

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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| In the matter, on the Commission's own motion, to) investigate and to implement, if necessary, a batch) cut migration process.) _____) | Case No. U-13891 |
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At the September 30, 2003 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. J. Peter Lark, Chair
Hon. Robert B. Nelson, Commissioner

ORDER COMMENCING PROCEEDING

On February 20, 2003, the Federal Communications Commission (FCC) announced that it was adopting rules in its Triennial Review proceeding¹ that will affect how incumbent local exchange carriers (ILECs) meet their statutory obligations to make unbundled network elements (UNEs) available to new entrants.

In an order issued on May 28, 2003 in Case No. U-13796, the Commission commenced a proceeding to facilitate the implementation of the FCC's anticipated Triennial Review Order (TRO) by soliciting input from stakeholders. In so doing, the Commission requested comments on certain specific issues.

¹ Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket No. 01-338, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147.

On August 21, 2003, the FCC released the text of its TRO, which was published in the Federal Register on September 2, 2003 and which will become effective on October 2, 2003. Among other things, the TRO requires state commissions to approve, within nine months of the effective date of the TRO, or by July 2, 2004, a batch cut migration process² to be implemented by ILECs that will address the costs and timeliness of the hot cut process. Alternatively, state commissions must make detailed findings explaining why such a process is not necessary in a particular market. On August 26, 2003, the Commission sought comments on the TRO implementation, including the batch cut migration process.

As an initial matter, the TRO directs that state commissions should adopt a batch cut-over “increment” for migrating customers served by unbundled loops combined with unbundled local circuit switching to unbundled stand-alone loops. In other words, states are to decide the appropriate volume of loops that should be included in the “batch.” In conjunction with ILECs and competitive local exchange carriers (CLECs), states are required to approve specific processes to be employed when performing a batch cut. The processes adopted will necessarily vary based on the relevant ILEC’s particular network design and cut-over practices. Generally, however, the FCC expects these processes to result in efficiencies associated with performing tasks once for multiple lines that would otherwise have been performed on a line-by-line basis.

In light of the monumental task of implementing the TRO within the timeframe required by the FCC, the Commission finds that the batch cut migration process issue should be considered

² A batch cut migration process is defined as a process by which the ILEC simultaneously migrates two or more loops from one carrier’s local circuit switch to another carrier’s local circuit switch, giving rise to operational and economic efficiencies not available when migrating loops from one carrier’s local circuit switch to another carrier’s local circuit switch on a line-by-line basis.

separately from the remainder of the TRO issues. Accordingly, the Commission commences this docket for purposes of addressing the batch cut migration process.

The Commission is persuaded that the initial step in the process of determining a batch cut migration process should be a prehearing conference. Therefore, the Commission invites all interested persons to attend a prehearing conference at 10:00 a.m. on October 13, 2003. At that prehearing conference, the administrative law judge assigned to this matter shall set a schedule for this case, which shall allow for collaborative meetings among the interested persons who choose to participate in this case. It is the Commission's hope that many of the batch cut issues will be resolved through the collaborative process and perhaps a regional solution can be reached. In this connection, the Commission notes that the batch cut migration process will be considered at a regional workshop attended by state commissions from all of the former Ameritech states in Chicago on October 16 and 17, 2003. The Commission directs the Commission Staff to participate in these collaboratives and workshops. Further, to facilitate the commencement of the collaborative process, the Commission directs that all persons desiring to participate in this proceeding shall file a notice of intent to participate in this docket by October 9, 2003.

The Commission has selected this case for participation in its Electronic Filings Program. Documents filed in this case must be submitted in both paper and electronic versions. An original and four paper copies and an electronic copy in the portable document format (PDF) should be filed with the Commission. Requirements for filing electronic documents can be found in the Electronic Filings Users Manual at: <http://efile.mpsc.cis.state.mi.us/efile/usersmanual.pdf>. You may contact the Staff at 517.241.6170 or by e-mail at mpscefilecases@michigan.gov with any questions and to obtain access privileges prior to filing. If any residential customers seek to

participate, but lack access to the computer equipment necessary to make electronic filings, they should contact the Executive Secretary to make alternative arrangements for filing comments.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1991 PA 179, as amended, MCL 484.2101 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 et seq.; and 47 USC 251 and 252.

b. A separate proceeding should be commenced to investigate and to implement, if necessary, a batch cut migration process.

THEREFORE, IT IS ORDERED that:

A. A separate proceeding shall be commenced in this docket to investigate and to implement, if necessary, a batch cut migration process.

B. A prehearing conference shall be conducted at 10:00 a.m. on October 13, 2003 for the purpose of setting a schedule to resolve the issues raised in this proceeding by July 2, 2004.

C. A person desiring to participate in this proceeding shall file a notice of intent to participate in this docket by October 9, 2003.

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

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.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ J. Peter Lark
Chair

(S E A L)

/s/ Robert B. Nelson
Commissioner

By its action of September 30, 2003.

/s/ Robert W. Kehres
Its Acting Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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By its action of September 30, 2003.

Its Acting Executive Secretary

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cut migration process.)
_____)

Case No. U-13891

Suggested Minute:

“Adopt and issue order dated September 30, 2003 to investigate and to implement, if necessary, a batch cut migration process, as set forth in the order.”