

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

September 30, 2009

IN RE:

APPLICATION OF CINCINNATI BELL ANY DISTANCE,
INC. FOR A CERTIFICATE TO PROVIDE COMPETING
LOCAL EXCHANGE TELECOMMUNICATIONS
SERVICES IN TENNESSEE

DOCKET NO.
09-00113

ORDER GRANTING CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY

This matter came before Chairman Sara Kyle, Director Eddie Roberson, and Director Kenneth C. Hill of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a Hearing held on September 21, 2009, to consider the *Application for a Certificate to Provide Competing Local Telecommunications Services* (the "*Application*") filed by Cincinnati Bell Any Distance, Inc. ("Cincinnati Bell" or "Applicant") on July 29, 2009. In its *Application*, Cincinnati Bell seeks a Certificate of Public Convenience and Necessity ("CCN") for authority to provide competing local telecommunications services in Tennessee.

Legal Standard for Granting Certificate of Public Convenience and Necessity

Cincinnati Bell's *Application* was made pursuant to and considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201 (Supp. 2008), which provides, in pertinent part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of

which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

* * *

(c) After notice to the incumbent local exchange telephone company and other interested parties and following a hearing, the authority shall grant a certificate of convenience and necessity to a competing telecommunications service provider if after examining the evidence presented, the authority finds:

(1) The applicant has demonstrated that it will adhere to all applicable commission policies, rules and orders; and

(2) The applicant possesses sufficient managerial, financial, and technical abilities to provide the applied for services.

* * *

Furthermore, pursuant to Tenn. Code Ann. § 65-5-112 (2004), a competing telecommunications provider is required to file with the Authority (1) a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses; and (2) information on programs that might provide technical assistance to such businesses.

The September 21, 2009 Hearing

Pursuant to Tenn. Code Ann. § 65-4-204 (2004), public notice of the Hearing in this matter was issued by the Hearing Officer on September 2, 2009. No persons sought intervention prior to or during the Hearing. On September 4, 2009, Cincinnati Bell filed its *Motion of Cincinnati Bell Any Distance Inc. to Permit D. Scott Ringo, Jr. to Appear Telephonically at the Hearing* requesting permission for D. Scott Ringo, Jr., Assistant Corporate Secretary and Director of Regulatory Affairs, to participate in the Hearing by telephone. On September 9, 2009, the Hearing Officer granted Cincinnati Bell's request in an *Order Granting Telephonic Appearance at Hearing*.

During the Hearing held on September 21, 2009, Mr. D. Scott Ringo, Jr., Assistant Corporate Secretary and Director of Regulatory Affairs, participated in the Hearing telephonically, affirmed his pre-filed testimony, and was subject to examination by the panel. In accordance with the *Order*

Granting Telephonic Appearance at Hearing, Jouett K. Brenzel, a licensed Notary Public in good standing in the State of Ohio, administered the testimonial oath to Mr. Ringo and remained physically present with him throughout his examination and testimony. In addition, as required, the Authority received a properly executed *Witness Certification* and a *Notary Public Affidavit* on September 22, 2009. The Company was represented by Melvin Malone, Esq., who appeared at the Hearing in person.

I. Cincinnati Bell's Qualifications

1. Cincinnati Bell is a corporation organized under the laws of the State of Delaware and was licensed to transact business in Tennessee by the Secretary of State as of September 3, 2003.

2. The complete street address of the registered agent for Cincinnati Bell, Corporation Service Company, is 2908 Poston Avenue, Nashville, Tennessee 37203. The complete street address of the corporate office of Cincinnati Bell is 221 East Fourth Street, 103-1280, Cincinnati, Ohio 45201. The telephone number is (513) 397-6385.

3. The *Application* and supporting information existing in the record indicate that Cincinnati Bell has the requisite technical and managerial ability to provide the applied for telecommunications services within the State of Tennessee. Specifically, Cincinnati Bell's senior management team possesses sufficient business, technical, and operational experience.

4. Cincinnati Bell has the necessary capital and financial ability to provide the services it proposes to offer.

5. Cincinnati Bell has represented that it will adhere to all applicable statutes, policies, rules and orders of the Authority.

II. Proposed Services

Cincinnati Bell intends to offer local services in Tennessee in the areas currently being served by AT&T Tennessee through the use of its own facilities, resold facilities, and through a combination of these provisioning methods. The Applicant's business plan is to offer service to

business customers only and it does not intend to offer services in areas with fewer than 100,000 total access lines, initially, but will constantly be evaluating the opportunities available in Tennessee. Cincinnati Bell provided the Authority with documentation which reflects that it served notice of its application to provide competing local telecommunications services to all eighteen Incumbent Local Exchange Carriers in Tennessee on July 28, 2009.

III. Permitting Competition to Serve the Public Convenience and Necessity

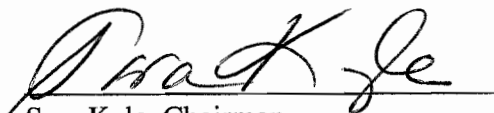
Upon a review of the *Application* and the record in this matter, the panel found that approval of Cincinnati Bell's *Application* would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets in the State and fostering the development of an efficient, technologically advanced statewide system of telecommunications services.


IV. Small and Minority-Owned Telecommunications Business Participation Plan and Business Assistance Program

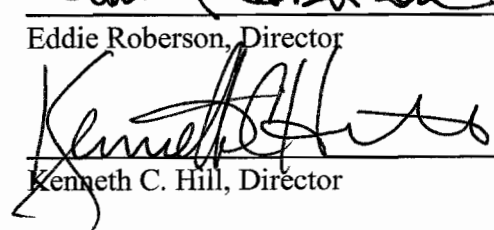
Cincinnati Bell has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-112 (2004) and the Authority's Rules.

IT IS THEREFORE ORDERED THAT:

The *Application for a Certificate to Provide Competing Local Telecommunications Services* filed by Cincinnati Bell Any Distance, Inc. is approved.


Sara Kyle, Chairman


Eddie Roberson, Director


Kenneth C. Hill, Director