

## DESCRIPTION & JUSTIFICATION

Cincinnati Bell Telephone (CBT) proposes to revise the Universal Service Fund (USF) factor per Commission Order. The Commission released its *Proposed Second Quarter 2006 Contribution Factor*, DA 06-571 on March 13, 2006. The Commission proposed a USF factor of 10.9 % up from the previous factor of 10.2%. CBT recovers its USF contribution, pursuant to the Commission's Contribution Methodology Order<sup>1</sup> by applying the relevant USF Contribution factor to the following charges:

- \* EUCL
- \* Presubscribed Interexchange Carrier (PIC) change charge
- \* End-User Special Access
- \* Interstate IntraLATA Toll usage

The USF surcharge for these services is reflected as a separate line item, clearly identified on the customer's bill.

CBT is also proposes textual changes to Section 2 – Payment Arrangements and Credit Allowances, and Section 7 – Special Access, to add the European naming conventions STM-1 to OC-3 services, STM-4 to OC-12 services, STM-16 to OC-48 services, and STM-64 to OC-192 services. CBT also proposes changes to Section 7 –

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<sup>1</sup> Report and Order and Second Further Notice of Proposed Rulemaking in CC Docket No. 96-45, CC Docket No. 98-171, CC Docket No. 90-571, CC Docket No. 92-237, CC Docket No. 99-200, CC Docket No. 95-116, and CC Docket No. 98-179, FCC 02-329, Released December 13, 2002.

Special Access to remove the provisions in its Optional Payment Plans (OPP) that maintain the OPP rates for 6 months after expiration of the OPP. Additionally, CBT proposes textual changes in Section 7 – Special Access that provides customers the additional option to purchase multiplexing service at the Telephone Company Central Office, in addition to the current availability to purchase multiplexing at the Customer Premise.