

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON D.C. 20554**

In the Matter of	)	
Upper Peninsula Telephone Company and	)	
Michigan Central Broadband Company, LLC	)	CC Docket No. 96-45
Joint Petition for Waiver of the Definition of	)	
“Study Area” Contained in Part 36, Appendix-	)	
Glossary of the Commission’s Rules	)	

**Reply Comments
of the Michigan Public Service Commission**

Pursuant to the Federal Communications Commission’s (“FCC”) procedural schedule established in the above docket, the Michigan Public Service Commission (“MPSC”) hereby submits its reply comments.

I. Introduction

On January 12, 2011, the FCC requested comments regarding the joint petition of the Upper Peninsula Telephone Company (“UPTC”) and Michigan Central Broadband Company, LLC (“MCBC”) to request a waiver of the “Study Area” definition contained in Part 36 of the Appendix-Glossary of the Commission’s Rules.¹ Granting the petition would enable UPTC and MCBC to receive federal Universal Service Fund (USF) support targeted to their specific service areas.

¹ Public Notice, FCC, CC Docket No. 96-45, DA 11-53, January 12, 2011.

A study area is defined as an area served by a rural incumbent local exchange carrier (LEC).² The MPSC agrees that many factors influence the FCC's decision of a study area waiver request. As such, the MPSC offers additional information which may assist the FCC in making a determination.

II. Discussion

On April 6, 2009, UPTC petitioned the MPSC to change its disaggregation election from Path 1 to Path 2. UPTC requested the change to disaggregate their study area exchanges to separate the four exchanges located in Michigan's lower peninsula from the fifteen exchanges located in Michigan's upper peninsula. On July 1, 2009, the MPSC granted approval of UPTC's petition for Path 2 disaggregation of its study area.³

On May 12, 2009, the MPSC granted a license to MCBC to provide basic local exchange service in the exchanges of Amble, Chester, Grace Harbor, and Manistee River.⁴ All four exchanges are located in the lower peninsula of Michigan.

On May 26, 2009, MCBC filed an application with the MPSC for Eligible Telecommunication Carrier (ETC) designation for purposes of USF support in the Amble, Chester, Grace Harbor, and Manistee River exchanges in the lower peninsula of Michigan. On August 11, 2009, the MPSC approved the ETC designation application.⁵

On January 29, 2010, UPTC and MCBC filed a joint application with the MPSC to separate their respective total service long run incremental cost (TSLRIC) studies, with UPTC presenting the studies for the fifteen exchanges in the upper peninsula of Michigan

² FCC 05-46, CC Docket 96-45, Paragraph 73, March 17, 2005 (release)

³ Michigan Public Service Commission, Order, U-15939, July 1, 2009

⁴ Michigan Public Service Commission, Order, U-15786, February 3, 2009

⁵ Michigan Public Service Commission, Order, U-15984, August 11, 2009

and MCBC presenting the studies for the four exchanges in the lower peninsula of Michigan. On April 27, 2010, the MPSC approved the TSLRIC studies presented by UPTC and MCBC as filed.⁶

III. Conclusion

For the reasons stated above and the lack of opposition filed in this proceeding, the MPSC believes there are no areas of concern, at this time. The MPSC supports the FCC approving Upper Peninsula Telephone Company's and Michigan Central Broadband Company, LLC's petition for a waiver of the definition of "study area" as contained in Part 36 of the Appendix-Glossary of the Commission's Rules. By granting the waiver, the FCC would enable these companies, located in rural exchanges in different peninsulas of Michigan, to provide efficient telecommunications services to their local customers.

Respectfully submitted,

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⁶ Michigan Public Service Commission, Order, U-16171, April 27, 2010