

April 2, 2007

Via E-Docket

Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48911

**Re: In the matter of the petition of AT&T Michigan for resolution of a dispute
with the Township of Grosse Ile under the Uniform Video Services Local
Franchise Act.
MPSC Case No. U-15268**

Dear Ms. Kunkle:

Enclosed for filing in the above-referenced case is the *Verified Petition For Resolution
of Dispute With Township of Grosse Ile Under Uniform Video Services Local Franchise Act,
Request For Declaratory Ruling, And Request For Expedited Relief, Affidavit of Susan
Frentz, and Proof of Service.*

Please note that the petition seeks expedited relief from the Commission.

If you should have any questions, please contact me.

Very truly yours,

John M. Dempsey

JMD:jkt
Enclosure

LANSING 34060-56 389677v1

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Petition of AT&T Michigan)
for Resolution of a Dispute with the Township of)
Grosse Ile under the Uniform Video Services) Case No. U-15268
Local Franchise Act)
_____)

**VERIFIED PETITION FOR RESOLUTION OF DISPUTE WITH
TOWNSHIP OF GROSSE ILE UNDER UNIFORM VIDEO
SERVICES LOCAL FRANCHISE ACT, REQUEST FOR DECLARATORY
RULING, AND REQUEST FOR EXPEDITED RELIEF**

Michigan Bell Telephone Company, d/b/a AT&T Michigan ("AT&T"), pursuant to the Uniform Video Services Local Franchise Act (the "Act"), MCL 484.3301 et seq., the Michigan Administrative Procedures Act ("APA"), MCL 24.201 et seq., and the Commission's Rules of Practice and Procedure, R 460.17101 et seq., respectfully submits this Petition to the Commission for resolution of a dispute with the Township of Grosse Ile (the "Township") concerning its unlawful determination that AT&T's proposed Uniform Video Service Local Franchise Agreement (the "Proposed Video Franchise Agreement") is "incomplete" under the Act.

As detailed further below, the Township's determination violates, *inter alia*, the provisions of the Act, including but not limited to Section 2, MCL 484.3302, by, among other things, attempting to impose a requirement not found in the Act or the Commission's approved uniform video service local franchise agreement.

AT&T requests the following relief:

- that the Commission immediately issue an order pursuant to the Act, Section 63 of the APA, MCL 24.263, and Rule 701 of the Commission's Rules of Practice and

Procedure, R 460.17701, finding that: (1) the Township's determination constitutes a violation of the Act and the Commission's Order in Case No. U-15169; (2) that AT&T's Proposed Video Franchise Agreement is complete; and (3) that the Township has until April 25, 2007 to approve the same.

- that the Commission immediately enter a cease and desist order directing that the Township comply in full with the Act and the Commission's Order in Case No. U-15169.
- that the Commission issue an order directing that the Township appear and show cause why it should not be found in violation of the Act and the Commission's Order in Case No. U-15169 issued January 30, 2007, determine the Township violated the Act and the Commission's Order in Case No. U-15169, and order such remedies and penalties, including but not limited to the imposition of fines, as are sufficient to make whole AT&T for any and all damages it has sustained or may sustain as a result of the Township's violations detailed herein.

In support hereof, AT&T relies on the following demonstrations, accompanying Exhibits, and Affidavit.

I. INTRODUCTION

1. In 2006, the Legislature passed and the Governor signed into law Public Act 480, known as the Uniform Video Services Local Franchise Act (the "Act") (MCL 484.3301 et seq). The Act provides for uniform video service local franchises and promotes competition in the provisioning of video services in the State of Michigan.

2. On January 30, 2007, the Commission issued an Order in Case No. U-15169 that adopted a standardized form for the uniform video service local franchise agreement to be used by each franchising entity and video provider in Michigan. The Commission made it clear that the standardized form would be used "without substantive or procedural changes for all video service local franchise agreements in the state of Michigan." (Order, p. 1)

3. AT&T seeks to become a "video service provider" under the Act in the Township. MCL 484.3301(2)(q); see AT&T's March 26, 2007 Uniform Video Service Local Franchise Agreement (Exhibit 1), referenced in ¶¶ 7-8, *infra*.

4. The Act defines "video service" to include "video programming, cable services, IPTV, or OVS provided through facilities located at least in part in the public rights-of-way ..." MCL 484.3301(2)(p).

5. As part of its recent efforts to enhance and expand the services it provides to customers in the State of Michigan, AT&T has upgraded its telecommunications network facilities to provide, among other things, improved telecommunications services, higher quality and faster Internet access, and the ability to provide video services within the Township. In relation to AT&T's efforts to upgrade its telecommunications network facilities, AT&T has placed and intends to place new or upgraded facilities within the public rights-of-way within the Township.¹

6. The Township is a "franchising entity" as defined by the Act. MCL 484.3301(2)(e).

7. On March 26, 2007, AT&T submitted to the Clerk of the Township of Grosse Ile its Proposed Video Franchise Agreement. A copy of AT&T's March 26, 2007 cover letter and Proposed Video Franchise Agreement are attached as Exhibit 1.²

¹ AT&T's authority to install telecommunications facilities derives, *inter alia*, from its statewide franchise and statutory authority (since 1883 and in later enactments) to transact a telecommunication business using public rights-of-way in the Township.

² As noted in AT&T's March 26, 2007 cover letter to its Proposed Video Franchise Agreement submission to the Township, and pursuant to Section 11 of the Act, MCL 484.3312, AT&T has deemed both the "Video Service Area Footprint" and the "date on which AT&T expects to begin to provide video services in part of the Video Service Area Footprint" as "Confidential Information." As detailed herein, neither of these confidential matters is related to the Township's action on AT&T's Proposed Video Franchise Agreement. Hence, they have not been filed as part of Exhibit 1.

8. AT&T's Proposed Video Franchise Agreement follows the standard form uniform video service local franchise agreement that has been approved by and required for use by the Commission. AT&T completed the Proposed Video Franchise Agreement using the form and according to the Commission's Instructions issued in the Commission's January 30, 2007 Order in Case No. U-15169. A "uniform video service local franchise agreement" is defined by the Act as "the franchise agreement required under this act to be the operating agreement between each franchising entity and video provider in this state." MCL 484.3301(2)(n). (emphasis added).

9. The Commission has jurisdiction and authority to administer the Act and to resolve disputes arising between a video provider and a franchising entity. MCL 484.3312(1); MCL 24.203(3), 24.271; R 460.17103. The Commission has jurisdiction and authority to enforce its orders.

10. The Act provides the Commission with the authority to hold hearings and order remedies and penalties, including the imposition of fines, to protect and make whole parties that have been damaged as a result of a violation of the Act by a "person." MCL 484.3314. The Act defines "person" to include a "governmental entity, or any other legal entity." MCL 484.3301(2)(l). The Commission may also issue cease and desist orders. MCL 484.3314(1)(d).

11. Pursuant to Section 3(2) of the Act, MCL 484.3303(2), the Township was required to notify AT&T within 15 business days of March 26, 2007 "as to whether the submitted franchise agreement is complete as required by this act..." (emphasis added).

12. On March 30, 2007, the Township provided its notification in response to AT&T's Proposed Video Franchise Agreement. See Exhibit 2. The notification states that the

Township "has found the application to be incomplete" because "[t]he service provider information referenced is inaccurate and liability responsibility has not been addressed."

13. AT&T seeks a Commission determination that the Township's finding that AT&T's Proposed Video Franchise Agreement is "incomplete" violates the provisions of the Act and the Commission's Order in Case No. U-15169.

14. AT&T further seeks a Commission determination that its Proposed Video Franchise Agreement is complete and that, consequently, the Township has until April 25, 2007 to approve the same. AT&T also seeks a declaratory ruling from the Commission that the Township's determination that AT&T's Proposed Video Franchise Agreement is "incomplete" violates the Act and the Commission's Order in Case No. U-15169.

15. AT&T further requests the issuance of a Commission order directing that the Township appear and show cause as to why it should not be found in violation of the Act and the Commission's Order in Case No. U-15169. AT&T further seeks a Commission order awarding AT&T any and all remedies, including the imposition of penalties and fines against the Township, as are sufficient to make whole AT&T for any and all damages AT&T has sustained or may sustain as a result of the Township's violations of the Act and the Commission's order in Case No. U-15169.

16. The Commission's effective exercise of jurisdiction and authority to resolve this dispute will streamline the process for AT&T's provisioning of video services in the Township and benefit consumers, as described *infra*.

II. REQUIREMENTS OF THE ACT

17. As set forth herein, the Act requires that franchising entities and video service providers enter into a standard form uniform video service local franchise agreement regarding the provisioning of video services. See, MCL 484.3301(2)(n); 484.3302(1).

18. The Act expressly specifies the provisions to be included in the Commission-approved standard form uniform video service local franchise agreement. MCL 484.3302(3). The Commission has issued its Order in Case No. U-15169 approving the standard form and directing, in conformity with the Act, that providers and franchising entities enter into agreements on the basis of the form, and on no other basis (unless by mutual consent as provided in the Act, a situation not present here). *See* ¶ 2, *supra*.

III. AT&T'S COMPLIANCE WITH THE ACT

19. AT&T seeks to become a video service provider operating in the Township.

20. AT&T's Proposed Video Franchise Agreement complies in all respects with the Act and the Commission's January 30, 2007 Order and related Instructions for the completion of the standard form uniform video service local franchise agreement in Case No. U-15169.

21. AT&T has, in all relevant respects, fulfilled its duties under the Act and, with respect to the Township, is entitled to a determination that its Proposed Video Franchise Agreement is complete and should be approved as submitted.

IV. THE TOWNSHIP'S NONCOMPLIANCE WITH THE ACT

22. The Township has failed to comply with the Act and the Commission's Order in Case No. U-15169. Specifically, the Township has erroneously and unlawfully

determined that AT&T's Proposed Video Franchise Agreement is "incomplete." Neither of the Township's stated bases for its determination is of any merit, and, as a result, the Township has violated its duties under the Act and the Commission's Order in Case No. U-15169.

23. Pursuant to Section 3(2) of the Act, MCL 484.3303(2), the Township "shall" state in its response "the reasons the franchise agreement is incomplete." The word "shall" is a mandatory term that imposes a duty upon the Township to fully and completely review AT&T's Proposed Video Franchise Agreement and delineate each and every purported basis or rationale for any determination that the same is in any manner "incomplete."

24. The Township's first stated basis for its determination is that "[t]he service provider information referenced is inaccurate." See Exhibit 2. This basis has no merit. The Township has failed to articulate any "information" concerning the "service provider" that it alleges to be in any manner "incomplete." Not only does the Township's cryptic assertion lack any level of detail or explanation sufficient to constitute a "reason", it makes no sense. AT&T provided completely accurate information about its status as a service provider in full compliance with the Act and the Commission-approved form. A review of Exhibit 1 discloses this unassailable fact.

25. The Township's second stated basis for its determination is that "liability responsibility has not been addressed." This basis is similarly without merit. The Act mandates the use of a "uniform video service local franchise agreement." MCL 484.3302. The "standardized form" for uniform local franchise agreements between "franchising entities" – such as the Township – and "video service providers" – such as AT&T – is required to be used "by each and every franchising entity in this state." MCL 484.3302(1). The Commission's Order provided "that the uniform video service local franchise agreement form attached to this order as

Exhibit A is adopted for use without procedural or substantive changes for all video services franchise agreements in the state of Michigan." (Order, p.2; emphasis added) AT&T's Proposed Video Franchise Agreement is the standard form uniform video service local franchise agreement approved by the Commission and required to be used by the Act.

26. Section 2 of the Act sets forth all the materials and information that the uniform video service local franchise agreement approved by the Commission "shall" include. MCL 484.3302(3). There is no requirement in Section 2 of the Act or the Commission's Order and form agreement approved in Case No. U-15169 for any provision relating to "liability responsibility." The Township had no basis or authority to require any such extra-statutory requirement from AT&T or otherwise deviate from the Commission-approved form agreement.

27. The Township's apparent requirement for a "liability responsibility" provision in AT&T's Proposed Video Franchise Agreement is both unreasonable and unenforceable under the Act and the Commission's Order in Case No. U-15169. Plainly, there can be no "uniform" video service local franchise agreement if a franchising entity can add additional requirements. The Commission's approved standard form uniform video service local franchise agreement provides, in pertinent part: "The Franchising Entity shall not require the provider to obtain any other franchise, assess any other fee or charge, or impose any other franchise requirement than is allowed under the Act and this Agreement." Exhibit 1, p 4. (emphasis added). Thus, the Township's second stated basis violates the Commission's Order. The Act expressly provides: "As a condition to obtaining or holding a franchise, a franchising entity shall not ... impose any other franchise requirement than is allowed under this act." MCL 484.3303(8). Thus, the Township's second stated basis violates the Act itself.

28. The Township's demand for an indemnification provision in the franchise agreement is not only unlawful under the Act, it is completely unnecessary. Under the permit issued by the Township to AT&T under the Metropolitan Extension Telecommunications Right-of-Way Oversight Act dated May 26, 2006, the Township is already entitled to indemnification by AT&T against any liability due to the acts or omissions of AT&T involving work on any facilities placed by AT&T in the public rights-of-way in the Township. Section 5.1 of the Permit provides as follows:

- 5.1 Indemnity. Permittee shall defend, indemnify, protect, and hold harmless Municipality, its officers, agents, employees, elected and appointed officials, departments, boards, and commissions from any and all claims, losses, liabilities, causes of action, demands, judgments, decrees, proceedings, and expenses of any nature (collectively "claim" for this Part 5) (including, without limitation, attorneys' fees) arising out of or resulting from the acts or omissions of Permittee, its officers, agents, employees, contractors, successors, or assigns, but only to the extent such acts or omissions are related to the Permittee's use of or installation of facilities in the Public Right-of-Way and only to the extent of the fault or responsibility of Permittee, its officers, agents, employees, contractors, successors and assigns.

V. REQUEST FOR DECLARATORY RULING

29. For the reasons set forth herein, AT&T requests that the Commission issue a declaratory ruling that the actions of the Township violate the Act and the Commission's Order in Case No. U-15169.

30. Section 63 of the APA, MCL 24.263, provides in pertinent part: "On request of an interested person, an agency may issue a declaratory ruling as to the applicability to an actual state of facts of a statute administered by the agency or of a rule or order of the agency"

31. Rule 701(1) of the Commission's Rules of Practice and Procedure, R 460.17701(1), provides in pertinent part: "Any person may request a declaratory ruling as to the

applicability to an actual state of facts of a statute administered by the commission or of a rule or order of the commission, pursuant to the provisions of sections 33 and 63 of Act No. 306 of the Public Acts of 1969, as amended, being 24.233 and 24.263 of the Michigan Compiled Laws."

32. The Act is a "statute administered by the commission" within the meaning of Rule 701, as provided in Section 12(1), MCL 484.3312(1). Further, as detailed in the preceding paragraphs and in the Exhibits and Affidavit attached hereto, AT&T's Petition constitutes a complete and concise statements of the facts attendant to AT&T's requested relief and the pertinent statutes and orders to which the request relates.

33. As detailed in this Petition, AT&T is entitled to a declaratory ruling that the Township has violated the Act and the Commission's Order in Case No. U-15169.

VI. REQUEST FOR EXPEDITED RELIEF

34. Section 3(2) of the Act, MCL 484.3303(2), requires a franchising entity to notify a provider within 15 business days whether the submitted franchise agreement is complete and, if the franchise agreement is incomplete, to state in its notice the reasons the franchise agreement is incomplete.

35. Section 3(3) of the Act, MCL 484.3303(3), provides that a franchising entity has 30 days after submission of a complete franchise agreement to approve the agreement. It further provides that if a franchising entity fails to notify the provider regarding the completeness of the franchise agreement or to approve the franchise agreement, the franchise agreement shall be considered complete and the franchise agreement approved.

36. Notwithstanding that AT&T's proposed franchise agreement is complete as required by the Act and the Commission's Order in Case No. U-15169, the Township notified AT&T that the submitted franchise agreement was incomplete on March 30, 2007. As shown in

this Petition, the stated reasons provided by the Township are factually and legally insufficient. Accordingly, the Township must approve the agreement within 30 days of its submission on March 26, 2007 or the franchise agreement is deemed approved as a matter of law.

37. A franchising entity's unlawful determination that a submitted franchise agreement is incomplete in order to delay the time for approval of the agreement violates the Act and frustrates the Legislature's intent that franchise agreements complying with the Act be approved within 30 days.

38. AT&T is entitled to an immediate determination that its submitted franchise agreement is complete and that the Township's notice fails to comply with the Act.

39. Without an immediate determination as to the unlawfulness of the Township's notice:

- (a) AT&T will suffer irreparable harm in its ability to offer video services within 30 days after its submission of a completed franchise agreement as authorized by the Act;
- (b) The residents of the Township will suffer irreparable harm by being denied the benefits of video competition, including lower prices, better customer service, and expanded video service offerings.
- (c) Investment in the State's telecommunications infrastructure and the creation of high quality jobs to support AT&T's video service will be diminished or delayed.

40. The Commission should immediately enter an order determining that AT&T's submitted franchise agreement is complete and that 30-day period for approval of the agreement expires on April 25, 2007.

VII. VERIFICATION

41. In support and verification of this Petition and exhibits, AT&T respectfully submits the attached Affidavit of Susan Frentz.

VIII. CONCLUSION AND RELIEF REQUESTED

AT&T respectfully requests the following relief:

(a) that the Commission immediately issue an order finding that the Township of Grosse Ile's determination of incompleteness is unlawful, that AT&T's Proposed Video Franchise Agreement is complete, and that the Township has until April 25, 2007 to approve the same;

(b) that the Commission immediately enter a cease and desist order directing that the Township of Grosse Ile comply in full with the Act and the Commission's Order in Case No. U-15169 by entering into the Proposed Video Franchise Agreement submitted by AT&T;

(c) that the Commission immediately issue a declaratory ruling that the Township of Grosse Ile has violated the Act and the Commission's Order in Case No. U-15169 by virtue of the facts set forth herein;

(d) that the Commission issue an order directing that the Township of Grosse Ile appear and show cause as to why it should not be found to have violated the Act and the Commission's Order in Case No. U-15169, determine that the Township of Grosse Ile has violated the Act and the Commission's Order in Case No. U-15169, and order such remedies and penalties, including but not limited to the imposition of fines, as are sufficient to make whole AT&T for any and all damages it has sustained or may sustain; and

(e) that the Commission grant it such other and further relief as is just and appropriate.

Respectfully submitted,

Craig Anderson (P28968)
Lisa M. Bruno (P52954)
AT&T MICHIGAN
444 Michigan Avenue, Room 1700
Detroit, MI 48226
(313) 223-8188

and

DICKINSON WRIGHT PLLC

By: _____
John M. Dempsey (P30987)
Michael A. Holmes (P24071)
Attorneys for AT&T Michigan
215 South Washington Square, Suite 200
Lansing, MI 48933-1816
(517)371-1730

Dated: April 2, 2007

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**AT&T MICHIGAN'S VERIFIED PETITION
FOR RESOLUTION OF DISPUTE WITH
TOWNSHIP OF GROSSE ILE UNDER UNIFORM
VIDEO SERVICES LOCAL FRANCHISE ACT,
REQUEST FOR DECLARATORY RULING,
AND REQUEST FOR EXPEDITED RELIEF**

APRIL 2, 2007

MPSC CASE NO. U-15269

EXHIBIT 1



Gail Torreano
President - AT&T Michigan

444 Michigan Ave.
Room 1700
Detroit, MI 48226
Office: (313) 223-7171
Fax: (313) 223-9008

March 26, 2007

Via UPS Overnight Delivery

To: Mr. Ute O'Connor
Clerk of the Township of Grosse Ile
9601 Groh Road
Grosse Ile, Michigan 48138

Re: Video Service Local Franchise Agreement for AT&T Michigan

Dear Mr. O'Connor:

Pursuant to Section 3 of 2006 Public Act 480, MCL 484.3303 ("Act 480") and the January 30, 2007 Order ("Order") of the Michigan Public Service Commission ("Commission"), in Case No. U-15169, Michigan Bell Telephone Co. doing business as AT&T Michigan ("AT&T"), hereby files the enclosed Uniform Video Service Local Franchise Agreement ("Agreement") by and between the Township of Grosse Ile, a Michigan Municipal corporation (the "Franchising Entity") and AT&T (the "Provider"). The Commission's Order and Instructions may be found at the following Commission web link: http://www.cis.state.mi.us/mpsc/orders/comm/2007/u-15169_01-30-2007.pdf

The enclosed filing includes the standard form Agreement approved by and required for use by the Commission, and it has been completed in accordance with the Commission's Instructions issued in the Order. AT&T has obtained certain information from the publicly available cable franchise agreement between the Township of Grosse Ile and the incumbent cable service provider, Wide Open West, which is to be inserted into the Agreement by the Township of Grosse Ile pursuant to the Commission's Instructions. It is AT&T's understanding that there is an annual franchise fee of 5% of gross revenues paid by Wide Open West which is to be inserted by the Township of Grosse Ile into Section "VI. Fees" of the Agreement. Similarly, if there is an ongoing, annual PEG support fee, such PEG support fee is to be inserted in Section "VIII. PEG Fees". Please insert into Section "VIII. Peg Fees" of the AT&T Agreement what the Township of Grosse Ile asserts is the appropriate PEG support fee pursuant to Section 6 (8) of Act 480.

The submission also includes Attachment 1 to the Agreement. Pursuant to Section 11 of Act 480, Section "XIII. Confidentiality" of the Agreement, and page 1 of the Instructions for Uniform Video Service Agreement issued in the Order, AT&T has deemed both the "Video Service Area Footprint" and "the date on which AT&T expects to begin to provide video services in part of the Video Service Area Footprint" as Confidential Information. The Confidential Information for Attachment 1 has been set forth in Confidential Attachments A and B respectively, and has been placed in a separate, sealed envelope and clearly identified by the label of the envelope as follows:

(AT&T Michigan "CONFIDENTIAL INFORMATION").

Mr. Ute O'Connor

March 26, 2007

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Pursuant to Section XIII of the Agreement, Section 11 of Act 480, and the Commission's Instructions, the Township of Grosse Ile as the Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a Freedom of Information Act ("FOIA") request made under MCL 15.231 to 15.246, and (c) make the information available only to and for use only by such local officials as are necessary to approve the Agreement or perform any other task for which the information is submitted.

The Township of Grosse Ile has 15 business days beginning on March 27, 2007 within which to notify AT&T if the Agreement is complete. If the Township of Grosse Ile does not notify AT&T regarding the completeness of the Agreement within this 15 business day period, pursuant to Section 3(3) of Act 480, the Agreement shall be deemed complete. Any notice by the Township of Grosse Ile regarding the completeness of the Agreement must comply with Section 3(2) of Act 480 and must be sent by facsimile to each of the representatives of AT&T identified in Section "XV. Notices" of the enclosed Agreement.

AT&T has a proud history and tradition of providing home phone service for many decades to residents in the geographic area now located in the Township of Grosse Ile. Now, with the ability to provide wireline, wireless, Internet and video services, we are looking forward to serving them in new ways and becoming the Township of Grosse Ile's complete communications and entertainment provider.

If there are any questions concerning the enclosed filing, please contact Susan Frentz, Executive Director, Regulatory at 313-496-8162.

A handwritten signature in blue ink that reads "Nail F. Torrance". The signature is written in a cursive style.

Attachments

cc: Dale Reaume, Township Manager (Public Version Only)
Ted Fournier, Cable Director (Public Version Only)
Yvette Pugh – AT&T External Affairs Manager

UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT

THIS UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT ("Agreement") is made, pursuant to 2006 PA 480, MCL 484.3301 *et seq.*, (the "Act") by and between the Township of Grosse Ile, a Michigan municipal corporation (the "Franchising Entity"), and Michigan Bell Telephone Company, a Michigan corporation doing business as AT&T Michigan.

I. Definitions

For purposes of this Agreement, the following terms shall have the following meanings as defined in the Act:

- A. "Cable Operator" means that terms as defined in 47 USC 522(5).
- B. "Cable Service" means that terms as defined in 47 USC 522(6).
- C. "Cable System" means that term as defined in 47 USC 522(7).
- D. "Commission" means the Michigan Public Service Commission.
- E. "Franchising Entity" means the local unit of government in which a provider offers video services through a franchise.
- F. "FCC" means the Federal Communications Commission.
- G. "Gross Revenue" means that term as described in Section 6(4) of the Act and in Section VI(D) of the Agreement.
- H. "Household" means a house, an apartment, a mobile home, or any other structure or part of a structure intended for residential occupancy as separate living quarters.
- I. "Incumbent video provider" means a cable operator serving cable subscribers or a telecommunication provider providing video services through the provider's existing telephone exchange boundaries in a particular franchise area within a local unit of government on the effective date of this act.
- J. "IPTV" means internet protocol television.
- K. "Local unit of government" means a city, village, or township.
- L. "Low-income household" means a household with an average annual household income of less than \$35,000.00 as determined by the most recent decennial census.
- M. "METRO Act" means the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, 2002 PA 48, MCL 484.3101 *et seq.*
- N. "Open video system" or "OVS" means that term as defined in 47 USC 573.
- O. "Person" means an individual, corporation, association, partnership, governmental entity, or any other legal entity.
- P. "Public rights-of-way" means the area on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easements dedicated for compatible uses.
- Q. "Term" means the period of time provided for in Section V of this Agreement.
- R. "Uniform video service local franchise agreement" or "franchise agreement" means the franchise agreement required under the Act to be the operating agreement between each franchising entity and video provider in this state.
- S. "Video programming" means that term as defined in 47 USC 522(20).
- T. "Video service" means video programming, cable services, IPTV, or OVS provided through facilities located at least in part in the public rights-of-way without regard to delivery technology, including internet protocol technology. This definition does not include any video programming provided by a commercial mobile service provider defined in 47 USC 332(d) or provided solely as part of, and via, a service that enables users to access content, information, electronic mail, or other services offered over the public internet.
- U. "Video service provider" or "Provider" means a person authorized under the Act to provide video service.
- V. "Video service provider fee" means the amount paid by a video service provider or incumbent video provider under Section 6 of the Act and Section VI of this Agreement.

II. Requirements of the Provider

- A. An unfranchised Provider will not provide video services in any local unit of government without first obtaining a uniform video service local franchise agreement as provided under **Section 3 of the Act** (except as otherwise provided by the Act).
- B. The Provider shall file in a timely manner with the Federal Communications Commission all forms required by that agency in advance of offering video service in Michigan.
- C. The Provider agrees to comply with all valid and enforceable federal and state statutes and regulations.
- D. The Provider agrees to comply with all valid and enforceable local regulations regarding the use and occupation of public rights-of-way in the delivery of the video service, including the police powers of the Franchising Entity.
- E. The Provider shall comply with all Federal Communications Commission requirements involving the distribution and notification of federal, state, and local emergency messages over the emergency alert system applicable to cable operators.
- F. The Provider shall comply with the public, education, and government programming requirements of Section 4 of the Act.
- G. The Provider shall comply with all customer service rules of the Federal Communications Commission under 47 CFR 76.309 (c) applicable to cable operators and applicable provisions of the Michigan Consumer Protection Act, 1976 PA 331, MCL 445.901 to 445.922.
 - i. Including but not limited to: MCL 445.902; MCL 445.903 (1)(a) through 445.903(1)(cc); MCL 445.903(1)(ff) through (jj); MCL 445.903(2); MCL 445.905; MCL 445.906; MCL 445.907; MCL 445.908; MCL 445.910; MCL 445.911; MCL 445.914; MCL 445.915; MCL 445.916; MCL 445.918.
- H. The Provider agrees to comply with in-home wiring and consumer premises wiring rules of the Federal Communications Commission applicable to cable operators.
- I. The Provider shall comply with the Consumer Privacy Requirements of 47 USC 551 applicable to cable operators.
- J. If the Provider is an incumbent video provider, it shall comply with the terms which provide insurance for right-of-way related activities that are contained in its last cable franchise or consent agreement from the Franchising Entity entered before the effective date of the Act.
- K. The Provider agrees that before offering video services within the boundaries of a local unit of government, the video Provider shall enter into a Franchise Agreement with the local unit of government as required by the Act.
- L. The Provider understands that as the effective date of the Act, no existing Franchise Agreement with a Franchising Entity shall be renewed or extended upon the expiration date of the Agreement.
- M. The Provider provides an exact description of the video service area footprint to be served, pursuant to **Section 2(3)(e) of the Act**. If the Provider is not an incumbent video Provider, the date on which the Provider expects to provide video services in the area identified under **Section 2(3)(e) of the Act** must be noted. The Provider will provide this information in Attachment 1 - Uniform Video Service Local Franchise Agreement.
- N. The Provider is required to pay the Provider fees pursuant to **Section 6 of the Act**.

III. Provider Providing Access

- A. The Provider shall not deny access to service to any group of potential residential subscribers because of the race or income of the residents in the local area in which the group resides.
- B. It is a defense to an alleged violation of Paragraph A if the Provider has met either of the following conditions:
 - i. Within 3 years of the date it began providing video service under the Act and the Agreement; at least 25% of households with access to the Provider's video service are low-income households.
 - ii. Within 5 years of the date it began providing video service under the Act and Agreement and from that point forward, at least 30% of the households with access to the Provider's video service are low-income households.
- C. **[If the Provider is using telecommunication facilities]** to provide video services and has more than 1,000,000 telecommunication access lines in Michigan, the Provider shall provide access to its video service to a number of households equal to at least 25% of the households in the provider's telecommunication

service area in Michigan within 3 years of the date it began providing video service under the Act and Agreement and to a number not less than 50% of these households within 6 years. **The video service Provider is not required to meet the 50% requirement in this paragraph until 2 years after at least 30% of the households with access to the Provider's video service subscribe to the service for 6 consecutive months.**

- D. The Provider may apply to the Franchising Entity, and in the case of paragraph C, the Commission, for a waiver of or for an extension of time to meet the requirements of this section if 1 or more of the following apply:
- i. The inability to obtain access to public and private rights-of-way under reasonable terms and conditions.
 - ii. Developments or buildings not being subject to competition because of existing exclusive service arrangements.
 - iii. Developments or buildings being inaccessible using reasonable technical solutions under commercial reasonable terms and conditions.
 - iv. Natural disasters
 - v. Factors beyond the control of the Provider
- E. The Franchising Entity or Commission may grant the waiver or extension only if the Provider has made substantial and continuous effort to meet the requirements of this section. If an extension is granted, the Franchising Entity or Commission shall establish a new compliance deadline. If a waiver is granted, the Franchising Entity or Commission shall specify the requirement or requirements waived.
- F. The Provider shall file an annual report with the Franchising Entity and the Commission regarding the progress that has been made toward compliance with paragraphs B and C.
- G. Except for satellite service, the provider may satisfy the requirements of this paragraph and Section 9 of the Act through the use of alternative technology that offers service, functionality, and content, which is demonstrably similar to that provided through the provider's video service system and may include a technology that does not require the use of any public right-of-way. The technology utilized to comply with the requirements of this section shall include local public, education, and government channels and messages over the emergency alert system as required under Paragraph II(E) of this Agreement.

IV. Responsibility of the Franchising Entity

- A. The Franchising Entity hereby grants authority to the Provider to provide Video Service in the Video Service area footprint, as described in this Agreement and Attachments, as well as the Act.
- B. The Franchising Entity hereby grants authority to the Provider to use and occupy the Public Rights-of-way in the delivery of Video Service, subject to the laws of the state of Michigan and the police powers of the Franchising Entity.
- C. The Franchising Entity shall notify the Provider as to whether the submitted Franchise Agreement is complete as required by the Act within 15 business days after the date that the Franchise Agreement is filed. If the Franchise Agreement is not complete, the Franchising Entity shall state in its notice the reasons the Franchise Agreement is incomplete. The Franchising Entity cannot declare an application to be incomplete because it may dispute whether or not the applicant has properly classified certain material as "confidential."
- D. The Franchising Entity shall have 30 days after the submission date of a complete Franchise Agreement to approve the agreement. If the Franchising Entity does not notify the Provider regarding the completeness of the Franchise Agreement or approve the Franchise Agreement within the time periods required under **Section 3(3) of the Act**, the Franchise Agreement shall be considered complete and the Franchise Agreement approved.
- i. If time has expired for the Franchising Entity to notify the Provider, The Provider shall send (via mail: certified or registered, or by fax) notice to the Franchising Entity and the Commission, using Attachment 3 of this Agreement.
- E. The Franchising Entity shall allow a Provider to install, construct, and maintain a video service or communications network within a public right-of-way and shall provide the provider with open, comparable, nondiscriminatory, and competitively neutral access to the public right-of-way.
- F. The Franchising Entity may not discriminate against a video service provider to provide video service for any of the following:
- i. The authorization or placement of a video service or communications network in public right-of-way.
 - ii. Access to a building owned by a governmental entity.
 - iii. A municipal utility pole attachment.
- G. The Franchising Entity may impose on a Provider a permit fee only to the extent it imposes such a fee on incumbent video providers, and any fee shall not exceed the actual, direct costs incurred by the Franchising Entity for issuing the relevant permit. A fee under this section shall not be levied if the Provider already has

paid a permit fee of any kind in connection with the same activity that would otherwise be covered by the permit fee under this section or is otherwise authorized by law or contract to place the facilities used by the Provider in the public right-of-way or for general revenue purposes.

- H. The Franchising Entity shall not require the provider to obtain any other franchise, assess any other fee or charge, or impose any other franchise requirement than is allowed under the Act and this Agreement. For purposes of this Agreement, a franchise requirement includes but is not limited to, a provision regulating rates charged by video service providers, requiring the video service providers to satisfy any build-out requirements, or a requirement for the deployment of any facilities or equipment.
- I. Notwithstanding any other provision of the Act, the Provider shall not be required to comply with, and the Franchising Entity may not impose or enforce, any mandatory build-out or deployment provisions, schedules, or requirements except as required by **Section 9 of the Act**.
- J. The Franchising Entity is subject to the penalties provided for under Section 14 of the Act.

V. Term

- A. This Franchise Agreement shall be for a period of 10 years from the date it is issued. The date it is issued shall be calculated either by (a) the date the Franchising Entity approved the Agreement, provided it did so within 30 days after the submission of a complete franchise agreement, or (b) the date the Agreement is deemed approved pursuant to **Section 3(3) of the Act**, if the Franchising Entity either fails to notify the Provider regarding the completeness of the Agreement or approve the Agreement within the time periods required under that subsection.
- B. Before the expiration of the initial Franchise Agreement or any subsequent renewals, the Provider may apply for an additional 10-year renewal under **Section 3(7) of the Act**.

VI. Fees

- A. A video service Provider shall calculate and pay an annual video service provider fee to the Franchising Entity. The fee shall be 1 of the following:
 - i. If there is an existing Franchise Agreement, an amount equal to the percentage of gross revenue paid to the Franchising Entity by the incumbent video Provider with the largest number of subscribers in the Franchising Entity.
 - ii. At the expiration of an existing Franchise Agreement or if there is no existing Franchise Agreement, an amount equal to the percentage of gross revenue as established by the Franchising Entity of _____% (percentage amount to be inserted by Franchising Entity which shall not exceed 5%) and shall be applicable to all providers
- B. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- C. The Franchising Entity shall not demand any additional fees or charges from a provider and shall not demand the use of any other calculation method other than allowed under the Act.
- D. For purposes of this Section, "gross revenues" means all consideration of any kind or nature, including, without limitation, cash, credits, property, and in-kind contributions received by the provider from subscribers for the provision of video service by the video service provider within the jurisdiction of the franchising entity.
 - 1. **Gross revenues shall include all of the following:**
 - i. All charges and fees paid by subscribers for the provision of video service, including equipment rental, late fees, insufficient funds fees, fees attributable to video service when sold individually or as part of a package or bundle, or functionally integrated, with services other than video service.
 - ii. Any franchise fee imposed on the Provider that is passed on to subscribers.
 - iii. Compensation received by the Provider for promotion or exhibition of any products or services over the video service.
 - iv. Revenue received by the Provider as compensation for carriage of video programming on that Provider's video service.
 - v. All revenue derived from compensation arrangements for advertising to the local franchise area.
 - vi. Any advertising commissions paid to an affiliated third party for video service advertising.
 - 2. **Gross revenues do not include any of the following:**
 - i. Any revenue not actually received, even if billed, such as bad debt net of any recoveries of bad debt.
 - ii. Refunds, rebates, credits, or discounts to subscribers or a municipality to the extent not already offset by subdivision (D)(i) and to the extent the refund, rebate, credit, or discount is attributable to the video service.

- iii. Any revenues received by the Provider or its affiliates from the provision of services or capabilities other than video service, including telecommunications services, information services, and services, capabilities, and applications that may be sold as part of a package or bundle, or functionality integrated, with video service.
 - iv. Any revenues received by the Provider or its affiliates for the provision of directory or internet advertising, including yellow pages, white pages, banner advertisement, and electronic publishing.
 - v. Any amounts attributable to the provision of video service to customers at no charge, including the provision of such service to public institutions without charge.
 - vi. Any tax, fee, or assessment of general applicability imposed on the customer or the transaction by a federal, state, or local government or any other governmental entity, collected by the Provider, and required to be remitted to the taxing entity, including sales and use taxes.
 - vii. Any forgone revenue from the provision of video service at no charge to any person, except that any forgone revenue exchanged for trades, barter, services, or other items of value shall be included in gross revenue.
 - viii. Sales of capital assets or surplus equipment.
 - ix. Reimbursement by programmers of marketing costs actually incurred by the Provider for the introduction of new programming.
 - x. The sale of video service for resale to the extent the purchaser certifies in writing that it will resell the service and pay a franchise fee with respect to the service.
- E. In the case of a video service that is bundled or integrated functionally with other services, capabilities, or applications, the portion of the video Provider's revenue attributable to the other services, capabilities, or applications shall be included in gross revenue unless the Provider can reasonably identify the division or exclusion of the revenue from its books and records that are kept in the regular course of business.
- F. Revenue of an affiliate shall be included in the calculation of gross revenues to the extent the treatment of the revenue as revenue of the affiliate has the effect of evading the payment of franchise fees which would otherwise be paid for video service.
- G. The Provider is entitled to a credit applied toward the fees due under **Section 6(1) of the Act** for all funds allocated to the Franchising Entity from annual maintenance fees paid by the provider for use of public rights-of-way, minus any property tax credit allowed under **Section 8 of the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act (METRO Act)**, 2002 PA 48, MCL 484.3108. The credits shall be applied on a monthly pro rata basis beginning in the first month of each calendar year in which the Franchising Entity receives its allocation of funds. The credit allowed under this subsection shall be calculated by multiplying the number of linear feet occupied by the Provider in the public rights-of-way of the Franchising Entity by the lesser of 5 cents or the amount assessed under the **METRO Act**. The Provider is not eligible for a credit under this section unless the provider has taken all property tax credits allowed under the **METRO Act**.
- H. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- I. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- J. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(1) of the Act**, applied against the amount of the subscriber's monthly bill.
- K. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

VII. Public, Education, and Government (PEG) Channels

- A. The video service Provider shall designate a sufficient amount of capacity on its network to provide for the same number of public, education, and government access channels that are in actual use on the incumbent video provider system on the **effective date of the Act** or as provided under **Section 4(14) of the Act**.
- B. Any public, education, or government channel provided under this section that is not utilized by the Franchising Entity for at least 8 hours per day for 3 consecutive months may no longer be made available to the Franchising Entity and may be programmed at the Provider's discretion. At such a time as the Franchising Entity can certify a schedule for at least 8 hours of daily programming for a period of 3 consecutive months, the Provider shall restore the previously reallocated channel.
- C. The Franchising Entity shall ensure that all transmissions, content, or programming to be retransmitted by a video service Provider is provided in a manner or form that is capable of being accepted and retransmitted by a Provider, without requirement for additional alteration or change in the content by the Provider, over the

particular network of the Provider, which is compatible with the technology or protocol utilized by the Provider to deliver services.

- D. The person producing the broadcast is solely responsible for all content provided over designated public, education, or government channels. The video service Provider shall not exercise any editorial control over any programming on any channel designed for public, education, or government use.
- E. The video service Provider is not subject to any civil or criminal liability for any program carried on any channel designated for public, education, or government use.
- F. If a Franchising Entity seeks to utilize capacity pursuant to **Section 4(1) of the Act** or an agreement under **Section 13 of the Act** to provide access to video programming over one or more PEG channels, the Franchising Entity shall give the Provider a written request specifying the number of channels in actual use on the incumbent video provider's system or specified in the agreement entered into under **Section 13 of the Act**. The video service Provider shall have 90 days to begin providing access as requested by the Franchising Entity. The number and designation of PEG access channels shall be set forth in an addendum to this agreement effective 90 days after the request is submitted by the Franchising Entity.
- G. A PEG channel shall only be used for noncommercial purposes.

VIII. PEG Fees

- A. The video service Provider shall also pay to the Franchising Entity as support for the cost of PEG access facilities and services an annual fee equal to one of the following options:
 - 1. If there is an existing Franchise on the effective date of the Act, the fee (enter the fee amount _____) paid to the Franchising Entity by the incumbent video Provider with the largest number of cable service subscribers in the Franchising Entity as determined by the existing Franchise Agreement;
 - 2. At the expiration of the existing Franchise Agreement, the amount required under (1) above, which is _____% of gross revenues. (The amount under (1) above is not to exceed 2% of gross revenues);
 - 3. If there is no existing Franchise Agreement, a percentage of gross revenues as established by the Franchising Entity and to be determined by a community need assessment, is _____% of gross revenues. (The percentage that is established by the Franchising Entity is not to exceed 2% of gross revenues.); and
 - 4. An amount agreed to by the Franchising Entity and the video service Provider.
- B. The fee required by this section shall be applicable to all providers, pursuant to Section 6(9) of the Act.
- C. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- D. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- E. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- F. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(8) of the Act**, applied against the amount of the subscriber's monthly bill.
- G. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

IX. Audits

- A. No more than every 24 months, a Franchising Entity may perform reasonable audits of the video service Provider's calculation of the fees paid under **Section 6 of the Act** to the Franchising Entity during the preceding 24-month period only. All records reasonably necessary for the audits shall be made available by the Provider at the location where the records are kept in the ordinary course of business. The Franchising Entity and the video service Provider shall each be responsible for their respective costs of the audit. Any additional amount due verified by the Franchising Entity shall be paid by the Provider within 30 days of the Franchising Entity's submission of invoice for the sum. If the sum exceeds 5% of the total fees which the audit determines should have been paid for the 24-month period, the Provider shall pay the Franchising Entity's reasonable costs of the audit.
- B. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the provider shall be made within 3 years from the date the compensation is remitted.

X. Termination and Modification

This Franchise Agreement issued by a Franchising Entity may be terminated or the video service area footprint may be modified, except as provided under **Section 9 of the Act**, by the Provider by submitting notice to the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

XI. Transferability

This Franchise Agreement issued by a Franchising Entity or an existing franchise of an incumbent video service Provider is fully transferable to any successor in interest to the Provider to which it is initially granted. A notice of transfer shall be filed with the Franchising Entity within **15 days** of the completion of the transfer. The Provider will use Attachment 2, when notifying the Franchising Entity. The successor in interest will assume the rights and responsibilities of the original provider and will also be required to complete their portion of the Transfer Agreement located within Attachment 2.

XII. Change of Information

If any of the information contained in the Franchise Agreement changes, the Provider shall timely notify the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

XIII. Confidentiality

Pursuant to Section 11 of the Act: Except under the terms of a mandatory protective order, trade secrets and commercial or financial information designated as such and submitted under the Act to the Franchising Entity or Commission are exempt from the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246 and **MUST BE KEPT CONFIDENTIAL**.

- A.** The Provider may specify which items of information should be deemed “confidential.” It is the responsibility of the provider to clearly identify and segregate any confidential information submitted to the franchising entity with the following information:
“[insert PROVIDER’S NAME]
[CONFIDENTIAL INFORMATION]”
- B.** The Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a FOIA request, and (c) make the information available only to and for use only by such local officials as are necessary to approve the franchise agreement or perform any other task for which the information is submitted.
- C.** Any Franchising Entity which disputes whether certain information submitted to it by a provider is entitled to confidential treatment under the Act may apply to the Commission for resolution of such a dispute. Unless and until the Commission determines that part or all of the information is not entitled to confidential treatment under the Act, the Franchising Entity shall keep the information confidential.

XIV. Complaints/Customer Service

- A.** The Provider shall establish a dispute resolution process for its customers. Provider shall maintain a local or toll-free telephone number for customer service contact.
- B.** The Provider shall be subjected to the penalties, as described under **Section 14 of the Act**, and the Franchising Entity and Provider may be subjected to the dispute process as described in **Section 10(3) of the Act**.
- C.** Each Provider shall notify its customers of the dispute resolution process required under **Section 10 of the Act**.
- D.** In connection with providing video services to the subscribers, a provider shall not do any act prohibited by Section 10(1)(a-f) of the Act. The Commission may enforce compliance to the extent that the activities are not covered by **Section 2(3)(I) in the Act**.

XV. Notices

Any notices to be given under this Franchise Agreement shall be in writing and delivered to a Party personally, by facsimile or by certified, registered, or first-class mail, with postage prepaid and return receipt requested, or by a nationally recognized overnight delivery service, addressed as follows:

If to the Franchising Entity:
(must provide street address)

If to the Provider:
(must provide street address)

Township of Grosse Ile:

9601 Groh Road

444 Michigan Avenue

Grosse Ile, Michigan 48138

Room 1670

Detroit, Michigan 48226

Attn: Township Clerk (cc: Township Manager,
Cable Director,)

Attn: Susan Frentz, Executive Director - Regulatory

Fax No.: Township Clerk: 734.692.9682
Township Manager: 734.692.9693
Cable Director: 734.676.7433

Fax No.: 313.496.9332

Attn: cc: Township Attorney
12900 Hall Road, Suite 350
Sterling Heights, Michigan 48313
Fax No.: 586.726.1560

Or such other addresses or facsimile numbers as the Parties may designate by written notice from time to time.

XVI. Miscellaneous

- A.** Governing Law. This Franchise Agreement shall be governed by, and construed in accordance with, applicable Federal laws and laws of the State of Michigan.
- B.** The parties to this Franchise Agreement are subject to all valid and enforceable provisions of the Act.
- C.** Counterparts. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute on and the same agreement.
- D.** Power to Enter. Each Party hereby warrants to the other Party that it has the requisite power and authority to enter into this Franchise Agreement and to perform according to the terms hereof.
- E.** The Provider and Franchising Entity are subject to the provisions of 2006 Public Act 480.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Franchise Agreement.

Township of Grosse Ile, a Michigan Municipal Corporation

By

Print Name

Title

Address

City, State, Zip

Phone

Fax

Email

Michigan Bell Telephone Company, a Michigan Corporation, doing business as AT&T Michigan

By

Print Name

Title

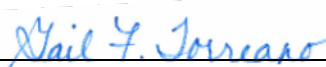
Address

City, State, Zip

Phone

Fax

Email



Gail F. Torreano

President

444 Michigan Avenue, Room 1700

Detroit, Michigan 48226

313.223.7171

313.223.9008

m42325@att.com

FRANCHISE AGREEMENT (*Franchising Entity to Complete*)

Date submitted:

Date completed and approved:

ATTACHMENT 1

UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT (Pursuant To 2006 Public Act 480) (Form must be typed)

Date: March 26, 2007		
Applicant's Name: Michigan Bell Telephone Company d/b/a AT&T Michigan		
Address 1: 444 Michigan Avenue		
Address 2: Room 1670		Phone: 313.496.8162
City: Detroit	State: Michigan	Zip: 48226
Federal I.D. No. (FEIN): 38-0823930		

Company executive officers:

Name(s): Gail F. Torreano; Robin M. Gleason
Title(s): President; Vice President - Regulatory

Person(s) authorized to represent the company before the Franchising Entity and the Commission:

Name: Susan Frentz or her designee(s)		
Title: Executive Director - Regulatory		
Address: 444 Michigan Avenue, Room 1670, Detroit, Michigan 48226		
Phone: 313.496.8162	Fax: 313.496.9332	Email: m42325@att.com

Describe the video service area footprint as set forth in Section 2(3e) of the Act. (An exact description of the video service area footprint to be served, as identified by a geographic information system digital boundary meeting or exceeding national map accuracy standards.)

Michigan Bell Telephone Company d/b/a AT&T Michigan
CONFIDENTIAL INFORMATION

SEE ATTACHED CONFIDENTIAL MAP LABELED AS ATTACHMENT A

The Video Service Area Footprint is set forth in a map, attached as Confidential Attachment A, which is created using Expanded Geographic Information System (EGIS) software and thus, meets the requirements of Section 2(3)(e) of Act 480. The map identifies the Video Service Area Footprint in terms of AT&T wire centers or exchanges serving the Township of Grosse Ile, and such boundaries are overlaid onto a map with the municipal boundaries of the Township of Grosse Ile.

[**Option A:** for Providers that Options B and C are not applicable, a description based on a geographic information system digital boundary meeting or exceeding national map accuracy standards]

[**Option B:** for Providers with 1,000,000 or more access lines in Michigan using telecommunication facilities to provide Video Service, a description based on entire wire centers or exchanges located in the Franchising Entity]

[**Option C:** for an Incumbent Video Service Provider, it satisfies this requirement by allowing the Franchising Entity to seek right-of-way information comparable to that required by a permit under the METRO Act as set forth in its last cable franchise or consent agreement from the Franchising Entity entered into before the effective date of the Act]

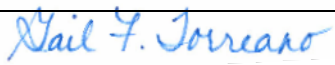
Pursuant to Section 2(3)(d) of the Act, if the Provider is not an incumbent video Provider, provide the date on which the Provider expects to provide video services in the area identified under Section 2(3)(e) (the Video Service Area Footprint).

Date: See Attachment B

For All Applications:

***Verification
(Provider)***

I, Gail F. Torreano, of lawful age, and being first duly sworn, now states: As an officer of the Provider, I am authorized to do and hereby make the above commitments. I further affirm that all statements made above are true and correct to the best of my knowledge and belief.

Name and Title (printed): Gail F. Torreano, President	
Signature: 	Date: March 26, 2007

(Franchising Entity)

Township of Grosse Ile, a Michigan municipal corporation

By

Print Name

Title

Address

City, State, Zip

Phone

Fax

Email

Date

**AT&T MICHIGAN'S VERIFIED PETITION
FOR RESOLUTION OF DISPUTE WITH
TOWNSHIP OF GROSSE ILE UNDER UNIFORM
VIDEO SERVICES LOCAL FRANCHISE ACT,
REQUEST FOR DECLARATORY RULING,
AND REQUEST FOR EXPEDITED RELIEF**

APRIL 2, 2007

MPSC CASE NO. U-15269

EXHIBIT 2



Township of Grosse Ile

9601 GROH ROAD
P.O. BOX 300
GROSSE ILE, MICHIGAN 48138

GENERAL OFFICES (734) 676-4422
FAX (734) 676-7433
WEB SITE: www.grosseile.com

March 30, 2007

Gail F. Torreano
President – AT&T Michigan
444 Michigan Ave.
Room 1700
Detroit, MI 48226

Fax # 313-223-9008

RE: Video Service Local Franchising Agreement for AT&T Michigan

Dear Ms. Torreano:

Upon review of the March 26, 2007 proposed Uniform Video Service Local Franchise Agreement the Township of Grosse Ile has found the application to be incomplete. The service provider information referenced is inaccurate and liability responsibility has not been addressed.

Should you or your staff have any questions concerning this response please contact me at 734-676-4422 ext. 236.

TOWNSHIP OF GROSSE ILE

Dale L. Reaume, M.P.A.
Township Manager

cc: Grosse Ile Township Cable Commission
Ted Fournier, Cable Administrator
Yvette Pugh, AT&T
Susan Frentz, AT&T

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Petition of AT&T Michigan)
for Resolution of a Dispute with the Township of)
Grosse Ile under the Uniform Video Services) Case No. U-15268
Local Franchise Act)
_____)

**AFFIDAVIT OF SUSAN FRENTZ IN SUPPORT OF VERIFIED PETITION
FOR RESOLUTION OF DISPUTE WITH TOWNSHIP OF GROSSE ILE
UNDER UNIFORM VIDEO SERVICES LOCAL FRANCHISE ACT, REQUEST FOR
DECLARATORY RULING, AND REQUEST FOR EXPEDITED RELIEF**

Susan Frentz, being duly sworn, deposes and states as follows:

1. This Affidavit is made upon my personal knowledge, I am over 18 years of age and, if called and sworn as a witness, I can testify competently to the facts stated in this Affidavit.
2. I am employed by AT&T Michigan in the position of Executive Director - Regulatory. In this position, I have responsibilities for AT&T Michigan's efforts to enter into uniform video service local franchise agreements with municipalities in Michigan, including the Township of Grosse Ile. My responsibilities include overseeing AT&T Michigan's compliance with the orders of the Michigan Public Service Commission and other applicable legal requirements attendant to AT&T's actions in that regard.
3. The performance of my job responsibilities requires me to have knowledge of AT&T's efforts to secure a uniform video service franchise agreement with the Township of Grosse Ile. As such, I am aware of and have reviewed AT&T's March 26, 2007 submission of its proposed Uniform Video Service Local Franchise Agreement to the Township of Grosse Ile.

4. I have reviewed AT&T's Verified Petition for Resolution of Dispute with Township of Grosse Ile Under Uniform Video Services Local Franchise Act and Request for Declaratory Ruling filed on this date by AT&T Michigan, and the statements and factual matters contained therein are true and accurate to the best of my knowledge.

Further, affiant sayeth not.

Susan Frentz

Subscribed and sworn to before me,
a Notary Public in and for said County,
this 2nd day of April, 2007.

Jacqueline K. Tinney, Notary Public
Wayne County, Michigan
Acting in Washtenaw County, Michigan
My Commission Expires: 7/17/12

LANSING 34060-56 389680v1

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Petition of AT&T Michigan)
for Resolution of a Dispute with the Township of)
Grosse Ile under the Uniform Video Services) Case No. U-15268
Local Franchise Act)
_____)

PROOF OF SERVICE

STATE OF MICHIGAN)
) SS
COUNTY OF WASHTENAW)

Jacqueline K. Tinney, being first duly sworn, deposes and states she is employed at Dickinson Wright PLLC; and that on April 2, 2007, caused a copy of the *Verified Petition For Resolution of Dispute With Township of Grosse Ile Under Uniform Video Services Local Franchise Act, Request For Declaratory Ruling, And Request For Expedited Relief* and *Affidavit of Susan Frentz* to be served upon the parties listed below via email:

MPSC Staff Orjiakor Isiogu: onisiog@michigan.gov	Township of Grosse Ile Ute O'Connor: uteo@grosseile.com Dale Reaume: daler@grosseile.com
--	--

Jacqueline K. Tinney

Subscribed and sworn to before me,
a Notary Public in and for said County,
this 2nd day of April, 2007.

Elaine M. Masters, Notary Public
Washtenaw County, Michigan
Acting in Washtenaw County, Michigan
My Commission Expires: 9/23/07