Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
ETC Annual Reports and Certifications	)	WC Docket No. 14-58
	)	
Developing a Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92

REPLY COMMENTS OF THE
MICHIGAN PUBLIC SERVICE COMMISSION

On March 30, 2016, the Federal Communications Commission (FCC) released a Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking (FNPRM) in the above-captioned proceedings seeking comment on a variety of issues. The Michigan Public Service Commission (MPSC) offers the following reply comments regarding the specific questions discussed in the FNPRM as they relate to the additional proposals to modify or potentially eliminate certain Eligible Telecommunications Carrier (ETC) certifications and reporting obligations so as to streamline ETC reporting requirements. The comment and reply comment deadlines were May 12, 2016 and June 13, 2016 respectively.

Streamlining ETC Annual Reporting Requirements

Before commenting on the proposals that are noted within this section, the MPSC notes that on February 8, 2016[1], the MPSC filed a letter with the FCC highlighting its support for states maintaining their ETC designation authority and concerns it has regarding the ETC process. In this letter, the MPSC highlights areas of concern regarding waste, fraud, and abuse and some of these concerns can also apply to what is being proposed now.

In the Report and Order, Order on Reconsideration, and FNPRM, pages 143-144, the FCC seeks comment and reply comment on various issues as it pertains to streamlining the ETC annual reporting requirements and process.

The MPSC takes the position that there are no additional costs associated with reporting information on Form 481 that provides outage information, unfilled service requests, the number of complaints, pricing, and complying with applicable service quality standards, especially when this information is already being collected by the provider. Providers are not being required to provide or calculate new information. On Page 4 of its Comments, the Public Service Commission of the State of Missouri (MoPSC) states that "…the existing burden placed on an ETC of compiling and filing Form 481 is minimal and estimated to only be 20 hours."

As observed by the MoPSC, "Form 481 is essentially one of the few ways state regulators obtain information about company compliance" (Comments, Page 5) and "if oversight is weakened then the program may be more susceptible to waste,

[1] Michigan Public Service Commission's February 8, 2016 letter to the FCC: http://apps.fcc.gov/ecfs/document/view?id=60001424075

fraud, and abuse." (Comments, Page 3). The MPSC agrees. Form 481 provides for complete and thorough ETC reporting requirements. Having a form that is not all-inclusive, creates a burden on regulators to search for the information that may be filed elsewhere. Having a form that is not all-inclusive creates a greater opportunity for waste, fraud, and abuse, which is contrary to the FCC's goals. The FCC requests suggestions for ways to modify the information requirement for analytical purposes from those who believe that it still should be collected. However, before suggestions can be provided, it would be useful to understand the analytical concern that the FCC currently has with the information that is currently being collected.

The MPSC has concerns about not including the full range of service offerings. It appears that the information that is currently being provided imposes no additional cost or burden on the provider. In addition, if ETCs were only required to report the price offerings that meet or exceed the FCC's minimum requirements, it may be deceiving because of the inability to compare with their full service of offerings.

The MoPSC makes the argument that Form 481 is a main source of information that it uses to certify high-cost ETCs. On Page 3 of its Comments the MoPSC states that:

> Missouri's retail telecommunications service is essentially deregulated. Consequently the amount of information available to the MoPSC regarding Missouri's telecommunications services has become more limited. For example Missouri telecommunications companies have the option to de-tariff. In addition, companies no

> longer are required to file outage reports or quality of service reports with the MoPSC. Consequently Missouri's annual ETC filing requirement that includes the Form 481 report and periodic annual reviews of selected ETCs are the primary information relied upon by the MoPSC in certifying high-cost recipients.

For similar reasons, the MPSC opposes the elimination of service quality standards and consumer protection rules for ETC certification. Many states, including Michigan, no longer have service quality and consumer protection standards due to deregulation. Eliminating this requirement could create an environment for fraud and abuse and have the opposite effect of what the FCC intends. In Michigan, when providers file their Form 481 with the MPSC, providers also include specific information in Line 500 "Service Quality Standards & Consumer Protection Compliance" of the form. For example, wireline providers include language that they are following state and federal rules, including Customer Proprietary Network Information (CPNI). Wireless providers include language that they are following the Cellular Telecommunications and Internet Association's (CTIAs) Consumer Code for Wireless Services. Many of the wireless providers will also provide language stating that they are committed to satisfying all applicable state and federal requirements related to consumer protection and service quality standards. If some providers are confused or not aware of what rules or standards are applicable, the FCC could provide more specific language, instead of removing this requirement.

Similar to the MoPSC (see Comments, Page 5), the MPSC urges the FCC to reject the tentative conclusion for ETCs to no longer file a duplicative copy of Form

481 with states. The MPSC supports the FCC in directing USAC to establish an online tool to permit access to all information that is submitted by the ETCs. However, the MPSC disagrees that the creation of this database should exempt providers from providing the Form 481 information to the states. The ETCs should still continue to file this information either electronically or hardcopy with the states, especially to states like Michigan, that re-certify ETCs annually. As was mentioned in our February 8, 2016 letter to the FCC, the MPSC thoroughly reviews all of the information submitted by the ETCs to ensure they are complying with federal regulations and MPSC orders. The MPSC often has to follow-up with companies regarding information that was either not provided or provided incorrectly. Each year, pursuant to an MPSC order, the MPSC opens a docket for the purpose of receiving all ETC filings pertaining to Lifeline/Tribal Link-Up, High Cost, and Connect America Fund I and II, as required by the FCC, including Form 481 filings pertaining to the Michigan recertification process and those providers are required to file that information in the appropriately assigned docket.[2] In addition, the MPSC's provider-specific ETC orders provide the companies with a checklist of required information, and allows Staff to make additional requests for information if necessary. The MPSC strongly encourages the FCC to maintain the requirement that companies file this information with the states. Simply filing a copy of what has already been submitted to the FCC will not impose an additional burden or cost to the provider.

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[2] See Michigan Public Service Commission's December 20, 2012 U-14535 Order. http://efile.mpsc.state.mi.us/efile/docs/14535/0267.pdf

Additionally, the MPSC has concerns with how the online tool will be developed at USAC. The MPSC believes a process needs to be established to allow states to view the information. Common questions regarding access to this tool that should be answered are, but not limited to: Who has access to the confidential information? How would they obtain access? Can states have as many staff as they would like review confidential information? If errors, missing information, or additional information is discovered, will the providers file updated filings with USAC? Some states, like Michigan, may require specific information to be filed—will the online tool allow for that? Will the online tool be categorized by individual states? If states are not able to access the information, or if the tool is not functioning properly, how are these issues resolved? Will information that is filed by the providers be uploaded immediately? How will states be notified of filings? There is already a very short timeframe for the states to complete their review for re-certification of ETCs. If there is a delay by USAC in allowing access to information by the states, this would shorten the already tight timeframe and negatively impact the re-certification process.

Lastly, the MPSC would encourage the FCC to not eliminate any other reporting requirements. The FCC has stated that it is looking for ways to improve its ability to protect against waste, fraud, and abuse. Reducing or eliminating the requirements in Form 481, would seem counter-productive to the stated goals of the FCC.

Conclusion

The MPSC appreciates the opportunity to provide reply comments on such an important matter. While the MPSC understands the FCC's desire to find ways to improve the ETC process, it is important that any changes that are made do not create a burden on state and federal officials, and do not jeopardize the process by creating greater opportunities for waste, fraud, and abuse. It is imperative that providers continue to be required to provide the essential information to both the FCC and the states that not only protects against waste, fraud, and abuse of the program, but also protects customers as well. This federal-state joint partnership has worked very well over the past several years. There is no need to upset this balance.

Respectfully submitted,

MICHIGAN PUBLIC SERVICE COMMISSION

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