placed during the "night/weekend" period any day, the "day" period Sunday, and all day Saturday.

- d. All MTS calls placed through the telecommunication relay service (TRS) are eligible to receive a discount off the MTS rates. The rate discounts are the same as those set forth in paragraph 1.c. preceding. The discount shall not apply to sponsor charges associated with calls placed to pay-per-call services, such as 900, 976, or 900-like calls.

2. EMERGENCY SERVICES CALLING PLAN

Applicable to all NECs offering MTS (See also Case Nos. 85-1466-TP-COI and 89-54-TP-COI):

Message toll telephone calls, to governmental emergency service agencies as set forth in (a) following, having primary or principal responsibility with respect to the provision of emergency services to persons and property in the area from which the call is made, meeting the definition and criteria of an emergency call as set forth in (b) following, are offered at no charge to customers:

- a. Governmental fire fighting, Ohio State Highway Patrol, police, and emergency squad service (as designated by the appropriate governmental agency) qualify as governmental emergency service agencies provided they answer emergency service calls on a personally attended (live) 24-hour basis, 365 days a year, including holidays.
- b. An emergency is an occurrence or set of circumstances in which conditions pose immediate threat to human life, property, or both, and necessitate that prompt action be taken. An emergency call is an originated call of short duration to a governmental emergency service agency in order to seek assistance for such an emergency.