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December 6, 2001

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

Re: In the Matter, on the Application of Ameritech Michigan for a determination that directory assistance services provided to end users are competitive services under the Michigan Telecommunications Act
MPSC Case No. U-13007

Dear Ms. Wideman:

Enclosed for filing please find an original and four copies of the Conditional Exception to PFD by the Michigan Pay Telephone Association regarding the above-captioned matter. A Proof of Service upon the parties of record is also enclosed.

Sincerely,

CLARK HILL PLC

Leland R. Rosier

Leland R. Rosier

LRR/jtw

Enclosures

cc: Parties of Record

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17150/079868

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter, on the Application of Ameritech Michigan for a determination that directory assistance services provided to end users are competitive services under the Michigan Telecommunications Act.	)	Case No. U-13007

CONDITIONAL EXCEPTION TO PFD BY THE

MICHIGAN PAY TELEPHONE ASSOCIATION

NOW COMES the Michigan Pay Telephone Association ("MPTA"), and for its Conditional Exception to the PFD in this proceeding, states:

BACKGROUND

On July 6, 2001, Ameritech filed its application in this case, which constitutes its second attempt to deregulate its directory assistance services. Ameritech, in making this application, limited the application to its end users or retail customers, but did not indicate a definition of "end user" or specify how it would limit the requested authority to services to end users.

Following the evidentiary hearing in this matter on October 9, 2001, the parties filed initial briefs on October 24, 2001, and reply briefs on October 31, 2001.

On November 20, 2001, Administrative Law Judge George Schankler issued his PFD in this proceeding. The PFD recommends denying the application, but makes further rulings on underlying issues should the Commission decide to grant the application.

MPTA'S CONDITIONAL EXCEPTION

MPTA agrees that Ameritech has not met the criteria for deregulation of directory assistance, and therefore does not take exception to the ALJ's bottom-line recommendation. However, on page 14 of the PFD, the ALJ discusses MPTA's recommendation to specifically limit any finding to residential and business end-users. The ALJ concludes that "Since this application is limited to retail DA to residential and business end-users, the MPTA's concerns are moot."

MPTA agrees that its concerns are moot provided the Commission denies the application. However, if the Commission should decide to grant the application, its concerns are not moot. Therefore, MPTA files this Conditional Exception to the PFD to be considered only if the Commission rejects the recommendation to deny Ameritech's application.

The ALJ presumes in the PFD that independent payphone service providers ("IPPs") are end-users for purposes of the MTA's directory assistance provisions, and that is the basis for his finding of mootness. MPTA agrees that Ameritech's application is limited to directory assistance service to end-users. The testimony of Ameritech's witness indicated that the scope of the application did not include DA service to IPPs, and that Ameritech thereby did not present any evidence of competitive alternatives available to IPPs. However, Ameritech's application did not indicate a definition of "end user" or specify how it would limit the requested authority to services to end-users. For example, no tariffs were specified that Ameritech would be authorized to change or remove if the application were to be granted. Ameritech also did not address in the application the provision of directory assistance to IPPs except in directly addressing the monthly exemption.

Ameritech has historically been inconsistent in its treatment of IPPs, treating IPPs as retail customers for some purposes and as wholesale customers for other purposes. Consequently, silence as to the scope of a ruling granting Ameritech's application potentially places IPPs at risk to a change of Ameritech management policy in the future if DA service to "end-users" is deregulated because Ameritech may seek to use a ruling more comprehensively in the future than indicated in the record in this case. For this reason, MPTA recommends that the Commission in any order granting the application specifically delineate the scope of the ruling rather than just granting a blanket request to deregulate directory assistance to end-users.[1]

RELIEF

MPTA agrees with the PFD, and recommends that the Commission adopt the PFD's finding that Ameritech did not meet all of the criteria to find directory assistance service competitive, and thereby deny the application.

Should the Commission reject the PFD and decide to grant the application, the Commission should: 1) expressly limit any finding of competitiveness as applying only to the customers affected by Ameritech's Tariff 20 R, Part 11, Section 2, or to new services, if any, that would be limited to the customers affected by this tariff; 2) specifically find that directory assistance service to IPPs under Ameritech Tariff No. 20 R, Part 13, Section 2 (IPP Service) or Tariff No. 20 R, Part 22, Section 13 (Resale of IPP Service) is not directory assistance service to end-users and is, therefore, not deemed competitive; and 3) specifically find that there is no

[1] MPTA would note that Ameritech voiced no objection to specifically limiting the order to not apply to DA service to IPPs. See Ameritech's Reply Brief, at pages 10-11.

evidence that directory assistance to IPPs is competitive, and specifically exclude IPPs from the class or group of customers affected by the Commission's order.

Respectfully submitted

CLARK HILL PLC



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Dated: December 6, 2001

STATE OF MICHIGAN

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PROOF OF SERVICE

Patricia G. Sass, being first duly sworn, deposes and says that she is an employee of Clark Hill PLC and that on December 6, 2001, she served copies of the Conditional Exception to PFD by the Michigan Pay Telephone Association upon:

See attached Service List

Except as otherwise noted on the attached list, service was accomplished by placing same in properly addressed envelopes with full first-class postage prepaid thereon and by depositing same in the United States Mail in Lansing, Michigan.

Patricia G. Sass

_____

Patricia G. Sass

Subscribed and sworn to before me
this 6th day of December, 2001.

Jane E. Wedley

_____

Jane E. Wedley, Notary Public
Ingham County, Michigan'
My commission expires: May 15, 2006

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U-13007

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