

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CINCINNATI BELL )  
TELEPHONE COMPANY FOR AUTHORITY )  
TO INCREASE AND ADJUST ITS RATES AND ) CASE NO. 98-292  
CHARGES AND TO CHANGE REGULATIONS )  
AND PRACTICES AFFECTING SAME )

O R D E R

On March 4, 1999, the Commission required that Cincinnati Bell Telephone Company ("CBT") file all tariff changes with 30 days' prior notice to the Commission. CBT had proposed a one-day notice which the Commission found inadequate to review the tariffs and reasonably protect CBT's ratepayers. The Commission noted that it has consistently rejected reduced notice periods for incumbent local exchange carriers such as CBT. However, the Commission did state that competitive pressure may eventually lead to reduced notice and that the Commission would evaluate such competition in future proceedings.

On March 24, 1999, CBT filed a petition for rehearing regarding the tariff notice issue. CBT asserts that the one-day filing process is necessary to respond to its increasingly competitive market and would afford it the same opportunities that its competitors have.

Specifically, CBT argues that promotional offerings and new service introductions should have a one-day notice requirement. The Commission's evaluation of CBT's market is that it is not sufficiently competitive to warrant the reduction of notice to the

Commission for CBT tariffs. Accordingly, CBT may offer promotional filings on 20 days' notice as its tariff provided prior to the adoption of its alternative regulation plan. CBT must provide 30 days' notice to the Commission for new service offerings. Accordingly, its petition for rehearing is denied.

The Commission will also address CBT's alternative regulation plan tariffs. On February 23, 1999, CBT filed its tariff implementing the January 25, 1999 alternative regulation plan. However, the proposed tariff did not contain a revenue-sharing plan as ordered, nor did it address future access charge changes. In addition, the proposed tariff did not collapse Band 3 rates into Band 1 rates and did not reduce the Band 4 residential flat access line rate. Moreover, the proposed tariff did not reduce switched access rate charges nor the hunting charge for flat-rate customers. These exceptions were based on CBT's request for rehearing, part of which was granted in the March 4, 1999 Order. CBT did state that it would amend its proposed tariff as appropriate upon the Commission's decisions on rehearing.

On March 12, 1999, CBT filed revised tariff sheets removing the one-day notice provision as required by the March 4, 1999 Order. Furthermore, on March 25, 1999, CBT filed an additional revised tariff sheet to make other corrections. In its March 25, 1999 tariff, CBT recognized the need to amend its tariff after the resolution of the rehearing issues. It further recognized that the subsequent changes would be subject to customer refunds relating back to the January 25, 1999 effective date for alternative regulation.

The Commission, having reviewed CBT's petition for rehearing and its proposed tariffs, and having been otherwise sufficiently advised, **HEREBY ORDERS** that:

1. CBT's petition for rehearing of the 30-day notice requirement for its tariffs is denied.

2. The tariffs filed February 23, 1999, March 12, 1999, and March 25, 1999 are approved on an interim basis subject to consumer refunds relating back to the effective date of January 25, 1999, upon the Commission's final determination on rehearing.

Done at Frankfort, Kentucky, this 13<sup>th</sup> day of April, 1999.

By the Commission

ATTEST:

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Executive Director