

**Competitive Market Conditions
Mid-year Update**

**Survey of
Top 15 CLECs in Michigan**

U-12320

October 2002

The Michigan Public Service Commission Staff conducted a mid-year survey of Ameritech Michigan and 15 Competitive Local Exchange Carriers (CLECs) in Michigan to update the survey results from 12/31/01. This survey was sent out to the top 15 CLECs in the state of Michigan as identified by the results of the survey from the December 31, 2001 data. The data collected was for the mid-year ending June 30, 2002. The top 15 CLECs represent 96% of the CLEC lines from 12/31/01 so for ease of administration and timeliness of the response only the top 15 CLECs were surveyed. This information was gathered to assist the Commission in furthering its evaluation of the state of local competition in Michigan.

The original survey vehicle was developed through a collaborative process set forth in the Commission's order in docket U-12320 in 2000. This survey requests some information that the companies consider confidential. The results of this survey are reported as total group numbers to maintain the confidentiality of the individual company numbers.

Attachment A is a chart that indicates the number of lines attributed to CLECs in Michigan as submitted by the CLECs responding to this survey. Ameritech also reported similar information they have pertaining to the number of lines that they provide to the CLECs although they also estimate the total population of CLEC lines in Michigan. There is a discrepancy between what Ameritech reports and what the CLECs report. This can be attributed to what Ameritech estimates as the number of lines that the CLECs provide totally over their own facilities and what the CLECs report as actual for this category.

From the data compiled through this survey (Attachment A), staff has found that the number of lines provided by the 15 CLECs (including over their own facilities) is 1,118,437. This represents an increase of 261,206 lines over the 12/31/01 figures for this same group of 15 CLECs and this represents a 30% increase for the six-month period. Ameritech reports that their number of access lines for the period ending 6/30/02 is 4,609,518. The number of CLEC lines compared to the total population of CLEC plus Ameritech lines is 20%. That same figure at the 12/31/01 point was 15%. The CLEC lines are comprised of 65% residential customers and 35% business customers. The Staff does not attest to the accuracy of Ameritech's or the CLEC numbers as this is what is reported to the Commission and no independent verification process has been undertaken. This survey is an attempt to assess the trends in activity of CLECs in Michigan and to evaluate the progress of competition.

**Competitive Market Conditions
Mid-Year Data Request of top 15 CLECs in Michigan
CLEC Access Line Data
For the Period Ending June 30, 2002
As Reported by CLECs**

1. Lines Served via Resale of ILECs service	47,609
2. Lines Served via Unbundled Network Facilities	197,148
3. Lines Served via UNE Platform	724,970
4. Other Dedicated LEC Access Lines	<u>33,619</u>
5. Total via ILEC Facilities (Lines 1 + 2 + 3 + 4)	1,003,346
6. Lines Served via CLEC Own Facilities	113,786
7. xDSL Lines	<u>1,305</u>
8. Total Lines Served (Lines 5 + 6 + 7)	1,118,437

This survey was sent to the top 15 CLECs as identified as of 12/31/01 as a mid-year update to our annual survey. The Business/Residential split for mid-year 2002 is as follows:

Business Lines	393,306	35%
Residential Lines	<u>725,131</u>	65%
Total Lines	1,118,437	