LAW OFFICES
DYKEMA GOSSETT
PROFESSIONAL LIMITED LIABILITY COMPANY

800 MICHIGAN NATIONAL TOWER
LANSING, MICHIGAN 48933-1742

TELEPHONE (517) 374-9100
FACSIMILE (517) 374-9191
WWW.DYKEMA.COM

Ann Arbor, Michigan
Bloomfield Hills, Michigan
Chicago, Illinois

Detroit, Michigan
Grand Rapids, Michigan
Washington, DC

CHRISTINE MASON SONERAL

DIRECT DIAL: (517) 374-9184
E-MAIL: CMASON@DYKEMA.COM

October 31, 2001

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way, Ste. 7
Lansing, MI 48909

Re: Case No. U-13007
Response Brief of WorldCom

Dear Ms. Wideman:

Enclosed please find original and four copies of Response Brief of WorldCom in the above referenced matter. Also enclosed is Proof of Service upon the Parties of Record.

If there are any questions or comments, do not hesitate to contact me.

Sincerely,

DYKEMA GOSSETT PLLC

Christine Mason Soneral

Christine Mason Soneral

CMS/jmb
Enclosures
cc: Jim Denniston
Parties of Record

LAN01\85676.1
ID\CMMA

STATEOFMICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of Ameritech Michigan for a determination that directory assistance services provided to end-uses are competitive services under the Michigan Telecommunications Act.	))))	**Case No. U-13007 BOH Docket No. 2001-1227**

RESPONSE BRIEF OF WORLDCOM

MCImetro Access Transmission Services, LLC (a WorldCom company, hereinafter referred to as "WorldCom") respectfully submits its response brief to the various briefs filed on October 24, 2001, and in support, state as follows:

INTRODUCTION

Various parties have filed briefs in this matter on October 24, 2001. Those that have filed briefs which to some extent favor Ameritech's application include Ameritech, Staff and the MPTA. The present response brief focuses on the Ameritech brief as that brief is the more comprehensive brief addressing the issues being advanced in favor of the Ameritech application. To a large extent, many of the issues addressed in favor of the Ameritech application have been countered in the initial brief filed by WorldCom in this matter. Accordingly, since most of the points raised in the October 24 briefs which would favor Ameritech's application have already been rebutted, the present brief focuses on the discrete issues in opposition to the Ameritech application not covered by the initial brief filed by WorldCom. Also, the various costing issues to a large extent have already been addressed in the initial brief filed by AT&T.

QUALIFICATIONS OF MICHAEL LEHMKUHL

Ameritech attempts to discredit the qualifications of Mr. Lehmkuhl at page 9 of its initial brief. First Ameritech ignores that Mr. Lehmkuhl is an attorney with extensive telecommunications experience, having practiced before the FCC for eight years. Also, for the last year he has overseen the company's efforts in obtaining and utilizing directory assistance listings data from ILECs. (Tr 180-181).

10-10-9000 SERVICE

Ameritech also questions the assertion that the 10-10-9000 service has been grandfathered. Ameritech uses its own definition of "grandfathered" and then asserts that the service has not been grandfathered. To the contrary, the term grandfathered as used in context means that the service is no longer being actively promoted. This is verified by the statistics on the low usage of this product. (See, Third party confidential transcript, Tr. 244).

WORLDCOM RELIANCE ON AMERITECH DA SERVICE

Ameritech asserts that WorldCom provides its own DA service (pages 10-11 of Ameritech's initial brief), but fails to note that MCImetro does not and can not provide its own DA service where it serves customers via UNE-P, but instead has to rely on Ameritech to provide DA. (Tr 183). Also, as the Commission ruled in Case No. U-12622, Ameritech must continue to provide DA to CLECs where UNE-P is used until CLECs have access to competitive DA alternatives. (Order in Case No. U-12622 at pages 21-23). This Commission order is still in effect and Ameritech has not taken any steps to show to the Commission that there are competitive DA alternatives to Ameritech where UNE-P is used.

GALLUP POLL

Ameritech's reference to a Gallup Poll which was never even offered into evidence (Ameritech's initial brief, page 22) is clearly a desperate attempt on Ameritech's part to bolster its case. It is clear that the Gallup Poll can not be considered. Also, the statistics about the Gallup Poll do not make any sense. Ameritech claims that this poll shows that Ameritech Michigan Directory Assistance customers use Ameritech's DA service 3.2 times per month. Exhibit I-15 shows that Ameritech has 3.46 million residential lines and 1.89 million business lines. Given all of these lines, it would be a very conservative assumption to assume that Ameritech has at least 3.5 million customers. Given the Gallup Poll, one should then expect Ameritech to have about 11.2 million DA calls per month (3.5 million customers times 3.2 calls per month). Yet, Ameritech reports a markedly different number. (Confidential Exhibit A-6). It is clear that either the survey is fundamentally flawed or that Ameritech's own statistics are materially false. If the number of DA calls to Ameritech's DA service per month reflected in the Gallup Poll is fundamentally flawed, then the number of times the internet is used per customer to access telephone numbers is probably also fundamentally flawed. Either way, the Gallup Poll (which is not even in evidence) does not help Ameritech's case.

DAL DOWNLOAD

The "tools" to ensure a healthy competitive DA market which Ameritech points to at page 26 of its initial brief are also an illusion. The record shows that Ameritech is preventing WorldCom from obtaining subscriber listings at reasonable and non-discriminatory rates. The record shows that the rates for the listings from Ameritech are not just and reasonable as they are not based on TSLRIC as the rates are 25 times economic cost. (Tr 202).

OTHER ISSUES

Ameritech also urges the Commission to just stand back and watch the "competitive" market decide the rates for DA. (Ameritech initial brief, at page 27). The problem with this approach is it presupposes that Ameritech's DA service is competitive. In fact, the DA service provided by Ameritech is dominant and is not competitive. Given the facts in this proceeding showing the Ameritech dominance in DA, if the Ameritech DA service were declared to be competitive one would expect Ameritech to be free to increase its DA rates at will. There would be no market pressures to constrain the rate increases.

Ameritech's argument that the TSLRIC does not have any relation to whether the product or service is competitive is off base. (Ameritech initial brief, at page 30). The MTA requires that regulated products or services be priced at least at TSLRIC. (MTA, Section 304(a)). Any rate below TSLRIC is "inadequate." (MTA, Section 102(y)). The TSLIRC standard is the approach mandated by state law to assure that carriers avoid anticompetitive pricing below competitive levels. Yet, in a single sentence, Ameritech is trying to undo a firmly established state law.

It is also clear that Ameritech's application was brought under Section 208 of the MTA. (See, Ameritech's application, pars. 7, 8 and claim for relief). Now, in its initial brief, Ameritech appears to recognize that it has significant difficulty in meeting the requirements under Section 208 and therefor tries to sidestep this state law mandated section. It is clear that Ameritech has failed to meet the requirements of Section 208. This has been set forth in further detail in WorldCom's initial post-hearing brief.

CONCLUSION

Based on the above, the Commission should deny the present Ameritech application.

By: James R. Denniston/brc

James R. Denniston (P57736)
MCImetro Access Transmission Services, LLC
("WorldCom")
205 North Michigan Avenue
Suite 1100
Chicago, Illinois 60601
(312) 260-3190

Of Counsel:

Albert Ernst (P24059)
Christine Mason Soneral (P58820)
DYKEMA GOSSETT PLLC
800 Michigan National Tower
Lansing, Michigan 48933
(517) 374-9155/(517) 374-9184

October 31, 2001

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of Ameritech Michigan for a determination that directory assistance services provided to end-uses are competitive services under the Michigan Telecommunications Act.	)))))	Case No. U-13007

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

Jeanne M. Beachnau, being first duly sworn, deposes and says that on October 31, 2001, she caused to be served upon the parties listed in the attached Service List, copies of Response Brief of WorldCom in the above-captioned matter by United States First Class Mail and electronic mail.

Jeanne M. Beachnau

Subscribed and sworn to before me
on October 31, 2001.

Betty J. Vernon, Notary Public
Eaton, Acting in Ingham County, Michigan
My commission expires: 07/14/05

SERVICE LIST

MR. WILLIAM J. CHAMPION III
DICKINSON WRIGHT PLLC
500 WOODWARD AVENUE
DETROIT, MI 48226

MR. BRUCE R. BYRD
AMERITECH MICHIGAN
444 MICHIGAN AVENUE
ROOM 1750
DETROIT, MI 48226

MR. MICHAEL NICKERSON
ASSISTANT ATTORNEY GENERAL
MICHIGAN PUB SERVICE COMM
6545 MERCANTILE WAY, STE 15
LANSING, MI 48911

HON. GEORGE SCHANKLER ALJ
MICHIGAN PUB SERVICE COMM
PO BOX 30221
LANSING MI 48909

MR ORJIAKOR N ISIOGU
ASSISTANT ATTORNEY GENERAL
SPECIAL LITIGATION DIVISION
PO BOX 30218
LANSING MI 48909

MR LELAND ROSIER
CLARK HILL PLC
2455 WOODLAKE CIRCLE
OKEMOS MI 48864-5941

MR MICHAEL ASHTON
FRASER TREBILCOCK DAVIS & FOSTER
1000 MICHIGAN NATIONAL TWR
LANSING MI 48933

MR HARVEY MESSING
MR. GARY L. FIELD
LOOMIS EWERT PARSLEY DAVIS & GOTTING
232 S CAPITOL STE 1000
LANSING MI 48933

MR. JOHN J. REIDY III, J.D.
AT&T
222 WEST ADAMS, #1500
CHICAGO, IL 60606

::ODMA\PCDOCS\LAN01\85675\1