



June 14, 2006

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

Re: In the matter, on the Commission's own motion, on the certification of Eligible
Telecommunications Carriers
Allband Communications Cooperative
MPSC Case No. U-14900
Paperless/E-File

Dear Ms. Kunkle:

Attached for filing please find the verified Eligible Telecommunications Carrier Annual
Report of Allband Communications Cooperative.

Sincerely,

Paul Hartman
General Manager
Allband Communications Cooperative
PO Box 246
Hillman, MI 49746

989-255-1406 (cell)
989-742-2818 (wireline)

Allband Communications Cooperative

P.O. Box 246 • Hillman, MI 49746 • Phone: 989-255-1403 • Email: info@allband.org • www.allband.org

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

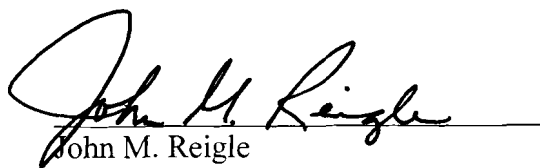
In the matter, on the Commission's	)	
Own Motion, on the Certification of	)	
Eligible Telecommunications Carriers	)	Case No. U-14900
	)	
Allband Communications Cooperative _____	)	

AFFIDAVIT OF JOHN M. REIGLE

I, John M. Reigle first being duly sworn, do hereby depose and state as follows:

1. I am the President of the Board of Directors of Allband Communications Cooperative.
2. This Affidavit is submitted in support of the Eligible Telecommunications Carrier Annual Report for 2007 ("Report").
3. I have reviewed the Report and the facts stated therein, of which I have personal knowledge, are true and correct to the best of my present knowledge, information and belief.

Executed this 13th day of June 2006.


John M. Reigle

RON K SIEGEL JR
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF LIVINGSTON
My Commission expires Feb. 14, 2012
Acting in the County of ALCOA

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's	)	
Own Motion, on the Certification of	)	
Eligible Telecommunications Carriers	)	Case No. U-14900
	)	E-File
Allband Communications Cooperative_	)	(Paperless Filing)

**ELIGIBLE TELECOMMUNICATIONS CARRIER ANNUAL REPORT FOR
2007 CERTIFICATION
BY ALLBAND COMMUNICATIONS COOPERATIVE**

Allband Communications Cooperative (Allband) pursuant to Sections 214(c)(2), 214(c)(6) and 254 of the Communications Act of 1934,¹ the Federal Communications Commission (FCC) Report and Order in CC Docket 96-45,² Sections 201 and 203 of the Michigan Telecommunications Act ("MTA"),³ and the Michigan Public Service Commission's ("MPSC") October 18, 2005 and April 13, 2006 Orders in MPSC Case No. U-14530, hereby files its Eligible Telecommunications Carrier Annual Report. Allband requests certification in its Robbs Creek exchange area.

INTRODUCTION

Allband is a not-for-profit corporation organized on a membership basis that was formed under the laws of the State of Michigan on November 5, 2003. Allband is a non-profit cooperative. Its mailing address is PO Box 246, Hillman, Michigan 49746.

Allband has only one exchange, Robbs Creek. It is located in the Northeast

¹ 47 USC §§ 214(c)(2) and 214(c)(6) and 47 USC § 254

² *In the Matter of Federal- State Joint Board on Universal Service*, CC Docket 96-45, FCC 05-46 ("FCC 05-46")

³ MCL 484.2201 and MCL 484.2203

portion of the lower peninsula of Michigan⁴. Alpena, located along the Lake Huron coast of Michigan, is the nearest “large” town and is approximately 35 miles directly east and a little north of the most northern portion of the Robbs Creek exchange. The Robbs Creek exchange encompasses about 177.4 square miles, and is expected to serve approximately 300 access lines within the first three years after it commences operations. There are no recognized towns/communities within the Robbs Creek exchange.

Regulatory Activity

On August 31, 2004, in Case Number U-14200, the MPSC granted Allband a temporary license to “provide basic local exchange service in the proposed new exchange service territory”. On December 2, 2004 in Case Number U-14200, the MPSC granted Allband a permanent license to “provide basic local exchange service in the proposed Robbs Creek Exchange”. The permanent license superseded the temporary license.

On November 10, 2005 in Case Number U-14659, the MPSC granted Allband’s application “for designation as an eligible telecommunications carrier for purposes of universal service fund support”. On November 21, 2005, the MPSC sent a letter to the United States Administration Company (USAC) certifying Allband as an ETC for the years 2005 and 2006.

On August 11, 2005, the FCC granted Allband’s request for waiver of sections 69.2(hh) and 69.601 of the Commission’s rules.⁵ In addition, the Commission granted Allband’s request for waivers of the definition of incumbent local exchange carrier

⁴ A map of the Allband service territory and its location in the state of Michigan can be found at Allband’s website: www.allband.org.

⁵ Allband Communications Cooperative Petition for Waiver of Sections 69.2(hh) and 69.601 of the Commission’s Rules, WC 05-174 DA 05-2268 released August 11, 2005

(ILEC) in part 36 and section 54.5 of the Commission's rules to the limited extent necessary to permit the receipt of universal service support based on its own costs. This permitted Allband to be treated as an ILEC for the purposes of receiving universal service support and participating in National Exchange Carriers Association (NECA) tariffs and pools.

The FCC also waived the October 1, 2004 data filing deadline set forth in section 54.301(b) of their rules for local switching support (LSS), the October 1, 2004 deadline set forth in section 54.314(d) of their rules for state certification of support for rural carriers, and the March 31, 2005 and July 31, 2005 data filing deadlines set forth in section 54.903(a) of their rules for interstate common line support (ICLS). These waivers were granted to "ensure that Allband is able to collect access charges and universal service funding in a timely manner".

Construction

Construction started in October 2005 and stopped due to inclement weather in mid-November 2005. Service could not be provided to any customer. As a result, in 2005 Allband did not offer or participate in any tariff or any federal universal service fund. Construction restarted in April 2006.

Depending on circumstances, the first revenue-producing customer will likely be provided service during the third quarter 2006, although it is not totally out of the question that the first customer will not be provided service until the fourth quarter 2006. Allband will not provide any service without first filing the appropriate tariffs with the MPSC. Allband has provided the prospective data for participation in at least some of the Federal Universal Service Funds. Allband is anticipating that these Federal Universal

Service Funds will start as soon as the first customer is provided service. For the other Federal Universal Service Funds, most notably the Federal High Cost Loop Fund, Allband is in the process of requesting the necessary waivers from the FCC so that this funding would be available as soon as possible, i.e., starting in 2006 at the time the first customer is provided service rather than in 2008. At this point, per FCC rules, such funding is not immediately available to Allband.

ETC APPLICATION

1. Company contact person

Paul M. Hartman
General Manager
Allband Communications Cooperative
PO Box 246
Hillman, Michigan 49746
989-255-1406 (cell)
989-742-2818 (wireline)
paul.hartman@allband.org

2. Wire center information

Name: Robbs Creek
CLLI: MTCTMIACDS1
Study Area Number: 310542

3. Five Year Improvement Plan

Allband has been approved to receive a \$6.26 million loan from the United States Department of Agriculture – Economic Development (formerly known as Rural Utilities Service and before that Rural Electrification Agency). Allband started construction in late 2005 and will not finish initial construction until the 3rd quarter 2006. This loan covers construction of a state-of-the-art all fiber/optical network (Fiber To The Home)

and IP-based soft switch. The fiber optic cable is in conduit or direct buried. There is no aerial plant. It also includes the construction the CO Building and the equipment necessary to maintain the network.

As of this date, the construction is progressing on all fronts – plowing conduit, burying fiber, starting construction of the CO building, etc. Within the next 45 days, the CO building will be completed, the switch installed, as many customer drops and Network Interface Devices installed as possible, the trunks turned up for service, etc.

Allband is planning on providing service to its first customer in the third quarter, 2006. Allband has not received any revenue to date, e.g., local, toll, access, USF and will not until the first customer is provided service. Therefore no USF has been used to pay for any projects to date. As stated above, Allband is in the process requesting the FCC for the necessary waivers to begin receiving USF as soon as possible after the first customer is provided service.

Allband's service territory is approximately 177 square miles with approximately 300 access lines. This equates to a density of less than 1.7 lines per square mile. At this time there are only 35 members of the cooperative, but the number is increasing as the construction passes individual households. While there are many full time residences, there are also many weekend residences. Some of these weekend residences have proven challenging to contact and coordinate service. Allband anticipates at the time the first customer is turned up for service, there may actually be approximately 50 customers.

Allband will offer service to all customers in its service territory. However, because of recent right of way issues construction may not be completed this year to some areas. Therefore it may take another year to have facilities available to all

customers. For example, there are not roads to all customers, but rather trails – literally. Finding out who has access to what for what purposes (and therefore what if any easements are required) has proven an ongoing challenge. The next two-three years will be spent installing the drops to customers. Because of the topography and density, it is not uncommon that the drop may actually be more than a mile long.

On the bright side, there have been no service related complaints, unless frustration with delays in getting service started is counted. And since Allband has yet to start to provide service, there have been no service outages.

Allband is only working to provide service to customers within the certificated area. However folks without telephone service that are not in the certificated area have approached Allband. While Allband may at a later date request that the relevant certificated areas are changed so that Allband can serve these customers, this will not happen until service is offered to all customers within the existing service area.

4. Emergency Preparedness

The Allband central office will have a permanently mounted diesel generator designed to keep the CO batteries charged as long as there is diesel fuel in the generator tank. In its initial operation, there will not be trunk redundancy or rings in place. While a folded ring could be utilized and considered a ring, it does not add significant redundancy. At this time, there is a single fiber optic cable between the Robbs Creek CO and the Point of Interface in Hillman, Michigan. Allband is committed to finding multiple outlets. Unfortunately this is a future consideration.

5. Consumer Protection

Allband will have written policies regarding Consumer Privacy that meet the requirements contained in CFR 47 §64.2009 prior to the first customer receiving service. Lifeline and Link-Up informational material have been included in every member application packet. A copy of this information is included as Attachment A.

6. Local Usage

Allband will file a local tariff that complies with all MPSC orders before the first customer is provided service. Allband has only one rate center.

7. Equal Access

Allband is the only ETC that will provide service to all the customers in our certificated area. As stated above, Allband is still in the process of constructing the network to actually accomplish this.

8. Additional service provisions

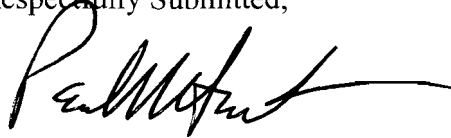
Allband will provide the services that are eligible for universal service support, as described in 47 CFR § 54.101, mainly (1) voice-grade access to the public switched network, (2) local usage, (3) dual tone multi-frequency signaling or its functional equivalent, (4) single party service or its functional equivalent, (5) access to emergency services, (6) access to operator services, (7) access to interexchange services, (8) access to directory assistance, and (toll limitation for qualifying low income customers.

While Allband would have liked to provide more definitive plans, such issues as a fiber interconnection with Verizon has yet to be finalized. Due to this uncertainty, contingency plans are being made. Allband is committed to providing ILEC carrier grade quality services.

9. Conclusion

On November 10, 2005 in Case Number U-14659, the MPSC granted Allband's application "for designation as an eligible telecommunications carrier for purposes of universal service fund support". Allband respectfully requests that the MPSC submits its name to the FCC on the October 1, 2006 list of Eligible Telecommunications Carriers for the State of Michigan.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Paul M. Hartman", with a long horizontal flourish extending to the right.

Paul M. Hartman
General Manager
Allband Communications Cooperative

Date: June 15, 2006

Appendix A Lifeline/Link-Up Informational Material



Lifeline & Link Up Services

If your household obtains assistance from state or federal programs, or qualifies as low-income, your household may be eligible for Lifeline or Link Up Programs, which offer residential telephone service at a significant discount with reduced installation charges.

Your household may qualify for this service if you are enrolled in any of the following program(s):

- Medicaid Program
- Food Stamps Program
- Supplemental Security Income (SSI) Program
- Federal Public Housing Association Program
- Low Income Home Energy Assistance Program
- Bureau of Indian Affairs General Assistance
- Temporary Assistance to Needy Families
- Head Start Programs (only those meeting its income-qualifying standards)
- National School Lunch Program (Free Lunch Program)
- Other State or Federal Assistance Programs

If you are not enrolled in any of the above programs, but your annual combined household income is at or below 150% of the Federal Poverty guidelines, you may qualify for Lifeline and/or Link Up. Please refer to the table below for qualifying income levels. Proof of eligibility must be provided in order to qualify.

150% of the Federal Poverty Guideline's Maximum Income		
# of Household Members	Monthly Income	Annual Income*
1	\$1,196	\$14,355
2	\$1,603	\$19,245
3	\$2,011	\$24,135
4	\$2,418	\$29,025
5	\$2,826	\$33,915
6	\$3,233	\$38,805
7	\$3,641	\$43,695
8	\$4,048	\$48,585
*Note: Add \$4,890 for each additional household member. Family Independence Agency clients may qualify.		



State/Federal Assistance Lifeline and/or Link Up Eligibility Application

PERSONAL INFORMATION		
NAME		
PROPERTY ADDRESS AT TELEPHONE SERVICE LOCATION		COUNTY
CITY	STATE	ZIP
DAYTIME PHONE (IF AVAILABLE)	WORK PHONE (IF AVAILABLE)	

As an applicant for Federal Lifeline and/or Link Up services, I certify under penalty of perjury that I am currently receiving assistance from (check all that apply):

- ☐ Medicaid Program
- ☐ Food Stamps Program
- ☐ Supplemental Security Income (SSI) Program
- ☐ Federal Public Housing Association Program
- ☐ Low Income Home Energy Assistance Program
- ☐ Bureau of Indian Affairs General Assistance
- ☐ Temporary Assistance to Needy Families
- ☐ Head Start Programs (only those meeting its income-qualifying standards)
- ☐ National School Lunch Program (Free Lunch Program)
- ☐ Other State or Federal Assistance Programs

Please Describe: _____

_____ I agree to notify Allband Communications Cooperative when I am no longer receiving the assistance I have indicated.
Initials

_____ I agree to notify Allband Communications Cooperative when I am no longer receiving the assistance I have indicated.
Initials

Signature

Date



Low Income Lifeline and/or Link Up Eligibility Application

PERSONAL INFORMATION		
NAME		
PROPERTY ADDRESS AT TELEPHONE SERVICE LOCATION		COUNTY
CITY	STATE	ZIP
DAYTIME PHONE (IF AVAILABLE)	WORK PHONE (IF AVAILABLE)	

Qualifying Income Levels:

150% of the Federal Poverty Guideline's Maximum Income		
# of Household Members	Monthly Income	Annual Income*
1	\$1,196	\$14,355
2	\$1,603	\$19,245
3	\$2,011	\$24,135
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6	\$3,233	\$38,805
7	\$3,641	\$43,695
8	\$4,048	\$48,585
*Note: Add \$4,890 for each additional household member. Family Independence Agency clients may qualify.		

As an applicant for Federal Lifeline and/or Link Up Services, I certify under penalty of perjury that my household's combined income is at or below the figures in the chart above. I understand that the term "household" means all persons who occupy my housing unit, whether they are related to each other or not.

Number of individuals in my Household: _____ Combined Annual Income: \$_____

I have attached the following documentation covering at least three consecutive months:

- ☐ A previous year's state, federal or tribal tax return
- ☐ A current income statement from an employer or paycheck stub
- ☐ A statement of benefits from the U.S. Social Security Administration
- ☐ A statement of benefits from the U.S. Department of Veterans Affairs
- ☐ A retirement or pension statement of benefits
- ☐ An unemployment or worker's compensation statement of benefits
- ☐ A federal or tribal notice letter of participation in general assistance
- ☐ A divorce decree or child support document

☐ Another official document demonstrating proof of income

Please describe: _____

_____ I agree to notify Allband Communications Cooperative when I am no longer receiving the assistance I have indicated.
Initials

_____ I agree to notify Allband Communications Cooperative when I am no longer receiving the assistance I have indicated.
Initials

Signature

Date