

Founded in 1852  
by Sidney Davy Miller

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August 5, 2011

Ms. Mary Jo Kunkle  
Executive Secretary  
Michigan Public Service Commission  
6545 Mercantile Way, Ste 7  
Lansing, MI 48911

**RECEIVED**

AUG 08 2011

EXECUTIVE SECRETARY

Re: Peninsula Telephone Company  
MPSC Case No. U-11548

Dear Ms. Kunkle:

Enclosed for filing please find an original and fifteen (15) copies of *Peninsula Telephone Company's Relinquishment of Eligible Telecommunications Carrier Status*. If you should have any questions, please kindly advise.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

By: Michael C. Rampe  
Michael C. Rampe

MCR/cla

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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|-----------------------------------------------------|---|------------------|
| In the matter of the application of                 | ) |                  |
| <b>THE MICHIGAN EXCHANGE CARRIERS</b>               | ) |                  |
| <b>ASSOCIATION, INC.</b> , for certification of its | ) | Case No. U-11548 |
| members and Frontier Communications of              | ) |                  |
| Michigan, Inc., as eligible telecommunications      | ) |                  |
| carriers for universal service purposes.            | ) |                  |
| _____                                               | ) |                  |

**PENINSULA TELEPHONE COMPANY'S  
RELINQUISHMENT OF  
ELIGIBLE TELECOMMUNICATIONS CARRIER STATUS**

Peninsula Telephone Company (PenTel), by and through its attorneys, Miller, Canfield, Paddock and Stone, PLC, and pursuant to 47 USC 214(e)(4), 47 CFR 54.205, and §§ 201 and 203 of the Michigan Telecommunications Act (MTA), hereby notifies the Michigan Public Service Commission of its relinquishment of its status as an Eligible Telecommunications Carrier (ETC). In support of this filing, PenTel states as follows:

1. PenTel was granted a license to provide basic local exchange service, in an area known as the Old Mission exchange, by virtue of the Michigan Public Service Commission's (MPSC) August 14, 1992 Order in Case No. U-10054.

2. PenTel also received designation as an ETC in the Old Mission exchange by virtue of the MPSC's November 25, 1997 Order in this docket. The MPSC has further approved PenTel for receipt of Universal Service Fund support on numerous occasions, including most recently in its minute action of September 14, 2010 in Case No. U-16252.

PenTel's study area code, assigned by the Universal Service Administrative Company (USAC) is 310720.

3. In its Orders dated October 26, 2010 and December 21, 2010 in Case No. U-16468, the MPSC granted Ace Telephone Company of Michigan, Inc. (Ace) a license to provide local exchange service in the Old Mission exchange. That same day, in Case No. U-16492, the MPSC granted ETC status to Ace in the Old Mission exchange. Ace's license and ETC requests were prompted by an agreement whereby, upon obtaining required regulatory approvals, Ace would acquire PenTel's telecommunications assets and business, and thereafter provide local exchange service and other telecommunication services to residential and business customers in the Old Mission exchange, with PenTel ceasing to provide such service.<sup>1</sup>

4. On December 31, 2010, the Federal Communications Commission (FCC) granted the Joint Application filed by PenTel and Ace on November 15, 2010, which requested approval to transfer control of PenTel's telecommunications lines and customers in the Old Mission exchange to Ace. PenTel and Ace subsequently consummated their transaction, and Ace took over as the provider of service to PenTel's customers, effective on December 31, 2010. *Public Notice*, 26 FCC Rcd 48 (rel'd January 3, 2011).

5. As a result of the foregoing FCC-approved transaction, PenTel no longer owns any telecommunications facilities, and no longer provides local exchange service to any customers, in the Old Mission exchange. Ace owns the telecommunications facilities formerly owned and used by PenTel to provide local exchange service, and Ace in fact provides such service to former PenTel customers in the Old Mission exchange using such facilities.

6. The Federal Telecommunications Act states:

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<sup>1</sup> October 12, 2010 Application of Ace Telephone Company in Case No. U-16468, ¶ 3.

A State commission (or the Commission in the case of a common carrier designated under paragraph (6)) shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier. An eligible telecommunications carrier that seeks to relinquish its eligible telecommunications carrier designation for an area served by more than one eligible telecommunications carrier shall give advance notice to the State commission (or the Commission in the case of a common carrier designated under paragraph (6)) of such relinquishment. Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the State commission (or the Commission in the case of a common carrier designated under paragraph (6)) shall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier. [47 USC 214(e)(4); Accord, 47 CFR 54.205.]

7. To the best of PenTel's knowledge, Ace has continued to serve former PenTel customers in the Old Mission exchange since December 31, 2010. As discussed above, Ace is an ETC in the Old Mission exchange, and thus there is at least one ETC remaining in the Old Mission exchange. Other ETCs in the Old Mission exchange include, but are not limited to, AT&T Mobility,<sup>2</sup> and Virgin Mobile USA, LP.<sup>3</sup>

8. With its filings in Case Nos. U-16492 and U-16576, Ace has already made representations to the MPSC regarding its commitment to serve Old Mission exchange customers. Because Ace is using the telecommunications facilities formerly used by PenTel to serve the Old Mission exchange, PenTel is not aware of any immediate need for the purchase or construction of facilities by any remaining ETC to serve the Old Mission exchange. PenTel may, under 47 USC 214(e)(4), relinquish its ETC designation in Michigan. This "advance

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<sup>2</sup> June 1, 2011 ETC Annual Report filed in Case No. U-16576.

<sup>3</sup> June 10, 2011 ETC Annual Report filed in Case No. U-16576.

notice to the commission" therefore completes all requirements under federal law, and the MPSC should accept PenTel's ETC relinquishment.

9. Because PenTel is relinquishing its certification as an ETC, and will not be seeking high cost or other support for additional periods going forward, including the 2012 funding year, PenTel will not be filing further annual ETC reports with the MPSC, including the annual ETC report due on June 1, 2011 in MPSC Case No. U-16576.

### **REQUEST FOR EX PARTE TREATMENT**

10. This Notice may be accepted and the requested order issued without the time and expense of a hearing under § 203(1) of the MTA. Neither the MTA nor any other law requires a hearing.

### **CONCLUSION**

Wherefore, PenTel, having fulfilled the requirements of Federal law, respectfully requests that the Michigan Public Service Commission accept the relinquishment of its ETC designation.

Dated: August 5, 2011

By   
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