

June 6, 2006

Via E-file/paperless

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

**Re: In the matter of the Complaint of Corvus Incorporated against
AT&T Communications of Michigan Inc.
MPSC Case No. U-14875**

Dear Ms. Kunkle:

Enclosed for filing in the above-referenced case is *AT&T Communications of Michigan, Inc's Answer* and *Proof of Service*.

If you should have any questions, please contact me.

Very truly yours,

 **Erin J. Stovel**

Signature Not Verified

Erin J. Stovel

Digitally signed by Erin J. Stovel
DN: cn=Erin J. Stovel,
o=Dickinson Wright PLLC,
c=US
Date: 2006.06.06 15:52:16
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EJS/mds
Enclosures

cc: Hon. Daniel E. Nickerson
All Parties of Record

LANSING 29470-1 376387

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Complaint of)
Corvus Incorporated against) Case No. U-14875
AT&T Communications of Michigan, Inc.)

ANSWER TO FORMAL COMPLAINT

AT&T Communications of Michigan, Inc. (“AT&T”), by and through its undersigned attorneys, and pursuant to the notice issued by the Executive Secretary of the Michigan Public Service Commission (“Commission”), answers and responds to the formal complaint filed by Corvus Incorporated (“Corvus”).

1. Corvus brings this action against the Defendant for violations of Sections 502³ and 507⁴ of the MTA.

Answer: AT&T denies that Corvus has stated a claim for relief under the stated sections of the Michigan Telecommunications Act (“MTA”) and denies any other allegations of paragraph 1 of the Complaint.

2. From September 1995 through January 2004, Corvus purchased various telecommunications services from the Defendant and its processor corporation, Teleport Communications Group, Inc. (“TCG”).

Answer: AT&T admits that Corvus purchased telecommunications services from TCG Detroit (“TCG”) during certain time periods and denies all remaining allegations of paragraph 2 of the Complaint.

3. On January 14, 2004 Corvus requested that all circuits be disconnected and its accounts cancelled.

³ [All footnotes are original to Complaint unless otherwise noted. The footnote numbering has been preserved to match the numbering in the Complaint.] MCL 484.2502.

⁴ MCL 484.2507

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

4. Subsequent to the time the Defendant purportedly disconnected and cancelled all services, Defendant continued to invoice Corvus these same services.

Answer: Neither admitted nor denied because the use of the term “purportedly” renders the allegation conditional, and for lack of sufficient knowledge and information upon which to form a belief.

5. Corvus seeks a formal contested case hearing to determine that Defendant has violated the MTA.

Answer: AT&T admits the allegations of paragraph 5, which are irrelevant, superfluous and do not allege facts upon which a claim for a violation of the MTA may be found. To the extent paragraph 5 is construed to allege facts in support of the Complaint, AT&T denies the allegation.

JURISDICTION

6. This Commission has jurisdiction to resolve a dispute between providers pursuant to Sections 101,⁵ 203,⁶ and 204⁷ of the MTA.

Answer: Neither admitted nor denied for the reason that only conclusions of law are set forth, the statute speaks for itself, and no allegations of fact are made.

7. This Commission has jurisdiction to investigate and resolve complaints for violations of the MTA pursuant to sections 101,⁸ 203,⁹ and 205¹⁰ and 601¹¹ of the MTA.

⁵ MCL 484.2101.

⁶ MCL 484.2203.

⁷ MCL 484.2204.

⁸ MCL 484.2201.

⁹ MCL 484.2103.

¹⁰ MCL 484.2205.

¹¹ MCL 484.2601.

Answer: Neither admitted nor denied for the reason that only conclusions of law are set forth, the statute speaks for itself, and no allegations of fact are made.

8. The Michigan Supreme Court has held that this Commission has primary jurisdiction to resolve issues arising under the MTA and under tariffs on file with the Commission.¹²

Answer: Neither admitted nor denied for the reason that only conclusions of law are set forth, the cases cited speak for themselves, and no allegations of fact are made.

THE PARTIES

9. Corvus is a Michigan corporation with its principal place of business located at 25200 Telegraph Road, Third Floor SW, Southfield, Michigan 48034.

Answer: Admitted.

10. Corvus is a telecommunications carrier and a “competitive local exchange carrier” (“CLEC”) that provides, among other services, basic local exchange services to residential and business customers in various exchanges throughout the State of Michigan.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

11. Corvus was granted a license by this Commission to provide basic local exchange service in the zone and exchange areas where AT&T Michigan, Verizon North,

¹² See, *Travelers Ins Co v. Detroit Edison Co*, 465 Mich 185 (2001); *Rinaldo’s Constr Corp v. Michigan Bell Tel Co*, 454 Mich 65 (1997); and, *Valentine v. Michigan Bell Tel Co*, 388 Mich 19 (1972).

Inc. and Contel of the South d/b/a Verizon North Systems are the incumbent local exchange carriers on March 7, 2001 in MPSC Case No. U-12716.¹³

Answer: AT&T admits the Commission issued an order in Case No. U-12716, but neither admits nor denies the remaining allegations of Paragraph 11 for the reason that the order speaks for itself.

12. Corvus is a provider of services to less than 250,000 end-users in the State of Michigan.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

13. Based on information and belief, Defendant is a New York Corporation with its principal place of business in Bedminster, New Jersey.

Answer: Denied. AT&T Communications of Michigan, Inc. affirmatively states that it is a Michigan Corporation. AT&T Corp., a New York corporation, is the indirect parent company of AT&T Communications of Michigan, Inc. and TCG Detroit

14. Defendant is the successor in interest to TCG.

Answer: Denied to the extent paragraph 14 makes a factual allegations. Neither admitted nor denied to the extent paragraph 14 offers a legal conclusion. TCG Detroit is an affiliate of AT&T Communications of Michigan, Inc., but is neither the parent nor the subsidiary of AT&T Communications of Michigan, Inc.

15. Based on information and belief, Defendant was granted a license by this Commission to provide basic local exchange service in various parts of the State of Michigan.

¹³ *In the matter of the application of Corvus, Inc., for a license to provide basic local exchange service throughout the state of Michigan in the zone and exchange areas served by Verizon North Inc., Verizon North Systems and Ameritech Michigan*, MPSC Case No. U-12716, Opinion and Order, Mar 7, 2001.

Answer: Admitted.

FACTUAL BACKGROUND

16. On September 14, 1995 Corvus entered into a Contract with TCG to provide certain telecommunications services.

Answer: AT&T admits that Corvus and TCG Detroit executed a document entitled “Resale Agreement,” which reflects signatures by representatives of TCG on September 15, 1995, and by Corvus on September 14, 1995, and that this document is attached to the Complaint as Exhibit C1. AT&T notes that this document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus’ characterization of that document, and denies the remaining allegations of paragraph 16. To the extent paragraph 16 offers a legal conclusion, AT&T neither admits nor denies as no response is required.

17. In 1998 AT&T purchased TCG.

Answer: AT&T admits that AT&T Corp. acquired the indirect parent company of TCG Detroit in a merger that was consummated in 1998, and denies any additional allegation of paragraph 17.

18. In 2003 AT&T representatives denied the existence of the prior contract.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

19. After the denial of the existence of the contract, Corvus continued to purchase services from Defendant under the Defendant’s Tariffs.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

20. Such Tariffs, TCG Detroit Tariff MPSC Nos. 1R, 2R and 3R are on file with this Commission.

Answer: AT&T admits that TCG Detroit maintains certain tariffs applicable for services provided in Michigan. AT&T neither admits nor denies for lack of sufficient knowledge and information upon which to form a belief of the other allegations of paragraph 20.

21. In 2003, Corvus requested termination of all services received from Defendant and specifically related to Accounts CORV-CORT01 and CORV-CORT03.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

22. Corvus reiterated its request for termination of all services received from Defendant and specifically related to Accounts CORV-CORT01 and CORV-CORT03 in January 2004.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

23. Corvus again reiterated its request for termination of all services received from Defendant and specifically related to Accounts CORV-CORT01 and CORV-CORT03 in April 2004.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

24. In April 2004, Corvus was informed by Defendant that all circuits had been terminated.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

25. In April 2004, Corvus moved all of its traffic, previously handled by the Defendant, to a new provider.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

26. On or about May 1, 2004, Corvus received Defendant's Invoice No. 6165567 on Account No. CORV-CORT01 listing \$5,994.32 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 26 for lack of sufficient knowledge and information upon which to form belief.

27. On or about June 1, 2004, Corvus received Defendant's Invoice No. 6257706 on Account No. CORV-CORT01 listing \$883.90 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 27 for lack of sufficient knowledge and information upon which to form belief.

28. On or about July 1, 2004, Corvus received Defendant's Invoice No. 6350892 on Account No. CORV-CORT01 listing \$1,791.60 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 28 for lack of sufficient knowledge and information upon which to form belief.

29. On or about August 1, 2004, Corvus received Defendant's Invoice No. 6445341 on Account No. CORV-CORT01 listing \$1,791.67 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 29 for lack of sufficient knowledge and information upon which to form belief.

30. On or about September 1, 2004, Corvus received Defendant's Invoice No. 6541129 on Account No. CORV-CORT01 listing \$1,792.23 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 30 for lack of sufficient knowledge and information upon which to form belief.

31. On or about October 1, 2004, Corvus received Defendant's Invoice No. 6638529 on Account No. CORV-CORT01 listing \$1,792.09 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 31 for lack of sufficient knowledge and information upon which to form belief.

32. On or about November 1, 2004, Corvus received Defendant's Invoice No. 6736970 on Account No. CORV-CORT01 listing \$1,792.30 of allegedly "current charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 32 for lack of sufficient knowledge and information upon which to form belief.

33. Included in this invoice were charges for circuits Corvus had previous [sic] resold to its clients.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

34. Also included in each of the above invoices were charges for "PXPRESS DID #S Initial 20" and "PRIMEXPRESS DID & DID/DOD" for Telephone Circuit 248-

204-1102 which constitute retail services ordered and utilized by Corvus for its own corporate use as an end-user.

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 34 for lack of sufficient knowledge and information upon which to form belief.

35. On or about May 1, 2004, Corvus received Defendant's Invoice No. 6165566 for Account No. CORV-CORT03 listing \$5,758.98 of allegedly "current charges" and \$154.60 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 35 for lack of sufficient knowledge and information upon which to form belief.

36. On or about June 1, 2004, Corvus received Defendant's Invoice No. 6257705 for Account No. CORV-CORT03 listing a negative number of \$2,238.19 of allegedly "current charges" and \$205.35 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 36 for lack of sufficient knowledge and information upon which to form belief.

37. On or about July 1, 2004, Corvus received Defendant's Invoice No. 6350891 for Account No. CORV-CORT03 listing \$1,098.00 of allegedly "current charges" and \$253.41 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 37 for lack of sufficient knowledge and information upon which to form belief.

38. On or about August 1, 2004, Corvus received Defendant's Invoice No. 6445340 for Account No. CORV-CORT03 listing \$1,098.00 of allegedly "current charges" and \$302.20 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 38 for lack of sufficient knowledge and information upon which to form belief.

39. On or about September 1, 2004, Corvus received Defendant's Invoice No. 6541128 for Account No. CORV-CORT03 listing \$1,098.00 of allegedly "current charges" and \$241.54 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and

neither admits nor denies any remaining allegations of paragraph 39 for lack of sufficient knowledge and information upon which to form belief.

40. On or about October 1, 2004, Corvus received Defendant's Invoice No. 6638528 for Account No. CORV-CORT03 listing \$1,098.00 of allegedly "current charges" and \$278.03 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 40 for lack of sufficient knowledge and information upon which to form belief.

41. On or about November 1, 2004, Corvus received Defendant's Invoice No. 6736969 for Account No. CORV-CORT03 listing \$1,098.00 of allegedly "current charges" and \$289.00 of unitemized "service charges".

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 41 for lack of sufficient knowledge and information upon which to form belief.

42. On or about February 1, 2005, Corvus received Defendant's Invoice No. 7040781 for Account No. CORV-CORT03 listing \$1,098.00 of allegedly "current charges" [sic]

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further

answer is required from AT&T as to Corvus' characterization of that document, and neither admits nor denies any remaining allegations of paragraph 42 for lack of sufficient knowledge and information upon which to form belief.

43. On or about August 1, 2005, Corvus received Defendant's Invoice No. 76756669 [sic] for Account No. CORV-CORT03, which indicated a full credit for the previous balance leaving a total amount due on Account No. CORV-CORT03 of zero.

Answer: AT&T admits that it submitted the referenced invoice to Corvus for payment, that the document is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document, denies that AT&T issued a credit to Corvus in that the invoice actually reflects a write down of the account for collection purposes, and neither admits nor denies any remaining allegations of paragraph 43 for lack of sufficient knowledge and information upon which to form belief.

COUNT 1

VIOLATION OF SECTION 502(1)(C) OF THE MTA

44. Corvus repeats paragraph 1 through 43 as though fully set forth here.

Answer: In response to paragraph 44, AT&T repeats and incorporates as if fully set forth herein its answers to paragraphs 1 through 43 of the Complaint.

45. Section 502(1)(c)¹⁴ of the MTA provides that "[a] provider of a telecommunication service shall not . . . [i]f an end-user has canceled a service, charge the end-user for service provided after the effective date the service was canceled."

¹⁴ MCL 484.2502(1)(c).

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

46. Corvus repeatedly attempted to cancelled [sic] “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” Service for Telephone Circuit 248-204-1102.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

47. Defendant finally cancelled “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” Service for Telephone Circuit 248-204-1102 in April 2004.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

48. Defendant continued to invoice Corvus for “current charges” for “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” Service for Telephone Circuit 248-204-1102 from May 2004 through at least November 2004.

Answer: Admits that AT&T invoiced Corvus during the months referenced for the services referenced because such invoices were wholly authorized, and denies all other allegations.

49. “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” for Telephone Circuit 248-204-1102 constitute retail services ordered and utilized by Corvus for its own corporate use as an end-user.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

50. Corvus seeks an order finding that Defendant violated Section 502(1)(c) of the MTA by continuing to “charge [Corvus] for service provided after the effective date the service was canceled.”

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

COUNT 2

VIOLATION OF SECTION 507(2) OF THE MTA

51. Corvus repeats paragraph 1 through 50 as though fully set forth here.

Answer: In response to paragraph 51, AT&T repeats and incorporates as if fully set forth herein its answers to paragraphs 1 through 50 of the Complaint.

52. Section 507(1) of the MTA¹⁵ provides that “[a] provider of a telecommunication service shall not include or add optional services in an end-user's telecommunications service package without the express oral or written authorization of the end-user.”

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

¹⁵ MCL 484.2507(1).

53. Corvus repeatedly attempted to cancelled [sic] “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” Service for Telephone Circuit 248-204-1102.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

54. Defendant finally cancelled “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” Service for Telephone Circuit 248-204-1102 in April 2004.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

55. Defendant invoiced Corvus for “current charges” for “PXPRESS DID #S Initial 20” and “PRIMEXPRESS DID & DID/DOD” Service for Telephone Circuit 248-204-1102 from May 2004 through at least November 2004.

Answer: Admits that AT&T invoiced Corvus during the months referenced for the services referenced because such invoices were wholly authorized, and denies all other allegations.

56. Corvus did not give Defendant express oral or written authorization to provide to or bill Corvus for such services after April 2004.

Answer: Denied.

57. Corvus seeks an order finding that Defendant violated Section 507(1) of the MTA by “including optional services in an end-user's telecommunications service package without the express oral or written authorization of the end-user.”

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

COUNT 3

VIOLATION OF SECTION 502(1)(A) OF THE MTA

58. Corvus repeats paragraph 1 through 57 as though fully set forth here.

Answer: In response to paragraph 58, AT&T repeats and incorporates as if fully set forth herein its answers to paragraphs 1 through 57 of the Complaint.

59. Section 502(1)(a)¹⁶ of the MTA provides that “[a] provider of a telecommunication service shall not . . . [m]ake a statement or representation, including the omission of material information, regarding the rates, terms, or conditions of providing a telecommunication service that is false, misleading, or deceptive. As used in this subdivision, ‘material information’ includes, but is not limited to, all applicable fees, taxes, and charges that will be billed to the end-user, regardless of whether the fees, taxes, or charges are authorized by state or federal law.”

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

60. Corvus repeatedly requested disconnection of its service from Defendant.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

¹⁶ MCL 484.2502(1)(a).

61. Defendant repeatedly told Corvus that such service would be disconnected, when it in fact was not.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

62. Defendant repeatedly told Corvus that such service had been disconnected.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

63. Corvus continued to received [sic] invoices with “current charges” after Defendant told Corvus that such service had been disconnected.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

64. Defendant repeatedly promised Corvus credits for services improperly billed.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

65. Defendant failed to deliver such credits to Corvus.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

66. On or about August 1, 2005, Defendant provided Corvus with Defendant’s Invoice No. 76756669 [sic] for Account No. CORV-CORT03, which indicated a full credit for the previous balance leaving a total amount due on Account No. CORV-CORT03 of zero.

Answer: AT& T admits that it submitted the referenced Invoice No. 7675669 to Corvus. The invoice sent to Corvus is the best evidence of its content and therefore no further answer is required from AT&T as to Corvus' characterization of that document. However, to the extent an answer is required, AT&T denies the allegations of paragraph 66 as untrue. By way of further response, AT&T affirmatively states that the invoice reflected a zero balance in connection with the amount due being written off and referred for collection.

67. Defendant now pleads in a Complaint filed in United States District Court for the Eastern District of Michigan, Case No. 2:05-cv-74936-AC-SDP, that Corvus owes it the amount of the credit given to Corvus on Invoice No. 76756669 [sic].

Answer: Denied to the extent Corvus alleges that AT&T issued a credit to Corvus. AT&T affirmatively states that Invoice No. 7675669 does not reflect a credit to Corvus by AT&T. As to all other allegations in paragraph 67, neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

68. Corvus seeks an order finding that Defendant violated Section 502(1)(c) of the MTA by making statements or representations, including the terms, or conditions of providing a telecommunication service that were false, misleading, or deceptive.

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

COUNT 4

VIOLATION OF SECTION 502(1)(I) OF THE MTA

69. Corvus repeats paragraph 1 through 68 as though fully set forth here.

Answer: In response to paragraph 69, AT&T repeats and incorporates as if fully set forth herein its answers to paragraphs 1 through 68 of the Complaint.

70. Section 502(1)(i)¹⁷ of the MTA provides that “[a] provider of a telecommunication service shall not . . . “[r]epresent or imply that the subject of a transaction will be provided promptly, or at a specified time, or within a reasonable time, if the provider knows or has reason to know it will not be so provided.”

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

71. Corvus repeatedly requested disconnection of its service from Defendant.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

72. Defendant repeatedly told Corvus that such service would be disconnected.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

73. Defendant was unable to disconnect Corvus’ service within a reasonable time.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

74. Defendant should have known it would be unable to disconnect Corvus’ service within a reasonable time.

¹⁷ MCL 484.2502(1)(i).

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

75. Corvus continued to be billed for service after its service was disconnected.

Answer: Denied.

76. Defendant repeatedly told Corvus that the bills were in error and would stop.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

77. Defendant should have known that it was unable to stop billing Corvus.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

78. Defendant repeatedly promised Corvus credits for services improperly billed.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

79. Months later, Defendant has still failed to deliver such credits to Corvus.

Answer: Denied.

80. Corvus seeks an order finding that Defendant violated Section 502(1)(i) of the MTA by repeatedly representing that Corvus' service would be disconnected, billings would stop, and credits would be issued within a reasonable time, while Defendant should have known it would not be so provide.

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

COUNT 5

VIOLATION OF SECTION 502(1)(I) OF THE MTA

81. Corvus repeats paragraph 1 through 80 as though fully set forth here.

Answer: In response to paragraph 81, AT&T repeats and incorporates as if fully set forth herein its answers to paragraphs 1 through 80 of the Complaint.

82. Section 502(1)(h)¹⁸ of the MTA provides that “[a] provider of a telecommunication service shall not . . . [c]ause a probability of confusion or a misunderstanding as to the legal rights, obligations, or remedies of a party to a transaction by making a false, deceptive, or misleading statement or by failing to inform the customer of a material fact, the omission of which is deceptive or misleading.”

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

83. Corvus repeatedly requested disconnection of its service from Defendant.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

84. Defendant repeatedly told Corvus that such service would be disconnected.

¹⁸ MCL 484.2502(1)(h).

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

85. Defendant was unable to disconnect Corvus' service within a reasonable time.

Answer: Denied.

86. Defendant should have known it would be unable to disconnect Corvus' service within a reasonable time.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

87. Corvus continued to be billed for service after its service was disconnected.

Answer: Denied.

88. Defendant repeatedly told Corvus that the bills were in error and would stop.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

89. Defendant should have known that it was unable to stop billing Corvus.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

90. Defendant repeatedly promised Corvus credits for services improperly billed.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

91. Months later, defendant has still failed to deliver such credits to Corvus.

Answer: Denied.

92. Through Defendant's promises to disconnect service and credit Corvus' account, Corvus delayed filing a complaint.

Answer: Neither admitted nor denied for lack of sufficient knowledge and information upon which to form a belief.

93. Corvus seeks an order finding that Defendant violated Section 502(1)(i) of the MTA by repeatedly representing that Corvus' service would be disconnected, billings would stop, and credits would be issued within a reasonable time, causing "a probability of confusion or a misunderstanding as to the legal rights, obligations, or remedies of a party to a transaction by making a false, deceptive, or misleading statement or by failing to inform the customer of a material fact, the omission of which is deceptive or misleading."

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

EXTENUATING FACTORS

94. Corvus repeats paragraph 1 through 93 as though fully set forth here.

Answer: In response to paragraph 94, AT&T repeats and incorporates as if fully set forth herein its answers to paragraphs 1 through 93 of the Complaint.

95. In MPSC Case Nos. U-12759 and U-12764,¹⁹ the Commission found that Defendant violated Sections 502(1)(c)²⁰ and 507(1)²¹ of the MTA.

Answer: Admitted.

96. Based on information and belief, Defendant, along with its affiliated companies AT&T Michigan, TCG Detroit Holdings I, and AT&T Communications of Michigan, Inc. has more than 250,000 access lines in the state of Michigan.

Answer: Neither admitted nor denied for the reason that conclusions of law are made and for lack of sufficient knowledge and information upon which to form a belief.

AFFIRMATIVE DEFENSES

A. Any claims related to violations alleged to have occurred more than two years prior to the date of filing of the Complaint are time-barred by § 205 of the Michigan Telecommunications Act, MCL 484.2205.

B. The Complaint is barred in whole or in part for the reason that it fails to state a claim upon which relief can be granted.

C. The Complaint is barred in whole or in part for the reason that Corvus has failed to challenge or dispute invoiced amounts within the time frames allowed by contract or tariff, and therefore, has waived any right to challenge the invoiced amounts.

¹⁹ *In the matter of the complaint of Covenant House Michigan and Great Lakes Telecom, Inc. against American Telephone & Telegraph Company (a/k/a AT&T Corp. and AT&T, Inc.) and Teleport Communications Group, Inc. (a/k/a Teleport Communications, TCG Detroit, and TCG Detroit Holdings I, Inc.)*, MPSC Case Nos. U-12759 and U-12764, Opinion and Order dated July 11, 2001.

²⁰ MCL 484.2502(1)(c).

²¹ MCL 484.2507(1).

D. The Complaint is barred in whole or in part by the terms of TCG Detroit's and/or AT&T's respective local, local toll and/or long distance tariffs, including but not limited to the limitations of liability provisions contained therein.

E. The Complaint is barred in whole or in part by the general statute of limitations applicable to actions to recover for breach of contract or for injury to persons or property.

F. The Complainant lacks standing and is not a real party in interests such that the relief requested in the Complaint cannot be awarded.

G. The Complainant is equitably estopped from asserting a cause of action based upon a contract and/or course of dealing between the parties such that the relief requested in the Complaint cannot be awarded.

H. The Complainants is equitably estopped from asserting a cause of action based upon a contract and/or course of dealing between the parties such that the relief requested in the Complaint cannot be awarded because Complainant has at all times accepted the services provided by TCG Detroit or AT&T and, thus, if the relief were granted in whole or in part, Complainant would be unjustly enriched by receiving such services without paying for them.

RELIEF REQUESTED (BY AT&T)

WHEREFORE AT&T Communications of Michigan, Inc. respectfully requests that the Commission deny in its entirety the relief sought by Complainants and that the Commission find in favor of the AT&T on all counts of the Complaint and grant to AT&T any further relief the Commission deems just and proper.

Dated: June 6, 2006

**AT&T COMMUNICATIONS OF
MICHIGAN, INC.**

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By:  **Erin J. Stovel** 
Signature Not Verified

Digitally signed by Erin J.
Stovel
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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Complaint of Corvus, Inc.)
against AT&T Communications of Michigan, Inc.)
_____)

Case No. U-14875

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

Mindy D. Smith, being first duly sworn, deposes and says she is employed at Dickinson Wright PLLC; and that on June 6, 2006, she caused a copy of ***AT&T Communications of Michigan, Inc's Answer*** and the ***Appearances of John J. Reidy, III and Erin J. Stovel*** to be served upon the following via email and first class mail.

Haran Rashes
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Daniel E. Nickerson, Jr.
Administrative Law Judge
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Mindy D. Smith

Digitally signed by Mindy D. Smith
DN: cn=Mindy D. Smith,
o=Dickinson Wright PLLC,
c=US
Date: 2006.06.06 15:56:12
-0400

Subscribed and sworn to before me,
a Notary Public in and for said County,
this 6th day of June, 2006.

? Heidi S. Hopper

Signature Not Verified

Digitally signed by Heidi S. Hopper
DN: cn=Heidi S. Hopper,
o=Dickinson Wright PLLC, c=US
Date: 2006.06.06 15:55:03 -0400

Heidi S. Hopper, Notary Public
Ingham County, Michigan
My Commission Expires: 3/24/11