

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)
to consider the total service long run incremental)
costs for all access, toll, and local exchange)
services provided by **AMERITECH MICHIGAN**.)
_____)

Case No. U-11831

At the March 8, 1999 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
 Hon. David A. Svanda, Commissioner

ORDER MODIFYING SCHEDULE

Pursuant to the Commission's September 8, 1994 order in Case No. U-10620 and its
December 12, 1996 order in Case No. U-11103, Ameritech Michigan is required to submit an
updated cost study every two years. The biennial cost studies are necessary to determine the
company's total service long run incremental cost (TSLRIC) of providing its various telecom-
munication services, as required by Section 202(a) of the Michigan Telecommunications Act,
MCL 484.2202(a); MSA 22.1469(202)(a). Because Ameritech Michigan last submitted a biennial
cost study in January 1997, an updated study was due during January 1999.

On November 5, 1998, the Commission issued an order in this case establishing the following
schedule for examining Ameritech Michigan's biennial cost study:

- January 21, 1999 Ameritech Michigan shall file comprehensive TSLRIC and resale cost studies concerning, at a minimum, all of its access, toll, and local exchange services provided in Michigan. These cost studies should specifically indicate which, and to what extent, the various cost components are being assigned to each of the myriad access, toll, and local exchange service charges imposed by Ameritech Michigan.
- January 25, 1999 Interested persons shall file notice of intent to participate.
- February 4, 1999 Prehearing conference.
- March 25, 1999 Parties shall file initial comments regarding Ameritech Michigan's filing.
- April 15, 1999 Parties shall file responses to the March 25, 1999 filings.
- April 29, 1999 Parties shall file replies to the April 15, 1999 filings.

On February 10, 1999, Ameritech Michigan filed a petition to modify the schedule. In support of its petition, Ameritech Michigan notes that (1) numerous parties have elected to participate in these proceedings, (2) the Administrative Law Judge assigned to this case ruled that discovery could be obtained by deposing any or all of the approximately 13 witnesses that the various parties intend to sponsor, and (3) although the schedule initially established in this case provided the Commission Staff (Staff) and all intervenors with up to nine weeks to review Ameritech Michigan's January 21, 1999 filing and conduct discovery before they were required to submit their own comments, it provided Ameritech Michigan -- or any other interested party -- with only three weeks in which to review those comments, conduct discovery, and file a response. Ameritech Michigan argues that three weeks is clearly "insufficient time" to complete those tasks, particularly in light of the number of parties that will likely file comments on March 25, 1999. Ameritech Michigan's petition, p. 3. Therefore, Ameritech Michigan requests that the Commission amend the schedule to extend by

three weeks the interval between the filing of initial comments by the Staff and the intervenors on March 25, 1999 and the deadline for the submission of responses to those comments.¹

On February 17, 1999, AT&T Communications of Michigan, Inc., (AT&T) filed a response to Ameritech Michigan's petition. However, the stated purpose of that response was merely to "correct [Ameritech Michigan's] characterization of AT&T's position on discovery." AT&T's response, p. 1. With regard to Ameritech Michigan's specific request to modify the schedule, AT&T states that it "defers to the discretion of the Commission to do whatever it deems just and appropriate."

On March 1, 1999, MCI Telecommunications Corporation, MCImetro Access Transmission Services, Inc., WorldCom Technologies, Inc., WorldCom Network Services, Inc., Brooks Fiber Communications of Michigan, Inc., and MFS Intelenet of Michigan, Inc., (collectively, MCI) also responded to Ameritech Michigan's petition. Although not directly opposing Ameritech Michigan's request, MCI asserts that the Commission should consider two additional factors before issuing a revised schedule. First, MCI notes that due to gaps in the supporting documentation filed with Ameritech Michigan's cost studies, and because of Ameritech Michigan's inability to respond to discovery on a timely basis, the Staff and the intervenors are having difficulty preparing their initial comments. Thus, MCI asserts, any revision to the schedule in this case should also provide parties an additional week for filing those comments. Second, MCI is concerned that Ameritech Michigan may attempt to add witnesses and supporting evidence at the last minute, and therefore suggests that the new schedule be designed in a way that ensures an adequate opportunity to examine and respond to that information.

¹Ameritech Michigan's petition goes on to note that granting its request would also necessitate extending the deadline for filing replies to responses.

The Commission finds that for the reasons stated by Ameritech Michigan, the schedule should be modified to extend by three weeks the period between the filing of initial comments and the submission of both responses and replies. It further concludes that, because of delays in Ameritech Michigan's responses to discovery submitted by the Staff and the intervenors, the deadline for filing initial comments regarding Ameritech Michigan's cost studies should be extended by one week, as requested by MCI.² This results in the following revised schedule concerning the remainder of the proceedings in this case:

April 1, 1999	Parties shall file initial comments regarding Ameritech Michigan's filing.
May 13, 1999	Parties shall file responses to the April 1, 1999 filings.
May 27, 1999	Parties shall file replies to the May 13, 1999 filings.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1991 PA 179, as amended, MCL 484.2101 et seq.; MSA 22.1469(101) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACRS, R 460.17101 et seq.
- b. Ameritech Michigan's request to extend the schedule, as modified in this order, should be granted.

²In reaching this conclusion, the Commission finds that MCI's second request to alter the schedule is premature. Attempts by any party to gain a tactical advantage by withholding pertinent information until late in the proceedings can be dealt with if and when they occur.

c. The parties' deadlines for filing initial comments to Ameritech Michigan's cost studies, responses to those comments, and replies to responses shall be extended to April 1, May 13, and May 27, 1999, respectively.

THEREFORE, IT IS ORDERED that the schedule established by the Commission's November 5, 1998 order in this case should be modified to extend, in the manner set forth in this order, the deadlines for filing (1) initial comments regarding Ameritech Michigan's 1999 cost studies, (2) responses to the initial comments, and (3) replies to those responses.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand

Chairman

(S E A L)

/s/ David A. Svanda

Commissioner

By its action of March 8, 1999.

/s/ Dorothy Wideman

Its Executive Secretary

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THEREFORE, IT IS ORDERED that the schedule established by the Commission's November 5, 1998 order in this case should be modified to extend, in the manner set forth in this order, the deadlines for filing (1) initial comments regarding Ameritech Michigan's 1999 cost studies, (2) responses to the initial comments, and (3) replies to those responses.

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Suggested Minute:

“Adopt and issue order dated March 8, 1999 granting, with modification, the request by Ameritech Michigan to revise the schedule in this case, as set forth in the order.”