

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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| In the matter of the application of                | ) |                  |
| <b>CLIMAX TELEPHONE COMPANY</b> for                | ) |                  |
| approval of its total service long run incremental | ) | Case No. U-16192 |
| cost study.  | ) |                  |
| _____  | ) |                  |

At the January 25, 2010 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman  
Hon. Monica Martinez, Commissioner  
Hon. Greg R. White, Commissioner

**OPINION AND ORDER**

On January 20, 2010, Climax Telephone Company (Climax)<sup>1</sup> filed an application seeking approval of a total service long run incremental cost (TSLRIC) study.

Section 304 of the Michigan Telecommunications Act (MTA), 1991 PA 179, MCL 484.2101 *et seq.*, allows Climax to determine its TSLRIC through either preparation of its own TSLRIC study or through reliance on a TSLRIC study of a provider with more than 250,000 end-users.<sup>2</sup> In

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<sup>1</sup>Climax provides local exchange service, toll access service, and local transport and termination service in the Climax exchange, as well as in the Metro exchange, which covers the same areas as the Battle Creek, Galesburg, Kalamazoo, and Scotts zones of AT&T Michigan.

<sup>2</sup>The Commission’s September 8, 1994 order in Case No. U-10620 indicates that a telecommunications provider may prepare its own TSLRIC study.

its application, Climax states that it has opted to prepare its own TSLRIC study rather than to rely on a proxy as it has done in the past.<sup>3</sup>

According to the application, Climax's TSLRIC study covers the company's TSLRIC to provide service in both the Climax and Metro exchanges in accordance with the Commission's May 28, 2003 order in Case No. U-13756, which indicates that a TSLRIC study should cover a provider's entire network and that a provider should not file more than one TSLRIC study. Climax also maintains that it has adhered to the requirements of the July 5, 2007 order in Case No. U-14781, which requires that TSLRIC studies utilize a "total company" approach, and to all other statutory standards and Commission-imposed TSLRIC study principles.

Because of the confidential nature of its TSLRIC study, Climax filed a CD-ROM with the Commission's Executive Secretary in accordance with § 210 of the MTA to maintain its confidentiality. The public version of its filing is redacted to prevent disclosure.

Because neither the Administrative Procedures Act (APA), 1969 PA 306, MCL 24.201 *et seq.*; nor the MTA require the Commission to conduct a contested case proceeding in order to review and approve a TSLRIC study, the Commission finds that this matter should be processed pursuant to Section 203(10) of the MTA, which states that "[e]xcept as otherwise provided in this section, the commission shall issue a final order in a case filed under this section within 90 days from the date the application or complaint is filed." Therefore, this matter will be reviewed by the Commission without the time and expense of a hearing according to the following schedule:

- A. The Commission's Executive Secretary is ordered to serve a copy of this order on Attorney General Michael A. Cox and on all licensed local exchange providers and facilities-based interexchange providers currently operating in Michigan.

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<sup>3</sup>The Commission expressed a preference in the September 8, 1994 order in Case No. U-10620 for each company to perform its own TSLRIC study rather than relying on proxy TSLRIC studies.

B. Any interested person seeking to participate in this proceeding shall file a notice of intent to participate in this docket by February 1, 2010.

C. A prehearing conference has been scheduled to be conducted on February 4, 2010 at 9:00 a.m. at the Commission's offices, 6545 Mercantile Way, Lansing, MI 48911. At the prehearing conference, the Administrative Law Judge assigned to preside over this matter shall consider and approve the protective order requested by applicant.

D. On or before March 1, 2010, parties shall file their initial comments in this docket.

E. On or before March 22, 2010, parties shall file their reply comments.

F. At this time, the Commission anticipates that its final order in this proceeding will be issued on April 13, 2010.

The pleadings required by this order and any comments filed by interested persons shall be submitted electronically through the Commission's E-Dockets Website at: [michigan.gov/mpscedockets](http://michigan.gov/mpscedockets). Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an e-mail sent to [mpscedockets@michigan.gov](mailto:mpscedockets@michigan.gov). If you require assistance prior to e-filing, contact Commission staff at (517) 241-6170 or by e-mail at [mpscedockets@michigan.gov](mailto:mpscedockets@michigan.gov).

THEREFORE, IT IS ORDERED that:

A. The Commission's Executive Secretary shall serve a copy of this order on Attorney General Michael A. Cox and on all licensed local exchange providers and facilities-based interexchange providers currently operating in Michigan.

B. Any interested person seeking to participate in this proceeding shall file a notice of intent to participate in this docket by February 1, 2010.

C. A prehearing conference shall be conducted on February 4, 2010 at 9:00 a.m. at the Commission's offices, 6545 Mercantile Way, Lansing, MI 48911. At the prehearing conference, the Administrative Law Judge assigned to preside over this matter shall consider and approve the protective order requested by applicant.

D. On or before March 1, 2010, parties shall file their initial comments in this docket.

E. On or before March 22, 2010, parties shall file their reply comments.

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

MICHIGAN PUBLIC SERVICE COMMISSION

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Orjiakor N. Isiogu, Chairman

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Monica Martinez, Commissioner

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Greg R. White, Commissioner

By its action of January 25, 2010.

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Mary Jo Kunkle, Executive Secretary