

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.  
(BELLSOUTH TRACK)

DOCKET NO. 000121A-TP  
ORDER NO. PSC-02-1094-PAA-TP  
ISSUED: August 9, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman  
J. TERRY DEASON  
BRAULIO L. BAEZ  
MICHAEL A. PALECKI  
RUDOLPH "RUDY" BRADLEY

NOTICE OF PROPOSED AGENCY ACTION  
ORDER IMPLEMENTING CHANGE REQUEST METRICS AND  
REVISING DUE DATE FOR TIER 1 AND TIER 2 PAYMENTS

BY THE COMMISSION:

BACKGROUND

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

We opened Docket No. 000121-TP to develop permanent performance metrics for the ongoing evaluation of operations support systems (OSS) provided for alternative local exchange carriers' (ALECs) use by incumbent local exchange carriers (ILECs). Associated with the performance metrics is a monitoring and enforcement program that is to ensure that ALECs receive nondiscriminatory access to the ILEC's OSS. Performance monitoring is necessary to ensure that ILECs are meeting their obligation to provide unbundled access, interconnection and resale to ALECs in a

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nondiscriminatory manner. Additionally, it establishes a standard against which ALECs and this Commission can measure performance over time to detect and correct any degradation of service provided to ALECs.

Docket No. 000121-TP consists of three phases. Phase I began with workshops conducted by our staff with members of the ALEC and ILEC communities. These workshops were held on March 30, 2000, August 8, 2000, and December 13, 2000. The purpose of Phase I was to determine and resolve any policy and legal issues in this matter. Phase II involved establishing permanent metrics for BellSouth Telecommunications, Inc. (BellSouth), including a specific monitoring and enforcement program. With the completion of Phase II, we are beginning Phase III of this docket, which entails the establishment of performance metrics and a performance monitoring and evaluation program for the other Florida ILECs.

By Order No. PSC-01-1819-FOF-TP, issued September 10, 2001, (Final Order), we established permanent performance measures and benchmarks as well as a voluntary self-executing enforcement mechanism (Performance Assessment Plan) for BellSouth. By Order No. PSC-02-0187-FOF-TP, issued February 12, 2002, as amended by Order No. PSC-01-0187A-FOF-TP, issued March 13, 2002, BellSouth's Performance Assessment Plan was approved.

By Order No. PSC-02-0503-PCO-TP, issued April 11, 2002, Docket No. 000121-TP was divided into three sub-dockets: (1) 000121A-TP, in which filings directed toward the BellSouth track would be placed; (2) 000121B-TP, in which filings directed toward the Sprint track would be placed; and (3) 000121C-TP, in which filings directed toward the Verizon track would be placed.

By Order No. PSC-02-0989-PAA-TP, issued July 22, 2002, BellSouth was required to file a specific action plan designed to improve flow-through and adjust the Self Effectuating Enforcement Mechanism (SEEM) for the flow-through metric by July 30, 2002, for the August 2002 results. Additionally, BellSouth was ordered to establish defect correction metrics to be effective August 1, 2002 as part of the Service Quality Measures in Docket No. 000121A-TP.

### JURISDICTION

We are vested with jurisdiction over this matter pursuant to Sections 364.01(3) and (4)(g), Florida Statutes. Pursuant to Section 364.01(3), Florida Statutes, the Florida legislature has found that regulatory oversight is necessary for the development of fair and effective competition in the telecommunications industry. To that end, Section 364.01(4)(g), Florida Statutes, provides, in part, that we shall exercise our exclusive jurisdiction to ensure that all providers of telecommunications service are treated fairly by preventing anticompetitive behavior. Furthermore, it is noted that the FCC has encouraged the states to implement performance metrics and oversight for purposes of evaluating the status of competition under the Telecommunications Act of 1996.

### CHANGE REQUESTS

A BellSouth-stated objective in the Change Control Process (CCP) document is "[t]imely and effective implementation of feature and defect change requests." However, timely implementation of change requests remains an issue in the Change Control Process.

There is no required time frame for the implementation of ALEC-initiated (Type 5) change requests. As of June 28, 2002, the backlog of new feature change requests had reached 65. The backlog includes new features requested by ALECs, features requested by internal BellSouth organizations (Type 4), and those ordered by various regulatory mandates (Type 2).

#### ALEC Comments

In the OSS commercial experience workshop, ALECs contended that BellSouth takes too long to implement ALEC-initiated (Type 5) change requests. ALECs have also pointed out that, as of February 2002, BellSouth implemented its own change requests within an average of 60 days while taking an average of 164 days to implement ALEC-initiated change requests. WorldCom noted that in other states no backlog of change requests exists at Verizon. Further, WorldCom stated that Verizon implemented over 170 ALEC-initiated change requests during the same three-year period in which BellSouth implemented only 32.

BellSouth Comments

In recent submissions to the Georgia PSC, BellSouth argues that a mandatory 60-week implementation cycle for prioritized change requests would require that BellSouth commit unlimited resource capacity to meet an infinite (yet undetermined) amount of demand (i.e., number of ALEC-initiated change requests) merely upon the request of ALECs to implement these features. BellSouth said that it fears hundreds of ALECs could make requests for new features. Further, BellSouth contends that there is no limit to the number of CLECs that participate in CCP and there is no limit to the number of change requests any ALEC may make of BellSouth. Further, BellSouth argues that no company has unlimited resources, and no ILEC, to BellSouth's knowledge, is subject to a Change Control Process by which ALECs determine the level of OSS investment that the incumbent must make.

CHANGE REQUEST METRICS

To compete, especially beyond the footprint of any one ILEC, ALECs need similar functionalities for pre-ordering, ordering, billing, repair and maintenance systems. A case in point is Parsed Customer Service Records, which was effectuated by all other RBOCs well before BellSouth made it available under mandate from the Florida and Georgia Commissions. We note that BellSouth actively resisted implementation of Parsed Customer Service Records, an ALEC-initiated change request, for reasons of cost for over two years.

We observe that at least 19 ALEC-initiated change requests within the backlog were filed two to three years ago. None of those requests has been rejected by BellSouth for cost or technical reasons. We consider that lag to be an unreasonable delay for ALECs wishing to proceed with marketing plans and/or achieve efficiencies that are used in other ILEC territories.

Under these metrics, BellSouth retains the ability to reject an ALEC-initiated change request for reasons stated within the CCP document. There are three stated reasons for rejection: cost, industry direction, and technical feasibility. The latter two reasons are technically based and are typically easily resolved in discussion between ALEC and BellSouth technical experts. The first reason, cost, is quite subjective and can be used by BellSouth to

reject any ALEC-initiated change request. BellSouth can still control ALEC-initiated demands for new software features by using the stated reason of cost. However, we note that, according to the CCP document, BellSouth must provide ALECs its rationale for decisions made on a cost basis, and that decision is appealable. Rejections are appealable both through escalations within BellSouth and through filing a complaint with a regulatory body.

These additional metrics are needed to address timeliness concerns. Because of the current CCP backlog a 60-week implementation benchmark is necessary to ensure timely adoption of change requests. Measuring the percent change request rejected and the percent rejected within 10 days provides information regarding BellSouth's acceptance of ALEC input and timeliness of its action.

BellSouth shall implement the metric Percent of Change Requests Implemented Within 60 Weeks of Prioritization (Attachment 1). Additionally, BellSouth shall file a specific action plan on August 30, 2002, on how it proposes to accomplish the stated benchmark. Further, BellSouth shall be ordered to establish two additional metrics: Percent Change Requests Rejected and Percent of Change Requests Accepted or Rejected Within 10 Business Days (Attachments 2 and 3).

#### DUE DATE FOR TIER 1 AND TIER 2 PAYMENTS

There is an internal conflict between BellSouth's Service Quality Measurement Plan and the SEEM Administrative Plan regarding the due date of Tier 1 and Tier 2 payments for failure to meet the prescribed performance standards.

As stated currently in Section 4.4.1 of the SEEM Administrative Plan, payments are due "by the end of the second month following the month for which disparate treatment was detected." We find that the due date shall be changed to the 15<sup>th</sup> day of the month to coincide with the payment due date cited in BellSouth's Service Quality Measurement Plan.

In addition to resolving the internal inconsistency, changing the payment due date to the 15<sup>th</sup> of the month would coincide with the date payments are made under BellSouth's SEEM plan in effect for Georgia, Kentucky, and Louisiana. This would provide BellSouth

with a more efficient way of administering and monitoring its SEEM plan in all four states.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that effective September 1, 2002, BellSouth Telecommunications, Inc. shall implement the metric entitled *Percent of Change Requests Implemented Within 60 weeks of Prioritization*, described in Attachment 1, which is attached hereto and incorporated herein by reference. It is further

ORDERED that BellSouth Telecommunications, Inc. shall file a specific action plan by August 30, 2002, on how it proposes to accomplish the metrics established by this Order. It is further

ORDERED that effective September 1, 2002, BellSouth Telecommunications, Inc. shall implement the metric entitled *Percent Change Requests Rejected*, described in Attachment 2, which is attached hereto and incorporated herein by reference. It is further

ORDERED that effective September 1, 2002, BellSouth Telecommunications, Inc. shall implement the metric entitled *Percent of Change Requests Accepted or Rejected Within 10 Business Days*, described in Attachment 3, which is attached hereto and incorporated herein by reference. It is further

ORDERED that BellSouth Telecommunications, Inc. shall revise Section 4.4.1 of the SEEM Administrative Plan to require Tier 1 and Tier 2 payments be made by the 15th day of the second month following the month for which disparate treatment was detected. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth

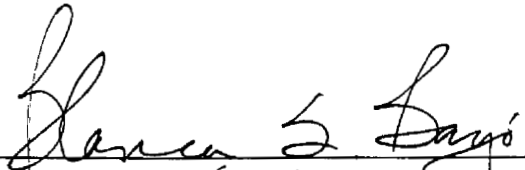
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in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event a protest is filed, the resolution of the protest shall be addressed during the six-month review process. It is further

ORDERED that in the event this Order becomes final, this docket shall remain open.

By ORDER of the Florida Public Service Commission this 9th Day of August, 2002.

  
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BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

( S E A L )

JKF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

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Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 30, 2002.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.



## ATTACHMENT 1

### **Percent of Change Requests Implemented Within 60 Weeks of Prioritization**

#### **Definition**

Measures whether BellSouth provides CLECs timely implementation of prioritized change requests.

#### **Exclusions**

Change requests that are implemented later than 60 weeks with the consent of the CLECs.  
Change Requests for which BellSouth has regulatory authority to exceed the interval.

#### **Business Rules**

This metric is designed to measure BellSouth's performance in implementing prioritized change requests. The clock starts when a change request has been prioritized as described in the Change Control Process. The clock stops when the change request has been implemented by BellSouth and made available to the CLECs. BellSouth will begin reporting this measure with the next release for diagnostic purposes, and will be measured for SEEM purposes 60 weeks from first prioritization meeting following Commission approval of measure.

#### **Calculation**

**Percent of Type 5 CLEC-initiated Change Requests implemented on time =  $(a \div b) \times 100$**

- a = Total number of prioritized Type 5 CLEC initiated Change Request. that are less than or equal to 60 weeks of age from the date of the release prioritization list
- b = Total number of prioritized Type 5 CLEC initiated Change Requests from the date of the release prioritization list

**Percent of Type 4 BellSouth-initiated Change Requests implemented on time =  $(a \div b) \times 100$**

- a = Total number of prioritized Type 4 BellSouth-initiated Change Request. that are less than or equal to 60 weeks of age from the date of the release prioritization list
- b = Total number of prioritized Type 4 BellSouth-initiated Change Requests from the date of the release prioritization list

#### **Report Structure**

- BellSouth Aggregate
- Type 4s implemented
- Type 5s implemented
- % implemented within 16, 32, 48, and 60 weeks

**Data Retained**

Region  
 Report Month  
 Total Implemented, by type  
 Total Implemented within 60 weeks

**SQM Level of Disaggregation - Analog/Benchmark**

| SQM Level of Disaggregation | SQM Analog/Benchmark  |
|-----------------------------|-----------------------|
| • Region                    | • 95% within interval |
| • Type 4s implemented       | • 95% within interval |
| • Type 5s implemented       | • 95% within interval |

**SEEM Measure**

| SEEM Measure |     |
|--------------|-----|
| Tier I       |     |
| Tier II      | Yes |

**SEEM Disaggregation - Analog/Benchmark**

| SEEM Disaggregation | SEEM Analog/Benchmark |
|---------------------|-----------------------|
| • Region            | • 95% within interval |

## ATTACHMENT 2

### **Percent Change Requests Rejected**

#### **Definition**

Measures the percent of Change Requests (other than Type 1 or Type 6 Change Requests) submitted by CLECs that are rejected based on the reasons specified per the Change Control Process within the report period.

#### **Exclusions**

- Change Requests that are cancelled or withdrawn by CLEC before a response from BellSouth is due.

#### **Business Rules**

This metric includes any rejected change requests in the reporting period, regardless of whether received early or late. The metric will be disaggregated by major categories of rejections per the Change Control Process, a copy of which can be found at [http://www.interconnection.bellsouth.com/markets/lec/ccp\\_live/index.html](http://www.interconnection.bellsouth.com/markets/lec/ccp_live/index.html). These reasons are: Cost, Technical Feasibility, and Industry Direction. This metric includes all change requests not subject to above exclusions, not just those received and rejected in the same reporting period.

#### **Calculation**

**Percent Change Requests Rejected =  $(a \div b) \times 100$**

- a = Total number of Change Requests rejected.
- b = Total number of Change Requests submitted within the report period.

#### **Report Structure**

- BellSouth Aggregate
- Cost
- Technical Feasibility
- Industry Direction

#### **Data Retained**

- Report Period
- Requests Rejected
- Total Requests

**SQM Level of Disaggregation - Analog/Benchmark**

| SQM Level of Disaggregation      | SQM Analog/Benchmark |
|----------------------------------|----------------------|
| • Region                         | • Diagnostic         |
| • Reason – Cost                  |                      |
| • Reason – Technical Feasibility |                      |
| • Reason – Industry Direction    |                      |

**SEEM Measure**

| SEEM Measure |         |
|--------------|---------|
| No           | Tier I  |
|              | Tier II |

**SEEM Disaggregation - Analog/Benchmark**

| SEEM Disaggregation | SEEM Analog/Benchmark |
|---------------------|-----------------------|
| • Not Applicable    | • Not Applicable      |

### ATTACHMENT 3

## Percent of Change Requests Accepted or Rejected Within 10 days

### Definition

Measures the percent of Change Requests (other than Type 1 or Type 6 Change Requests) submitted by CLECs that are Accepted or Rejected by BellSouth in 10 business days within the report period.

### Exclusions

- Change Requests that are canceled or withdrawn before a response from BellSouth is due.

### Business Rules

The Acceptance/Rejection interval starts when the acknowledgment is due to the CLEC per the Change Control Process, a copy of which can be found at [http://www.interconnection.bellsouth.com/markets/lec/ccp\\_live/index.html](http://www.interconnection.bellsouth.com/markets/lec/ccp_live/index.html). The clock ends when BellSouth issues an acceptance or rejection notice to the CLEC. This metric includes all change requests not subject to above exclusions, not just those received and accepted or rejected in the same reporting period.

### Calculation

**Percent of Change Requests Accepted or Rejected within 10 Business Days =  $(a \div b) \times 100$**

- a = Total number of Change Requests accepted or rejected within 10 business days.
- b = Total number of Change Requests submitted in the reporting period.

### Report Structure

- BellSouth Aggregate

### Data Retained

- Report Period
- Requests Accepted or Rejected
- Total Requests

### SQM Level of Disaggregation - Analog/Benchmark

| SQM Level of Disaggregation | SQM Analog/Benchmark  |
|-----------------------------|-----------------------|
| • Region                    | • 95% within interval |

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**SEEM Measure**

| SEEM Measure |     |
|--------------|-----|
| Tier I       |     |
| Tier II      | Yes |

**SEEM Disaggregation - Analog/Benchmark**

| SEEM Disaggregation | SEEM Analog/Benchmark |
|---------------------|-----------------------|
| • Region            | • 95% within interval |