

MICHIGAN EXCHANGE CARRIERS ASSOCIATION, INC.

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October 2, 2007

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Hiawatha
Communications, Inc.

David Schroeder
Ace
Communications Group

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way, P.O. Box 30221
Lansing, MI 48909

Re: Joint Application by TDS Telecom and
TelNet Worldwide, Inc. for Approval
of Reciprocal Compensation Agreement

FILED

OCT 02 2007

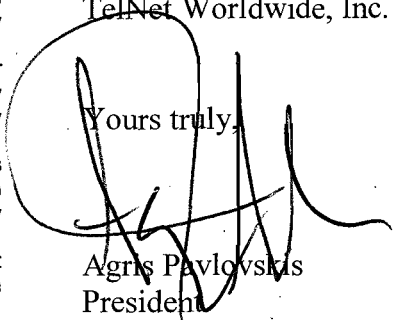
MICHIGAN PUBLIC SERVICE
COMMISSION

U-15432

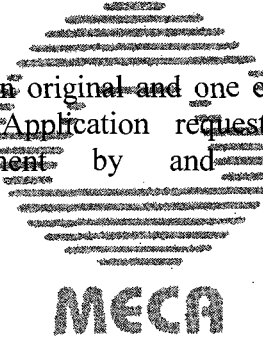
Dear Ms. Kunkle:

Enclosed for filing are an original and one copy of a Reciprocal Compensation Agreement and Joint Application requesting approval of the Reciprocal Compensation Agreement by and between TDS Telecom and TelNet Worldwide, Inc.

Yours truly,



Agris Pavlovskis
President



Enclosures

FILED

OCT 02 2007

MICHIGAN PUBLIC SERVICE
COMMISSION

State of Michigan

Before the Michigan Public Service Commission

In Re: The Request For Commission Approval)
Of A Reciprocal Compensation Agreement)
Arrived At Through Voluntary Negotiations)
Between TDS Telecom And TelNet Worldwide,)
Inc.)

U-15432

JOINT APPLICATION

Chatham Telephone Company d/b/a TDS Telecom, Communications Corporation of Michigan d/b/a TDS Telecom, Island Telephone Company d/b/a TDS Telecom, Shiawassee Telephone Company d/b/a TDS Telecom, and Wolverine Telephone Company d/b/a TDS Telecom, collectively (“TDS”) and TelNet Worldwide, Inc. (“TelNet”) hereby jointly apply to the Michigan Public Service Commission (“Commission”) for approval within ninety (90) days, pursuant to and in accordance with Section 252(e) of the Federal Telecommunications Act of 1996 (“Act”), Pub. L. No. 104-104, 110 Stat. 56 (1996) [codified at 47 U.S.C. Section 252(e)] and pursuant to Section 203(1) of the Michigan Telecommunications Act (“MTA”), as amended, MCL 484.2203(1) an Interconnection and Reciprocal Compensation Agreement, arrived at through voluntary negotiations between TDS and TelNet. A copy of this Agreement is attached hereto as Exhibit A and incorporated herein by reference. This submission is made pursuant to the Act. Applicants respectfully request Commission action on this submission in accordance with the Act. In support thereof, TDS and TelNet submit the following information:

1. TDS Telecom is a corporation with offices located 525 Junction Road, Madison, WI 53705. The TDS Telecom operating companies are an incumbent local

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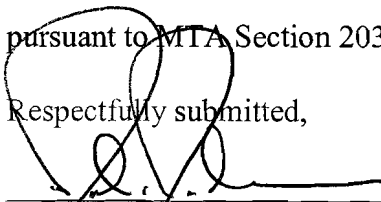
exchange carrier ("ILEC") engaged in the provision of telecommunications services to its customers and the general public within its certified territory in the state of Michigan.

2. TelNet Worldwide, Inc. is a corporation organized in Michigan with its principal offices located at 1175 West Long Lake Road, Suite 101, Troy, MI 48098. TelNet is a competitive local exchange carrier ("CLEC") and is engaged in the provision of telecommunications services to its customers and the general public within its certified territory in the state of Michigan.
3. This Agreement was arrived at through voluntary negotiations between the parties as contemplated by Section 251 of the Act.
4. The Agreement establishes an Interconnection and Reciprocal Compensation arrangement for the termination of telecommunications traffic that originates on the other party's network.
5. Pursuant to Section 252(a)(1) of the Act, an agreement arrived at through negotiations is to be submitted to the state commission and Section 252(e)(1) provides that the state commission shall approve or reject the agreement, with written finding as to any deficiencies. Pursuant to Section 252(e)(2), this Commission may only reject the agreement if the Commission finds that:
 - (a) the agreement (or portions thereof) discriminates against any telecommunications carrier not a party to the agreement; or
 - (b) the implementation of such agreement (or portions thereof) is not consistent with the public interest, convenience, and necessity.

6. As contemplated by Section 252(e)(2)(a) and (b), the Agreement does not discriminate against any telecommunications carrier not a party to the Agreement and the implementation of the Agreement is consistent with the public interest, convenience and necessity. TDS will make these arrangements available to any other requesting carrier operating with the same service territories in Michigan on the same terms and conditions as those provided in the Agreement in accordance with Section 252(I) of the Act. The Agreement will not preclude different arrangements with other telecommunications carriers. Other telecommunications carriers may negotiate their own arrangements with TDS pursuant to applicable provision of the Act.
7. TDS respectfully requests the Commission approve the Agreement. This request is made in accordance with Section 252(e)(4) of the Act. This provision provides that the Agreement shall be approved if the Commission does not act to approve or reject the agreement within ninety (90) days after the submission by the parties.
8. Paul Pederson – 525 Junction Road, Madison, WI 53705, is the contact person for TDS.
9. Mark Iannuzzi – West Long Lake Road, Suite 101, Troy, MI 48098 is the contact for TDS.

WHEREFORE, applicants jointly request Commission approval of the Agreement pursuant to MTA Section 203(1) and 252(e) of the Act

Respectfully submitted,



Paul Pederson
TDS Telecom
525 Junction Road, Madison, WI 53705

Date: 9/17/07

Attachment-Exhibit A:
Agreement with original signatures

**AGREEMENT REGARDING RECIPROCAL COMPENSATION
ARRANGEMENT**

1. This Agreement is by and between TelNet Worldwide, Inc. ("TelNet") on the one hand and TDS Telecommunications Corporation, as agent for the Michigan operating companies listed in Attachment A (the "Telephone Company") on the other hand. Hereinafter, "Party" means either TelNet or the Telephone Company and "Parties" means TelNet and the Telephone Company.

2. The Parties agree to, and the Telephone Company hereby establishes, a reciprocal compensation arrangement for the transport and termination of local telecommunications traffic between the Telephone Company and TelNet. This arrangement is established by adopting the procedures, terms and conditions of Michigan Exchange Carriers Association ("MECA") MPSC Tariff No. 23R, Section 8 as the Telephone Company's procedures, terms and conditions. The Telephone Company will provide Local Transport and Termination Service to TelNet in accordance with these procedures, terms and conditions. The Parties recognize that the terms and conditions in the tariff may be changed by MECA in accordance with standard business practice, and any such changes will then apply.

3. TelNet agrees to pay the Telephone Company's cost-based rates for Local Transport and Termination Service pursuant to the Telephone Company's MPSC-approved Total Service Long Run Incremental Cost ("TSLRIC") study, which rates are set forth in Company's M.P.S.C. No. 10 Local Call Termination Service tariff. The Telephone Company is not precluded from changing the rates in accordance with changes in its TSLRIC or in accordance with orders issued by the MPSC.

4. The Telephone Company agrees to pay TelNet for terminating the Telephone Company's local traffic the negotiated rate per minute of use listed below.

Local traffic terminated by TelNet: \$0.0008/minute

5. This Agreement shall be governed by and construed in accordance with the laws of the state of Michigan without reference to choice of law rules or principles. In the event that a court or agency with jurisdiction over the Telephone Company in the future issues an order that symmetrical rates apply to the traffic exchanged between the Telephone Company and TelNet, this agreement will automatically be cancelled on the effective date of the order.

6. This Agreement is agreed to and effective when signed by each of the parties on the dates indicated and may be executed in any number of counterparts.

7. This Agreement, including all documents attached or referenced herein, constitute the entire agreement regarding the matter addressed herein, and supersede all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter.

8. This Agreement shall not be more strictly construed against one party over the other party solely because such party may have prepared this Agreement.

Attachment A

**Schedule of TDS Telecommunications
Michigan Companies**

Chatham Telephone Company d/b/a TDS Telecom
Communications Corporation of Michigan d/b/a TDS Telecom
Island Telephone Company d/b/a TDS Telecom
Shiawassee Telephone Company d/b/a TDS Telecom
Wolverine Telephone Company d/b/a TDS Telecom

9. Upon 30 days written notice, either the Telephone Company or TelNet may terminate this Agreement.

TDS TELECOMMUNICATIONS CORPORATION, not individually but as agent for the operating companies listed on Attachment A

Dated: Sept 12, 2007

By: Katherine S. Barakou
Its: Director, Carrier Relations

TELNET WORLDWIDE, INC.

Dated: Sept 1, 2007

By: [Signature]
Its: President

Signature page to Reciprocal Compensation Agreement between TDS Telecommunications Corporation (MI Cos.) and TelNet Worldwide, Inc. dated .