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February 26, 2009

VIA FEDERAL EXPRESS

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Ky. 40602

Re: Case Number 2009-00029

Dear Mr. Derouen:

Enclosed are an original and five copies of Cincinnati Bell Telephone Company's Response to the Attorney General's Initial Request for Information dated February 19, 2009 in the above referenced proceeding. Questions regarding this filing may be directed to me at the address below or telephone, or to Mark Romito by telephone at (513) 397-1354.

Sincerely,
[Handwritten signature of Mark D. Guilfoyle]
Mark D. Guilfoyle

MDG/rmc

Enclosures

cc: Tiffany J. Bowman, Esq.

186137v1

Dressman Benzinger LaVelle psc
Attorneys at Law

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of the Application of )  
Cincinnati Bell Telephone Company LLC )  
For Declaration of Compliance With ) Case No. 2009-00029  
Directory Requirements Applicable to )  
Electing Telephone Companies Pursuant )  
To KRS 278.541 to 278.544 )

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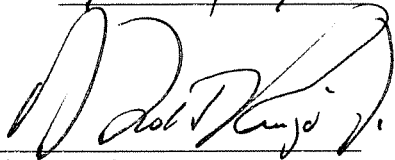
Response of Cincinnati Bell Telephone Company LLC to the  
ATTORNEY GENERAL'S INITIAL REQUESTS FOR INFORMATION

February 26, 2009

**VERIFICATION**

I, D. Scott Ringo Jr., am authorized to verify this response on behalf of Cincinnati Bell Telephone Company LLC ("Cincinnati Bell"), the Petitioner in the above referenced proceeding. I am the Asst. Corporate Secretary and National Director – Regulatory Affairs of Cincinnati Bell. I have read the Attorney General's Initial Requests for Information propounded to Cincinnati Bell and the Response to such interrogatories. I am familiar with the contents of both. I declare under penalty of perjury under the laws of the State of Kentucky that the foregoing is true and correct to the best of my information, knowledge, and belief.

Dated February 26, 2009

  
[Signature]

Cincinnati Bell Telephone Company LLC

STATE OF OHIO

COUNTY OF HAMILTON

Subscribed to and sworn before me, a Notary Public, this 26 day of February, 2009.

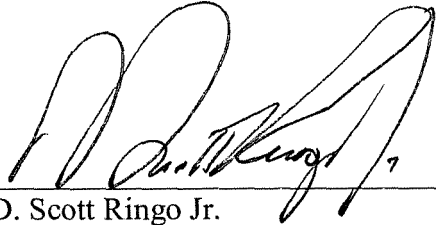


My commission expires 10-14-2013

**KATHLEEN M. CAMPBELL**  
Notary Public, State of Ohio  
My Commission Expires 10-14-2013

### **Certificate of Service and Filing**

I, D. Scott Ringo Jr., do hereby certify that an original of the foregoing was sent via overnight mail to Mr. Dennis Howard, Asst. Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Ky. 40601-8204, and that an original and five copies was sent via overnight mail to Mr. Jeff Derouen, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Ky. 40601, this 26<sup>th</sup> day of February, 2009.

A handwritten signature in black ink, appearing to read "D. Scott Ringo Jr.", written over a horizontal line.

D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
National Director – Regulatory Affairs



1. With regard to the company's service territory:

(a) What is the penetration rate of computers on a per capita basis?

RESPONSE: This information is not available to CBT.

(b) What is the internet access on a per capita basis?

RESPONSE: This information is not available to CBT, except to state that 30% of CBT customers in Kentucky subscribe to CBT's ZoomTown and FUSE internet access service. Many customers subscribe to other internet access services, such as cable modems.

(c) What is the percentage of households which still use landlines?

RESPONSE: This information is not available to CBT. Anecdotally, CBT believes that approximately 20% of customers that once had landlines have now opted for wireless communications only and had disconnected their landlines. That percentage is reasonable based on the 'Trend in Telephone' report published in August 2008 by the Industry Analysis and Technology Division of the FCC's Wireline Competition Bureau that stated as of the year end 2006 that approximately 18% of households were wireless only. The remaining number of landlines, though, is then split at some unknown level between CBT, Time Warner, Insight and other providers.

Respondent: D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
National Director – Regulatory Affairs



2. In the event that there is an electrical outage, extended or not as with the recent ice storm, how is an individual to obtain an emergency number, other than 911? (An example includes a telephone number to report a downed power line.)

RESPONSE: While CBT's proposal is to discontinue automatic distribution of white pages alphabetical directories to customers, the current publisher of our white pages book will continue to distribute to all customers copies of the Cincinnati Bell Yellow Pages book. The Yellow Pages book contains in the front an alphabetical white pages section of business listings that will provide any information a customer should need in the event of an electrical outage. The Yellow Pages also includes a section of government offices and telephone numbers throughout the Northern Ky. and Greater Cincinnati area. In addition, despite the number of changes to directory listings as a whole, emergency numbers very rarely change, if at all, and all customers should already have a previous copy of the white pages containing those numbers.

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3. How many of Cincinnati Bell's customers are over the age of 65?

RESPONSE: This information is not available to CBT.

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National Director – Regulatory Affairs



4. How many of Cincinnati Bell's customers live in locations that would be considered rural?

RESPONSE: The term "rural" was not defined, but under the Telecom Act and FCC's rules, CBT is considered a non-rural carrier, therefore, for federal purposes we do not have any rural lines. All of CBT's lines are considered non-rural. CBT can state that it has the following number of customers in its Kentucky exchanges:

<u>Exchange</u>	<u>Residence Customers</u>	<u>Business Customers</u>
Alexandria	6,199	669
Boone	24,288	5,769
Butler	1,809	185
Falmouth	1,917	326
Glencoe	1,137	101
Independence	7,951	713
Kentucky Metro	41,007	8,183
Walton	2,362	469
Warsaw	1,243	250
Williamstown	5,201	943

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5. Please list the physical locations where Cincinnati Bell proposes that customers would be able to obtain a printed directory.

RESPONSE: Directories would be available at all Cincinnati Bell retail stores. Kentucky stores are at the Crestview Hills Town Center and the Florence Mall. There are numerous Ohio stores. Additional locations are under consideration at this time.

(a) Please provide an estimated driving mile distance which a customer would have to drive in the company's service territory to reach a retail store.

RESPONSE: The driving distance would vary by customer location.

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6. Please reference CBT's application at page 7 where the company states that "for those customers who cannot visit a retail store, an alternative method of shipping or delivering the printed directories will be used to get the customer a book upon request." State with particularity what the company proposes as the alternative(s).

RESPONSE: The Company has provided directories to customers who request that one be delivered to them by a variety of mail and delivery mediums for years. Cincinnati Bell intends to continue to do so when a customer requests a directory by calling the company's offices or by email request. As always, those directories would be delivered free of charge to the customer.

Respondent: D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
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7. State whether CBT's white pages directory provides solely residential listings, or offers both residential and business listings.

RESPONSE: Both.

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Asst. Corporate Secretary and  
National Director – Regulatory Affairs



8. Please provide information regarding the cost of printing and distributing the printed "white page" directory to customers.

RESPONSE: The total cost of printing and distributing the Kentucky White Pages directory in 2008 was \$903,600.

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Asst. Corporate Secretary and  
National Director – Regulatory Affairs



9. Are the printing and distribution costs referenced in response to question no. 8, above, offset by income received by advertisers in the "yellow pages" portion of the directory? If so, provide the amounts of the cost offset.

RESPONSE: No. CBT does not publish the Yellow Pages directory or receive any revenue from it.

(a) Are the printing and distribution costs referenced in response to question no. 8, above, offset by income received by any advertisers in the white pages portion of the directory? If so, provide the amounts of the cost offset.

RESPONSE: In 2008, CBT received approximately \$440,000 in White Pages advertising sales in Kentucky. That number is expected to be lower in 2009 due to substantially decreased circulation and due to competition from the white pages section of the Yellow Pages which is not produced by CBT.

(b) Provide the fee structures CBT uses to charge businesses for placing their information in the white pages, including, at a minimum, additional charges for larger / bold face type face.

RESPONSE: A basic White Pages listing is included in the cost of telephone service. For enhanced listings, see the attached rate sheet.

Respondent: D. Scott Ringo Jr.  
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# Cincinnati Bell Inbound Advertising Department

*Cincinnati Bell*  
Advertising

<b>UDAC</b>	Price	Description
W3HS	\$ 188.00	White Pages 1.5" space listing (In-Column Ad)
W3HSR	\$ 235.00	White Pages 1.5" space listing in red (In-Column Ad)
W4HSR	\$ 297.50	White Pages 2" space listing in red (In-Column Ad)
W6HS	\$ 356.50	White Pages 3" space listing (In-Column Ad)
W6HSR	\$ 445.75	White Pages 3" space listing in red (In-Column Ad)
WBC	\$ 35.75	White Pages bold caption header-bold indent text
WBCCR	\$ 53.50	White Pages bold name-red
WBCN	\$ 35.75	White Pages bold caption header-bold indent text-bold number
WBCNN	\$ 36.50	White Pages bold name-bold number
WBCNR	\$ 53.50	White Pages bold name-bold number-red
WBELI	\$ 21.75	White Pages internet address-black ink-bold
WBIN	\$ 17.25	White Pages bold indent number
WBINR	\$ 22.25	White Pages bold indent number-red
WBIT	\$ 37.25	White Pages bold indent text-bold number
WBITR	\$ 53.75	White Pages bold indent text-bold number-red
WBL	\$ 35.75	White Pages bold name-bold number
WBLNR	\$ 53.50	White Pages bold name-bold number-red
WBS	\$ 32.25	White Pages bold sub-caption
WBSN	\$ 35.75	White Pages bold sub-caption-bold indent text-bold number
WBSR	\$ 46.25	White Pages bold sub-caption-red
WDO6R	\$ 249.75	White Pages 3" space listing in red (Web In-Column Ad)
WDOR	\$ 238.25	White Pages 2" space listing in red (Web In-Column Ad)
WELI	\$ 18.25	White Pages internet address-black ink-no bold
WELIR	\$ 15.25	White Pages internet address-red ink-no bold
WFBB	\$ 83.00	White Pages super bold cap header-bold sub-cap-bold ind text or addr-bold num
WFBR	\$ 102.50	White Pages super bold name-bold address-bold number-red
WFBSR	\$ 154.75	White Pages super bold cap header-bold sub-cap-bold text or addr-bold num-re
WFCN	\$ 83.75	White Pages super bold caption header-bold indent text-bold number
WFCSN	\$ 86.00	White Pages super bold caption header-bold sub-cap-bold ind text-bold number
WFN2	\$ 58.75	White Pages super bold name-bold number
WFR	\$ 103.75	White Pages super bold caption header-red
WFSC	\$ 86.00	White Pages super bold caption header-bold number
WLBB	\$ 129.50	White Pages Logo bold name-bold number
WLBBR	\$ 147.75	White Pages Logo bold name-bold number-red
WLBSR	\$ 248.00	WP Logo super bold cap header-bold sub-cap-bold ind text or addr-bold num-re
WLLB	\$ 126.00	White Pages Logo bold name-bold number
WLLBR	\$ 147.75	White Pages Logo bold name-bold number-red
WLNBR	\$ 196.25	White Pages Logo super bold name-bold address-bold number-red
WLSBC	\$ 173.00	White Pages Logo super bold caption header-bold ind text or addr-bold number
WPBB	\$ 1,069.00	Business White Page Billboard Ad
WSBSR	\$ 121.50	WP super bold name-bold text or addr-bold num-red-Red Screening w/black ink





10. Does Cincinnati Bell intend its application to stop automatic distribution of the "white pages" also include suspending distribution of the "yellow pages"?

RESPONSE: CBT does not own or distribute the Yellow Pages directory, which is produced by an independent publisher. CBT has no reason to believe that the Yellow Pages would not continue to be distributed as it has been in the past.

Respondent: D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
National Director – Regulatory Affairs



11. Please state whether CBT earns a profit from the advertisements in the "yellow pages" portion of the directory.

RESPONSE: CBT receives no revenue from Yellow Pages advertising.

Respondent: D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
National Director – Regulatory Affairs



12. Please admit that the arguments by Cincinnati Bell regarding information contained in the "white pages" portion of the directory being out of date when printed also apply to the "yellow pages" portion of the directory.

RESPONSE: Yes.

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National Director – Regulatory Affairs



13. Expressed on a percentage basis and for the last five printings of the directory, please provide information on how many listings in the "white pages" change from year to year.

RESPONSE: CBT does not collect information in a manner that would allow it to provide such statistics. CBT can state the total number of published White Pages lists has declined over the last five years, as follows:

2004:  
Business = 88,232  
Residential = 480,518

2005:  
Business = 85,987  
Residential = 464,172

2006:  
Business = 84,532  
Residential = 445,308

2007:  
Business = 83,287  
Residential = 428,038

2008:  
Business = 81,882  
Residential = 410,980

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14. Has CBT considered the possibility of giving its customers the option to expressly opt-out of receiving the white pages directory instead of opting?

RESPONSE: Yes, but CBT does not believe that an opt-out program would be effective due to expected low response rates, even for customers who do not need or want a directory. Also, because of the manner in which directories have been physically delivered to all customer premises, the logistics of distributing White Pages directories to only customers who did not opt-out would be inefficient and mistake-prone.

(a) If so, has the company conducted any estimates of its cost savings utilizing this approach?

RESPONSE: No. As explained in its Petition, CBT's interest in utilizing a new directory access plan rather than maintaining a traditional printed directory is two fold: becoming more environmentally friendly by conserving the natural resources inherent in the production of unused paper directories and providing customers with instant access to the most current listings in a readily accessible electronic format. As explained below, however, CBT does not believe that it would realize any cost savings if it were to implement an opt-out program for the distribution of printed White Pages directories.

Based on CBT's experience utilizing a notice and opt-out approval mechanism in other contexts, CBT does not believe that a significant number of customers will take the time to call, write or email CBT in order to avoid delivery of the printed White Pages directory. Further, CBT has been unable to identify a distribution company who will suppress the delivery of White Pages to the limited number of customers who may opt-out. For these reasons, CBT does not believe that it would realize any cost savings if it adopted an opt-out approach since it would be required to produce and deliver just as many printed White Pages directories as it does today.

More importantly, because CBT expects very few customers to opt-out of receiving a paper directory, there would not be a positive environmental impact using an opt-out approach.

In addition, since receiving approval from the Ohio Public Utilities Commission for the company's white pages program and having filed our request with the Kentucky Public Service Commission, the Indiana Utilities Regulatory Commission has released proposed changes to their Indiana Administrative Code Rules. Among the recommendations the commission proposes is the elimination in its entirety of IAC Rule 7-1.2-8 that currently requires the provision of a white pages directory to customers.

(b) Has the company considered options regarding how to provide such an opt-out, including, at a minimum, whether to allow customers to submit such a request via internet (either via e-mail or on the company's web site), and/or on the customer's bill?

RESPONSE: No. As explained above, CBT does not believe an opt-out approach would be effective in lessening the environmental impact posed by mass production and distribution of paper directories.

Respondent: D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
National Director – Regulatory Affairs



15. State whether CBT has actively encouraged the recycling of old directories, and whether the company has conducted any estimates of savings that any such recycling program could yield.

RESPONSE: CBT has not specifically encouraged customers to recycle unused or out-of-date directories. And while customers who recycle their directories make a positive environmental impact by preventing the directories from entering local landfills, CBT would not realize any cost savings by their doing so.

Respondent: D. Scott Ringo Jr.  
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16. Are there any payphones in CBT's service territory? If so, and assuming CBT's application is granted, how does CBT believe an individual using the phone would have access to unknown numbers that would otherwise be available by way of a local telephone book?

RESPONSE: Yes. CBT is unaware of any current requirement to place telephone directories at payphones, but payphone operators can certainly request directories and place them with their payphones.

Respondent: D. Scott Ringo Jr.  
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17. If the Commission grants CBT's request, would it be willing to waive any directory assistance charges (regardless of whether the assistance request is initiated in person over telephone, or via internet website)?

RESPONSE: There is no charge to use CBT's White Pages directory via internet website. CBT would not waive directory assistance charges by telephone.

Respondent: D. Scott Ringo Jr.  
Asst. Corporate Secretary and  
National Director – Regulatory Affairs