

STATE OF MICHIGAN
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
FOR THE MICHIGAN PUBLIC SERVICE COMMISSION

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In that matter, on the Commission’s own)
motion, to commence formal basic local)
exchange service license revocation) Case No. U-21868
proceedings against ComTech21, LLC;)
Osirus Communications, Inc., Crystal)
Automation Systems, Inc., d/b/a Casair, Inc.;)
and MCC Telephony of the Midwest, LLC.)

NOTICE OF PROPOSAL FOR DECISION

The attached Proposal for Decision is being issued and served on all parties of record in the above matter on July 10, 2025.

Exceptions, if any, must be filed with the Michigan Public Service Commission, 7109 West Saginaw, Lansing, Michigan 48917, and served on all other parties of record on or before July 31, 2025, or within such further period as may be authorized for filing exceptions. If exceptions are filed, replies thereto may be filed on or before August 14, 2025.

At the expiration of the period for filing exceptions, an Order of the Commission will be issued in conformity with the attached Proposal for Decision and will become effective unless exceptions are filed seasonably or unless the Proposal for Decision is reviewed by action of the Commission. To be seasonably filed, exceptions must reach the Commission on or before the date they are due.

MICHIGAN OFFICE OF ADMINISTRATIVE
HEARINGS AND RULES
For the Michigan Public Service Commission

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July 10, 2025
Lansing, Michigan

Lesley Carr Fairrow
Administrative Law Judge

STATE OF MICHIGAN
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_____)	

PROPOSAL FOR DECISION

I.

PROCEDURAL HISTORY

In its April 24, 2025 Show Cause Order opening this docket, the Michigan Public Service Commission (the Commission) determined that ComTech21, LLC, Osirus Communications, Inc., Crystal Automation Systems, Inc., d/b/a Casair, Inc., and MCC Telephony of the Midwest, LLC (the licensees) had each been granted a license to provide basic local exchange service (BLES) under the Michigan Telecommunications Act (MTA)¹ but had been deficient in attending to the statutory and regulatory responsibilities of licensed BLES providers.² The Commission reviewed a January 30, 2025 letter from Commission Staff (Staff) to the licensees about the deficiencies and which inquired into their desires to retain the licenses, and it noted that the licensees had

¹ 1991 PA 179, MCL 484.2101 et seq.

² Order, p 2.

not sufficiently met the 30-day response deadline imposed by the letter. The Commission found that the preliminary statutory and caselaw requirements for BLES license revocation was complete and that formal revocation proceedings should commence.

Through its April 2025 Order, the Commission directed each licensee that desired to retain its Michigan BLES license to file an intervention in this docket by May 20, 2025, and to appear before an Administrative Law Judge (ALJ) on June 10, 2025. It also directed Staff to attend the June 10th hearing. The Commission served a copy of its April 2025 Order with the hearing notice, by email and regular mail to each of the licensees.³

The licensees did not file an intervention or any other response in this docket. Only Staff appeared for the June 10th hearing during which the ALJ bound testimony from one witness into the record and admitted two exhibits.

II.

OVERVIEW OF THE RECORD

The evidentiary record consists of the testimony of Staff witness Lori Thelen, contained in 10 transcript pages, and 2 exhibits, Exhibits S-1 and S-2. Ms. Thelen is a Senior Analyst in the Licensing and Competitive Issues Section of the Commission's Telecommunications Division.⁴ She testified that her responsibilities include acting as a case coordinator for Michigan BLES license applications, overseeing the status of BLES licenses, and assessing BLES licensee compliance with all rules and regulations.⁵

Ms. Thelen said that Staff recommends that the licenses of ComTech21, LLC (ComTech21), Osirus Communications, Inc. (Osirus), Crystal Automation Systems, Inc.,

³ Proofs of Service dated April 24, 2025 and April 25, 2025.

⁴ 1 Tr 9.

⁵ 1 Tr 9-10

d/b/a Casair, Inc. (Casair), and MCC Telephony of the Midwest, LLC (MCC) be revoked by the Commission under Section 601(d) of the MTA because the licensees no longer possess sufficient technical, financial, and managerial resources and abilities to provide BLES within the geographic area of the respective licenses as required by Section 302(1)(a) of the MTA and because they are deficient in their compliance with federal and state requirements for BLES.⁶ She also said that Commission records show expired or inactive registrations with the Intrastate Telecommunications Service Providers (ITSP) registry for each licensee.⁷ She noted that each licensee failed to file their annual public utility assessment (PUA) forms for one or more years as required by Section 211 of the MTA.⁸ Ms. Thelen further noted that information from the Michigan Department of Licensing and Regulatory Affairs' Corporations, Securities & Commercial Licensing Bureau showed that Osirus is dissolved.⁹ And she said that after determining that Casair has not had any operations or customers in Michigan since 2020, Staff encouraged Casair to surrender its license if it would not provide service in a reasonable time.¹⁰

Ms. Thelen testified that Staff made numerous attempts to communicate with the licensees about the BLES license requirements. She noted that in January 2025, Staff warned each licensee of the potential for license revocation in a letter sent via certified U.S. mail to the last known address of each licensee and a copy of the letter was sent to each email address on record.¹¹ The certified letter detailed the history of deficiencies for

⁶ 1 Tr 11-12.

⁷ 1 Tr 12; Exhibits S-1 and S-2.

⁸ 1 Tr 12; Exhibit S-1.

⁹ 1 Tr 12; Exhibits S-1 and S-2.

¹⁰ Exhibits S-1 and S-2.

¹¹ 1 Tr 13-14; Exhibits S-1 and S-2.

each licensee and the lack of response to the Commission's contacts, and it asked the licensee to respond

no later than 30 days from the date of the letter and indicate if the company wishes to retain its license and is providing service and intends to come into compliance with its regulatory requirements, or has ceased operations.¹² (emphasis in the original)

Ms. Thelen testified that the certified letters to ComTech21 and Osirus were returned by the post office as undeliverable, the certified letters to Casair and MCC were signed for and delivered, the letters were delivered to the email addresses on record for each licensee, and the email correspondence to ComTech21 returned an automatic response with a forwarding email address.¹³ She also said that the licensees did not respond to Staff's letter and failed to provide the requested filings.¹⁴

Ms. Thelen concluded that the licensees do not provide BLES, do not have active customers, and/or no longer possess sufficient technical, financial, and managerial resources and abilities to provide BLES within the geographic area of their respective licenses, and that it is no longer in the public interest for them to retain their licenses.¹⁵

III.

DISCUSSION

The Commission has clear jurisdiction in this matter to enforce the provisions of the MTA¹⁶ as well as the applicable provisions of the Federal Communications Act of 1934 as amended.¹⁷ Section 201 of the MTA states:

¹² 1 Tr 14; Exhibit S-2.

¹³ 1 Tr 15; Exhibit S-1.

¹⁴ 1 Tr 13-14.

¹⁵ 1 Tr 15-17.

¹⁶ 1991 PA 179, MCL 484.2101 et seq.

¹⁷ MCL 484.2305b(c).

(1) Except as otherwise provided by this act or federal law, the commission has the jurisdiction and authority to administer this act and all federal telecommunications laws, rules, orders, and regulations that are delegated to the state, including, but not limited to, the authority to arbitrate and enforce interconnection agreements and to establish rates in accordance with the standards set forth by applicable law.

(2) The commission shall exercise its jurisdiction and authority consistent with this act and all federal telecommunications laws, rules, orders, and regulations.

The MTA requires all providers and resellers of BLES to receive a license from the Commission.¹⁸ In issuing the license, the Commission must find that the applicant “possesses sufficient technical, financial, and managerial resources and abilities to provide [BLES] within the geographic area of the license and that the applicant intends to provide service within 1 year from the date the license is granted” and “that the granting of a license to the applicant would not be contrary to the public interest.”¹⁹

Section 601 of the MTA authorizes the Commission to revoke a BLES license through a two-step process: A formal license revocation action must be preceded by an informal notice to the licensee of the intended action and an opportunity for the licensee “to show compliance with all lawful requirements for retention of the license.”²⁰ And Section 203 permits the Commission to act on its own motion.²¹

As directed by the Commission in its April 2025 Order, this Proposal for Decision (PFD) addresses whether the Commission should revoke ComTech21, Osirus, Casair, and MCC’s licenses to provide BLES in Michigan. This PFD finds that Ms. Thelen’s testimony and exhibits document that the licensees have failed to comply with statutory

¹⁸ MCL 484.2301.

¹⁹ MCL 484.2302 (a) and (b).

²⁰ MCL 484.2601(d); MCL 24.292; *Rogers v Cosmetology Board*, 68 Mich App 751 (1976).

²¹ MCL 484.2203.

and regulatory filing requirements to maintain a license to provide BLES. This PFD finds that Staff have made numerous, but unsuccessful, attempts to inquire into the licensees' desire to retain their licenses. This PFD also finds that the licensees were provided notice of the intended revocation and an opportunity to show compliance and retain their license by way of Staff's numerous contacts, Staff's January 2025 letter, the Commission's April 2025 Order, and the June 10th hearing before the ALJ, but that the licensees failed to respond or otherwise rectify the deficiencies. And because the evidence presented herein is undisputed, this PFD concludes that the licensees are no longer in compliance with the MTA and revocation of their licenses to provide BLES in Michigan is appropriate.

IV.

CONCLUSION

Based on the record in this proceeding and the reasons set forth above, this PFD recommends that the Commission issue an Order that adopts this PFD's findings and revokes the licenses to provide basic local exchange service in Michigan for ComTech21, LLC, Osirus Communications, Inc., Crystal Automation Systems, Inc., d/b/a Casair, Inc., and MCC Telephony of the Midwest, LLC's.

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Lesley Carr Fairrow
Administrative Law Judge

Issued and Served:
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