

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF CINCINNATI)
BELL TELEPHONE COMPANY) CASE NO. 94-355

O R D E R

On October 24, 1994, Cincinnati Bell Telephone Company ("Cincinnati Bell") applied to the Commission for authority to adjust its rates. In its filing, Cincinnati Bell requested a deviation from the requirements of 807 KAR 5:001, Section 10(6)(1) and Section 10(7)(b), (7)(c), and (7)(e).

807 KAR 5:001, Section 10(6)(1), requires the submission of the most recent FERC or FCC audit reports. Section 10(7)(b) requires the submission of the most recent capital construction budget. Section 10(7)(c) requires the following information for each proposed pro forma adjustment reflecting plant additions: the starting date of the construction of each major component of plant, the proposed in-service date, the total estimated cost of construction at completion, and the amount contained in construction work in progress at the end of the test period. Section 10(7)(e) requires the number of customers added to the test period and the related revenue requirements impact for all pro forma adjustments with complete details and supporting workpapers.

In addition, the Commission will treat Cincinnati Bell's failure to provide the reconciliation of rate base and capital used to determine revenue requirements required by Section 10(6)(i) as

a request for a deviation. Since Cincinnati Bell's request to approve rates which are uniform with Ohio has not been decided at this point, it should either provide the reconciliation of rate base and capital or explain in detail why this is not possible.

Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that the information filed therein is sufficient to enable the Commission to review adequately Cincinnati Bell's filing, with the exception of the requirement of Section 10(6)(i). Therefore, its request for a deviation from the above-cited regulations should be granted.

IT IS THEREFORE ORDERED that:

1. Cincinnati Bell's request for permission to deviate from the requirements of 807 KAR 5:001, Section 10(6)(1), and Sections 10(7)(b), (7)(c), and (7)(e), is granted.

2. Within 20 days of the date of this Order, Cincinnati Bell shall comply with 807 KAR 5:001, Section 10(6)(i), and provide the reconciliation of rate base and capital or explain in detail why it is not possible.

Done at Frankfort, Kentucky, this 18th day of November, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director