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RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

STEVEN H. HILFINGER
DIRECTOR

ORJIAKOR N. ISIOGU GREG R. WHITE
CHAIRMAN COMMISSIONER

September 27, 2011

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 2012 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 urban rate for basic local telephone service must fall within two standard deviations of the FCC's national benchmark figure \$37.36.

The Michigan Public Service Commission submits the required annual 2011 data in order to qualify Michigan Eligible Telecommunications Carriers (ETC) to receive 2012 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 average rates for basic local telephone service are:

<u>Company</u>	<u>Monthly Local Rate</u>	<u>Federal Subscriber Line Charge</u>	<u>Taxes and 911</u>	<u>Average Rate</u>
AT&T Michigan	\$14.66	\$5.34	\$2.85	\$22.85
Frontier Midstates, Inc. fka Contel of the South, Verizon North Systems	\$20.41	\$6.50	\$3.37	\$30.28
Frontier North, Inc. fka Verizon North, Inc.	\$20.43	\$6.50	\$3.37	\$30.30

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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,



Robin P. Ancona, Director
Telecommunications Division