

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

AT&T Corp.

COMPLAINANT

v.

Mountain Rural Telephone Cooperative Corp.

and

Thacker-Grigsby Telephone Co, Inc.

DEFENDANTS

Case No. 2013-00392

AT&T CORP'S ANSWER TO COUNTERCLAIMS

In Compliance with the Commission's Order of March 10, 2014,¹ AT&T Corp. ("AT&T") respectfully submits its Answer to the Counterclaims filed by Mountain Rural² and Thacker-Grigsby³ (collectively, the "Rural Carriers") on November 25, 2013.

1. In response to Paragraph 1 of the Counterclaim, AT&T incorporates by reference its Complaint and Motion for Emergency Relief ("Complaint") and denies any aspect of the Rural Carriers' Answer that is inconsistent with the Complaint:

NATURE OF CLAIM

¹ Among other things, the Commission ordered AT&T Corp. "to file an answer to the Rural Carriers' counterclaims as set forth in their answer," and it rejected as moot the complaint tendered on February 29, 2014 by the Rural Carriers naming AT&T Corp. as a defendant. *See* Order at 4.

² Mountain Rural Telephone Cooperative Corporation, Inc.

³ Thacker-Grigsby Telephone Co., Inc.

2. In response to Paragraph 2 of the Counterclaim, AT&T admits that: the Rural Carriers are “issuing carriers” under the Duo County Telephone Cooperative Corp. Access Tariff (“Tariff”) on file with the Commission; the Rural Carriers have submitted certain bills for access services they provide to AT&T pursuant to the Tariff; AT&T has notified each of the Rural Carriers in writing that it disputes these bills; and AT&T has explained in writing its good-faith reasons for its disputes. AT&T denies the third sentence of Paragraph 2 of the Counterclaim and all other aspects of the allegations of Paragraph 2 of the Counterclaim that are inconsistent with these admissions.

PARTIES

3. AT&T admits the allegations of Paragraph 3 of the Counterclaim.

4. AT&T admits the allegations of Paragraph 4 of the Counterclaim.

5. AT&T admits the allegations of Paragraph 5 of the Counterclaim.

APPLICABLE LAW

6. AT&T admits that KRS 278.040 speaks for itself and denies the remaining allegations of Paragraph 6 of the Counterclaim.

7. AT&T admits that KRS 278.260 speaks for itself and denies the remaining allegations of Paragraph 6 of the Counterclaim.

8. AT&T admits that KRS 278.030(1) speaks for itself and denies the remaining allegations of Paragraph 6 of the Counterclaim.

FACTUAL ALLEGATIONS

9. AT&T admits that the Tariff says what it says. AT&T denies that it is without justification for withholding payment of amounts it has disputed, and it denies all remaining

aspects of the allegations of Paragraph 9 of the Counterclaim that are inconsistent with the allegations of AT&T's Complaint.

10. AT&T admits that the Rural Carriers have submitted certain bills for access services they provide to AT&T pursuant to the Tariff and denies the remaining allegations of Paragraph 10 of the Counterclaim.

11. AT&T admits the allegations of Paragraph 11 of the Counterclaim.

12. AT&T admits that the Rural Carriers purported to deny all of AT&T's disputes and lacks knowledge sufficient to admit or deny the remaining allegations of Paragraph 12 of the Counterclaim and, therefore, denies the same.

13. AT&T admits that, as permitted by the tariff, it has withheld payment of certain amounts it has disputed and denies the remaining allegations of Paragraph 13 of the Complaint.

14. AT&T admits that only after this action was filed did the Rural Carriers agree not to terminate service to AT&T during the pendency of this action absent advance approval by the Commission, and AT&T denies the remaining allegations of Paragraph 14 of the Complaint.

15. AT&T denies the allegations of Paragraph 15 of the Complaint.

COUNT I

16. AT&T restates all allegations contained in all other paragraphs of this Answer as if fully restated herein.

17. AT&T admits that the Tariff speaks for itself and denies the remaining allegations of Paragraph 17 of the Counterclaim.

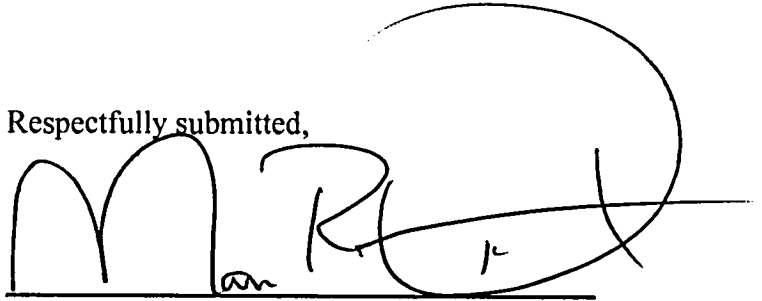
18. AT&T denies the allegations of Paragraph 18 of the Counterclaim.

19. AT&T denies that the Rural Carriers are entitled to any of the relief requested in the "WHEREFORE" clause of the Counterclaim or any of its sub-parts.

AFFIRMATIVE DEFENSES

20. The Counterclaim fails to state a claim upon which relief can be granted.
21. Pending discovery, and to avoid waiver, AT&T alleges that the Rural Carriers claims are barred in whole or part by the applicable statute and limitations and laches.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M R Overstreet', written over a horizontal line. The signature is stylized and somewhat cursive.


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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by first class mail, postage prepaid, and by e-mail transmission on counsel, upon the following parties, this 19th day of March, 2014.

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