

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "A"**

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STATE OF MICHIGAN  
MICHIGAN PUBLIC SERVICE COMMISSION

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MICHIGAN BELL TELEPHONE COMPANY )

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)

In the matter, on the Commission's own motion, )

to consider the total service long run incremental )

costs for all access, toll and local exchange )

services provided by AMERITECH )

MICHIGAN )

Case No. U-11831

DIRECT AFFIDAVIT OF

MICHAEL STARKEY

ON BEHALF OF  
MCIWORLD.COM

PUBLIC VERSION

Contains no Confidential or Proprietary Information

APRIL 1, 1999

1 refusal to provide access to those elements. Hence, the Commission should  
2 order Ameritech to provide cost documentation for all unbundled network  
3 elements, and combinations, that it has agreed to, been requested to provide via  
4 bona fide request, or been ordered to provide. D

5  
6 **Q. Even if the Commission orders Ameritech to produce such cost**  
7 **documentation, isn't it likely that several months could pass before such**  
8 **documentation is completed and then, this proceeding would be over?**

9 **A.** Yes, that is possible. Indeed that is a concern because this proceeding is  
10 explicitly intended to address Ameritech's underlying costs for provisioning  
11 unbundled network elements. Moreover, even if cost documentation were  
12 provided at some point in the future, the resources and expertise that are  
13 gathered for purposes of this case would unlikely be available to provide the  
14 scrutiny required to arrive at reasonable TSLRIC based rates for these specific  
15 elements. Therefore, I would recommend that the Commission require  
16 Ameritech to file studies for these elements before the end of this case (as the  
17 Staff has requested with respect to Ameritech's Special Access services) and if  
18 possible, provide for a separate round of testimony dedicated specifically to their  
19 analysis.

20  
21 **Q. Can you describe in more detail the Directory Assistance Database**  
22 **element?**

23 **A.** Generally, the unbundled Directory Assistance Database is a simple electronic  
24 download of Ameritech's directory assistance information to an interconnecting  
25 carrier. The interconnecting carrier uses the directory assistance information to

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1 develop its own DA database for purposes of providing directory assistance  
2 services to its own customers.

3  
4 **Q. Has Ameritech agreed to provide its Directory Assistance Database to**  
5 **MCI?**

6 **A. Yes, it has. On September 30, 1998 Ameritech and MCI signed an Amendment**  
7 **to their existing Michigan Interconnection Agreement for purposes of providing**  
8 **MCI with access to Ameritech Michigan's Directory Assistance Database. The**  
9 **Amendment, which was approved by the Michigan Commission, defines the "DA**  
10 **Database" as "...the last name, first name, street number, street name,**  
11 **community, zip code and telephone number of Ameritech's telephone exchange**  
12 **service subscribers located in the State of Michigan." Exhibit A to the**  
13 **Amendment details the extent to which Ameritech will provision the database to**  
14 **MCI via "Ameritech's Standard F20 Record Format."**

15  
16 **Q. Does the Amendment include prices for MCI's access to Ameritech**  
17 **Michigan's DA Database?**

18 **A. Yes, it does. Exhibit C to the Amendment includes the following prices:**

Initial Load	\$0.0280	per listing
Updates	\$0.0362	per Update
Non-Recurring Cost	\$4,837.04	per customer

19  
20  
21 **Q. If the Amendment already includes prices why should the Commission**  
22 **require Ameritech to provide a cost study for this element?**

23 **A. The prices included in the Amendment are negotiated prices and are not based**  
24 **upon the Commission's approved TSLRIC methodology. In fact, more recent**  
25 **information has become available with respect to the true TSLRIC based costs of**

1 these types of services and it appears that the rates included in the Amendment  
2 exceed their likely TSLRIC costs by anywhere from 300% to 2500%. Moreover,  
3 MCI's interconnection agreement with Ameritech Michigan expires in June of  
4 next year. Hence, cost information useful in determining the true, TSLRIC based  
5 prices for these elements will be required when another interconnection  
6 agreement is negotiated. This proceeding is the logical arena within which to  
7 determine the proper costs of these services since the next biennial filing (done  
8 in the year 2001) won't occur until after MCI and a number of other carriers will  
9 have already re-negotiated their agreements with Ameritech Michigan. Further,  
10 regardless of Ameritech's interconnection agreement with MCI or any other  
11 carrier, the DA Database is a unbundled network element and should be  
12 available on a tariffed basis at TSLRIC based rates.

13  
14 **Q. You mention above that more recent information has become available**  
15 **suggesting that the rates included in the Amendment exceed their TSLRICs**  
16 **by as much as 2500%. Can you explain your statement in more detail?**

17 **A. Recently both the Texas and the New York Commissions have issued orders**  
18 **setting rates for access to the Directory Assistance Databases of Southwestern**  
19 **Bell Telephone Company and Bell Atlantic-NYNEX respectively.<sup>7</sup> Both of these**  
20 **Commission's established prices based upon a review of the TSLRIC/TELRIC of**  
21 **the service in question (an option MCI did not have in negotiating the rates**  
22 **included above). The table below compares the rates ordered in Texas and New**

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<sup>7</sup> See Order Regarding Directory Database Issues issued on March 18, 1999 by the State of New York Public Service Commission in Case Nos. 94-C-0095, 95-C-0657, 91-C-1174, 96-C-0036. See also the Arbitration Award of the Public Utility Commission of Texas in Docket No. 19075, issued on August 13, 1998.

1 York compared to the rates currently included in MCI's Amendment to its  
2 interconnection agreement:

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	<u>New York</u>	<u>Texas</u>	<u>Michigan</u>	<u>Michigan / New York</u>	<u>Michigan / Texas</u>
Initial Load, per listing	\$0.0085	\$0.0011	\$0.0280	329%	2545%
Update Cost, per listing	\$0.0056	\$0.0014	\$0.0362	646%	2586%
Non-Recurring Charge		\$4,800.00	\$4,837.04		

3  
4  
5 As the table above demonstrates, when rates for DA Database listings have  
6 been set pursuant to a TSLRIC/TELRIC analysis for companies of comparable  
7 size to Ameritech, the results are much lower than those agreed to in the  
8 Ameritech Michigan / MCI Amendment. This simple comparison highlights the  
9 importance of the Commission requiring Ameritech to provide a cost study for its  
DA Database listing elements in this case.

11  
12 **Q. Why should the Commission require Ameritech to provide a cost study**  
13 **specific to the unbundled network element combinations it has agreed to**  
14 **provide to interconnecting carriers?**

15 **A.** As I described above, an unbundled network element is effective in promoting  
16 competition only if it is reasonably priced in such a way that all market players  
17 understand (and can build a business plan around) the element's price. By  
18 refusing to provide a TSLRIC study specific to the network element combinations  
19 Ameritech has already agreed to provide, Ameritech is in effect denying those  
20 carriers an opportunity to understand the extent to which those combinations are  
21 reasonably priced.

23 **III. INTEROFFICE TRANSPORT STUDIES**

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "B"**

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STATE OF MICHIGAN  
MICHIGAN PUBLIC SERVICE COMMISSION

MICHIGAN BELL TELEPHONE COMPANY )  
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In the matter, on the Commission's own motion, )  
to consider the total service long run incremental )  
costs for all access, toll and local exchange )  
services provided by AMERITECH )  
MICHIGAN )

Case No. U-11831

REPLY AFFIDAVIT OF  
MICHAEL STARKEY  
ON BEHALF OF  
MCIWORLD.COM

PUBLIC VERSION

ALL AMERITECH CONFIDENTIAL AND THIRD PARTY CONFIDENTIAL  
INFORMATION HAS BEEN REMOVED

JULY 17, 1999

1 cost basis for any special construction charges that it wants to assess.  
2 Ameritech has failed to do so (my opinion is that Ameritech has failed to do so  
3 because such "additional" costs do not exist). It seems obvious, especially after  
4 reading Ms. Fennel's comments, that the Commission must be crystal clear in its  
5 intention not to condone Ameritech's special construction charges in whatever  
6 form they might take absent them being proven before the Commission in this  
7 case. Therefore, I would reiterate my original recommendation by requesting  
8 that the Commission in its Order in this proceeding, in an effort aimed at  
9 removing any room for misinterpretation, include the following language:

10 In its *Opinion and Order* issued in Case U-11735 the Commission agreed  
11 with the ALJ that most, if not all, of the special construction charges at  
12 issue related to normal, routine types of costs that are already reflected in  
13 the costs and rates determined and approved by the Commission.<sup>1</sup>  
14 Further, it provided Ameritech the opportunity, in this docket (Case U-  
15 11831), to identify special construction costs that were not included in its  
16 studies and seek appropriate rates by which to recover those costs.  
17 Ameritech has chosen not to do so. Hence, based upon Ameritech's  
18 failure to identify costs for "special construction" beyond those recovered  
19 through the costs approved in this case, the Commission finds that when  
20 providing an unbundled loop to an interconnecting carrier, Ameritech is  
21 limited to charging only those applicable monthly recurring and non-  
22 recurring costs specifically approved in this proceeding. Any other rate  
23 assessed on a carrier for the provision of an unbundled loop will  
24 considered to be *per se* unreasonable and unlawful. Ameritech will bear  
25 the burden of filing appropriate cost studies and seeking the approval of  
26 this Commission before it assesses any rate other than those approved in  
27 this case for the provision of an unbundled loop.

28  
29 Opinion and Order, Case No. U-11735 Page 24  
30  
31

## 32 DIALING PARITY DA LISTINGS PRODUCT

33 Q. Have you had an opportunity to review Ameritech's cost study regarding  
34 the provision of its Directory Assistance (DA) listings database?

35 A. Yes, I received a copy of Ameritech's study approximately 2 weeks ago.  
36

1           **Q.    Have you had an opportunity to review the comments filed by Ameritech**  
2           **witness Fennel regarding the DA Listings Product?**

3           **A.    Yes, I have. I've also reviewed Ameritech's responses to the limited discovery**  
4           **that MCIW was able to propound in the short time available to review the study.**

5  
6           **Q.    Do you have any comments on Ameritech's cost study for its DA Listings**  
7           **Product or Ameritech's comments regarding that study?**

8           **A.    Yes, I have a few comments. First, it appears that Ameritech has a number of**  
9           **what it calls, DA Listings products. The study it provided in response to MCIW's**  
10          **discovery in this case is for a "product" Ameritech calls its "Advanced Dialing**  
11          **Parity DA Listings Product." It appears that Ameritech also has a "DA Listings**  
12          **License Product,"<sup>8</sup> and then some other DA Listings product that it uses for its**  
13          **own internal purposes.<sup>9</sup> It is apparent that all of these products provide basically**  
14          **the same functionality, gather their data from the same database, and employ**  
15          **the same human resources necessary to provide access to Ameritech's directory**  
16          **listings. It appears that these individual "products" differ only by the restrictions**  
17          **Ameritech places on the use of the DA information that is ultimately provided.**  
18          **Ms. Fennel attempts to explain these restrictions and Ameritech's basis for**  
19          **imposing them at pages 10-14 in her June 3, 1999 affidavit.**

20  
21          **Q.    Do you have concerns regarding Ameritech's cost study and its position**  
22          **with respect to the different DA "products" it provides?**

23          **A.    Yes, I do. The most concerning aspect of Ameritech's approach to offering a**  
24          **number of different DA "products" is that it is based upon Ameritech's apparent**

<sup>8</sup> See Ameritech's response to MCAM 225(c).

<sup>9</sup> See Ameritech's response to MCAM 225(h).

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1 believe that its DA Listings Database is not an unbundled network element.  
2 Based upon this mistaken assumption, Ameritech's cost study also includes a  
3 number of methodological flaws. For example, the study does not accurately  
4 consider the economies of scale and scope that Ameritech itself enjoys in its  
5 access to the DA listings information of its own customers as it does not include  
6 its own use of the data when allocating certain user sensitive costs. Apparently,  
7 it is Ameritech's position that its own internal use of the DA listings information  
8 comprises a different "service." Secondly, Ameritech's study includes an  
9 assumption that "The listings are available to telecommunications carriers that  
10 provide toll and/or local exchange service in competition with Ameritech for use  
11 in providing a telecommunications service in competition with Ameritech." When  
12 asked through discovery if this restrictive assumption either increased,  
13 decreased or in any other way impacted the costs associated with the DA listings  
14 cost study, Ameritech responded as follows:

15 The referenced assumption reflects the requirement for this dialing parity  
16 product delineated in FCC Rule 217 (47 CFR 51.217), specifically subpart  
17 (c)(3)(ii). See Ms. Fennell's June 3 affidavit, paragraph 19.  
18

19 Not only is this unresponsive, it makes it unclear whether Ameritech's study is  
20 impacted by the assumption or not. As I describe below, the assumption is in  
21 error. If it impacts the results of the study, the study's results would be in error  
22 as well. Finally, not only does Ameritech rob the study of its own economies of  
23 scale by excluding itself as a user of certain user sensitive expenses, it also robs  
24 the study of other carriers' sharing those expenses. For example, according to  
25 Ameritech's response to MCAM225(c), Ameritech provides a DA Listings  
26 License product. Though Ameritech's further response to MGAM225(c) indicates  
27 that "No carriers currently subscribe to the DA listings License product," a review

1 of Ameritech's website indicates differently. Apparently, Ameritech has had a DA  
2 Listings License agreement with its affiliate, Ameritech Communications, Inc.  
3 (ACI) since July of 1997.<sup>10</sup> However, based upon Ameritech's response to  
4 MCAM 225(c), it appears that ACI is not a carrier identified to share the user  
5 sensitive expenses identified within the Advanced Dialing Parity DA Listings  
6 Product cost study (presumably because it uses the DA Listings License  
7 Product) even though the information ACI obtains and the process by which it  
8 obtains it is exactly the same. Obviously, this is a shell game played by  
9 Ameritech in an attempt to avoid its TELRIC based pricing obligations inherent  
10 within the Telecommunications Act of 1996 (TA96).

11  
12 **Q. Does Ameritech believe that providing access to its DA Listings Database**  
13 **is an unbundled network element?**

14 **A.** No, apparently it does not. If I'm reading Ms. Fennel's comments correctly  
15 (pages 9-14 of her June 3 affidavit), Ameritech believes that providing MCIW, or  
16 any other connecting carrier, access to its directory listings database via an  
17 electronic database dump, is not an unbundled element as defined by the TA96.

18 Ms. Fennel at page 9 of her June 3 affidavit states:

19 First, DA Database Listings is not a UNE – it is a Local Dialing Parity  
20 product that Ameritech already offers pursuant to the FCC rules.  
21

22 Ms. Fennel goes on to say that:

23 If the product is used by the carrier to provide DA service to only those  
24 end users which it provides local and/or local toll services within the  
25 Ameritech serving territory, then Ameritech Michigan is required to  
26 provide TELRIC based pricing for this local dialing parity product. In  
27 other words, if MCI uses the offering to provide a service in competition  
28 with Ameritech, then Ameritech is required to price the offering at TELRIC

<sup>10</sup> See <http://www.ameritech.com/corporate/regulatory/dalist.html>.

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1 based rates. Otherwise, since DA is a competitive service, Ameritech  
2 Michigan is entitled to charge market based rates.  
3

4 What confuses me is how Ameritech's DA listings could be considered anything  
5 other than an unbundled element and/or how the way in which the information is  
6 used after it is provided to a carrier has anything to do with the way in which it  
7 must be priced. The Telecommunications Act of 1996 defines a network element  
8 as follows:

9 NETWORK ELEMENT. – The term 'network element' means a facility or  
10 equipment used in the provision of a telecommunications service. Such  
11 term also includes features, functions, and capabilities that are provided  
12 by means of such facility or equipment, including subscriber numbers,  
13 databases, signaling systems, and information sufficient for billing and  
14 collection or used in the transmission, routing, or other provision of a  
15 telecommunications service.  
16

17 Further, the TA96 at Section 252(d)(1), wherein the appropriate pricing  
18 standards for access to unbundled network elements are found, no mention is  
19 made of how the unbundled network element can be used or any affect such use  
20 will have on the price paid for the element. Indeed, the FCC in its Local  
21 Competition Order (C.C. Docket No. 96-98) provides that a purchaser of an  
22 unbundled network element will be afforded the "full functionality" of the element  
23 when purchased.  
24

25 I'm at a loss to understand how Ameritech Michigan's DA database could be  
26 anything other than the type of database contemplated in the excerpt above for  
27 purposes of defining and unbundled network element. Likewise, I don't  
28 understand the basis for Ameritech's assertion that the way in which the  
29 information will be used will affect the extent to whether the price must be based  
30 on TELRIC or not.

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**Q. Ms. Fennel makes a number of arguments in her affidavit regarding the FCC's rules for directory assistance listings and the way in which they must be priced. Can you respond to her arguments?**

A. Every argument raised by Ms. Fennel in her testimony from pages 10-14 regarding the proper pricing standards for DA Listings is premised on her argument that the DA Listings database is not an unbundled network element. Absent that fundamental assumption, the entirety of Ms. Fennel's arguments are mute. Because Ameritech is mistaken in its opinion that the provision of its DA Listings database via an electronic download is not an unbundled element, I believe Ms. Fennel's additional arguments are meaningless.

**Q. Are you aware of any state commission that has held that access to the DA listings database via a database dump is anything other than an unbundled network element?**

A. No, I am not. I participated extensively in arbitration proceedings in approximately 15 states and have reviewed the decisions of such arbitrations in many more. I have yet to encounter a state commission that has held that an incumbent's DA Listings database is anything other than an unbundled network element. Quite frankly, I'm surprised at Ameritech's position. It simply doesn't seem credible on its face.

**Q. Given the information you've provided above, do you have a recommendation regarding Ameritech's DA Listings costs and prices?**

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1           A.     Unfortunately, my recommendation isn't ideal. I had hoped to be able to review  
2           Ameritech's cost study and provide the Commission with reasonable costs and  
3           prices for access to its DA Listings. However, as I've described above,  
4           Ameritech hasn't provided a study that can even be altered to arrive at  
5           reasonable rates. Indeed, it doesn't even believe that it has the obligation to  
6           provide such a study. Hence, the Commission is left with few options. MCIW's  
7           counsel addresses this issue, and the extent to which Ameritech has failed to  
8           meet its burden of proof in this respect, in MCIW's legal comments. Regardless,  
9           I would make a two staged recommendation: (1) First, the Commission should  
10          find that an interconnecting carrier's access to Ameritech's DA Listings  
11          Database, via a database download, is an unbundled network element, (2) as  
12          such, the Commission should reject Ameritech's current "Advanced Dialing  
13          Parity DA Listings Product" cost study and require that Ameritech refile a cost  
14          study consistent with the Commission's TSLRIC cost standard. At a minimum,  
15          the cost study should be conducted without assumptions regarding usage  
16          restrictions placed on the data after provided and should share user sensitive  
17          expenses amongst all entities that use the Ameritech DA listings information.

18

19

**CALCULATIONS INCLUDED IN YOUR ORIGINAL AFFIDAVIT**

20          Q.     Mr. Florence at pages 12, 17 and 19 of his June 3, 1999 affidavit concludes  
21          that you made a number of quantitative errors in your original affidavit. Do  
22          you have any comments regarding Mr. Florence's affidavit in this regard?

23          A.     Yes, I do. I just want to very briefly disagree with Mr. Florence and his  
24          assertions. I have reviewed my original calculations and no such errors were  
25          made. What Mr. Florence apparently considers to be an erroneous calculation is

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "C"**

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the matter, on the Commission's own motion, )  
to consider the total service long run incremental )  
costs for all access, toll, and local exchange )  
services provided by AMERITECH MICHIGAN. )  
\_\_\_\_\_ )

Case No. U-11831

At the November 16, 1999 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. John G. Strand, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**OPINION AND ORDER**

On November 5, 1998, the Commission issued an order commencing this proceeding to review Ameritech Michigan's total service long run incremental cost (TSLRIC) studies. The order set a schedule for the filing of the studies, comments, responses, and replies. On March 8 and May 11, 1999, the Commission issued orders modifying the schedule. On April 12, 1999, the Commission issued an order clarifying that Ameritech Michigan was required to file a TSLRIC study for special access services and set a schedule for filing comments on that study.

On January 21, 1999, Ameritech Michigan filed its cost studies. On March 25, 1999, CenturyTel Wireless, Inc., filed comments. On April 1, 1999, the Commission Staff (Staff), AT&T Communications of Michigan, Inc. (AT&T), the Michigan Exchange Carriers Association (MECA), the Telecommunica-

Ameritech Michigan says that the TSLRIC study filed for common transport-like service complies with the Commission's prior orders, although it does not concede that it can be required to provide that service.

Although this proceeding is not the proper forum to revise a tariff or enforce a prior order, it is the proper case for setting a cost for a service previously ordered by the Commission. The Commission therefore adopts AT&T's cost study for common transport. Ameritech Michigan's position that the Commission cannot require it to provide the service is not a reason for failing to determine the cost of the service in compliance with the Commission's July 14, 1997 order in Case No. U-11280.

#### Missing Studies

The Staff says that Ameritech Michigan was required to file TSLRIC studies for its entire network and failed to do so. MCI WorldCom says that Ameritech Michigan failed to provide TSLRIC studies for directory assistance listings database and network element combinations. It requests that the Commission find that access to the database is an unbundled network element and order Ameritech Michigan to file a cost study consistent with TSLRIC principles for that element. AT&T suggests that it is difficult to know which services Ameritech Michigan has omitted, but that the Commission should require Ameritech Michigan to file the additional studies required to comply with the Commission's mandate.

Ameritech Michigan shall file cost studies for directory assistance listings database and unbundled network element combinations with its compliance filing. Ameritech Michigan must provide these services to CLECs and accordingly must provide cost data. A failure to file required studies in future proceedings may result in the imposition of penalties.

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "D"**

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STATE OF MICHIGAN  
MICHIGAN PUBLIC SERVICE COMMISSION

MICHIGAN BELL TELEPHONE COMPANY )  
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Case No. U-11831

PUBLIC VERSION

AFFIDAVIT ACCOMPANYING MCIWORLD.COM COMMENTS ON AMERITECH  
MICHIGAN'S COMPLIANCE AND REHEARING ISSUES IDENTIFIED BY THE  
COMMISSION

MICHAEL STARKEY

ON BEHALF OF  
MCIWORLD.COM

MAY 31, 2000

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**Q. Please state your name and business address for the record.**

A. My name is Michael Starkey. My business address is QSI Consulting, Inc., 6401 Tracton Court, Austin, Texas 78739-1400.

**Q. Are you the same Michael Starkey that previously filed an Affidavit in this proceeding?**

A. Yes, I am.

**Q. Please state the purpose of your affidavit.**

A. Pursuant to the Commission's November 16, 1999 *Opinion and Order* in this docket, Ameritech filed a number of cost studies (hereafter "Compliance Studies") that it apparently believes are in compliance with the Commission's decision. One purpose of this affidavit is to address a number of areas within Ameritech's "Compliance Studies" that are NOT compliant with the Commission's November 16, 1999 *Opinion and Order*. In addition, this affidavit will also address a number of issues wherein the Commission, via its May 3, 2000 *Opinion and Order* granting rehearing on certain issues, provided the parties with an opportunity to provide additional evidence in support of certain positions.

**Q. Please highlight the areas wherein you believe Ameritech's "Compliance Studies" fail to meet the requirements imposed by the Commission in its November 16, 1999 *Opinion and Order*.**

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- (2) Consistent with the use of IDLC technology, I removed the investments for Central Office Terminal line cards.
- (3) Consistent with Dr. Ankum's testimony regarding the proper placement of the SAI within the Ameritech Facilities Analysis Model (AFAM), I reduced all AFAM outputs by 5%.
- (4) Consistent with Mr. Jenkin's testimony, I removed the NRC adder that Ameritech had erroneously applied in its "Compliance Studies."
- (5) I removed Ameritech's "Revenue Related" adder that Ameritech has failed to support or even to explain.

**AMERITECH'S ADVANCED DIALING PARITY DA LISTINGS PRODUCT**

**Q. Did Ameritech file a cost study specific to its directory listings database?**

**A. Yes, it did. The Commission included the following requirement at page 8 of its November 16, 1999 *Opinion and Order*.**

Ameritech Michigan shall file cost studies for directory assistance listings database and unbundled network element combinations with its compliance filing. Ameritech Michigan must provide these services to CLECs and accordingly must provide cost data. A failure to file required studies in future proceedings may result in the imposition of penalties.

Though Ameritech has still not provided cost studies for unbundled network element combinations (an issue I will address in more detail later), it did provide its "Advanced Dialing Parity DA Listings Product" cost study on 12/14/99.

**Q. Do you have concerns regarding Ameritech's "Advanced Dialing Parity DA Listings Product" cost study?**

**A. Yes, I do. It is apparent from Ameritech's study that it has created a very specific service (i.e., its "Advanced Dialing Parity DA Listings Product") that it will use to meet its obligation to provide access to directory listing information as an**

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1 unbundled network element. Though Ameritech obviously provides DA listing  
2 information to a number of other carriers (including its own subsidiaries), it does  
3 so under another product name ("Directory Assistance Listings License  
4 Product"). Using this semantic distinction, Ameritech assumes that its UNE  
5 product ("Advanced Dialing Parity DA Listings Product") is a stand-alone product  
6 that doesn't share in the economies of scale and scope enjoyed in providing  
7 directory assistance listings information generally. This erroneous assumption  
8 manifests itself in Ameritech's UNE cost study in an assumption that only \*\* \*\*  
9 carrier will purchase the "Advanced Dialing Parity DA Listings Product" in year  
10 one of its offering, and only \*\* \*\* additional carriers will purchase the product  
11 in its second year.

12  
13 **Q. Why is the number of carriers who will purchase DA listings an important**  
14 **factor?**

15 **A.** Ameritech generally determines the price of accessing its directory assistance  
16 database on a "per listings" basis. Its cost study arrives at a per listings cost by  
17 first determining the number of "extractions" it can expect to incur pursuant to its  
18 DA listings product (in Ameritech's study it looks only at the extractions specific  
19 to its UNE product). It determines the number of extractions it will incur by  
20 estimating the number of customers it will need to accommodate and the number  
21 of listings available to each customer (number of customers times the number of  
22 listings equals the total number of extractions). After determining the number of  
23 extractions in this fashion, Ameritech then divides its relatively non-volume  
24 sensitive costs associated with obtaining and maintaining its database by the  
25 total number of extractions to arrive at a "per listings" cost.

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**Q. Why is this process problematic?**

A. The process itself is not necessarily problematic. However, we have to realize that estimating DA listings costs in this fashion makes the assumption regarding the number carriers who will access Ameritech's DA database a very important assumption. If \*\* \*\* carriers will likely access the database as opposed to the \*\* \*\* carriers assumed by Ameritech within its study, then Ameritech's costs "per listing" will effectively be divided by \*\* \*\*.

**Q. Do you disagree with the assumption included in Ameritech's study regarding the number of carriers who will access its DA listings database?**

A. Yes, I do. Ameritech's study assumes that only \*\* \*\* carriers (\*\* \*\* carrier in year one and \*\* \*\* carriers in year two) will access Ameritech's DA listings database. However, in discovery, Ameritech admits that \*\* \*\* carriers currently access its database. Ameritech brushes aside this important fact simply by stating that:<sup>4</sup>

\*\*

\*\*

Ameritech doesn't even attempt to explain why, despite the fact that it has a different financial relationship with respect to its other \*\* \*\* customers purchasing the "Listings License Product" (i.e. these customers buy a retail service as opposed to the UNE product), these customers access of the DA

<sup>4</sup> See Ameritech's Supplemental Response to MCI Discovery Request 14, MCAM 272.

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1 database doesn't generate additional extractions over which its non-volume  
2 sensitive costs should be spread.

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4 **Q. How should the Commission remedy Ameritech's study so as to ensure**  
5 **that the costs of producing the "Total Element" or "Total Service" specific**  
6 **to accessing the DA database can be estimated?**

7 **A.** Regardless of the fact that Ameritech has created a retail, as well as a UNE DA  
8 listings product, the costs associated with providing access to its DA database  
9 for all carriers should serve as the basis for its TSLRIC costs. Ameritech's study  
10 does not achieve this result. Instead, Ameritech's study assigns the total cost of  
11 maintaining its database and extracting the data for use by competing carriers to  
12 its UNE product, and recovers those costs over only \*\* \*\* expected carriers.  
13 This isn't reasonable and should be rejected by the Commission.

14  
15 Ameritech has admitted in discovery that as many as \*\* \*\* carriers access its DA  
16 database for purposes of providing competing DA services. Ameritech also  
17 admits in discovery that it did not consider itself a user of its DA database for  
18 purposes of allocating costs associated with obtaining and maintaining the  
19 database (see Ameritech Supplemental Response to MCAM 272). All told, while  
20 \*\* \*\* carriers including Ameritech Michigan actually use the DA database,  
21 Ameritech has allocated the costs of administering the database over only  
22 \*\* \*\* carriers who it believes will purchase its UNE product. The Commission  
23 should remedy this shortcoming in the study by allocating the DA database costs  
24 across at least those \*\* \*\* carriers who currently use the product. This is an  
25 extremely conservative assumption given the fact that it ignores any other

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1 carriers that may additionally purchase access to the database in the coming  
2 years (until the next cost study is done). Regardless, based upon the  
3 assumption that \*\* \*\* carriers will use the database (as opposed to the \*\* \*\*  
4 carriers assumed by Ameritech), the Commission should reduce Ameritech's  
5 "Advanced Dialing Parity DA Listings Product" costs/prices by 75% (i.e., set  
6 prices at 1/4 the prices originally proposed by Ameritech – \*\* \*\*).

7 Adoption of that recommendation would result in rates as follows:

<u>Rate Element</u>	<u>Originally Proposed by Ameritech</u>	<u>Adjustment</u>	<u>MCI Proposed Rate</u>
1 Per Listing, Initial Load	\$0.025	x .25 =	\$0.006
2 Per Listing, Updates	\$0.025	x .25 =	\$0.006
3 Updates (fulfillment) costs per month	\$1,102.71	x .25 =	\$275.68
4 Nonrecurring costs per customer per state	\$4,464.76	x .25 =	\$1,116.19

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18 MCI WorldCom recommends that the Commission adopt the rates above.  
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21 **NETWORK ELEMENT COMBINATIONS**

22  
23 **Q. Did Ameritech provide cost studies for combinations of unbundled  
24 network elements?**

25 **A.** No, it did not. Despite clear direction from the Commission in its November 16,  
26 1999 *Opinion and Order* requiring it to file cost studies for UNE combinations,  
27 Ameritech has provided no such studies. Dr. Ankum and Mr. Henson explain  
28 how Ameritech continues to ignore any attempt on the part of the Michigan  
29 Commission, the FCC or anyone else who attempts to require it to provide

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "E"**

(D)

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mcm  
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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's Own Motion,  
to consider the total service long run incremental  
costs for all access, toll, and local exchange services  
provided by Ameritech Michigan.

Case No. U-11831

**MICHIGAN PUBLIC SERVICE COMMISSION STAFF'S  
REPLY COMMENTS**

Following the schedule established by the Commission in its May 3, 2000 Order in this proceeding, the Michigan Public Service Commission Staff (Staff) files its replies to the May 31, 2000 comments filed in this proceeding. Staff's comments are organized by company and further by affidavits. Staff will respond to the comments filed by Ameritech Michigan (Ameritech), AT&T Communications of Michigan, Inc. (AT&T), MCI WorldCom (MCI), and CoreComm Michigan, Inc. (CoreCom).

**OPENING OBSERVATION**

The level of frustration and objections to Ameritech's compliance filings raised by AT&T and MCI in the May 31, 2000 comments is troubling. Staff agrees with many of the objections. The overwhelming view expressed by the numerous witnesses who filed affidavits in this phase of the case is that Ameritech failed to incorporate into its compliance filings the appropriate costs that reflect the findings based on the Commission's November 16, 1999 Order. Outside of a few issues (i.e., depreciation, re-sizing cable adjustment, and shared and common costs), the commenting parties indicate that Ameritech failed to abide by the Commission's directives. Staff is bothered by the number of instances of apparent non-compliance. As Staff pointed out in its May 31, 2000 comments regarding the Commission's November 16, 1999 Order:

associated with it. As a result, this technological advance appears to be a legitimate issue when Ameritech's cost are next reviewed.

In summary, it is Staff's opinion that the written documentation in support of IDLC (from a technological standpoint) is more than offset by the lack of reliable and specific cost data.

Ameritech has maintained that unbundled loops can not be extracted or "groomed" from an IDLC system without significant additional expense. However, Ameritech has not provided specific data on the additional cost necessary. MCI, on the other hand, has insisted on IDLC and documented its technical feasibility, but struggled, at least in Staff's opinion, as to address the costs associated with it. In its June 3, 1999 Response Comments, Staff indicated that:

While it appears progress is being made in the provision of unbundled loops through newer IDLC systems, it also appears that this type of technology is not yet universally accepted and/or widely in use today. Mr. Starkey's mere reference to the Hawaii jurisdiction and GTE seems to prove that point.

To date, Mr. Starkey has failed to identify one additional jurisdiction that has adopted IDLC for use in the provisioning of unbundled loops. Under the circumstances that currently exist, Staff continues to support universal DLC in the provision of unbundled loops as proposed by Ameritech and the technology of choice in Case No. U-11280.

At page 27 of his affidavit, Mr. Starkey addresses the costs submitted by Ameritech for Advanced Dialing Parity DA Listing Product. Mr. Starkey's concern is two-fold. First, Ameritech developed this service offering as a stand-alone product (the retail equivalent is called "Directory Assistance Listings License Product) and second, Ameritech fails to spread the costs over a sufficient number of carriers who will actually access the database. According to Mr. Starkey, Ameritech has two DA listings products, one for retail and one for UNEs. The retail and UNE DA listings products are developed totally separate and the cost is spread over the competing carriers who access it (retail separate from UNE carriers). From a TSLRIC

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standpoint, having two separate DA listings studies makes absolutely no sense. More importantly, two separate DA listings conflict with cost principle No. 3, which states that the increment being studied should be based on the entire quantity of the service. Ameritech should be required to conduct one DA listings study and to spread the costs over the total carriers (retail, UNE and Ameritech itself) who access the service. If the individual services also have additional, unique cost characteristics, those could be considered, but the fundamental study should address all uses of the DA listings functions.

At page 31 of his affidavit, Mr. Starkey indicates that, despite being ordered by the Commission in its November 16, 1999 Order, Ameritech has failed to submit cost studies for UNE combinations. Mr. Starkey recommends that absent Ameritech's willingness to adhere to the Commission's order, the Commission should adopt the tariff attached to MCI's comments and the rates calculated by Mr. Starkey. Staff agrees that Ameritech has not filed a comprehensive UNE platform cost study as required by the Commission. Staff supports MCI's methodology as explained at page 33 of Mr. Starkey's affidavit for determining the combination of unbundled loop rates, unbundled port rates and expenses for a telephone number.<sup>12</sup> The specific rates for these elements should be consistent with the Commission ordered costs for these UNEs, incorporating the cost adjustments proposed herein by Staff. Mr. Starkey's proposal also addresses other UNE Platforms (UNE-P) offerings, such as EELs, and tariff terms and conditions. Mr. Starkey's proposals should be adopted to the extent they are consistent with previous Commission orders regarding UNE combinations/platforms (i.e., Case Nos. U-11831, U-11280, U-12143, and other various arbitration decisions). Other aspects of UNE-P proposals, presented by MCI's Dr. Ankum and AT&T's Mr. Henson are addressed elsewhere in these

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<sup>12</sup> Other UNE-P rates MCI proposes or supports, are addressed by MCI's Dr. Ankum (ULS charges and ULS-IST costs) and AT&T's Mr. Henson (UNE-P nonrecurring costs).

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "F"**

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the matter, on the Commission's own motion, )  
to consider the total service long run incremental )  
costs for all access, toll, and local exchange )  
services provided by **AMERITECH MICHIGAN.** )  
\_\_\_\_\_ )

Case No. U-11831

At the August 31, 2000 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. John G. Strand, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**OPINION AND ORDER**

On November 16, 1999, the Commission issued an order approving in part, modifying in part, and rejecting in part Ameritech Michigan's total service long run incremental cost (TSLRIC) studies. On December 16, 1999, CoreComm Newco, Inc., (now CoreComm Michigan, Inc.) (CoreComm), AT&T Communications of Michigan, Inc. (AT&T), MCI WorldCom, and Ameritech Michigan filed petitions for rehearing. On May 3, 2000, the Commission issued an order addressing those petitions for rehearing and providing an opportunity for the parties to comment on Ameritech Michigan's compliance filing and the four issues left unresolved by that order—the use of integrated digital loop carrier (IDLC) technology, the approach to special access deaveraging, the Commission's jurisdiction over collocation, and the location of the serving area interfaces (SAIs) and remote terminals (RTs).

The Commission adopts MCI WorldCom's proposal for ULS-IST, although it will be necessary to adjust the access charge revenue credit accordingly. With respect to the platform combinations, MCI WorldCom is correct that Ameritech Michigan has not complied with the Commission's orders that require it to file cost studies and tariffs. The Commission therefore concludes that the cost for the UNE platform and EELs shall be the sum of the individual UNE elements as determined elsewhere in this proceeding. To the extent that MCI WorldCom seeks to raise other issues in its proposed tariff, those cannot be resolved at this time. Since the close of this record, there have been court decisions that may affect these issues. As the parties are aware, there are ongoing collaborative discussions between the Staff, the Attorney General, and the industry to address these and other tariff issues. To the extent that the collaborative process does not resolve these issues, the parties may bring the issues to the Commission for resolution.

MCI WorldCom says that Ameritech Michigan has overstated the manual work activities associated with the disconnection of some UNE services, is seeking to impose disconnect charges twice, and has converted some nonrecurring cost to monthly recurring costs rather than eliminating them.

The Commission concludes that Ameritech Michigan has misinterpreted the prior orders. The Commission adopted MCI WorldCom's adjustments to Ameritech Michigan's studies. Ameritech Michigan shall implement those adjustments.

MCI WorldCom objects to the advanced dialing parity DA listings study. The Staff says that there should be only one study for all DA services. Ameritech Michigan says that DA is not a UNE that it must offer at TSLRIC.

The Commission agrees with the Staff that there should be one study for all DA services. It is not permissible to compute different costs depending upon who is purchasing the service.

However, this proceeding does not provide the opportunity to resolve Ameritech Michigan's recent claim that DA services are not UNEs and need not be priced as such. Therefore, Ameritech Michigan shall offer and price DA services as a UNE until the issue is resolved in some other proceeding.

MCI WorldCom complains that Ameritech Michigan discontinued the use of the telephone plant index, as the Commission ordered, but did not also reduce the investment by 30% as ordered and instead used undiscounted year 2000 list prices for equipment.

The Commission concludes that Ameritech Michigan has misinterpreted the prior orders. The Commission did not invite Ameritech Michigan to make yet another proposal for addressing these costs. It must reduce the costs by 30% and make the other adjustments ordered by the Commission.

MCI WorldCom says that Ameritech Michigan has failed to reconcile various usage rates. As a result, Ameritech Michigan calculated widely different costs for tandem switching, for example, depending on the service for which it is calculating a cost.

The Commission concludes that there is no reason to use Ameritech Michigan's unexplained higher costs when an adequate alternative exists. The Commission orders Ameritech Michigan to use the results previously offered by AT&T.

MCI WorldCom requests that the Commission set a reasonable rate for ULS usage billing development and trunk ordering development. Ameritech Michigan subsequently recalculated the cost, which the Commission approves as reasonable.

MCI WorldCom says that the Commission should impose a daily fine against Ameritech Michigan for failing to implement the November 16, 1999 order and should assess attorney fees and costs as well.

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "G"**

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\*\*\*\*\*

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

Case No. U-12320

At the December 20, 2001 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Laura Chappelle, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**OPINION AND ORDER**

On February 9, 2000, the Commission issued an order that commenced a collaborative process and established a procedural framework for determining Ameritech Michigan's compliance with the competitive checklist set out in Section 271 of the federal Telecommunications Act of 1996 (the federal Act), 47 USC 271. That statute provides the conditions that a Bell operating company (in this case, Ameritech Michigan) must meet to obtain authorization from the Federal Communications Commission (FCC) to provide in-region interLATA services.

By March 22, 2000, the following parties filed an appearance or notice of intent to participate in the proceedings: Ameritech Michigan, Qwest Communications Corporation and LCI International Telecom Corp., d/b/a Qwest Communications Services, Sprint Communications Company, L.P., Telecommunications Association of Michigan (TAM), XO Michigan, Inc., f/k/a NEXTLINK Michigan, Inc. (XO), Attorney General Jennifer M. Granholm (Attorney General),

filed with the Commission's Communications Division Advice No. 3064, which contained the company's proposed shared transport tariffs. However, included in those proposed tariffs were the two additional branding charges at issue here. Before that filing, the only branding charge in the Unbundled OS tariff was a one-time trunk charge of \$403.64. Ameritech Michigan enclosed cost support for both new charges with Advice No. 3064. However, neither the general issue of branding nor additional charges for branding was even mentioned in Case No. U-12622. It appears that Ameritech Michigan unilaterally determined that it should insert these two new branding charges in its proposed tariffs following the March 19 order. Such unilateral changes to tariffs are not lawful or appropriate. If Ameritech Michigan desires to propose these charges, it must take appropriate steps to gain Commission approval. Until that time, Ameritech Michigan may not impose these charges, including the per call branding charge. See, the Commission's March 7, 2001 order in Case No. U-12540.

**B. Pricing of Access to Directory Assistance Listings (DAL)**

MCI complains that Ameritech Michigan does not offer DAL at TSLRIC rates. It points out that Ameritech Michigan does not have a Commission approved cost study for DAL. See, Commission's March 29, 2001 order in Case No. U-12765. In fact, MCI argues, Ameritech Michigan's argument that it did not have an obligation to provision unbundled DAL persuaded the Commission to defer issuing a DAL costing decision in Case No. U-11831. Thus, MCI argues, it is Ameritech Michigan's own fault that it has no currently approved cost study for DAL. MCI asserts that its ability to access the DAL database at reasonable and nondiscriminatory prices is essential to its ability to compete. In MCI's view, pricing DAL at TSLRIC would meet those criteria. It argues that under Michigan law, DA and DAL are required to be priced at TSLRIC.

Ameritech Michigan responds that the Commission should reject MCI's claim that DAL should be priced at TSLRIC. Ameritech Michigan argues that MCI's suggestion was rejected in the UNE Remand Order,<sup>8</sup> in which the FCC recognized DAL as a competitive wholesale service and declined to expand the definition of DA to include DAL or to require DAL to be provided at forward-looking prices. Moreover, Ameritech Michigan asserts, the FCC has approved Section 271 applications for states in which Ameritech Michigan's affiliate charges market-based rates for access to DAL.

The Commission finds that Ameritech Michigan reads too much into the cited portion of the UNE Remand Order. In the cited paragraph, the FCC declines to "expand the definition of OS/DA . . . to provide directory assistance listing updates in daily electronic batch files . . . [because] the obligations already exist under Section 251(b)(3), and the relevant rules promulgated thereunder." *Id.*, ¶ 444. Specifically, 47 CFR 51.217(c)(3)(i) requires that an ILEC permit CLECs to have access to the ILEC's "DA services, including directory assistance databases . . . on a nondiscriminatory basis . . ."

The FCC further referenced its prior Directory Information Listing Order<sup>9</sup> in which the FCC reaffirmed its previous conclusions that incumbent LECs must provide DAL access equal to that which they provide themselves. It stated that "any standard that would allow a LEC to provide access to any competitor that is inferior to that enjoyed by the LEC itself is inconsistent with

---

<sup>8</sup> FCC Order 99-238, In re the Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, CC Docket No 96-98, rel'd November 5, 1999.

<sup>9</sup> FCC Order 99-227, Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information. Implementation of the Local Competition Provisions of the Telecommunications Act of 1996. Provision of Directory Listing Information under the Telecommunications Act of 1934, As Amended, CC Docket Nos. 96-115, 96-98, and 99-273, Third Report and Order, Second Order on Reconsideration, and Notice of Proposed Rulemaking, rel'd September 9, 1999.

Congress' objective of establishing competition in all telecommunications markets." Id., ¶ 129. See also, Id. ¶152. The Commission finds that the requirement to provide nondiscriminatory access to DAL requires that it be provided at cost-based rates consistent with Case No. U-11831 parameters, and on a basis equal to that which the incumbent provides itself. In other words, Ameritech Michigan must permit CLECs to access the DAL electronically and to order directory listings in an electronic format.

As to Ameritech Michigan's claim that the FCC found DAL to be a competitive wholesale service, the Commission finds that the FCC conclusion relates only to ILECs that provide customized routing. The Commission has previously found that Ameritech Michigan does not provide reasonable customized routing. Moreover, although the FCC may have approved Section 271 applications for states in which the incumbent charged market rates for DAL, Ameritech Michigan does not cite a particular portion of those orders discussing the issue. If an issue was not raised in a case, the FCC's failure to reject the application on that basis does not carry persuasive weight in the Commission's determination in this case.

**Checklist Item # 10: Nondiscriminatory access to databases and associated signaling necessary for call routing and completion.**

Access to Calling Name (CNAM) Database

MCI complains that Ameritech Michigan has not complied with the Commission's March 7, 2001 order in Case No. U-12540, which required Ameritech Michigan to permit CLECs to download the CNAM database. Although Ameritech Michigan has proposed a tariff and a contract amendment related to CNAM access, MCI argues that both attempt to avoid Ameritech Michigan's obligation to provide the CNAM database as a UNE, without restrictions as to the telecommunications services for which it may be used, and to provide it at cost-based prices.

**Case No. U-12320**

**WorldCom Petition for Rehearing**

**Attachment "H"**



Regulatory  
 Suite 1500  
 444 Michigan Ave.  
 Detroit, Michigan 48226  
 Office: 313/223-8380  
 Fax: 313/486-1978

Emma Kabaniski  
 Service Manager

April 29, 2002



Mr. Thomas Lonergan  
 Director-Communications Division  
 Michigan Public Service Commission  
 6545 Mercantile Way  
 P.O. Box 30221  
 Lansing, MI 48909

Advice No. 3177

Dear Mr. Lonergan:

The attached two (2) sets of tariff sheets are sent to you for issuance and filing, as authorized in the following Commission Order.

**Case No. U-12320, Order dated 3/29/02**

**Tariff M.P.S.C. No. 20R**

**Number of Sheets**

**10**

The attached tariff sheets are being issued in compliance with the Commission's Order issued in Case No. U-12320 on March 29, 2002, which was on Rehearing from its Order issued December 20, 2001. Part 19, Section 14 adds the unbundled network element (UNE) Tariff for Directory Assistance Listing (DAL) Service as required by the Commission's Orders. The cost studies supporting this offering were developed in compliance with the Commission's Orders in Case No. U-11831 and were filed in compliance with that docket on December 16, 1999.

Ameritech Michigan files these tariff sheets under protest, and reserves all rights regarding pending and potential legal challenges to the Commission orders noted above and to other underlying Commission orders that do or could impact the tariffs or product offerings reflected therein, including but not limited to the Commission's orders in Case No. U-11831.

Post-it* Fax Note	7671	Date	# of pages 4
To	<i>Jim Denard</i>	From	<i>Ray Durbin</i>
Co./Dept.		Co.	
Phone #		Phone #	
Fax #		Fax #	

By filing this tariff, Ameritech Michigan is not waiving any of its rights to contend it has the right to restrict the use of directory assistance listings. Ameritech Michigan also reserves its rights to modify this tariff accordingly, should the Federal Communications Commission or a court with applicable jurisdiction find that Ameritech Michigan can restrict the use of Directory Assistance Listings.

As an acknowledgment that this filing has been received, we request the return of the **COPY** letter and tariff sheets, stamped by the Commission, to me at the above address.

Sincerely,

*Emma Kabzinski/Amw*

Enclosures

**April 29, 2002**

**AMERITECH  
MICHIGAN BELL**

**Regulatory Department**

**TARIFF TRANSMITTAL 3177**

The following Tariff material is being issued:

**Tariff M.P.S.C. No. 20R**

**Part 1, Section 2**

**Part 19, Section 1**

**Part 19, Section 14**

**Number of Sheets**

**10**

The attached tariff sheets are being issued in compliance with the Commission's Order issued in Case No. U-12320 on March 29, 2002, which was on Rehearing from its Order issued December 20, 2001. Part 19, Section 14 adds the unbundled network element (UNE) Tariff for Directory Assistance Listing (DAL) Service as required by the Commission's Orders. The cost studies supporting this offering were developed in compliance with the Commission's Orders in Case No. U-11831 and were filed in compliance with that docket on December 16, 1999.

Ameritech Michigan files these tariff sheets under protest, and reserves all rights regarding pending and potential legal challenges to the Commission orders noted above and to other underlying Commission orders that do or could impact the tariffs or product offerings reflected therein, including but not limited to the Commission's orders in Case No. U-11831.

By filing this tariff, Ameritech Michigan is not waiving any of its rights to contend it has the right to restrict the use of directory assistance listings. Ameritech Michigan also reserves its rights to modify this tariff accordingly, should the Federal Communications Commission or a court with applicable jurisdiction find that Ameritech Michigan can restrict the use of Directory Assistance Listings.

Please file the pages on the effective date, 4/30/02.

If you wish to make changes to your mailing label or be removed from this distribution list, please contact Michael Salazar at (210) 487-5069.

**Emma Kabzinski**  
Issues Manager - Regulatory

**Attachments**

PART 19 - Unbundled Network Elements and Number  
Portability  
SECTION 14 - Unbundled Directory Assistance  
Listing Service

Original Sheet No. 1

**1. UNBUNDLED DIRECTORY ASSISTANCE LISTING SERVICE**

(N)

**A. DESCRIPTION**

Directory Assistance Listing (DAL) Service provides access to Ameritech Michigan's directory assistance (DA) listings for Michigan end-user customers. This service is available to any requesting subscriber that is 1) a competing provider of local exchange service or 2) a directory assistance provider offering call completion services or 3) a directory assistance provider that acts as an agent of a competing provider of local exchange service or 4) an independent contractor providing directory assistance service for a qualifying entity under 2§1(b)(3), and that operates within Ameritech Michigan's service territory.

**B. TERMS AND CONDITIONS**

1. This Section applies to Unbundled Directory Assistance Listing Service provided by Ameritech Michigan, hereafter referred to as the "Company."
2. General Regulations as found in Part 2 of this Tariff and Section 1 of this Part apply to this Section unless otherwise specified in this Section or in Section 1.
3. Ameritech Michigan reserves its rights to restrict the use of the directory assistance listings to the provision of directory assistance services.

(N)

PART 19 - Unbundled Network Elements and Number  
Portability  
SECTION 14 - Unbundled Directory Assistance  
Listing Service

Original Sheet No. 2

1. UNBUNDLED DIRECTORY ASSISTANCE LISTING SERVICE (Cont'd)

(N)

**B. TERMS AND CONDITIONS (cont'd)**

4. The Company's directory assistance listing information shall at all times remain the sole property of the Company. Upon termination of the provision of Directory Assistance Listing information by the Company, the subscriber shall cease using, for any purpose whatsoever, the directory assistance listing information and shall extract and expunge all copies or any portions thereof from files and records and provide a certification from an officer of the company that all actions have been performed.
5. Directory Assistance Listings information includes the end-user's last name, first name, street number, street name, community and zip code. Non-published listings are included without telephone number information. Any information associated with a non-published listing included in this offering shall be used only for the purpose of conducting more complete and accurate searches. No part of the information associated with non-published listings shall be disclosed or used for any other purpose under any circumstances.
6. Part of the directory assistance listing information includes non-listed listings. Non-listed listings are not printed in the directory, however, they are available via directory assistance. Consistent with the end-user's desire, non-listed listings shall be used only for the provision of directory assistance service. No part of the information associated with non-listed listings shall be disclosed or used for any other purpose under any circumstances.

(N)

Issued under authority of M.P.S.C. Order dated 03/29/02 Case No. U-12320  
Issued: April 29, 2002 Effective: April 30, 2002

By Robin M. Gleason, Vice President - State Regulatory  
Detroit, Michigan

PART 19 - Unbundled Network Elements and Number  
Portability  
SECTION 14 - Unbundled Directory Assistance  
Listing Service

Original Sheet No. 3

1. UNBUNDLED DIRECTORY ASSISTANCE LISTING SERVICE (Cont'd)

(N)

**C. LIABILITY**

1. The Company makes no express or implied warranties whatsoever regarding the accuracy of the directory assistance listing information provided to the subscriber. The subscriber agrees to accept the directory assistance listing information on an "as-is" basis with all faults, errors and omissions, if any. The Company makes no warranty, expressed or implied, with respect to any listings or the information contained therein, including but not limited to warranties for merchantability or fitness for a particular purpose.
2. The subscriber hereby releases the Company from any and all liability for damages due to errors or omissions in the directory assistance listing information provided, or by reason of delay in providing the directory assistance listing information, including, but not limited to, special, indirect, consequential, punitive or incidental damages.
3. The subscriber to this offering shall indemnify, hold harmless, and defend the Company from and against any cost, damage, expense (including but not limited to reasonable attorney's fees and expenses) or liability arising in any manner out of any demand, claim, suit or judgment for damages or injuries however caused, which may arise out of the subscriber's use of the listings provided.

(N)

Issued under authority of M.P.S.C. Order dated 03/29/02 Case No. U-12320  
Issued: April 29, 2002 Effective: April 30, 2002

By Robin M. Gleason, Vice President - State Regulatory  
Detroit, Michigan

PART 19 - Unbundled Network Elements and Number  
Portability  
SECTION 14 - Unbundled Directory Assistance  
Listing Service

Original Sheet No. 4

1. **UNBUNDLED DIRECTORY ASSISTANCE LISTING SERVICE (Cont'd)**

(N)

**D. ORDERING AND PROVISIONING**

The subscriber shall contact its Company account manager to request Directory Assistance Listing information. The subscriber shall provide the Company a minimum of sixty (60) days' notice prior to the date when DAL information is desired.

The DAL information will be provided in datafiles comprised of an initial file ("base file"), and/or daily, weekly or monthly updates. Upon reasonable request, the Company will make available a quarterly list disclosing the identity of each entity that has provided its end-users' directory assistance listings to be included in the Company's database.

The subscriber may select directory assistance listings information based on the following parameters:

- Geographical selection: Listings for the entire state of Michigan only will be provided.
- Type of listing: Listings may also be selected by the type (residential, business, caption listings or any combination).

The directory assistance listing information will be supplied in the following media, which the Company's internal systems accommodate:

- Magnetic tape
- Electronic File Transfer - utilizing a file transfer protocol agreed to by the Company. Subscribers choosing electronic file transfer must supply the required data network.

The Company will provide the requesting subscriber documentation of the DAL information data elements including a record layout defining these fields.

The Company reserves the right to change the record layout or mode of transmission with sixty days written notice to DAL subscribers.

**E. RATE APPLICATION**

**DAL Initial Load**

The DAL initial load provides for the activities necessary to provide the subscriber a base file of DA listing information for the parameters selected. The most recent directory assistance listing information available is provided in the base file. This charge is applicable on a per listing basis.

(N)

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By Robin M. Gleason, Vice President - State Regulatory  
Detroit, Michigan

PART 19 - Unbundled Network Elements and Number  
Portability  
SECTION 14 - Unbundled Directory Assistance  
Listing Service

Original Sheet No. 5

1. UNBUNDLED DIRECTORY ASSISTANCE LISTING SERVICE (Cont'd)

(N)

**E. RATE APPLICATION (cont'd)**

**DAL Update**

This charge is applicable on a monthly basis. The DAL Update charge is for the provision of directory assistance listing information updates on a daily, weekly or monthly basis as requested by the subscriber. Updates will be in the same parameters as the Initial Load ordered by the subscriber, unless the subscriber specifies a different parameter.

In addition to the monthly update charge there is a charge per listing provided. Updates will include indicators for the type of activity; updates consist of new listings to DA information, deletions to previously provided DAL information and changes to existing DAL information.

**DAL Set-Up Charge**

The DAL non-recurring set-up charge provides for costs associated with establishing DAL service for the subscriber. This is a one-time charge.

**Advance Payments**

The Company may require the subscriber to make an advance payment of the estimated per listing charges for the DAL Initial Load at the time the order is taken. The Company, shall refund or bill, as appropriate, any difference between the estimated amount collected and the actual charge.

**Order Cancellation or Change**

If the subscriber cancels the order prior to the date the Company is scheduled to provide the DAL information and the Company has performed any work or incurred any expense in connection therewith, the Company will charge the cost incurred not to exceed the estimated charge for the order.

If the subscriber cancels the order on or after the date the Company is scheduled to provide the DAL information, all charges shall apply.

**Computation of Rates and Charges**

The Company shall count and bill for all listings provided to the subscriber.

Each unique DAL record shall be counted as one listing. A listing is defined as name, address, and telephone number. If additional lines of information appear such as an additional name, each such line shall be counted as a separate additional listing. Where additional information appears as a part of a listed party's name or address the Company at its option may count the same as two listings.

(N)

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Original Sheet No. 6

1. UNBUNDLED DIRECTORY ASSISTANCE LISTING SERVICE (Cont'd)

(N)

**E. RATE APPLICATION (cont'd)**

**Non-Payment of DAL Service**

The Company may suspend the provision of DAL service for non-payment upon 15 days written notice and subscriber's failure to cure within 15 days.

**F. PRICES**

	Recurring Charge	Non-Recurring Charge
DAL Initial Load, per listing	\$0.028	
DAL Update, per listing	\$0.028	
DAL Update, per month	\$1,258.69	
DAL Set-Up Charge		\$5,096.30

(N)

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