

**Michigan Office of Administrative Hearings and Rules**

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**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:**

Lisa Gold

**Phone number of person completing this form:**

517-284-8084

**E-mail of person completing this form:**

goldl@michigan.gov

**Name of Department Regulatory Affairs Officer reviewing this form:**

Elizabeth Arasim

**2. Rule Set Information**

**MOAHR assigned rule set number:**

2019-124 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:**

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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.

#### **4. Summary of proposed rules:**

This is a re-promulgation of existing rules. 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. Specifically, they 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.

For example, if a wholesale provider of basic local exchange service cuts off service to a retail provider for non-payment of a charge, that action could result in the disruption of service to the end user of the retail provider as well, if the end user is not given sufficient advance warning to seek another retail provider. The targeted behavior is the loss of telephone service to a customer, including 9-1-1 and emergency service, when that customer has not been given sufficient information and advance warning that the customer should seek service elsewhere.

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

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The Oakland Press, July 1, 2020  
Grand Rapids Press, July 1, 2020  
The Mining Journal, July 1, 2020

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

6/1/2020

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

7/14/2020 09:00 AM at Lake Michigan Hearing Room , 7109 W. Saginaw Hwy, 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=110>

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

Wendy Thelen, Manager, Licensing and Competitive Issues Section, Telecom Division  
Monica M. Stephens, Assistant Attorney General  
Lisa Gold, Regulatory Affairs Division

**10. Persons submitting comments of support:**

None

**11. Persons submitting comments of opposition:**

None

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

	<b>Name &amp; Organization</b>	<b>Comments made at public hearing</b>	<b>Written Comments</b>	<b>Agency Rationale for change</b>	<b>Rule number &amp; citation changed</b>
1	None	None		None	None

**13. Date report completed:**

8/25/2020