

Michigan Office of Administrative Hearings and Rules
MOAHR-Rules@michigan.gov

**AGENCY REPORT TO THE
JOINT COMMITTEE ON ADMINISTRATIVE RULES (JCAR)**

1. Agency Information

Agency name:

Licensing and Regulatory Affairs

Division/Bureau/Office:

Public Service Commission

Name of person completing this form:

Caitlin Mucci

Phone number of person completing this form:

517-284-8066

E-mail of person completing this form:

MucciC@michigan.gov

Name of Department Regulatory Affairs Officer reviewing this form:

Elizabeth Arasim

2. Rule Set Information

MOAHR assigned rule set number:

2023-28 LR

Title of proposed rule set:

Responsibilities of Providers of Basic Local Exchange Service that Cease to Provide the Service

3. Purpose for the proposed rules and background:

The rules address the responsibilities of providers of basic local exchange service that cease to provide service to any segment of end-users or geographic area; go out of business; or withdraw from the state, including the transfer of customers to other providers and the reclaiming of unused telephone numbers. Specifically, the rules address the roles and responsibilities of retail and wholesale providers that seek to discontinue service to any type of end user or geographic area, withdraw service from the state, or transfer a customer or customers to another provider of basic local exchange service.

Part 2 of the rules, titled Responsibilities of Providers and Wholesale Providers Involved in a Disconnection Dispute, specifically addresses the roles and responsibilities of retail and wholesale telecommunications providers that are involved in interconnection disputes with each other, which may result in the disconnection of end-user customers. The proposed rules, which are primarily re-promulgating the current rules, will remain largely unchanged and help ensure that both the PSC and affected customers receive adequate notice of an impending discontinuance of service from a wholesale provider and/or retail provider. The re-promulgated rules also assist the PSC in attempts to resolve disputes between providers by requiring that the notice to the PSC contains certain information.

Agency Report to JCAR-Page 2

If a provider of basic local exchange service proposes to discontinue a regulated service pursuant to Section 313 of Public Act 179 of 1991, the Michigan telecommunications act (MTA), MCL 484.2313 (referred to as Section 313), the provider is required to file a notice of the discontinuance of service with the PSC, publish the notice in a newspaper of general circulation within the exchange area, and provide notice to each of its customers within the exchange by first-class mail or within customer bills. Section 313 is silent as to what information providers of basic local exchange service should provide to the PSC when proposing to discontinue service. The re-promulgated ruleset under the proposed Part 3, Cessation of Service to Any Segment of End Users or Geographic Area, Withdrawal of Service from the State, Transfer of Customers to Other Providers, will add rules to address the notice requirements set out in Section 313.

The PSC staff have received several filings for a discontinuance of service pursuant to Section 313, noting in particular an increase in filings since 2019. The PSC staff anticipate that Section 313 discontinuance filings will increase due to changes in telecommunications technology. Currently, the PSC staff request that providers of basic local exchange service that are seeking to discontinue service provide certain notice information on a voluntary basis. The proposed rules will codify as requirements the information that currently is provided voluntarily to provide efficiency and make the notice process pursuant to Section 313(5)(a) and (b) more effective through formalized rules. The proposed rules will provide clarity to providers as to the specific information that should be included in a notice to the PSC regarding a discontinuance of service and how that notice should be provided to customers and interconnecting providers. The rules will eliminate the ambiguity in the MTA and address frequently received questions from providers regarding notices to the PSC, while maintaining consistency with the intent of the MTA and the traditional function and purpose of rulemaking. Adopting formalized rules will also provide consistency in terms of the information each provider must submit in a notice of discontinuance to the PSC.

With the addition of Part 3 to the ruleset, the PSC proposes the addition of seven rules to the ruleset, the necessary renumbering of one part of the existing ruleset, and the rescinding and addition of rules such that the rules are renumbered but maintain the text of the existing rule.

4. Summary of proposed rules:

Agency Report to JCAR-Page 3

This is a re-promulgation of existing rules with some amendments with some amendments to Part 2 of the rules addressing the roles and responsibilities of retail and wholesale providers that are involved in interconnection disputes with each other, which may result in the disconnection of end-user customers, and the addition of new rules to address the information that providers of basic local exchange service seeking to discontinue service must provide in a notice of discontinuance. The rules address the responsibilities of providers of basic local exchange service that cease to provide the service to any segment of end users or geographic area, go out of business, or withdraw from the state, including the transfer of customers to other providers and the reclaiming of unused telephone numbers. The rules will provide clarity to providers as to the specific information that should be included in a notice to the PSC regarding a discontinuance of service and how that notice should be provided to customers and interconnecting providers. The rules will eliminate the ambiguity in the Michigan Telecommunications Act and address frequently received questions from providers regarding notices to the PSC while maintaining consistency with the intent of the Michigan Telecommunications Act and the traditional function and purpose of rulemaking. Adopting formalized rules will provide consistency in terms of the information each provider must submit in a notice of discontinuance to the PSC.

5. List names of newspapers in which the notice of public hearing was published and publication dates:

Oakland Press, July 17, 2023.
The Mining Journal, July 17, 2023.
Grand Rapids Press, July 18, 2023.

6. Date of publication of rules and notice of public hearing in Michigan Register:

7/15/2023

7. Date, time, and location of public hearing:

8/1/2023 09:00 AM at Lake Michigan Hearing Room , 7109 W. Saginaw Highway, Lansing MI 48909

8. Provide the link the agency used to post the regulatory impact statement and cost-benefit analysis on its website:

<https://ARS.apps.lara.state.mi.us/Transaction/RFRTransaction?TransactionID=1455>

9. List of the name and title of agency representative(s) who attended the public hearing:

Alena Clark, Michigan Department of Attorney General.
Caitlin Mucci, Michigan Public Service Commission.
Wendy Thelen, Michigan Public Service Commission.
Lori Thelen, Michigan Public Service Commission.

10. Persons submitting comments of support:

No persons submitted comments in support.

11. Persons submitting comments of opposition:

Agency Report to JCAR-Page 4

Michael Alaimo on behalf of the Michigan Chamber of Commerce.

John LaPenta on behalf of Brightspeed of Central Michigan, Inc., Brightspeed of Michigan, Inc., Brightspeed of Northern Michigan, Inc. and Brightspeed of Upper Michigan, Inc. (together, as Brightspeed).

Mr. Ronald Fenwick.

12. Persons submitting other comments:

No persons submitted other comments.

13. Identify any changes made to the proposed rules based on comments received during the public comment period:

	Name & Organization	Comments made at public hearing	Written Comments	Agency Rationale for Rule Change and Description of Change(s) Made	Rule number & citation changed
1					

14. Date report completed:

10/24/2023