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VIA HAND DELIVERY

Ray Kennedy
Engineer III
Division of Communications
Florida Public Service Commission
Gerald L. Gunter Bldg., Room 290E
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

990000

Re: Review of Regulated Utilities' Year 2000 Preparations
and Readiness (Telecommunications)

Dear Mr. Kennedy:

Enclosed is a copy of US LEC of Florida Inc.'s written responses to the Year 2000 preparations and readiness questions that were attached to the Notice of Staff Workshop. Please let us know if you have any questions.

Sincerely,

HOLLAND & KNIGHT LLP



Karen D. Walker

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
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KDW/

cc: *Joubert*

Blanca Bayo (via hand delivery w/enclosure)
David Zipkin

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FPSR-RECORDS/REPORTING

Melinda Butler



*The Competitive
Telephone Company®*

Response to the Florida Public Service Commission's Review of Regulated Utilities Year 2000 Preparations and Readiness (Telecommunications)

From: Steven W. Fulcher, Director of Information Technology / Y2K Auditor

Date: 3/19/99

This document accurately reflects US LEC's position at the time of this writing and is subject to change without notice based on supplier/vendor data and discovery through testing.

Any information in this document and any previous communications from US LEC regarding the Year 2000 status of US LEC's products, services and business systems are "Year 2000 Readiness Disclosures" under the Year 2000 Information and Readiness Disclosure Act of 1998 and will be considered as such to the fullest extent of the law.

1. What is the status of your company's Year 2000 plans and preparations? Please report your company's overall percentage of completion toward being fully Year 2000 compliant. *US LEC Corp. is conducting monthly audits of its Y2K status and timetables. US LEC is approximately 70% compliant at this time. US LEC, as is every other telecommunications provider, is highly dependent on the public switched network over which US LEC has no control, and consequently, with respect to which, US LEC can offer no comfort for.*
2. What specific timetables and milestones have you identified to prepare for Year 2000? For each timetable and milestone, please report the following: (1) the percentage of this phase completed; (2) the specific tasks remaining to be completed; (3) any specific problems anticipated.

Milestone	% Complete	Remaining Tasks	Anticipated problems
<i>Inventory</i>	<i>100 % Nov. 1998</i>	<i>Reviewed monthly as a precaution.</i>	<i>None.</i>

Assessment	100 % Nov. 1998	Reviewed monthly as a precaution.	None.
Testing of internal Information Systems	30%	Testing is scheduled to be 50% completed by 4/15/99.	Full integrated testing cannot be completed until the last compliant upgrade is available from a specific vendor in August 1999.
Remediation of internal Information Systems, if necessary	---	US LEC's technology is less than 3 years old. Wholesale remediation or replacement is not expected. Compliance will be achieved through normal upgrade paths.	None.
Lab certification of telecommunications equipment	100% Dec. 1998	None.	None.
Upgrade of the last remaining Information Systems component	0% Aug. 1999	Compliant upgrade will not be available from the vendor until August 1999.	None.
Final testing of all integrated internal systems	0% Aug. 1999	See previously task.	Full integrated testing cannot be completed until the last compliant upgrade is available from a specific vendor in August 1999.

3. What is the status of the inventory phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified. *The inventory phase has been complete since November 1998. This inventory is updated monthly by the Y2K auditor. No specific problems with this phase have been identified.*
4. What is the status of the assessment phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified. *The assessment phase has been complete since November 1998. This assessment is updated monthly by the Y2K auditor. No specific problems with this phase have been identified.*
5. Which of your company's hardware and software systems, such as billing, administrative, customer service, infrastructure, and operational support systems, do you consider critical? For each such system, what functions (in whole or part) are done via mainframe computers and which functions electronically interface with PC-based computers? How are these systems being remediated and tested? What problems have been identified that require additional work to make them Year 2000 compliant?

Please report estimated completion dates for each problem identified. *The billing, customer care, and network monitoring systems have been identified as critical systems. Each of these systems operates in either a Sun or Hewlett-Packard UNIX environment with client PCs or workstations. These systems are being tested as part of the internal information systems testing as described in response to question 2. The testing is broken into five phases: (1) NT servers, routers, hubs, desktop PCs, and all the related software including Officeware – this testing was completed with no failures noted on November 14, 1998; (2) UNIX operating environment and proprietary traffic management systems – this testing was completed with no failures noted on March 22, 1999; (3) Financial software – to be completed by April 5, 1999; (4) Mediation systems – to be completed by July 1, 1999; (5) Billing system and fully integrated testing of all previously tested systems – to be completed by September 15, 1999. The billing system's compliant upgrade from the manufacturer will not be available until August 1999.*

6. What is the status of the remediation, or renovation, phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified. *No remediation, other than through normal, scheduled upgrade paths, is planned. The final upgrade, the billing system, is discussed in response to the previous question.*
7. What is the status of the testing (both unit and system) phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified. What tests are being done or will be done on network elements and customer-affecting systems? Please describe your company's testing process, including its approach and steps. *See the response to question five.*
8. Please describe your company's plans to address interoperability issues with other domestic carriers, such as, LEC's, IXC's, ALEC's, CAP's and wireless providers, and with interconnected networks and outside systems. Please describe the status of such plans and related discussions, including percentage of completion. *US LEC monitors the Y2K compliance status of its facilities vendors and trading partners monthly. US LEC's network is sufficiently diverse to withstand the failure of one or more facilities of the providers to its network unless the failure were to involve the ILEC in any market. The failure of an ILEC to be Y2K compliant would likely have significant effects on US LEC's ability to serve that market. The contingency plan (currently 50 % complete with completion expected before mid-1999) details what steps are to be taken in the event of a failure of a facilities provider. We caution however that US LEC's network, as is every telecommunications provider, is not generally diverse for the "last mile" of service. US LEC's contingency plan cannot address effectively the failure of the ILEC last mile provider. We further caution that US LEC, as is every other telecommunications provider, is highly dependent on the public switched network, which involves a myriad of participants in the completion of various types of calls and over which, US LEC has no control, and consequently, with respect to which, US LEC can offer no comfort.*
9. What network interoperability testing has your company conducted or will your company conduct? Is your company working with ATIS and NRIC to perform network interoperability tests? Please report the following concerning such testing: (1) the percentage of this phase completed and expected full completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified. *US LEC owns and operates the Lucent 5ESS switch in twelve markets, which service a multitude of customers on a twenty-four hour, seven days per week basis. In order to conduct full interoperability testing, it would necessary to disrupt service to its customers. US LEC's interoperability information is derived from the Lucent Technologies research facility. We caution that US LEC's network, as is every telecommunications provider, is not generally diverse for the "last mile" of service. We further caution that US LEC, as is every other telecommunications provider, is highly dependent on the public switched network, which involves a myriad of*

participants in the completion of various types of calls and over which, US LEC has no control, and consequently, with respect to which, US LEC can offer no comfort.

10. What is your company doing to avoid network failures that could arise due to non-compliant network providers? What safeguards have been taken? What communications channels have been opened with other network providers? *See the response to question nine.*
11. Please describe your company's efforts to work with suppliers of your company's critical hardware and software systems to ensure that each supplier's equipment is Year 2000 compliant. Have you inventoried supplier and third party products? Have you established compliance standards? What tests (unit and system) remain to be completed to verify that suppliers' products are Year 2000 compliant, and when will they be completed? Please describe any contingency plans your company has developed to address the situation where a supplier's product is found to be non-compliant. *The audit process on all systems, third party products, and vendors is reviewed monthly. The compliance standards for US LEC are that a system will handle any and all dates in the future, using a four-digit year field. See previous answers regarding internal testing. Vendor non-compliance or suspected non-compliance will be remedied by replacement of the suspect system(s).*
12. What efforts is your company making to contact and educate critical customers to ensure that their telecommunications services and customer premises equipment (CPE) are Year 2000 compliant? What tests are being conducted or can be conducted by a customer to test its equipment? *The customer premise equipment provided by US LEC to its customers does not contain an internal clock mechanism and is, therefore, not an area for concern.*
13. What communications channels has your company established with the Department of Emergency Services' Emergency Operations Center? With other industries/companies that depend on your company's services? *The contact information for Emergency Operations is in the US LEC disaster recovery plan, which is the core of US LEC's contingency plans. US LEC discusses Y2K related concerns and preparedness with any customer requesting it. To date, based on the number of request received from US LEC customers, they are taking the initiative with their own Y2K projects.*
14. Please describe your company's contingency or disaster recovery plans for Year 2000 related network problems and the status of such plans. If such plans are still being developed, please report the expected completion date. If such plans are complete, please bring a copy to the workshop. If such plans are not yet complete, please submit a copy to this Commission's Division of Communications prior to July 1, 1999. *The contingency plan (currently 50 % complete with completion expected before mid-1999) details what steps are to be taken in the event of a failure of a facilities provider.*