

**David E. Marvin**  
**Fraser, Trebilcock, Davis and**  
**Foster, PC**  
**1000 Michigan National Tower**  
**Lansing, MI 48933**  
**Representing MCTA**  
**Fax: 517-482-0887**

**Larry Salustro**  
**AT&T Communications, Inc.**  
**4660 S. Hagadorn Rd., 6th Fl.**  
**East Lansing, MI 48823**  
**Representing AT&T**  
**Fax: 312-230-8210**

**Katherine E. Brown**  
**U.S. Department of Justice**  
**Antitrust Division**  
**555 4th Street, N.W.**  
**Washington, DC 20001**  
**Representing U.S. Department**  
**of Justice**  
**Fax: 202-514-6381**

**Andrew O. Isar**  
**Telecommunications Resellers Assn.**  
**4312 92nd Ave., N.W.**  
**P.O. Box 2461**  
**Gig Harbor, WA 98335**  
**Representing Telecom. Resellers**  
**Fax: 206-265-3912**

**Timothy P. Collins**  
**Continental Cablevision, Inc.**  
**26500 Northwestern Hwy., Suite 203**  
**Southfield, MI 48076**  
**Representing Continental**  
**Telecommunications**  
**Fax: 810-204-1890**

**Gayle Teicher**  
**Federal Communications Commission**  
**Policy Division, Common Carrier**  
**Bureau**  
**1919 M Street, N.W., Room 544**  
**Washington, DC 20554**  
**Representing FCC**  
**Fax: 202-418-1413**



Corporate  
6425 S. Pennsylvania Suite 8  
Lansing, MI 48911  
Office: 517/334-3704  
Fax: 517/334-3712  
Pager: 1/888/865-3486



Paul La Schizza  
Vice President - Regulatory

November 19, 1996

Ms. Dorothy Wideman  
Executive Secretary  
Michigan Public Service Commission  
6545 Mercantile Way, P.O. Box 30221  
Lansing, MI 48909

**Re: MPSC Case No. U-11104 - Ameritech Michigan's Application For Approval Of A Statement Of Generally Available Terms And Conditions.**

In connection with the Commission's consideration of Ameritech Michigan's Statement of Generally Available Terms and Conditions (General Statement) which was submitted on September 30, 1996 with an application requesting approval pursuant to Section 252(f) of the federal Telecommunications Act of 1996 (the federal Act), Ameritech Michigan submits the following additional information. Specifically, Ameritech Michigan submits that the Commission's consideration of the General Statement should be temporarily held in abeyance pending the outcome of the AT&T arbitration proceedings (Case Nos. U-11151 and U-11152) before this Commission. Subsequent to the issuance of an order by the Commission in the AT&T arbitration proceedings, Ameritech Michigan intends to file, if necessary, revisions to its General Statement, conforming the General Statement to the Commission's order in those proceedings. Subsequent to the filing of the revisions to its General Statement, comments by interested parties would presumably be filed within 14 business days, as required by the Commission's August 28, 1996 order.

In connection with this contemplated schedule, Ameritech Michigan hereby agrees, pursuant to Section 252(f)(3)(A) of the federal Act, to an extension of the statutory period for review of the General Statement to a date no later than April 1, 1997.

Ameritech Michigan submits this additional information in light of the pendency of other proceedings before the Commission which may obviate the need to immediately approve the General Statement. In addition, Ameritech Michigan acknowledges the current workload of the Commission and its Staff in connection with currently pending telecommunications matters.

Ameritech Michigan agrees and acknowledges that prior to a Commission order addressing the General Statement issued no later than April 1, 1997, the General Statement will not go into effect and will not otherwise be deemed to be approved.

Very truly yours,  
*Paul A. Schizza*

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

**PROOF OF SERVICE**

Jacqueline K. Tinney, being first duly sworn, deposes and states that on the 19th day of November 1996, she served a copy of Ameritech Michigan's letter regarding its Application For Approval of a Statement of Generally Available Terms and Conditions upon the parties listed on the attached service list via facsimile.

Further, deponent sayeth not.

*Jacqueline K. Tinney*  
\_\_\_\_\_  
JACQUELINE K. TINNEY

Subscribed and sworn to before me  
this 19th day of November, 1996.

*Julaynne R. Lukas*  
\_\_\_\_\_

JULAYNNE 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  
Fax: 517-484-1246**

**Albert Ernst  
Dykema Gossett  
800 Michigan National Tower  
Lansing, MI 48933  
Representing MCI  
Fax: 517-374-9191**

**David Voges  
Assistant Attorney General  
6545 Mercantile Way, Suite 15  
Lansing, MI 48911  
Representing MPSC Staff  
Fax: 517-334-7655**

**Norman Witte  
115 W. Allegan  
Lansing, MI 48933  
Representing WorldCom  
Fax: 517-485-0187**

**Orjiakor N. Isiogu  
Assistant Attorney General  
Special Litigation Division  
P.O. Box 30212  
Lansing, MI 48909  
Representing Michigan Attorney  
General  
Fax: 517-373-9860**

**Harvey J. Messing  
Sherri A. Wellman  
Loomis, Ewert, Parsley,  
Davis & Gotting, PC  
232 S. Capitol Ave., Suite 1000  
Lansing, MI 48933  
Representing Climax Telephone  
Company  
Fax: 517-482-7227**

**Todd J. Stein  
Brooks Fiber Communications  
2855 Oak Industrial Drive, NE  
Grand Rapids, MI, 49506  
Representing Brooks Fiber  
Fax: 616-224-5108**

**Richard D. Gamber, Jr.  
Michigan Consumer Federation  
115 W. Allegan, Suite 500  
Lansing, MI 48933  
Representing Michigan Consumer  
Federation  
Fax: 517-487-6002**

**Glen A. Schmiede  
Mark J. Burzych  
Foster, Swift, Collins & Smith  
313 South Washington Square  
Lansing, MI 48933  
Representing MECA  
Fax: 517-371-8200**

**Richard P. Kowalewski  
Sprint Communications Company L.P.  
8140 Ward Parkway, 5E  
Kansas City, MO 64114  
Representing Sprint  
Fax: 913-624-5681**

**David E. Marvin**  
**Fraser, Trebilcock, Davis and**  
**Foster, PC**  
**1000 Michigan National Tower**  
**Lansing, MI 48933**  
**Representing MCTA**  
**Fax: 517-482-0887**

**Larry Salustro**  
**AT&T Communications, Inc.**  
**4660 S. Hagadorn Rd., 6th Fl.**  
**East Lansing, MI 48823**  
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**555 4th Street, N.W.**  
**Washington, DC 20001**  
**Representing U.S. Department**  
**of Justice**  
**Fax: 202-514-6381**

**Craig A. Anderson**  
**Ameritech Michigan**  
**444 Michigan Avenue, Room 1750**  
**Detroit, MI 48226**  
**Representing Ameritech Michigan**  
**Fax: 313-496-9326**

**Richard C. Gould**  
**Phone Michigan**  
**4565 Wilson Avenue**  
**Grandville, MI 49418**  
**Representing BRE Communications**  
**Fax: 616-224-1609**

**Andrew O. Isar**  
**Telecommunications Resellers Assn.**  
**4312 92nd Ave., N.W.**  
**P.O. Box 2461**  
**Gig Harbor, WA 98335**  
**Representing Telecom. Resellers**  
**Fax: 206-285-3912**

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**26500 Northwestern Hwy., Suite 203**  
**Southfield, MI 48076**  
**Representing Continental**  
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**Gayle Teicher**  
**Federal Communications Commission**  
**Policy Division, Common Carrier**  
**Bureau**  
**1919 M Street, N.W., Room 544**  
**Washington, DC 20554**  
**Representing FCC**  
**Fax: 202-418-1413**

**Linda L. Oliver**  
**Hogan & Hartson LLP**  
**555 Thirteenth Street, N.W.**  
**Washington, DC 20004**  
**Representing CompTel**  
**Fax: 202-637-5910**



**Ameritech**

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

Craig A. Anderson  
Counsel

November 19, 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 Intent to File Information.

Very truly yours,

*Craig A. Anderson*

Enclosure

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     )  
with the competitive checklist in Section 271     )  
of the Telecommunications Act of 1996.            )  
\_\_\_\_\_ )

Case No. U-11104

**AMERITECH MICHIGAN'S NOTICE  
OF INTENT TO FILE INFORMATION**

Pursuant to the Commission's August 28, 1996 order establishing procedures in this docket, Ameritech Michigan<sup>1</sup> hereby submits its notice of intent to file information concerning compliance with the competitive checklist. Ameritech Michigan intends to file responses to the following questions included in Attachment B to the Commission's August 28, 1996 order:

**Information Related To Checklist Items**

1. Interconnection
- 2., 4., 5., and 6. Non-discriminatory access to network elements
3. Access to poles, ducts, conduits, and rights-of-way
- 7., 8., and 10. Access to 911 and E-911 services and directory assistance service to allow other providers' customers to obtain telephone numbers, operator call completion services, white pages listings, and data bases and signaling
9. Number Administration
11. Number Portability
12. Dialing Parity
13. Reciprocal Compensation
14. Resale

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<sup>1</sup>Michigan 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.

Ameritech Michigan anticipates that it will file such information on or after November 27, 1996.

Respectfully submitted,

**AMERITECH MICHIGAN**

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

DATED: November 19, 1996





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

Craig A. Anderson  
Counsel

54

November 27, 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 the Compliance Filing and Request for Approval of Plan on IntraLATA Toll Dialing Parity.

Very truly yours,

*Craig A. Anderson /clh*

Enclosure

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. )  
\_\_\_\_\_ )

**COMPLIANCE FILING AND REQUEST FOR APPROVAL  
OF PLAN ON INTRALATA TOLL DIALING PARITY**

Ameritech Michigan<sup>1</sup> hereby files information, pursuant to the Commission's Order Establishing Procedures issued August 28, 1996, in this docket, regarding its compliance with the dialing parity requirements of the Michigan Telecommunications Act, 1991 PA 179, as amended by 1995 PA 216; MCL 484.2101, et seq. (MTA), and in particular, MTA Sections 312-312b, and of the Telecommunications Act of 1996, Pub. Law 104-104, 110 Stat. 56 (1996), 47 USC 151 et seq. (the Act). Ameritech Michigan further files its plan to provide intraLATA toll dialing parity pursuant to Federal Communications Commission (FCC) requirements.

Section 271(c)(2)(B)(xii) of the Act specifies that to comply with the competitive checklist, Ameritech Michigan must provide:

"Nondiscriminatory access to such services or information as are necessary to allow the requesting carrier to implement local dialing parity in accordance with the requirements of section 251(b)(3)."

Section 271(e)(2)(A) of the Act specifies:

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<sup>1</sup>Michigan 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.

"A Bell operating company granted authority to provide interLATA services under subsection (d) shall provide intraLATA toll dialing parity throughout that State coincident with its exercise of that authority."<sup>2</sup>

The requests contained in Item 12 of Attachment B to the Commission's August 28, 1996 order in this case are relevant to Ameritech Michigan's compliance with these provisions of the Act.

Furthermore, the FCC has recently adopted rules requiring Ameritech Michigan to file and obtain approval of a plan by the Commission for providing intraLATA toll dialing parity. (Second Report and Order and Memorandum Opinion and Order, released August 8, 1996, CC Docket No. 96-98 (FCC 96-333) See, e.g., § 51.213, p. B-3 (the FCC Order).

The MTA also contains provisions relating to toll dialing parity, including the requirement that:

"If the inter-LATA prohibitions are removed, the commission shall immediately order the providers of basic local exchange service to provide 1+ intra-LATA toll dialing parity." (Section 312b(2))

Accordingly, Ameritech Michigan hereby respectfully requests the Commission issue an order:

(a) finding that Ameritech Michigan is in compliance with Section 271(c)(2)(B)(xii);

(b) finding that, at the time it provides interLATA services, Ameritech Michigan shall be in compliance with the requirements of Section 271(e)(2)(A) and the FCC Order;

(c) approving Ameritech Michigan's plan to provide intraLATA toll dialing parity pursuant to the FCC Order as specified herein; and

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<sup>2</sup> Section 272 of the Act, of course, specifies that Ameritech Michigan initially may provide certain "in-region" interLATA services only through a separate affiliate.

(d) finding that Ameritech Michigan's plan is satisfactory compliance with the Commission's policy regarding intraLATA toll dialing parity as set forth in previous orders issued in Case No. U-10138.

**I. Response on Attachment B. Item 12**

*a. Is Ameritech Michigan providing intraLATA dialing parity in Michigan on a statewide basis?*

Ameritech Michigan, since January 1, 1996, has provided intraLATA toll dialing parity in Michigan to approximately 10% of its exchanges and lines. See Ameritech Michigan's January 3, 1996 letter to Dorothy Wideman, Executive Secretary, filed in Case No. U-10138. Ameritech Michigan will provide intraLATA toll dialing parity in Michigan on a statewide basis – meaning in all of its exchanges to all of its lines – no later than the date it provides interLATA services, as specified in part II.

*b. Is Ameritech Michigan providing local dialing parity in Michigan on a statewide basis?*

Yes, Ameritech Michigan provides local dialing parity on a statewide basis. Ameritech Michigan offers competing providers all services and information as are necessary to allow the requesting carrier to implement local dialing parity. As recognized by the FCC Order (Paragraph 71), local dialing parity is achieved through the implementation of the interconnection, number portability, and nondiscriminatory access to telephone number requirements of Section 251 of the Act.

Local dialing parity between competing providers is required in Michigan as a result of the MPSC's orders addressing local competition. In its U-10647 order, this Commission found that City Signal and other competing local exchange providers were "entitled to physical interconnection arrangements on

the same terms and conditions afforded adjacent LECs." (U-10647 Order, p. 19) The Commission also found that the exchange of local traffic between providers, whether between competitors like Ameritech Michigan and City Signal or between adjacent LECs, "can be accomplished through a simple transmission link between the two carriers, which may be terminated in each carrier's switching office in the same manner as any other interoffice transmission facility." (U-10647 Order, pp. 17-18) Thus, the Commission required the same type of termination for local traffic between competitors as afforded between adjacent LECs. This requirement, as a practical matter, includes a mandate that local calls between two competing networks be completed without the use of access codes or dialing extra digits, just as such calls are treated today between adjacent LECs.

As a result of the implementation of interconnection, number portability, and nondiscriminatory access to telephone numbers in Michigan, customers of competing providers of basic local exchange service have the ability to route automatically, without the use of any access codes, their local telecommunications to the telecommunications services provider of the customer's designation. Existing interconnection arrangements enable end user customers of competing carriers to call end user customers of Ameritech Michigan, and vice versa, without dialing extra digits or access codes. These interconnection arrangements which provide local dialing parity are available to all telecommunications carriers on a nondiscriminatory basis.

The obligation to provide local dialing parity is reciprocal; i.e., under Section 251(b)(3) of the federal Act, all local exchange carriers, including both incumbent LECs and new entrants, have the obligation to provide local dialing parity. This symmetry is essential, since full compatibility and interoperability among networks is required. This compatibility and interoperability is a

fundamental premise of Ameritech Michigan's end office integration interconnection arrangements. Each competing local exchange provider is responsible for programming translations into its network to enable its end user customers to dial the end user customers of other competing local exchange providers without dialing an access code. As a result of the local dialing parity capabilities which are part of the end office integration interconnection arrangements between Ameritech Michigan and competing providers, end user customers are able to select a local exchange provider of their choice and within a defined local calling area, dial the same number of digits to make a local call with no unreasonable dialing delay and without the necessity of access codes or additional digits to identify the called party's local exchange service provider.

Competing telecommunication carrier subscribers' originating calls from an Ameritech Michigan central office are processed in accordance with requirements for local switching set forth in Bellcore LSSGR TR-TSY-000511 and incur no unreasonable dialing delay.

The digits translated by Ameritech Michigan's switching network, as well as the switching networks of other carriers, are formatted according to the North American Number Plan (NANP) and its corresponding international standards (e.g., ITU (formerly CCITT) E.163 and E.164). Further explanation of the NANP and its associated numbering plan and dialing procedures can be found in Bellcore's "BOC Notes on the LEC Network," SR-TSV-002275.

Dialed digits transmitted or received by Ameritech Michigan's switching network utilize the same internal standard class of service codes, translation, and routing tables when completing a call without regard to the destination or origination of the call. Call completion for calls originating on a competitive carrier's network is provided with the same speed of connection and completion as is provided for calls between two Ameritech Michigan customers

connected to the switched telephone network at similar levels. For example, a call received from a competitive entity will be connected to the called subscriber at the terminating office in the same manner as an Ameritech Michigan originated call. The same is true of calls originating on Ameritech Michigan's network and destined for the network of a competing carrier.

Both Ameritech Michigan and competitive carriers have the same hierarchical position in the public switched telephone network. That is, calling patterns are developed to permit identical dialing patterns for all local service carriers regardless of the origination. There is uniformity in the transmission characteristics offered to all carriers in accordance with standards outlined in the "BOC Notes on the LEC Network," as well as associated Ameritech Michigan technical specification documentation.

Accessibility of NANP numbering resources by carriers authorized to provide local telephone service within a given geographic area code (e.g., NPA) is also an essential element of local dialing parity. Ameritech Michigan, as the current local number administrator for several NPAs, utilizes industry approved guidelines in a nondiscriminatory manner when assigning telephone numbers within a given NPA. Each carrier is responsible for programming translations into its network to recognize these code assignments.

Compliance with the local dialing parity requirements can best be assessed from the perspective of a customer of a competing provider of local exchange service. As a result of the interconnection arrangements between Ameritech Michigan and (for example) Brooks Fiber Communications (Brooks Fiber), a customer who has subscribed to local exchange service from Brooks Fiber in Grand Rapids can make a local call to a local customer of Ameritech Michigan within the same local calling area without dialing any extra digits (as compared to a call made between two similarly located Brooks Fiber end users or

between two Ameritech Michigan users) or access codes. In other words, as a result of the services and information provided by Ameritech Michigan, and correspondingly, the services and information provided by Brooks Fiber, the same seven digit dialing pattern for local calls applies between customers of competing providers in the same manner as it applies between customers of the same provider.

Although Ameritech Michigan has no control over, or involvement in, the nature of the connection between an end user customer and the dial tone provided to that customer by its local exchange company, once a call from a competing provider's network reaches Ameritech Michigan's network, there is no unreasonable dialing delay in completing the call *vis á vis* a comparable call completed within Ameritech Michigan's network. Thus, when a Brooks Fiber local exchange customer makes a local call to an Ameritech Michigan customer, to the extent that call is handled on the Ameritech Michigan network, there is no unreasonable dialing delay as compared to a comparable call between two customers who are both on Ameritech Michigan's network. Simply stated, the call originating from a competitor's network is treated the same as a call originating from within Ameritech Michigan's network because the network does not distinguish between such calls.

*c. Does Ameritech Michigan have any Commission, state court, federal court, Federal Communications Commission, or legislative action pending related to the provision of intraLATA dialing parity and local dialing parity? If yes, supply copies of Ameritech Michigan's or any of its affiliates' pleadings or proposals related thereto. If state or federal courts have issued orders related to intraLATA dialing parity or local dialing parity, provide copies of those orders.*

Ameritech Michigan has filed various pleadings with the Commission in MPSC Case No. U-10138, which is the docket regarding implementation of intraLATA toll dialing parity in Michigan. Ameritech Michigan has appealed certain orders of the Commission regarding intraLATA toll dialing parity to the Federal District Court for the Western District of Michigan (No. 5-96-CV-166) and to the Michigan Court of Appeals (Nos. 184718 and 198706). There is also a proceeding in the Ingham County Circuit Court concerning enforcement of Commission intraLATA toll dialing parity orders (No. 96-84800-AW) and an appeal from that case to the Court of Appeals (No. 198706). There is currently no FCC or legislative action pending.

Copies of all such documents, pleadings, and orders, including those regarding appellate review of the Commission's orders in that docket, have previously been provided to the Commission, its counsel, and other parties of interest. Because of the volume of such materials, additional copies will be provided upon request.

*d. If statewide intraLATA dialing parity is not being offered, is the necessary equipment deployed to provide intraLATA dialing at the same time as Ameritech Michigan or any of its affiliates is permitted to offer interLATA service? For the purpose of this question, such preparedness means actually providing the service, not simply taking orders.*

The necessary equipment has been deployed to provide intraLATA toll dialing parity as proposed herein and, in any event, no later than the time that Ameritech Michigan or any of its affiliates is permitted to offer "in-region" interLATA services as specified by Sections 271 and 272 of the Act. Further information on this matter is set forth in Part II of this document.

*e. Does Ameritech Michigan intend to provide intraLATA dialing parity to more than 10% of its customers prior to being released from its in-region*

*interLATA restrictions? If so, what would be the magnitude of that action in terms of percentage of customers and percentage of access lines?*

Ameritech Michigan does intend to provide intraLATA toll dialing parity to more than 10% of its customers prior to being released from its in-region interLATA restrictions, as set forth in Part II of this document.

## **II. IntraLATA Toll Dialing Parity Plan**

The FCC rules<sup>3</sup> implementing the intraLATA toll dialing parity requirements of the Act specify a number of items which have previously been acted upon by the Commission. Thus, Ameritech Michigan respectfully submits this plan based on the Commission's orders in Case No. U-10138, the MTA, the Act, and the FCC Order and rules.

The rules require Ameritech Michigan to implement intraLATA toll dialing parity based on LATA boundaries unless the Commission establishes parity on the basis of state boundaries. The rules specify the use of a presubscription process that allows a customer to select, at a minimum, one telecommunications carrier for all interLATA toll calls and the same or another carrier for all intraLATA toll calls. The rules prohibit Ameritech Michigan from automatically assigning a customer's intraLATA toll traffic to any carrier, including itself, its subsidiaries, or its affiliates, or to the customer's presubscribed interLATA or interstate carrier.

The rules also address cost recovery. Ameritech Michigan is required to recover the costs of providing intraLATA toll dialing parity from all providers of telephone exchange service and telephone toll service, including itself, in the area it serves. Cost recovery cannot give one provider an appreciable

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<sup>3</sup>See Appendix B of the FCC Order, *inter alia*, §§51.5-51.215.

cost advantage over another or have a disparate effect on the ability of competing service providers to earn a normal return on investment.

The FCC Order provides further elaboration on the rules. The FCC specifically adopted the "full 2-PIC" method of implementing parity. The FCC left the prescription of customer education, notification, and carrier selection procedures to the states. Interstate intraLATA traffic should be handled in the manner approved in the state implementation plan. Recognizing that other prospective providers have sufficient means to make customers aware of their choices, the FCC ruled that customer notification requirements may not exceed two notifications from the incumbent local exchange carrier of the opportunity to choose alternative carriers. Dial tone providers are not permitted to automatically assign themselves to new customers who do not make an affirmative choice. Rather, such customers are required to use access codes for dialing until an affirmative choice of carriers is made.

On cost recovery, intraLATA toll dialing parity costs must be recovered in a competitively neutral manner based upon an allocator approved by the Commission. The costs to be recovered only include incremental costs specific to implementation of intraLATA toll dialing parity.

The MTA and prior Commission orders in Case No. U-10138 have fully addressed the requirements of the FCC Order and rules. Pursuant to those requirements, Ameritech Michigan has deployed full 2-PIC switch software in all of its exchanges to provide intraLATA toll dialing parity. Ameritech Michigan is making the necessary technical, operational, administrative, and other changes necessary to implement intraLATA toll dialing parity on terms established by the Commission. Such parity applies for all switched non-local calls, including existing 0+ calls that are dialed using seven digits and interzone calls.

Ameritech Michigan has previously filed an inventory of its switches and their conversion dates with the Commission in Case No. U-10138. Since that date, Ameritech Michigan has converted the 2B ESS switches to intraLATA toll dialing parity and has or is installing the necessary software in the small number of switches identified in that inventory as being not available for intraLATA toll dialing parity. Ameritech Michigan has previously given notification to carriers and end user customers of the availability of intraLATA toll dialing parity prior to conversion. Ameritech Michigan will send a second notice in end user bills 30 days after conversion, as required by the Commission. The notice will advise customers of their ability to select a presubscribed carrier from among all available carriers.

Ameritech Michigan will not charge end user customers for their initial intraLATA toll provider selection if made within 90 days prior to or after implementation. The Commission did not require balloting.

The Commission has also previously established a cost recovery mechanism for intraLATA toll dialing parity. Ameritech Michigan was authorized to recover such costs through an equal access recovery charge (EARC) that is separate from other access rate elements. The EARC is a monthly charge per intraLATA presubscribed access line assessed on both primary exchange carriers, including Ameritech Michigan, and interexchange carriers. Only costs directly attributable to parity are subject to recovery through the EARC. Such costs are amortized over a five-year recovery period. All providers of intraLATA toll services are subject to the EARC.

The EARC is consistent with the FCC requirements. It recovers only the incremental costs of intraLATA toll dialing parity, is levied on a nondiscriminatory basis to all intraLATA toll providers, and thus does not disparately affect the return on investment of any provider.

As further confirmation of the above, Ameritech Michigan relies on its notices and tariffs dealing with intraLATA toll dialing parity and the EARC, which relate to the 10% of customers and exchanges that Ameritech Michigan has previously converted. The tariffs have gone into effect, and the notices have been provided. Neither have been challenged by any carrier, and they conclusively demonstrate Ameritech Michigan's commitment to implement intraLATA toll dialing parity in conformance with all relevant legal requirements. Ameritech Michigan will carry out other aspects of intraLATA toll dialing parity, including ordering procedures, billing notifications, descriptions, changes, and operational activities in the same manner that it carried them out for the 10% already implemented.

Further, Ameritech Michigan will provide intraLATA toll dialing parity as follows:

To 50% of lines on December 2, 1996;

To 70% of lines on the date it, or an affiliate, files an application for "in-region" interLATA authority pursuant to the Act;

To 100% of lines (including those providing interstate, intraLATA traffic) 10 days prior to exercising such authority.

Thus, earlier than the date by which interLATA services will be provided, 100% of Ameritech Michigan's lines in all of its exchanges will be provided intraLATA toll dialing parity.

**RELIEF REQUESTED**

Wherefore, Ameritech Michigan respectfully requests the Commission to enter an order:

(a) finding that Ameritech Michigan is in compliance with Section 271(c)(2)(B)(xii);

(b) finding that, at the time it provides interLATA services, Ameritech Michigan shall be in compliance with the requirements of Section 271(e)(2)(A) and the FCC Order;

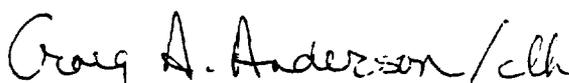
(c) approving Ameritech Michigan's plan to provide intraLATA toll dialing parity pursuant to the FCC Order as specified herein; and

(d) finding that Ameritech Michigan's plan is satisfactory compliance with the Commission's policy regarding intraLATA toll dialing parity as set forth in previous orders issued in Case No. U-10138.

Such an order will "accelerate the introduction of full telecommunications competition in Michigan." (Order Establishing Procedures, Case No. U-11104, issued August 28, 1996, p. 3)

Respectfully submitted,

**AMERITECH MICHIGAN**

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

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