

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)
TOUCHTONE COMMUNICATIONS, INC., for a)
license to provide basic local exchange service) Case No. U-15355
throughout the state of Michigan in the areas served)
by Verizon North Inc., and Contel of the South, Inc.,)
d/b/a Verizon North Systems, and AT&T Michigan.)
_____)

At the October 9, 2007 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

OPINION AND ORDER

On July 26, 2007, TouchTone Communications, Inc. (TouchTone), filed an application, under the Michigan Telecommunications Act (MTA), MCL 484.2101 *et seq.*, for a license to provide basic local exchange service throughout the state of Michigan in the zone and exchange areas in which Verizon North Inc., Contel of the South, Inc., d/b/a Verizon North Systems, and AT&T Michigan are the incumbent local exchange carriers.

At a hearing on September 18, 2007, TouchTone presented the testimony and exhibits of Gary Glodek, Director of Retail Operations. At the close of the hearing, the parties waived compliance with Section 81 of the Michigan Administrative Procedures Act, MCL 24.281.

After a review of the application and testimony, the Commission finds that approval of the application is in the public interest. Competition can be advantageous to the citizens of this state,

and approval of this request for a license to provide basic local exchange service will expand the opportunities for competition. The application should be approved. The grant of a license is conditioned on full compliance with the provisions of the MTA, as well as the anti-slamming procedures adopted in Case No. U-11900 and the number reclamation process adopted in Case No. U-12703. Failure to comply fully may result in revocation of the license or other penalties. Further, the grant of a license is conditioned upon the provision of service to customers within a reasonable time. Failure to do so may result in revocation of the license. Finally, the Commission notes that any numbers obtained by the applicant are a public resource and are not owned by the applicant. Consequently, if the applicant fails to provide service or goes out of business, any numbers assigned to it are subject to reclamation.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1991 PA 179, as amended, MCL 484.2101 *et seq.*; 1969 PA 306, as amended, MCL 24.201 *et seq.*; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 *et seq.*
- b. TouchTone possesses sufficient technical, financial, and managerial resources and abilities to provide basic local exchange service to all residential and commercial customers within the geographic area of the license and intends to provide service within one year from the date of this order.
- c. Granting TouchTone a license to provide basic local exchange service in the requested areas will not be contrary to the public interest.

THEREFORE, IT IS ORDERED that:

A. TouchTone Communications, Inc., is granted a license to provide basic local exchange service throughout the state of Michigan in the zone and exchange areas in which Verizon North Inc., Contel of the South, Inc., d/b/a Verizon North Systems, and AT&T Michigan are the incumbent local exchange carriers.

B. TouchTone Communications, Inc., shall provide basic local exchange service in accordance with the regulatory requirements specified in the Michigan Telecommunications Act, MCL 484.2101 et seq., including the number portability required under Section 358 (MCL 484.2358), the anti-slamming procedures adopted in Case No. U-11900, and the number reclamation process adopted in Case No. U-12703.

C. Before commencing basic local exchange service, TouchTone Communications, Inc., shall submit its tariff reflecting the services that it will offer and identifying the exchanges in which it will offer service.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, pursuant to MCL 484.2203(12).

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ Orjiakor N. Isiogu

Chairman

(S E A L)

/s/ Monica Martinez

Commissioner

/s/ Steven A. Transeth

Commissioner

By its action of October 9, 2007.

/s/ Mary Jo Kunkle

Its Executive Secretary

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, pursuant to MCL 484.2203(12).

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

By its action of October 9, 2007.

Its Executive Secretary