

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,	)	
of a legislative-type inquiry into the quality of	)	
telecommunication services of Ameritech	)	Case No. U-12571
Michigan.	)	

In the matter, on the Commission's own motion,	)	
to establish service quality standards, including	)	Case No. U-12598
enforcement provisions, for Ameritech Michigan.	)	

In the matter, on the Commission's own motion,	)	
for Ameritech Michigan to show that its treatment	)	Case No. U-12599
of customers requesting repair service is in	)	
compliance with the Commission's rules and the	)	
Michigan Telecommunications Act.	)	

At the December 20, 2000 meeting of the Michigan Public Service Commission in Lansing, Michigan.

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

**ORDER APPROVING SETTLEMENT AGREEMENT**

On September 7, 2000, the Commission, acting on its own motion, initiated a contested case proceeding in Case No. U-12598 for the purpose of establishing service quality standards, including enforcement provisions, to address Ameritech Michigan's recent service quality problems. Pursuant to that order, Ameritech Michigan filed its proposed service quality standards

on September 28, 2000. Subsequently, Attorney General Jennifer M. Granholm (Attorney General), AT&T Communications of Michigan, Inc./TCG Detroit (collectively, AT&T), WorldCom, the Michigan Pay Telephone Association (MTPA), XO Michigan, Inc., and KMC Telecom intervened in the case. The Commission Staff (Staff) also participated in the case.

As required by the Commission's order in Case No. U-12598, a prehearing conference was held on October 5, 2000, during which a schedule was set by Administrative Law Judge George Schankler (ALJ). On October 19, 2000, the Staff and the Attorney General filed proposed service quality standards. On October 27, 2000, Ameritech Michigan filed rebuttal testimony. An evidentiary hearing was conducted on November 3, 2000. Initial briefs were submitted by Ameritech Michigan, the Staff, the Attorney General, and AT&T on November 9, 2000, and reply briefs were submitted on November 15, 2000.

At the same time that Case No. U-12598 was being heard, several other cases concerning aspects of Ameritech Michigan's service quality were also before the Commission. On August 17, 2000, the Commission issued an order in Case No. U-12571 initiating a legislative-type inquiry into the quality of telecommunication services of Ameritech Michigan. In compliance with that order, Ameritech Michigan provided information regarding the quality of its telecommunication services. And, on September 7, 2000, the Commission, acting on its own motion, issued an order in Case No. U-12599 requiring Ameritech Michigan to show that its administration of the provisions for out-of-service bill credits was being done in compliance with the Commission's rules and the Michigan Telecommunications Act, MCL 484.2101 et seq.; MSA 22.1469(101) et seq. Ameritech Michigan filed a response as required by the Commission's order.

During the course of Case No. U-12598, the Staff, the Attorney General, and Ameritech Michigan conducted discussions in an attempt to resolve matters at issue in these proceedings.

Those discussions culminated in a settlement agreement that was accepted by Ameritech Michigan, the Staff, and the Attorney General. The settlement agreement, attached to this order as Exhibit A, becomes effective by its terms 60 days after the issuance of this order and continues in effect until September 1, 2001, or any earlier date on which new or revised service quality rules are adopted by the Commission. The settlement agreement contains provisions under which it may be extended up to December 1, 2001 under certain conditions.

The Commission is persuaded—based on the filings in Cases Nos. U-12571, U-12598, and U-12599, as well as the settlement agreement that has been submitted to the Commission—that Ameritech Michigan is making significant headway in addressing its service quality problems. The interim commitments made by Ameritech Michigan in Case No. U-12571, as well as the additional commitments agreed to by Ameritech Michigan in the settlement agreement, will help ensure that Ameritech Michigan customers do not experience unreasonable delays in out-of-service repairs and installation commitments.

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. The settlement agreement is reasonable and in the public interest, and should be approved.

c. The parties to Case No. U-12598 that have not signed the agreement have either filed statements of non-objection, failed to object, or have not presented an adequate basis for the Commission to reject the proposed settlement agreement.<sup>1</sup>

d. These dockets should be closed.

THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached to this order as Exhibit A, is approved.

B. Ameritech Michigan shall commence providing basic local exchange service in accordance with the service quality standards set forth in the settlement agreement.

C. The dockets in Cases Nos. U-12571, U-12598, and U-12599 are closed.

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

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<sup>1</sup> WorldCom objects only to closing Case No. U-12571, the legislative-type inquiry. It has not explained why the Commission cannot close an inquiry that it began on its own motion. WorldCom remains free to raise its substantive concerns elsewhere.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand  
Chairman

( S E A L )

/s/ David A. Svanda  
Commissioner

/s/ Robert B. Nelson  
Commissioner

By its action of December 20, 2000.

/s/ Dorothy Wideman  
Its Executive Secretary

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Case No. U-12571

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Case No. U-12599

Suggested Minute:

“Adopt and issue order dated December 20, 2000 approving the settlement agreement addressing quality of service issues for Ameritech Michigan, as set forth in the order.”