

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

In the Matter of	)	
	)	
Applications Filed by Frontier	)	<b>DA 09-1793</b>
Communications Corporation and Verizon	)	WC Docket No. 09-95
Communications Inc. for Assignment or	)	
Transfer of Control	)	

**Comments of the  
Michigan Public Service Commission**

**Introduction**

The Federal Communications Commission (FCC) released a Public Notice on August 11, 2009 (Public Notice) requesting comments with regard to the applications filed by Frontier Communications Corporation (Frontier) and Verizon Communications Inc. (Verizon) for assignment or transfer of control of licenses and authorizations from Verizon to Frontier. Specifically, the applications address the assignment or transfer of control to Frontier of certain radio licenses and domestic and international Section 214 authorizations now held by various wholly-owned subsidiaries of Verizon. The applicants state that such authority is necessary to affect the transfer of Verizon's local wireline operations serving residential, small-business, and some enterprise customers and certain long distance customers in predominantly rural and smaller city service areas in 14 states. The Michigan Public Service Commission (MPSC) appreciates the opportunity to provide input on such important issues. The MPSC does not have the benefit of explicit state statutory authority to review proposed mergers that other state commissions in the region possess. As a consequence, the MPSC must look to the FCC to ensure that the

merger is in the best interests of consumers. The MPSC offers the following comments to the FCC regarding the applications.

## **Discussion**

In Frontier's Exhibit 1, Frontier states that the proposed transaction will "promote broadband deployment and investment" in rural areas and that the company plans to participate in the Federal broadband funding program. Frontier suggests that increased availability of broadband service will help to retain customers and reduce the access line loss that Verizon has recently been experiencing in rural areas. Frontier's application also states that Frontier will continue to practice its "innovative customer service programs, such as its program to assist new subscribers for broadband services by sending a technician to a customer's home to set up service and ensure that consumers are comfortable navigating and using high-speed services in the home." The MPSC is encouraged by Frontier's stated intention of continued rural broadband development, but the MPSC seeks the FCC's assistance in ensuring that Frontier follows through with its proposed plan.

Because the MPSC has no jurisdiction over the merger between Frontier and Verizon, the MPSC has been monitoring the efforts of other states regarding the proposed merger. Several states, including Illinois, West Virginia, Ohio, and California, have opened dockets to take comments, both from the public and from other companies, regarding the merger. If any of these states impose conditions on the merger, the MPSC requests that the FCC impose similar conditions on the merger such that the conditions apply to all states impacted by this transaction.

The MPSC also encourages the FCC to look at the commitments agreed to in the CenturyTel and Embarq merger<sup>1</sup> and consider requiring similar commitments for Frontier and Verizon. Additionally, the FCC should consider any additional commitments necessary to avoid problems encountered in other mergers.

## **Conclusion**

In light of the limited ability of the MPSC to review the Frontier/Verizon merger transaction, the MPSC requests the FCC protect the interests of Michigan consumers by undertaking a thorough review of the applications and imposing merger commitments as needed. Specifically, the FCC can promote broadband development in Michigan, as well as in the other states impacted by this transaction by adopting requirements to ensure that Frontier delivers on its stated plans regarding the development of broadband in rural areas.

Respectfully submitted,

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Signed: September 21, 2009

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<sup>1</sup> In the Matter of Applications Filed for the Transfer of Control of Embarq Corporation to CenturyTel, Inc., WC Docket No. 08-238; FCC 09-54. FCC Memorandum Opinion and Order, Adopted June 24, 2009 and released June 25, 2009, Appendix C, *Conditions*.