BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the Establishment of Operations Support Systems Permanent Performance Measures for Incumbent Local Exchange Telecommunications Companies	Docket No. 000121-TP Filed: August 30, 2002

ALEC COALITION'S COMMENTS CONCERNING PROPOSED CHANGES TO BELLSOUTH'S PERFORMANCE MEASUREMENT PLAN

The ALEC Coalition, consisting of AT&T Communications of the Southern States, LLC (AT&T), WorldCom, Inc. (WorldCom), Z-Tel Communications, Inc. (Z-Tel), DIECA Communications Company d/b/a Covad Communications Company (Covad), New South Communications Corp. (New South), and Mpower Communications Corp. (Mpower), hereby submits its comments concerning the changes it is proposing to BellSouth's performance measurement plan.

I. INTRODUCTION

The Commission's six-month review of BellSouth's performance measurement plan provides an important opportunity to gauge the effectiveness of BellSouth's existing measures, assess other measures that should be included in the SQM, and determine whether the current remedy structure is effective in driving BellSouth's performance to the required standards. The ALEC Coalition will address each of these broad areas, focusing first on the vital issue of developing remedies that are based on the severity of the poor performance in question. In the final analysis, a performance measurement plan means little if the remedy structure does not provide adequate incentives to improve performance where problems are detected. Perhaps the greatest flaw in the current plan is that the same remedies are provided for egregious

performance as for performance that narrowly misses the established standard. This problem *must* be corrected for the plan to work effectively.

After addressing the severity issue, the ALEC Coalition will outline a number of other SEEM problems: additional metrics that should be included in the SEEM plan; metrics that currently are included in SEEM only for Tier II that also should be included for Tier I; the need for an independent SEEM audit; the lack of usability of SEEM reports; and the inadequacy of the remedies and remedy assessment methodology for the change management metrics, some of which were recently ordered by the Commission. Next, the ALEC Coalition will turn to SQM issues, including the changes that should be made to the existing metrics and the measures that should be added to the SQM. Finally, ALECs raise some general issues, including the need for additional raw data, more timely data reconciliation, and a stricter policy concerning the reposting of SQM reports.

II. RECOMMENDED CHANGES TO SEEM PLAN

A. A Severity Component Should Be Added to SEEM

During the hearing on BellSouth's "Performance Assessment Plan," both BellSouth and the ALEC community proposed plan elements under which the amount of a penalty would increase with an increase in disparity between BellSouth's performance and the applicable measure or benchmark. In other words, in their respective plans BellSouth and the ALECs recognized an obvious and fundamental proposition: The more severe the discrimination, the higher the corresponding penalty should be.

Citing concerns over the methodologies that were offered to implement this concept at the time, the Commission declined to prescribe a plan containing a "severity feature." In the plan that the Commission initially approved, Tier I payments vary as a function of the *duration*

of a violation, but the *degree of severity* has no impact at all on the calculation of the penalty that is associated with the violation. (Order No. PSC-01-1819-FOF-TP, issued September 10, 2001 and Order No. PSC-01-2449-FOF-TP, issued December 14, 2001). As the ALEC Coalition will explain below, the absence of any relationship between the severity of a violation and the penalty that BellSouth must pay for that violation constitutes a fatal flaw in the plan.

The objective of a performance assessment plan is to motivate BellSouth to provide non-discriminatory service to ALECs. During the hearing in this docket, Z-Tel witness Dr. George Ford explained that an ILEC makes a decision to discriminate against its competitors. BellSouth's own witness, Dr. Taylor, used the metaphor of a "discrimometer" to describe the concept of varying degrees of discrimination. (He also used it to illustrate the manner in which a given level of discrimination is amplified or exacerbated as the number of ALEC transactions increases). Dr. Taylor expressed the view that a penalty should offset the gain to BellSouth that would be associated with a given level of discrimination. Using the concept of a "discrimometer," one can envision degrees of discrimination that are affected in one direction by an ILEC's desire and incentive to disadvantage competitors, and in the opposing direction by the pain and the disciplining effect of penalty payments. However, under the current plan, the disciplining effect of increasing penalties is entirely absent, and the penalties that fall out of the calculation methodology in the absence of a "severity component" are wholly inadequate to present an opposing force to the incentive to discriminate.

The point can be illustrated with one of many possible examples that can be found in the current plan. In the event of a violation, unbundled element provisioning measures prescribe a flat payment of $4,750. If BellSouth narrowly misses the target by 1% of the quality standard, the resulting penalty it must pay for this act of discrimination is $4,750. Now assume BellSouth

misses the same target, not by a narrow margin, but by a ridiculously gross *300%* of the quality standard. This greater disparity of service in provisioning customers obviously would have a far more disruptive impact on the ALEC's ability to compete with BellSouth on equal terms than would a nominal 1% violation; yet, under the current plan, the penalty that BellSouth would pay for a horrendous level of discrimination -- even if its impact on the ALEC is ruinous -- would be the same $4,750 that would be applicable to a slight miss. The amount of the penalty should be adequate to neutralize the financial gain that BellSouth would achieve through discrimination. Because the penalties do not increase with increased severity, the penalties due under the plan are a pittance in relation to the damage that severe violations can create. If anything, by specifying maximum penalties that are inadequate to deter behavior, the plan perversely provides an incentive to discriminate more severely. Unless and until the current plan is amended to include "severity" as a criterion that influences the size of the penalty imposed for discrimination (as detected by comparing BellSouth's performance to the approved measures and benchmarks), the plan will be an abject failure. *The Commission's highest priority during the first six-month review of the plan must be to incorporate a "severity component" in the penalty calculation.*

In the notice of the informal meeting to discuss proposed changes to the plan, now scheduled for September 25, 2002, Staff appears to recognize the importance of amending the plan to encompass "severity." The notice states:

> The determination of whether a measure has failed or not appears to be well grounded; however, the current remedy plan does not address the severity of a failure . . . we believe it is essential to incorporate the severity of a failure into the remedy plan.

While Staff indicated it would be open to other approaches, it invited comments on an approach that would employ a 50% confidence level to achieve a "statistically neutral" result, and would assess penalties on transactions estimated to be beyond the confidence level. Staff

also expressed interest in using ratios of ALEC and ILEC means, proportions or rates to measure the extent of disparity, and in modifying the remedy plan to incorporate the extent of disparity.

In these comments, the ALEC Coalition proposes to amend the plan with a "severity component" that is based on the concepts outlined by Staff. The specific proposal is contained in a document prepared by Dr. Ford entitled "Response to Staff Request for a Severity Component to the BellSouth Performance Plan." The document is attached as Exhibit 1 to these Comments, and is incorporated by reference. Dr. Ford's proposal is supported and sponsored by all parties in the ALEC Coalition.

The methodology attached as Exhibit 1 approaches the creation of a "severity component" in two steps: (a) the disparity level and (b) the payment function.

The *disparity level* measures the extent of the difference between the level of service that BellSouth provides to ALECs and the level of service that BellSouth provides to itself. For the standard against which to measure service received by ALECs, Dr. Ford proposes to use the 50% confidence level as suggested by Staff. This choice of significance level is important, as it removes from the methodology any consideration of the "statistical decision rule" that troubled Staff at the time it formulated its original recommendation; disparity is measured simply as the difference between the average service quality levels of BellSouth and the ALEC(s).

To measure the *extent* of disparity, Dr. Ford proposes to employ the ratios of ALEC and BellSouth means. This choice is consistent with the "Hybrid Performance Assurance Plan for the Multi-State Workshop," to which Staff alluded in the notice of the September 25 meeting. Dr. Ford, who authored the hybrid plan, has applied the concept of the ratio of means to develop and tailor formulas specific to measures based on integrals, percentages, and benchmarks. In Dr. Ford's proposed methodology, the concept of disparity is consistent across the measure types;

that is, throughout the universe of measures a disparity level of 2.00 indicates the ALEC service quality is twice as bad as the BellSouth service quality.

The second step, labeled the "Payment Function," incorporates the Disparity Level into a formula that quantifies penalties. A penalty will fall within a range defined by maximum and minimum values (generally defined). Dr. Ford adjusts the current penalty amounts to construct the minimum values of the range, all of which fall below the current penalty amounts. For simplicity, the maximum value would be expressed in terms of a prescribed multiple of the minimum value. The point between the minimum and maximum payment values associated with a particular violation would be determined by the severity of the discrimination. The relationship between severity and the resulting payment can be specified as either linear or non-linear in nature. Under the Payment Function, no penalty payment will ever be required when the service levels being compared are equal (or not statistically different).

In Order No. PSC-01-1819-FOF-TP, the Commission expressed interest in moving to a plan that is considers the number of ALEC transactions. Dr. Ford's proposal accommodates this preference by expressing the minimum and maximum payment levels in terms of the number of ALEC transactions. Dr. Ford recommends a mathematical relationship that will generate the maximum penalty when the ALEC service is twice as bad as BellSouth's; however, as with other relationships within the methodology, the Commission could substitute a different value or choices for his recommendation while keeping intact the conceptual approach that he advocates. The payment function is very flexible. Dr. Ford's proposal presents the Commission with specific recommendations, but the proposal also is a menu of choices. The proposal would provide the Commission the ability to choose specific assumptions that it believes will produce the most effective incentive to provide quality service.

In summary, an explicit recognition of "severity" in the calculation of penalties is essential to the goal of a plan that encourages BellSouth to provide nondiscriminatory service to ALECs. The ALEC Coalition has prepared a methodology that is designed to incorporate "severity" in a manner that satisfies several criteria in which the Commission has expressed interest. The proposal removes the "statistical rule" from the calculation. It measures disparity in a manner that is consistent with the Commission's definition of discrimination. It uses the ratio of means to measure the extent of discrimination. It incorporates the concept of basing penalties on the number of ALEC transactions. In addition, at the same time the proposal makes substantive recommendations regarding the appropriate parameters of the calculation, it affords the Commission with the flexibility to make specific adjustments to the proposal while retaining the underlying conceptual model on which it is based.

B. Other Measures Should be Included in the SEEM Plan

The Florida SEEM includes only a subset of the measures in the SQM. The measures that are not included are of limited value because although they reveal the level of performance BellSouth is providing, no consequences flow from poor performance. Exclusion of certain metrics from the SEEM plan can be justified if the metrics measure activities that are designed to be the same for ALECs and BellSouth – in such cases at least if service is poor, it is the same for everyone. With respect to other metrics, however, leaving them out of the SEEM plan makes it possible for BellSouth to discriminate openly with no ill effects. ALECs are concerned about this possibility with respect to the following metrics:

- Means Held Order Interval
- Jeopardy Notice Interval & Percent Orders Given Jeopardy Notice
- Average Completion Notice Interval

- Percent Daily Usage Feed Errors Corrected in X Business Days
- Usage Data Delivery Timeliness
- Percent Billing Errors Corrected In X Days
- Change Management Notice Average Delay Days
- Change Management Documentation – Average Delay Days
- Number Of Defects In Production Releases (Type 6 CR)

The specific basis for including each of these metrics in SEEM is provided in Exhibit 2. ALECs are willing to defer consideration of including other important Florida SQM measures in SEEM until the next review session.

C. Certain Tier II Metrics Also Should Be Tier I Metrics

Currently, metric PO-1, Loop Makeup – Response Time-Manual, and metric PO-2, Loop Makeup – Response Time-Electronic, are only a Tier II metrics. Both Georgia and Texas have designated these metrics as both Tier I and a Tier II measures and the same approach should be taken in Florida. BellSouth is failing these measures at the Tier II level, which means its performance for individual ALECs is suffering as well. Those ALECs ought to be compensated for the harm that is being done to their businesses. Likewise, metric P-11, Service Order Accuracy, is only a Tier II measure, but should be a Tier I measure once BellSouth has mechanized this measure.

D. An Independent SEEM Audit Is Necessary

BellSouth reports SEEM remedy payments on a monthly basis in its PARIS reports. These reports provide only the remedy amounts by submeasure and not the underlying data on which the payments are based. There is therefore a need for an independent audit of the data underlying BellSouth's PARIS reports to ensure that the remedy payments are accurate. For

instance, ALECs need the assurance that transactions are being distributed to the correct cell for modified Z determinations. Likewise, they need to ensure the accuracy of the aggregation of z scores, which is used to make the truncated Z determination, which in turn is used (along with the Balancing Critical Value) to determine parity. Accordingly, ALECs recommend that there be an independent audit of the SEEM plan.

E. BellSouth Should Be Required to Make Its Reports More Usable

BellSouth's PARIS reports provide only remedy amounts, not how those amounts were calculated. ALECs request that BellSouth be required to include the following information in its PARIS reports for each submeasure:

- Tier I Metric
- Truncated Z-Score
- Balancing Critical Value
- Pass/Fail Indication
- Benchmark %
- BellSouth Metric Result
- ALEC Metric Result
- Total ALEC Volume
- Fee Schedule Amount
- Remedy Paid

This information should not be difficult for BellSouth to provide because BellSouth has been supplying similar data in response to a request by the Louisiana Public Service Commission for almost a year.

ALECs face the additional reporting problem that they are not able to reconcile the PARIS reports with the actual check received from BellSouth. In other words, the check amount does not always equal the remedy amount total reflected on the ALEC-specific remedy report. Therefore, ALECs are also requesting a report containing the following information for each submeasure on a monthly basis:

- Tier I Metric
- Calculated Remedy Amount on Web Site
- Adjustment
- Restated Remedy Calculation

BellSouth already is providing a similar report in response to a request from the Louisiana Public Service Commission, so it should not be difficult for BellSouth to provide this information.

F. Changes to SEEM Are Needed for Change Management Metrics[1]

The Commission recently established the following change management metrics:

- CM-6: Percent of Software Errors Corrected in X(10,30,45) Business Days
- CM-7 Percent Change Requests Accepted Or Rejected Within 10 Days
- CM-11 Percent Change Requests Implemented Within 60 Weeks Of Reprioritization

The significant impact of BellSouth's performance in these areas, sporadic nature of the transactions and (particularly with respect to CM-11) the length of the intervals involved, merit special treatment in SEEM. For example, for change requests that are released from the prioritization list in August 2002, BellSouth's performance would not be judged deficient unless it failed to implement the change by October 2003 or later. ALECs recommend that these

[1] The nature of other Change Management enforcement measures may also necessitate special handling.

measures be evaluated whenever a performance result occurs. During each month, an inquiry should be made to determine if there are any performance results for any of these three measures. If there are some results, a performance determination should be made based on the results for each of the three measures. The current process of three consecutive monthly misses is simply not workable for these metrics.

The ALEC Coalition also recommends a more significant remedy amount for the measures. The recommended amounts are as follows:

- CM-6 - $ 35,000.00
- CM-11 - $100,000.00

These amounts are more in line, but still much lower than, those triggered by non-compliance in New York. ALECs propose that such payments be made to ALECs and to state fund identified by the Commission. An allocation formula could be worked out in the collaboratives on monies to be paid to the ALECs.

III. RECOMMENDED CHANGES TO SQM

A. Several Changes Should Be Made to Existing Metrics

ALECs have provided an overview of many of the specific changes they are proposing to the SQM in Exhibit 3. ALECs recently received an electronic copy of the Florida SQM and in compliance with Staff's request will provide a red-line version showing their complete requested changes by September 11, 2002.

B. Certain Metrics Should Be Added to the SQM

1. Special Access Metrics

Special access circuits provide dedicated, unswitched connections between customer premises and service providers using local loops, multiplexing and interoffice transport. They

form a link between customers and competitive carriers' networks that bridges the so-called "last mile," enabling carriers to serve many business, government and institutional customers they would otherwise be unable to reach. Competitive access providers ("CAPs"), also known as alternative access vendors (AAVs) in Florida, have used special access circuits for years to provide customers with access to the long distance network. Carriers with significant long distance operations use special access to link their customers to their long distance networks. More recently, competitive carriers have used special access circuits to provide local service,[2] data services and access to the internet.

When WorldCom, for example, determines how best to serve a particular customer, it first determines whether it can do so using its own network. If such facilities are not in place, WorldCom attempts to find facilities owned by CAPs, which tend to be less expensive than BellSouth and typically have service organizations that are more flexible. Because neither WorldCom nor CAPs have ubiquitous networks, as BellSouth does, WorldCom usually must rely on BellSouth for the facilities (*i.e.*, special access circuits) necessary to provide service to its customers. In short, when it comes to bridging the gap between competitive carriers' networks and their customers, BellSouth usually is the only game in town or, at the very least, the dominant provider of access services.

A carrier such as WorldCom must rely on BellSouth for network access both in WorldCom's role as a long distance carrier and as an ALEC. As a long distance provider, WorldCom orders several hundred special access circuits (mostly at the DS1 level and above) each month in Florida. Regionally, WorldCom pays BellSouth hundreds of millions of dollars each year for the special access lines it has in place. Special access is a big volume, big dollar

[2] Alternatively, ALECs in some cases may provide local service using the enhanced extended link ("EEL"), which is physically identical to a special access circuit.

service that is critical to WorldCom's ability to compete for the business of larger business and institutional customers. These "last-mile" circuits are likewise critical to WorldCom's local service to business and institutional customers. If BellSouth abuses its dominant position and provides poor service, carriers like WorldCom relying on BellSouth can be irreparably harmed because end user customers ordering high capacity services are sophisticated telecommunications consumers who do not lightly tolerate unexpected delays or problems with service.

For local service, the potential for discrimination is real today because ALECs compete with BellSouth to provide local service to business customers. That potential is equally present for long distance access service, and will only become more pronounced once BellSouth receives authority to offer in-region long distance services. For example, in New York, where Verizon has been granted Section 271 authority, carriers have experienced a large number of systemic problems with Verizon's delivery of tariff-based Special Services. Once Verizon became a competitor in the long distance market, it no longer had the incentive to provide the same level of service to long distance companies seeking access to Verizon's network, and that lack of incentive has been reflected in its performance. Concern about access service levels has prompted the New York Public Service Commission and other commissions to investigate ILECs' provision of special access services and how ILECs' performance should be measured.[3]

Competing carriers such as WorldCom have experienced persistent special access provisioning problems with BellSouth. WorldCom also has experienced continuing problems with BellSouth's maintenance and repair of special access circuits. ALECs' larger concern, however, is the potential for backsliding and discrimination in the provisioning, maintenance and

[3] A brief summary of the status of other states' actions on the measurement and reporting of ILEC interstate and intrastate special access performance is attached as Exhibit 4.

repair of special access circuits after BellSouth receives in-region long distance authority. In a post-271 world, BellSouth will have greater incentive to provide poor service, and chronic underachievement may turn into strategic incompetence or worse.

As the Commission is aware, the FCC has issued a Notice of Proposed Rulemaking ("NPRM") on performance measurements for access services. *In re: Performance Measurements and Standards for Interstate Special Access Services*, CC Docket Nos. 01-321, 00-51, 98-147, 96-98, 98-141, 96-149 and 00-229 and RM 10329, Notice of Proposed Rulemaking (Released Nov. 19, 2001). In the NPRM, the FCC noted the importance of special access circuits and the complaints that ILECs' provisioning of special access services has been "characterized by delay, poor quality, and discrimination." Id. ¶ 1. The FCC sought comment on whether it should adopt "adopt a select group of performance measurements and standards for evaluating incumbent local exchange carrier . . . performance in the provisioning of special access services." *Id.* ¶ 1. The FCC also sought comment on the extent to which state commissions could play a role regarding interstate special access services. *Id.* ¶ 11. Given resource and other constraints, the FCC may not be able to issue a special access order in the near term and may even decide (for whatever reason) not to issue such an order. While the FCC's special access docket is pending, this Commission should move forward with its own special access proceeding, whether during its review of BellSouth's SQM or in a separate docket. By proceeding with its own docket, the Commission would be in a position to better understand special access issues and to assist the FCC should the FCC decide to require them and delegate monitoring responsibility to the states. Indeed, this Commission's adoption of the metrics ALECs are proposing would be an important step in moving the industry toward the desirable goal of national, uniform special access metrics that are both fair and accurate.

The ALEC Coalition urges the Commission to adopt the Joint Competitive Industry Group Proposal Regarding Performance Metrics and Installation Intervals for Interstate Special Access Services ("JCIG Proposal") that is attached as Exhibit 5. The JCIG metrics are supported by a number of competitive telecommunications carriers,[4] as well as trade associations and a business user group. Agreement on a unanimous set of special access performance metrics and standards is evidence of the importance of special access circuits for competitors and business and institutional customers, which must continue to rely on the ubiquitous last-mile facilities of BellSouth and other ILECs to serve customers and meet business needs. Similar metrics recently were adopted by the Tennessee Regulatory Authority.[5] Likewise, the Georgia Public Service Commission Staff recently has recommended the adoption of special access metrics.[6] This Commission should follow the same path and require BellSouth to implement this key performance reporting in Florida.

2. Ordering Trouble Ticket Responses in 48 Hours

CLECs must have a way to address continuing problems in receiving answers from account representatives and help desks. BellSouth can and should be required to create a data base, just as Verizon in New York has done, to measure missing notifier trouble tickets cleared, to monitor the time the request came in and an answer was returned, by voice or email. The

[4] Competing carriers and others who are signatories to the JCIG Special Access metrics include: AT&T, Broadview Networks, Cable & Wireless, ChoiceOne Communications, Inc., Focal Communications Corporation, Global Crossing, Ltd., McLeodUSA Corporation, Network Plus, NewSouth Communications, PaeTec Communications, Inc., Time Warner Telecom, WorldCom, Inc., XO Communications, Association for Local Telecommunications services (ALTS), Competitive Telecommunications Association (CompTel), and the eCommerce & Telecommunications Users Group. JCIG metrics have also been endorsed by the American Petroleum Council and Voicestream, a wireless provider.

[5] T.R.A. Docket No. 01-00193, *Docket To Establish Generic Performance Measurements, Benchmarks and Enforcement Mechanisms for BellSouth Telecommunications, Inc., Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms*, May 14, 2002.

[6] Georgia Staff has recommended metrics that were proposed during workshops before the JCIG Proposal was developed, but ALECs have requested the Georgia Commission to adopt the JCIG Proposal instead.

quality of the answer is still not being measured, but at least if the CLEC receives a timely but inadequate response, it can escalate the matter to receive a faster and more complete response. This measure was recommended by the Georgia Staff. The metric ALECs are proposing is included in Exhibit 6.

3. Percent Line Loss Notifications Returned within 24 hours of Disconnect Order Completion and Average Delay for Line Loss Notifications

Timely line loss notifications are essential for the ALEC to timely discontinue billing their end-user customers. Concern about this process was voiced by ALECs during the third party test and commercial experience workshops. As KPMG noted in Exception 158, "CLECs rely on timely line loss reports to manage customer billing and marketing activities. The lack of timely line loss reports may result in decreased customer satisfaction and could impact CLEC business operations." Although the exception was ultimately resolved, metrics need to be put in place to monitor BellSouth's performance in this area. SBC-Ameritech currently has a line loss metric and discussions are underway it the five-state Ameritech six-month review on improving that metric. ALECs also have proposed adding line loss timeliness and completeness metrics in New York Carrier Working Group and the Texas and California six-month reviews now underway. This metric covers a major problem area that ALECs are seeing as they grow and compete in markets around the country. The metrics ALECs are proposing are included in Exhibit 6.

4. Percentage of Time BellSouth Applies the 10-Digit Trigger Prior to the LNP Order Due Date; Percent Out of Service < 60 Minutes; and LNP Average Disconnects Timeliness Interval & Disconnect Timeliness Interval Distribution (Non-Trigger)

It is the ALEC's understanding that it is not disputed that these three measures should be added to the SQM. Included in Exhibit 6 are the metrics contained in the Georgia Staff

Recommendation with some noted changes. For example, the benchmark was changed due to an error in first two measures and was changed from 12 hour to 4 hours in the third measure. The four hour interval is in effect in Louisiana. This change in critical because for those order types included in this measure, the customer cannot receive calls from the originating switch until the disconnect order is completed.

IV. OTHER ISSUES

A. Raw Data Necessary to Verify Accuracy of BellSouth's Reports Should Be Made Available

BellSouth does not make available all the raw data necessary to verify the accuracy of its performance reports. BellSouth includes raw data for the transactions that are used to calculate its metrics, but *excludes* raw data for the transactions that it determines fall into metric exclusions. For example, BellSouth excludes L coded orders from the raw data supporting the Order Completion Interval Measure because L coded orders are excluded from calculating that metric. As a result, ALECs cannot check the excluded transactions to ensure that exclusion was appropriate. Similarly, in the maintenance average duration measure BellSouth excludes troubles it concludes are caused by customer provided equipment, but does not provide the troubles it closed that were coded as attributable to customer provided equipment to allow ALECs to verify the accuracy of that exclusion.

In its Order, the Commission time and again recognized the importance of ALECs being able to verify the accuracy of BellSouth's metrics by using the underlying raw data. (Order No. PSC-01-1819-FOF-TP, issued September 10, 2001, "Order") Indeed, the Commission often assumed BellSouth would provide raw data that in fact it is not providing. For example:

* The Commission states that the "hold reason" is included in the raw data for the Mean Held Order Interval. In fact, BellSouth does not provide this raw data. (Order at p. 50.)

* The Commission states that the number of exclusions (ALEC caused failures) in the Cooperative Acceptance Testing measure should be captured in the raw data so that ALECs can verify the accuracy. BellSouth does not provide raw data for ALEC caused failures. (Order at p. 56.)

* The Commission states that for the Maintenance Average Duration measure, ALECs can analyze their results by disposition and cause code by reviewing the raw data. In reality, BellSouth does not provide all of this raw data.[7] (Order at p. 57.)

* Regarding the issue of whether "an ALEC should have the right to audit or request a review by BellSouth for one or more selected measures when it has reason to believe the ***data collected for a measure is flawed*** or the report criteria for the measure is not being adhered to, the Commission includes a quote from BellSouth Witness Coon who stated that ALECs do not need mini-audit rights because "BellSouth provides ALECs with the raw data underlying many of the SQM reports...ALECs can use this raw data to validate the results in the BellSouth SQM reports." (Order at p. 193.)

Because BellSouth does not provide "excluded" raw data, ALECs in many cases cannot perform the analysis contemplated in the Staff Recommendation. BellSouth should be required to provide that raw data.

B. BellSouth Should be Required to Respond to Requests for Data Reconciliation in a Timely Manner

As support for its decision rendered in the *Georgia/Louisiana 271 Order*,[8] the FCC relied in part on its conclusion that BellSouth was willing to "engage in data reconciliations with any requesting carrier."[9] Data reconciliation involves comparing BellSouth's data to an ALEC's data and determining the source of any discrepancies. Despite BellSouth's representation to the FCC, its track record of responding to requests for data reconciliation leaves much to be desired.

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[7] While BellSouth does provide some disposition codes, it does not provide them troubles it deems caused by ALEC or end-user equipment.

[8] *See In the Matter of Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc. and BellSouth Long Distance, Inc. for provision of In-Region, Inter LATA Services in Georgia and Louisiana,* CC Docket No. 02-35, FCC Release 02-147 *May 15, 2002).

[9] *Georgia/Louisiana 271 Order* at ¶ 18.

For example, when AT&T attempts to resolve data integrity issues with BellSouth, BellSouth's response time is unreasonably long. During 2000 and 2001, AT&T experienced lengthy delays in obtaining responses from BellSouth. In 2001, for instance, the average time for AT&T to receive a response was more than seven weeks. One response took over twenty-four weeks. Since March 2002, after a brief improvement in response time, BellSouth's responses have again been untimely. Inquiries initially raised in February were not satisfactorily addressed until the July 23 meeting – over five months later. Providing initially incomplete responses added to this delay. ALECs (and the Commission) rely on these reports to be accurate to monitor BellSouth's performance and to ensure any penalties are appropriately applied. Unresolved discrepancies in the data prevent ALECs and the FPSC from being able to rely on the reports.

BellSouth's incomplete answers and unreasonable delays in response time are unacceptable.[10] The ALECs therefore propose the following procedure: BellSouth should acknowledge receipt from an ALEC of a request for reconciliation within 24 hours. Within five business days of receiving the request, BellSouth should notify the requesting ALEC of a commitment date by which time the ALEC will receive a complete response. The commitment date should be within fifteen days of BellSouth's receipt of the ALEC's inquiry. If BellSouth cannot provide a response within fifteen business days of the request, its response to the ALEC should explain the reason for the delay, and a copy of that response should be filed with the Commission. Such a procedure would provide a simple means to ensure timely responses by BellSouth to ALEC requests for reconciliation, and would help BellSouth achieve the standards

[10] Although BellSouth did finally meet with AT&T on July 23, 2002 regarding its data integrity concerns, AT&T believes and remains concerned that this meeting was an a one-time event agreed to by BellSouth due to the pendency of its 271 case before the FCC in Docket 02-150.

anticipated in the FCC's *Georgia/Louisiana 271 Order*.[11] The procedure should also be posted on the PMAP web site so that all interested ALECs will be aware and can avail themselves of the process. Because BellSouth has told the FCC that "BellSouth will conduct data reconciliations upon request,"[12] it should have no objections to the establishment and publication of such a process.

C. BellSouth's Should Be Required to Repost Any Report that Changes Because of a Revision in the Underlying Data

BellSouth should be required to comply with the Commission's Order requiring accurate and complete performance reporting. In a recent FCC filing, BellSouth included a unilateral and inappropriate policy on reposting of performance data. (See Alphonso J. Varner Reply Exhibit PM-13, attached hereto as Exhibit 7.) This policy severely restricts the number of measures[13] for which BellSouth will repost data, the number of months for which it will repost data, and the circumstances under which it will repost data. For example, BellSouth only will repost benchmark metrics that are in out-of-parity condition if there is a greater than 2% deviation in performance, and if there are at least 100 CLEC transactions in the sub-metric.

BellSouth's position is contrary to the Commission's Order:

> We agree with the ALEC Coalition that a penalty is appropriate for "incomplete" and 'Inaccurate" reporting. We find that a penalty is necessary to encourage BellSouth to report this information in a complete and accurate fashion. Both the ALECs and this Commission must use this information to determine whether BellSouth is providing parity of service. (Order at. P. 136.)

[11] *Georgia/Louisiana 271 Order* at ¶ 18.

[12] See March 27 BellSouth ex parte.

[13] For example, BellSouth states it will repost (under certain conditions) 29 measures, while the FPSC has ordered more than 70 measures.

The Commission also stated that this "issue is important because if the information is incomplete or inaccurate when provided, the ability of the ALECs and this Commission to determine if Bellsouth is providing parity service is hindered." (Ordr at p. 132).

BellSouth should be required to repost data when it discovers any inaccuracies in its reporting in all measures ordered by the Commission, not just large changes in - a limited set of metrics. The frequency and nature of corrections is a valuable indicator of the quality of both the original and the reposted data. These exceptions described in BellSouth's policy could hide a large quantity of errors in the original data. Repostings might be the only signal to Staff and the ALECs that problems are occurring with BellSouth's performance reporting. If BellSouth really stands behind its data, it should have no concerns about re-posting, and in any event should be required to comply with this Commission's Order and provide accurate and complete data in its performance reports.

V. CONCLUSION

For the foregoing reasons, the ALEC Coalition requests that its proposed changes to BellSouth's performance measurement plan be adopted.

Respectfully submitted, this 30th day of August, 2002.

Response to Staff Request for a Severity Component to the BellSouth Performance Plan

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I. Executive Summary

In this paper, a severity component for the SEEM Plan, based on the directions of the Florida Public Service Commission's staff, is set forth. The severity plan consists of two components: 1) a disparity level and 2) a payment function. The *disparity level* measures how different the service levels between BellSouth and the alternative local exchange carrier (ALEC) are. This measure of disparity is defined consistently across all measures, so that a disparity level of two implies service to the ALEC is "twice as bad" as that received by BellSouth regardless of the measure.

Payments are calculated based on the size of the disparity level using the *payment function*. The payment function computes the payment level between a minimum payment and maximum payment depending on the disparity level. Following the direction of staff, the minimum and maximum payment are based on the sample size of the ALEC (either linearly or non-linearly). Further, the relationship between the payment and disparity (severity) can be linear or non-linear. Repeated non-conformance increases the minimum and maximum payment levels until equality of performance is attained.

Specific values for the parameters of the payment function are proposed herein, but the function is so general that other values can be used without altering the underlying structure of the disparity level or payment function. Initial payment levels are based on the current payment levels of the BellSouth Plan, but need not be as a practical matter.

Introduction and Background

The current performance plan (SEEM) does not compute penalty payments based on the severity of performance failure. The Florida Public Service Commission is now seeking to incorporate severity into the SEEM plan. This document describes, in detail, an economically rational severity component for the SEEM plan. Formulas and rationale for all computations are provided. The procedures described here are very flexible, thereby giving the Commission staff sufficient room to make any adjustments deemed necessary. A spreadsheet illustrating all the calculations is provided at www.telepolicy.com.

While specific values for key parameters are provided in this document, these values can be changed without disturbing the underlying payment calculation. This flexibility and robustness is important, since parties likely will disagree on the specific values of the key parameters. Examples are provided that illustrate the effects of altering the key parameters of the payment calculation.

II. The Disparity Level

The directives of staff for the computation of disparity are as follows:[1]

1. Consider number of disparate transactions subject to penalty payments. (e.g., For measures found to be out of compliance, use a 50% confidence level to achieve a statistically neutral result on the 2nd compliance test. Assess penalties on transactions estimated to be beyond the 50% confidence level.)

2. Consider ratio, as opposed to the difference, of ALEC to ILEC means, proportions or rates (as applicable) (e.g., The X-Plan (Hybrid Performance Assurance Plan for the Multi-State Workshop) - Late filed Exhibit 2, Part I).

These directives are followed in this analysis to the greatest extent possible. The issue of "transactions" subject to penalties is reserved for the penalty calculation section (Section III).

1. The Quality Standard

Staff describes precisely the standard from which to measure disparity ("Assess penalties on transactions estimated to be beyond the 50% confidence level"). In the X-Plan, I defined the level of disparity as

$$X^* = X_I \pm z^* \cdot s_I \cdot \sqrt{1/n_I + 1/n_C} \qquad (1)$$

where X^* is the *quality standard*, X_I is the ILEC mean, s_I is the ILEC standard deviation, n_I is the ILEC sample size, n_C is the CLEC sample size, and z^* is the critical z-value associated with the chosen significance level of the test (α). Note that the *confidence level* of the hypothesis test equals ($1 - \alpha$). If the significance level of the test were 5%, then the confidence level is 95%. For a 5% significance level, the critical z-score is 1.65.

Staff requests that the disparity calculation use a 50% confidence level. The associated z-score for a 50% confidence level (and 50% significance level) is 0.00. Following the staff's recommendation, Equation (1) simplifies substantially, and the quality standard X^* is simply equal to the ILEC mean:

$$X^* = X_I . \qquad (2)$$

Defining the quality standard at the 50% confidence level has a number of beneficial properties. First, by selecting the 50% confidence level, the calculation of disparity is free of the statistical hypothesis test. This fact is important, since the "[s]taff agrees with BellSouth's Witness Taylor's assessment that the statistical decision rule is not helpful in assessing severity (Staff Rec., p. 184)."

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[1] Florida Public Service Commission Memorandum, July 29, 2002 (Jason Fudge to All Parties of Record, Docket No. 000121A-TP).

Second, disparity is computed in a manner consistent with the null-hypothesis of the statistical test as specified by the Staff:

> ... parity means no difference in the quality of service provided by an ILEC to its retail customers and the quality of the corresponding service that it provides to ALECs; BellSouth should be required to provide access to a competing carrier in substantially the same time and manner as it provides to itself (Staff Recommendation, Docket 00121-TP, August 2, 2001, p. 167, 170)."

Third, using this confidence level, the calculation of disparity is consistent across retail analog and benchmark measures. Recall that for benchmark measures, X^* is equal to the benchmark because benchmarks are measured on a "stare-and-compare" basis (Staff Rec. p. 167).

2. THE DISPARITY INDEX

Staff was also clear regarding the measure of disparity, telling parties to "[c]onsider ratio, as opposed to the difference, of ALEC to ILEC means, proportions or rates ...." This directive motivates the definitions of disparity for the various measure types. The following definitions of disparity are different due to the differences in the manner in which measures are defined (interval, rate, proportion), but are consistent. When the disparity index is equal to 2, for example, the level of service provided to the CLEC is twice as bad as the quality standard regardless of the type of measure.

Disparity Index for Interval and Rate Measures

The following formula is used to measure the magnitude of the disparate service for both benchmark and parity interval measures:

$$d = \frac{X_C}{X^*} \tag{3}$$

where d is the disparity level and X_C is the CLEC mean. Penalties are paid only if $d > 1.00$ (i.e., CLEC service quality is "worse" than the quality standard).[2] Note that when $d = 2$, the level of service received by the CLEC is twice as bad as the quality standard, X^* (if $d = 3$, then service is three times as bad as X^*, and so forth).

Disparity Index for Percent Measures

The following formula is used to both detect discrimination and determine the magnitude of the disparate service for both benchmark and parity percent and rate measures:[3]

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[2] Note that this disparity calculation assumes higher values of X are less desirable. If larger values of X are more desirable, then the inverse of Equation (3) measures disparity.

[3] Assuming the rates are always less than 1.00.

$$d = \frac{w - X_C}{w - X^*}, \tag{4}$$

where w equals 1.00 if 100% is the ideal performance, and w equals 0.00 if 0% is the ideal performance level. Penalties are paid only when $d > 1.00$. As with the interval/rate measures, $d = 2$ when the CLEC's service is twice as bad as the quality standard.

A few examples may help understand the disparity index for percent measures. Let the benchmark/ILEC mean be 0.90 (90%) of service provided in 3 days, with 100% being perfect service. This level of service implies that 10% of orders get service provided in longer than 3 days. If the CLEC service is 80%, then 20% of its orders get service provided in longer than 3 days. This level of service is twice as bad as the benchmark (or ILEC service level). For this example, the disparity index is $(1 - 0.80)/(1 - 0.90) = 2.00$ (service is twice as bad as the standard).

Alternately, if the benchmark is 10% and 0% is perfect service, then a CLEC service level of 20% is twice as bad as the benchmark (or ILEC service level). In this case, the disparity index is $(0 - 0.20)/(0 - 0.10) = 2.00$ (service is twice as bad).

III. The Payment Function

Payments are computed using the following (general) function:

$$P = pmin + (pmax - pmin)[(d - 1)/(m - 1)]^{\lambda} \tag{5}$$

where *pmin* is the minimum payment, *pmax* is the maximum payment, $(d - 1)/(m - 1)$ is the *disparity scale* that is bound (by assumption) on the unit interval $(0 \leq (d - 1)/(m - 1) \leq 1.00)$, m is the disparity index level that generates the maximum payment, and λ is a factor that determines the shape of the payment curve between the minimum payment $((d - 1)/(m - 1) = 0.00)$ and the maximum payment $((d - 1)/(m - 1) = 1.00)$. Note that the minimum payment can be set equal to zero without altering the remaining elements of the payment function.

Importantly, note that $(d - 1)/(m - 1) = 0.00$ when service levels are identical $(d = 1)$, yet the payment function requires the minimum payment to be made. However, since payments are made only when a statistically significant difference in service quality is found, penalties will never be paid when service quality is equal. In other words, $(d - 1)/(m - 1)$ will always exceed 0.00 in relevant cases.

The conversion of the disparity index into the disparity scale (by dividing by $m - 1$) is required to simplify the payment function. The disparity scale is defined on the unit interval, so that when the disparity scale is equal to 0.00 the minimum payment is made, and when it is equal to 1.00 the maximum payment is made. Further, the disparity scale allows payments to differ among measure types for a given level of the disparity index (if desirable). The m variable of the disparity scale is the disparity level at which the maximum payment applies. For example, if $m = 2$, then the maximum payment is paid when CLEC service is twice as bad as ILEC service. If $m = 3$, then the maximum payment is paid when CLEC service is three times as bad as ILEC service.

The impact of the choice of λ is indicated in Figure 1, where the illustration shows a linear curve ($\lambda = 1$), a convex curve ($\lambda > 1$), and a concave curve ($\lambda < 1$). My recommendation is to set $\lambda = 1$, but I believe non-linear specifications of the payment function should be (at least) considered.

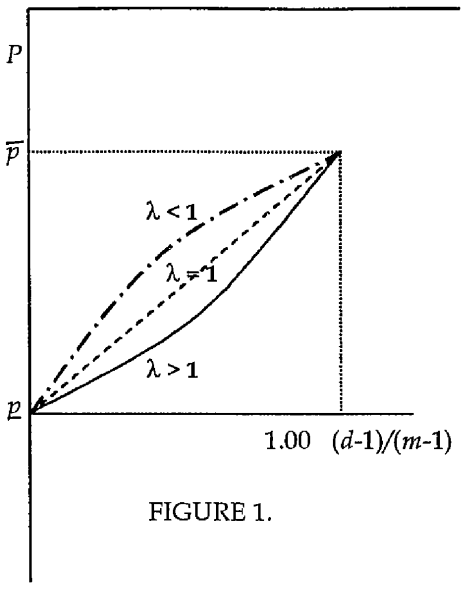

FIGURE 1.

1. ADDING TRANSACTIONS TO THE PAYMENT FUNCTION

So far, Equation (5) looks more like a measure-based approach than it does a transaction-based system. However, by defining the minimum and maximum payments as a function of transactions, the payment calculation becomes a transactions-based approach where transactions determine the minimum and maximum payment amounts. This specification of a transaction-based system bounds the payments at both the minimum and maximum level, allowing the payments to be specified in a manner consistent with any level of aggregation/disaggregation.

The transactions-based payment system specifies the minimum and maximum payments as

$$pmin = f \cdot n_A^{0.25} \qquad pmax = \phi \cdot f \cdot n_A^{0.25} \tag{6}$$

where f is a chosen parameter that sets the minimum payment for an ALEC sample size of n_A. The maximum payment will be ϕ times the minimum payment. For example, the maximum payment may be specified to be ten-times the minimum payment ($\phi = 10$). By raising the ALEC sample size to the 0.25 power, a non-linear relationship between the payments and sample size is created. Thus, the maximum and minimum payment will increase as ALEC transactions increase, but not linearly. The effect of this specification is illustrated in Table 1.

Table 1. Sample Size and *f*

	$\phi = 10, f = 500, n_A^{0.25}$		$\phi = 10, f = 500, n_A^{0.15}$	
n_A	Minimum	Maximum	Minimum	Maximum
1	500	5,000	500	5,000
50	1,330	13,296	899	8,991
100	1,581	15,811	998	9,976
500	2,364	23,643	1,270	12,700
1,000	2,812	28,117	1,409	14,092
5,000	4,204	42,044	1,794	17,940
10,000	5,000	50,000	1,991	19,905
100,000	8,891	88,910	2,812	28,117

Combining Equations (5) and (6) produces the final form of the payment function:

$$P = fn_A^{0.25} + (\phi \cdot fn_A^{0.25} - fn_A^{0.25}) \cdot [(d-1)/(m-1)]^{\lambda} \quad (7)$$

where the values of f, m, and λ must be specified. A λ of 1.00 and m of 2.00 are recommended, creating a linear relationship between severity and payments and levying the maximum payment when the CLEC's service quality is twice as bad as the ILECs. The choice of f and ϕ are important, and may vary by measure/sub-measure and the level of aggregation (if desirable). Selected values for these terms is described in the following sections.

Note that the relationship between the minimum (and maximum) payment and sample size (as shown in Table 1) is determined by the power term on n_A (i.e., 0.25). If faster (slower) escalation of payments with sample size is desired, then the power function of n_A should be increased (decreased), with 1.00 being a linear relationship (payments with a power term of 0.15 are illustrated in Table 1).

2. Setting the Minimum Payment

The minimum payments are established using the current payment levels of the BellSouth plan, as directed by Staff and the Order ("approximates the $2,500 minimum payment recommended by the ALEC Coalition (Staff Rec., p. 186)." These payments are adjusted to account for the transaction element of the payment function by establishing an average minimum payment equal to the average payment of the BellSouth plan at a sample size of 10.[4] Tables 2 and 3 illustrate the minimum payment calculations. For Tier II payments, the recommendation is that f be increased by the factors outlined in Table 4. These factors are derived from BellSouth's Tier II markups.

[4] It may make sense to compute the actual median sample size in Florida and adjust the payment levels to some level that corresponds to that sample size.

Table 2. Proposed Minimum Payments at Submeasure Level

	BellSouth Proposed Month 1 Payments	Divided by $10^{0.25}$	Initial Value of f
Billing	$450	$253	$250
Trunks	$1,150	$647	$650
LNP	$1,700	$956	$960
Maint. Repair	$1,500	$844	$840
Maint. Repair UNE	$4,550	$2,559	$2,600
Ordering	$450	$253	$250
Provisioning	$1,150	$647	$650
Provisioning UNE	$4,550	$2,559	$2,600
Pre-Ordering	$250	$141	$140

Table 3. Minimum Payments for ALEC Sample Sizes at Submeasure Level

	f	$n_A = 1$	$n_A = 50$	$n_A = 100$	$n_A = 1{,}000$	$n_A = 10{,}000$
Billing	$250	$250	$665	$791	$1,406	$2,500
Trunks	$650	$650	$1,728	$2,055	$3,655	$6,500
LNP	$960	$960	$2,553	$3,036	$5,398	$9,600
Maint. Repair	$840	$840	$2,234	$2,656	$4,724	$8,400
Maint. Repair UNE	$2,600	$2,600	$6,914	$8,222	$14,621	$26,000
Ordering	$250	$250	$665	$791	$1,406	$2,500
Provisioning	$650	$650	$1,728	$2,055	$3,655	$6,500
Provisioning UNE	$2,600	$2,600	$6,914	$8,222	$14,621	$26,000
Pre-Ordering	$140	$140	$372	$443	$787	$1,400

Table 4. Tier II Payments at Submeasure Level

	BellSouth Proposed Tier I Payments	BellSouth Tier II Payment	Markup over Tier I	Tier I f Multiplied by Markup	Tier II f
Billing	$450.00	$700.00	1.56	$389	$390
Trunks	$1,150.00	$5,700.00	4.96	$3,222	$3,200
LNP	$1,700.00	$5,700.00	3.35	$3,219	$3,200
Maint. Repair	$1,500.00	$3,450.00	2.30	$1,932	$1,900
Maint. Repair UNE	$4,550.00	$10,000.00	2.20	$5,714	$5,700
Ordering	$450.00	$700.00	1.56	$389	$390
Provisioning	$1,150.00	$3,450.00	3.00	$1,950	$2,000
Provisioning UNE	$4,550.00	$10,000.00	2.20	$5,714	$5,700
Pre-Ordering	$250.00	$250.00	1.00	$140	$140

BellSouth also specifies payments for Colocation ($5,000) and Change Management ($1,000), but these measures should be treated differently than the others given the nature of their definitions. Thus, I propose (at this time) no adjustments, but that does not imply that adjustments are not warranted.

3. SETTING THE MAXIMUM PAYMENT

As defined in the Payment function, the maximum payment is a multiple (ϕ) of the minimum payment. In order to provide sufficient incentive to comply with performance standards, I propose that $\phi = 15$ so that the maximum payment is 15-times the minimum payment. Table 5 summarizes the minimum and maximum payments for two levels of f.

Table 5. Choice of f and the Minimum and Maximum Payment

	$n_A = 1$		$n_A = 100$	
n_A	Minimum	Maximum	Minimum	Maximum
Billing	$250	$3,750	$791	$11,859
Trunks	$650	$9,750	$2,055	$30,832
LNP	$960	$14,400	$3,036	$45,537
Maint. Repair	$840	$12,600	$2,656	$39,845
Maint. Repair UNE	$2,600	$39,000	$8,222	$123,329
Ordering	$250	$3,750	$791	$11,859
Provisioning	$650	$9,750	$2,055	$30,832
Provisioning UNE	$2,600	$39,000	$8,222	$123,329
Pre-Ordering	$140	$2,100	$443	$6,641

4. SELF ADJUSTING PAYMENTS

The initial payment levels of the performance plan will be little more than guesses of the effective payment level. In light of this fact, an effort to specify relatively low payments was made in this document. Thus, it is important to incorporate into the plan self-adjusting payments that iterate to the effective level and discourage large disparity levels when the initial level is set too low.

In this proposal, payments are set to rise with repeated non-conformance and those increased payments remain in place for some period of time, rather than return to their initial levels after a single month of compliance. Defining a duration factor for month N of repeated non-conformance as t_m for the minimum payment and t_x for the maximum payment, the payment function becomes

$$P = t_m f n_A^{0.25} + (\phi \cdot t_x f n_A^{0.25} - t_m f n_A^{0.25}) \cdot [(d-1)/(m-1)]^{\lambda}. \qquad (7)$$

Having unique duration factors for the minimum and maximum payment allows the payments to respond differently to repeated non-conformance. For the duration factors, I propose a conservative 50% increase in the payment level for each month of non-conformance and propose that the maximum payment increase by 50% more than the minimum payment. Generally, the duration factor in month N of non-conformance is

$$t_r = 1 + 0.50N \quad \text{and} \quad t_x = 1.5t_m, \qquad (8)$$

where N is an unbounded integer value. Table 6 summarizes the duration factors t_r.

Table 6. Duration Factors

	Month 1	Month 2	Month 3	Month 4	Month *N*
t_m	1.50	2.00	2.50	3.00	$1 + 0.50N$
t_x	2.25	3.00	3.75	4.50	$1.5 \cdot (1 + 0.50N)$

If a payment is increased due to repeated failures, then the implication is that the initial payment level was too low. Thus, once the duration factors increase payments to a level where parity service is provided, there is no reason to reduce the payment back to its initial level. In other words, the duration factors should be "sticky."

With "stickiness" in mind, the following treatment of repeated discrimination is proposed. After *N*-months of non-conformance, the penalty level returns to its base level after *N*-months of conforming service. For example, after two months of non-conformance, two months of conformance are required before the payment returns to its base level. After four months of non-conformance, four months of conformance are required before the payment returns to its base level.

A return to the base payment level occurs only after the first episode of repeated non-conformance. The duration factors are "sticky" in that the base payment is adjusted upward permanently after a second episode of repeated non-conformance. In other words, after two-months of conformance during the second episode (or any subsequent episode), the base payment is reset to a level equal to the current base payment multiplied by the highest observed duration factor. For example, the duration factor for three-months of conformance is 2.50, so the new base payment becomes 2.50*f* after a second episode of non-conformance. The base payment remains at this level for a period of six-months. After this six-month period, the base payment is reduced by 50% (1.25 in the example above) where it remains for the duration of the performance plan unless repeated non-conformance is observed again at which point the duration factors are applied as before to the higher base payment.

IV. Summary

In this paper, a severity component for the SEEM Plan, based on the directions of the Florida Public Service Commission's staff, is set forth. The severity plan consists of two components: 1) a disparity level and 2) a payment function. The *disparity level* measures how different the service levels between BellSouth and the alternative local exchange carrier (ALEC) are. This measure of disparity is defined consistently across all measures, so that a disparity level of two implies service to the ALEC is "twice as bad" as that received by BellSouth regardless of the measure.

Payments are calculated based on the size of the disparity level using the *payment function*. The payment function computes the payment level between a minimum payment and maximum payment depending on the disparity level. Following the direction of staff, the minimum and maximum payment are based on the sample size of the ALEC (either linearly or non-linearly). Further, the relationship between the payment and disparity (severity) can be linear or non-

linear. Repeated non-conformance increases the minimum and maximum payment levels until equality of performance is attained.

Specific values for the parameters of the payment function are proposed herein, but the function is so general that other values can be used without altering the underlying structure of the disparity level or payment function. Initial payment levels are based on the current payment levels of the BellSouth Plan, but need not be as a practical matter.

Exhibit A. Key Parameters and Proposed Values

Table A-1. Key Parameters of the Payment Function

Parameter	*Effect of the Parameter*	*Proposed Value*
m	Selects the disparity level where the maximum payment applies. For example, if m = 2, then the maximum payment is paid when the ALEC's service is twice as bad as the ILEC's service.	2
λ	Determines whether or not the payment function is linear ($\lambda = 1$) or non-linear ($\lambda > 1$, $\lambda < 1$) in the disparity.	1
ϕ	Determines the relationship between the minimum and maximum payment ($pmax = \phi \cdot pmin$).	15
Power Term (n_A^z)	Determines the relationship between the minimum and maximum payment and the ALEC sample size. Smaller values of the power term weaken the relationship (and vice-versa).	0.25
t_m	Determines how much the minimum payment level increases with repeated non-conformance.	$1 + 0.50N$
t_λ	Determines how much the maximum payment level increases with repeated non-conformance.	$1.5t_m$

ENFORCEMENT MEASURES RECOMMENDATION

MEASURE	SUPPORTING AUGUMENT	RECOMMENDATION
B-10: Percent Billing Errors Corrected In X Days	Performance data for May, June & July reflect that BellSouth is consistently performing poorly in correcting billing errors within 45 days. BellSouth's performance for UNEs for May, June & July are 6.97%, 43.97% & 16.92% respectively. BellSouth also performed poorly for Resale & Interconnection for both May and July.	TIER I/TIER II
P-2: Average Jeopardy Notice Interval & % Orders Given Jeopardy Notice	When customers call their service providers, they expect prompt, accurate answers regarding the progress on their orders. When the expected delivery date changes, customers expect that they will be notified immediately so that they may modify their own plans. While not receiving a timely notice that some appointments may be missed is an important issue for ALEC-customer relationship, not being able to tell the customer at all that their appointment may be missed is a worse. AT&T has experienced notification of jeopardies on the day of cut. This does not allow AT&T sufficient time to inform its customer. Additionally, AT&T is not getting the electronic jeopardy notice in several cases. AT&T is being verbally notified on the day of cut. Although BellSouth states that they sent the jeopardy notice, AT&T did not receive them and is also concerned that the interval associated with the "day of cut" notification is not even being reflected in the reported performance In May, BellSouth provided non-compliant support for Loop+Port Combo. BellSouth continued to provide non-compliant support in June.	TIER I/TIER II
B-5: Usage Data Delivery Timeliness	The delivery of Pay Per Use feature records to the ALEC in a timely manner is required in order to bill end users for Star type services that are billed on a per use basis (ex: *69 can be used to find out the telephone number of the person or entity that last called the customer). Pay Per Use features are normally identified in EMI 42 category records and need to be provided to the ALEC in the same intervals that ODUF	TIER I/TIER II

	usage records are supplied. Customers become disgruntled and sometimes irate when they are billed long after they use Pay Per Use feature.	
P-5: Average Completion Notice Interval	ALECs need adequate notice of order completion activities. Completion notices allow the ALEC to begin its fulfillment process of welcoming the customer and sending out information on services and features ordered. In May, BellSouth failed this measure for 2W Analog Loop Dsg/<10/Dispatch. The average interval was 10.03 days. BellSouth continued to provide non-compliant service(8.32 days) for this service again in June. Also in May, BellSouth failed for 2W Analog Loop w/LNP Dsg/<10/Dispatch with an average interval of 16.77 days.	TIER I/TIER II
CM-2: Change Management Documentation-Average Delay Days	ALECs are proposing that this measure be in a "family grouping" with CM-1. Therefore, if both CM-1 & CM-2 fail, BellSouth would only incur remedies for only one of the two. This should address BellSouth's concerns	SPECIAL HANDLING
CM-4: Change Management Documentation-Average Delay Days	ALECs are proposing that this measure be in a "family grouping" with CM-3. Therefore, if both CM-3 & CM-4 fail, BellSouth would only incur remedies for only one of the two. This should address BellSouth's concerns	SPECIAL HANDLING
CM-9: Number of Defects In Production Releases(Type 6 CR)'	CM-9 is concerned with the number of software defects found within a set period of time following the implementation of a new release. Unfortunately, ILECs can release software that contains defects that prevent ALECs from being able to process various features that are ordered or even the entire order. These defects can also hinder the ALEC's ability to give the customer status information on their order.	SPECIAL HANDLING
P-1: Mean Held Order Interval	Customers expect work to be completed when promised. Clear discrimination exists if ALEC orders are held more frequently or longer for facilities or other reasons than ILEC orders. This measure reflects the magnitude of an appointment miss. While there may be parity in missed appointments for ALEC & ILEC retail customers, the held order intervals may be different. In May, BellSouth had a 2W Analog Loop order held for 8 days and a 2W Analog Loop w/LNP for 25 days. In June, the Held Order Interval as 8 days for UNE ISDN< 10 Circuits.	TIER I/TIER II

B-9: Percent Daily Usage Errors Corrected in X Business Days	Errors should be corrected promptly so ALECs' customer billing is timely and accurate.	TIER I/TIER II

Metrics Changes

OSS-2: Interface Availability (Pre-Ordering/Ordering)	Business Rules: (1) Add language on capture of down time in numerator and ensure that scheduled hours of down time are not multiplied by servers in denominator: BellSouth should add the following language clarifying that if any one component of the route to its backend systems is down all the other components on that route will be counted as down at the same time: "The measure will capture down time if any part of the route from BST's firewall to backend OSS systems is down." Business Rules also should state: "The denominator will include the scheduled hours of operability in the month where the whole route to the backend system is up." ALECs have found that BST has been multiplying the denominator by the number of servers supporting each interface, even if those servers do not come into use to lessen the down time for the interface. This dilutes that hours of down time in the numerator by dividing them by numerous, sometimes nine or more servers depending on the interface (LENS, TAG, EDI), including those just used for log-on security. This makes the benchmark easier to meet. In another state collaborative BST provided data on the number of servers used for each interface, which had not been available before. In that proceeding, the data showed that the numerator hours were multiplied by retired servers or servers assigned to KPMG state tests, which even BST agreed was inappropriate. The business rules have never made this method of calculation clear. Even if there is no major problem now with system availability, this practice could be used to mask future problems. The preferable solution would be to include only the clock hours of availability with no multiplier. At the very least, BellSouth should place more of the components of the systems ALECs go through to reach its OSS databases in the SEEM remedy plan levels of disaggregation as done in GA. If ALECs start experiencing excessive down times, the

	PSC should adopt the elimination of multipliers at that time. However, ALECs would prefer full backsliding protection now. (2) Add Functionality Definition: BST should also clarify that outages include loss of functionality. Add statement: "Loss of Functionality outages are defined as: A critical function that is normally performed by the ALEC or is normally provided by an application or system is temporarily unavailable to the ALEC."
OSS-3 OSS Interface Availability for Maintenance and Repair.	Business Rules: Same as above about adding coverage to loss of functionality. If server multiplication of numerator exists, it also should be eliminated.
OSS-4 Response Interval for Maintenance and Repair	Business Rules: In other ILEC regions time is measured for each functionality. BST shows the separate system boxes traveled through but not how the time adds up for doing each function. For instance on ECTA, the functions would be "Create a Trouble," "Test a Trouble," "Status a Trouble," etc. with the times of the relevant systems added together.
O-3 to O-6: Flow-Through Measures	Benchmarks: (1) Designed Flow Through: BellSouth should be required to increase its benchmarks to 95% for UNE-P (an additional level of disaggregation proposed by ALECs), and to a minimum of 90% for UNE-Other and LNP. The Georgia Staff recommended 95% for UNE-P. Raising the benchmark to 90% for UNE-Other and LNP is necessary to bring BellSouth closer to alignment with other Bell companies' performance. For example, New York has adopted a 95% standard for Verizon covering orders designed to flow through. (2) Achieved/Total Flow Through: In the Performance Assurance Plan's Special Measures section, Verizon is required to meet either an 80% standard for the BellSouth equivalent of "achieved" flow through or a 95% standard for flow through or pay a $2.5 million fine quarterly. The Commission should implement a performance standard for achieved flow-through. Until that occurs, BellSouth has no incentive to reduce the amount of designed manual fallout that ALECS currently endure.

	ALECs propose the following standards for Achieved. Flow Through: Residential: 90% Business: 70% now, 80% in 9 months, 85% in 15 months. UNE-P: 95% UNE-Other: 80% now, 85% in 6 months, 90% in 12 months. LNP: 70% now, 80% in 9 months, 85% in 15 months. The purpose of this measure should be to measure the percent flow-through capability of BellSouth's ordering systems. ALECs cannot improve the flow-through of error free orders, only BellSouth can. Yet it is clear that the lack of flow-through causes additional delays, errors and costs. For example, FOC intervals are much longer for partially mechanized orders. It is also undisputed that having to re-key an order delays it, and re-keying or otherwise manually handling an order increases the risk of error, which either causes the order to reject, creating more delay, or perhaps even to be provisioned incorrectly. BellSouth should be held accountable for its decision not to provide flow-through.
O-8: Reject Interval O-9: Firm Order Confirmation Timeliness	Benchmarks: BellSouth's proposed benchmarks remain inadequate for partially mechanized and non-mechanized orders. Benchmarks should be at least 90% in 5 hours for partially mechanized orders and 10 hours for non-mechanized orders as is proposed in the Georgia Staff Recommendation. BellSouth should be required to include the Complex Resale Support Group (CRSG) in these metrics. BellSouth should be required to include project orders in this metric or minimally report the number of project orders excluded and include the orders in the

	ALEC raw data.
O-12 Speed of Answer in the Ordering Center	Business Rules: BellSouth should add the CRSG and EC-POC Support desks to the ordering centers measured.
P-3A Percent Missed Installation Appointments.	Exclusions/Disaggregations: Disconnects should be measured separately, not excluded entirely from the metric. ALECs do not need disconnects disaggregated by products but for ALEC disconnect requests – requiring dispatch; ALEC disconnect requests – central office based; BST disconnects for migrations away from the ALEC – dispatch and BST disconnects for migrations away from the ALEC – central office. Untimely BST processing of disconnects can result in overbilling of the ALEC, overbilling of the customer, delays in updates of CSR and other databases and problems with Channel Facilities Assignments. Only orders cancelled before the due date was missed should be excluded from this metric.
P-4A Average Completion Interval	Business Rules: This metrics should be modified as recommended by the Georgia Staff. The start time should be changed from "when a valid order number is assigned in SOCs" to "when BellSouth first receives a valid LSR or ASR." This change is required to reflect the customer experience and to make an accurate parity determination. Although a retail analog is used today, different points are measured in the wholesale and retail processes and this is inappropriate in making a parity determination. Verizon, Qwest, and SBC's similar performance measures begin this interval with the date that a valid LSR is received, not when the order is entered into the legacy or SOC system as does BellSouth.
P-5 Average Completion Notice Interval	Business Rules: BST should define how the retail completion notice interval is measured just as it has done in Georgia. It should add GA language offered by BellSouth: "For the retail analog, the start time is when the technician completes the order and the end time is when the order status is changed to complete in SOCs."
P-11 Service Order Accuracy	Business Rules: BellSouth should implement a mechanized method of measuring partially mechanized orders, and continue sampling for manual orders as recommended by the Georgia Staff. Once

	automation begins remedies should be paid for failures for Tier 1 performance. Disaggregation: This measure should be state-specific, not regional, minimally for those orders for which data is collected in a mechanized manner.
B-2: Mean Time to Deliver Invoices	Exclusions: Bills rejected because of BellSouth formatting or content errors should be included as was done in the Georgia Staff Recommendation. It is not the ALEC's fault the bill was delayed because of these errors. A useless bill should not be counted as on-time.
B- 9 % Daily Usage Feed Errors Corrected In X Days	Benchmark: This measure should be changed from diagnostic to have a performance standard of 95% within 4 business days. This is an important measure for ALECs and BellSouth currently has no incentive to perform.
B-10 %Billing Errors Corrected in X Days	Calculation: The denominator should be changed from number of adjustment requests in reporting period to number of adjustment requests responses due in reporting period so that the numerator and denominator are from the same universe of transactions. Benchmark: This measure should be changed from diagnostic to have a performance standard of 95% within 45 days. This is an important measure for ALECs and BellSouth currently has no incentive to perform. For example, BellSouth's reported interim on time performance in July was 36.53% for resale and 6.44% for UNE. June UNE was 43.97% and May UNE was 6.97%.
D-1: Average Database Update Interval	Business Rules: This measure needs to be modified to include stand-alone directory listing only service orders.
D-2 Average Database Update Accuracy	Business Rules: This measure needs to be modified to include stand-alone directory listing only service orders. The accuracy of BellSouth's directory assistance database was "not satisfied" in KPMG's Final Report (TVV4-1)

OP-11. LNP-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution	Business Rules: BellSouth should be required to actually perform the disconnect activity before completing the service order in SOCs.
OP-14 Percent Provisioning Troubles	Business Rules: The metric should include all trouble reports arising from the same order. A customer may experience several service disruptions related to provisioning problems and each should count as a provisioning trouble.
M&R-1 M&R 5: Missed Repair Appointments and other maintenance metrics with CPE exclusion.	Exclusions: BellSouth should not exclude customer provided or ALEC equipment troubles from the metrics. Such exclusions can be used to game the metrics. Because this is a parity metric, and such non network events should occur for ALECs and BellSouth alike, this exclusion should be eliminated. If allowed to continue to exclude these troubles, it should report the number of exclusions monthly. This will enable the ALEC to monitor whether the exclusions seem high and perhaps were wrongly coded. In New York, Massachusetts, New Jersey and Pennsylvania, Verizon reports such exclusions separately.
MR-4 Percent Repeat Troubles in 30 Days	Business Rules: BellSouth should add rule clarifying that troubles closed to a non-excluded code should be counted as repeats even if the prior trouble closure was an excluded code. This will capture where the first troubles coding was likely in error.
TG-1 Trunk Group Performance - Aggregate	Business Rules: ALECs propose that the trunk groups be considered blocked if the same group blocks for an hour or more four or more times in the month's reporting period. The blocking does not have to be time consistent. Time consistent busy hour blocking measurement is a product of the pre-Internet days. Today trunk groups may need augmenting even if the busy hours are not in a consistent pattern. Benchmarks: BellSouth's 0.5% buffer is not acceptable. The measure should be based on parity in not exceeding the various blocking design levels.
TG-2 Trunk Group Performance – ALEC	See TG-1.

Specific	
CM-10 Software Validation	ALEC Input on Test Deck Required: Implementation details of this metric should be a topic of the workshops as ALECs have had no input or visibility into what test decks will be used or what weighting factors are assigned.

The Status Of State Commission Orders And Activity Relating To The Measurement Of ILEC Interstate And Intrastate Special Access Services.

States are increasingly recognizing the importance of incumbent LEC special access services provided to both wholesale competitor customers and retail end-users in the development of competition. As summarized below, to date, nine states have ordered or adopted some form of special access performance reporting on ILECs' provision and maintenance of interstate and intrastate services. In addition there are at least five states currently considering ILEC special access performance issues and reporting requirements.[1]

- **Minnesota:** Since passage of the Telecommunications Act of 1996, The Minnesota PUC became the first state to issue an order finding jurisdiction over an ILEC's (Qwest/U S WEST's) interstate special access for performance reporting . *In the Matter of the Complaint of AT&T Communications of the Midwest, Inc. Against U S WEST Communications, Inc. Regarding Access Service.* Docket No. P-421/C-99-1183, Order Finding Jurisdiction, Rejecting Claims For Relief, And Opening Investigation (ISSUE DATE: August 15, 2000).

  In March 2002, the Minnesota PUC adopted metrics proposed by WorldCom (*i.e.*, the metrics developed and advocated by WorldCom before they were subsequently modified and endorsed by the Joint Competitive Industry Group) and required Qwest to report on its performance in provisioning special access to its wholesale competitor customers. *In the Matter of Qwest Wholesale Service Quality Standards* Docket No. P-421/M-00-849, Order Setting Reporting Requirements And Future Procedures (ISSUE DATE: March 4, 2002)

  In May 2002, the Minnesota PUC issued an order denying Qwest's motion for reconsideration, and ordered Qwest to file its first special access monthly performance report for the month of August 2002 on September 30, 2002. *In the Matter of Qwest Wholesale Service Quality Standards,* Docket No. P-421/M-00-849, Order Denying Reconsideration And Modifying Order On Own Motion (ISSUE DATE: May 29, 2002).

- **New York:** Verizon reports on its special access performance on an interstate and intrastate basis, for both wholesale and retail customers, to the New York Public Service Commission, as part of the NYPSC's "Special Services Guidelines." Verizon has been reporting on its special access performance under the New York Guidelines since the mid-1980s.

  In June 2001, the New York PSC updated the Guidelines, adding additional metrics. CASE 00-C-2051 - *Proceeding on Motion of the Commission*

[1] Copies of orders and documentation for all states listed below can be made available upon request.

to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York Inc; CASE 92-C-0665 - *Proceeding on Motion of the Commission to Investigate Performance-Based Incentive Regulatory Plans for New York Telephone Company.* Opinion And Order Modifying Special Services Guidelines For Verizon New York Inc., Conforming Tariff, And Requiring Additional Performance Reporting (ISSUED AND EFFECTIVE June 15, 2001)

In December 2001, the NY PSC slightly revised and updated the Special Services Guidelines on reconsideration. CASE 00-C-2051 - *Proceeding to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York Inc.;* CASE 92-C-0665 - *Proceeding on Motion of the Commission to Investigate Performance-Based Incentive Regulatory Plans for New York Telephone Company.* Order Denying Petitions For Rehearing And Clarifying Applicability Of Special Services Guidelines (ISSUE DATE: December 20, 2001)

- **Colorado:** In November 2001, the Colorado PUC affirmed the "requirement [for Qwest] to monitor and report special access information." In March 2002, Qwest's petition for reconsideration of that Order was denied by the Colorado PUC, and implementation of special access performance reporting is underway. *In the Matter of the Investigation into Alternative Approaches for a Qwest Corporation Performance Assurance Plan in Colorado,* Docket No. 01I-041T, Decision on Remand and Other Issues Pertaining to the Colorado Performance Assurance Plan (ADOPTED: March 27, 2002)

- **New Hampshire:** In December 2001, Verizon began reporting special access service results to the New Hampshire PUC pursuant to stipulation. DT 01-006 *VERIZON NEW HAMPSHIRE Petition to Approve Carrier to Carrier Performance Guidelines and Performance Assessment Plan,* Order Regarding Metrics and Plan (ISSUE DATE: March 29, 2002, referring to Stipulation).

- **Maine:** In April 2002, as part of its Order adopting a Performance Assurance Plan for Verizon's §271 related obligations, the Maine PUC also accepted a voluntary agreement from Verizon to report its intrastate and interstate special access performance against certain New York Special Services Guidelines. *Inquiry Regarding the Entry of Verizon-Maine into the InterLATA (Long Distance) Telephone Market Pursuant to Section 271 of the Telecommunications Act of 1996,* Docket No. 2000-849, Findings Report (ISSUE DATE: April 10, 2002)

- **Washington:** In April 2002, the Washington Utilities and Transportation Commission ("WUTC") adopted the Colorado special access performance metrics

to measure Qwest's interstate and intrastate wholesale special access performance. *In the Matter of the Investigation into US West Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No. UT-003022, 30th Supplemental Order, Commission Order Addressing Qwest's Performance Assurance Plan.

In May 2002, the WUTC denied Qwest's petition for reconsideration regarding its special access reporting. *In the Matter of the Investigation into US West Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No. UT-003022, 33rd Supplemental Order; Denying in Part and Granting in Part, Qwest's Petition for Reconsideration of the 30th Supplemental Order.

- **Tennessee:** In May 2002, the Tennessee Regulatory Authority adopted a modified version of WorldCom's original (i.e., pre-Joint Competitive Industry Group) metrics. *In re: Docket to Establish Generic Performance Measurements, Benchmarks and Enforcement Mechanisms for BellSouth Telecommunications, Inc.*, Docket No. 01-00193, Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms (ISSUE DATE: May 14, 2002). BellSouth did not request reconsideration of the special access portion of that order, but did request consideration of other aspects of the order.

  Subsequently, BellSouth agreed in a settlement to abide by the TRA's special access measurement and reporting order. The Settlement Agreement will be voted on August 26, 2002. Paragraph 3 of the Settlement Agreement states in part,

  > "In resolution of the contested issues ... the parties will request the [Tennessee Regulatory] Authority to adopt as the "Tennessee Performance Assurance Plan" the identical service quality measurement plan and self-effectuating enforcement mechanism adopted by the Florida Public Service Commission.....plus the Tennessee Performance Measurements for Special Access contained in the Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms issued in this docket on June 28, 2002 as set forth in Exhibit B to that order. If the FCC adopts national special access measurements, the Parties reserve the right to argue to the TRA as to whether the FCC measures should supercede (sic) the Tennessee Measurements. . . ." (underlining added)

- **Utah:** In June 2002, the Utah Public Service Commission ordered Qwest to include special access in its Sec. 271-related Performance Assurance Plan. *In the Matter of the Applications of QWEST CORPORATION, fka US WEST Communications, Inc., for Approval of Compliance with 47 U.S.C. § 271(d)(3)(C)*, Docket No. 00-049-08, Order On Performance Assurance Plan (ISSUE Date: June 18, 2002).

- **Massachusetts:** In August 2001, the Massachusetts Department of Telecommunications and Energy order Verizon to report its special access performance on both an interstate and intrastate basis, as an interim matter, pending completion of its review of Verizon's performance on both a wholesale basis for both affiliated and non-affiliated customers, and on a retail basis to Verizon's own retail customers. *Investigation by the Department of Telecommunications and Energy on its own motion pursuant to G.L. c. 159, §§ 12 and 16, into Verizon New England Inc., d/b/a Verizon Massachusetts' provision of Special Access Services.* D.T.E. Docket No. 01-34, Order, August 19, 2001. Final order pending.

- **Other states currently considering special access performance reporting in Sec. 271 or other ILEC performance-related dockets:**
    - Massachusetts (ordered interim reporting September 2001, as above; final decision pending)
    - New Jersey (staff recommendation to adopt NY metrics)
    - Illinois (staff recommendation; hearings completed; order pending)
    - Indiana (staff finding that special access performance should be considered in Ameritech's Indiana Plan)
    - Georgia (staff recommendation - pending)
    - Louisiana – under consideration in the BST Sec. 271 six-month review

ATTACHMENT A

Joint Competitive Industry Group Proposal

ILEC PERFORMANCE MEASUREMENTS & STANDARDS

in the

Ordering, Provisioning,

and

Maintenance & Repair

of

SPECIAL ACCESS SERVICE

Version 1.1

Issued: January 18, 2002

ILEC Performance Measurements and Standards

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ILEC Performance Measurements and Standards

Reporting Dimensions

CLEC or IXC Carrier specific total, with the following reporting dimensions for all measurements.

- Special Access disaggregated by bandwidth
  Sub Totaled by State
  Totaled by ILEC

Comparison reports are required for:

- CLEC/ IXC Carrier Aggregate
- ILEC Affiliates Aggregate

Special Access is any exchange access service that provides a transmission path between two or more points, either directly, or through a central office, where bridging or multiplexing functions are performed, not utilizing ILEC end office switches.

Special access services include dedicated and shared facilities configured to support analog/voice grade service, metallic and/or telegraph service, audio, video, digital data service (DDS), digital transport and high capacity service (DS1, DS3 and OCn), collocation transport, links for SS7 signaling and database queries, SONET access including OC-192 based dedicated SONET ring access, and broadband services.

> **Exclusions:** Transmission path requests pursuant to an Interconnection Agreement for Unbundled Network Elements are excluded from these Performance Measures.

Reporting Period: The reporting period is the calendar month, unless otherwise noted, with all averages or percentages displayed to one decimal point.

ILEC Performance Measurements and Standards

ORDERING

Measurement: JIP-SA-1 FOC Receipt

Description

The Firm Order Confirmation (FOC) is the ILEC response to an Access Service Request (ASR), whether an initial or supplement ASR, that provides the CLEC or IXC Carrier with the specific Due Date on which the requested circuit or circuits will be installed. The expectation is that the ILEC will conduct a minimum of an electronic facilities check to ensure due dates delivered in FOCs can be relied upon. The performance standard for FOCs received within the standard interval is expressed as a percentage of the total FOCs received during the reporting period. A diagnostic distribution is required along with a count of ASRs withdrawn at the ILEC's request due to a lack of ILEC facilities or otherwise.

Calculation Methodology

Percent Meeting Performance Standard:

[Count FOCs received where (FOC Receipt Date – ASR Sent Date) < = Performance Standard] / Total FOCs received during reporting period x 100

FOC Receipt - Distribution:

(FOC Receipt Date – ASR Sent Date), for each FOC received during reporting period, distributed by: 0 day, 1 day, 2 days, through 10 days and > 10 days

ASRs Withdrawn at ILEC Request due to a lack of ILEC Facilities or Otherwise

Count of ASRs, which have not yet received a FOC, Withdrawn at ILEC Request, during the current reporting period, due to a lack of ILEC facilities or otherwise

Business Rules

1. **Counts are** based on each instance of a FOC received from the ILEC. If one or more Supplement ASRs are issued to correct or change a request, each corresponding FOC, which is received during the reporting period, is counted and measured.
2. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day.
3. Projects are included. Determination of what is identified as a project varies by ILEC and should not alter the need to ensure that service is provided within expected intervals.

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Cancelled ASRs
- Record ASRs

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

Percent FOCs Received within Standard
- DS0 = > 98.0% within 2 business days
- DS1 = > 98.0% within 2 business days
- DS3 = > 98.0% within 5 business days
- OCn - ICB (Individual Case Basis)

FOC Receipt Distribution - Diagnostic

ASRs Withdrawn at ILEC Request Due to a Lack of ILEC Facilities or Otherwise - Diagnostic

ILEC Performance Measurements and Standards

ORDERING

Measurement: JIP-SA-2 FOC Receipt Past Due

Description

The FOC Receipt Past Due measure tracks all ASR requests that have not received an FOC from the ILEC within the expected FOC receipt interval, as of the last day of the reporting period and do not have an open, or outstanding, Query/Reject. This measure gauges the magnitude of late FOCs and is essential to ensure that FOCs are being received in a timely manner from the ILECs. A distribution of these late FOCs, along with a report of those late FOCs that do have an open Query/Reject, is required for diagnostic purposes.

Calculation Methodology

Percent FOC Receipt Past Due - Without Open Query/Reject:

Sum of ASRs without a FOC Received, and a Query/Reject is not open, where (End of Reporting Period – ASR Sent Date >Expected FOC Receipt Interval) / Total number of ASRs sent during reporting period x 100

FOC Receipt Past Due - Without Open Query/Reject - Distribution:

[(End of Reporting Period – ASR Sent date) – (Expected FOC Receipt Interval)] for ASRs without a FOC received and a Query/Reject is not open with the CLEC or IXC Carrier, distributed by;
1-5 Days, 6-10 Days, 11-20 Days, 21- 30 Days, 31-40 Days, and > 40 Days

Percent FOC Receipt Past Due - With Open Query/Reject:

Sum of ASRs without a FOC Received, and a Query/Reject is open, where (End of Reporting Period – ASR Sent Date > Expected FOC Receipt Interval) / Total number of ASRs sent during reporting period x 100

Business Rules

1. All counts are based on the latest ASR request sent to the ILEC. Where one or more subsequent ASRs have been sent, only the latest ASR would be recorded as Past Due if no FOC had yet been returned.
2. The Expected FOC Receipt Interval, used in the calculations, will be the interval identified in the Performance Standards for the FOC Receipt measure.
3. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day.
4. Projects are included. Determination of what is identified as a project varies by ILEC and should not alter the need to ensure that service is provided within expected intervals.

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Cancelled ASRs
- Record ASRs

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

Percent FOC Receipt Past Due - Without Open Query/Reject	< 2.0 % FOC Receipt Past Due
FOC Receipt Past Due – Without Open Query/Reject - Distribution	- Diagnostic
Percent FOC Receipt Past Due - With Open Query/Reject	- Diagnostic

ILEC Performance Measurements and Standards

ORDERING

Measurement: JIP-SA-3 Offered Versus Requested Due Date

Description

The Offered Versus Requested Due Date measure reflects the degree to which the ILEC is committing to install service on the CLEC or IXC Carrier Requested Due Date (CRDD), when a Due Date Request is equal to or greater than the ILEC stated interval. A distribution of the delta, the difference between the CRDD and the Offered Date, for these FOCs is required for diagnostic purposes.

Calculation Methodology

Percent Offered with CLEC or IXC Carrier Requested Due Date:
[Count of ASRs where (FOC Due Date = CRDD] / [Total number of ASRs where (CRDD – ASR Sent Date) = > ILEC Stated Interval] x 100

Offered versus Requested Interval Delta – Distribution:
[(Offered Due Date – CRDD) where (CRDD – ASR Sent Date) = > ILEC Stated Interval] for each FOC received during the reporting period, distributed by; 0 Days, 1-5 Days, 6-10 Days, 11-20 Days, 21- 30 Days, 31-40 Days, and > 40 Days

Business Rules

1. **Counts are** based on each instance of a FOC received from the ILEC. If one or more Supplement ASRs are issued to correct or change a request, each corresponding FOC, which is received during the reporting period, is counted and measured.
2. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day.
3. Projects are included. Determination of what is identified as a project varies by ILEC and should not alter the need to ensure that service is provided within expected intervals.

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Cancelled ASRs
- Record ASRs

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

Percent Offered with CRDD (where CRDD = > ILEC Stated Interval) = 100%
Offered versus Requested Interval Delta – Distribution - Diagnostic

ILEC Stated Intervals: To be determined by ILEC

ILEC Performance Measurements and Standards

PROVISIONING

Measurement: JIP-SA-4 On Time Performance To FOC Due Date

Description

On Time Performance To FOC Due Date measures the percentage of circuits that are completed on the FOC Due Date, as recorded from the FOC received in response to the last ASR sent. Customer Not Ready (CNR) situations may result in an installation delay. The On Time Performance To FOC Due Date is calculated both with CNR consideration, i.e. measuring the percentage of time the service is installed on the FOC due date while counting CNR coded orders as an appointment met, and without CNR consideration.

Calculation Methodology

Percent On Time Performance to FOC Due Date – With CNR Consideration:
[(Count of Circuits Completed on or before ILEC Committed Due Date + Count of Circuits Completed after FOC Due Date with a verifiable CNR code) / (Count of Circuits Completed in Reporting Period)] x 100

Percent On Time Performance to FOC Due Date – Without CNR Consideration:
[(Count of Circuits Completed on or before ILEC Committed Due Date) / (Count of Circuits Completed in Reporting Period)] x 100

Note: The denominator for both calculations is the total count of circuits completed during the reporting period, including all circuits, with and without a CNR code.

Business Rules

1. Measures are based on the last ASR sent and the associated FOC Due Date received from the ILEC.
2. Selection is based on circuits completed by the ILEC during the reporting period. An ASR may provision more than one circuit and ILECs may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed.
3. The ILEC Completion Date is the date upon which the ILEC completes installation of the circuit, as noted on a completion advice to the CLEC or IXC Carrier.
4. Projects are included. Determination of what is identified as a project varies by ILEC and should not alter the need to ensure that service is provided on the FOC Due Date.
5. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the ILEC that prevents the ILEC from completing an order, including the following: CLEC or IXC Carrier is not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The ILEC must ensure that established procedures are followed to notify the CLEC or IXC Carrier of a CNR situation and allow a reasonable period of time for the CLEC or IXC Carrier to correct the situation.

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Cancelled ASRs
- Record ASRs

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

Percent On Time to FOC Due Date - With CNR Consideration = > 98.0 % On Time
Percent On Time to FOC Due Date - Without CNR Consideration - Diagnostic

ILEC Performance Measurements and Standards

PROVISIONING

Measurement: JIP-SA-5 Days Late

Description

Days Late captures the magnitude of the delay, both in average and distribution, for those circuits not completed on the FOC Due Date, and the delay was not a result of a verifiable CNR situation. A breakdown of delay days caused by a lack of ILEC facilities is required for diagnostic purposes.

Calculation Methodology

Average Days Late:

Σ[Circuit Completion Date – ILEC Committed Due Date (for all Circuits Completed Beyond ILEC Committed Due Date without a CNR code)] / (Count of Circuits Completed Beyond ILEC Committed Due Date without a CNR code)

Days Late Distribution:

Circuit Completion Date – ILEC Committed Due Date (for all Circuits Completed Beyond ILEC Committed Due Date without a CNR code) distributed by: 1 day, 2-5 Days, 6-10 Days, 11-20 Days, 21- 30 Days, 31-40 Days, and > 40 Days

Average Days Late Due to a Lack of ILEC Facilities:

Σ[Circuit Completion Date – ILEC Committed Due Date (for all Circuits Completed Beyond ILEC Committed Due Date without a CNR code and due to a Lack of ILEC Facilities] / (Count of Circuits Completed Beyond ILEC Committed Due Date without a CNR code and due to a Lack of ILEC Facilities)

Business Rules

1. Measures are based on the last ASR sent and the associated FOC Due Date received from the ILEC.
2. Selection is based on circuits completed by the ILEC during the reporting period. An ASR may provision more than one circuit and ILECs may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed.
3. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day.
4. Projects are included. Determination of what is identified as a project varies by ILEC and should not alter the need to ensure that service is provided on the FOC Due Date.
5. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the ILEC that prevents the ILEC from completing an order, including the following: CLEC or IXC Carrier is not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The ILEC must ensure that established procedures are followed to notify the CLEC or IXC Carrier of a CNR situation and allow a reasonable period of time for the CLEC or IXC Carrier to correct the situation

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Cancelled ASRs
- Record ASRs

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

Average Days Late	< 3.0 Days
Days Late Distribution	- Diagnostic
Average Days Late Due to a Lack of ILEC Facilities	- Diagnostic

ILEC Performance Measurements and Standards
PROVISIONING

Measurement: JIP-SA-6 Average Intervals - Requested/Offered/Installation

Description

The intent of this measure is to capture three important aspects of the provisioning process and display them in relation to each other. The Average CLEC or IXC Carrier Requested Interval, the Average ILEC Offered Interval, and the Average Installation Interval, provide a comprehensive view of provisioning, with the ultimate goal of having these three intervals equivalent.

Calculation Methodology

Average CLEC or IXC Carrier Requested Interval:
Sum (CRDD – ASR Sent Date) / Total Circuits Completed during reporting period

Average ILEC Offered Interval:
Sum (FOC Due Date – ASR Sent Date) / Total Circuits Completed during reporting period

Average Installation Interval:
Sum (ILEC Completion Date – ASR Sent Date) / Total Circuits Completed during reporting period

Business Rules

1. Measures are based on the last ASR sent and the associated FOC Due Date received from the ILEC.
2. Selection is based on circuits completed by the ILEC during the reporting period. An ASR may provision more than one circuit and ILECs may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed.
3. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day.
4. Projects are included. Determination of what is identified as a project varies by ILEC and should not alter the need to ensure that service is provided within expected intervals.
5. The Average Installation Interval includes all completions.

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Cancelled ASRs
- Record ASRs

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

Average Requested Interval - Diagnostic
Average Offered Interval - Diagnostic
Average Installation Interval - Diagnostic

ILEC Performance Measurements and Standards

PROVISIONING

Measurement: JIP-SA-7 Past Due Circuits

Description

The Past Due Circuits measure provides a snapshot view of circuits not completed as of the end of the reporting period. The count is taken from those circuits that have received an FOC Due Date but the date has passed. Results are separated into those held for ILEC reasons and those held for CLEC or IXC Carrier reasons (CNRs), with a breakdown, for diagnostic purposes, of Past Due Circuits due to a lack of ILEC facilities. A diagnostic measure, Percent Cancellations After FOC Due Date, is included to show a percent of all cancellations processed during the reporting period where the cancellation took place after the FOC Due Date had passed

Calculation Methodology

Percent Past Due Circuits:

[(Count of all circuits not completed at the end of the reporting period > 5 days beyond the FOC Due Date, grouped separately for Total ILEC Reasons, Lack of ILEC Facility Reasons, and Total CLEC/Carrier Reasons) / (Total uncompleted circuits past FOC Due Date, for all missed reasons, at the end of the reporting period)] x 100

Past Due Circuits Distribution:

Count of all circuits past the FOC Due Date that have not been reported as completed (Calculated as last day of reporting period - FOC Due Date) Distributed by: 1-5 days, 6-10 days, 11-20 days, 21-30 days, 31-40 Days, > 40 days

Percent Cancellations After FOC Due Date:

[Count (All circuits cancelled during reporting period, that were Past Due at the end of the previous reporting period, where (Date Cancelled > FOC Due Date) / (Total circuits Past Due at the end of the previous reporting period)] x 100

Business Rules

1. Calculation of Past Due Circuits is based on the most recent ASR and associated FOC Due Date.
2. An ASR may provision more than one circuit and ILECs may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all segments are completed.
3. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day.
4. Projects are included. Determination of what is or is not identified as a project varies by ILEC and should not alter the need to ensure that service is provided on the FOC Due Date.
5. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the ILEC that prevents the ILEC from completing an order, including the following: CLEC or IXC Carrier is not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The ILEC must ensure that established procedures are followed to notify the CLEC or IXC Carrier of a CNR situation and allow a reasonable period of time for the CLEC or IXC Carrier to correct the situation

Exclusions

- Unsolicited FOCs
- Disconnect ASRs
- Record ASRs

Levels of Disaggregation

- DS0 / DS1 / DS3 / OCn

Performance Standard

Percent Past Due Circuits - Total ILEC Reasons	< 3.0 % > 5 days beyond FOC Due Date
Percent Past Due Circuits - Due to Lack of ILEC Facilities	- Diagnostic
Percent Past Due Circuits - Total CLEC Reasons	- Diagnostic
Past Due Circuits Distribution	- Diagnostic
Percent Cancellation After FOC Due Date	- Diagnostic

ILEC Performance Measurements and Standards

PROVISIONING

Measurement: IIP-SA-8 New Installation Trouble Report Rate

Description

New Installation Trouble Report Rate measures the quality of the installation work by capturing the rate of trouble reports on new circuits within 30 calendar days of the installation.

Calculation Methodology

Trouble Report Rate Within 30 Calendar Days of Installation:
[Count (trouble reports within 30 Calendar Days of Installation) / (Total Number of Circuits Installed in the Report Period)] x 100

Business Rules

1. The ILEC Completion Date is the date upon which the ILEC completes installation of the circuit, as noted on a completion advice to the CLEC or IXC Carrier.
2. The calculation for the preceding 30 calendar days is based on the creation date of the trouble ticket.

Exclusions

- Trouble tickets that are canceled at the CLEC's or IXC Carrier's request
- CLEC, IXC Carrier, CPE (Customer Premises Equipment), or other customer caused troubles
- ILEC trouble reports associated with administrative service
- Tickets used to track referrals of misdirected calls
- CLEC or IXC Carrier requests for informational tickets

Levels of Disaggregation

- DS0
- DS1
- DS3
- OCn

Performance Standard

New Installation Trouble Report Rate < = 1.0 trouble reports per 100 circuits installed

ILEC Performance Measurements and Standards

MAINTENANCE & REPAIR

Measurement: JIP-SA-9 Failure Rate

Description

Failure Rate measures the overall quality of the circuits being provided by the ILEC and is calculated by dividing the number of troubles resolved during the reporting period by the total number of "in service" circuits, at the end of the reporting period, and is then annualized by multiplying by 12 months.

Calculation Methodology

Failure Rate – Annualized:
{[(Count of Trouble Reports resolved during the Reporting Period) / (Number of Circuits In Service at the end of the Report Period)] x 100} x 12

Business Rules

1. A trouble report/ticket is any record (whether paper or electronic) used by the ILEC for the purposes of tracking related action and disposition of a service repair or maintenance situation.
2. A trouble is resolved when the ILEC issues notice to the CLEC or IXC Carrier that the circuit has been restored to normal operating parameters.
3. Where more than one trouble is resolved on a specific circuit during the reporting period, each trouble is counted in the Trouble Report Rate.

Exclusions:

- Trouble tickets that are canceled at the CLEC's or IXC Carrier's request
- CLEC, IXC Carrier, CPE (Customer Premises Equipment), or other customer caused troubles
- ILEC trouble reports associated with administrative service
- CLEC or IXC Carrier requests for informational tickets
- Tickets used to track referrals of misdirected calls

Levels of Disaggregation

- Below DS3 (DS0 + DS1)
- DS3 and Above (DS3 + OCn)

Performance Standard

Failure Rate Annualized	- Below DS3	< = 10.0%
	- DS3 and Above	< = 10.0%

ILEC Performance Measurements and Standards

MAINTENANCE & REPAIR

Measurement: JIP-SA-10 Mean Time to Restore

Description

The Mean Time To Restore interval measures the promptness in restoring circuits to normal operating levels when a problem or trouble is referred to the ILEC. Calculation is the elapsed time from the CLEC or IXC Carrier submission of a trouble report to the ILEC to the time the ILEC closes the trouble, less any Customer Hold Time or Delayed Maintenance Time due to valid customer, CLEC, or IXC Carrier caused delays. A breakdown of the percent of troubles outstanding greater than 24 hours, and the Mean Time to Restore of those troubles recorded as Found OK / Test OK, is required for diagnostic purposes.

Calculation Methodology

Mean Time To Restore:

Σ [(Date and Time of Trouble Ticket Resolution Closed to the CLEC or IXC Carrier – Date and Time of Trouble Ticket Referred to the ILEC) – (Customer Hold Times)] / (Count of Trouble Tickets Resolved in Reporting Period)]

% Out of Service Greater than 24 hrs:

[Count of Troubles where (Date and Time of Trouble Ticket Resolution Closed to the CLEC or IXC Carrier – Date and Time of Trouble Ticket Referred to the ILEC) – (Customer Hold Times) is > 24 hrs / (Count of Trouble Tickets Resolved in Reporting Period)] x 100

Mean Time To Restore – Found OK / Test OK:

Σ [(Date and Time of Trouble Ticket Resolution Closed to the CLEC or IXC Carrier as Found OK/Test OK – Date and Time of Trouble Ticket Referred to the ILEC) – (Customer Hold Times)] / (Count of Trouble Tickets Resolved in Reporting Period as Found OK/Test OK)]

Business Rules

1. A trouble report or trouble ticket is any record (whether paper or electronic) used by the ILEC for the purposes of tracking related action and disposition of a service repair or maintenance situation.
2. Elapsed time is measured on a 24-hour, seven-day per-week basis, without consideration of weekends or holidays.
3. Multiple reports in a given period are included, unless the multiple reports for the same customer is categorized as "subsequent" (an additional report on an already open ticket).
4. "Restore" means to return to the normally expected operating parameters for the service regardless of whether or not the service, at the time of trouble ticket creation, was operating in a degraded mode or was completely unusable. A trouble is "resolved" when the ILEC issues notice to the CLEC or IXC Carrier that the customer's service is restored to normal operating parameters.
6. Customer Hold Time or Delayed Maintenance Time resulting from verifiable situations of no access to the end user's premises, or other CLEC or IXC Carrier caused delays, such as holding the ticket open for monitoring, is deducted from the total resolution interval.

Exclusions:

- Trouble tickets that are canceled at the CLEC's or IXC Carrier's request
- CLEC, IXC Carrier, CPE (Customer Premises Equipment), or other customer caused troubles
- ILEC trouble reports associated with administrative service
- CLEC or IXC Carrier requests for informational tickets
- Trouble tickets created for tracking and/or monitoring circuits
- Tickets used to track referrals of misdirected calls

Levels of Disaggregation

- Below DS3 (DS0 + DS1)
- DS3 and Above (DS3 + OCn)

Performance Standard

Mean Time to Restore	- Below DS3	< = 2.0 Hours
	- DS3 and Above	< = 1.0 Hour
% Out of Service > 24 Hrs		- Diagnostic
Mean Time to Restore – Found OK / Test OK		- Diagnostic

ILEC Performance Measurements and Standards

MAINTENANCE & REPAIR

Measurement: IP-SA-11 Repeat Trouble Report Rate

Description

The Repeat Trouble Report Rate measures the percent of maintenance troubles resolved during the current reporting period that had at least one prior trouble ticket any time in the preceding 30 calendar days from the creation date of the current trouble report.

Calculation Methodology

Repeat Trouble Report Rate:
[(Count of Current Trouble Reports with a previous trouble, reported on the same circuit, in the preceding 30 calendar days)] / (Number of Reports in the Report Period) x 100

Business Rules

1. A trouble report or trouble ticket is any record (whether paper or electronic) used by the ILEC for the purposes of tracking related action and disposition of a service repair or maintenance situation.
2. A trouble is resolved when the ILEC issues notice to the CLEC or IXC Carrier that the circuit has been restored to normal operating parameters.
3. If a trouble ticket was closed out previously with the disposition code classifying it as FOK/TOK/CPE/IXC, then the second trouble must be counted as a repeat trouble report if it is resolved to ILEC reasons.
4. The trouble resolution need not be identical between the repeated reports for the incident to be counted as a repeated trouble.

Exclusions:

- Trouble tickets that are canceled at the CLEC's or IXC Carrier's request
- CLEC, IXC Carrier, CPE (Customer Premises Equipment), or other customer caused troubles
- ILEC trouble reports associated with administrative service
- Subsequent trouble reports – defined as those cases where a customer called to check on the status of an existing open trouble ticket

Levels of Disaggregation

- Below DS3 (DS0 + DS1)
- DS3 and Above (DS3 + OCn)

Performance Standards

Repeat Trouble Report Rate	- Below DS3	< = 6.0%
	- DS3 and Above	< = 3.0%

GLOSSARY

Term	Definition
Access Service Request (ASR)	A request to an ILEC to order new service, or request a change to existing service, which provides access to the local exchange company's network, under terms specified in the local exchange company's special or switched access tariffs
Business Days	Monday thru Friday excluding holidays
Customer Not Ready (CNR)	A verifiable situation beyond the normal control of the ILEC that prevents the ILEC from completing an order, including the following: CLEC or IXC Carrier is not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready
Facility Check	A pre-provisioning check performed by the ILEC, in response to an access service request, to determine the availability of facilities and assign the installation date
Firm Order Confirmation (FOC)	The notice returned from the ILEC, in response to an Access Service Request from a CLEC or IXC Carrier that confirms receipt of the request, that a facility has been made, and that a service request has been created with an assigned due date
Unsolicited FOC	An Unsolicited FOC is a supplemental FOC issued by the ILEC to change the due date or for other reasons, although no change to the ASR was requested by the CLEC or IXC Carrier
Project	Service requests that exceed the line size and/or level of complexity that would allow the use of standard ordering and provisioning processes
Query/Reject	An ILEC response to an ASR requesting clarification or correction to one or more fields on the ASR before an FOC can be issued
Repeat Trouble	Trouble that reoccurs on the same telephone number/circuit ID within 30 calendar days
Supplement ASR	A revised ASR that is sent to change due dates or alter the original ASR request. A "Version" indicator related to the original ASR number tracks each Supplement ASR.

ATTACHMENT B

Joint Competitive Industry Group Proposal

OFFERED INSTALLATION INTERVALS

The purpose of this document is to establish a definition of the offered installation interval referenced in ILEC Performance Measurement JIP-SA 3 (Offered Versus Requested Due Date).[1]

Definition

The Offered Interval may not be longer than the least of:

1. The Standard Interval

   DS0: 7 business days
   DS1: 7 business days
   DS3: 14 business days

2. The Interval Stated (published) by the ILEC; or

3. The Interval actually provided to the ILEC's Affiliates or the ILEC's Retail Customers in that state

Provided, however, that if the carrier-customer requests a longer interval, the customer-requested interval shall become the offered interval.

Issued: January 18, 2002

[1] *See* Joint Competitive Industry Group Proposal, ILEC Performance Measurements & Standards in the Ordering, Provisioning, and Maintenance & Repair of Special Access Service, Version 1.1, Issued January 18, 2002, at page 6.

CLEC ORDERING TROUBLE RESPONSES IN 48 HOURS

Definition

Measures whether CLECs receive timely responses to problems with getting orders through system brought to help desk (LCSC, CRSG, LISC, EC Support) or account team by CLECs.

Exclusions

- CLEC requests for information available in a clear and not contradicted manner on ILEC web site.

- CLEC requests for information that does not affect the placement of orders.

Business Rules

The start time for the measurement is when the CLEC contacts their account representative or the appropriate help desk for the problem with the order impeding problem. The contact can be either through telephone call or email. The clock stops when a response adequate to enable CLEC to place stalled order is received. If the CLEC finds that the response did not resolve the problem, it must report back this failure within 12 business hours to keep the ticket open. An ordering problem may include an unexplained rejection of an order or rejections due to errors in ILEC databases (i.e. wrong address used for validation, missing critical loop make up information, line lost listee did not leave carrier, etc.) These are an example and not an exhaustive list of order-impeding problems. (System type problems would not be included if they are captured in as a Type 1 and 6 Change Request problem and measured against those benchmarks in the Software Problem Resolution Timeliness metric.)

Calculation

Days = (a ÷ b) x 100

- a = Number of Responses Provided within Benchmark.
- b = Number of Responses Due in Reporting Period.

Report Structure

- CLEC Specific
- CLEC Aggregate

Data Retained

- Report Period
- Request Date
- Response Date
- Rejections Sent

Proposed New Measures

SQM Level of Disaggregation - Analog/Benchmark

SQM Level of Disaggregation	SQM Analog/Benchmark
• State • LCSC • CRSG • LISC • EC Support • Account Team	• 95% responses in 48 ~~business~~ hours

SEEM Measure

SEEM Measure		
~~No~~Yes	Tier I	X
	Tier II	X
	Tier III	

SEEM Disaggregation - Analog/Benchmark

SEEM Disaggregation	SEEM Analog/Benchmark
• ~~Not Applicable~~State	• ~~Not Applicable~~95% in 48 hours

Note: Tracked changes are clarifications and revisions to Georgia Staff Recommendation

Percent Line Loss Notifications Returned Within 24 Hours Of Disconnect Order Completion	
Definition:	
Percent accurate line loss notifications delivered to the former carrier of the end user returned within 24 hours of the completion of the disconnection of the customer from the carrier.	
Exclusions:	
• CLEC-caused delay that prevents BellSouth from completing the order and thus sending the line loss notification • Excludes Sundays And Holidays	
Business Rules:	
Performance is -calculated by measuring the time between the completion of the disconnect of the customer to the delivery of the line loss notification. When a service bureau is involved, the time shall be measured to the delivery of an accurate loss notification to the Service Bureau Provider in a file format customarily used by the Service Bureau Provider. This includes all products for which loss notifications are sent.	
Levels of Disaggregation:	
• Same as other BST provisioning metrics.	
Calculation:	**Report Structure:**
(# of Accurate Loss Notification transactions sent within 24 hours ÷ total Disconnects away from CLEC) * 100	Reported for CLEC, all CLECs, BST business units, and other BST affiliates.
Benchmark:	
97% within 24 hours. SEEM Tier I and Tier II	

Average Delay For Line Loss Notifications	
Definition:	
For all notifications exceeding the 24-hour standard, average number of days from completion of the disconnect order to the time an accurate line loss notification was sent/made available to the CLEC.	
Exclusions:	
• Where CLEC accesses BellSouth – LEC's systems using a Service Bureau Provider, the measurement of BellSouth – LEC's performance shall not include Service Bureau Provider processing, availability or response time. • CLEC-caused delay that prevents BellSouth from completing the order and thus sending the line loss notification • Excludes Sundays And Holidays (non-business days)	
Business Rules:	
Delay days equal the difference between the time the line loss notification (LLN) was sent/made available to the CLEC and the completion of the disconnect order.. Only those notifications that were sent/made available outside the 24-hour standard are included in this measure. When a service bureau is involved, the time shall be measured to the delivery of an accurate loss notification to the Service Bureau Provider in a file format customarily used by the Service Bureau Provider. This measure includes all products for which line loss notifications are sent.	
Levels of Disaggregation:	
• Same as provisioning metrics.	
	Report Structure:
Average delay = the sum of all delay days (the difference between the time the line loss notification was sent/made available and the completion time of the disconnect order – for all delayed LLN) divided by the total number of delayed LLN sent.	Reported for CLEC, all CLECs, BST's Retail business units and other BST Affiliates.
Benchmark:	
<3 Days	

Percentage of Time BellSouth Applies the 10-digit Trigger Prior to the LNP Order Due Date

Definition

Percentage of time BellSouth applies 10-digit trigger for LNP TNs prior to the due date.

Exclusions

- Excludes Remote Call Forwarding, DIDs, and ISDN Data TNs.
- Excludes CLEC or Customer caused misses or delays.

Business Rules

Obtain number of LNP TNs where the 10-digit trigger was applied prior to due date, and the total number of LNP TNs where the 10-digit trigger was applicable.

Calculation

Percentage of 10-Digit Trigger Applications = (a ÷ b) X 100

- a = Count of LNP TNs for which 10-digit trigger was applied prior to due date

  b = Total LNP TNs for which 10-digit triggers were applicable

Report Structure

- CLEC Specific
- CLEC Aggregate
- Geographic Scope
  - State, Region

Data Retained Relating to CLEC Experience	**Relating to BellSouth Experience**
•Order Number • Telephone Number / Circuit Number • Committed Due Date • Date/Time of Recent Change Notice	• SOCS completion date and time stamp • CLEC Activate message

SQM Disaggregation – Analog/Benchmark

SQM LEVEL of Disaggregation:	SQM Retail Analog/Benchmark:
• LNP	• <-- 96.5 % or higher

SEEM Measure

SEEM Measure		
Yes	Tier I	**X**
	Tier II	X
	Tier III	

SEEM Disaggregation - Analog/Benchmark

SEEM Disaggregation	SEEM Analog/Benchmark
• LNP	~~96.5%~~ **96.5% or higher**

Percent Out of Service < 60 Minutes

Definition

The Number of LNP related conversions where the time required to facilitate the activation of the port in BellSouth's network is less than 60 minutes, expressed as a percentage of total number of activations that took place.

Exclusions

- CLEC-caused errors.
- NPAC caused errors unless caused by BellSouth.
- Stand Alone LNP Orders with more than 500 number activations

Business Rules

The Start time is the Receipt of the NPAC broadcast activation message in BellSouth's LSMS. The End time is when the Provisioning event is successfully completed in BellSouth's network as reflected in BellSouth's LSMS. Count the number of activations that took place in less than 60 minutes.

Calculation

Percent Out of Service < 60 Minutes = (a ÷ b) X 100

- a = Number of activations provisioned in less than 60 minutes
- b = Total LNP activations

Report Structure

- CLEC Specific
- CLEC Aggregate
- Geographic Scope
  - State, Region

Data Retained

Relating to CLEC Experience	Relating to BellSouth Experience
• Order Number • Telephone Number / Circuit Number • Committed Due Date • Date/Time of Recent Change Notice	• SOCS completion date and time stamp • CLEC Activate message

SQM Disaggregation – Analog/Benchmark

Proposed New Measures

SQM LEVEL of Disaggregation:	SQM Retail Analog/Benchmark:
• LNP	• ≤96.5 % or higher

SEEM Measure

SEEM Measure		
YES	Tier I	**X**
	Tier II	X
	Tier III	

SEEM Disaggregation - Analog/Benchmark

SEEM Disaggregation	SEEM Analog/Benchmark
• LNP	**≤96.5% or higher**

LNP-Average Disconnects Timeliness Interval & Disconnect Timeliness Interval Distribution ~~Modification~~ (Non-Trigger)

Defintion

Disconnect Timeliness is defined as the interval between the time ESI Number Manager receives the valid 'Number Ported' message from NPAC (*signifying* the CLEC 'Activate') until the time the Disconnect is completed in the Central Office switch. This interval effectively measures BellSouth responsiveness by isolating it from impacts that are caused by CLEC related activities.

Exclusions

- Cancelled Service Orders
- Order Activities of BellSouth or the CLEC associated with internal or administrative use of local services (Record Orders, Listing Orders, Test Orders, etc.) where identifiable.
- CLEC-caused errors.
- NPAC-caused errors, unless caused by BellSouth.
- Incomplete Ports where only a subset of activate messages have been received compared with the LSR and create messages.
- Orders which are candidates for 10 digit triggers, except those that did not receive 10 digit triggers prior to the port date

Business Rules

The Disconnect Timeliness Interval is determined for each telephone number ported associated with a disconnect service order processed on an LSR during the reporting period. The Disconnect Timeliness Interval is the elapsed time from when BellSouth receives a valid 'Number Ported' message in ESI number Manager (signifying the CLEC 'Activate') for each telephone number on the service order is disconnected by the Central Office switch. ~~The accumulated time for each reporting dimension is then divided by the total number of selected telephone numbers disconnected in the reporting period.~~ Elapsed time for each ported number is accumulated for each reporting dimension. The accumulated time for each reporting dimension is then divided by the total number of selected telephone numbers disconnected in the reporting period. Non-business hours will be excluded from the duration calculation for the non-approved after hours LNP ports. This will yield a benchmark equivalent to by 12:00 noon the next business day thus keeping the benchmark at 4 hours.

Calculation

Disconnect Timeliness Interval = (a-b)

- a = Completion Date and Time in Central Office switch for each number ported on disconnect order
- b = Valid 'Number Ported' message received date & time

Average Disconnect Timeliness Interval = (c / d)

- c = Sum of all Disconnect Timeliness Intervals
- d = Total number of disconnected numbers completed in reporting period

Disconnect Timeliness Interval Distribution (for each interval) = (e / f)x100

- e = Disconnected numbers completed in "X" days
- f = Total disconnect numbers completed in reporting period

Report Structure

- CLEC Specific
- CLEC Aggregate
- Geographic Scope
  - State, Region

Data Retained

• Order Number • Telephone Number / Circuit Number • Committed Due Date • Receipt Date / Time (ESI Number Manager) • Date/Time of Recent Change Notice	• Not Applicable

SQM Disaggregation – Analog/Benchmark

SQM LEVEL of Disaggregation	SQM Retail Analog/Benchmark:
• LNP (Normal Working Hours and Approved After Hours • LNP (Non Approved After Hours Ports)	• 95% Within ~~12~~ 4 Hours • 95% within 4 hours (excluding non-business hours)

SEEM Measure

SEEM Measure		
Yes	Tier I	X
	Tier II	X
	Tier III	

SEEM Disaggregation – Analog/Benchmark

SEEM LEVEL of Disaggregation	SEEM Retail Analog/Benchmark:
• LNP	• 95% Within 4 ~~12~~ Hours

Note: Change in benchmark to 4 hours from 12 hours in Georgia Staff Recommendation is based on Louisiana SQM. The other mark-up changes were changes offered by BellSouth in response to CLEC concerns in Louisiana.

BellSouth's Policy On Reposting Of Performance Data

BellSouth will make available reposted performance data as reflected in the Service Quality Measurement ("SQM") reports and the Monthly State Summary ("MSS") report, to the extent technically feasible, under the following circumstances:

(1) Only Key Performance Measures (as defined in the attachment) with corresponding sub-metrics are subject to reposting.

(2) Performance sub-metric calculations for Key Performance Measures as reflected in the MSS that result in a shift in the performance in the aggregate from an "in parity" condition to an "out of parity" condition will be available for reposting.

(3) Performance sub-metric calculations for Key Performance Measures with benchmarks that are in an "out of parity" condition will be available for reposting whenever there is a $\geq 2\%$ deviation in performance at the sub-metric level, provided that there are at least 100 CLEC transactions in the sub-metric.[1]

(4) Performance sub-metric calculations for Key Performance Measures with retail analogues that are in an "out of parity" condition will be available for reposting whenever there is a .5 change in the z-score at the sub-metric level, provided that there are at least 100 CLEC transactions in the sub-metric.[2]

(5) Performance data will be available for reposting with the updated data for a maximum of three months in arrears. Performance data charts (MSS Charts) that incorporate updated data will only be generated as part of the normal monthly production cycle.

When performance data are reposted in accordance with this policy, penalty payments under the Self Effectuating Enforcement Mechanism ("SEEM") Plan will be recalculated for the affected months and any additional payments will be made under Tier I and Tier II of the SEEM Plan, with interest.

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[1] This 100 CLEC transaction threshold does not apply to those sub-metrics associated with Local Interconnection Trunks and those performance measures involving BellSouth's collocation performance.

[2] This 100 CLEC transaction threshold does not apply to those sub-metrics associated with Local Interconnection Trunks and those performance measures involving BellSouth's collocation performance.

KEY BELLSOUTH PERFORMANCE MEASURES

PRE-ORDERING:
Response Time & Response Interval
Interface Availability
Loop Make-Up Response Time

ORDERING
Acknowledgement Timeliness
% Rejected Service Requests
FOC Timeliness
Reject Interval
Flow Through

PROVISIONING
Missed Installation Appointments
Average Order Completion Interval
Percent Provisioning Troubles within 30 Days
Average Completion Notice Interval
Percent Jeopardies
Service Order Accuracy
Mean Held Order Interval
Coordinated Customer Conversions

MAINTENANCE AND REPAIR
Interface Availability
Response Interval
Missed Repair Appointments
Maintenance Average Duration
% Repeat Troubles within 30 Days
Customer Trouble Report Rate

BILLING
Invoice Accuracy
Mean Time to Deliver Invoices-CRIS
Usage Data Delivery Accuracy
Usage Data Delivery Timeliness
Usage Data Delivery Completeness

TRUNKS
Trunk Group Performance (Aggregate)

COLLOCATION
% Due Dates Missed

"The Key Measures are based on three sources: 1) the FCC's Orders in New York and Texas, specifically Texas paragraphs 147, 170, 194, 201, and 210; 2) the FCC's Proposed Measures in its recent NPRM in CC Docket No. 01-318; and 3) those measures responsive to areas of interest to the FCC in BellSouth's initial Georgia/Louisiana application."

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of ALEC Coalition's Comments Concerning Proposed Changes to BellSouth's Performance Measurement Plan has been furnished by hand delivery(*) or U.S. mail on this 30th day of August 2002 to:

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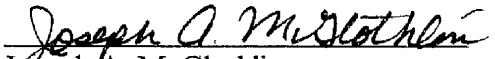
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