

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY INTO THE STATE
UNIVERSAL SERVICE FUND

CASE NO.
2016-00059

RESPONSE OF CINCINNATI BELL TELEPHONE COMPANY LLC
TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO ALL PARTIES OF RECORD

For its responses to the Commission Staff's Second Request for Information to All Parties of Record, Cincinnati Bell Telephone Company LLC ("CBT") states as follows:

1. If not already provided in a previous response to a Commission Staff request for information, respond to the following:

a. Provide the monthly Kentucky Universal Service Fund ("KUSF") forms' ("KUSF form") submitted to the Commission and the Department of Finance and Administration from January 2014 to the present.

RESPONSE: CBT provided its KUSF Forms for January 2014 through March 2016 in its responses to the Commission Staff's First Request for Information. Attached as Exhibit 1 are the most recently filed KUSF Forms for CBT.

b. Explain how the total number of subscriber lines is calculated for the KUSF form when a new customer receives service in the middle of a month.

RESPONSE: This information was provided in response to the First Request for Information, Question 2.

c. Explain how the total number of subscriber lines is calculated for the KUSF form when a customer leaves in the middle of a month.

RESPONSE: This information was provided in response to the First Request for Information, Question 3.

d. Explain how the KUSF surcharge remittance is calculated when you experience a bad debt. Explain whether none of the surcharge amount or the full surcharge amount billed to, but not paid by, the customer is remitted.

RESPONSE: The surcharge amount remitted each month is calculated as follows:

1) The surcharge per line is multiplied times the number of in service access

lines to determine the billed amount.

- 2) Each month the unpaid surcharge amounts associated with disconnected lines that have been determined to be bad debt is written off.
- 3) The net amount of 1) and 2) is remitted each month.

The monthly billed amount is remitted even if the customer has not paid.

- e. State whether the KUSF surcharge billed to a customer is prorated if the customer has service for less than a full month.

RESPONSE: Yes.

2. If no KUSF forms have been submitted to the Commission and the Kentucky Department of Finance and Administration from January 2014, to the present, explain why the KUSF forms have not been submitted.

RESPONSE: N/A

a. If no KUSF forms have been submitted, state whether you collect the KUSF surcharge from your customers.

b. If you do not collect the KUSF surcharge from your customers, explain why the KUSF surcharge has not been collected.

c. If no KUSF forms have been submitted, state whether you remit the KUSF surcharge to the Kentucky Department of Finance and Administration.

d. If you do not remit the KUSF surcharge to the Kentucky Department of Finance and Administration, explain why the KUSF surcharge has not been remitted.

3. Explain the anticipated impact, if any, that the FCC's recent Lifeline Reform Order will have on the provision of Lifeline service in Kentucky, including, but not limited to, verifying eligibility of Lifeline customers; the potential provision of broadband service; and, the impact of the reduction of Federal Universal Service funding for voice service.

RESPONSE: CBT has not studied the potential impact the changes might have on the provision of Lifeline service in Kentucky.

4. In light of the Lifeline Reform Order, explain how a reduction in the amount of, or elimination of, KUSF support would impact the provision of Lifeline service in Kentucky.

RESPONSE: CBT has not studied the potential impact the changes might have on the provision of Lifeline service in Kentucky.

VERIFICATION

Theodore W. Heckmann, Managing Director of Regulatory & Government Affairs for Cincinnati Bell Telephone Company LLC ("CBT"), being duly sworn, states that he supervised the preparation of the response on behalf of CBT and that the response is true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry.

Theodore W Heckmann

Sworn to and subscribed before me this 13th day of July, 2016.

Kathleen M. Campbell

Notary Public

KATHLEEN M. CAMPBELL
Notary Public, State of Ohio
My Commission Expires 10-14-2018

EXHIBIT 1



COMMONWEALTH OF KENTUCKY
UNIVERSAL SERVICE FUND

Date 5/19/2016

Reporting Month April-16

Carrier Information	
Company Name	Cincinnati Bell Telephone
Company Address	221 East Fourth Street, ML 103-1145 P.O. Box 2301 Cincinnati, OH 45201-2301
Telephone/Fax	Telephone (513) 397-6963 / Fax (513) 381-6117
Vendor Number	

Classification Please Circle One	<u>ILEC</u>	CLEC	Cellular	PCS
-------------------------------------	-------------	------	----------	-----

Monthly Access Line Data		
1.	Total Access Lines in Service.....	<u>74,427</u> A
2.	Surcharge Per Access Line.....	<u>\$0.08</u>
3.	Amount of Surcharge Remitted to Kentucky USF.....	<u>\$14,333.03</u> B
4.	Number of Access Lines Receiving Lifeline Support.....	<u>466</u>
5.	Amount of Reimbursement Requested from Kentucky USF.....	<u>\$1,631.00</u>

A = The total quantity of access lines billed the Kentucky USF surcharge.
B = The total dollar amount of Kentucky USF surcharge billed, net of uncollectibles.

Signature Block		
I hereby attest that the information reported herein is true and accurate to the best of my knowledge.		
Company Official <u>Tom Paolucci</u> (Printed)	Title <u>CBT Asst Controller</u>	Company Official (Signed)

Make check payable to: "Kentucky State Treasurer" and send with this report to:

Finance and Administration Cabinet
ATTN: KY USF
702 Capital Ave.
Capitol Annex, Room 488A
Frankfort, KY 40601

Send a copy of this report to:

Kentucky Public Service Commission
ATTN: Jim Stevens
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602



**COMMONWEALTH OF KENTUCKY
UNIVERSAL SERVICE FUND**

Date 6/22/2016

Reporting Month May-16

Carrier Information	
Company Name	Cincinnati Bell Telephone
Company Address	221 East Fourth Street, ML 103-1145 P.O. Box 2301 Cincinnati, OH 45201-2301
Telephone/Fax	Telephone (513) 397-6963 / Fax (513) 381-6117
Vendor Number	

Classification	ILEC	CLEC	Cellular	PCS
Please Circle One				

Monthly Access Line Data		
1. Total Access Lines in Service.....	<u>73,956</u>	A
2. Surcharge Per Access Line.....	<u>\$0.08</u>	
3. Amount of Surcharge Remitted to Kentucky USF.....	<u>\$9,541.43</u>	B
4. Number of Access Lines Receiving Lifeline Support.....	<u>459</u>	
5. Amount of Reimbursement Requested from Kentucky USF.....	<u>\$1,606.50</u>	

A = The total quantity of access lines billed the Kentucky USF surcharge.
B = The total dollar amount of Kentucky USF surcharge billed, net of uncollectibles.

Signature Block		
I hereby attest that the information reported herein is true and accurate to the best of my knowledge.		
Company Official <u>Tom Paolucci</u> (Printed)	Title <u>CBT Asst Controller</u>	Company Official <u></u> (Signed)

Make check payable to: "Kentucky State Treasurer" and send with this report to:

Finance and Administration Cabinet
 ATTN: KY USF
 702 Capital Ave.
 Capitol Annex, Room 488A
 Frankfort, KY 40601

Send a copy of this report to:

Kentucky Public Service Commission
 ATTN: Jim Stevens
 211 Sower Blvd.
 P.O. Box 615
 Frankfort, KY 40602