

**Michigan Office of Administrative Hearings and Rules
Administrative Rules Division (ARD)**

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REQUEST FOR RULEMAKING (RFR)

1. Department:

Licensing and Regulatory Affairs

2. Bureau:

Public Service Commission

3. Promulgation type:

Full Process

4. Title of proposed rule set:

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

5. Rule numbers or rule set range of numbers:

R 484.1001-484.1009

6. Estimated time frame:

12 months

Name of person filling out RFR:

Lisa Gold

E-mail of person filling out RFR:

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Phone number of person filling out RFR:

517-284-8084

Address of person filling out RFR:

7109 W. Saginaw, Lansing MI

7. Describe the general purpose of these rules, including any problems the changes are intended to address.

These 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. Specifically, the rules address 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.

If a wholesale provider cuts off service to a retail provider for non-payment of a charge, for example, that action could result in the disruption of service to the end user as well, if the end user is not given sufficient advanced warning to seek another retail provider. These re-promulgated rules ensure that both the PSC and affected customers receive adequate notice of an impending discontinuance of service from a wholesale provider and/or a retail provider. The rules also assist the PSC in attempts to resolve disputes between providers by requiring that the notice to the PSC contain certain information. The rules also address the reclamation of phone numbers used by a provider that ceases to provide service.

In addition to re-promulgating this ruleset, the PSC proposes three minor changes. Two of the proposed changes are updates to CFR cites: R 484.1005(4) will be revised to change the “(2016)” to “(2018),” and R 484.1006(1) will be revised to reflect the same change. Additionally, R 484.1005 will be revised to add a new subsection (5) and the remainder of that rule will be renumbered. The new subsection (5) will state “(5) If the provider fails to provide the notice under subrule (4) by the 11th business day, the Commission may post a notice of the discontinuance on its website.” While the issue was resolved without disconnection, based upon its experience with a provider who failed to make the required notice under R 484.1005(4), the PSC has determined that this addition to the rule will be beneficial by allowing the PSC to post the notice on its website and potentially make customers aware that a provider is about to cease to provide service.

8. Please cite the specific promulgation authority for the rules (i.e. department director, commission, board, etc.).

MCL 484.2213 authorizes the PSC to promulgate rules under the Administrative Procedures Act of 1969, 1969 PA 306.

MCL 484.2202(1)(c)(iv) requires the Commission to promulgate rules pursuant to MCL 484.2213 to establish and enforce quality standards for: “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.” This ruleset was originally promulgated under this authority.

MCL 484.2202(2) mandates that this ruleset shall expire within three years of its effective date, and that the PSC “may, before the expiration of the rules, promulgate new rules under subsection (1)(c).” Thus, these rules sunset every three years and must be re-promulgated every three years. The rules currently sunset on March 21, 2021. The PSC is initiating the rulemaking process at this time because it is necessary to receive the approved RFR, informal approvals of the rules, and the approved RIS prior to issuing the first order commencing the rulemaking process for the public. Once the first order is issued, the PSC strives to complete the rulemaking within the 180-day deadline set by the Michigan Telecommunications Act (MTA).

A. Please list all applicable statutory references (MCLs, Executive Orders, etc.).

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B. Are the rules mandated by any applicable constitutional or statutory provision? If so, please explain.

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9. Please describe the extent to which the rules conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.

The PSC is unaware of any such rules.

10. Is the subject matter of the rules currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memoranda?

No.

11. Are the rules listed on the department’s annual regulatory plan as rules to be processed for the current year?

No.

12. Will the proposed rules be promulgated under Section 44 of the Administrative Procedures Act, 1969 PA 306, MCL 24.244, or under the full rulemaking process?

Full Process

13. Please describe the extent to which the rules exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.

They do not so exceed.

14. Do the rules incorporate the recommendations received from the public regarding any complaints or comments regarding the rules? If yes, please explain.

The PSC has not received any complains regarding the rules. The PSC conducted an informal stakeholder comment process prior to submitting this RFR and incorporated any relevant comments.

15. If amending an existing rule set, please provide the date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed the regulatory activity covered by the rules since the last evaluation.

The last evaluation occurred in 2017-2018. Technology, economic conditions, or other factors have not changed this regulatory activity.

16. Are there any changes or developments since implementation that demonstrate there is no continued need for the rules, or any portion of the rules?

No.

17. Is there an applicable decision record (as defined in MCL 24.203(6) and required by MCL 24.239(2))? If so, please attach the decision record.

No