

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the petition of)	
UPPER PENINSULA TELEPHONE COMPANY)	
requesting Commission approval of a Path 2)	Case No. U-15939
disaggregation plan pursuant to 47 CFR 54.315.)	
_____)	

At the July 1, 2009 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

ORDER

On April 6, 2009, Upper Peninsula Telephone Company (UPTel) filed a request pursuant to Section 201 of the Michigan Telecommunications Act (MTA), MCL 484.2201, and 47 CFR 54.315 seeking approval of UPTel’s universal service fund (USF) support disaggregation plan. UPTel seeks to change its disaggregation election from the option provided for in 47 CFR 54.315(b) (Path 1) to the option provided for in 47 CFR 54.315(c) (Path 2).

On May 5, 2009, the Commission’s Executive Secretary issued a letter directing UPTel to provide a notice of opportunity to comment to a list of current Michigan eligible telecommunications carriers (ETC). Comments were due by June 4, 2009. No comments were filed.

UPTel is a rural incumbent local exchange carrier (ILEC) and an ETC that receives federal USF support for its operations in Michigan. 47 CFR 54.315 required all rural ILECs to elect a

disaggregation path for USF support on or before May 15, 2002. UPTel chose Path 1, which is for carriers who are not disaggregating and targeting high-cost support. At the expiration of a four-year period from the date of election, a rural ILEC may choose to change from Path 1 to Paths 2 or 3. UPTel's Path 1 election has been in place for more than four years. UPTel's disaggregation and targeting plan is subject to the Commission's approval. 47 CFR 54.315(c)(3).

UPTel provides local exchange service in 15 exchanges located in the Upper Peninsula, and four exchanges located in the Lower Peninsula. UPTel requests to switch to Path 2 in order to disaggregate the two peninsulas for purposes of federal support. UPTel has recently undergone corporate reorganization, as described in the February 3, 2009 license application filed by Michigan Central Broadband Company, LLC (MCBC), in Case No. U-15786. MCBC is a subsidiary of UPTel that will serve the Lower Peninsula zone. Meredith Affidavit, p. 4. MCBC received a license to provide basic local exchange service on May 12, 2009, in Case No. U-15786. UPTel will continue to serve the Upper Peninsula zone.

UPTel's application is accompanied by an affidavit from Douglas D. Meredith, a telecommunications consultant to rural ILECs, employed by John Staurulakis, Inc. The affidavit describes UPTel's Path 2 disaggregation plan and compliance with the requirements of 47 CFR 54.315.

The Commission finds that the application should be approved. Disaggregation will allow these two carriers to receive USF support targeted to the particular area that each serves.

THEREFORE, IT IS ORDERED that Upper Peninsula Telephone Company's petition for approval of its Path 2 disaggregation plan is granted.

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

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, under MCL 484.2203(12).

MICHIGAN PUBLIC SERVICE COMMISSION

Orjiakor N. Isiogu, Chairman

Monica Martinez, Commissioner

Steven A. Transeth, Commissioner

By its action of July 1, 2009.

Mary Jo Kunkle, Executive Secretary