

ATTACHMENT

MEMORANDUM

TO: Chairman John Strand
Commissioner John Shea
Commissioner David Svanda

FROM: Matthew E. McLogan 

RE: MCI Mediation

DATE: Monday, July 15, 1996

Honorable Commissioners:

On June 28, 1996 the Michigan Public Service Commission designated me as mediator between Ameritech and MCI Telecommunications Corporation, pursuant to a request for mediation under Section 252(a) of the Telecommunications Act of 1996 which MCI filed with the MPSC on June 20, 1996.

I am pleased to be able to advise you that the parties have successfully resolved their dispute. The Commission will receive official notification of this resolution directly from the parties after signature pages are executed.

You will recall that MCI sought mediation to resolve two matters at impasse between itself and Ameritech: (a) MCI's refusal to sign an Ameritech-proffered nondisclosure agreement which MCI believed was overly broad; and (b) Ameritech's refusal to provide cost studies and other internal documents necessary for negotiations unless and until MCI and Ameritech executed a non-disclosure agreement satisfactory to Ameritech.

This afternoon the parties finalized the wording of a nondisclosure agreement acceptable to both Ameritech and MCI. Following the signing of the nondisclosure agreement, Ameritech will provide MCI with the cost studies and other data which MCI had requested.

I will provide you with a more formal report once the agreement has been filed with the MPSC. I also want to thank you for making William Celio available to me for technical advice during these negotiations. His assistance has been most helpful.

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)
to consider Ameritech Michigan's compliance)
with the competitive checklist in Section 271 of)
the Telecommunications Act of 1996.)
_____)

Case No. U-11104

At the August 28, 1996 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. John C. Shea, Commissioner
Hon. David A. Svanda, Commissioner

ORDER ESTABLISHING PROCEDURES

The federal Telecommunications Act of 1996 added Section 271 to the Communications Act of 1934, as amended, 47 USC 151 et seq. That section specifies the conditions under which a Bell operating company, such as Ameritech Michigan, may provide interLATA services. Subsection (c)(2)(B) sets forth a competitive checklist, which consists of the access and interconnection that a Bell operating company must provide or offer to other telecommunication carriers before the Federal Communications Commission (FCC) can authorize it to provide interLATA services. Subsection (d)(2)(B) requires the FCC to consult with state commissions with respect to the Bell operating company's compliance with the competitive checklist. Subsection (d)(2)(A) requires the FCC to consult also with the United States Attorney General.

To expedite the review of this information and accelerate the introduction of full telecommunications competition in Michigan, the Commission prefers that Ameritech Michigan file information related to a checklist item as soon as it believes it has satisfied the requirements of the specific item. Interested parties may then respond. Furthermore, interested parties are not limited to filing responses to Ameritech Michigan. At any time, parties may file information related to specific checklist items or market conditions.

The Commission believes the following time lines are appropriate.

1. Within 21 days of this order, parties may file a notice of interest in this docket. Parties who have already filed interventions or similar pleadings will be considered to have satisfied this requirement. Interested persons who miss this deadline will be permitted to participate upon filing a notice, but their participation will be on a prospective basis; i.e., they will take the case as they find it.
2. When Ameritech Michigan believes that it has satisfied a particular competitive checklist item, the company should file with the Commission and serve on the interested parties a notice of intent to file information five business days prior to the actual filing.
3. Ameritech Michigan should file the information following established Commission procedures. It should serve the filing on all parties who have filed a notice of interest in this proceeding. In the event Ameritech Michigan believes that the information required to support its position is of a confidential nature, the company shall complete the necessary protective arrangements prior to filing the information.
4. Interested parties will have 14 business days to file replies or comments related to Ameritech Michigan's filing. Again, the filings should be made consistent with established Commission procedures and served on Ameritech Michigan and all other interested parties.
5. Parties may file other information, but the Commission advises the parties that it will be interested only in comments reflecting new or different data rather than a repetition of previous positions or arguments. The Commission stresses it is more interested in the quality of the information than the quantity.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand

Chairman

(S E A L)

/s/ John C. Shea

Commissioner

/s/ David A. Svanda

Commissioner

By its action of August 28, 1996.

/s/ Dorothy Wideman

Its Executive Secretary

Attachment A

General Telecommunications Market Conditions in Michigan

1. **Entities that are licensed to provide:**
 - a. **Facilities based local exchange service;**
 - b. **Resold local exchange service.**

2. **With respect to the entities identified in Number 1, whether such entities are providing:**
 - a. **Residential Exchange Service;**
 - b. **Business Exchange Service;**
 - c. **Residential Exchange Access Service (switched or special);**
 - d. **Business Exchange Access Service (switched or special).**

If the entities (competitors) are not currently providing any of the above identified services, have any announcements been made of if and when such service will be offered.

3. **The identity of any entities that have requested interconnection or unbundled elements from Ameritech Michigan or its affiliates. Include and identify those entities who indicated the desire to negotiate or are in mediation or arbitration with Ameritech Michigan or its affiliates for interconnection or unbundled elements at the time of this filing.**

For the purpose of this item include:

- a. **The types of interconnection requested and/or purchased;**
- b. **The specific unbundled elements requested and/or purchased;**
- c. **The date each request was made;**
- d. **The requests for which Ameritech and the entity entered into a binding agreement;**
- e. **A copy of the agreement;**
- f. **Proof of Michigan Public Service Commission approval under Section 252, if any.**

6. With respect to the facilities and/or networks of Ameritech Michigan's competitors identify:
 - a. The extent to which each competitor is using its own facilities to provide service as compared to the use of unbundled elements or resold services obtained from Ameritech Michigan or its affiliates;
 - b. Whether each competitor is currently constructing facilities in Michigan or has announced the intention to do so within a specified time period;
 - c. A comparison of the provision intervals and maintenance time for services Ameritech Michigan or its affiliates provides to competitors and to itself.

7. With respect to Ameritech Michigan and all of its affiliates that would have any interest or activity in the State of Michigan provide:
 - a. The number of access lines served in Michigan;
 - b. The number, type, location, and ownership of switches;
 - c. The geographic area served and the number and type of customers served;
 - d. All Michigan revenues for the calendar year immediately preceding this filing. Such revenues should be reported by basic local exchange service (as defined by Michigan law), residential local exchange service, business local exchange service, intraLATA toll, access charges, and other types of services. This information should be presented on a total company basis with no omissions due to jurisdictional considerations.

8. The description and status of all complaints made to Ameritech Michigan or its affiliates, the Michigan Public Service Commission, the Federal Communications Commission, State of Michigan courts, federal courts, or other governmental authority by other carriers, competitors, or entities that have requested interconnection, access, or the ability to resell Ameritech Michigan's or its affiliates' services.

Attachment B

Information Related to Checklist Items

1. Interconnection

- a. At what Ameritech Michigan switching equipment (central offices, end offices, tandems, etc.) is there interconnection via the following means:
 - (1) physical collocation
 - (2) virtual collocation
 - (3) other, e.g., meet point
- b. What is the pricing methodology used for such interconnection?
- c. What competitors have interconnected with Ameritech Michigan or any of its affiliates?
- d. At what Ameritech Michigan switching equipment (central office, end office, tandem, etc.) have competitors interconnected and by what means for each office?

2,4,5&6 Nondiscriminatory access to network elements (unbundled access, loops, switching, and transport).

- a. What elements are offered by Ameritech Michigan or any of its affiliates operating in Michigan?
- b. What elements have been requested by entities seeking interconnection and access?
- c. What elements have actually been sold to entities seeking interconnection and access?
- d. What entities have requested elements?
- e. What entities have actually purchased the elements?
- f. What entities are actually providing service utilizing in part elements purchased from Ameritech Michigan or its affiliates?
- g. What is the pricing methodology utilized for the elements?
- h. What is the time period from ordering an element to its provision by Ameritech Michigan or any of its affiliates?

3. Access to poles, ducts, conduits, and rights of way owned or controlled by Ameritech Michigan or its affiliates.

- d. **White pages listing:**
 - (1) **What competing provider/entities have requested to include their customers in the listings of Ameritech Michigan or any of its affiliates?**
 - (2) **What competing provider/entities have their customers listed in the white pages directories of Ameritech Michigan or any of its affiliates?**
 - (3) **What provider/entities have chosen not to utilize inclusion of their customers in the white pages listings of Ameritech Michigan or any of its affiliates?**
- e. **Database and signaling for call routing and completion:**
 - (1) **What components of its signaling network does Ameritech Michigan or any of its affiliates not offer for sale to competing provider/entities?**
 - (2) **What provider/entities have requested access to databases and/or signaling from Ameritech Michigan or any of its affiliates?**
 - (3) **What provider/entities have purchased access to databases and/or signaling from Ameritech Michigan or any of its affiliates?**

9. **Number administration**

- a. **Who is the number administrator for Michigan?**
- b. **If Ameritech Michigan or any of its affiliates is the number administrator for Michigan, is there a date certain by which it will no longer perform that function?**

11. **Number portability**

- a. **Does Ameritech Michigan or any of its affiliates provide number portability in Michigan?**
- b. **If number portability is provided in Michigan, is it interim or true number portability?**
- c. **If number portability is provided in Michigan, is it carrier, geographic or service number portability or any combination of the three?**
- d. **If interim number portability is being provided, how are the costs being recovered and what is the pricing methodology?**

affiliates operating in Michigan? This can be expressed in terms of percentages or specific calls, minutes of use, or other measure. For the purposes of this question, present the information in the same categories as in 13 A.

14. Resale

- a. Are Ameritech Michigan's and any of its affiliates' services available in a manner consistent with state and federal law?
- b. Are there currently any formal disputes related to the pricing of services for resale? If so, identify.
- c. Are there currently any formal disputes related to the services or the definition of services available for resale by Ameritech Michigan or any of its affiliates?
- d. Have any provider/entities requested to purchase services from Ameritech Michigan or any of its affiliates at the specific tariffed rates (this does not include negotiated arrangements)? Identify.
- e. Are any provider/entities purchasing services for resale at the currently tariffed rates (this does not include negotiated arrangements)? Identify.
- f. Are any negotiations pending for the purchase of services for resale?
- g. Are any provider/entities currently purchasing services for resale pursuant to a negotiated arrangement? Identify.
- h. What is the amount of annual revenue generated by providing services for resale? For purposes of this question, segregate by affiliated providers and non-affiliated providers.
- i. What is the percentage discount for services for resale:
 - (1) The specific tariffed resale rates;
 - (2) Negotiated rates by specific contract.





NEWS RELEASE

COMMISSIONERS:
John G. Strand, Chairman
John C. Shea, Commissioner
David A. Svanda, Commissioner

CONTACTS:
Dorothy Wideman
Mary Jo Kunkle
(317) 334-6983

LANSING, August 28. The Michigan Public Service Commission took another step in the process of accelerating the introduction of full competition for telecommunications services in Michigan by establishing procedures to evaluate Ameritech Michigan's compliance with a 14-point competitive checklist under the Federal Telecommunications Act of 1996. Today's order directed interested parties to file, within 21 days, a notice of interest in participating in the competitive checklist case. It also directed Ameritech Michigan to file information related to a checklist item as soon as it believes it has satisfied the requirements of the specific item, thus allowing interested parties to respond. The 14-point checklist includes issues such as number portability (the capability of customers to change telephone companies without changing their telephone number), availability of white page listings, and access to 911, directory assistance and operator services.

Under the Federal Act, Bell operating companies, such as Ameritech Michigan and ACL, must satisfy a 14-point competitive checklist and receive approval from the Federal Communications Commission before it may provide interLATA service*. Once a Bell operating company has applied to provide interLATA service, the FCC must consult with state public service commissions regarding the company's compliance with the checklist. The FCC must issue a written approval or denial within 90 days of receiving the company's request. Because the MPSC will be required to provide information and a recommendation very rapidly, the MPSC determined that a public record should be developed as quickly as possible. Ameritech Michigan has not filed a request with the FCC to provide interLATA service at this time.

"The Commission strongly supports full and fair competition for all telephone services in Michigan," said Chairman John Strand. "Today's order notifies all interested parties that the Commission intends to expedite the process which will increase customer options for telephone service within Michigan, nationally and internationally."

The MPSC is an agency within the Department of Consumer and Industry Services.

Case No. U-11104
August 28, 1996
(Procedures to evaluate Ameritech Michigan's compliance with competitive checklist)

*InterLATA service would carry telephone calls between LATAs, such as between Grand Rapids and Detroit. LATAs are geographical areas similar in size and location to an area code. The Bell operating companies are prohibited from providing interLATA service until they meet the (checklist) criteria established under the Federal Telecommunications Act of 1996.

STATE OF MICHIGAN
DEPARTMENT OF ATTORNEY GENERAL



STANLEY D. STEINBORN
Deputy Attorney General

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P.O. Box 30212
LANSING, MICHIGAN 48909

FRANK J. KELLEY
ATTORNEY GENERAL

September 4, 1996

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48911

Dear Ms. Wideman:

RE: Commission's Own Motion, Case No. U-11104

Enclosed for filing in the above matter is Notice of Participation of the Attorney General, together with Proof of Service upon all parties.

Very truly yours,

A handwritten signature in black ink, appearing to read "Orjiakor N. Biogu".

Orjiakor N. Biogu
Assistant Attorney General
Special Litigation Division
(517) 373-1123

ONI:leg

Enc.

c: George Shankler, ALJ

All Parties

Cases/U-11104 Cover Letter

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion to consider Ameritech Michigan's compliance with the competitive checklist in Section 271 of the Telecommunications Act of 1996

Case No. U-11104

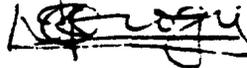
**NOTICE OF PARTICIPATION
OF THE ATTORNEY GENERAL**

On June 5, 1996, the Michigan Public Service Commission ("MPSC") issued an Order with which it opened the above-captioned docket "for purposes of consulting with the FCC concerning Ameritech Michigan's compliance with the requirements of the competitive checklist" for providing interLATA services as set forth in Subsection (c)(2)(B) of Section 271 of the Communications Act of 1934, as amended by the Federal Telecommunications Act of 1996, 47 USC 151 *et seq.* Subsequently, with its August 28, 1996 Order Establishing Procedures, the MPSC requested that parties wishing to participate in this case file a notice of their interest in the docket within 21 days of the MPSC's August 28, 1996 Order. Pursuant to the MPSC's Order Establishing Procedures, the Attorney General hereby provides notice that he will be participating in the above-captioned proceeding and requests that all persons or entities filing documents in this docket provide a copy of such

documents to the undersigned. A copy of this filing is being provided to all persons or entities on the MPSC's official service list in this docket.

Respectfully submitted,

FRANK J. KELLEY
Attorney General



Orjiakor N. Isiogu (P42788)
Assistant Attorney General
Special Litigation Division
P.O. Box 30212
Lansing, MI 48909
(517) 373-1123

Dated: September 4, 1996

PROOF OF SERVICE

Commission's Own Motion - U-11104

The undersigned certifies that a copy of the Notice of Participation of the Attorney General was served upon the parties listed below by mailing the same to them at their respective addresses with first class postage fully prepaid thereon, or by State Interdepartmental mail as indicated, on September 4, 1996.

Eric E. Winkler

Teleport Communications Group, Inc.

Mr. Roderick Coy
Mr. Stewart A. Binke
Clark Hill
200 North Capitol Avenue
Suite 600
Lansing, MI 48933-1231

Mr. Douglas W. Trabaris
233 S. Wacker Drive, Suite 2100
Chicago, IL 60606

WorldCom, Inc. d/b/a LDDS WorldCom

Mr. Norman C. Witte
115 W. Allegan Avenue, Tenth Floor
Lansing, MI 48823-1712

Michigan Cable Telecommunications Association

Mr. David E.S. Marvin
Fraser, Trebilcock, Davis & Foster
1000 Michigan National Tower
Lansing, MI 48933

Ameritech Michigan

Mr. Craig A. Anderson
Mr. Michael A. Holmes
444 Michigan Avenue, Room 1750
Detroit, MI 48226

MCI

Mr. Albert Ernst
Dykema Gossett
800 Michigan National Tower
Lansing, MI 48933-1707

MPSC Staff

Mr. David Voges
Assistant Attorney General
Public Service Division
6545 Mercantile Way, Suite 15
Lansing, MI 48911

Administrative Law Judge

Administrative Law Judge
Michigan Public Service Commission
6545 Mercantile Way, Suite 14
Lansing, MI 48911

Ameritech

#15

444 Michigan Avenue
Room 1750
Detroit, MI 48226
Office: 313-223-8033
Fax: 313-496-9326

Craig A. Anderson
Counsel

September 6, 1996

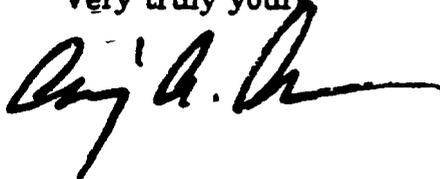
**Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
P.O. Box 30221
Lansing, MI 48909**

Re: MPSC Case No. U-11104.

Dear Ms. Wideman:

Enclosed for filing in the above-referenced case is an original and fifteen copies of Ameritech Michigan's Notice of Interest.

Very truly yours



Enclosures

cc: All Parties of Record

CAA:jkt

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

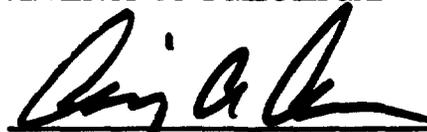
In the matter, on the Commission's own motion,)
to consider Ameritech Michigan's compliance) Case No. U-11104
with the competitive checklist in Section 271)
of the Telecommunications Act of 1996.)
_____)

AMERITECH MICHIGAN'S NOTICE OF INTEREST

Pursuant to the Commission's August 28, 1996 order establishing procedures herein, Ameritech Michigan¹ hereby submits its notice of interest in this docket and requests service of all filings herein on the undersigned.

Respectfully submitted,

AMERITECH MICHIGAN



CRAIG L. ANDERSON (P28968)
444 Michigan Avenue, Room 1750
Detroit, Michigan 48226
(313) 223-8033

DATED: September 6, 1996

¹Michigan Bell Telephone Company, a Michigan corporation, is a wholly owned subsidiary of Ameritech Corporation, which owns the former Bell operating companies in the states of Michigan, Illinois, Wisconsin, Indiana, and Ohio. Michigan Bell offers telecommunications services and operates under the names "Ameritech" and "Ameritech Michigan" (used interchangeably herein), pursuant to assumed name filings with the state of Michigan.

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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Case No. U-11104

PROOF OF SERVICE

Jacqueline K. Tinney, being first duly sworn, deposes and states that on the 6th day of September 1996, she served a copy of Ameritech Michigan's Notice of Interest upon the parties listed on the attached service list via U.S. mail.

Further, deponent sayeth not.



JACQUELINE K. TINNEY

Subscribed and sworn to before me
this 6th day of September, 1996.



JULAYNE R LUKAS
NOTARY PUBLIC STATE OF MICHIGAN
MACOMB COUNTY
ACTING IN:
WAYNE COUNTY
MY COMMISSION EXP. JULY 12, 2000

SERVICE LIST

MPSC CASE NO. U-11104

**Roderick S. Coy
Stewart A. Binke
Clark Hill, PLC
200 N. Capitol Avenue, Suite 600
Lansing, MI 48933
Representing Teleport**

**Albert Ernst
Dykema Gossett
800 Michigan National Tower
Lansing, MI 48933
Representing MCI**

**David Voges
Assistant Attorney General
6545 Mercantile Way, Suite 15
Lansing, MI 48911
Representing MPSC Staff**

**Norman Witte
115 W. Allegan
Lansing, MI 48933
Representing WorldCom**

**Orjiakor N. Isiogu
Assistant Attorney General
Special Litigation Division
P.O. Box 30212
Lansing, MI 48909
Representing Michigan Attorney
General**

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,)
to consider Ameritech Michigan's compliance)
with the competitive checklist in Section 271 of)
the Telecommunications Act of 1996.)

Case No. U-11104

NOTICE OF INTEREST

NOW COMES Petitioner, Brooks Fiber Communications of Michigan, Inc. ("Brooks Fiber"), by and through its undersigned attorney, and files its notice of interest in this docket pursuant to the Commission's order establishing procedures dated August 28, 1996.

In support of its notice, Brooks Fiber states that it is a duly authorized competitive local exchange carrier operating within the Grand Rapids, Holland, Zeeland, Traverse City, Lansing and Ann Arbor exchanges served by Ameritech Michigan ("Ameritech"). Brooks Fiber and Ameritech have entered into an interconnection agreement dated as of August 5, 1996 pursuant to Section 252 of the Telecommunications Act of 1996, and submitted said agreement to the Commission for approval. This proceeding may determine or affect the legal rights, duties or privileges of Brooks Fiber as they pertain to its local exchange service offering in the above-referenced exchanges, and pursuant to its agreement with Ameritech. Therefore, Brooks Fiber believes that it is an interested party entitled to participate in this docket.

Dated: September 12, 1996

Respectfully Submitted,

Brooks Fiber Communications
of Michigan, Inc.

Todd J. Stein
By: Todd J. Stein (P44159)
Its: Attorney

