

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)
for **ACI COMMUNICATIONS, INC.**, to)
show cause why it has not violated Section 505 of)
the Michigan Telecommunications Act.)
_____)

Case No. U-11917

At the February 26, 1999 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

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

ORDER TO SHOW CAUSE

On July 16, 1998, Governor John Engler signed into law Public Acts 259 and 260 of 1998 amending the Michigan Telecommunications Act, 1991 PA 179, as previously amended by 1995 PA 216, MCL 484.2101 et seq.; MSA 22.1469(101) et seq. (the Act). Specifically, the recent amendments prohibit a telecommunications provider from switching an end user to another provider without the authorization of the end user. Those amendments further provide certain penalties and remedies in the event a provider violates these laws.

On September 23, 1998, the Commission issued an order in Case No. U-11757 establishing the procedures under which the Commission will administer the new acts. Among other things, the Commission's "Procedures for Changing Telecommunications Service Providers" establish the following:

Section 3. Violation of PIC or LEC Change Verification Procedures.

(a) No telecommunications service provider shall submit, or execute on its own behalf, a change in a customer's selection of a service provider except in accordance with the verification procedures prescribed in Section 505 of [the Act], MCL 484.2505; MSA 22.1469(505) and as further defined in these rules or Commission orders pursuant to Section 505.

(b) Any individual, corporation, partnership, association, governmental entity, or other legal entity, including the Commission, having knowledge of a violation of paragraph (a) of this section may initiate an action against a telecommunications service provider for failure to adhere to the PIC or LEC change verification procedures prescribed in Section 505 of the Act. Any such action will be treated as a complaint case under Section 203 of the Act, MCL 484.2203; MSA 22.1469(203), and will be processed in accordance with the Administrative Procedures Act and the Commission's Rules of Practice and Procedure.”

Exhibit A, September 23, 1998 order, Case No. U-11757, (emphasis added).

Based on correspondence received by the Commission and telephone complaints, the Commission has reason to believe that ACI Communications, Inc., (ACI) has violated the provisions of the Act and the Commission's September 23, 1998 order in Case No. U-11757. A list of the possible violations is attached as Exhibit A.¹

ACI is ordered to prove that the telecommunications provider switches associated with those persons identified on Exhibit A were processed in a manner consistent with the Act and the procedures established in Case No. U-11757. Proof shall include copies of documentation or recordings that confirm the appropriate utilization of one of the five verification methods authorized by the Commission, namely:

1. Written letter of agency.
2. Electronic authorization by use of a toll free number.
3. Independent third party verification.
4. Return of a prepaid post card verifying the order to change providers.

¹The exhibit is not attached to copies of this order.

5. Three way conference calls with the consent of the customer.

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 AACCS, R 460.17101 et seq.

- b. There is reason to believe that ACI has violated the Act and the procedures for changing telecommunications providers established in Case No. U-11757.

THEREFORE, IT IS ORDERED that:

- A. ACI Communications, Inc., is to show cause why the switches identified in Exhibit A were not in violation of the Michigan Telecommunications Act and the procedures established in the September 23, 1998 order in Case No. U-11757.

- B. ACI Communications, Inc., shall have 21 days to respond fully with proof supporting each change in providers identified in Exhibit A.

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 February 26, 1999.

/s/ Dorothy Wideman
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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Suggested Minute:

“Adopt and issue order dated February 26, 1999 requiring ACI Communi-
cations, Inc., to show cause why it has not violated Section 505 of the
Michigan Telecommunications Act, as set forth in the order.”