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Determination No. 9 – Proration of Maintenance Fees for Partial Year Installation of Facilities **September 9, 2013**

Purpose

To describe the circumstances by which new telecom providers and/or telecom providers expanding their facilities in public rights-of-way may be granted a prorated maintenance fee assessment for partial year installation of facilities.

Analysis

Section 8(1) and (2) of the Metro Act state:

- (1) Except as otherwise provided by this act, a provider shall pay to the authority an annual maintenance fee as required under this act.

- (2) The authority shall determine for each provider the amount of fees required under this section. April 1 to March 31 shall be the annual period covered by each assessment and April 29 the date due for payment. The authority shall prescribe the schedule for the allocation and disbursement of the fees under this act . . .

Telecom providers and other entities that fall under the definition as a telecom provider for purposes of this act are invoiced annually based on the amount of facilities they report as of March 31 of the reporting year. Providers are required to report each year prior to the billing cycle on the amount and type of their facilities. Providers may be invoiced for an entire year for facilities that were only installed for a portion of the billing period.

Metro Authority Determination

Pursuant to a written request from a qualified telecommunication provider, the Metro Authority will consider proration of maintenance fees, on a case-by-case basis, under the following circumstances:

- Proration of maintenance fees will be approved only for start-up providers, or providers expanding 5% or more of their current facilities in public rights-of-way.

- Fees approved for proration will be prorated from the time the newly installed facilities were viable for commercial use.

- If facilities were installed and viable for commercial use on different dates, the date used for proration purposes will be the earliest installed/viable.

- Proration of maintenance fees will only be approved one-time per provider

- Only one ILEC rate will be used for those CLEC or Broadband providers with facilities in multiple ILEC territories. The ILEC rate with the highest reported linear feet will be used in calculating maintenance fees.

Telecom providers desiring to be considered for proration of assessed maintenance fees must send a letter to the director of the Metro Authority prior to March 15 of the reporting year.

A decision or assessment of the METRO Authority is subject to a de novo review by the Michigan Public Service Commission upon the request of an interested person pursuant to Section 17 of the METRO Act.