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July 5, 2006

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing, Michigan 48909

Electronic Filing

Re: **Case No. U-14781**
Petition for Leave to Intervene

Dear Ms. Kunkle:

Attached for filing, please find the Petition for Leave to Intervene by Michigan Bell Telephone Company d/b/a AT&T Michigan. Also attached are a Certificate of Mailing and Service List. These documents have been filed in paperless form with the Commission's Electronic Case Filing System.

A Notice of Hearing for the Petition is not included in this filing because AT&T Michigan assumes that a ruling on Petition for Leave to Intervene will occur at the first PreHearing held in this case. Alternatively, AT&T Michigan will issue a Notice of Hearing after consultation with the Administrative Law Judge assigned to this case.

Thank you for your assistance in this matter.

Very truly yours,
John J. Reidy, III
Digitally signed by
John J. Reidy, III
DN: CN = John J.
Reidy, III, C = US
Date: 2006.07.05
17:01:30 -05'00'
John J. Reidy, III
One of the attorneys for
AT&T Michigan

cc: Parties of Record

encl:

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter on the Commission's Own Motion)	
to examine the total service long run)	
incremental costs of the Michigan Exchange)	
Carriers Association Companies, including Ace)	Case No. U-14781
Telephone, Barry County Telephone, Deerfield)	
Farmers' Telephone, Kaleva Telephone,)	E-File/Paperless
Lennon Telephone, Ogden Telephone, Pigeon)	
Telephone, Upper Peninsula Telephone, and)	
Waldron Telephone Companies.)	

**PETITION FOR LEAVE TO INTERVENE OF
MICHIGAN BELL TELEPHONE COMPANY, D/B/A AT&T MICHIGAN**

NOW COMES Michigan Bell Telephone Company, d/b/a AT&T Michigan, and, pursuant to Rule 201 of the Rules of Practice and Procedure before the Michigan Public Service Commission,¹ moves for intervention in the above captioned proceeding. In support of its Petition, AT&T Michigan avers the following:

1. Michigan Bell Telephone Company, d/b/a AT&T Michigan, is a Michigan corporation with its principal place of business at 444 Michigan Avenue, Detroit, Michigan. AT&T Michigan is a subsidiary of AT&T Inc. AT&T Michigan is a licensed provider of telecommunication services, including local exchange service, interLATA toll service, and various regulated and unregulated telecommunications and information services throughout its exchanges and zones in the State of Michigan.

2. On February 21, 2006, the Commission issued its order initiating this proceeding, which will examine the total service long run incremental costs of the Michigan Exchange Carriers Association Companies, which includes the following

¹ 1999 MAC 460.17201.

companies: Ace Telephone Company, Barry County Telephone Company, Deerfield Telephone Company, Kaleva Telephone Company, Lennon Telephone Company, Ogden Telephone Company, Pigeon Telephone Company, the Upper Peninsula Telephone Company, and Waldron Telephone Company.

3. On June 30, 2006, the MECA Companies (which are all of the companies listed in paragraph 2 except the Upper Peninsula Telephone Company, which MECA states will be filing separately) filed an Application for approval of a joint total service long run incremental cost (“TSLRIC”)/total element long run incremental cost (“TELRIC”) study. Application, ¶ 2. The MECA Companies assert in the Application that approval of their TSLRIC/TELRIC study is necessary to comply with the Commission’s cost study filing requirement and “for potential use in setting rates.” Id. at ¶ 4.

4. AT&T has standing to intervene and participate in this case. In two prior cases where the MECA Companies have sought approval of joint TSLRIC/TELRIC studies, AT&T (then known either as Ameritech Michigan or SBC Michigan) was granted intervention and participated in the Commission’s investigations of the MECA Companies joint TSLRIC/TELRIC studies. See Opinion and Order, In the Matter of the Application of the Michigan Exchange Carriers Association, Inc., for approval of a joint total service long run incremental cost study, Case No. U-11448, at 2 (Jan. 28, 1998); Opinion and Order, In the Matter of the Application of the Michigan Exchange Carriers Association, Inc., for approval of a joint total service long run incremental cost study, Case No. U-12261, at 2 (March 14, 2000).

5. As in the two prior cases referenced in paragraph 4, AT&T meets the two prong test for standing adopted in other Commission cases by this Commission as set forth in Association of Data Processing Service Organizations Inc v. Camp, 397 US 150; 90 S Ct; 250 L Ed 184 (1970).

6. AT&T is able to show that: (1) it would likely suffer an injury in fact (i.e., its interests are in danger); and 2) that its interests allegedly endangered are within the zone of interest to be protected or regulated by the state under consideration by the Michigan Public Service Commission.

7. The first prong of the test for standing is met because AT&T has a financial interest in the outcome of this proceeding. AT&T Michigan exchanges local and local toll access calls to and from each of the MECA Companies listed in the Application, and therefore pays and/or charges reciprocal compensation and/or toll access rates for such traffic. The rates established from any TSLRIC/TELRIC studies considered and approved in this case will impact the rates charged by the MECA Companies, and therefore, will financially impact AT&T Michigan.

8. The second prong of the standing test is met because, as a provider, AT&T's interests are "within the zone of interest to be protected or regulated" by any order issued in this case. As noted above, the Commission's order in this case will decide the appropriate TSLRIC/TELRIC costs applicable to the MECA Companies. These costs form the underlying basis for many of the rates the MECA Companies may charge other companies for services, such as reciprocal compensation. The Commission is the administrative body empowered by the Michigan legislature to decide such issues. Moreover, as the MECA Companies admit in their Application (see ¶ 7), the

methodology employed by the Commission to investigation TSLRIC/TELRIC studies is common across all companies, including AT&T Michigan. AT&T Michigan has an interest in ensuring that the Commission uses a consistent approach when investigating a company's TSLRIC/TELRIC studies. Accordingly, AT&T satisfies the two prong-test for standing in this proceeding.

9. No other parties can adequately represent AT&T's interests in this proceeding.

10. Furthermore, if the Commission were to determine that AT&T did not have standing as a matter of right, then the Commission should grant AT&T permissive intervention. AT&T is in a position to provide unique policy recommendations and expertise to the Commission, which will be useful to the Commission in making a determination on the issues to be decided in this case.

11. AT&T's position is that the MECA Companies costs should be based upon the total service long run incremental costs (or, where applicable, the total element long run incremental costs) of the subject services (or elements), consistent with the Commission's prior orders on such matters.

12. AT&T reserves its right to address any additional issues permitted to be raised in this proceeding.

13. AT&T respectfully requests that it be served with all pleading and other documents in this case, including, without limitation, the confidential version of all pleadings and cost studies (subject to any applicable protective order or a mutually acceptable confidentiality agreement).

WHEREFORE, AT&T respectfully requests that it be granted status to intervene as a party to this proceeding with full rights of participation.

Respectfully submitted,

AT&T Michigan

John J.

Reidy, III

By one of its attorneys

Digitally signed by John J.
Reidy, III
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= US
Date: 2006.07.05 17:01:18 -
05'00'

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STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

**In the matter on the Commission's Own Motion)
to examine the total service long run)
incremental costs of the Michigan Exchange)
Carriers Association Companies, including Ace)
Telephone, Barry County Telephone, Deerfield)
Farmers' Telephone, Kaleva Telephone,)
Lennon Telephone, Ogden Telephone, Pigeon)
Telephone, Upper Peninsula Telephone, and)
Waldron Telephone Companies.)**

Case No. U-14781

E-File/Paperless

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

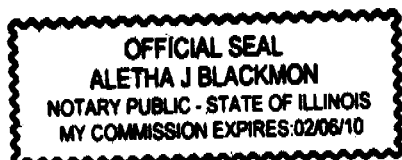
John J. Reidy, III, being first sworn, deposes and says that she is an employee of AT&T Inc. and that on July 5, 2006, she did cause to be served a copy of the Petition for Intervention by Michigan Bell Telephone, d/b/a AT&T Michigan in the above-captioned proceeding, upon those parties listed on the attached list, via United States First Class Mail.

John J. Reidy, III
Digitally signed by John J. Reidy, III
DN: CN = John J. Reidy, III, C = US
Date: 2006.07.05 17:01:03 -05'00'

Subscribed and sworn before me
This 5th day of July 2006.

Aletha J. Blackmon
Notary Public

My Commission Expires:



SERVICE LIST
MPSC Case No. U-14781

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