

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
Rural Broadband Experiments)	WC Docket No. 14-259

**PETITION FOR WAIVER AND REQUEST FOR EXTENSION OF TIME TO FILE
PROOF OF ETC DESIGNATION OF MIDWEST ENERGY COOPERATIVE D/B/A
MIDWEST CONNECTIONS**

Midwest Energy Cooperative d/b/a Midwest Connections (“Midwest”) hereby respectfully petitions the Federal Communications Commission (the “Commission”), pursuant to 47 C.F.R. § 1.3, for a waiver and extension of the deadline in the above-captioned proceeding, requiring the submission of proof of designation as an Eligible Telecommunications Carrier (“ETC”) by June 2, 2015.¹ For the reasons explained herein, good cause exists to grant the relief requested with respect to this requirement.

I. FACTS.

On March 4, 2015, the Commission announced that Midwest was one of the additional provisionally selected recipients for funding via the Rural Broadband Experiments.² Midwest began initial discussions with the Michigan Public Service Commission (“MPSC”) regarding its Application for Designation as an Eligible Telecommunications Carrier on March 12. On March 19, 2015, Midwest filed its Application for Designation as an Eligible Telecommunications

¹ See Wireline Competition Bureau Announces Additional Provisionally Selected Bidders for Rural Broadband Experiments and Sets Deadlines for Submission of Additional Information, WC Docket Nos. 10-90, 14-259, Public Notice, DA 15-288 (Wireline Comp. Bur. Rel. Mar. 4, 2015)(“*Public Notice*”) at 2.

² *Id.*

Carrier in the State of Michigan with the MPSC.³ Midwest engaged in several rounds of discussion with the MPSC regarding its Application. On May 5, 2015, Midwest filed a Supplement to its Application addressing several questions raised by the MPSC.⁴ On May 20, 2015, Midwest filed a Second Supplement to its Application addressing questions regarding Midwest's provision of Lifeline service.⁵

The deadline for Midwest to submit confirmation of its designation as an ETC is June 2, 2015.⁶ On May 14, 2015, the MPSC held the last public meeting before the June 2 deadline, and Midwest's ETC Application was not on the Agenda.⁷ Although Midwest expected its Application to be on the May 28, 2015 meeting agenda, that meeting was rescheduled to June 3, 2015.

³ *In the Matter of the Application of Midwest Energy Cooperative d/b/a Midwest Connections for Designation as an Eligible Telecommunications Carrier in the State of Michigan*, Case No. U-17861, Application, before the Michigan Public Service Commission (Mar. 19, 2015). A copy of the Application is attached as Exhibit 1.

⁴ *In the Matter of the Application of Midwest Energy Cooperative d/b/a Midwest Connections for Designation as an Eligible Telecommunications Carrier in the State of Michigan*, Case No. U-17861, Supplement to Application, before the Michigan Public Service Commission (May 5, 2015). The MPSC desired additional information from Midwest regarding the design of Midwest's network, and in particular needed additional information regarding the regulatory oversight of VoIP networks. *Id.* A copy of the Supplement to Application is attached as Exhibit 2.

⁵ *In the Matter of the Application of Midwest Energy Cooperative d/b/a Midwest Connections for Designation as an Eligible Telecommunications Carrier in the State of Michigan*, Case No. U-17861, Second Supplement to Application, before the Michigan Public Service Commission (May 20, 2015). A copy of the Second Supplement to Application is attached as Exhibit 3.

⁶ See *Public Notice* at 2 ("Within 90 days of this Public Notice, by Tuesday, June 2, 2015, at 11:59p.m. EST, the bidders identified in the Attachment are required to upload to the FCC Form 5620 appropriate documentation of their designation as an eligible telecommunications carrier (ETC) in all areas for which they will receive support.").

⁷ See May 14, 2015 Commission Meeting Agenda, *available at* <http://www.dleg.state.mi.us/mpsc/orders/agendas/2015/150514.pdf>. MPSC Staff has informed Midwest that the May 28, 2015 Commission Meeting will be postponed until June 3, 2015.

II. DISCUSSION.

Pursuant to 47 C.F.R. § 1.3, the Commission may suspend, revoke, amend or waive its rules upon the showing of good cause.⁸ Good cause exists to waive the ETC requirement for a short time because Midwest complied with all applicable deadlines and diligently pursued its ETC designation. It is through no fault of Midwest that it is unable to provide the required confirmation of ETC designation because the MPSC will not meet again before the June 2 deadline.

The Rural Broadband Experiment Order (“RBE Order”) states that entities applying for Rural Broadband Experiment funding were not required to be an ETC at the time of application, but could seek ETC designation after being selected.⁹ Relying on this language, Midwest did not seek designation as an ETC at the time of its application. The RBE Order also states that entities selected for funding must confirm their ETC status within 90 days of the public notice announcing their selection or it would be considered in default and would forfeit its award.¹⁰ However, the Commission noted that a waiver of the 90-day deadline may be appropriate if a provisionally selected entity can demonstrate it has engaged in good faith to obtain ETC designation but has not yet received approval.¹¹ Midwest responded promptly and voluminously to staff requests for information. Midwest appreciates the efforts of the MPSC staff to understand the Midwest network and its distinction from traditional ILEC infrastructure.

⁸ 47 C.F.R. § 1.3.

⁹ *Connect America Fund, ETC Annual Reports and Certifications*, WC Docket Nos. 10-90, 14-58, Report and Order and Further Notice of Proposed Rulemaking, FCC 14-98 (rel. July 14, 2014) (“*RBE Order*”) at para. 22 (“We remind entities that they need not be ETCs at the time they initially submit their formal proposals for funding through the rural broadband experiments, but that they must obtain ETC designation after being identified as winning bidders for the funding award.”).

¹⁰ *Id.*

¹¹ *Id.*

The Commission expressly addressed the situation Midwest is facing in Footnote 52 of the RBE Order:

We expect entities selected for funding to submit their ETC applications to the relevant jurisdiction as soon as possible after release of the public notice announcing winning bids, and will presume an entity to have shown good faith if it files its ETC application within 15 days of release of the public notice. A waiver of the 90-day deadline would be appropriate if, for example, if an entity has an ETC application pending with a state, and the state's next meeting at which it would consider the ETC application will occur after the 90-day window.¹²

Midwest began discussing its need for an ETC designation with the MPSC on March 12, 8 days after the release of the public notice provisionally selecting Midwest to receive Rural Broadband Experiment funding. Midwest filed its application for designation as an ETC on March 19, 2015, 15 days after the release of the public notice. Midwest's ETC application is still pending with the State of Michigan. Midwest acted immediately to obtain its ETC designation, well within its obligation to act in good faith, as defined by the Commission.

The next meeting at which the MPSC may consider Midwest's ETC application will occur after the 90-day window has expired. According to the RBE Order, Midwest has shown good faith and a waiver of the 90-day deadline is appropriate. Midwest anticipates the waiver will be of a very short duration which also supports the public interest in granting the waiver.

III. CONCLUSION.

Midwest acted in good faith by filing its ETC application with the MPSC within 15 days of the public notice where it was provisionally selected to receive Rural Broadband Experiment funds, but the MPSC has not yet issued an order granting Midwest's petition. The RBE Order stated that a waiver of the 90-day deadline would be appropriate in situations exactly like the one

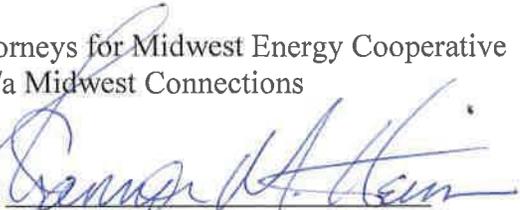
¹² *RBE Order* at fn. 52.

Midwest faces. Midwest respectfully submits that good cause exists and requests the Commission grant its Request for Waiver and Extension of Time.

Respectfully submitted,

DYKEMA GOSSETT, PLLC

Attorneys for Midwest Energy Cooperative
d/b/a Midwest Connections

By: 

Shannon M. Heim

Erik Levy

Dykema Gossett, PLLC

4000 Wells Fargo Center

90 South Seventh Street

Minneapolis, MN 55402

Phone: (612) 486-1586

Fax: (855) 223-7059

EXHIBIT 1

MIDWEST APPLICATION FOR ETC DESIGNATION



Dykema Gossett PLLC
Capitol View
201 Townsend Street, Suite 900
Lansing, MI 48933

WWW.DYKEMA.COM

Tel: (517) 374-9100

Fax: (517) 374-9191

Shaun M. Johnson

Direct Dial: (517) 374-9159

Direct Fax: (855) 258-3523

Email: SJohnson@dykema.com

March 19, 2015

Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
PO Box 30221
Lansing, MI 48909

Re: Case No. U-17861
Michigan Connections ETC Application

Dear Ms. Kunkle:

Enclosed, for filing, please find Application of Midwest Energy Cooperative d/b/a Midwest Connections for Designation as an Eligible Telecommunications Carrier in the State of Michigan, in the above-referenced matter.

If you have any questions, please contact me.

Sincerely,

DYKEMA GOSSETT PLLC

Shaun M. Johnson

SMJ/jmb
Enclosure

cc: Bob Hance, Dave Allen
Shannon Heim
Erik Levy

California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.

LAN01\376234.1
ID\SMJO

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

**APPLICATION OF MIDWEST ENERGY COOPERATIVE D/B/A MIDWEST
CONNECTIONS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS
CARRIER IN THE STATE OF MICHIGAN**

Shaun M. Johnson (P69036)
Courtney F. Kissel (P74179)
Attorneys for Midwest Energy Cooperative
d/b/a Midwest Connections
Dykema Gossett PLLC
201 Townsend, Suite 900
Lansing, MI 48933
Phone: (517) 374-9155
Fax: (517) 374-9191

TABLE OF CONTENTS

I.	Introduction.....	1
II.	Overview of Midwest’s Telecommunications Business.....	2
III.	Midwest Meets the Statutory and Regulatory Requirements for ETC Designation.	3
A.	Midwest Will Offer the Services Supported By Federal Universal Service Support Mechanisms.	4
B.	Midwest is a Common Carrier.	5
C.	Midwest Will Provide All Required Services and Functionalities.....	5
D.	Midwest Will Advertise the Availability of Its Services and the Charges.	7
E.	Midwest Requests Designation Within Its Service Area.	7
F.	Midwest Has the Ability to Remain Functional in Emergency Situations.	7
G.	Midwest Will Satisfy Applicable Consumer Protection and Service Quality Standards.	8
IV.	Designation of Midwest as an ETC Will Promote the Public Interest.....	8
V.	Request for Ex Parte Treatment.	9
VI.	Conclusion.....	10
	Exhibit 1: List of Census Blocks Where Midwest Seeks ETC Designation and Corresponding Maps	11
	Exhibit 2: Midwest’s Five Year Plan	19
	Exhibit 3: Comparison of Local Usage Plans	25
	Exhibit 4: Midwest Tariff Excerpts	27
	Exhibit 5: Officer’s CPNI Compliance Certificate	30
	Exhibit 6: Affidavit of Robert Hance.....	33

I. INTRODUCTION.

Midwest Energy Cooperative d/b/a Midwest Communications (“Midwest”), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the “Act”), Sections 54.01 through 52.207 of the Code of Federal Regulations promulgated by the Federal Communications Commission (“FCC”), and the Rules and Regulations of the Michigan Public Service Commission (“Commission”), hereby submits this Application for Designation as an Eligible Telecommunications Carrier (“ETC”) in the State of Michigan.¹ The FCC recently awarded Midwest approximately \$211,532 of funding through the Rural Broadband Experiment program² to provide broadband internet service to 31 census blocks within Midwest’s service area.³ Midwest seeks ETC designation to access funds from the federal Universal Service Fund (“USF”) for the purpose of participating in Rural Broadband funding opportunities and providing service to high-cost areas. As provided herein, Midwest meets all of the statutory and regulatory requirements for designation as an ETC in Michigan. Such a designation advances the public interest because it will enable Midwest to receive federal funding to build critical

¹ Section 214(e)(2) of the Act authorizes state regulatory commissions to designate ETC status for purposes of receiving federal universal service support and provides that such commissions shall designate a common carrier as an ETC if the carrier meets the requirements of Section 214(e)(1).

² The FCC allocated \$75 million to support the construction of fiber networks capable of delivering 100 Mbps downstream and 25 Mbps upstream service (100 Mbps/25 Mbps) and offering a service plan of 25 Mbps/5 Mbps to all locations within the award area. Midwest’s network is capable of delivering this level of service. The FCC’s Frequently Asked Questions provides a valuable resource. See http://transition.fcc.gov/wcb/FAQ_Rural_Broadband_Experiment.pdf.

³ See *Wireline Competition Bureau Announces Additional Provisionally Selected Bidders for Rural Broadband Experiments and Sets Deadlines for Submission of Additional Information*, WC Docket Nos. 10-90, 14-259, Public Notice, DA 15-288 (Wireline Comp. Bur. rel. March 4, 2015). See http://transition.fcc.gov/Daily_Releases/Daily_Business/2015/db0310/DA-15-288A1.pdf.

telecommunications infrastructure in Michigan. For these reasons, Midwest respectfully requests that the Commission approve this Application for ETC designation.

The contact information for Midwest is:

David H. Allen
Midwest Energy Cooperative
901 East State Street
P.O. Box 127
Cassopolis, MI 49031
(269) 445-1081 (Phone)
(269) 445-3792 (Fax)
Email: dave.allen@teammidwest.com

All correspondence, pleadings, notices, orders, and decisions relating to this Application should be addressed to:

Shaun M. Johnson
Dykema Gossett PLLC
Capital View
201 Townsend Street, Suite 900
Lansing, MI 48933
(517) 374-9159 (Phone)
(855) 258-3523 (Fax)
Email: sjohnson@dykema.com

II. OVERVIEW OF MIDWEST'S TELECOMMUNICATIONS BUSINESS.

On March 18, 2014, the Commission granted Midwest a license to offer local exchange service in the Watervliet, Coloma, Kalamazoo, Benton Harbor, Niles, Vicksburg, and Eau Claire exchanges served by AT&T Michigan; the Bloomingdale exchange served by Bloomingdale Telephone Company, Inc.; the Sturgis, Cassopolis, Three Rivers, Mattawan, Lawton, Bangor, Hartford, Edwardsburg, Decatur, Sister Lakes, Constantine, Dowagiac, Vandalia, White Pigeon, Mendon, Union, Marcellus, Paw Paw, Schoolcraft, Gobles, Covert, and Centreville exchanges served by Frontier North Inc.; and the Lawrence exchange served by Frontier Midstates Inc. ("Midwest Exchanges."). Midwest seeks an ETC designation for the census blocks awarded

funding by the FCC Rural Broadband Experiment as described in Exhibit 1.⁴ Midwest is not seeking ETC designation in any census block that includes Tribal land at this time.

Midwest plans to offer facilities-based and resold local exchange services to residential and business customers. Midwest will also offer unregulated information services. Facilities-based local exchange service will be provided via fiber facilities built by Midwest in conjunction with Midwest’s telephone partner, Big River Telephone.⁵ Midwest’s Five Year Plan, attached as Exhibit 2, demonstrates its long term intention to provide basic and enhanced services with its own fiber networks with reliance on resale where necessary and prudent.

III. MIDWEST MEETS THE STATUTORY AND REGULATORY REQUIREMENTS FOR ETC DESIGNATION.

Midwest meets all of the statutory and regulatory requirements for designation as an ETC. The Michigan Telecommunications Act encourages “the introduction of new services, the entry of new providers, the development of new technologies, and increase investment in the telecommunication infrastructure.” Mich. Comp. Laws § 484.2102(2)(c). Midwest reviewed the ETC Applicant Checklist published by the Commission and this Application complies with all requirements contained therein. See Mich. PSC Case No. U-17182 *et al.*

Section 254(e) of the Act provides that “only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive specific federal

⁴ Midwest believes the ETC designation will include the following exchanges: Cassopolis, Edwardsburg, and Schoolcraft.

⁵ The Federal Communications Commission defines a supported voice telephony service as including Voice over Internet Protocol and finds it an acceptable manner to provide telecommunications services supported by universal service support. *See Lifeline and Link Up Reform and Modernization*, et al., WC Docket Nos. 11-42,03-109, 12-23, CC Docket No. 96-45, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) at para 47.

universal service support.” 47 U.S.C. § 254(e). Section 214(e)(2) provides that state commissions have the authority to designate ETC status for federal universal service purposes. Midwest reviewed the applicable federal rules and the Commission’s ETC Applicant checklist. See 47 C.F.R. §§ 54.101-54.202. As described herein, Midwest satisfies all of the necessary state and federal requirements.

A. Midwest Will Offer the Services Supported By Federal Universal Service Support Mechanisms.

Midwest certifies that it will use any federal high cost support it receives only for the provision, construction, maintenance and upgrading of facilities and provision of supported services in the service area for which such support is intended. Midwest is committed to extending broadband service, including a voice application, to its customers, but the pace of deployment will be dependent on the availability of federal funds to support the project.

In 2013, Midwest began construction of a fiber communications ring through utility substations and facilities to upgrade an increasingly antiquated system that included cellular, dial-up and Power Line Carrier communications. The ring is now being expanded to open up the enormous potential of a smarter grid that can improve reliability through distribution automation, integration of renewables through distributed generation and energy efficiency through a suite of practical and informational applications. Midwest won support from federal Rural Broadband Experiment program and intends to seek additional support from available telecommunications programs and services to help construct a bi-directional fiber-to-the-premises (“FTTx”) open network using gigabit passive optical network electronics to reach the homes and businesses in the Midwest Study Area. See Midwest Five Year Plan, attached as Exhibit 2. Midwest

will utilize fiber from Midwest Energy leveraging their network originally established for improved utility communications and for the potential employment of necessary smarter grid applications. Residential data plans will start at 25 Mbps download and 10 Mbps upload. Commercial services are symmetrical. Midwest partners with Big River Telephone to provide Voice over Internet Protocol (“VoIP”) service over the Midwest fiber network.⁶

The FCC provisionally selected Midwest to receive Rural Broadband Experiment funding.⁷ Midwest was not required to be designated as an ETC at the time it filed its application, but now that it has been selected it must obtain the designation to receive the funding. Midwest must provide the FCC proof of its designation no later than June 2, 2015. Because of this timeframe, Midwest respectfully urges the Commission to act expeditiously in its consideration of Midwest’s application.

B. Midwest is a Common Carrier.

Midwest is a licensed CLEC in the service area it now seeks ETC designation. Midwest is regulated as a common carrier, subject to all applicable regulations, and therefore meets the ETC requirement of being a common carrier.

C. Midwest Will Provide All Required Services and Functionalities.

In accordance with 47 C.F.R. §§ 54.101(a) and 54.202(a), Midwest certifies that it will provide all of the services and functionalities required under federal law.

⁶ Local exchange service will be provided via VoIP using Midwest’s fiber network; there is no wire center involved in the VoIP product. All end user services are branded Midwest service. Midwest is the carrier of record.

⁷ See *Wireline Competition Bureau Announces Additional Provisionally Selected Bidders for Rural Broadband Experiments and Sets Deadlines for Submission of Additional Information*, WC Docket Nos. 10-90, 14-259, Public Notice, DA 15-288 (Wireline Comp. Bur. rel. March 4, 2015).

1. Voice Grade Access to the Public Switched Telephone Network.

Midwest will provide voice grade access to the public switched telephone network (“PSTN”) in part through the purchase of service from Big River Telephone and in part over its own fiber network.

2. Local Usage.

Midwest has the ability to offer local usage plans comparable to the ILEC in areas where designations are sought but currently focuses on the areas where it has constructed its own network. Midwest has the financial ability to offer and is currently offering local usage plans comparable to the ILEC, Frontier Communications, through its relationship with Big River Telephone in conjunction with its existing network infrastructure. See Exhibit 3 attached hereto. Midwest offers an unlimited local service.⁸ Midwest also offers unregulated broadband plans to meet the broadband needs of its customers who do not wish to purchase voice service.

3. Equal Access.

Midwest acknowledges it may be required to provide equal access to long distance carriers to the extent that no other ETC is providing equal access within the Midwest service area. Midwest does not expect this to be an issue as it offers unlimited nationwide calling with its local service.

4. Access to Emergency Services.

Midwest provides access to emergency services via traditional 911 or E911 as requested by the appropriate local government or Public Safety Answering Point

⁸ The “Residential Unlimited Local and Long Distance” package and the “Business Unlimited Local and Long Distance” package are outlined in Midwest’s tariff. Copies of the relevant pages are attached hereto as Exhibit 4.

(“PSAP”). Midwest intends to leverage the experience of its telecommunications partner, Big River Telephone, to fulfill its emergency obligations.

D. Midwest Will Advertise the Availability of Its Services and the Charges.

Midwest will broadly advertise the availability and rates for the above-described services using media of general distribution. 47 C.F.R. § 54.201(d)(2).

E. Midwest Requests Designation Within Its Service Area.

Because Midwest is not a rural telephone company under 47 U.S.C. § 153(37), it is required to describe the geographic area(s) within which it requests designation as an ETC. Midwest requests such designation for the census blocks awarded funding by the FCC Rural Broadband Experiment.

F. Midwest Has the Ability to Remain Functional in Emergency Situations.

Midwest remains functional in emergency situations. All network assets have adequate backup power generation to provide functionality without an external power source. 47 CFR § 54.202(a)(2). Midwest has a long history of providing utility service in emergency situations. It is well able to restore service in the shortest amount of time possible when an outage does occur. Midwest will comply with the obligations to provide service and have emergency backup power as required in Section 305(c) of the MTA, as amended by HB4314, MCL 484.2305c.

Midwest’s network is engineered to provide maximum capacity to handle excess traffic resulting in spikes during emergency situations. The fiber configuration is designed to handle an enormous amount of data and voice traffic. The current and projected usage of the Midwest system is relatively low in the near term and there is

virtually no chance that excess traffic spikes could overwhelm the ability of the network to respond.

Midwest’s network also has multiple backup power supplies to provide continued service in the event of an emergency. The network uses a redundant uninterruptable power supply to support electric service to its data center. The data center also has an emergency generator and battery backup to continue operation for up to 24 hours before requiring refueling. Additionally, the cabinet at each customer location contains a battery backup capable of providing 10 hours of backup power.

G. Midwest Will Satisfy Applicable Consumer Protection and Service Quality Standards.

Midwest satisfies all applicable state and federal requirements related to consumer protection and service quality standards, as required by 47 C.F.R. § 54.202(a)(3). Midwest has a long history of providing its utility customers with a high level of consumer protection and service quality. Midwest annually files an Officer’s Compliance Certificate that outlines the provisions of Midwest’s CPNI Operating Procedures with the FCC.⁹ Chief Executive Officer Robert L. Hance’s Affidavit certifies that Midwest will comply with applicable service requirements.¹⁰

IV. DESIGNATION OF MIDWEST AS AN ETC WILL PROMOTE THE PUBLIC INTEREST.

Prior to designating an ETC pursuant to Section 214(e), the Commission must determine that such designation is in the public interest. 47 CFR § 54.202(b). The FCC determined that access to robust broadband is an essential element of universal service. *See Transformation Order*, 26 FCC Rcd 17663 (2011). Many individuals and

⁹ A copy of the 2014 Officer’s CPNI Compliance Certificate is attached as Exhibit 5.

¹⁰ *See* Exhibit 6.

businesses in the area to be served by Midwest lack access to robust broadband. They are clamoring for access to the same level of broadband access as urban Americans. For example, professors from both the University of Notre Dame and Western Michigan University live within the Midwest service territory. They enjoy robust broadband at work, but when they come home they lose the ability to work because they lack sufficient broadband service. Midwest has heard similar complaints from individuals who work at the Kellogg World Headquarters in Battle Creek, the Whirlpool World Headquarters in Benton Harbor and at Pfizer's large manufacturing facility in Portage. The FCC's award of funding to Midwest in the Rural Broadband Experiments demonstrates the FCC's belief that Midwest's service area still requires improved access to robust broadband.

The network planned by Midwest, described in the attached Five Year Plan, includes fiber to the premise. A fiber network represents a significant advancement in available infrastructure in the area. It allows Midwest to deliver broadband to individuals and businesses in the area at speeds that simply are not possible today.

V. REQUEST FOR EX PARTE TREATMENT.

This Application may be approved without a hearing. Neither the MTA nor federal law require a hearing. The MPSC has previously concluded that it need not solicit comment on an ETC designation. Given the looming FCC deadline of June 2, 2015, Midwest urges the Commission to act expeditiously. Therefore, Midwest respectfully requests approval on an ex parte basis.

This Application is supported by the Affidavit of Robert Hance, Midwest Chief Executive Officer. It is attached as Exhibit 6.

VI. CONCLUSION

As detailed herein, Midwest satisfies all statutory and regulatory requirements to be designated an ETC in the State of Michigan.

WHEREFORE, Midwest Energy Cooperative d/b/a Midwest Communications respectfully requests that the Commission:

- A. Issue an order designating Midwest as an ETC in its CLEC service area, described herein, for the purposes of receiving high cost federal universal service support; and
- B. Issue an order, minute action, or other action by the MPSC which sets forth the appropriate ETC certification to the FCC so that Midwest may receive additional federal universal service support, including high cost support in its CLEC service area.
- C. Issue an order granting such other relief as may be necessary or appropriate.

Respectfully submitted,

DYKEMA GOSSETT PLLC

Attorneys for:
Midwest Energy Cooperative d/b/a Midwest
Connections

Dated: March 19, 2015

By _____
Shaun M. Johnson (P69036)
Courtney F. Kissel (P74179)
Dykema Gossett PLLC
201 Townsend, Suite 900
Lansing, MI 48933
Phone: (517) 374-9155
Fax: (517) 374-9191

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

EXHIBIT 1:

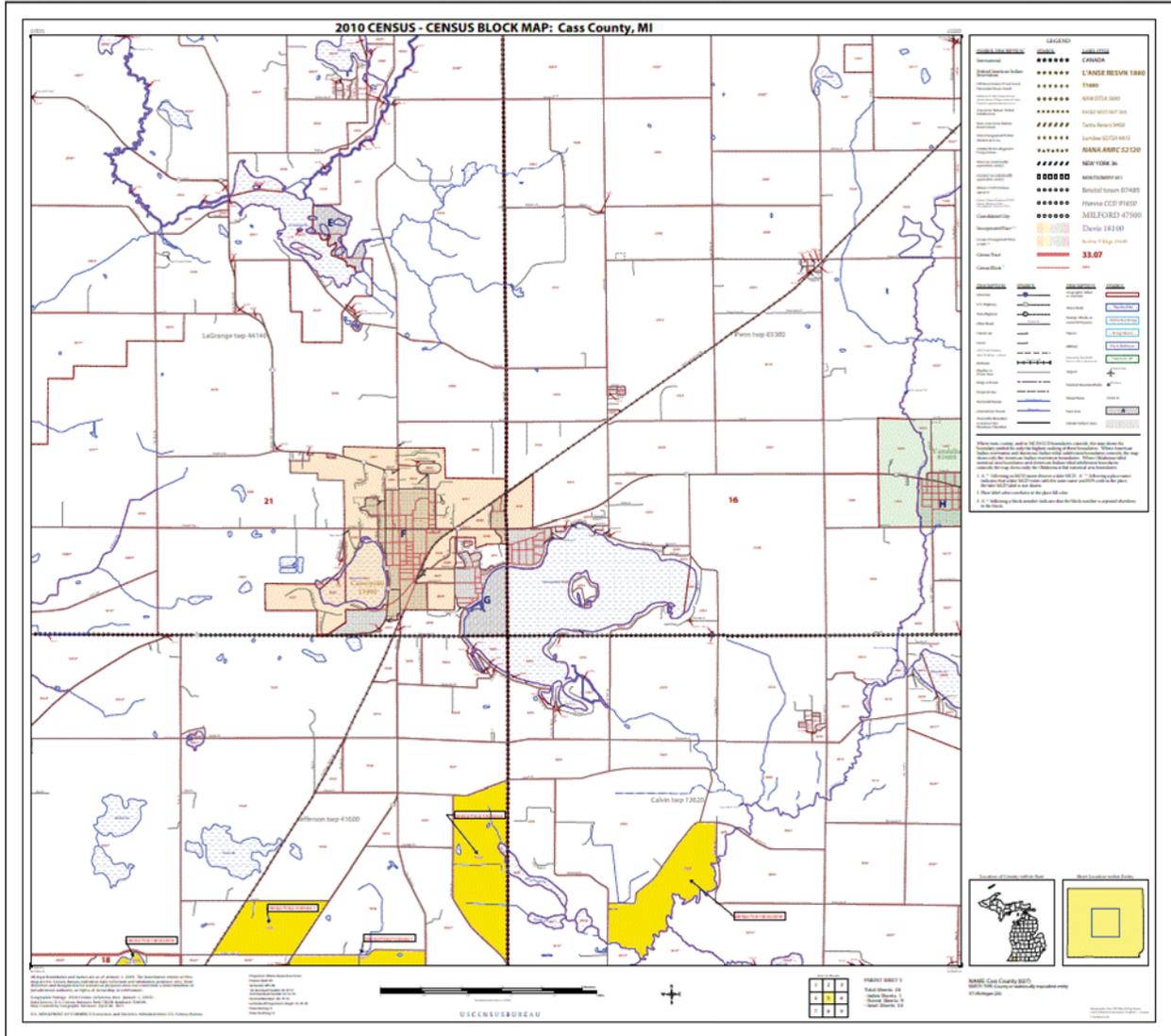
**LIST OF CENSUS BLOCKS WHERE MIDWEST SEEKS ETC DESIGNATION AND
CORRESPONDING MAPS**

Census Block ID Numbers

260270016003043
260770030021071
260270018002017
260770030021043
260270021005035
260770030021012
260770030021039
260770030021029
260270021005049
260270018002024
260770030021057
260770030021085
260270018002000
260270018002016
260770030021015
260270016003027
260770030021060
260270018002018
260270016003012
260270018005002
260770030021025
260270016003021
260770030021038
260270021005044
260770030021070
260770030021080
260270018002015
260770030021069
260270016003006
260270021005054
260270021005041

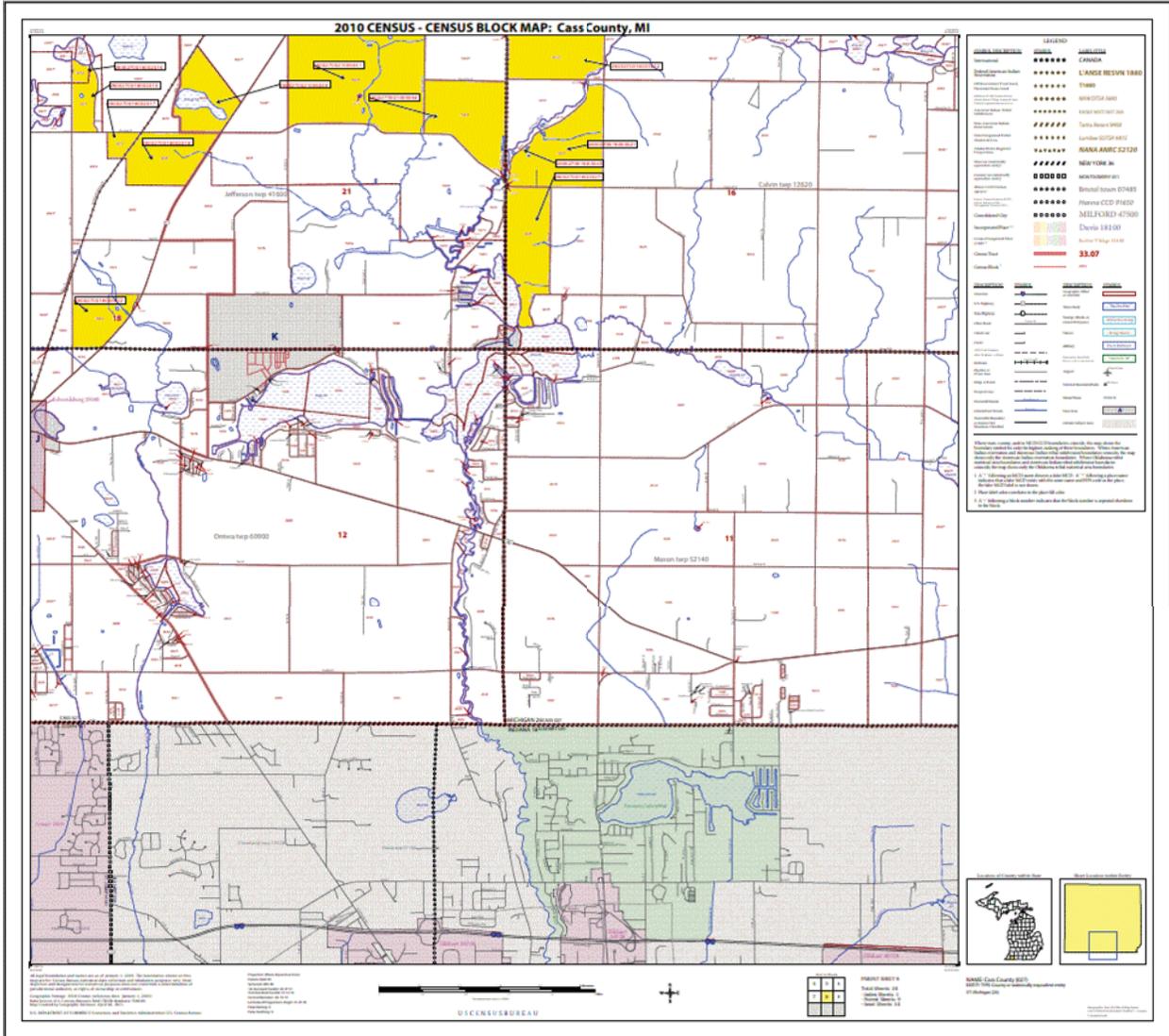
Cass County Census Blocks in Yellow

DYKEMA GOSSETT, A PROFESSIONAL LIMITED LIABILITY COMPANY • CAPITOL VIEW, 201 TOWNSEND STREET, SUITE 900 • LANSING, MICHIGAN 48933



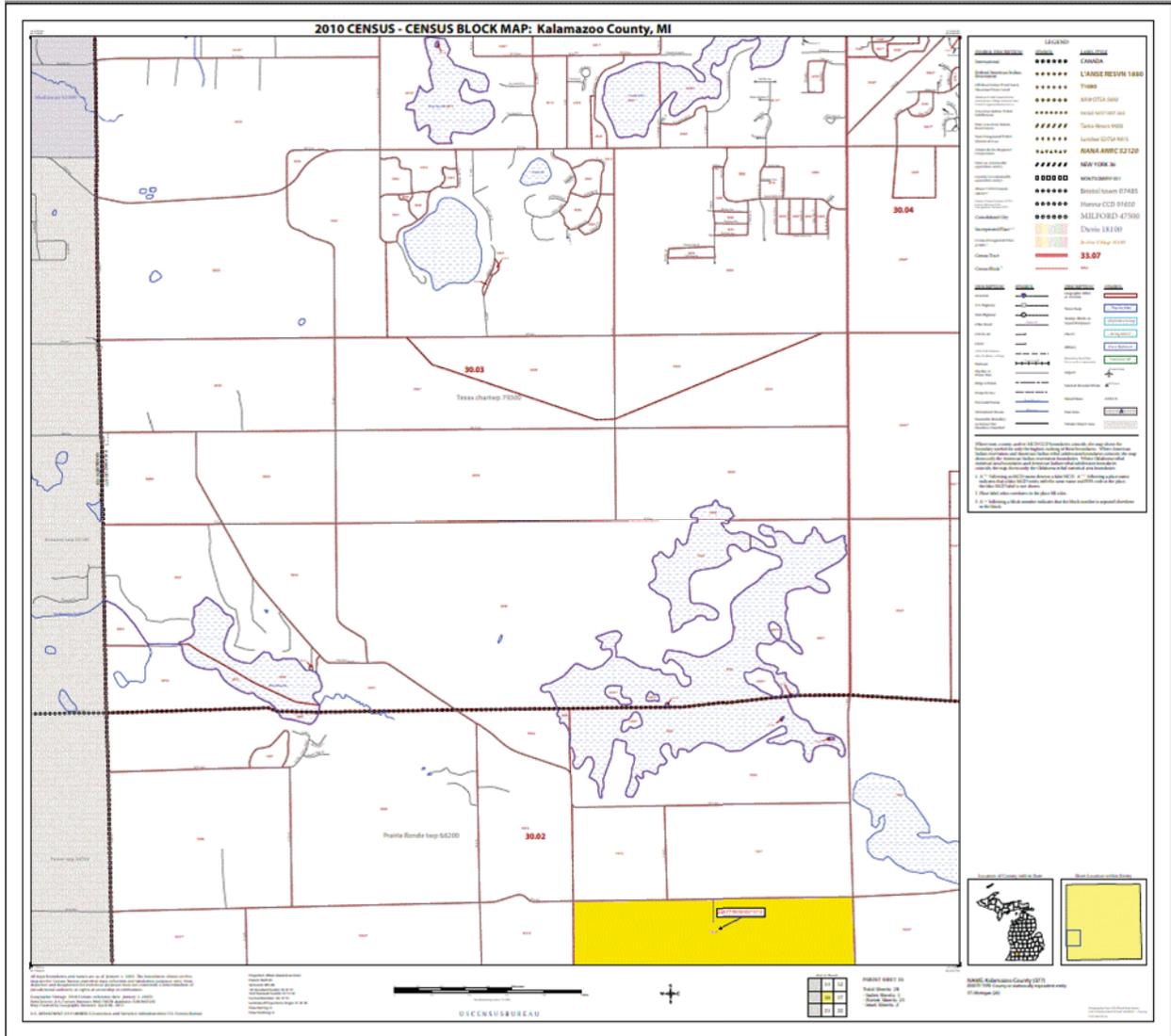
Cass County Census Blocks in Yellow

DYKEMA GOSSETT • A PROFESSIONAL LIMITED LIABILITY COMPANY • CAPITOL VIEW, 201 TOWNSEND STREET, SUITE 900 • LANSING, MICHIGAN 48933



Kalamazoo County Census Blocks in Yellow

DYKEMA GOSSETT, A PROFESSIONAL LIMITED LIABILITY COMPANY • CAPITOL VIEW, 201 TOWNSEND STREET, SUITE 900 • LANSING, MICHIGAN 48933



**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

EXHIBIT 2:

MIDWEST'S FIVE YEAR PLAN

Five Year Network Deployment Plan

Midwest Energy d/b/a Midwest Connections

I. Introduction.

Midwest Energy d/b/a Midwest Connections ("Midwest") submits this Five Year Network Improvement Plan in support of its application to be designated an Eligible Telecommunications Carrier in the Study Area identified in its application ("Midwest Study Area").¹ This plan describes the network improvements that are supported by receipt of high-cost universal service funds ("USF") to deploy and operate a broadband network capable of voice service. Absent USF support and aid from the Connect America Fund ("CAF"), the timetable delineated in this five-year plan may be adjusted to reflect a lengthier deployment period.

II. Summary of Network Improvement Projects.

At full build-out in 2019, Midwest Energy will own and operate a 2,052-mile fiber communications network providing members a diverse menu of smart grid programs and services designed to enhance reliability while helping them manage their energy use better. By utilizing Midwest Energy's fiber assets Midwest Connections further benefits residents of rural southwest Michigan through the deployment of a bi-directional fiber-to-the-premises ("FTTx") open network using gigabit passive optical network ("GPON") electronics to every home and business in the Midwest Study Area.² Residential data plans start at 25 Mbps download and 10 Mbps upload and a gigabit service is under consideration. Commercial

¹ Midwest is only applying for ETC designation in areas where it will receive funding from the FCC Rural Broadband Experiments, specifically 31 census blocks within Cass and Kalamazoo counties.

² The Midwest network will not contain traditional wire centers due to its fiber architecture and use of VoIP to provide voice services over the network. For a further description of the voice services provided over the Midwest network see Big River's Michigan tariff. See <https://www.bigrivertelephone.com/References/BRT%20MI%20CLEC%20TFF%2014%200307%20stamped.pdf>.

services are symmetrical. Midwest will offer voice services in conjunction with its partner Big River Telephone and video services are under consideration.

Midwest was granted a competitive local exchange carrier ("CLEC") license by the Michigan Public Service Commission ("MPSC") in March 2014. As of March 2015, Midwest has 383 customers taking voice and/or data services with another 189 awaiting connection; all requests for service have either been filled, or are still pending at this time. Midwest only experienced two limited service outages during the last year. Both outages were limited to a single end user location, caused by a hardware failure, and were remedied within 24 hours.

As previously articulated, Midwest intends to build out its communications network to rural portions of southwest Michigan within five years. The pace of this, and future network expansions, however, depends on the availability of federal funding. With funding, a five-year build-out is expected. Without funding, our board may elect to pursue a more conservative roll-out.

Over the course of five years, Midwest Energy intends to annually build, roughly, 400 miles of fiber to improve its communications network. Utilization of this fiber by Midwest Connections provides the opportunity to market data and voice services to 5,300 residential equipment locations annually until full build-out is realized in December 2019. At that time, Midwest Energy will own and operate 2,052 miles of communications network and Midwest Connections will have the potential of serving 26,500 residential and business customers.

Over the next five years, Midwest Energy plans to improve its network in the Midwest Study Area, assisted by its receipt of high-cost universal service support to the extent that support is available. Appendix A summarizes only the costs associated with providing FTTx. over a 5 year period beginning in 2014 with first phase completion in 2015. The appendix describes each project, its start and end date, estimated cost, geographic scope, and the number of new households reached if the project expands the telephony network. The information in the appendix represents Midwest's best estimate of its effort to

deploy broadband in rural southwest Michigan. However, planning is a continuing process, and this plan will be constantly refined to respond to the availability of funding, changing demand for services and changing technology.

Table 1 provides a summary of Midwest's FTTx project described in its Application and Appendix A. Table 1 and Appendix A reflect only the build out of the limited area Midwest seeks ETC status and subject to the support offered by the FCC Rural Broadband Experiment program. Total investment amounts are given by year and only reflect those costs associated with providing voice and data services to the home.

Table 1

Year	New Investment	Improvement Highlights
2014	\$620,279	Expected 285 total customers.
2015	\$200,684	Connection costs for 113 additional customers.
2016	\$153,826	Connection costs for 114 additional customers.
2017	\$44,092	Connection costs for 11 additional customers.
2018	\$44,216	Connection costs for 11 additional customers.
2019	\$48,293	Connection costs for 14 additional customers.

Attached as Appendix A is a financial scenario whereby full build-out of this limited area is achieved in 2019 without the benefit of federal grant assistance. The Rural Broadband Experiment funds are conditioned on Midwest being designated as an ETC in these areas prior to distribution of any funds, therefore Midwest's projections do not show any grants at this time.

III. Network Reliability and Emergency Preparedness Projects.

Midwest's installation of telecommunications systems will improve service and product offerings in the Midwest Study Area. Fiber based telecommunications networks in rural portions of the state promote network reliability and emergency responses. At least eight hours of battery backup power will be provided to all network equipment.

The telecommunications systems will meet all state and federal 911/E911 requirements.

Midwest will identify any unique 911 requirements and design appropriate solutions as necessary.

IV. Future Changes in Plan

Because of the rapid pace of changes in technology, it is likely that some of the equipment used to implement this plan will be modified during the next five years. Midwest's network improvement plan is based on projections of demand, which actual experience in our first 12-months confirms, rather than actual experience with customers in the area. Midwest will modify its network improvement plan as required to respond to request for service and in response to cellular demands for expanded and enhanced services and coverage.

APPENDIX A

Midwest Energy Cooperative
FTTH Financial Overviews By Scenario
As of 3/11/15

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
1	Soft Launch					
2	1163	1163	1163	1163	1163	1169
3	25%	35%	45%	46%	47%	48%
4	285	398	512	523	534	548
5	# Staff - Internal:					
6	0.5	0.5	0.5	0.5	0.5	0.5
7	0.5	0.5	0.5	0.5	0.5	0.5
8	2	3	3	3	3	3
9	0.25	0.5	0.5	0.5	0.5	0.5
10	0.15	0.25	0.25	0.25	0.25	0.25
11	1	2	2	2	2	2
12	0.5	0.5	0.5	0.5	0.5	0.5
13	4.9	7.25	7.25	7.25	7.25	7.25
14	\$ 620,279	\$ 200,684	\$ 153,826	\$ 44,092	\$ 44,216	\$ 48,293
15	\$ 620,279	\$ 820,963	\$ 974,790	\$ 1,018,882	\$ 1,063,097	\$ 1,111,390
16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	0%	0%	0%	0%	0%	0%
18	\$ 1,077,761	\$ 2,004,969	\$ 2,598,370	\$ 3,217,941	\$ 3,798,611	\$ 4,332,552
19	(476,794)	(1,001,808)	(1,562,363)	(2,120,369)	(2,705,434)	(3,313,583)
20	29.4%	30.8%	31.2%	32.2%	32.4%	32.7%
21	(389,728)	(525,014)	(560,555)	(558,006)	(585,065)	(608,149)

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

EXHIBIT 3:

COMPARISON OF LOCAL USAGE PLANS

MONTHLY LOCAL SERVICE RATE COMPARISON

COMPANY	BUSINESS	RESIDENTIAL
Midwest	\$49.95 / month Unlimited Long Distance	\$39.95 / month Unlimited Long Distance
Frontier Communications	\$39.99 / month Unlimited Long Distance	\$30.99 / month 30 minutes Long Distance

SERVICE CHARGE COMPARISON

COMPANY	BUSINESS		RESIDENTIAL	
Midwest	<u>Activation Fee</u> \$10.00		<u>Activation Fee</u> \$10.00	
	<u>Reconnection Fee</u> \$25.00		<u>Reconnection Fee</u> \$25.00	
Frontier Communications	<u>Initial Service Charge</u> \$30.20	<u>Subsequent Service Charge</u> \$16.05	<u>Initial Service Charge</u> \$18.25	<u>Subsequent Service Charge</u> \$8.70
			<u>Restoration Charge</u> \$16.30	

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

EXHIBIT 4:

MIDWEST TARIFF EXCERPTS

SECTION 3 - SERVICE OFFERINGS, CONT'D.

3.7 Basic Local Exchange Service, Cont'd.

3.7.3 Residential Packages

3.7.3.1 Residential Unlimited Local and Long Distance: Company's Unlimited Local and Long Distance package provides for the following local exchange services:

- Basic local exchange line
- Caller ID – Name & Number
- Call Forwarding
- Caller ID Blocking
- Voice Mail
- Call Return
- 3-Way Calling

Package also includes unlimited local and domestic United States calling including Alaska, Hawaii, Canada, Dominican Republic, Puerto Rico, Bahamas, Guam, and the U.S. Virgin Islands.

3.7.3.3 Residential Mexico Calling Plan: Company's Mexico Calling Plan package provides for a specified quantity of phone call minutes to non-cell phone telephone numbers in Mexico.

3.7.3.3 Residential International Calling Plan: Company's International Calling Plan package provides for a specified quantity of phone call minutes to non-cell phone telephone numbers in the following countries:

Belgium, Austria, Australia, Japan, India, Kroea, Norway, Malaysia, New Zealand, Netherlands, Italy, Spain, Switzerland, Greece, Singapore, Denmark, Ireland, Portugal, Taiwan, France, Germany, Thailand, China, Sweden, and the United Kingdom.



SECTION 3 - SERVICE OFFERINGS, CONT'D.

3.7 Basic Local Exchange Service, Cont'd.

3.7.5 Local Business Package

Local Business Packages provides business customers with the ability to buy packages of services that are specifically designed to provide valuable features along with a basic local exchange line.

3.7.5.1 Business Unlimited Local and Long Distance: Company's Unlimited Local and Long Distance package provides for the following local exchange services:

- Basic local exchange line
- Call Forwarding
- Caller ID – Name & Number
- Remote Call Forwarding
- 3-Way Calling
- Hunting
- Voicemail



**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)

Case No. U-17861

EXHIBIT 5:

OFFICER'S CPNI COMPLIANCE CERTIFICATE

APPENDIX 2

OFFICER'S CPNI COMPLIANCE CERTIFICATE

Annual 47 C.F.R. § 64.2009(e) CPNI Certification

EB Docket 06-36

Annual 64.2009(e) CPNI Certification for 2014 covering the prior calendar year 2013

Name of company(s) covered by this certification: Midwest Energy Cooperative d/b/a Midwest Connections

Form 499 Filer ID: 829973

Name of signatory: John Miner

Title of signatory: Chief Financial Officer

I, John Miner, certify that I am an officer of the company named above, and acting as an agent of the company, that I have personal knowledge that the company has established operating procedures that are adequate to ensure compliance with the Commission's CPNI rules. See 47 C.F.R. § 64.2001 *et seq.*

Attached to this certification is an accompanying statement explaining how the company's procedures ensure that the company is in compliance with the requirements set forth in section 64.2001 *et seq.* of the Commission's rules.

The company has not taken any actions (i.e., proceedings instituted or petitions filed by a company at either state commissions, the court system, or at the Commission) against data brokers in the past year.

The company has not received any customer complaints in the past year concerning the unauthorized release of CPNI.

The company represents and warrants that the above certification is consistent with 47 C.F.R. § 1.17 which requires truthful and accurate statements to the Commission. The company also acknowledges that false statements and misrepresentations to the Commission are punishable under Title 18 of the U.S. Code and may be subject it to enforcement action.

Signed



ATTACHMENT TO OFFICER'S CPNI COMPLIANCE CERTIFICATE

Statement Regarding CPNI Operating Procedures

Midwest Connections written CPNI Operating Procedures ensure that Midwest Connections will be in compliance with 47 U.S.C. § 222 and the rules contained in the Title 47, Chapter 1, Subchapter B, Part 64, Subpart U of the Code of Federal Regulations. Included among the provisions of Midwest Connections CPNI Operating Procedures are:

- A requirement that Midwest Connections have at all times a CPNI Compliance Supervisor to supervise the implementation of its CPNI Operating Procedures.
- Detailed procedures for safeguarding CPNI, including procedures for customer authentication and password protection of CPNI.
- Detailed procedures for determining what type of customer approval is necessary for use, disclosure of, and access to CPNI.
- A requirement that the billing system records for customers' accounts allow the status of the customer's CPNI approval to be easily ascertained.
- A requirement that personnel be trained as to when they are and are not authorized to use CPNI.
- A written disciplinary process for misuse of CPNI.
- Detailed filing, notice, and recordkeeping requirements.
- Detailed procedures to be followed in the event of a breach of CPNI.

Midwest Connections does not use, disclose, or allow access to CPNI for any purpose that would require customer approval under 47 U.S.C. § 222 or the rules contained in the Title 47, Chapter 1, Subchapter B, Part 64, Subpart U of the Code of Federal Regulations.

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

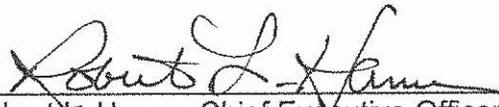
Case No. U-17861

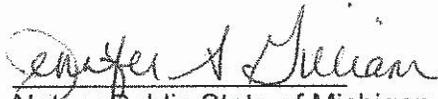
EXHIBIT 6:

AFFIDAVIT OF ROBERT HANCE

Telecommunications Act of 1996 and is eligible to receive universal service support pursuant to Section 254(e) of the Act.

5. Midwest will use the federal high cost support funds that it receives only to provide, construct, upgrade and maintain facilities and services for which the support is intended.


Robert L. Hance, Chief Executive Officer


Notary Public State of Michigan
County of Cass Acting in Cass County
My Commission Expires: _____

JENNIFER A. GILLIAM
Notary Public, Cass County, MI
My Commission Expires 6/10/19



EXHIBIT 2

**FIRST SUPPLEMENT TO MIDWEST APPLICATION FOR ETC
DESIGNATION**



Dykema Gossett PLLC
Capitol View
201 Townsend Street, Suite 900
Lansing, MI 48933

WWW.DYKEMA.COM

Tel: (517) 374-9100

Fax: (517) 374-9191

Shaun M. Johnson

Direct Dial: (517) 374-9159

Direct Fax: (855) 258-3523

Email: SJohnson@dykema.com

May 5, 2015

Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
PO Box 30221
Lansing, MI 48909

Re: Case No. U-17861
Michigan Connections ETC Application

Dear Ms. Kunkle:

Enclosed, for filing, please find Supplemental to the Application of Midwest Energy Cooperative d/b/a Midwest Connections for Designation as an Eligible Telecommunications Carrier in the State of Michigan, in the above-referenced matter.

If you have any questions, please contact me.

Sincerely,

DYKEMA GOSSETT PLLC

Shaun M. Johnson

SMJ/jmb
Enclosure

cc: Bob Hance, Dave Allen
Shannon Heim
Erik Levy

California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.

LAN01\376234.2
ID\SMJO

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

**SUPPLEMENT TO THE APPLICATION OF MIDWEST ENERGY COOPERATIVE
D/B/A MIDWEST CONNECTIONS FOR DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER IN THE STATE OF MICHIGAN**

Shaun M. Johnson (P69036)
Courtney F. Kissel (P74179)
Attorneys for Midwest Energy Cooperative
d/b/a Midwest Connections
Dykema Gossett PLLC
201 Townsend, Suite 900
Lansing, MI 48933
Phone: (517) 374-9155
Fax: (517) 374-9191
Email: sheim@dykema.com

TABLE OF CONTENTS

- I. Introduction..... 3
- II. Midwest Purchases a Wholesale VoIP Product From Big River Telephone. 4
- III. Midwest is Currently Offering VoIP Telephone Service. 6
- IV. Midwest will Use the Rural Broadband Experiment Funding to Build
Telecommunications Infrastructure in Designated Census Blocks. 9
- V. Conclusion..... 10
- Exhibit 1 Midwest VoIP Service Design Diagram 12

I. INTRODUCTION.

Midwest Energy Cooperative d/b/a Midwest Communications (“Midwest”), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”), Sections 54.01 through 52.207 of the Rules of the Federal Communications Commission (“FCC”), and the Rules and Regulations of the Michigan Public Service Commission (“Commission”), filed an application (the “Midwest Application”) for designation as an Eligible Telecommunications Carrier (“ETC”) in the census blocks where Midwest was awarded funding by the FCC Rural Broadband Experiment Program.¹ Midwest seeks ETC designation to access funds from the federal Universal Service Fund (“USF”) for the purpose of participating in rural broadband funding opportunities and providing service to high-cost areas.

Midwest files this supplement to address questions raised by Commission Staff. Midwest believes its ETC application was complete and sufficient, but gladly clarifies the few issues raised by staff. Midwest’s ETC Application complies with 47 C.F.R. § 54.101(a). It articulates how Midwest will meet its obligations including voice grade access to the public switched network or its functional equivalent;² minutes of use for local service provided at no additional charge to end users;³ access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service

¹ See Midwest Application Exhibit 1.

² See Midwest Application at 4-6 and Exhibit 1 (5 Year Plan).

³ See Midwest Application at 6. “Midwest offers an unlimited local service.” *Id.*

area has implemented 911 or enhanced 911 systems;⁴ and toll limitation services to qualifying low-income consumers as provided in 47 C.F.R. § 54.400, *et seq.*⁵

II. MIDWEST PURCHASES A WHOLESALE VOIP PRODUCT FROM BIG RIVER TELEPHONE.

Midwest appreciates the Commission's questions regarding its relationship with Big River Telephone and the implications for Michigan consumers. Developments in the telecommunications industry, including the entrance of rural electric cooperatives, create different mechanisms to provide service.⁶ The FCC explicitly urged cooperatives like Midwest to build fiber networks capable of delivering robust broadband with the understanding that voice service would be offered over that network.⁷ The voice application is only one requirement of an eligible telecommunications carrier.⁸ In order

⁴ See Midwest Application at 7-8. See Supplement *supra* at 5.

⁵ See Midwest Application at note 8 and Exhibit 4 (outlining Midwest's unlimited standard long distance package.).

⁶ See Jonathan Chambers, *Notes from the Sandbox: The Rural Broadband Experiment*, FCC Blog, available at <https://www.fcc.gov/blog/notes-sandbox-rural-broadband-experiment> ("Proposals from rural telephone companies, from rural electric co-ops, from cable and wireless service providers, from schools and libraries, from research and education networks, from communities. The proposals are varied, geographically and technologically diverse, yet all have a common theme. They are expressions of a desire to deliver better, more robust Internet access service, faster speeds to communities in rural areas.").

⁷ See *Connect America Fund, ETC Annual Reports and Certifications*, WC Docket Nos. 10-90, 14-58, Report and Order and Further Notice of Proposed Rulemaking, FCC 14-98 (July 14, 2014) ("Rural Broadband Experiment Order") at para. 11 ("the experiments themselves [are] designed to encourage the deployment of robust networks capable of offering voice and broadband services to consumers in high-cost areas..."); see also *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (Nov. 18, 2011) ("Transformation Order") at para. 49 ("[W]e reaffirm our commitment to ensuring that all Americans have access to voice service while recognizing that, over time, we expect that voice service will increasingly be provided over broadband networks.").

⁸ See *Transformation Order* at para. 86 ("As a condition of receiving federal high-cost universal service support, all ETCs, whether designated by a state commission or the Commission, will be required to offer broadband service in their supported area that

to receive federal support from the Connect America Fund, ETCs must also provide broadband. As networks evolve, the FCC views voice as one of many applications that will traverse the fiber network.⁹

A brief explanation of Voice over Internet Protocol (“VoIP”) service may inform the Commission’s understanding of Midwest’s service. Physical networks are transitioning from single purpose networks such as the traditional phone network to IPbased networks that can provide multiple services.¹⁰ All digital data is treated the same over a digital network; there is no functional difference between voice data and internet data. Unlike traditional circuit switched telephone service, VoIP service converts the voice signal into digital data that is sent over the internet. A digital network utilizing VoIP technology does not rely on a traditional switch, although it does interconnect to the PTSN through the ILEC. The FCC states that as long as a carrier facilitates a voice service over a digital network, it is considered to be “providing” telecommunications service.¹¹

meets certain basic performance requirements and to report regularly on associated performance measures.”).

⁹ See *In re Technology Transitions, et al.*, GN Docket No. 13-5, *et al.*, Order, Report and Order and Further Notice of Proposed Rulemaking, FCC 14-5 (rel. Jan. 31, 2014)(“Tech Transitions Order”) at para. 18 (“Now providers in many places are sending communications over a diversity of physical platforms. In addition to twisted copper pair, providers today are increasingly using fiber optic cable, co-axial cable, and wireless technologies for fixed end-user voice and data transmissions.”).

¹⁰ See *Tech Transitions Order* at para. 16 (“In particular, circuit-switched providers are increasingly transitioning switched voice services from legacy TDM and SS7 networks to SIP/IP networks.”); see also “FCC - IP Transition”, available at <http://www.fcc.gov/guides/ip-transition> (“Providers are also transitioning the pathways that make up communications networks, from copper wire that was mainly used in legacy networks to coaxial cable, optical fiber, and wireless technology that are increasingly used in IP networks.”).

¹¹ See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket No. 1142, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11

Midwest partners with Big River Telephone to provide VoIP service to Midwest customers.¹² Specifically, Midwest and Big River have a Master Services Agreement wherein Midwest purchases a wholesale VoIP product from Big River and then resells that product to Midwest’s customers. Midwest’s VoIP application interconnects with the traditional switched telephone service through its partner, Big River.¹³ The services provided by Big River include access to the Big River Internet Protocol (“IP”) softswitch on a wholesale basis, and access to Big River’s telephone number management, E911 support and CALEA compliance. The service is marketed and branded as a Midwest service, all correspondence and bills come from Midwest, customers are instructed to address any issues by contacting Midwest and Midwest is responsible for any repairs and outage issues. The role of Big River is invisible to the end-user.

III. **MIDWEST IS CURRENTLY OFFERING VOIP TELEPHONE SERVICE.**

Midwest began connecting customers to its telecommunications service after receiving its CLEC license in March, 2014.¹⁴ Midwest provides voice grade telephone service over its fiber network. Midwest experiences a very low rate of complaints and/or

(rel. Feb. 6, 2012) (“Voice telephony may be provisioned over broadband (IP-enabled) networks.”).

¹² Federal law expressly allows an ETC to resell services. “A common carrier designated as an eligible telecommunications carriers... shall, throughout the service area for which the designation is received offer the services that are supported by Federal universal service support mechanisms... either using its own facilities or a combination of its own facilities and resale of another carrier’s services.” 47 U.S.C. 214(e)(1)(A).

¹³ See Midwest VoIP Service Design Diagram, attached as Exhibit 1.

¹⁴ *In the Matter of the Application of Midwest Energy Cooperative, d/b/a Midwest Connections, for a License to Provide Basic Local Exchange Service in Designated Exchanges*, Case No. U-17512, Order, before the Michigan Public Service Commission (Mar. 18, 2014).

service related problems.¹⁵ The VoIP service is provided by Big River Telephone to Midwest to some of the eligible locations, but not all.¹⁶ The funding provided by the FCC's Rural Broadband Experiment program will be used exclusively to construct and connect remaining locations in the census blocks listed in Midwest's application and referenced in the ETC Application.

Midwest customers can purchase telephone service, broadband service or both. Midwest does have telephone-only customers,¹⁷ but robust broadband represents the key benefit of a fiber network and accordingly most customers purchase broadband. Midwest currently serves 5 telephone only customers, 251 broadband only customers and 124 bundled customers. The majority of Midwest's telecommunications customers are members of the electric cooperative, but not exclusively.

Midwest is fully capable of providing Lifeline service but does not currently offer Lifeline service because it has not received a request for Lifeline service from a customer. Midwest understands that other carriers serving Midwest's service area provide Lifeline service.¹⁸ Midwest is currently establishing and finalizing its application

¹⁵ Midwest's records reflect two customer complaints regarding a service-related issue. Both issues were resolved without escalation.

¹⁶ The staff asks whether the VoIP service is exclusive to Midwest or resold from Big River. Midwest purchases the voice application from Big River to use over its network. This arrangement is typical for a digital network.

¹⁷ While Midwest's telephone service is a VoIP product, this does not mean that a customer is required to subscribe to Midwest's broadband internet offering. The customer premise equipment installed by Midwest controls what service can be accessed. The customer will only receive the service contracted and paid for. The network infrastructure is the same; the electronics differ based on the service.

¹⁸ For a list of carriers participating in the Lifeline Program, see http://www.dleg.state.mi.us/mpsc/comm/telecomm_carriers_16252.pdf.

and verifications procedures in order to provide Lifeline service upon request. It will commence advertising Lifeline services as soon as possible.

Midwest advertises its telecommunications services over a broad platform including on the Internet, Social Media (Facebook and Twitter) and more traditional forums (print/radio advertising). Midwest includes information regarding telecommunications services (telephone/broadband) in its Newsletter and occasional bill inserts also. The need for robust broadband in Midwest's service area has generated a great deal of attention and current demand outstrips Midwest's ability to fulfill requests for service. Midwest's advertisements will begin to include the availability of Lifeline services soon. There is little indication that there is a need for advertising outside Midwest's existing protocol.

Midwest fully complies with state and federal E911 requirements. The FCC requires all VoIP providers to comply with E911 regulations.¹⁹ The voice application used by Midwest connects to the traditional switched network through its partner Big River. Emergency access will function similarly to service provided by a traditional provider. The FCC recognizes the limitations to emergency access when using a VoIP application.²⁰ Midwest takes every precaution to ensure that customers do not lose access to emergency service.

¹⁹ *IP-Enabled Services, E911 Requirements for IP-Enabled Service Providers*, WC Docket Nos. 04-36, 05-196, First Report and Order and Notice of Proposed Rulemaking, FCC 05-116 (June 3, 2005) at para. 37 ("We require that... an interconnected VoIP provider must transmit all 911 calls, as well as a call back number and the caller's 'Registered Location' for each call, to the PSAP, designated statewide default answering point, or appropriate local emergency authority that serves the caller's Registered Location and that has been designated for telecommunications carriers under Section 64.3001 of the Commission's rules.").

²⁰ A VoIP system requires electricity to maintain service. Backup power will bridge the gap in an outage. See <http://www.fcc.gov/guides/voip-and-911-service>.

IV. MIDWEST WILL USE THE RURAL BROADBAND EXPERIMENT FUNDING TO BUILD TELECOMMUNICATIONS INFRASTRUCTURE IN DESIGNATED CENSUS BLOCKS.

The FCC has clear requirements regarding the expenditure of funds received through the Rural Broadband Experiment program.²¹ The funds can only be used to construct infrastructure to eligible locations within the high cost census blocks Midwest bid upon in the program. Expenditures will include components and electronics attributable to telecommunications service.²²

Participation in the Rural Broadband Experiment program carries significant regulatory oversight.²³ Midwest must obtain an irrevocable Letter of Credit before any funds will be released by the FCC. If Midwest fails to uphold its construction or service obligations, the FCC will use the Letter of Credit to recover the funding. The level of federal and state scrutiny regarding the expenditure of funds will be ongoing.²⁴ Midwest

²¹ *Rural Broadband Experiment Order* at para. 82 (“Like all recipients of Connect America support, all rural broadband experiment recipients that have been designated as ETCs by the Commission are required to file an annual certification pursuant to section 54.314 of the Commission’s rules stating that ‘all federal high- cost support provided to such carrier was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.’”).

²² Midwest will apply funding to its budget, contained in Exhibit A (Five Year Plan), as it is received from the FCC. There is not a separate budget for the FCC funding. It is important to note that the cost of construction exceeds the FCC funding.

²³ *See, e.g., Rural Broadband Experiment Order* at para. 52 (“The Bureau will determine whether each selected applicant has demonstrated that it has the technical and financial qualifications to successfully complete the proposed project within the required timeframes and is in compliance with all statutory and regulatory requirements for the universal service support that the applicant seeks. Commission staff will perform a review to ensure that the selected applicants meet our expectations for technical and financial capability to conduct an experiment before any support is provided.”),

²⁴ Midwest will document its expenditure of funds annually in the Form 481 filing. Midwest must file an updated Five Year Plan for its ETC service area as part of that filing. *See* 47 C.F.R. § 313.

is required to file a copy of its Form 481 with the Commission concurrent with its federal filing on July 1.

V. CONCLUSION.

As detailed herein, Midwest satisfies all statutory and regulatory requirements to be designated an ETC in the State of Michigan.

WHEREFORE, Midwest Energy Cooperative d/b/a Midwest Communications respectfully requests that the Commission:

A. Issue an order designating Midwest as an ETC in its CLEC service area, described herein, for the purposes of receiving high cost federal universal service support; and

B. Issue an order, minute action, or other action by the MPSC which sets forth the appropriate ETC certification to the FCC so that Midwest may receive additional federal universal service support, including high cost support in its CLEC service area.

C. Issue an order granting such other relief as may be necessary or appropriate.

Respectfully submitted,

DYKEMA GOSSETT PLLC

Attorneys for:
Midwest Energy Cooperative d/b/a Midwest
Connections

Dated: May 5, 2015

By _____

Shaun M. Johnson (P69036)
Courtney F. Kissel (P74179)
Dykema Gossett PLLC
201 Townsend, Suite 900
Lansing, MI 48933
Phone: (517) 374-9155
Fax: (517) 374-9191
Email: sheim@dykema.com

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

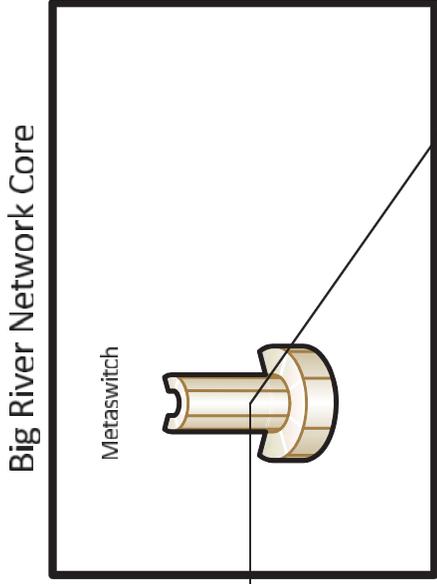
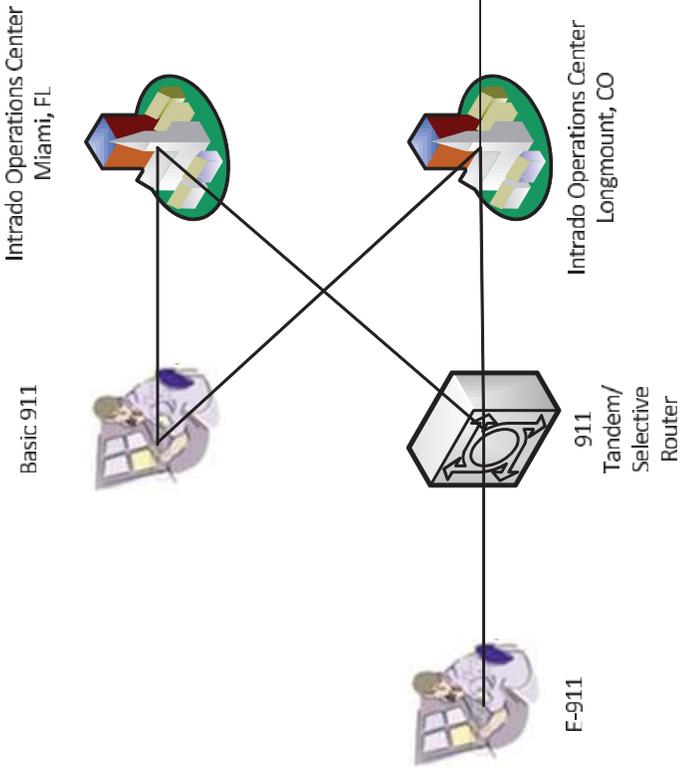
In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

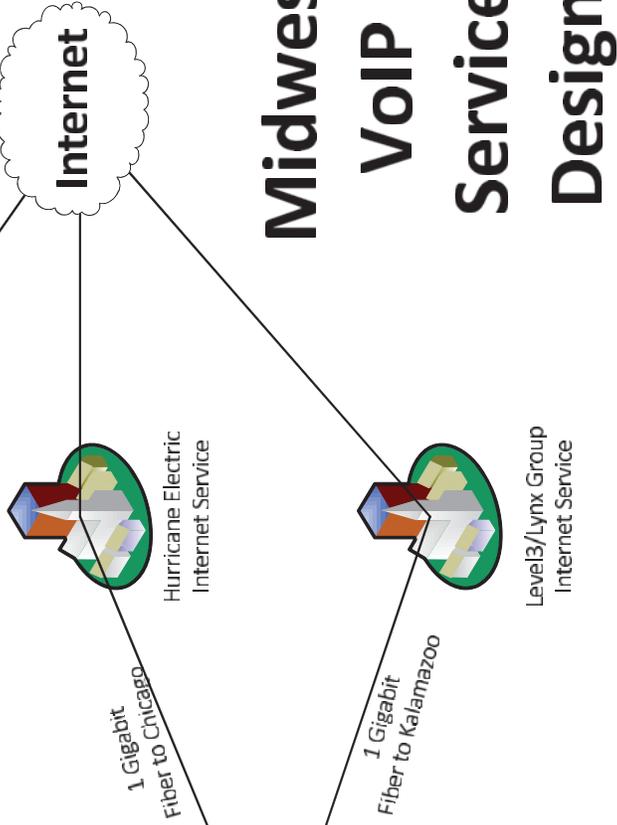
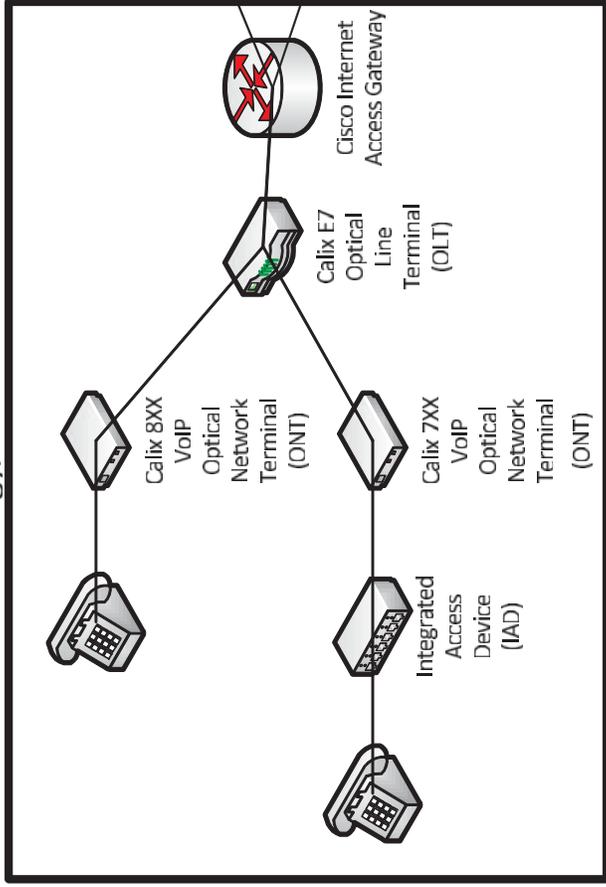
EXHIBIT 1

MIDWEST VOIP SERVICE DESIGN DIAGRAM

Voice over Internet Protocol (VoIP) service originates from Big River Metaswitch. Traverses the Internet to Midwest customers either through connections with Hurricane Electric or Level3/Lynx Group. Midwest delivers VoIP service to customers home outlets through a fiber connections via devices called Optical Line Terminal's (OLT) and Optical Network Terminal's (ONT).



Midwest Energy/Connections Network



Midwest VoIP Service Design

EXHIBIT 3

**SECOND SUPPLEMENT TO MIDWEST APPLICATION FOR ETC
DESIGNATION**



Dykema Gossett PLLC
Capitol View
201 Townsend Street, Suite 900
Lansing, MI 48933

WWW.DYKEMA.COM

Tel: (517) 374-9100

Fax: (517) 374-9191

Shaun M. Johnson

Direct Dial: (517) 374-9159

Direct Fax: (855) 258-3523

Email: SJohnson@dykema.com

May 20, 2015

Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
PO Box 30221
Lansing, MI 48909

Re: Case No. U-17861
Michigan Connections ETC Application

Dear Ms. Kunkle:

Enclosed, for filing, please find Second Supplemental to the Application of Midwest Energy Cooperative d/b/a Midwest Connections for Designation as an Eligible Telecommunications Carrier in the State of Michigan, in the above-referenced matter.

If you have any questions, please contact me.

Sincerely,

DYKEMA GOSSETT PLLC

Shaun M. Johnson

SMJ/jmb
Enclosure

cc: Bob Hance, Dave Allen
Shannon Heim
Erik Levy

California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.

LAN01\376234.3
ID\SMJO

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a/)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

**SECOND SUPPLEMENT TO THE APPLICATION OF MIDWEST ENERGY
COOPERATIVE D/B/A MIDWEST CONNECTIONS FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF MICHIGAN**

Shaun M. Johnson (P69036)
Courtney F. Kissel (P74179)
Attorneys for Midwest Energy Cooperative
d/b/a Midwest Connections
Dykema Gossett, PLLC
201 Townsend, Suite 900
Lansing, MI 48933
Phone: (517) 374-9155
Fax: (517) 374-9191
Email: sheim@dykema.com

Midwest Energy Cooperative d/b/a Midwest Connections (“Midwest”), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”), Sections 54.201 through 54.207 of the Rules of the Federal Communications Commission (“FCC”), and the Rules and Regulations of the Michigan Public Service Commission (“Commission”), filed an application (the “Midwest Application”) for designation as an Eligible Telecommunications Carrier (“ETC”) in the census blocks where Midwest was awarded funding by the FCC Rural Broadband Experiment Program.¹ Midwest seeks ETC designation to access funds from the federal Universal Service Fund (“USF”) for the purpose of participating in rural broadband funding opportunities and providing service to high-cost areas.

Midwest files this Second Supplement to the Midwest Application to address additional questions raised by Commission Staff regarding the provision of Lifeline service to low income customers. Midwest, a new and very small telephone provider did not realize its obligation to offer Lifeline upon receiving its CLEC certificate.² Midwest appreciates the Staff’s assistance in raising and resolving this issue. Midwest’s Lifeline program has been implemented and is ready for customers at this time. Midwest’s Lifeline service meets all federal and Michigan requirements.

Midwest is financially and technically capable of providing Lifeline services to low-income members in its CLEC service area as required by 47 C.F.R. § 54.202(a)(4). Midwest is currently advertising for its Lifeline service on its website.³ Midwest will

¹ See Midwest Application Exhibit 1.

² Section 316 of the Michigan Telecommunications Act; MCL § 484.2316.

³ See www.teamfiber.com/telephone. A sample Lifeline advertisement is attached as Exhibit 1.

certify and verify customer eligibility in accordance with the FCC's requirements and Commission rules.⁴ Midwest's CLEC tariff will be updated to reflect the availability of Lifeline service to eligible customers in its service area.⁵

Midwest is facing an imminent deadline to provide proof of its ETC status to the FCC. If the Michigan Commission does not grant Midwest ETC status by June 2, 2015, Midwest risks losing the provisional award to support rural broadband in its service area. The cancellation of the May 28 Public Meeting will push Midwest beyond the deadline unless a Special Meeting is scheduled. Midwest respectfully requests the Commission take action as soon as possible to schedule a Special Meeting and grant its ETC Application.

WHEREFORE, Midwest Energy Cooperative d/b/a Midwest Connections respectfully requests that the Commission:

A. Issue an order designating Midwest as an ETC in its CLEC service area, described herein for the purposes of receiving high cost federal universal service support;

B. Issue an order, minute action, or other action by the MPSC which sets forth the appropriate ETC certification to the FCC so that Mdiwest may receive additional federal universal service support, including high cost support in its CLEC service area; and

⁴ See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket No. 11-42, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC Docket No. 12-11 (rel. Feb. 6, 2012); 47 C.F.R. § 54.410. The standard application is available on the Midwest Connection website.

⁵ Copies of the updated Midwest Tariff sheets are attached as Exhibit 2.

C. Issue an order granting such other relief as may be necessary or appropriate.

Respectfully submitted

DYKEMA GOSSETT PLLC

Attorneys for:
Midwest Energy Cooperative d/b/a Midwest
Connections

Dated: May 20, 2015

By: _____
Shaun M. Johnson (P69036)
Courtney F. Kissel (P74179)
Dykema Gossett PLLC
201 Townsend, Suite 900
Lansing MI 48933
Phone: (517) 374-9155
Fax: (517) 374-9191
Email: sheim@dykema.com

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a/)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

Exhibit 1

Sample Lifeline Advertisement

Midwest Lifeline Application

Name: (Please print) Last _____ First _____ Middle _____
 Address: (No P.O. Boxes) Street _____ City _____ State _____ Zip _____
 Billing address: (if different than above) Street _____ City _____ State _____ Zip _____
 Is this address Permanent Temporary Multi-Household Number of people living in your household ____
 Telephone # (MUST be in your name) (____) _____ - _____ Date of Birth (xx/xx/xxxx) ____ - ____ - ____
 Alternate telephone # where you can be reached (____) ____ - ____ Last 4 digits of SS# or Tribal ID # _____

1. I am currently participating in the following program(s): *Check all that apply.* For verification, please provide proof by sending a copy of the programs benefit statement, notice, letter or other official participation document.* Benefit cards are not accepted. **PHOTOCOPIES ONLY - ORIGINALS WILL NOT BE RETURNED.**

- | | |
|--|--|
| <input type="checkbox"/> Temporary Assistance for Needy Families (TANF)*
<input type="checkbox"/> Medicaid*
<input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP) formerly Food Stamps*
<input type="checkbox"/> Federal Public Housing Assistance (Section 8)*
<input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP)*
<input type="checkbox"/> Supplemental Security Income (SSI)* | <input type="checkbox"/> Bureau of Indian Affairs General Assistance (Tribal customers only)*
<input type="checkbox"/> National School Lunch Program's free lunch program*
<input type="checkbox"/> Food Distribution Program on Indian Reservations (Tribal customers only)* <input type="checkbox"/> Head Start (Income-Based - Tribal customers only)*
<input type="checkbox"/> Tribally Administered Temporary Assistance for Needy Families (Tribal customers only)* |
|--|--|

***If the proof that you are sending is not in your name, you MUST fill out the statement below.**

I CERTIFY THAT _____ (name on proof) Date of Birth _____ / _____ / _____ and last 4 of SS# or tribal ID _____ IS A MEMBER OF MY HOUSEHOLD AND IS NOT ALREADY RECEIVING LIFELINE BENEFITS FROM MIDWEST OR ANOTHER COMPANY.

OR 2. I do not participate in any programs listed in #1 above but my household income is at or below Federal Poverty Guidelines as listed in the chart below. For verification, please provide proof by sending a copy of your most recent: federal or state tax return, income statement or W-2 from an employer, 3 months of pay stubs, Social Security benefit statement, Veteran's Administration benefit statement, retirement/pension benefits statement, divorce decree, Unemployment/Workmen's Compensation benefit statement, child support award, or other legal document that would show total current income. Bank statements are not accepted.

PHOTOCOPIES ONLY - ORIGINALS WILL NOT BE RETURNED.

# of Members in Household	total household annual income must be at or below:
1 member	\$17,505.00
2 members	\$23,595.00
3 members	\$29,685.00
For each additional member	Add \$6,090.00 per person

- 3. Senior Discount.** Check here if you are 65 or older and wish to also receive an additional \$1.10 monthly Senior Discount. You must provide proof of age (such as a copy of driver's license, State ID or birth certificate) along with this application. This credit will be in addition to your monthly Lifeline credit. Not eligible with Tribal Lifeline discount.
- 4. Check this box if you are also an eligible resident of Tribal lands and applying for Tribal Lifeline/Link Up.**

IMPORTANT – PLEASE COMPLETE AND RETURN BOTH SIDES

IMPORTANT – PLEASE COMPLETE AND RETURN BOTH SIDES

5. To be completed by ALL customers regardless of your selections in Sections 1 & 2.

I certify under penalty of perjury: *Initial by each Certification line below:*

_____ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that Lifeline is a federal benefit and that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by Law, may lead to fines, imprisonment, de-enrollment and may result in me being barred from the program.

_____ (2) I am a current recipient of the program checked above, or have an annual household income at or below the Federal Poverty Guidelines listed above.

_____ (3) I understand that my household can only have one Lifeline-supported telephone service. Midwest has explained the one-per household requirement. I understand that violation of the one per household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment in the Lifeline program and could result in criminal prosecution by the United States government.

_____ (4) I attest to the best of my knowledge that neither I nor anyone else in my household receives a Lifeline-supported service from any other landline or wireless company. Household is defined as any individual or group of individuals who live together at the same address and share income and expenses.

_____ (5) I understand that my Midwest lifeline service is non-transferable and I may not transfer my service to any individual including any other eligible low-income customer.

_____ (6) I will notify Midwest within 30 days if I no longer qualify for lifeline. I understand this requirement and that I may be subject to penalties if I fail to notify Midwest. Specifically, I will notify Midwest if: 1) I cease to participate in the above federal or state program, or if my annual household income exceeds the income guidelines; 2) I am receiving more than one Lifeline service; or 3) I no longer satisfy the criteria for receiving Lifeline support.

_____ (7) I will notify Midwest within 30 days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Midwest every 90 days. If I fail to respond to Midwest address verification attempts within 30 days, my Lifeline service may be terminated.

_____ (8) Midwest has explained to me that I am required each year (or as requested) to recertify my continued eligibility for Lifeline. If I fail to do so within thirty (30) days, my Midwest Lifeline service will be terminated.

_____ (9) I authorize and understand that Midwest may provide to state and federal agencies, as required by law for the purpose of complying with the Lifeline program all of the information related to my account, including but not limited to my name, date of birth, social security number, address and phone number.

_____ (10) I understand that my telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.

_____ (11) I understand that if USAC identifies that I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

_____ (12) I have provided documentation of eligibility along with this application.

Applicant Signature

Date

I am an "Authorized Representative" for this customer and am submitting this form on behalf of this customer.

Print "Authorized Representative"

Name Signature (Authorized Rep.)

Daytime Phone Number

Date

Mail to: Midwest Lifeline, 901 East State Street, Cassopolis, MI 49031 or fax to 269-445-3792.

If you have any questions, please call Midwest's Customer Service at 1-800-492-5989.

Description of Midwest Lifeline Plan:

Midwest Lifeline Residential Rate: \$30.70

Midwest Lifeline Residential Rate for Eligible Consumers 65 years of age or older: \$27.60

Plan includes

- Unlimited local and domestic long distance
- Caller ID, Call Waiting, Voicemail

Sample Lifeline Advertisement:

MIDWEST OFFERS A LOW INCOME LOCAL TELEPHONE DISCOUNT



**NO ACTIVATION FEE
NO DEPOSIT**

RESIDENTIAL RATE FOR ELIGIBLE MEMBERS: \$30.70

**RESIDENTIAL RATE FOR ELIGIBLE MEMBERS 65 YEARS OF AGE
AND OLDER: \$27.60**

Plan includes:

- **Unlimited local and domestic long distance**
- **Caller ID, Call Waiting, Voicemail**

CONTACT MIDWEST FOR DETAILS:

<http://www.teamfiber.com/telephone/>

The State of Michigan requires that all providers of basic local telephone service offer customers the Lifeline Program, a telephone discount program for income-eligible customers. The Lifeline Program, a government assistance program subsidized through the Universal Service Fund, provides discounted telephone service for low-income customers.

To be eligible for Lifeline, you must meet income based requirements (\leq 150% of the federal poverty level) or participate in one of the following programs: Medicaid, Supplemental Nutrition Assistance Program (SNAP) formerly Food Stamps, Supplemental Security Income (SSI), Low-Income Energy Assistance Program (LIHEAP), Federal Public Housing Assistance (Section 8), Temporary Assistance for Needy Families Program (TANF), National School Free Lunch Program (NSL). Your eligibility to participate in these programs will be verified by Midwest or an authorized state agency. Lifeline is a non-transferable government assistance program that provides a discount on the cost of monthly telephone service and is limited to one discount per household and only eligible customers may enroll.

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION
* * * * *

In the matter of the application of)
MIDWEST ENERGY COOPERATIVE d/b/a/)
MIDWEST CONNECTIONS for Designation)
As an Eligible Telecommunications Carrier in the)
State of Michigan)
_____)

Case No. U-17861

Exhibit 2

Updated Tariff Sheets

SECTION 4 - RATES AND CHARGES, CONT'D.**4.21 Lifeline Program**

4.21.1 Description

1. Lifeline applies discounts to monthly recurring rates for qualifying residential customers. These discounts are applied to existing rates and charges for residential telephone service.
2. In order to be eligible for Lifeline, a residential customer's annual household income must be at or below 150% of the poverty level, as determined by the U.S. Department of Health and Human Services and as approved by the State treasurer, or the person must participate in one of the following programs:
 - Medicaid
 - Supplemental Nutrition Assistance Program (SNAP) - Food Stamps
 - Supplemental Security Income (SSI)
 - Federal Public Housing Assistance/Section 8
 - Low Income Home Energy Assistance Program (LIHEAP)
 - National School Lunch Program's free lunch program
 - Temporary Assistance for Needy Families (TANF) aka Family Independence Program

In addition to the criteria above, applicants residing on Tribal Lands [referenced in Title 25 Code of Federal Regulations, Section 20.1, paragraph (v)] may also qualify if they participate in one of the following federal assistance programs:

- Bureau of Indian Affairs general assistance
- Tribally administered Temporary Assistance for Needy Families (TANF)
- Head Start (must meet program's income qualifying standard)
- Food Distribution Program on Indian Reservations

SECTION 4 - RATES AND CHARGES, CONT'D.**4.21 Lifeline Program (Cont'd)**

4.21.1 Description (Cont'd)

2. (cont'd)

Applicants residing on tribal lands must sign under penalty of perjury that he/she resides on a reservation, as defined in Title 25 Code of Federal Regulations, Section 20.1, paragraph (v), and receives benefits from at least one of the programs referenced above. The Tribal Lands Applicant also must agree to notify the Company if they cease to participate in the program.

3. Other services can be provided with Lifeline at applicable rates and charges.
4. Proof of eligibility will be required for all initial lifeline applicants and all lifeline recipients will be required to re-certify every year.

4.21.2 Regulations

1. Regulations specified elsewhere in the Company's tariffs apply to Lifeline.
2. Lifeline is available only with residence services, excluding foreign exchange service. Lifeline is limited to a single subscription per household where household is defined to be any individual or group of individuals who are living together at the same address as one economic unit. For the purposes of this rule, an economic unit consists of all adult individuals contributing to and sharing in the income and expenses of a household.
3. A miscellaneous service charge does not apply when Lifeline is added or discontinued to existing service when that is the only work being done.
4. The Lifeline plan will apply after receipt and processing of a completed Lifeline application, including documentation indicating that the household income meets the eligibility standards established above.

SECTION 4 - RATES AND CHARGES, CONT'D.**4.21 Lifeline Program (Cont'd)**

4.21.2 Regulations (Cont'd)

5. Customers of Lifeline must notify the Company of any changes which would affect qualification. Recertification of eligibility will take place on an ongoing basis. When the customer is no longer eligible for Lifeline service, the Lifeline discount will be discontinued and regular rates and charges will apply.
6. Intentionally Left Blank.
7. Intentionally Left Blank.
8. Participants in Lifeline shall not be disconnected from local service for nonpayment of toll charges. In addition, the Company will not deny re-establishment of local service to customers who are eligible for Lifeline and have previously been disconnected for nonpayment of toll charges.

SECTION 4 - RATES AND CHARGES, CONT'D.**4.21 Lifeline Program (Cont'd)**

4.21.3 Monthly Rates and Discounts

1. The discount on the monthly rate for residence exchange service for qualified Lifeline customers shall be **\$9.25**. Credits are applied to the end user's basic local exchange service. At no time shall the total Lifeline credit exceed the sum of the enduser common line charge and the basic local exchange rate. The discount on the monthly rate for residence exchange service for qualified Lifeline customers 65 years of age or more shall be **\$12.35**. Credits are applied to the end user's basic local exchange service. At no time shall the total Lifeline credit exceed the sum of the end-user common line charge and the basic local exchange rate. Qualified participants residing on tribal lands will receive, in addition to the discounts listed above, an additional federal approved reduction of up to \$25.00 applied to the monthly local service rate.