

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the joint application of )  
AMERITECH MICHIGAN and VERIZON )  
NORTH INC. for approval of alterations to the )  
geographic areas of their licenses to provide )  
basic local exchange service. )  
\_\_\_\_\_ )

Case No. U-12809

At the July 11, 2001 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Laura Chappelle, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**OPINION AND ORDER**

On February 2, 2001, Ameritech Michigan and Verizon North Inc. (Verizon) filed a joint application, pursuant to MCL 484.2303; MSA 22.1469(303), for approval to alter the geographic areas of their licenses to provide basic local exchange service. Ameritech Michigan and Verizon proposed to transfer certain territory from Verizon's DeWitt Exchange to Ameritech Michigan's Lansing Exchange. The applicants represented that the transfer would facilitate the provision of service to a subdivision in the most economical and uniform manner.

After a review of the application, the Commission found, in an order issued April 17, 2001, that it is consistent with the competitive purposes of the Michigan Telecommunications Act, MCL 484.2101 et seq.; MSA 22.1469(101) et seq., (MTA) to amend Ameritech Michigan's

license as proposed. On the other hand, the Commission concluded that it should conduct a hearing on Verizon's request to amend its license.

On May 14, 2001, Verizon filed a request to withdraw as a party and joint applicant. Verizon stated that the purpose of the application—to facilitate the provision of service to a new subdivision in the most economical and uniform manner—has been accomplished by amending Ameritech Michigan's license to permit it to serve that area and that it is not necessary under the MTA to alter Verizon's license to delete that area from its service territory.

The Commission is pleased that Verizon now recognizes that the purposes of the MTA do not require that the territory at issue be transferred to Ameritech Michigan. Its decision to withdraw the application creates at least the theoretical possibility of competition in that small area that Ameritech Michigan was once barred from serving. On the other hand, the Commission reminds Verizon that the competitive purposes of the MTA envision competition that is more than theoretical and occurs on a large scale. The Commission therefore takes this opportunity to require Verizon to explain how its conduct in Michigan to date has been consistent with the MTA. Within 30 days, Verizon shall file in this docket complete answers to the following questions:

1. Why is Verizon not actively competing in Michigan, particularly in exchanges that have traditionally been served by Ameritech Michigan?
2. Why is there little, if any, local competition in the Michigan exchanges that have traditionally been served by it?
3. Why has it not made available to its customers the choice of service providers that its affiliate has made available in New York and Massachusetts?
4. When will Verizon begin competing in the Detroit metropolitan area as required by the Federal Communications Commission order approving the merger between GTE and Bell Atlantic?
5. What changes in circumstances are required to facilitate greater local competition in Verizon's Michigan exchanges?

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. Verizon's motion to withdraw its request to amend its license to provide basic local exchange service should be approved.

c. Verizon should file answers to the questions set out in this order.

THEREFORE, IT IS ORDERED that:

A. The motion of Verizon North Inc. to withdraw its request to amend its license to provide basic local exchange service is approved.

B. Verizon North Inc. shall file in this docket, within 30 days, answers to the questions set forth above.

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

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ Laura Chappelle  
Chairman

( S E A L )

/s/ David A. Svanda  
Commissioner

/s/ Robert B. Nelson  
Commissioner

By its action of July 11, 2001.

/s/ Dorothy Wideman  
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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Chairman

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Commissioner

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Commissioner

By its action of July 11, 2001.

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Suggested Minute:

“Adopt and issue order dated July 11, 2001 granting the motion of Verizon North Inc. to withdraw its request to amend its license to provide basic local exchange service and requiring it to submit answers to certain questions, as set forth in the order.”