

June 7, 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 Ameritech Michigan's submission on performance measures, reporting, and benchmarks, pursuant to the October 2, 1998 order in Case No. U-11654.
MPSC Case No. U-11830**

Dear Ms. Kunkle:

The attached document is the AT&T Michigan version of the AT&T Midwest Performance Measure Audit, Updates to Management Assertions on Restatements and documents the final resolution of exceptions cited by Ernst and Young where corrections were under determination by the Company as of the date of the audit report (February 17, 2006) and filed with the Commission on February 28, 2006. Also, enclosed is a Proof of Service. AT&T has now completed all actions noted.

If you should have any questions, please contact me.

Very truly yours,

?
Signature Not Verified

John M. Dempsey

Digitally signed by John M. Dempsey
DN: cn=John M. Dempsey, o=Dickinson
Wright PLLC, c=US
Date: 2006.06.07 14:40:40 -0400
Location: Dickinson Wright PLLC

John M. Dempsey

JMD:mds

Enclosure

cc: All Parties of Record

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**AT&T Midwest Performance Measure Audit
Updates to Management Assertions on Restatements**

June - August 2005 Audit Report - Attachment A (dated 2/17/2006)

II. Exceptions Corrected but June, July and August 2005 Results Were Not Restated

No.	PMs Affected	E&Y Exception Description	AT&T Assertion - 2/17/2006 Response and Corrective Action	AT&T Assertion - 6/6/2006 Update on Response and Corrective Action
4	35, 37.1, 38, 39, 40, 41 Provisioning & Maintenance	An error in the computer programming code resulted in an incorrect field being utilized to identify Official Communications Services transactions during the Evaluation Period.	This issue was corrected with October 2005 results forward. The issue affects the Retail analog results only, and would result in improvement of the Retail comparison. Analysis has determined the impact to be material, and restatement of affected PMs is scheduled for March 6, 2006.	June through August 2005 results were restated. PMs 38, 39, 40 and 41 were restated on March 6, 2006 and PMs 35 and 37.1 were restated on March 20, 2006.
5	43, 55 & 73 Provisioning	For the Evaluation Period, project indicators were not set correctly when staging records were matched to install records understating the number of projects included in results.	This issue was corrected with November 2005 results reported in December 2005. Based on analysis of August 2005 data, the issue materially affects reported performance of PM 73. At minimum PM 73 will be restated. Analysis continues on the months June and July 2005. Restatement of August 2005 results for PM 73 is planned for March 6, 2006. Results for months subsequent to the Evaluation Period have also been analyzed, and restatement, where necessary, is also planned for March 6, 2006.	Materiality analysis for PM 73 showed 7 trunks were omitted from August 2005 results in Ohio. Even though performance was 100% both before and after, results were restated on April 20, 2006 concurrent with the processing for the restatement discussed in section II.10 below. Results for PM 43 and 55 were not materially affected during the evaluation period.
6	44 Provisioning	An error in the computer programming code resulted in records being incorrectly included in the numerator and denominator for the ISDN-BRI Non-Designed and UNE Loop & Port ISDN-BRI disaggregations for the Evaluation Period.	The issue was corrected with December 2005 results reported in January 2006. Materiality analysis has determined that reported results were impacted by this issue. Accordingly, restatement will be undertaken for the Evaluation Period months. Restatement is planned for March 6, 2006.	Additional materiality analysis performed subsequent to the report date showed no material impact on results so no restatements were made.
10	73, 75 Interconnection Trunks	The computer programming code did not assign the CLEC ACNA to certain trunk circuits, which potentially caused them to be dropped from PM reporting for July through August 2005.	Correction was implemented to properly assign CLEC ACNAs to trunk circuits with the October 2005 results reported in November 2005. Materiality analysis has determined that July and August 2005 results were impacted. Restatement is planned for March 6, 2006.	PM 75 was not materially affected. June through August 2005 results for PM 73 were restated on April 20, 2006.

**AT&T Midwest Performance Measure Audit
Updates to Management Assertions on Restatements**

June - August 2005 Audit Report - Attachment A (dated 2/17/2006)

III. Exceptions in Which Corrective Actions are Under Determination by the Company

No.	PMs Affected	E&Y Exception Description	AT&T Assertion - 2/17/2006 Response and Corrective Action	AT&T Assertion - 6/6/2006 Update on Response and Corrective Action
1	CLEC Billing 3 Billing	The numerator and denominator for the Negotiated Projects disaggregations were incorrectly calculated when resolution notices greater than 30 days were present for the Evaluation Period.	For the diagnostic submeasures for Negotiated Project billing claim resolution, the results were not properly distributed across the resolution timeliness intervals. The correction for this issue is planned for implementation with February 2006 results forward. AT&T is planning to restate these results on March 6, 2006.	The correction was implemented with April 2006 results. June through August 2005 results were restated on June 5, 2006.
2	13 Pre-Ordering / Ordering	Specific complex Classes Of Service that should be excluded were not excluded for the period August 2005.	Reported results are understated as orders for products not designed to flow through are being incorrectly included in the measure. These orders are reported as "misses" when they should be excluded. Correction is scheduled for implementation with February 2006 results forward. As restatement would result in improved reported performance results, AT&T does not plan to restate results for affected months.	The correction was implemented as planned for February 2006 results.
3	15, 18 Billing Ohio only	Two business account numbers were not included in the reported results of one CLEC for June 2005, one CLEC for July 2005 and two CLECs for August 2005.	The impact of this issue was to underreport, by one bill, the denominator value for the affected CLECs in the months mentioned. February 2006 results forward will reflect the corrective actions taken by AT&T, as an additional feedback loop to identify billing records for new ACNAs has been added. As previously reported results were 100% accurately formatted and timely bills for these CLECs in these months, and performance would remain at 100% upon restatement, no restatement is planned.	The correction was implemented as planned for February 2006 results.
4	28, 29, 30, 32, 35, 35.1, 37.1, 38, 40, 41 Provisioning	For the month August 2005, the computer programming code is incorrectly including Local Wholesale Complete transactions as UNE-P.	Analysis results have determined that, at most, two trouble reports could have been misreported as UNE-P, and two orders could have been misreported as UNE-P. Correction is planned for January 2006 results forward. No restatement is planned.	The correction was implemented as planned for January 2006 results. While this issue did not materially impact reported results for the evaluation period, results for June through August 2005 have been restated for this issue along with other issues that affected those months and months subsequent to the evaluation period.
5	37.1 Maintenance Michigan only	Data was being received for an inactive ACNA code for the Evaluation Period, potentially affecting reported results of the correct ACNA.	This issue has been corrected, and the correction will be reflected in January 2006 results to be reported in February 2006. Analysis determined the number of transactions excluded from reported results would not materially affect the correct CLEC's results if restated. Restatement is not planned.	The correction was implemented as planned for January 2006 results.

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III. Exceptions in Which Corrective Actions are Under Determination by the Company

No.	PMs Affected	E&Y Exception Description	AT&T Assertion - 2/17/2006 Response and Corrective Action	AT&T Assertion - 6/6/2006 Update on Response and Corrective Action
6	54.1, 65.1 Maintenance	Enhanced electronic loops with specific common language location code identifiers were inappropriately excluded in determining the number of in-service circuits for July and August 2005.	Corrective action for this issue is planned for implementation with February 2006 results to be reported in March 2006. This issue reflected a need to expand the selection criteria for in-service EEL circuits due to an additional value being used in a selection field. The result of not identifying these in-service circuits was to either a) limit reporting of the trouble reports to the "state" level (all geographies combined for the CLEC); or b) not report the trouble reports at all. · In Illinois, this issue affected two CLECs and resulted in inability to include 23 trouble reports in June, 19 in July, and 24 in August. · In Indiana, this issue prevented reporting of 4 trouble reports for a single CLEC in June. · In Ohio this issue had no impact. · In Michigan, this issue affected two CLECs and resulted in reporting of trouble reports at the "state" level only, in the following quantities: June – 20 trouble reports; July – 13 trouble reports; August – 7 trouble reports. · In Wisconsin, this issue prevented reporting of 1 trouble report for a single CLEC in June. The in-service circuit counts reflect a "snapshot" taken at the end of the month. As the in-service circuit counts change from month to month, AT&T is unable to recreate in-service circuit counts for prior months.	The correction was implemented as planned for February 2006 results.
7	54.1, 65.1 Maintenance	A center (SFLDMIMNSS6) was omitted from the list of service centers used to filter records from the Design Specials Inventory table for August 2005, incorrectly including records from that center.	Correction is planned for implementation with January 2006 results forward. Assessment of materiality for August is complete, with increases in the number of wholesale in-service circuits to be reported of less than 0.10% for both PM 54.1 and PM 65.1. The impact is not material for August 2005. Accordingly, no restatement will be undertaken.	The correction was implemented as planned for January 2006 results.

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No.	PMs Affected	E&Y Exception Description	AT&T Assertion - 2/17/2006 Response and Corrective Action	AT&T Assertion - 6/6/2006 Update on Response and Corrective Action
8	58 Provisioning	August 2005 DSL results were understated due to an error in processing the reported product name.	Programming changes associated with identification of product names inadvertently caused a matching routine for this performance measure to exclude a number of orders from reported results. AT&T plans to implement corrected code for March 2006 results forward. Materiality assessment is underway and previously reported results will be restated if necessary.	The correction was implemented for February 2006 results. August 2005 results were restated on April 20, 2006.
9	97 LNP	For June, July, and August 2005 results, programming code was inaccurately reporting results for orders with an application date equal to or before the due date as these orders did not allow time to set the 10-digit trigger 24 hours in advance of due date.	The issue is that exclusion for orders where AT&T was given less than one day to apply the 10-digit trigger was applied only to orders received on the due date, when it should also have applied to orders received on the day before the due date ("DD-1"). Corrective action for this issue is expected to be implemented with February 2006 results forward. As this change will result in excluding orders previously reported as misses, restatement would only improve reported results. Accordingly, AT&T does not plan to restate previously reported results.	The correction was implemented as planned for February 2006 results. Analysis performed after the audit report date determined that June 2005 remedy payments were affected and results were restated on May 5, 2006.
10	110, 113 DA Database Indiana only	A manual spreadsheet used in PM processing contained an ACNA error in June and July 2005, causing DA updates to be posted under incorrect ACNA codes in both months. In August 2005, incorrect Directory Assistance order totals were included in the results for one CLEC.	Restatement is scheduled for completion on March 6, 2006. Coaching on the need for accuracy in the manual process has been conducted, and no errors have occurred in the months since August 2005. For August the reported results for the single CLEC affected was 100% when originally reported, but the volume was overstated (1472 reported versus 92 actual). Upon restatement results will remain at 100%.	Subsequent analysis determined that this finding was limited to PM 113 (i.e. had no impact on PM 110). June through August results for PM 113 were restated on March 20, 2006.
11	115, 115.1 Coordinated Conversions Ohio Only	For the months of July and August 2005, a manual entry error caused AECN data to incorrectly post as ACNA data for a CLEC, resulting in misidentified activity.	Inaccurate manual entry of data into an ACNA table (AECN value, another CLEC identifier, instead of ACNA value) leading to inaccurate results for two CLECs in Ohio was corrected, and coaching was provided to the individual employees responsible. Restatement is planned for March 6, 2006.	July and August 2005 results were restated on March 6, 2006.

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12	119 NXX Indiana only	August 2005 ILEC results for Indiana were understated due to a processing error.	This was limited to the retail result. Since there was no CLEC activity for August 2005, this processing error had no impact on accuracy of wholesale results or a statistical comparison. There are no plans to restate.	Since there was no CLEC activity in August 2005, no restatement was necessary.

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

Ameritech Michigan's submission on performance)
measurements, benchmarks, and reporting in)
compliance with the October 2, 1998 Order in)
MPSC Case No. U-11654.)
_____)

Case No. U-11830

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 7, 2006 she caused a copy of the AT&T Michigan version of the AT&T Midwest Performance Measure Audit and Updates to Management Assertions on Restatements to be served via email on the parties listed on the attached service list.

 Mindy D. Smith
Signature Not Verified

Digitally signed by Mindy D. Smith
DN: cn=Mindy D. Smith,
c=Dickinson Wright PLLC, c=US
Date: 2006.06.07 14:41:17 -0400
Location: Dickinson Wright PLLC

Subscribed and sworn to before me,
a Notary Public in and for said County,
this 7th day of June, 2006.

 Susan C. Bohnett
Signature Not Verified

Digitally signed by Susan C. Bohnett
DN: cn=Susan C. Bohnett,
c=Dickinson Wright PLLC, c=US
Date: 2006.06.07 14:41:02 -0400
Location: Dickinson Wright PLLC

Susan Bohnett, Notary Public
Shiawassee County, acting in Ingham County, Michigan
My Commission Expires: 9/23/11

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