

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>ILLINOIS COMMERCE COMMISSION</b>	:	
<b>On Its Own Motion</b>	:	
	:	
	:	
<b>vs.</b>	:	
	:	<b>Docket No. 12-0021</b>
<b>MIDWESTERN TELECOMMUNICATIONS, INCORPORATED d/b/a M.T.I.</b>	:	
	:	
	:	
<b>Investigation into compliance with requirements for eligible telecommunications carriers and into continuing eligibility for Linkup Subsidy Reimbursement</b>	:	
	:	

**AGREED PROPOSED INTERIM ORDER**

By the Commission:

**I. PROCEDURAL HISTORY; NATURE AND PURPOSE OF FILINGS**

Midwestern Telecommunications, Incorporated d/b/a M.T.I. (“M.T.I.” or “the Company”) is a telecommunications carrier as defined in Section 13-202 of the Public Utilities Act (the “Act”), that received several certificates of service authority to provide various telecommunications services and designations as an Eligible Telecommunications Carrier (“ETC”), which are summarized as follows:

- Certificate of Service Authority to provide local exchange telecommunications services within the state of Illinois, in Docket No. 97-0132, dated July 9, 1997;

- Certificate of Service Authority to provide interexchange telecommunications services and resold interexchange telecommunications services within the state of Illinois, in Docket No. 02-0691, dated April 9, 2003;
- Certificate of Service Authority to provide resold commercial mobile radio service within the state of Illinois, in Docket No. 10-0229, dated September 9, 2010;
- Certificate of Service Authority to provide prepaid calling services within the state of Illinois, in Docket No. 10-0230, dated August 18, 2010;
- Designation as an ETC for purposes of receiving federal low-income Lifeline and Link-Up Universal Service support from the Federal Universal Service Fund for its wireline operations in a service area consisting of non-rural AT&T wire centers in the state of Illinois, in Docket No. 06-0038, dated August 26, 2006;
- Designation as an ETC for purposes of receiving federal low-income Lifeline and Link-Up Universal Service support from the Federal Universal Service Fund for its pre-paid wireless operations in a service area consisting of non-rural AT&T wire centers in the state of Illinois, in Docket No. 10-0524, dated March 9, 2011.

On January 10, 2012, the Illinois Commerce Commission (the "Commission"), on its own motion, initiated this proceeding on its own motion pursuant to its authority under Section 10-101 of the Act to investigate: (1) alleged noncompliance by M.T.I. with the state and federal requirements of a designated ETC receiving Lifeline and Link-up support; (2) the impact of the Federal Communications Commission's ("FCC") November 18, 2011 Order (the "USF/ICC Order")(WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket no. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and order and Further Notice of Proposed Rulemaking) on M.T.I.'s ETC designations in light of that Order's redefinition of USF eligible supported service; and (3) whether, in any event, M.T.I.'s eligibility to receive Linkup subsidies should be rescinded as a matter of law and/or policy. The Commission's January 10, 2012 Order incorporated a report by

Staff dated December 29, 2011 summarizing Staff's initiation investigation into these issues.

On February 1, 2012, a status hearing was held at which M.T.I. and Staff agreed to the joint preparation of an agreed proposed interim order, which formed the basis of the present Interim Order, and to the joint preparation of an agreed proposed final order at such time as M.T.I. is able to cease its operations as a wireline service provider, as explained below.

## **II. Position of M.T.I.**

M.T.I. received and reviewed of the Commission's January 10, 2012 Order and the Staff's December 29, 2011 report. While acknowledging the various allegations of noncompliance outlined in the Commission's Order and Staff's report, but without admission of any noncompliance or other wrongdoing, M.T.I. made the decision to leave the telecommunications business entirely. This was a business decision made based upon many factors, including but not limited to an analysis as to the potential impact that the federal USF/ICC Order might have on its current business model. M.T.I. provided written notice to its wireline customers, as required by federal and state law, which indicated its intent to leave the business and informed customers that they were required to transfer to another carrier to continue receiving Lifeline service. The notice period for all of M.T.I.'s wireline customers has not yet expired, however, and at this time, M.T.I. still continues to provide wireline service to approximately 120 customers.

As a result of its decision to cease providing telecommunications services in Illinois, M.T.I. has agreed to the immediate withdrawal of its ETC designations and its wireless certificates of service authority, and to the withdrawal of its wireline certificates

of service authority at such time as all of its wireline customers have been transferred and M.T.I. has received permission from the FCC to cease its wireline services. It is the position of M.T.I. that its cessation of operations, letter to customers informing them of this cessation as well as the need to transfer services to another carrier and withdrawal and termination of its certificates of service authority and ETC designations will result in the complete resolution of this docketed proceeding.

### **III. Position of Staff**

Staff agrees that M.T.I.'s cessation of operations, letter to customers informing them of this cessation as well as the need to transfer services to another carrier and withdrawal of its certificates of service authority and ETC designations will result in the complete resolution of this docketed proceeding. Staff believes that to avoid the concerns raised in the January 10, 2012 Order and its December 29, 2011 report with respect to alleged noncompliance with ETC designation requirements and potential abuse, that M.T.I.'s ETC designations and its wireless certificates of service authority should be withdrawn and terminated as agreed to by M.T.I. as soon as possible in an interim order, with a final order being entered with respect to M.T.I.'s wireline certificates of service authority when those operations have been concluded pursuant to FCC requirements.

### **IV. Commission Analysis and Conclusion**

The Commission finds, based on the record as a whole, that the concerns raised in its January 10, 2012 Order will be adequately addressed by the cessation of operations by M.T.I., a letter to customers informing them of this cessation as well as the need to transfer services to another carrier, and the surrender of M.T.I.'s certificates

of service authority and designations as an ETC eligible to obtain federal USF support. The Commission determines that these actions will fully resolve the need for the investigation initiated by its January 10, 2012 Order. The Commission further agrees that to fully address the concerns raised by Staff in its December 29, 2011 report, as set forth in the January 10, 2012 Order, the entry of this Interim Order revoking M.T.I.'s wireless certificates of service authority and its ETC designations is appropriate.

### **Findings and Orderings Paragraphs**

The Commission, having considered the entire record herein and being fully advised in the premises, is of the opinion and finds that:

- (1) Midwestern Telecommunications, Incorporated is engaged in the business of providing telecommunications services to the public in the State of Illinois and, as such, is a telecommunications carrier within the meaning of Section 13-202 of the Public Utilities Act;
- (2) the Commission has jurisdiction over Midwestern Telecommunications, Incorporated d/b/a M.T.I. and the subject matter of this proceeding;
- (3) the recitals of fact set forth in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact;
- (4) In Docket No. 10-0229, M.T.I. was granted a Certificate of Service Authority to provide resold commercial mobile radio (wireless) service in Illinois;
- (5) In Docket No. 10-0239, M.T.I. was granted a Certificate of Service Authority to provide prepaid wireless calling services within Illinois;
- (6) M.T.I. no longer provides wireless telecommunications services to customers in Illinois; discontinuance of service by M.T.I. will not deprive Illinois customers of any necessary services and is not otherwise contrary to the public interest. Accordingly, the Certificates of Service Authority for Wireless Services granted in Docket Nos. 10-0229 and 10-0239 should be withdrawn and terminated.
- (7) In Docket No. 06-0038, M.T.I. was designated as an Eligible Telecommunications Carrier for purposes of receiving federal low-income Lifeline and Link-Up Universal Service support from the Federal Universal Service Fund for its wireline operations in a service area consisting of non-rural AT&T wire centers in Illinois;

- (8) In Docket No. 10-0524, M.T.I. was designated as an Eligible Telecommunications Carrier for purposes of receiving federal low-income Lifeline and Link-Up Universal Service support from the Federal Universal Service Fund for its pre-paid wireless operations in a service area consisting of non-rural AT&T wire centers in Illinois;
- (9) M.T.I. no longer provides federal low-income Lifeline and Link-Up services to customers in Illinois; discontinuance of these services by M.T.I. will not deprive Illinois customers of any necessary services and is not otherwise contrary to the public interest. Accordingly, the designations of M.T.I. as an Eligible Telecommunications Carrier granted in Docket Nos. 06-0038 and 10-0524 should be withdrawn and terminated.
- (10) Upon the cessation of M.T.I.'s wireline operations when allowed by the FCC, M.T.I. and Staff shall seek a final order in this matter that will withdraw and cancel M.T.I.'s certificates of service authority for wireline services.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the request of Midwestern Telecommunications, Incorporated d/b/a M.T.I to withdraw its Certificate of Service Authority to provide resold commercial mobile radio (wireless) service is granted, and the Certificate of Service Authority issued in Docket 10-0229, is canceled.

IT IS FURTHER ORDERED that the request of Midwestern Telecommunications, Incorporated d/b/a M.T.I to withdraw its Certificate of Service Authority to provide prepaid wireless calling services is granted, and the Certificate of Service Authority issued in Docket 10-0230, is canceled.

IT IS FURTHER ORDERED that the request of Midwestern Telecommunications, Incorporated d/b/a M.T.I to withdraw its designation as an Eligible Telecommunications Carrier for purposes of receiving federal low-income Lifeline and Link-Up Universal Service support from the Federal Universal Service Fund for its wireline operations in a

service area consisting of non-rural AT&T wire centers is granted, and the Eligible Telecommunications Carrier designation issued in Docket No. 06-0038, is canceled.

IT IS FURTHER ORDERED that the request of Midwestern Telecommunications, Incorporated d/b/a M.T.I to withdraw its designation as an Eligible Telecommunications Carrier for purposes of receiving federal low-income Lifeline and Link-Up Universal Service support from the Federal Universal Service Fund for its pre-paid wireless operations in a service area consisting of non-rural AT&T wire centers is granted, and the Eligible Telecommunications Carrier designation issued in Docket No. 10-0524, is canceled.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Interim Order is not final; it is not subject to the Administrative Review Law.

By order of the Commission this \_\_\_\_ day of \_\_\_\_\_, 2012.

(SIGNED) DOUGLAS P. SCOTT

Chairman