

ORIGINAL

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Sent: Wednesday, September 15, 2004 1:34 PM
To: Filings@psc.state.fl.us
Cc: Fatool, Vicki; Linda Hobbs; Nancy Sims; Slaughter, Brenda ; Holland, Robyn P; Bixler, Micheale; Culpepper, Robert
Subject: Florida Docket No. 031072-TL
Importance: High

- A. Debbie Smith
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 c/o Nancy Sims
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- B. Docket No. 031072-TL: In Re: Petition of CLEC Coalition AT&T Communications of the Southern States, LLC, DIECA Communications, Inc., d/b/a Covad Communications Company, ITC^DeltaCom Communications, Inc., MCImetro Access Transmission Services, LLC, and MCI WorldCom Communications, Inc., for Development of a Process to Evaluate BellSouth Telecommunications, Inc.'s Compliance with the 50/50 plan, a portion of the Change Management Process
- C. BellSouth Telecommunications, Inc.
 on behalf of Robert A. Culpepper
- D. 11 pages total in PDF format
 9 pages total (WORD - in lieu of disk)
- E. BellSouth Telecommunications, Inc.'s Response to CLEC Coalitions' Comments on PwC's Final Report on BellSouth's Unit Sizing and Actual Unit Reporting Processes

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<<BellSouth's Response to CLEC Coalitions' Comments>>

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September 15, 2004

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **Docket No. 031072-TL (50/50 plan)**

Dear Ms. Bayó:

Enclosed is BellSouth Telecommunications, Inc.'s Response to CLEC Coalitions' Comments on PwC's Final Report on BellSouth's Unit Sizing and Actual Unit Reporting Processes, which we ask that you file in the referenced docket..

Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,



Robert A. Culpepper

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

DOCUMENT NUMBER-DATE

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**CERTIFICATE OF SERVICE
DOCKET NO. 031072-TL**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and First Class U.S. Mail this 15th day of September, 2004 to the following:

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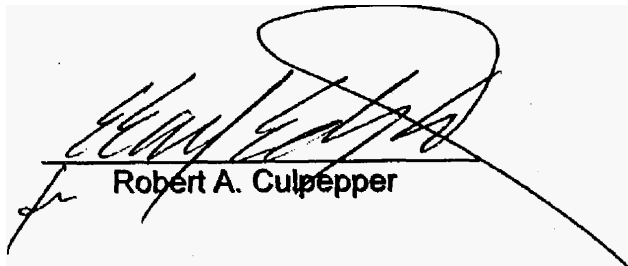
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Robert A. Culpepper

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of CLEC Coalition [AT&T)	
Communications of the Southern States, LLC,)	
DIECA Communications, Inc., d/b/a Covad)	Docket No. 031072-TL
Communications Company, ITC^DeltaCom)	
Communications, Inc., MCImetro Access)	
Transmission Services, LLC, and MCI WorldCom)	Filed: September 15, 2004
Communications, Inc., for Development of a)	
Process to evaluate BellSouth Telecommunications,)	
Inc.'s Compliance with the 50/50 plan, a portion)	
of the Change Management Process.)	

**BELLSOUTH'S RESPONSE TO CLEC COALITIONS'
 COMMENTS ON PwC's FINAL REPORT ON BELLSOUTH'S
 UNIT SIZING AND ACTUAL UNIT REPORTING PROCESSES**

BellSouth Telecommunications, Inc. ("BellSouth") herewith files its response to the Comments filed by the CLEC Coalition¹ on September 1, 2004, regarding the Final Report prepared by Price Waterhouse Coopers ("PwC") and submitted by BellSouth on July 15, 2004. In its Comments, the CLEC Coalition requests for the Florida Public Service Commission ("Commission") to require BellSouth to address and remedy certain items listed in Attachments B and C of the Final Report. In response thereto, BellSouth submits the following:

¹CLEC Coalition is comprised of AT&T Communications of the Southern States, LLC, DIECA Communications, Inc., d/b/a Covad Communications Company, ITC^Deltacom Communications, Inc., MCImetro Access Transmission Services, LLC, and MCI WorldCom Communications, Inc, and Network Telephone Corporation.

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BellSouth's Response to Certain Items in Attachment B to Final Report

The items in Attachment B that were identified by the CLEC Coalition are set forth below and are followed by BellSouth's comments on each such item.

2. *During our assessment of the first quarter 2004, PwC selected all maintenance CRs for analysis. PwC identified five maintenance items that were CLEC impacting and should have been categorized as Type IV or VI. The five items represented a total of 1.87 units.*

BellSouth's Response: These five reclassifications represented 1.87 units out of 494.6 units, which is 0.4%. This is an extremely small percentage, which clearly shows improvement over the 2003 year-end report. This is a training opportunity. BellSouth has made a concerted effort to train employees on the proper category assignments.

3. *BellSouth compares time reported by Telcordia for Appendix I features to the amounts invoiced and to final estimates received to ensure that actual hours reported by vendors are accurate. However, BellSouth did not compare defect hours reported by Telcordia for Appendix I to final estimates received for the first quarter 2004. Additionally, BellSouth did not compare feature and defect hours reported by Accenture for Appendix I to final estimates received for the first quarter 2004.*

BellSouth's Response: BellSouth completed the comparison of all vendor hours reported for Appendix I to the final estimates after the 1Q04 Appendix I publication. Future comparisons will be completed prior to the production of Appendix I.

4. *BellSouth utilizes the Harvest application to document an audit trail of the category assessments for features and defects, including an analysis of the CLEC impact. PwC noted that for 58% of features and defects implemented in the first quarter 2004, BellSouth did not provide a full explanation of the CLEC impact and its impact on the category assignment.*

BellSouth's Response: This is also a training opportunity. It is a new requirement to include documentation of the CLEC-impact assessment in Harvest. Within BellSouth's continued training, CLEC impacts and category assignments are being covered to ensure appropriate understanding and documentation in Harvest.

5. *PwC noted the following weaknesses related to Harvest application security:*

- *Gaining access to the BellSouth Harvest application does not require authorization by business unit team leaders prior to individuals obtaining access.*
- *Harvest Security Administrators are not notified of users who have been terminated or changed job positions and should have Harvest access revoked.*
- *There are no periodic reviews of access granted to ensure that existing access is appropriate.*
- *Users can have multiple ID's.*
- *Users are assigned a default password that matches their User ID. The Harvest application does not require that users change their passwords immediately upon initial logon.*

BellSouth's Response: The Harvest Core Team and the vendor Harvest Support Group will review these processes and make further corrections as needed to adhere to the BellSouth Security standards. The vendor has an exit process in place that all managers are required to follow. The only duplicate user ID's are system administrative users who also support Harvest.

The last finding requires a change from the Harvest software vendor. The Harvest CORE Team currently has a formal enhancement request with the vendor to add this feature to the Harvest tool.

BellSouth's Response to Certain Items in Attachment C to Final Report

1. *BellSouth's vendors utilize multiple processes (i.e., not a single consistent process), to generate unit sizing. The majority of Accenture Application Teams utilize modeling techniques and guidelines, however some Accenture Application Teams and Telcordia Teams develop unit sizing estimates based on team members' knowledge and experience with similar features and defects.*

BellSouth's Response: The sizing process that is being utilized by each vendor is consistent within their own organizations and among their internal teams and is used in the most efficient and effective manner for their individual work efforts. These sizing processes produce quality sizing; they are simply different methods.

2. *BellSouth distributes Appendix H, Appendix IA and the Detailed Capacity Report to the Competitive Local Exchange Carriers (CLECs). These documents should reflect BellSouth's initial unit sizing estimates for features and defects. PwC performed initial unit sizing testing procedures for a sample of 104 features and defects. PwC noted that for fourteen CRs, the Appendix H, Appendix IA or the Detailed Capacity Reports did not accurately reflect the BellSouth initial unit sizing estimate. Of the fourteen CRs, the variance reported ranged from .18 units to 166.15 units, with a median value of 1.93 units. In addition, PwC noted the following regarding the third quarter 2003, fourth quarter 2003 and first quarter 2004 Detailed Capacity Reports:*

- *BellSouth could not provide sufficient detail to verify that two maintenance items were accurately included in the Detailed Capacity Report. The two maintenance items represented a total of 0.14 units.*
- *The initial unit sizing estimates for specific features and defects in Releases 16.0 and 17.0 differed between the third quarter 2003, and Detailed Capacity Reports*

for subsequent quarters. The initial unit sizing estimates for specific features and defects should be consistent from quarter to quarter.

- *For twenty-eight Change Requests, BellSouth had inaccurately reported the Final Estimates on the Detailed Capacity Report. Of the twenty-eight CRs, the variances ranged from .07 units to 56.04 units, with a median value of 1.09 units.*

BellSouth's Response: 2.a. Regarding the fourteen Change Requests (CRs) where the initial sizing estimates were not accurately reflected on the reports:

- BellSouth has made corrections to the unit sizing process to ensure that initial unit sizing estimates are being accurately reported (10 CRs reported).
- BellSouth is evaluating whether a clarification is needed to the existing footnote on the Appendix I-A (4 CRs reported).

2.b. Regarding the two maintenance items totaling 0.14 units, as of Release 16.0 reports, defects are now shown on the capacity source documents.

2.c. BellSouth acknowledges that the initial sizing for Releases 16.0 and 17.0 differed from the third quarter 2003 report to the fourth quarter 2003 report. However, BellSouth demonstrated consistency between the fourth quarter 2003 report and the first quarter 2004 report.

2.d. Regarding the twenty-eight Change Requests where the final estimates were not accurately reflected on the reports:

- BellSouth has made corrections to the unit sizing process to ensure that initial unit sizing estimates are being accurately reported (16 CRs reported).

- BellSouth has changed its process to reflect capacity associated with release scope changes with the next sizing phase reported (5 CRs reported).
- BellSouth has implemented an approval signoff process so the correct version of the source document is always be delivered (5 CRs reported).
- Human error contributed to two of the CRs reported, and training has been provided to minimize these occurrences.

3. *PwC noted three instances where the initial unit sizing estimates from various application teams were aggregated inaccurately or incompletely, which resulted in a misstatement of the initial unit sizing. Additionally, there were two instances where BellSouth was unable to provide documentation regarding the initial unit sizing estimates from various application teams to support these initial unit sizing estimates.*

BellSouth's Response: Per the 'inaccurate initial unit sizing estimates', two of the three instances noted were human error; training has occurred. The third case was due to internal teams miscommunication which has been corrected.

Per the 'insufficient supporting documentation', the two cases where no document existed happened before an approved form existed. During that time, the same estimate was used which was developed for the User Requirements since it would best reflect the amount of work. An approved form now exists.

4. *BellSouth's documented methodology requires a Rough Order of Magnitude to be completed for each CLEC change request. However, PwC noted that BellSouth did not complete a Rough Order of Magnitude for one change request.*

BellSouth's Response: Contrary to the CLECs' Coalition comments on p.5 of their document, this only occurred for 1 change request per PwC's Final Report, which involved a CLEC clarification. This has been corrected.

6. *In the BellSouth Change Control Process (CCP) Guide, Appendix IA section, PwC noted that the estimated release capacity for the Type IIs (flow-through), IVs, and Vs fields will be summed from the individual feature sizing information provided in Appendix H, thereby indicating that an Appendix H form will be completed for Type II (flow-through) Change Requests. However, in the Change Control Process (CCP) Guide, Appendix H section, PwC noted that Appendix H forms are only created for Features with a CCP Type of IV (BST Initiated) or V (CLEC Initiated). PwC noted that it is BellSouth's practice to only complete an Appendix H form for Type IV and V Change Requests.*

BellSouth's Response: In the December 2002 CCP meeting, the CLECs agreed to eliminate Flow-through Type 2s Change Requests and to reclassify them as either Type IV or V. BellSouth will be initiating a correction to update the Appendix I-A section of the CCP Guide.

7. *BellSouth utilizes a standard form for initial unit sizing estimates. For nine defects, BellSouth was unable to provide the initial unit sizing estimate sizing forms.*

BellSouth's Response: Of the nine cases noted:

- In 4 cases no estimates were prepared because the defect was in the Project Charter or a project replan and no estimate was prepared at the time the defects were implemented. Starting with Release 17.0, an estimated unit size is prepared for defects listed in the Project Charter.
- In 1 case the defect was not given an estimate based on the fact that the defect was a flow through item and managed outside the Appendix I process.

- In 4 cases the defects were not on the estimate form but did have a documented estimate.

8. *BellSouth has not completed root cause analysis nor provided to management an explanation for variances where total units have increased or decreased greater than 25% for the quarter ended March 31, 2004. PwC noted that root cause analysis was not completed for features and defects that exceeded the variance threshold.*


BellSouth's Response: The issue concerns cases where the difference between the final reported hours exceed the initial or final estimates by more than 25%. Such an analysis would be too late in the development cycle to correct unexpected changes in scope or technical direction. BellSouth does conduct reviews of all features at the end of the User Requirements and System Requirements phases of the development cycle. During these reviews a detailed analysis is conducted for any feature where the estimate has grown by 20% or more from the previous cycle. BellSouth believes that this process allows us to better control the growth of features.

CONCLUSION

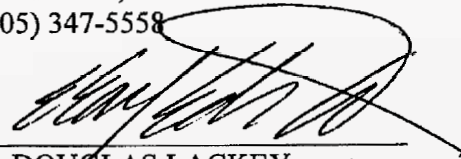
BellSouth agrees with the CLECs' observation that PwC's Final Report is a "comprehensive report" (p.2). BellSouth continues to go above and beyond the Commission's requirements by utilizing consistently more than 50% of its post-mandatory, standards and defects capacity for CLECs' Change Requests.

Respectfully submitted this 15th day of September 2004.

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