

Steve Gatto, P.C.

Attorneys at Law

210 S. Washington Sq., Suite A
Lansing, Michigan 48933
(517) – 896-3978

May 14, 2006

E-file

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

PART 5 of 8

Dear Ms. Kunkle:

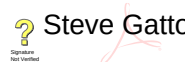
Re: In the Matter of the Petition of Ace Telephone Company, Allendale Telephone Company, Barry County Telephone Company, Blanchard Telephone Company, Bloomingdale Telephone Company, Chippewa County Telephone Company, Deerfield Farmers' Telephone Company, Hiawatha Telephone Company, Kaleva Telephone Company, Midway Telephone Company, Ogden Telephone Company, Ontonagon Telephone Company, Pigeon Telephone Company, Upper Peninsula Telephone Company, Waldron Telephone Company, and Winn Telephone Company, for the Arbitration of Interconnection Rates, Terms, and Conditions and Related Arrangements with Alltel Communications, Inc., Pursuant to Section 252(b) of the Federal Telecommunications Act of 1996
Case No. U-14889

Enclosed for filing are (1) **Petition for Arbitration (with exhibits)**, (2) **Direct Testimony of David S. McCartney (with exhibits)**, and (3) **Certificate of Service**.

This filing is being done in multiple parts due to the nature of e-filing and the filing herein.

Thank you for your assistance in this matter.

Sincerely,

 Steve Gatto
Digitally signed by Steve Gatto
DN: cn=Steve
Gatto, o=Steve
Gatto, P.C., c=US
Date: 2006.05.14
13:55:25 -0400

Steve Gatto, P.C.
Steve Gatto

Enclosures

cc: Cynthia, Austin, Alltel Communications, Inc. (via e-mail and overnight delivery)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale, Telephone Company,)
Barry County Telephone Company,)
Blanchard Telephone Company,)
Bloomington Telephone Company, Chippewa)
Telephone Company, Deerfield Farmers')
Telephone Company, Hiawatha Telephone)
Company, Kaleva Telephone Company, Midway)
Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT P-_____ (PET-7)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale Telephone Company,)
Barry County Telephone Company,)
Blanchard Telephone Company,)
Bloomington Telephone Company, Chippewa)
Telephone Company, Deerfield Farmers')
Telephone Company, Hiawatha Telephone)
Company, Kaleva Telephone Company, Midway)
Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT 7 TO PETITION FOR ARBITRATION

**AFFIDAVIT OF AGRIS PAVLOVSKIS SUPPORTING
PETITION AND MATRIX**

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale Telephone Company,)
Barry County Telephone Company,)
Blanchard Telephone Company, Bloomingdale)
Telephone Company, Chippewa County)
Telephone Company, Deerfield Farmers')
Telephone Company, Hiawatha Telephone)
Company, Kaleva Telephone Company, Midway)
Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, the Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT 7 TO PETITION FOR ARBITRATION

AFFIDAVIT OF AGRIS PAVLOVSKIS

I, Agris Pavlovskis, being of lawful age and duly sworn, do hereby depose and state as follows:

1. My name is Agris Pavlovskis. I am the President of the Michigan Exchange Carriers Association, Inc. ("MECA"). My business address is 124 W. Allegan, Suite 1400, Lansing, Michigan, 48933. MECA is an association whose membership is comprised of 33 small incumbent local exchange carriers ("LECs") in Michigan. Among other things, MECA administers several intrastate tariffs, and addresses telecommunications-related matters on behalf of its members. MECA's members generally serve the rural areas of the state.

2. The purpose of this affidavit is to sponsor the Petition for Arbitration of Interconnection Rates, Terms, and Conditions and Related Arrangements with Alltel Pursuant to Section 252(b) of the Federal Telecommunications Act of 1996 (the "Petition"), to which this Affidavit is attached.

3. I have personal knowledge of the facts contained in this Affidavit and in the Petition, except as to matters stated as being based upon information and belief, and as to these matters, I believe them to be true. If called as a witness, I can competently testify to the stated matters.

4. In approximately May 2005 and December 2005, several of MECA's members (who are also the petitioners bringing the Petition in this matter), Ace Telephone Company, Allendale Telephone Company, Barry County Telephone Company, Blanchard Telephone Company, Bloomingdale Telephone Company, Chippewa County Telephone Company, Deerfield Farmers' Telephone Company, Hiawatha Telephone Company, Kaleva Telephone Company, Midway Telephone Company, Ogden Telephone Company, Ontonagon Telephone Company, Pigeon Telephone Company, Upper Peninsula Telephone Company, Waldron Telephone Company, and Winn Telephone Company (collectively, the "Petitioners"), issued requests to negotiate to Alltel. In those Petitioners' requests, the Petitioners asked Alltel to negotiate an interconnection agreement pursuant to Section 252(b) of the Federal Act, and designated MECA to be their agent for negotiation.

5. Petitioners and MECA have designated me, as MECA President, to be the lead and primary contact person for negotiation purposes relative to the negotiation discussions between MECA (on behalf of Petitioners) and Alltel for an interconnection agreement between them.

6. After Petitioners' requests for negotiation correspondences were issued, Alltel acknowledged receipt of the respective requests to negotiate, and MECA and Alltel then agreed to first attempt to negotiate an interconnection agreement between Alltel and one of the Petitioners, Deerfield Farmers' Telephone Company ("Deerfield"), and, assuming an agreement could be reached as to that, then use that agreement as a model for interconnection agreements between Alltel and the remaining respective Petitioners. To that end, MECA issued to Alltel a proposed Deerfield-Alltel interconnection agreement. Alltel and MECA thereafter proceeded to negotiate the terms of the interconnection agreement, and exchanged several proposed versions thereof.

7. The Petitioners (through MECA) and Alltel agreed on several of the terms of the interconnection agreement; however, despite negotiating and engaging in good faith efforts, were unable to agree on all terms therein. There are still currently these issues in dispute between the Petitioners and Verizon Wireless:

Issue 1. Whether the Parties' interconnection agreements should contain rates for local switching, local transport-termination, and local transport-facility relative to terminating CMRS traffic, that are equal to and directly based on mapping of applicable MPSC-approved TSLRIC studies?

Petitioners' Position: Yes

Alltel's Position: No

Issue 2. Whether the Parties' interconnection agreement should exclude language to the effect that the Parties expressly waive any rights they may have as to the other to collect amounts that either of the Parties owed the other before the interconnection agreement is executed?

Petitioners' Position: Yes.

Alltel's Position: No.

8. I offer this Affidavit in support of the Petition and Matrix, and state that as to Issue 1, the MPSC should answer that affirmatively for the reasons and explanation given in the Testimony of David S. McCartney filed in support of the Petition.

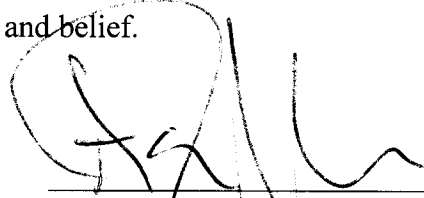
9. Further, as to Issue 2, Alltel has proposed to include language in the Parties' agreements to the effect that the Parties expressly waive any rights they may have as to other amounts owed before the interconnection agreements are executed. Petitioners oppose this, for several reasons. First, Petitioners are entitled to have the rates the Commission orders be included in the Parties' agreements be applicable as of the date of Petitioners' bona fide requests. Second, at the very least, Petitioners are entitled to collect rates set by their tariffs for the period before their bona fide requests and the Commission's order in this case setting rates. Third, Petitioners see absolutely no basis for requiring Petitioners to waive any rights or claims they may have to previously-owed and currently outstanding amounts since Alltel has not voluntarily offered to pay those amounts. For all of those reasons, the MPSC should decide this matter in favor of Petitioners.

12. The Matrix of Issues in Dispute that is attached to the Petition contains a detailed explanation of the Parties' positions and preferred language on each of the above issues. I have reviewed the Matrix of Issues in Dispute, and believe it to be true and accurate in general, and correctly describe Petitioners' position and rationale therefor as to each issue in particular.

11. Further, affiance sayeth not.

VERIFICATION

I, Agris Pavlovskis, declare under penalty of perjury that the statements in this Affidavit are true and correct to the best of my knowledge and belief.



Agris Pavlovskis, MECA President
124 W. Allegan, Suite 1400,
Lansing, Michigan, 48933
Executed on the 12 day of May 2006

STATE OF MICHIGAN)
) SS.
County of Ingham)

Subscribed and sworn to before me, this 12th day of May, 2006.

Kelle M. DuBay
_____, Notary Public
Ingham County, Michigan
My Commission Expires: 06/24/2008
Acting in the County of Ingham

KELLE M. DUBAY
Notary Public, Ingham County, MI
My Commission Expires 06-24-2008

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale, Telephone Company,)
Barry County Telephone Company,)
Blanchard Telephone Company,)
Bloomington Telephone Company, Chippewa)
Telephone Company, Deerfield Farmers')
Telephone Company, Hiawatha Telephone)
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Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT P-_____ (PET-8)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale Telephone Company,)
Barry County Telephone Company,)
Blanchard Telephone Company,)
Bloomington Telephone Company, Chippewa)
Telephone Company, Deerfield Farmers')
Telephone Company, Hiawatha Telephone)
Company, Kaleva Telephone Company, Midway)
Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT 8 TO PETITION FOR ARBITRATION

**AFFIDAVIT OF DAVID S. McCARTNEY SUPPORTING PETITION
AND TESTIMONY OF DAVID S. McCARTNEY**

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale Telephone Company,)
Barry County Telephone Company, Blanchard)
Telephone Company, Bloomingdale)
Telephone Company, Chippewa County)
Telephone Company, Deerfield Farmers')
Telephone Company, Hiawatha Telephone)
Company, Kaleva Telephone Company, Midway)
Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT 8 TO PETITION FOR ARBITRATION

AFFIDAVIT OF DAVID S. McCARTNEY

I, David S. McCartney, being of lawful age and duly sworn, do hereby depose and state as follows:

1. My name is David S. McCartney. The firm of McCartney & Company, P.C., Certified Public Accountants employs me. I am a Vice President of the firm and Manager of our Marquette office. In addition, I am responsible for supervising special studies, rate setting, and regulatory issues related to the telecommunications industry. My business address is 2803 US 41 West, Marquette, MI 49855.

2. The purpose of this affidavit is to sponsor the Petition for Arbitration of Interconnection Rates, Terms, and Conditions and Related Arrangements with Alltel

Communications, Inc., Pursuant to Section 252(b) of the Federal Telecommunications Act of 1996 (the "Petition"), to which this Affidavit is attached, as well as attest to the accuracy of the Testimony of David S. McCartney ("McCartney Testimony"), which is being filed to also support that Petition.

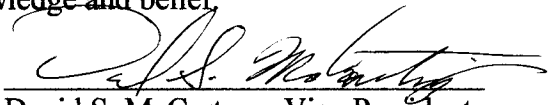
3. I have personal knowledge of the facts contained in this Affidavit, the Petition, and the McCartney Testimony, except as to matters stated as being based upon information and belief, and, as to those matters, I believe them to be true. If called as a witness, I can competently testify to the stated matters.

4. I have reviewed the McCartney Testimony, and believe it to be true and accurate.

5. Further, affiant sayeth not.

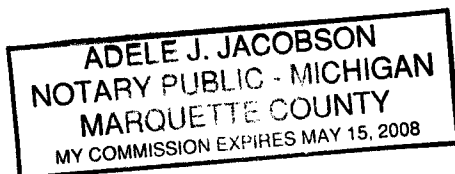
VERIFICATION

I, David S. McCartney, declare under penalty of perjury that the statements in this Affidavit are true and correct to the best of my knowledge and belief.


David S. McCartney, Vice President
McCartney & Company
2803 US 41 West
Marquette, Michigan, 49855
Executed on the 12th day of April, 2006

STATE OF MICHIGAN)
) SS.
County of Marquette)

Subscribed and sworn to before me, this 11 day of May, 2006.




Adele J. Jacobson, Notary Public
Marquette County, Michigan
My Commission Expires: May 15 2008
Acting in the County of Marquette

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale, Telephone Company,)
Barry County Telephone Company,)
Blanchard Telephone Company,)
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Telephone Company, Deerfield Farmers')
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Telephone Company, Ogden Telephone Company,)
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Winn Telephone Company, For the Arbitration)
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Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT P-_____ (PET-9)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Petition of Ace Telephone)
Company, Allendale Telephone Company,)
Barry County Telephone Company,)
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Telephone Company, Ogden Telephone Company,)
Ontonagon Telephone Company, Pigeon Telephone)
Company, Upper Peninsula Telephone)
Company, Waldron Telephone Company, and)
Winn Telephone Company, For the Arbitration)
of Interconnection Rates, Terms, and Conditions)
and Related Arrangements with Alltel)
Communications, Inc., Pursuant to Section 252(b))
of the Federal Telecommunications Act of 1996)
_____)

Case No. U-14889

EXHIBIT 9 TO PETITION FOR ARBITRATION

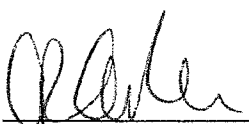
**CORRESPONDENCE CONFIRMING THAT THE PARTIES HAVE STIPULATED TO
AN ARBITRATION CLOSE DATE OF MAY 14, 2006**

Agreement to Extend the Arbitration Window

Alltel Communications, Inc. ("Alltel") and the Michigan Exchange Carriers Association, Inc. ("MECA") on behalf of its members, Ace Telephone Company, Barry County Telephone Company, Blanchard Telephone Company, Bloomingdale Telephone Company, Chippewa Telephone Company, Deerfield Farmers' Telephone Company, Hiawatha Telephone Company, Kaleva Telephone Company, Midway Telephone Company, Ogden Telephone Company, Ontonagon Telephone Company, Pigeon Telephone Company, Upper Peninsula Telephone Company, Waldron Telephone Company, Winn Telephone Company are negotiating individual Interconnection Agreements for the transport and termination of CMRS traffic pursuant to Section 251 and Section 252 of the Telecommunications Act of 1996 ("The Act") in the state of Michigan. This letter will confirm the extension of the Negotiations window for the negotiations in the aforementioned state.

This letter confirms the mutual agreement between Alltel and MECA on behalf of its members, Ace Telephone Company, Barry County Telephone Company, Blanchard Telephone Company, Bloomingdale Telephone Company, Chippewa Telephone Company, Deerfield Farmers' Telephone Company, Hiawatha Telephone Company, Kaleva Telephone Company, Midway Telephone Company, Ogden Telephone Company, Ontonagon Telephone Company, Pigeon Telephone Company, Upper Peninsula Telephone Company, Waldron Telephone Company, and Winn Telephone Company to extend the arbitration window start date to December 5, 2005. This extension results in an arbitration window for these agreements that opens on April 19, 2006 and closes on May 14, 2006.

Alltel Communications, Inc.

By: 

Printed: Cynthia Austin

Title: Manager Contract Negotiation

Date: 4-12-06

Michigan Exchange Carriers Association, Inc.
(On behalf of its members listed above)

By: 

Agris Ravlovskis

Title: President

Date: April 12, 2006