



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
PUBLIC SERVICE COMMISSION

ANDREW S. LEVIN
ACTING DIRECTOR

Monica Martinez Orjiakor N. Isiogu Greg R. White
COMMISSIONER CHAIRMAN COMMISSIONER

September 14, 2010

Ms. Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Ms. Karen Majcher, Vice President
High Cost and Low Income Division
Universal Service Administration Company
1000 L. Street, NW Suite 200
Washington, DC 20036

RE: Section 54.316 of the FCC’s Rules: Certification of new rate comparability review for non-rural carriers serving in rural areas of calendar year 2011 support.

Dear Ms. Dortch and Ms. Majcher:

In reviewing the requirements for Michigan to qualify to use the “safe harbor” provision of CC Docket No. 96-45, FCC 03-249, Michigan’s statewide average cost for basic local telephone service must fall within two standard deviations of the FCC’s national benchmark figure \$36.52.

The Michigan Public Service Commission submits the required annual 2010 data in order to qualify Michigan Eligible Telecommunications Carriers (ETC) to receive 2011 USF support. Michigan’s non-rural ETCs are AT&T Michigan; Frontier Midstates, Inc. fka Contel of the South, Verizon North Systems; Frontier North, Inc. fka Verizon North, Inc. Their current rates for basic local telephone service are:

<u>Company</u>	<u>Monthly Local Rate</u>	<u>Additional Factor</u>	<u>Total Cost</u>
AT&T Michigan	\$14.38	\$8.78	\$23.16
Frontier Midstates, Inc. fka Contel of the South, Verizon North Systems	\$20.41	\$8.78	\$29.19
Frontier North, Inc. fka Verizon North, Inc.	\$20.43	\$8.78	\$29.21

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Given these rates fall well within the required range of the established benchmark, Michigan again asks to use the safe harbor provision to meet the requirements of certifying for rate comparability.

Please feel free to contact me with any questions. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Robin P. Ancona". The signature is written in a cursive style with a large, looped initial "R".

Robin P. Ancona, Director
Telecommunications Division