

## **DESCRIPTION & JUSTIFICATION**

Cincinnati Bell Telephone (CBT) proposes three changes. First, CBT proposes to add additional Add/Drop speeds to its Point-to-Point OC services; second, CBT proposes to add additional Ports to its OC Service - Dedicated Ring service; and third, CBT proposes to make changes in its OC-48 Point-to-Point service rate elements to provision OC-48 Point-to-Point service in the same manner as OC-3 and OC-12 Point-to-Point service.

CBT proposes to add the following Add/Drop Function options to OC Point-to-Point service; OC-3 to OC-3 service, OC-12 to OC-12 service, and OC-48 to OC-48 service. CBT was not able to offer these options until now due to technological limitations. Cost detail for the additional options is attached. See Attachment 1.

CBT proposes to add the following Port options to OC Dedicated Ring service; OC-3 to OC-3 service, OC-12 to OC-12 service, and OC-48 to OC-48 service. CBT was not able to offer these options until now due to technological limitations. Cost detail for the additional options is attached. See Attachment 1.

Finally, CBT proposes to make changes to its OC-48 Point-to-Point and OC-48 dedicated ring elements. The proposed changes will be rate neutral to customers and revenue neutral to CBT. These changes will allow CBT to provide and charge for OC-48 Point-to-Point service and Dedicated Ring service in the same manner that it provides and charges for OC-3 and OC-12 Point-to-Point and Dedicated Ring Service.

CBT proposes to grandfather the existing OC-48 Point-to-Point rate elements for Channel Terminations and for Add/Drop Multiplexing. Customers currently on contract terms for these elements will be able to keep them until their contract expires. If a customer wishes to change to the new element structure before their current contract expires, they may do so with no penalty or changes in contractual terms and conditions. The grandfathered rate elements will not be available for new OC-48 service.

CBT will replace these grandfathered rate elements with a new rate element for Channel Terminations and for the Add/Drop function. Currently, customers must pay for multiplexing per 12 DS3's or equivalent. In the new structure, the customer will only pay for 1 multiplexing service at the customer premise. The remainder of the cost is recovered via the channel termination rate element. Attachment 2 shows a comparison of current and proposed rates a customer would pay under 12-month, 36-month, and 60-month agreements, based on a typical arrangement of 48 DS3's multiplexed. The comparison illustrates, that while the blend of elements changes, the total amount of billing to the customer remains the same. In addition, the proposed changes create consistency between OC-3, OC-12 and OC-48 Point-to-Point provision and billing.

CBT proposes to grandfather the existing OC-48 rate elements for Customer Premises Nodes, Central Office Nodes and Add/Drop Multiplexing. Customers currently on contract terms for these elements will be able to keep them until their contract expires. If an existing customer wishes to change to the new element structure before their current contract expires, they may do so with no penalty or changes in contractual terms and conditions. The grandfathered rate elements will not be available

for new OC-48 service.

CBT will replace these grandfathered rate elements with new rate elements for the Customer Premises Node, the Central Office Node, CBT will eliminate the rate element for the Add/Drop function when demand for that rate element has ceased. The cost of the Add/Drop function will be recovered in the Customer Premises Nodes and Central Office Nodes. Attachment 2 shows a comparison of current and proposed rates a customer would pay under 36-month, and 60-month agreements, based on a typical arrangement of Add/Drop capability of 48 DS3's or equivalents. The comparison illustrates, that while the blend of elements changes, the total amount of billing to the customer remains the same. In addition, the proposed changes create consistency between OC-3, OC-12 and OC-48 dedicated Ring provision and billing.