BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of	**UNDOCKETED**
Status of operational support systems.	

VOLUME 1

Pages 1 through 211

PROCEEDINGS:	**WORKSHOP**
BEFORE:	CHAIRMAN JOE GARCIA COMMISSIONER J. TERRY DEASON COMMISSIONER SUSAN F. CLARK COMMISSIONER JULIA L. JOHNSON COMMISSIONER E. LEON JACOBS, JR.
DATE:	**Wednesday, May 5, 1999**
TIME:	Commenced at 9:30 a.m.
PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	H. RUTHE POTAMI, CSR, RPR KIMBERLY K. BERENS, CSR, RPR FPSC Commission Reporters

IN ATTENDANCE:

BETH KEATING, FPSC Division of Legal Services

WILLIAM STACY, BellSouth Telecommunications

JERRY HOLLAND, GTE, Florida

JOHN FELZ, Sprint

JAY BRADBURY and **SHARON NORRIS**, AT&T Communications of the Southern States

BRYAN GREEN, MCI WorldCom

CAROL BENTLEY, Supra

CATHY LEO and **ANDREA K. WELCH**, TCCF

JEFF ROADERICK, SEACLEC

VICKI GORDON KAUFMAN and **JOE GILLAN**, Florida Competitive Carriers Association

STEVE MINNIG, KPMG, LLP

CHARLIE McGUFFEE, NOW Communications

PETER DELATOUR, WORLDLINK, Long Distance Corp.

STEPHEN D. KLEIN, American Dial Tone

JIM BOYER and **JOHN RUJA**, Telcordia.

SUZANNE SUMMERLIN, SEACLEC

I N D E X

MISCELLANEOUS

P R O C E E D I N G S

(Workshop convened at 9:30 a.m.)

CHAIRMAN GARCIA: Good morning. We are going to spend the next two days going through -- over OSS. And I wanted to read something I had written for me, but I can't find it.

And the purpose of this is to help us understand some of the issues here, and in a nonlegal format, so that we can see the functioning of the system, understand the parameters, and it will help us get a better understanding of what's happened throughout this process.

I remind the participants to refrain from discussing any of the complaints that are in cases before us. There are a few issues that are before us, so I would like you to -- I need you to avoid that.

I also ask, Beth, if we're running a little bit ahead on some of these presentations, if we could have -- maybe the FCCA organize it for us -- but ask two or three questions at the close of the distinct sections for the interests that may be involved. You know, there is a need -- we've had so much before us that -- and these presentations tend to run a little bit long. It will help us focus in on what you have concerns with. So if you could direct yourself to

that person, we can prioritize two or three questions if we're running ahead. If we're not, we're not going to get to them. But I'd appreciate if the ALECs work that way.

And I want to make sure that you know that tomorrow we're starting at 9:00 a.m. So we can get going, and that is about it.

Commissioners, does anyone have any questions or anything they want to -- all right. With that, we will begin. I assume you all have the schedule that's before us. And that's it.

Beth?

MS. KEATING: Our first presentation is by BellSouth, and the presenter is William Stacy.

MR. STACY: Good morning, Commissioners. I'm Bill Stacy. I'm presenting for BellSouth.

Let me cue you as we go. The large blue binder that you have in front of you that looks like this, has each of the slides that I'm going to be talking from this morning; because even at the distance you all are sitting, some of the text is small from the computer fonts. And the sheet at the very front of the right-hand side of the binder is the index that flows through the slides that shows how they're being used, mostly for reference after we

finish today to help you go back to the presentation, if you've got a question, and see what was being talked about. (Indicating)

What I'm going to do first thing this morning is spend just a few minutes making sure that we're talking about a common background. It's been some time since we've had an overview of OSS here and making sure that as we talk for the next two days, we're talking about the same systems and the same processes and referring to them in the same way.

So there's fifteen minutes or so worth of background material here. And then I'm going to take you through the first section, which is new service establishment, how BellSouth does it for its retail units and how we enable the CLECs to do it; and then we'll go on to the different portions, as the day permits.

Ron, let's go ahead and talk about background.

First, in terms of background, we're talking about operational support systems. That's the definition we're working from. It's the systems and the information, as we understand what the FCC is requiring, as of the Louisiana II order, which was the last official order that they distributed.

We're compelled to produce an integratable access to those system functions and access to the information those systems contain. The key word there is one that doesn't exist in the dictionary. It's "integratable," and there is a difference in the interpretation of that. You'll hear more about that as we go on.

They've also said these three key terms that you've heard many times now for nondiscriminatory access; for resale, substantially the same time and manner; for unbundled network elements, terms and conditions that allow an efficient competitor a meaningful opportunity to compete; and for facility-based CLECs, interconnection equal in quality. And you'll hear more about that as we go, particularly in the question of performance measurements and how you measure that with regard to the OSSs.

What we're going to talk about this morning specifically are groups of systems. For BellSouth, our residence system --

COMMISSIONER JOHNSON: Could we go back --

MR. STACY: -- the regional negotiation system --

COMMISSIONER JOHNSON: Excuse me, sir.

MR. STACY: Yes, ma'am.

COMMISSIONER JOHNSON: Going back to the diagram before. The bullets that you have, these are the -- this is how they've defined nondiscriminatory access?

MR. STACY: That -- beginning with the Ameritech order, nondiscriminatory access has those legal, if somewhat nebulous, definitions around it.

COMMISSIONER JOHNSON: Okay.

MR. STACY: And they've been consistent since the Ameritech order. It's saying there were somewhat different standards for resale and UNEs and for facility-based CLECs.

COMMISSIONER JOHNSON: So this --

MR. STACY: Not spelled out in the Act in exactly those terms, but from Ameritech forward, those words have been used.

COMMISSIONER JOHNSON: And this is what would guide the Commission or the industry in determining what they need to do?

MR. STACY: Yes. And, for instance -- and there's still industry disagreement about this, obviously. But if BellSouth provides a service for resale that it also sells, this is a pretty clear standard that can be tested: Are we putting it in

roughly the same time frames, and do they have access to the same data.

It's somewhat different for UNEs, because obviously BellSouth does not provide those to itself in the case of its retail operations. So there's a different view of what the standard is. And then for those people that do not use BellSouth's network but merely seek to interconnect with us, a third view.

COMMISSIONER JOHNSON: Okay. Thank you.

MR. STACY: The specific systems you'll hear me talk about many times in the next hour or so: Our residence system, which is used throughout the company for residential customers who call in and ask for service requests; it's abbreviated RNS, the regional negotiation system; the system we use in half of our states, including Florida, for small business customers, the direct order entry system; and then we'll spend just a few moments talking about the complex business processes where many of those processes are manual in nature and do not use a system in the initial placement of the order or in processing the order until a lot of work has already been done.

Then for the CLECs we're going to focus on a system that you've heard very little about in Florida because of the time it was introduced. Beginning in

August of last year and completing in November, a new machine-to-machine interface, abbreviated "TAG," the telecommunications applications gateway, was built and launched into production by BellSouth.

It complements the electronic data interchange system and the LENS system by providing the integratable system that the FCC believed was required by the law. There was a considerable argument about whether these systems could be integrated or not or whether they were capable of being integrated.

That argument is now resolved, we believe, by the commercial production of the system called TAG.

COMMISSIONER JOHNSON: And could you say -- that stands for telecommunications --

MR. STACY: Access gateway.

COMMISSIONER JOHNSON: And that was designed in response to the FCC's --

MR. STACY: It was designed in response to the FCC, but it was actually designed in response to a group of our middle market customers, CLEC customers, who wanted a different interface.

It turned out that the two desires intersected. But we started the design long before Louisiana -- the Louisiana II order came out, because

we had a group of mid-size CLECs who wanted an interface that did these things.

Okay, Ron.

This is a picture you will see variations on many times today, and we'll use it sort of as a common basis for discussing the systems. There are a group of systems that legitimately belong to BellSouth's retail units or to the CLECs' marketing units. And I call them on this side "Marketing and Sales Support Systems," the left side of the jagged line. (Indicating)

They're a group of ordering and preordering systems that are BellSouth LEGACY systems that we'll talk about that allow the CLECs access to specific functions or allow them to place their orders. But in terms of comparison, you'll see comparisons taken generally from right at this firewall, or the jagged line here, that says when we allow the CLECs to do something or allow BellSouth's retail units to do something, here is what it looks like.

So most of the views you're going to see this morning are taken looking into this firewall; what kind of data does the CLEC have access to; what kind of data does BellSouth have access to; how does the CLEC place an order; how does BellSouth place an

order.

Specifically, BellSouth's consumer retail system, the regional negotiations system -- and the dotted line here is in the same place as the jagged line on the previous slide -- has access to preordering information. They can look at the customer's record; they can validate an address for a new order; obtain and reserve telephone numbers; find out whether due dates are available.

There are accesses to different versions of that same data here in another form. And they can place an order. So when we talk about the regional negotiation system -- and we're going to go through this as a demonstration in a moment -- we're talking about a system that is only used for retail consumer customers, residential customers, and has a set of features and functions. Our duty, as we understand it from the FCC, is to give the CLECs the capability to do that in substantially the same time and manner.

The next system is BellSouth's business system, which you'll hear me call "DOE," direct order entry system. When you have a chance to look at the two slides side by side, you'll find out that this is a very, very different architecture.

Ron, go back to R&S for just a moment,

please.

In the consumer system, the consumer service rep sits at this point talking to the customer and working in an English language version of the order that you'll see in just a few minutes. The actual creation of the service order in a mechanized process is hidden here in two boxes called "FUEL" and "SOLAR," That are mechanized order generators.

In the business system on the following slide, there's no comparable function. What you'll see when we look at the screen shots from this system is that data entry in this system and service order generation depends on a single service rep's expertise. They have to have literally memorized thousands of pieces of data, been trained extensively, and they create the service order manually sitting there looking at the system.

This is nothing more than an order entry manager. It provides no significant intelligence to help the rep with the order. It does let them look up a few things, and you'll see that.

In the regional system, the rep doesn't have to know anything except click and point. If I want a residence line, there's an English language line that says that. I don't need to know anything about what

the ordering codes look like underneath that.

In this system you'll see the rep has to type everything. They type every ordering code, every validation, every point of entry.

COMMISSIONER JACOBS: That's suggests a different level of training and expertise for these reps. Do they rely on gaining information from the CLECs as well? In other words, are they expecting a certain level of intelligence from the CLEC when they engage this system?

MR. STACY: The CLECs do not actually use this system. They have another method of entry to it, but I'll compare the two for you in a minute.

COMMISSIONER JACOBS: Okay.

MR. STACY: But it does. There is a different, a very different, level of expertise required to place a residence order and a business order and an unbundled network element order; and that's an order of increasing complexity.

Okay, Ron.

Finally, the CLEC systems that I'm going to be talking about -- and we're going to narrow the scope down on this, and I'll tell you how we're going to do that in just a second.

You've heard me talk about TAG earlier. There are two other names for that that you'll see in the literature and in various points of our filing. The industry name for that interface is a CORBA interface, and that's a particular type of electronic architecture. You don't need to know the details of it, although I have some folks that will discuss it at great length if you want to.

But this -- and I'll show you on the subsequent slide -- is TAG. There are two industry standards approved now for preordering. There is a CORBA standard and a standard called "interactive agent." We have fully developed and deployed this one.

We started developing this with a trading partner and have put it on hold, because we only had one trading partner who was interested in it. They asked us to delay the development schedule, and it is on hold. We do have a commitment to complete that development whenever a CLEC comes forward and says they're ready to finish it, but at the moment interactive agent is on hold.

Okay, Ron.

CORBA or TAG has, then, two components; a preordering component to access preordering data and

an ordering component to place orders. It is parallel to the existing standard electronic data interexchange. In BellSouth's case when you hear CORBA or hear TAG or hear EDI and it relates to ordering, there are different mechanical methods of doing exactly the same thing. The capabilities of those interfaces are identical, just different electronic connections, different software to do exactly the same thing.

So what we're going to discuss and focus in on is TAG, because it represents the broadest scope of capabilities. It is the national -- it is one of the two national standards for preordering. It's one of the three national standards for ordering and has the same capabilities on the ordering side as all of the other mechanisms, even though it's different electronically.

I want to make sure you're all okay with what I'm saying here. We've talked about all these before, but EDI and TAG are different software that accomplish exactly the same purposes.

Okay. Ron.

COMMISSIONER JOHNSON: A couple diagrams ago you said CORBA and then -- (microphone off) --

MR. STACY: Yes, ma'am.

COMMISSIONER JOHNSON: I think it's on now. That there were two standards, two industry standards for preordering. That was CORBA and --

MR. STACY: Interactive agent.

COMMISSIONER JOHNSON: Oh. And you just have not implemented the interactive agent because you don't have anyone interested in that right now --

MR. STACY: We had one partner -- Brian will probably talk about it, because it's not a secret. MCI had been pushing us for a year and a half to develop that interface. We had made a commitment to do it when the standard was signed off on and we began development.

Since that time they have asked us to postpone the work on it until sometime in the future. So we got a little bit of work done in the definition, put that work on the shelf, and it's on hold at the moment. And they are the only CLEC, in our region at least, that has shown an interest in developing that interface.

COMMISSIONER JOHNSON: And you stated that CORBA, interactive agency, and EDI, that they all the accomplish the same thing but they just use different software?

MR. STACY: That's right. The data that

they transfer from the CLEC to BellSouth is the same data. It's just done with different kinds of software and in different methods, but the data that's -- the information that moves back and forth is the same information.

COMMISSIONER JOHNSON: Okay. Thank you.

MR. STACY: Okay. Go ahead Ron.

The final thing you'll hear about at the end of my presentation, I have asked, as most of you know, one of our suppliers and vendors to be here with us, and that is Bellcore.

They have implemented an external connection to BellSouth called Exchange Link, and it accomplishes something at the industry level that you need to know is going on because it's an important industry development going forward.

In our case they're connected directly to TAG for preordering and ordering, and they're connected to CLEC clients on the other side. So they're an intermediary between BellSouth and the CLEC clients. The advantage they bring the CLECs is that they are also an intermediary between other ILECs.

Specifically in this case, Sprint has developed an interface on their side, and some other carriers who are underway and not in production yet

and BellSouth and Ameritech are hooked up on this side. So to Sprint it looks like a common interface to both BellSouth and Ameritech, a common point of access.

The other name you will hear applied to this, the more generic name, is a clearinghouse. I was at a conference yesterday, in fact, in south Florida where one of the topics, the panel I spoke on, was to talk about this with the industry and how this might develop in the future providing a process of one CLEC able to get to many ILECs, and you'll see when the Telcordia folks -- Bellcore's newly bestowed name -- talk, the process of allowing multiple CLECs to access each other, which is coming forward very quickly in the industry.

All right. Now, let's go into one last question: Where is LENS? Why am I not talking about it? The reason I'm not going to spend much time on that today is that it's a subset of everything we've got. It was built for simple residence and business resellers. It wasn't built to handle unbundled network elements and hasn't.

It does have the capability for change orders, which we've added back in February, and it's being changed on an electronic basis so that it will

use TAG as its method of accessing our systems in -- at the end of 1999; but it's really a subset, and I'm choosing to talk about the broadest set of capabilities that we offer, which is TAG itself.

Now let's get into the first part of the specific presentation with that background. Let me ask before I do that, are there any other questions on the way the systems connect together, the shape we're going to be talking about before we go into a very specific one?

COMMISSIONER JACOBS: Is it particularly relevant how one gets processed, be it CORBA, TAG, EDI, or interactive agent; is that particularly relevant?

MR. STACY: It is not particularly relevant in terms of the features and functions or results. It is relevant in terms of the software preferences that the two parties have.

COMMISSIONER JACOBS: And who chooses --

MR. STACY: Well, once the national standard gets established, we have a commitment, both in some of our contracts and in our SGAT, to develop a standard interface. Beyond that, it's the choice of the CLEC as to which one of the standards they choose.

COMMISSIONER JACOBS: Okay.

MR. STACY: The first thing we're going to talk about in this section is putting in a new order; And to limit the scope of the subject just to a specific thing, I'm going to talk about a residence order with two features.

What you're going to see is how we access the data in BellSouth's retail services. I'm going to walk through a residence new install, a business new install, a CLEC resale, and then an unbundled network element, so you can see straight down the path what data we use, what data we provide to the CLECs, and which systems they use.

All right. Ron, Chad, let's go ahead.

The first thing we're going to talk about is preordering, and the system we're talking about is our regional negotiation system. I'll go through these very quickly, because there's a lot of detail on these screens you don't -- and if you've got a question, obviously we'll stop, but I'm not going to take a lot of time on the detail unless there is a question.

To obtain preordering information, RNS is set up to begin with a start-up contract screen where they acquire some information about the customer, including the customer's contact name, which we use during the process, and then we drop off to a

shoppers' guide, which is marketing information.

We're building in BellSouth's retail unit here a consumer profile about what we might be able to sell to this consumer. So the first thing we do in our work flow is to drop off and ask the customer questions about how many people in the household; do you use an Internet provider; do you have long distance; how much long distance do you use a month, intraLATA, et cetera, to build a suggestion for the service rep.

The next thing we do on the new order is to find out where the customer lives and to validate it against our systems. You'll see this screen in different forms four times here in the next half hour or so. What we're doing is providing a means for the service rep to query the address validation system, get responses back and forth, and determine if an address is valid or not.

And in the case of the particular address we've used in the example that's in your folder -- go ahead Chad -- we deliberately picked one that brings back multiple choices. The choices come back. The rep has a conversation with the customer about which exact address is correct, exactly where is your house -- I see these multiple addresses -- and then is

able to select one of those multiple addresses and then go ahead and validate it.

And you wind up that process having sent data to our system, gotten data back, sent more data to the system, and validating an address. That address is now sitting in an electronic form in this computer called RNS server ready to be used. And that's part of the integratable function is the ability to retrieve electronic information and, having retrieved it, to hang onto it in the computer so that you can use it; because when we get ready to place an order in just a minute, that same information is going to be plugged into the order, and it needs to be plugged in in exactly the form that's represented on this screen.

All right. The next thing we'll need for a new customer is a telephone number. We're talking to a system called ATLAS, but the rep doesn't need to know that. It wants to know what kind of number you want. There's a couple ways you can do that.

The assumption is made in RNS when a contact starts and the customer says this is a new service, the work flow that BellSouth's retail unit built says, assume that this customer is always going to want a new telephone number.

And while we're working through the address information, as soon as we have a valid address we're going to go out and ask for a telephone number in the background without the rep having to do anything proactive to get it, so that when they get to the telephone number assignment screen a few seconds later, there's a random telephone number, the next available one, already selected there.

There are 100 ways you can design that work flow, and that's one of the things that the CLECs have to decide for themselves is how do I want to sequence this; do I want to talk to them about products and services, my products and services first; do I want to do a shopper's basket; do I want to validate their address first and see what BellSouth has got available in the office.

All of those are independent, and with an integratable system, as long as you have a valid address, that's pretty much the first step everywhere, because I have to know which physical area the customer is located in. The rest of this can be obtained at any time during the process. So we've gotten a new telephone number for this customer and we're ready to move ahead.

The next thing in our work flow is a

question of features and services; what does BellSouth have loaded in the switch that can be sold to this customer. And in this case those features and services are brought back to the screen, and you'll see specifically here they're brought back in English. You'll see a very different presentation when we talk about a business order in just a minute.

The service rep at residence never sees anything other than the English language description of the service. That description comes from the COFFI system in this case, and for business services from a system calls P/SIMS; but it contains an English language description and the codes that you need to build an order for that.

In this case the rep is working in English. He or she never sees the coding. That's hidden down here in the system and completely hidden from them. That's a design question that the CLEC has to answer. They can present the information to their reps in English or they can present it to the reps and require them to enter the coding.

Our business reps, you'll see in a minute, always work in the code directly, because it was too expensive -- in BellSouth's view at least -- to build a business system that did this. On the other hand,

we handle such a high volume of consumer orders that this was the right thing to do.

The training curve that you mentioned earlier, this rep's training is less than a third of a business rep's total training cycle. The business rep's knowledge demanded is a lot more.

Okay. Let's go ahead, Chad.

Another features and services screen. This is just selection of the other feature we looked at a moment go. Go ahead.

And having done that -- new order, address, new telephone number assigned, features and services picked out and discussed with the customer -- we've worked through their market profile, so we're presumably selling them as much as we can sell them because that's one of this rep's primary jobs is to sell -- we're ready to arrive at the due date.

The information for the due date comes from a system called DSAP, and it tells the rep in a calendar form whether or not a due date is available. Pretty obvious here that the dates with the boxes around them are not available. The dates with green on them are available, and the first available date, the 15th in this case when we actually ran these screen shots back in December, the 15th for that

particular exchange was the first available date. So we take some information that comes back in text form and make it fairly easy for this rep to select that.

Business rep does it differently. We'll show you how the CLEC does it, which can be done exactly like this or in a different format; and we'll talk about that in a minute.

Now we're fully ready to actually send the order. And you'll notice we've changed on this slide just to emphasize what's going on. The reps collected all this preordering information up through the due date and has worked with it. They're now ready to send the order off and discuss it with the customer, and they -- that information has been collected together into an order summary screen.

All of that information was generated while the rep was looking at features and services and while they were doing other things, and they still at this point don't see any of the coding required to implement the order, because that's still hidden down here in the two computers called FUEL and SOLAR.

So they walk the customer through the order summary screen, including the pricing as appropriate; verify the address where they're going to deliver the bill; how many directories they're going to get; all

the particular pieces of this order -- go ahead, Chad -- and we're finished with the order, and that customer is done.

Now, let me talk a little bit about process, and then we'll go on to businesses. For a new customer, that entire process that we looked at takes somewhere between 20 and 30 minutes for the entire discussion.

If you've called and ordered new service to a new residence, not an additional service, by the time we do the address validation, do the credit check, work through the shoppers' guide about what services might be appropriate to recommend for you, go back and forth and get the services, do the order negotiation, find out how you want your bill delivered et cetera, that order process takes 25 to 30 minutes on the average for a new customer. Obviously somebody that can answer the questions very quickly does it faster than that -- somebody slower than that --

CHAIRMAN GARCIA: (Comment away from microphone.)

MR. STACY: Why do we ask the long distance question?

CHAIRMAN GARCIA: Oh, here. I just found it.

MR. STACY: Yeah. And that particular long distance question on that screen, that's the revenue question. We're trying to estimate whether we're going to ask for a deposit and, if so, how much, because we're still the billing agent for many of the carriers; and that's one of the things that goes into the credit screen about how big a deposit we would ask for and when. Because if they tell us they're expecting to have $500 a month in long distance calls, which some people do -- and obviously if they lie to us, that's not going to do any good, but that's one of the inputs to the credit screen to determine how good their credit is and how much risk you ought to do and within your all's rules what deposit we ought to ask for.

So that's the driver for that. We know their monthly billing, of course, from the features, but that's the one that's kind of an outlier.

In that process of 25 minutes, the use of the systems by a normal rep is somewhere in the two to three-minute range. The actual time spent querying the system and getting information from it and using it as part of the order, other than the discussion of what am I going to sell you, the actual use of the systems that the CLECs would use and that RNS uses is

in the two to three-minute range. So you've got a lot of 30-second questions or even minute questions that go back and forth between the systems, but then the rep has a screen full of information that they talk about for 10 minutes, particularly at the sales section when they're trying sell you features; because they're going to try to sell you a complete choice to start with, which is our premium package, and if that doesn't work, they're going to try to sell you two or three feature sets, and they're doing the job we pay them to do, which is to sell services.

That's one of the things you need to get in your mind, that the use of the systems is actually a fairly small percentage of the total contact. And that's how we do a residence order for a new service.

Going to go ahead now if there aren't any other questions about that one, walk through a business order, and then the CLECs' versions in the same manner.

COMMISSIONER DEASON: One question on the residential. The selection of a telephone number, does the customer have a choice in that, or is he just given the number that was randomly chosen?

MR. STACY: They do have a choice in that. We make the assumption up front, because it's been

validated just by our process that a lot of the customers don't care, so you give them the random number. But that screen that I showed earlier, while the rep is sitting on it if the customer has some preference, if they want a number, a vanity number that spells out something, or if they don't like the -- there are a lot of astrological groups in south Florida and they don't like a combination of numbers that came up at random.

If the customer has some problem with the number that was assigned, the rep has the flexibility to go back in at that point and ask for another one and to even do exclusions. If somebody wants a number with no sevens in it, there is a way to put the request back into the system and say, give me the numbers that exclude sevens. So there's a great deal of flexibility there, but most of the time the first random number is what we use, so we go ask for it in advance.

COMMISSIONER DEASON: What percentage of customers are satisfied with the first random number?

MR. STACY: In residence, the last time I looked at it, which has been over a year ago now, over 75% took the random number as an assignment, but that varied significantly by state and by area in the

state. Actually, in south Florida it's our worst in terms of asking for custom numbers, and in Mississippi was our best in terms of hardly ever asking for one. But the company average was about 75%. It might be as you expect.

COMMISSIONER DEASON: If the customer says, you know, that number, the random number that comes up, won't do, can they ask for a specific number, or they can just say why it won't do and just to come up with the next one?

MR. STACY: They can ask for a specific number or they can ask for a -- the next random number, and there are -- I'd have to ask the Florida people here, because I get confused about the tariffs between the states. There are some charge -- there are some vanity number charges here for certain vanity numbers, but I always have to go back and look at the tariff. That varies by area.

But just asking for another number or just asking for a random number, the next random number the rep would do without question. If the charge is appropriate, then, you know, there's a tariffed rate that we have filed with you about how to apply it.

COMMISSIONER DEASON: Okay.

MR. STACY: All right. Now let's look at

the business system that accomplishes the same purposes.

We're going to take a 1FB with call forwarding and walk through that, and the system we're going to be talking about -- Brian, go ahead to the system slide -- is direct order entry, or DOE.

You'll see a very, very different presentation of information here, and you've seen parts of this before, at least the Staff has, when they visited in Jacksonville.

Instead of English language, this one is a much older computer system that requires the entry person, the service order entry person that's doing the work, to have a different level of expertise.

First they log into the system, and that's into the security layer that's sort of the outside layer of the computer security. Then they specifically log into the DOE system. And now we're at the order entry scene, not nearly as pretty as the RNS entry screen, because it's all text and it's a lot more complex. But in this case we're going to go forward with the 1FB order that I talked about.

You'll see on here, by the way, that there is a category of service for residence and there's also categories of service for data, for WATS, for

private line voice. The residence system ceased to be used when RNS was developed, but this is the system that both of our units used since about 1985 in Florida until 1991 when RNS was deployed. So this is the backbone system that's been there for a long time. It was replaced for residence, but was never replaced for business.

We're ready to go ahead with this order for business. Having designated that this is a 1FB on the other screen, the next thing we would generally work with with the business is how they want their business name listed. And we filled out a fictitious entry here. But you can see at this point everything that's in black on this screen are entries that the rep is typing from memory or from looking it up in a manual on his or her desk, including the yellow page header code; where does that go in the yellow pages, including the SIC code for the business. RNS is a click and point prompted system that's 100 times easier to use than this. This is more flexible because it lets an expert structure an order as they go along.

We're now going to get a valid address for this system, and it's not quite as simple as it is in RNS. They actually have to drop out of the DOE

process or put it aside for a moment and log into another system called ORION that gives them access to those databases that the residence rep had under a button click. So we're going into ORION, which is an access to RSAG. It's nothing more than a mechanism for getting to this same database. And we're going to do an address validation.

We're using the same address we used before, and in this case I didn't clutter it up with another screen. There's the same capability to go back and forth with the system. If the information you get from the customer isn't complete or accurate, the system will come back and say, I found four addresses that look like that; please tell me which one of those is right; reinput it, revalidate it. But now we've got a valid address.

We go back into the direct order entry system and start finishing the order. And this is the capability that the mainframe adds. The information that we have just captured from RSAG, the address information, is now brought to the right-hand side of the screen, and we're building an order in the coded format that the residence service rep never saw.

In each case, every one of these lines has to be typed, or cut and pasted in the case of the

address, by the service rep that's doing this work. All of these entries -- you saw a couple of them before -- the listing entries, the billing entries that we're putting in now, the telephone number -- or the address that we brought back, all of those entries are being typed by the rep, again, from his or her expertise.

We're going to do a credit check. Again, this is an internal process of ours. This is not available to the CLECs because this is for BellSouth's retail unit doing a credit check of our customer, and is not something that's --

CHAIRMAN GARCIA: With your information.

MR. STACY: With our information to some extent, but for a new customer; in this particular case, this is going to an external credit bureau. So we have a relationship in our particular case with Equifax that does most of the our credit work, and this interexchange is happening between us and Equifax as a commercial customer.

If it was an existing customer, their bill payment history, we would look at that also. You're right.

So we check the credit information. We're doing the same kind of telephone number selection we

did before only in a different manner. We're going to the same system, the telephone number database called ATLAS, but we're asking for a single number. The system is going to respond again with a random number -- but back up one slide Chad. Let me address that question again.

You'll see here the choices I didn't talk about earlier. You can ask for a specific number or a stylist or a vanity number or multiple numbers or a miscellaneous account number. There are a number of choices here about how to get a telephone number that's suitable to a business; same choices we make available to the CLEC, although a couple of these don't apply.

Miscellaneous account number is not a working telephone number, but it's a billing relationship where a person might want three departments to bill -- to get individual bills, but then bill together at the top level on a miscellaneous account. So it's a construct in business that has to do with our ability to bill the customer. The CLECs obviously bill themselves and would build a similar structure, but not using our information. So we've selected a telephone number for this customer -- go ahead --

COMMISSIONER JACOBS: Excuse me. Would an ESSX customer be following this system or would --

MR. STACY: Not -- not at all. In fact -- let's see. I don't have an ESSX example. When the ESSX -- if a new ESSX customer came in and asked for assignment, this process happens eventually, but it happens off line with a manual form input asking for a large block of numbers and is actually processed by the people that maintain this system working at the database level in the computer, not by a service rep.

The service rep would process a form that asked for a block of numbers, but those are generally large blocks of at least several hundred, and that request goes for the CLECs and for us both in a paper format, called a service inquiry, to the group that actually maintains this database, and they do that assignment completely off line from the systems; and then those numbers, of course, are not available to anybody else once they're assigned to a customer.

This case, we brought back a random telephone number and it brought it up for assignment. Yes.

CHAIRMAN GARCIA: What's the LNA phone number?

MR. STACY: I am not reading it.

CHAIRMAN GARCIA: Two lines up.

MR. STACY: Oh; listed name and address, phone number. In this case the address we validated had an existing service with an existing listing on it, which I believe is Nancy's. (Pause)

No? That's not yours? I don't remember which one we used here.

Valid address in 954. But on one of the other -- the address that we validated had a listed phone number on it. It was brought back on one of the earlier screens and just displayed again here. That would give the customer obviously the choice of asking for a 954 in this case if they weren't happy about the overlay area code or -- this is the point where you go back and forth between these two screens and negotiate the number.

Okay, Chad.

Now we're ready to talk about the class of service. Again, it's a little bit different choice than RNS, because the choices are displayed, but the codes have to be either remembered by the rep or entered. In this case we're taking about a 1FB. Don't dial anything. So we're going to put that code in and the rep is going to type that code, and we're ready to go ahead with the rest of the order.

We're now creating an order by putting in the features and services that we need. So we've entered the code 1FB. We know what the telephone number is, and if you had been standing behind the rep to watch them, they scribble that down on a scratch pad and then retype it, even though it's displayed here.

They either know by memory or ask the customer who their carrier selections are. In this case there's a "none" selection for the long distance and BellSouth for the intraLATA carrier.

Work through the rest of the code set and begin entering the features; in this case, the two features we talked about as codes. The rep is doing all this, either looking at a manual when they start, or for a 1FB they would not have lasted very long if they had to look at the manual more than two or three times.

They will have learned this by the time they've done 500 of these the first month and know all the common long distance carrier codes, all of these appropriate entries, and the top 50 or so features without ever looking at a book or a screen. They're doing the work from expertise.

So they're building the order as we go here

in the format that the service order control system needs to see it; building it with all of our codes on it.

And I believe -- is there one more screen on that one, Ron?

A little more information; directory delivery information. Again, we didn't pull the address forward from the other screen in this system. It turns out it's very hard to do. So she types in the order -- the entry again -- go ahead -- reads, in this case, a BellSouth special -- the disclosure summary that we're required to use, which is a summary -- are orders by the various state commissions over time about what we're required to disclose in a discussion with a customer, and this is just a reminder that forces the rep past that point in business.

We didn't look at it in residence, but it's in there in a similar manner. It's actually in the fine print on that order summary screen, about what you're required to disclose; but did you do all of these things as appropriate. And then you're able to walk through the order with a customer.

This is the order as the rep has typed it in, manually typing almost all of the entries except

for the telephone number. The order has been priced. You'll see up here in the top in coding the price for the monthly service and the price for the nonrecurring charge. Obviously those are priced at BellSouth retail pricing. And the rep is able to walk through with the customer and say, here's what I've got for you ready to order.

The last thing that's done is to check the availability of the due date, which is shown here in the corner. The due date that was requested was the 10th of December when we did this order. The due date that the system said was available is the 15th. So the customer would have been promised the 15th in this particular case. And that's how a business rep places that kind of order.

Any questions about business before we talk about the CLECs? Or we talk about complex next. I should look at my own notes. Complex orders and then the CLECs. (Pause) First the CLECs, then complex. Wrong page on my notes.

Let's look at how a CLEC -- the capabilities we provide to a CLEC to do the two things we just looked at; simple residence order, simple business order.

Ron, bring the system slide up.

You remember we're talking about TAG and we're talking about access to the preordering systems. What you're going to see on this screen in a minute is -- I want to be sure I characterize this right -- this is a demonstration graphical user interface for TAG. This is something that we make available to the CLECs, but to the best of my knowledge, no CLEC has chosen to use this particular code or this particular system to implement it, so their presentation of the information looks entirely different from this.

On the other hand, the information that's represented, of course, is exactly the same. We're talking about something that they build in their computing complex on generally a client server architecture that interfaces the TAG and lets them take preordering information and integrate it with the information needed to place an order. That's back to the FCC's words about "integratable". That's what this system was designed to do, and this is a demonstration -- is characterized of one way to do it.

We have at the moment seven commercial -- seven customers, seven CLECs, that are in commercial production on one version of TAG or another. I've seen three of their presentations now, and they look nothing like this. They designed the work flow for

their customer service rep in an entirely different manner.

You're going to see at the end of this discussion Bellcore's version of this which they built originally for Sprint and have offered to other customers that, again, looks slightly different, because it handles BellSouth's order and talks to TAG, or it handles an Ameritech order and talks to an EDI system and represents the data in slightly different matters. So this is the demonstration GUI.

Let's start out with an order. In this case it could be either residence or business. We would choose that as appropriate and populate portions of the screen. We're going to do address validation, again talking to the same system we did before, talking to RSAG, presenting similar information. In this case we've sent an address. It is a valid address and it has two working telephone numbers associated with it.

The question you asked before, Commissioner Garcia, we bring those numbers back as information, because one of the questions you always want to ask at this point is, is this an additional line, or, did you mean to do something to one of the two working lines that was in service. And that happens to be my

address and phone number in that case.

So the ability to send the queries and validate the address is exactly the same data, but presented completely differently in RNS and DOE and the capability we give the CLECs. The presentation is different, but the data is the same.

From address validation we move to telephone number reservation. In this case TAG has the ability to bring back a list of telephone numbers. You didn't see this in either RNS or DOE, but it's just because I didn't show it that way. You can bring back as many as 25 numbers in a group to choose from, or you can bring them back one at a time. And having brought them back, there is a mechanism which sends another command across this interface that says, I like that telephone number; reserve it. In this case --

CHAIRMAN GARCIA: No one is using this system currently.

MR. STACY: No -- I have seven CLECs using this system currently, but in very early stages. Most of them have gone into production only in the last 30 days. No one is using this piece of software to talk to the system. They have all written their own. They actually built their own interface, and the data doesn't look anything like this. So we've reserved a

telephone number. The capability to do that is using the same databases in the same manner.

We've retrieved the features and services. And if you remember the other two acronyms I've wandered through, you actually have to go to two places to get this, because you're talking about both residence features, which are in the system called COFFI, and business features that are in this other system.

So you bring that data back and you get a list that says, here's what BellSouth's switch is capable of providing. And in this case we bring back the English language and we also bring back the specific coding that's required, because in the form that is used for the local service requests, the code is what was determined to be the standard.

Ron, have you got your pointer -- I'm losing the battery on this one, which is not good. I changed them last night. (Pause)

COMMISSIONER JOHNSON: You said that you bring back the English language -- this is a demonstration of residential and business?

MR. STACY: Residential and business. We bring back the whole feature set that the switch is capable of supporting, whether it's a residence

feature or a business feature, that can be tailored so that it brings back only selected features.

We have CLECs who literally every day sell the same set of things to the customers. They only have one package that they offer to a residential customer. In their case there is a way to code the request to this system that goes from here to here to say, only show me feature A, B, F, and Q if they're available. Or you can say, show me everything that's available in the switch for residence and business customers.

We made the assumption -- and that was a design assumption earlier -- that the CLECs would not necessarily split their business into residence and business components like we had chosen to do. So the information -- the means of placing the order and the information handling is all blended so you get back everything instead of one or the other.

COMMISSIONER JOHNSON: And in the BellSouth ordering for business, you never have this translation into English --

MR. STACY: No.

COMMISSIONER JOHNSON: -- step. You always have the code that --

MR. STACY: The rep works --

COMMISSIONER JOHNSON: -- you have to have the expertise to know.

MR. STACY: Right.

COMMISSIONER JOHNSON: So this is --

MR. STACY: It's a combination of the two. It's actually a, in our view, our combination of the best of what's available in RNS with what's available in business.

COMMISSIONER JOHNSON: But you all don't use this system for yourself?

MR. STACY: No.

COMMISSIONER JOHNSON: It's an easier -- it strikes --

MR. STACY: Well, our --

COMMISSIONER JOHNSON: -- me as more user friendly --

MR. STACY: -- business people, in fact, are trying to figure out whether or not it would be economical for them to deploy it. The problem is we have this cadre of very well trained service reps.

COMMISSIONER JOHNSON: So you don't need this --

MR. STACY: So you don't need it at the moment. At some point in the future, something like this will replace that. There are some trials going

on now to do that. But business service is complex, and if you've got to build up the expertise to talk about the services, the expertise to be able to handle the coding is a fairly small addition. So that's the way that business unit chose to go.

COMMISSIONER JOHNSON: Interesting.

MR. STACY: The day they're ready to use this, I'll sell it to them. (Laughter) And charge them for it.

So we bring back the features and services from those two systems. The next thing we're ready to do is to start building the order. This is one of the places where a difference begins to creep in.

In the CLECs' terms, there is a national standard for the format of the order called a local service request that is agreed to in principle by several national forums, primarily by the group called the Ordering and Billing Forum. And it defines how you place an order, what information you send, what the different components of the order mean, and it is a means of exchanging data that's relatively standard between the CLECs, and between the CLECs and the ILECs, like BellSouth.

So the request that comes in doesn't look like the service order that our business rep was

working on a minute ago. It's very different, although some of the data is the same. It comes in as a local service request sent from the CLEC. It moves through our TAG interface, and it winds up being translated. Until the time it gets to our service order control interface, they look exactly the same.

So in the CLECs' terms, you start with a local service request and you wind up with a service order. In BellSouth's case. For a residence rep, you start with English and you wind up with a service order. In a business case, you start with a service order and put it directly in the system.

So there are three different methods we've talked about this morning of creating a service order, one of which applies to the CLECs, one of which applies to BellSouth's residence unit, and a different one that applies to the business unit.

This is what the local service request looks like in terms of the data. Again, this is our demonstration of the form. And it could take many different forms. But there is data that's required for this particular form in several different versions. We're going to walk through a couple of them.

This is the base of the form, and you'll see

the CLECs' account numbers and their purchase order number.

The next screen is the end user information, and it's in a separate part of the form when they send it to us. Again, this is information that the CLEC is creating, but you'll notice here in terms of the address, the address was captured in the preordering system brought back to the CLEC server, and in our demonstration in reality actually stuffed into the order with no intervention, no manual retyping on the part of the CLECs.

This is what the FCC -- one of the things the FCC complained about last time is that our existing, then existing, mechanisms couldn't be integrated. TAG is designed to specifically overcome that objection and to let the CLECs handle as much as possible -- as much of the data as possible electronically without a human ever having to retype; just look at it, tell the system to move it into a different form and put it into the field.

There's the end user information. The directory listing information is handled similarly. The address is pulled forward from what we did previously. The end user name is pulled forward from the previous entry on the form.

Okay. Chad.

Features and services: We obtained them in preordering. That information was retained by the CLEC and is used to build the order with in this case. So all the information that came out of the preordering system is now being reused without the rep having to retype any of it.

CHAIRMAN GARCIA: I noticed that you had -- at the beginning of this ordering format you had up to 20 numbers that could be selected.

MR. STACY: It should be up to 25, unless I've --

CHAIRMAN GARCIA: 25. And if I remember correctly from the first time I went through OSS here, it used to be only four of the system that you had in place, four or --

MR. STACY: It was six --

CHAIRMAN GARCIA: -- five --

MR. STACY: It was six and then 10 and then 25. The change was when we moved to TAG we made everything open at the 25 level, which happened -- it's the same block we use internally. But it was limited to six before.

CHAIRMAN GARCIA: Okay.

MR. STACY: And then, finally, the

calculation of the due date, having worked the way through the rest of the order.

Again, I had our demonstration folks put together a screen that looks like RNS but shows you part of the data. You'll see on the left-hand side here the data that actually comes back, which says that Mondays, Tuesdays, Wednesdays in this case are open, but Sundays are closed; here is the resold service installation intervals for that office; and here are the days that are closed. (Indicating)

I then had the programmer take this information about what days were closed and put it on a calendar the way the RNS does, and used white and red instead of green and black circles, but coded to say, in this case the next available due date is the 13th. We've assumed in this order that the customer asked for the 14th in the process of the discussion. It's open, it's an assignable due date, and would be given to the customer in this case.

That method of display again varies widely by CLEC, how they want to set that up. They get this coded text information back. How they manipulate that into a graphic is up to them. We've shown them how to do it one particular way, but what else they do with it is at their discretion.

And that's what an order -- I'm sorry. We're not quite done yet. We've got one more screen. That's what an order for a residence or a business service retrieved from our system and sent to our system by a CLEC looks like.

Now, you notice I skimmed a bunch of steps we talked about earlier. I didn't talk about credit history. I didn't talk about what we call market basket in RNS. Those are sales and marketing functions or credit collection functions that we do not transfer data to the CLEC about in general. We're certainly not going to transfer our marketing data to them. No.

In general, they -- I mean, we've given them the list of services that are available to be resold in that office. So they -- you know, the two or three I've seen; let me put it that way. We're not obliged to transfer our credit information to them, and certainly not to set up a relationship between them and an outside credit determination firm. So there are many steps in here that were part of the business flow that don't use the systems that you saw on the BellSouth side.

Yes; I'm sorry?

CHAIRMAN GARCIA: And their redesigning of,

I guess, TAG is it, when they're doing it, they obviously add those prompts --

MR. STACY: Yes.

CHAIRMAN GARCIA: -- to get those questions --

MR. STACY: Yes.

CHAIRMAN GARCIA: -- and then they ship them to you; you're either going to -- if you're going to resell some of those services, I guess.

MR. STACY: No. In general we've given them the list of services that are available to be resold in that office. So they -- you know, they'll -- the ones -- the two or three I've seen -- let me put it that way -- they set up their own market basket to compare to ours and say, we're going to try to sell these six things to a customer in this order, or else we only sell package A, B, and C; and that's what we offer to the customer.

CHAIRMAN GARCIA: Can they buy from you the credit issue? Can they say to you that's one of the services I want to buy from --

MR. STACY: No. We have not offered credit service for sale and was not part of the resale obligation that I know of. I'll have to talk to -- verify that with one of the attorneys for Florida, but

that -- to my knowledge, that was not offered in any state.

CHAIRMAN GARCIA: Okay.

COMMISSIONER JACOBS: If you're acting as billing agent, is there any additional processing that goes on here?

MR. STACY: Well, we're not a billing agent at resale.

COMMISSIONER JACOBS: All right. Okay.

MR. STACY: Different animal here than with the interexchange carriers. I don't know that we -- if we have entered into a billing agency agreement with a CLEC, I don't know about it, and I think I would; but I don't believe we ever offered that service to a CLEC.

COMMISSIONER JACOBS: Okay.

MR. STACY: All right. That's the process of a new install.

What we want to do now is take just a minute or two more and talk about, first, complex orders and then unbundled networks; and I will have finished most of the first section of my discussion.

Picked out a particular complex service. You remember when I was discussing direct order entry? There are little boxes there that says you can create

orders for data services, private line services, other things at that point in the system. What it doesn't tell you is that there's a whole lot of information transfer that goes on -- back and forth on paper forms before that ever happens.

So what I'm going to do is spend just a minute and walk through this chart for a particular complex service. You happened to ask about it, Commissioner. It's multiserve, or what we used to call ESSX; how a new customer would come into BellSouth, ask for that to be set up, and where the information flows. And you'll see over here at the end, when all of the work is done, there is a customer service attendant who actually types the order into DOE after all the rest of the work is done.

So all of the work to create the order, to set it up, is handled on pieces of paper back and forth between the account team and the customer before we get to the final step, which is for somebody to sit down and type it into the system and start the work processes.

The request comes from the customer. There is a quotation system that has been built by our sales and marketing people that allows them to respond with a sales quotation. They have access, as do the CLECs,

to the address validation function at that point, so they can create a valid address, and that work -- here's a little bit of electronic access.

Here's a whole bunch of manual work that winds up in a proposal to go to the customer. And in this -- you know, in the case of these kind of systems, you're talking about proposals that are tens if not hundreds of thousands of dollars, so these are big proposals.

That proposal is presented to the customer. It looks like it easily results in a contract. Those of you who have been in sales know that that process doesn't always flow in a straight line down the page. There are many back-and-forths in there. But whenever that's done, there is a package created that comes out of this proposal that's called a hand-off package. And the hand-off package says, I have a customer, here's where he is, and here's a long list of all those things we're going to sell him.

That hand-off package gets reviewed by a person called a project manager and then by a service coordinator who does the work of issuing a paper form and some of which is in e-mail, called a service inquiry. That goes to all of the departments inside of networking carrier services that have to provide

pieces of this, and this is where the numbers get assigned in this case.

I've got a service inquiry. I've got an ESSX -- a multiserve customer who needs a new 200-number block in Golden Glades in Miami. That piece of paper in e-mail form comes to the telephone number assignment group in south Florida. They go into the system, find the block of 200 numbers, mark it reserved so that no one else can take it in the meantime, and respond back to the service coordinator who is actually building that inquiry.

When they get all of the pieces back -- and that means numbers are available, facilities are available, scheduling has been agreed to by everybody -- they issue what's called a firm order, which begins the process of coordination and then finally results in that order being input into the electronic system.

In this case, most of the work of creating the order in terms of writing down the codes is actually done by this service consultant who's building the pieces of the order one at a time. This is -- we used to call this particular job a service order typist. It got upgraded to a customer service attendant, but the function that's performed there is

more or less a typing function from information that somebody else has already prepared. So this is an input clerical job.

That order then goes to the service order control system, and the project coordinator is working with it. At that point in time when that's done, there is a firm order confirmation given back to the account team to give to the customer. That's how BellSouth retail does it for itself, and that could be either -- mostly our large business unit, called BellSouth Business Systems. Occasionally the small business would sell a very small multiserve account.

Now let's look in parallel to what's done for the CLECs on the other screen.

Leave that one. (Indicating) Go back to that, Ron. Leave it up, please.

COMMISSIONER JOHNSON: What did having stuff in the brownish-orange color, what does that mean?

MR. STACY: I'm sorry. Say again.

COMMISSIONER JOHNSON: I was looking at the diagram. It says the blue color indicates a manual processing, and I was just wondering --

MR. STACY: Oh. The orange color represents, in some fashion or another, a computer based process. So in this case --

COMMISSIONER JOHNSON: I saw that if someone was inputting information --

MR. STACY: Right. Over here they're talking to the address validation database, which we looked at earlier, and that's a computer base.

In this case the sales quotation system is a classic sales quotation system that BellSouth wrote. The sales rep takes that on their PC to the customer and says, how many lines do you want, what features do you want on them. They plug all that in, and they're able to quickly give them an idea of whether they're talking about a $5,000 system or a $50,000 system, and then they take that information and build the quote, build the proposal with it.

COMMISSIONER JOHNSON: Okay.

MR. STACY: So computer based systems and manual.

COMMISSIONER JOHNSON: So with the CSA they're typing it into the data --

MR. STACY: They're typing it into the database. They're actually typing it into DOE, just like we looked at for a business order, only they're typing in pages and pages and pages of information in this case.

A 100-line multiserve order, which is what I

was talking about, at this particular point as a firm order results in about 150 pages of paper. There's one form which can be either one page or three pages for every station, and then there's a 50-page form about what's called the common block information that goes with the system.

And let's look at what we -- how we do that same thing, a complex service, for the CLECs. That comes from the CLEC who's negotiating with their end user to their account team in the form of a local service request.

This negotiation about what it's going to cost you, is this a valid address, has all happened out here in the CLEC process using our systems in one case, but using their systems in the case of quotation, because we know what our resale price for this service is. We have no idea how they're going to bill the customer for it. So the proposal is up to them.

We get that proposal, and the process kicks into gear at the same point it would for BellSouth. A service inquiry is created. There's departmental review, which assigns the numbers and checks the facilities. Hand-off package is built. The order is brought back to the person who's going to type it.

They put it in the system, and when the order is successfully accepted into the service order system, a firm order confirmation goes back to the account team who can then send it to the CLEC.

In this case, the firm order confirmation goes to the customer. In this case, it goes to the CLEC who is in direct communication with their customer. And then once the order is worked, it's project managed through to completion in the same fashion it is for BellSouth.

What I want to tell you here -- and it's the subject of some discussion among us in the CLECs -- the processes are as exactly parallel as we can make them, absent the fact that the sales and marketing process is managed by the CLEC outside our scope and we don't see any of it. But from the time it gets to BellSouth as an actual proposal to be worked, the process is run in exact parallel.

They're done by different groups of people, because the account team that manages the CLECs and these customer service attendants and service consultants are dedicated to CLEC work in what we call a major account center for the CLECs, and these are dedicated to BellSouth retail units, but the processes, the training, the systems they use are

exactly parallel.

That is true with minor variations for every service that we call a complex service. And we can talk about specific ones. I brought this one out. You know, it's a good, crisp example because it is a fairly complicated service.

Let's finish up this segment by taking a look at unbundled networks, which is sort of the last group of new services. I'm going to deal with, in this case, an order for an analog loop, which is the highest volume service that we provide.

Again, I'm going to be using TAG as the system to show you what the preordering requirements are and what the ordering requirements look like in terms of our view of the demonstration. The data is obviously there to be manipulated by the CLEC at their choice.

The most important part -- remember they're using our loop and their switch in this case, so they don't need to know anything about our switch or the features it supports and don't need a telephone number from us for a new service. They've got the availability of all of that. So they're going to go into our system and validate the address.

Same as it was before. (Indicating) So you

obtain valid address information, which means we know where the loop is to be terminated; we know how it's going to be served; we know which central office it's out of. We have all the information that will validate an order, and that's now residing back in the CLEC's computer system.

After address validation, they're ready to begin building the local service request, but you'll see that it's different from the one we talked about before. There is local service request information, but there are a couple of new forms here.

There's a loop form with fairly complicated information on it that comes out of the CLEC's database that tells us where they want us to connect that loop to, where their collocation space is, what point of interconnection they are choosing to connect -- for us to connect the loop together with, and they have to build that into the order itself. Then they have to send us some end user information, which is where the valid address comes in; where is this loop supposed to wind up. There's other information about the desired due date. They --

CHAIRMAN GARCIA: I had heard that there had been a problem -- and maybe I just perceived it wrong -- that the address has to be very precise in

the sense that, you know, if you've got a period in the wrong place or something not capitalized, it sort of rejects it. Is that still the case?

MR. STACY: That's still the case. So --

CHAIRMAN GARCIA: So in this address 71 Bedford Oaks, I guess that's northeast --

MR. STACY: Drive Northeast. It happens to be my house, but --

CHAIRMAN GARCIA: Well, it says Northeast Drive, which is, I guess, a good example.

MR. STACY: Yes, that is a good -- back that up, Chad. I'm sorry.

All right. Let me walk you through that one with --

CHAIRMAN GARCIA: I'm looking at Page 49, but that's fine, wherever you are is --

MR. STACY: Okay. Go ahead to 49, Chad.

CHAIRMAN GARCIA: Just so that we're looking at the same thing.

MR. STACY: In this case, it doesn't have to be precise, because this is the -- in this particular case -- I'm sorry. Yes, it does. I wasn't watching. Bedford Oaks, Northeast Drive. That particular format -- go back to 47. That's where I was -- . (Pause) When the system comes back, that address is

broken apart into components, specifically the street number, a street suffix, a street name, and in this case what's called a thoroughfare designator, and there is a particular way that those have to be put together in the order that is specified by the ordering guide.

But if you get the information from this system and move it directly across to the order in the proper form, it will match with our database because that's where it came from. What we're testing it against is the RSAG database, which is where this information came from originally. The problem was either typographical errors or people being creative. And that's one of the FCC's points on an integratable system. Much of this information needs to be moved flawlessly from one point without --

CHAIRMAN GARCIA: For this reason; because you're getting it from the RSAG, you're not going to have -- it's going to be right.

MR. STACY: It's going to be correct, because what we're going to do when we work with the order --

CHAIRMAN GARCIA: Where did you first --

MR. STACY: -- (simultaneous inaudible comments) -- service order generator --

CHAIRMAN GARCIA: Let's make sure we -- where did I first get this order? How did I get -- how did I -- I validate it here?

MR. STACY: We got a -- you got a contact from the customer who said, in my case, since it is my address, I live at 771 Bedford Oaks Drive, and --

CHAIRMAN GARCIA: That's a perfect example. You say that I'm a CLEC; you're giving me that information; you neglected to say northeast.

MR. STACY: Right.

CHAIRMAN GARCIA: So I would type that in.

MR. STACY: If they entered that with that information -- and I'm sorry I don't have the example -- a series of valid addresses comes back here at the bottom of the screen and says --

CHAIRMAN GARCIA: Got you.

MR. STACY: -- you need to be more precise. Is this Northeast, Southeast Bedford Oak Drive, Circle? There are actually four hits that come back on my --

CHAIRMAN GARCIA: So then you've solved the problem on the front end that we were having on the --

MR. STACY: Yes.

CHAIRMAN GARCIA: -- other that you just couldn't order, you just got stuck or it wouldn't be

recognized. I don't remember what the problem was, but in the end you wouldn't be able to --

MR. STACY: The order dropped out for -- or in this case --

CHAIRMAN GARCIA: After we -- (simultaneous inaudible comments) --

MR. STACY: -- returned during the order for bad address.

CHAIRMAN GARCIA: Got you. In this case, it wouldn't.

MR. STACY: In this case --

CHAIRMAN GARCIA: Because you start from the right point.

MR. STACY: Right.

CHAIRMAN GARCIA: Okay.

MR. STACY: And that's the point on an integrated system is do the work up front --

CHAIRMAN GARCIA: Right.

MR. STACY: -- to make sure that the components of the order --

CHAIRMAN GARCIA: That's a substantive change. That's a pretty big change from where you were before, because I remember the companies complaining.

MR. STACY: Yes.

CHAIRMAN GARCIA: Okay.

COMMISSIONER JOHNSON: And so this is the same thing that would happen if it was a BellSouth customer, the same type --

MR. STACY: Yeah. They --

COMMISSIONER JOHNSON: -- problem or answer?

MR. STACY: Same type of answer, and we have forced the BellSouth retail representatives to work through that clarification before they send us the order. We've given the CLECs the same information and the ability to do it. Obviously we can't force them to. We can't make them enforce it, but they know that if they don't use the data, their chances of getting an order through go down.

COMMISSIONER JOHNSON: Got you.

MR. STACY: Okay, Chad; let's go ahead to the -- having applied the due date information for a UNE loop, it's much simpler in this case because we don't restrict dispatch for UNEs. So you can display it this way or you can do it from a table.

That order is ready to place for an unbundled loop. And you see the same kind of form we did before. That particular order has all of the required elements now filled in and it's ready to be submitted. I oversimplified that one vastly going

past it. Filling out that one form on the loop is a 15 or 20-minute proposition, because there a substantial amount of information that comes out of the CLECs' database that has to be put on that form. They have to go check their inventory and see where's the next assignment I have available for this particular central office --

CHAIRMAN GARCIA: That doesn't have to be done on line. That's because this is done by technician to technician, I would assume, right?

MR. STACY: It's the CLEC's choice. In general, however, that is done by technical people in the background; at least in our side of the company it is.

CHAIRMAN GARCIA: However, the -- let me just go back to that, because you just said we skipped over a 20-minute function of picking and choosing.

Let's say the -- you need to give the customer a due date. There's a series of things that are technical in nature to the CLEC, but have nothing to do with that business.

MR. STACY: Right.

CHAIRMAN GARCIA: How does the CLEC get past that so they can give a due date? They just come back and specify the --

MR. STACY: They can skip ahead at that point. Once they know exactly where it is, once they have a valid address --

CHAIRMAN GARCIA: Right.

MR. STACY: -- in the case of an unbundled loop --

CHAIRMAN GARCIA: In any case. Let's say I've got a customer. He wants -- I guess -- is this a simple customer or --

MR. STACY: No. This is a -- this is an unbundled loop customer, so --

CHAIRMAN GARCIA: Okay. So we've got a complex customer to some degree here.

MR. STACY: Right.

CHAIRMAN GARCIA: The complexities of where the loop is located, where the interconnect or the switches, at what central office we're working, that's -- that client could care less, I would assume, because all they want is their phone.

MR. STACY: Uh-huh.

CHAIRMAN GARCIA: Right. So I can skip ahead and say, you know -- I guess we don't have a name here -- Jane, this is the date we're going to show up, and then I can go back and do the specifics on this?

MR. STACY: Yeah. In this case -- in fact, in that particular case, you can actually skip ahead, and I'll -- this is further down the presentation -- but you can skip ahead to the document we call an interval guide, and say, what's the interval for a single, new unbundled loop. And the interval for that is seven business days. And you can promise the customer seven business days.

CHAIRMAN GARCIA: Got you.

MR. STACY: And do it on a calendar if you want to, or you can come into the system and make sure that -- well, actually you don't even need to verify that a dispatch is available for a loop. We don't use that. But you can see what the workload looks like in that central office if you want to extend it.

Your negotiation with that customer starts at seven days.

CHAIRMAN GARCIA: Okay.

MR. STACY: That's BellSouth's offer in that case.

CHAIRMAN GARCIA: Okay.

COMMISSIONER JOHNSON: But in this instance --

MR. STACY: In the case of residence and business, it's a little bit different, because the --

there are some one-day intervals, and you need to check ahead -- keep turning this backwards -- you need to check ahead in this system and make sure that a technician is available.

Unbundled networks are treated completely differently. There's a fixed interval, and we make the force available.

Yes, ma'am?

COMMISSIONER JOHNSON: Never mind.

MR. STACY: Okay. So that's what an unbundled network element order looks like.

COMMISSIONER JACOBS: There don't appear to be any technical specifications that the CLEC would have to provide which could -- if not provided, could wind up disrupting the order here. It sounds like it's a pretty straightforward process --

MR. STACY: No. I've oversimplified it. The requirements for what has to go on that loop form probably constitute 200 pages in the ordering guide. It is very technical. It specifies how that loop is to be made up and how it's to be configured and how it's to be cross-connected. It is a very detailed --

CHAIRMAN GARCIA: But that's a technical issue that --

MR. STACY: Yeah. The customer doesn't care

about that, but there is -- there are literally page after page of specifications about how to fill out that --

CHAIRMAN GARCIA: But in the ordering process in this case, you would be able -- when you get the name and address and find out what he wants --

MR. STACY: They want basic --

CHAIRMAN GARCIA: -- you can shut -- you can shut them down and say, okay, within the next seven days we're there?

MR. STACY: We'll confirm that order to you two days from now. If we have any problems while we're doing our --

CHAIRMAN GARCIA: And your technical guy goes back and fills out all the technical stuff on his own because that has nothing to do with --

MR. STACY: (Simultaneous inaudible comments.) But that's a process choice on the side of the CLEC. They could keep the customer on line and do that if their systems -- if they do it systematically, or they can do as you --

CHAIRMAN GARCIA: What's the advantage of keeping the customer on?

MR. STACY: I don't know enough about that part of their business to know why -- how -- why they

would choose to do it one way or the other.

CHAIRMAN GARCIA: Okay.

MR. STACY: I mean, that's something we would do, BellSouth retail unit. When you get into that complex an order, you get all the information from the customer that you think you need and go away and work in the background. Other people make different choices.

CHAIRMAN GARCIA: Okay.

MR. STACY: All right. Let's complete this section by talking about the interfaces themselves again just briefly and the products and services.

Chad, you've got the interval guide, I think, on yours.

I've alluded to this, and there's a copy of this in your material. Obviously this one is barely readable at this font. But there are intervals set up where we provide a targeted interval, and that's our estimate of our ability to meet that. For a single unbundled loop, that target interval is seven days. The guide has been revised in the last week one more time to provide some graphic examples about what that means when it says two days and seven days, but I'm going to walk you through this one to make sure we have a common understanding.

The interval for an unbundled loop is seven business days. If the orders came in on Monday, the CLEC would expect to receive the firm order confirmation no later than close of business Tuesday, a full two-day interval; three, four, five days, two days that don't count as business days, six; seventh day that service would be delivered to customer -- to the customer on the seventh business day after the order is placed.

The guide is structured -- as you look at your copies -- to show two things. It shows the interval for the firm order confirmation, and it shows the target installation interval. The first one is contained within the second. So the time you talk to the customer about is seven days.

You know in the process of doing that, that two days into that if BellSouth is going to have a problem, if we've run into a no facilities case or a case where we have to take the service off an integrated carrier, that's when we're going to be telling you we have a problem. So you've got five business days to go back and tell the customer, I'm sorry; we've got a problem; BellSouth has a problem; we have a new date for your -- for installation. That's the way this process works.

The services that are available for ordering through -- Brian, do you want to bring this one -- pull this one forward -- are listed in the slides, and this is an abbreviated list. The entire list has been furnished a couple of times.

Both resold services and unbundled loop services, whether or not they can be ordered electronically and whether or not they flow through -- we'll talk about that some more later today -- there are a total of 70 services that are provided to the CLECs. 36 of those have electronic flow-through, and there are four others that are ordered electronically but require us to do manual work after the order is received. So that's an example of what's going on.

All right. That's the conclusion of the new ordering section except for talking about measurements. I'm at your all's pleasure. I know I went past our -- past the planned break time. Would you like to stop at this point, or do you want me to go ahead and finish up talking about measurements and then --

CHAIRMAN GARCIA: Do you have a suggestion, Beth?

MS. KEATING: I talked to the other LECs, and I think GTE mentioned they've got about 45

minutes, something like that, and Sprint has got a 30-minute presentation.

CHAIRMAN GARCIA: Okay. Well, let's do this: Let's then stop here.

MS. KEATING: That's what I would suggest; maybe take a couple-of-minute break to let GTE --

CHAIRMAN GARCIA: Let me do this. Can we -- is there -- do you have questions that you want to ask real quick?

UNIDENTIFIED SPEAKER: (Inaudible comment away from microphone.)

CHAIRMAN GARCIA: All right. So let's take a couple-minute break, and then we'll come back to -- GTE? Is that what you said, or --

MS. KEATING: How much more did you have, Mr. Stacy?

MR. STACY: About five minutes on measurements, and that's -- and then a discussion of flow-through, if we want to get into that now, because that's come up as a question many times.

CHAIRMAN GARCIA: All right. We'll do that now, and then we'll take a break after that.

MR. STACY: Okay.

CHAIRMAN GARCIA: Okay.

MR. STACY: All right. Very quickly, how we

measure our progress in this area: The measurements have evolved significantly since you all saw them the last time. There are now 37 different categories of what are called service quality measurements covering these nine different areas.

They are available on the measurement system that's now on our web site and include the individual raw data, and the same measurement set is being produced for all nine states now. Those include system availability, response time, the measurements you see on the right-hand side here, which are ordering measurements, including flow-through -- Chad, go ahead -- and then a set of provisioning measurements that are applied.

Where there are retail analogs, we provide both the BellSouth measurement and the CLEC measurement. Where there is not, we provide the CLEC data and are negotiating with the FCC about providing a benchmark for the cases where there's not a BellSouth analog.

A couple of the specific measurements: This is what a comparison of the response times look like for one particular transaction. This particular transaction is getting a -- validating an address using the telephone number as the key.

The next version of this on the next slide is validating the address using the address, the data, as the key. And I apologize; the screen has a discontinuity here in the graphics. It's properly displayed on the printed copy. But this compares BellSouth's results with the results that we deliver to the CLEC over time, and we believe would let the FCC draw the conclusion substantially the same time and manner, although we've got to prove that to them yet.

Go ahead, Chad.

Result on percent flow-through: We'll talk about this some more. There's a considerable argument about what is flow-through that we believe we've resolved with the FCC. I'm going to show you how we define it. Okay.

What the error rates are: Again, I apologize for the graph on the screen, but it's correct. And what you'll see is what we both hoped and expect; that is, both the error rates that BellSouth has in the systems due to coding processes in our system and the error rates of the CLECs sending us errors are coming down over time. And, as I said, the printed copy of the graph is much better. The computer doesn't like this particular font for some

reason. Okay.

Then how fast are the orders completed: This is residence orders requiring a dispatch in Florida as a whole, the results for BellSouth and the results for the CLECs. Go ahead, Chad.

Business orders requiring a dispatch: Both results compared directly. And UNEs in a category called "UNE Design," the results displayed for that without a direct retail comparison, because we have not set a benchmark for that yet. We're negotiating one with the FCC and, in fact, with Georgia and Louisiana both. Most of our work on the benchmarks is now going on in Louisiana in a series of workshops that will eventually result in some standards for the entire region for those things where there is not a comparable retail service. Okay.

CHAIRMAN GARCIA: Are you doing that in Louisiana?

MR. STACY: That Commission convened a series of workshops that covers the whole topic of performance measures from soup to nuts and engaged an outside consultant to lead that. So we're doing a great deal of work there hoping that we'll be able to transfer it, because all of the intervenors in the other cases are participating there; hoping that if we

can arrive at some either ordered or mutual agreement there, we can transfer it fairly quickly to the other states without doing it separately nine different times. But they happened to call the workshop before anyone else did.

Okay, Ron.

Let's take just a second and run through flow-through. Remember the interfaces we were talking about -- go ahead -- and a very complex diagram, so I'll ask you to turn to that in your book, because it's hard to read this one on the screen. Luckily the explanation doesn't take but a minute.

We've gone back and forth many times with the FCC about what is flow-through, how do we report it, and what does it mean, and how do we know we're getting better.

We finally arrived at a working definition in January that the FCC staff has tentatively bought off on. They will never tell us for sure until we submit another request. And although we're in disagreement with many of the CLECs, I want you to see what specifics there are in our cases so when you hear their presentations you can compare.

The CLECs' orders come in from either LENS or EDI or TAG, as we've talked about many times, and

they're processed by two systems. They're processed by a system called LEO that looks at the content of the order and whether all the information is there, and then they're further processed by a system called LESOG that tries to mechanically generate a service order.

There are a number of things that can happen to cause the order to be sent back to the CLECs and, in particular, those things can be what we call a fatal reject that causes it to go back; an order that comes in electronically that we have decided to handle manually like we do for the retail unit. Even though we allow the CLECs to order it electronically, we don't have the business processes to handle it all the way through electronically, but we let it come in the door electronically because we get a cleaner order.

And then for those that are supposed to flow through without human intervention, there are a series of rejects called autoclarifications. There are a series of errors where the machine is not quite capable yet of deciding CLEC error or BST error, and they are examined by a BellSouth service rep and are either returned to the CLEC for correction or are sent forward for processing and are fixed in the service order controller.

When you get through all of this, there is a method that we've agreed with the Staff that is appropriate for calculating the flow-through, or what you will see on all of our reports as the CLEC error excluded calculation. And what it does, it measures the capability of BellSouth's systems allowing us to adjust and remove CLEC errors.

It's an artificial measure, but it's a measure of the capability that we've delivered, not of the actual performance. There is another result on that same report that delivers the actual results every month including the CLEC's errors. And the other commissions are choosing to look at both of those as part of their judgment about how well we're doing.

What I want to show you real quick is how it's calculated.

Chad, bring up the one on the other slide.

The report itself looks like this that is published every month, and obviously I've abbreviated this one in the middle. But this report lists every carrier that participated in electronic ordering that month and how they sent us the order and what happened to their orders as they were going through the process.

Those totals come together to allow us to calculate the flow-through, and that's what I want to walk you through just in the next minute or two.

If you'll look -- Chad, first one, please.

If you'll look on the left-hand side of the slide there's a number you don't see here, and there's a number that's too small for me to read at this distance, so I'm going to have to get to the big slide or walk over. I'll walk over.

81,904. You don't see that on this report anywhere, but let me show you where it comes from. It's the sum of two numbers. There were 7,264 fatal errors that's right here on this report. And the way we count the orders, there were 74,640 mechanized LSRs. The sum of those two says that 81,000 orders came in the door electronically.

Part of them were immediately rejected because they didn't have a required field filled out, didn't have a purchase order on them; something was materially wrong with them. They were sent back. But 74,000 of these were accepted on the first check.

Another 8,742 of those were specified for manual handling, and they were routed to the local carrier service center for manual handling, leaving the next group which was sent back automatically to

the CLECs by the computer in a process called autoclarification; 5,485.

CHAIRMAN GARCIA: How many days before that happens?

MR. STACY: That happens in minutes. Average --

CHAIRMAN GARCIA: (Simultaneous inaudible comment away from microphone.)

MR. STACY: Not hours; minutes. Every once in a while when the system hangs up, that will take 15, 20 hours; but in general, that's a two or three-minute process to go from -- excuse me -- from this point in the system if there's not a fatal reject to be autoclarified, that's less than 15 minutes, so those are automatically sent back to the CLECs. (Indicating)

There is another category, and that left this many, which are called validated LSRs; 64,000. The next set of errors we couldn't determine from the machine if it was a CLEC error or BellSouth error. There are -- both kinds of problems appear at that point, and that's the stuff we continue to work on every month. There were a total of 12,016 of those that were examined by a service rep.

Go ahead, Chad.

5,442 of those in this particular month were BellSouth errors. We had a system code wrong. We had a system fail when we attempted to do something. So we took the responsibility for that on our side of the plate, fixed the order, and sent it forward.

This process, since it's manual, begins to take more time at this point, and in general this takes 24 to 48 hours, depending on the workload in the center, because it's spread evenly over the month, but we've sized the people so that this is -- we're able to process most of this work in about a two-day period.

Of those errors, there were also 12,016 identified as CLEC errors and sent back to the CLEC.

So to answer your question earlier, Commissioner --

CHAIRMAN GARCIA: 6,500.

MR. STACY: Sorry. I read the wrong line. Six thousand --

CHAIRMAN GARCIA: 574.

MR. STACY: Your eyes are better than mine. Good. 6,574 -- I'm reading the wrong line -- that were sent back to the CLEC. So they got some of the errors back in a few minutes, they got some of them back in a few hours, and some of them as long as 48

hours later, depending on whether we had to manually process them or not --

CHAIRMAN GARCIA: Is the rejection level about 25%, a little bit less than 25%?

MR. STACY: Yes; and it varies dramatically by carrier and by month, but that's down, as you'll see, over time -- down over time.

That leaves us having completed that process with orders that actually flowed through the system, in this case 48,397, and gives us all of the elements that we've agreed to with the FCC for our flow-through calculation. So let me duplicate it for you here on the bottom of this slide.

The flow-through calculation is the number of orders that actually flowed through that we just talked about divided by the number of orders that came in the door after the fatal edits, and that's just a point we agreed to that we wouldn't count fatal edits, fatal rejects in the process, and then you subtract out the CLEC errors.

You subtract out first the manual orders, because we've not promised to handle those electronically. And this is a point of difference between us and the CLECs. Then you subtract out the orders that were automatically returned to the CLECs.

Finally, you subtract out the orders that were returned after examination to the CLECs. And that generates a flow-through calculation, a CLEC error excluded flow-through for this particular month, which was the month of -- the service month of January, of 88 -- 89 -- excuse me. I can't even read it from here -- 89.89% in this case.

The other number that, in particular, the Georgia Commission looks at, which is the unadjusted number, is 80%. That's without exclusions of the various calculations calculated in a different manner. So our capability of the system in that month was 89%.

I have to provide some additional data the next time we go to the FCC. They do not want to see the data grouped like this. They want to see it split to show residence orders and business orders and unbundled network orders separately. That work is underway now, supposed to be completed in June, and we'll begin publishing it and we'll, of course, go back and examine the data as far back as we can go, but I owe them that before we go to the next time.

And then there will be a clear comparison for residence, because our residence success rate is very high. It runs in the 96, 97% range.

Our business there will be a substantial

argument about, because as I told you earlier this morning, our contention and, I believe, understanding with them now is that our business flow-through rate is actually zero, because the service rep types the order. There is no mechanical creation of the order at any point there.

And then for UNEs -- and that is what it is -- we don't have a direct retail analog. We'll be presenting that data to them and asking them to draw conclusions from it.

That's flow-through in probably more detail than you wanted to know about it.

Finished with our section on new services. Ready to move ahead to your --

COMMISSIONER JACOBS: My understanding is that the majority of them come through LENS. Is that your understanding as well?

MR. STACY: Yes; that's correct as of today.

Back up one slide, Ron.

As of today -- as of January, a substantial majority of them came through LENS. That will change, and you'll notice, by the way, the TAG has zeros in this column in January. They're just going into production.

That will change significantly over the next

couple of months. We have a customer going into production on TAG who generates almost 20,000 orders a month on their own, and they will be coming off LENS and going onto TAG. So you'll see a substantial shift away from LENS in the series of reports that come out in May, June and July as there are actually three of our largest LENS users who are converting to the TAG during that time period because they want an integrated system.

Yes, ma'am?

COMMISSIONER JOHNSON: That was going to be my question. The LENS wasn't the integrated system, so you would have more problems with the addresses and more --

MR. STACY: It is integrated, but limited; and their scope of business is expanding to include things other than simple residence and business. Plus, they wanted to design their own screens, and if you use LENS, you're locked into our screen design, our work flow.

COMMISSIONER JOHNSON: Who is the "they"?

MR. STACY: The particular --

COMMISSIONER JOHNSON: You're saying CLECs want --

MR. STACY: Yeah. Three different CLECs

wanted to --

COMMISSIONER JOHNSON: Oh.

MR. STACY: -- design their own presentation for their reps, and TAG allows them to do that. So they're moving from LENS to TAG so they can design their own work flows.

COMMISSIONER JOHNSON: Now, the issue that we were discussing earlier where under your new system -- and I was assuming the new system meant TAG -- where you now have a -- the ability to -- when you type in the address once, it pulls it from a database so you don't have to worry so much about mistyping later, is that something that's unique to TAG and not to LENS?

MR. STACY: No. That same capability existed in LENS.

COMMISSIONER JOHNSON: Okay.

MR. STACY: But it did not exist for EDI.

COMMISSIONER JOHNSON: Okay. I'm following you.

CHAIRMAN GARCIA: The LENS didn't check the address -- (Inaudible comment away from microphone.)

MR. STACY: No. It did -- it checked it -- if you -- unless you over-typed it -- if you followed the sequence that we set up for firm order, it

required to you retrieve the address and use the same one. You could -- you could over-type it and get away from it, but if you followed the work flow that we laid out, it would give you a correct address.

CHAIRMAN GARCIA: All right. We're going to take, then, 10 minutes, but we're going to start promptly in 10 minutes, and then we'll go with GTE.

(Brief recess.)

- - - - -

CHAIRMAN GARCIA: All right. We are going to ask the questions of the companies. The FCCA is going to compile some grouping and we're going to ask two questions when we finish all the presentations if we have time, which worries me because that means that the LECs will speak much more than they have to. So I ask you to try to hurry and be quick about it. Okay. GTE.

MR. HOLLAND: Okay. Good morning. Can everyone hear me okay? Hi. My name is Jerry Holland. I'm from GTE, and I have the great responsibility of working on business requirements and deployment of systems for the OSS gateway interfaces for GTE. And similar to what BellSouth did this morning, I'm going to go through a little bit of a background just to kind of give you a level set of what our systems are,

what our gateways are, how they're established, and then move right into kind of a flow-through kind of an order to some extent as to how an install would occur within our system infrastructure and compare it to our retail systems as well.

So, Beth, if you'd -- so kind of the presentation points that we're going to cover -- and I will go up through repair for this session and then start in repair later this afternoon -- is a little bit of an architectural overview of the GTE OSS systems. Talk about preordering, ordering, provisioning, maintenance, repair, and then talk a little bit about flow-through, and then probably wrap up this afternoon at the end of the repair session with a little bit about performance measurements, cost recovery and future enhancements at that point.

What you see here, and you should have a copy of that in your presentation as well, is a block diagram of the different pieces that make up what we consider to be the OSS platform I should say, or gateway.

If you look at the left-hand side of the column where it says "fire wall," that kind of gives you an idea of the different ways that CLECs can come into us for ordering processes. That's the first

point of entry.

And in that middle one you see that says "protocol mediation" would be how we take that data and basically reformat it into something usable for us. And then in that gray box, as you see there in the middle, are kind of the overall work flow management of that and then you have ordering LEGACY systems out on the right-hand side of that thing.

And briefly going through the steps of this thing and the blocks of this, if you look at that left fire wall, we have several ways for CLECs to come into us, but ultimately, there's different electronic formats. And what you see in that second box is the fixed file processor. That's what "FFF" stands for. And you'll see the limited file processor and EDI. And those are our primary mechanisms today for receiving electronic orders. The reason for --

CHAIRMAN GARCIA: Let me -- before you go on, I was asked to do this. Those of you who are on the phone, when you put us on hold to do something else, we get feedback of music from your hold system. So, do not put us on hold if you happen to be listening in on the system. Thank you.

MR. HOLLAND: Okay. So, basically the fixed file format, the limited file, those are ASCII text

files. Those we've had in place since the very early stages of, basically, January of 1997. There wasn't any standards in place back then. We had customers that wanted to do ordering with us. We didn't want to have a lot of faxes laying around. So we developed some proprietary interfaces that were very basic in nature, which were around ASCII text transfers. Something very simple that everyone can move to.

EDI is something that we've moved on to. It's the standards of -- as we move out. And then our SIGS is really what we use within our center to flow work around and do edits and stuff like that.

So, really, the first step of even doing a new install order, if you're coming into our mechanisms from a CLEC point of view, would be preordering. And what we do is allow CLECs to obtain, you know, service address and verify products and services by LSO. And when we say LSO, we mean a local service office. So down to, basically, an exchange level, MPNX level, as to what type of class features are available, such as voice mail or even call waiting, caller ID, those type of services. They have the ability to get that realtime and see what's available at our switch level.

And then, to go on even beyond that, on a

new install, you need to have the abilities to basically assign a telephone number, and to assign a due date to that order, and then be able to reserve those -- both of those functions. You've got to be able to reserve those for a given time.

The way we've established that is we can reserve a telephone number for 15 days. So once the CLEC has done preorder and they want to get a telephone number assigned for their end user customer, we would hold that telephone number for them for a 15-day period.

Now, the due date, since we're a little more interactive, we don't really have intervals for our due dates. We try to do a -- basically, a nondiscriminatory parity view. We have an on-line system on our retail organization called due date manager that actually assigns the filled services and basically looks at the next available time slot to put in an appointment time for that service.

So, therefore, what we do is, at the preorder stage, they would be able to get that realtime information. It would give them a realtime due date to go ahead and assign to their order and then we need to get that order by -- if it's before noon, by 5:00 that day so we can go ahead and reserve

that time in our system, or if it's afternoon, by noon the next day. And that allows us to go ahead, and if we don't get the order, make that appointment available to the next CLEC that may be coming in for that particular exchange or a retail order that may be coming in for that exchange.

The -- where we are with the industry, I know BellSouth had mentioned quite a bit about the standards and some of the standard bodies and committees that's been going on.

Really, for preordering, you know, we view the LSOG 3/EDI9 as being the -- really the first real preorder interface standard that's out there. That was put in -- it came out, I think, it was early this year. We're working feverishly trying to come up with an EDI standard for that. But today we don't have an EDI application that's working today. Basically preorder is a GUI on the Internet that they can establish a connection with and get information from. By "GUI" I mean like a graphical user interface, like a web page for preordering.

We are working on this one and we hope to have, basically, an EDI interface for preorder, as well as a corporate interface for preorder, around the third quarter of this year. We've done a lot of the

back end work. Now, we're just trying to work with some trading partners to put in the interface piece of it.

And then LSOG 4, which is probably due out later this year possibly -- it may come out in 2000, I think -- will actually set the standard for customer service record formats. I know that's a real -- near to dear to a lot of CLECs is being able to see and view information about an ILEC's retail customer set. And that's done through the customer service record or CSR phase. And we expect to have a standard for that set with the LSOG 4 deployment. And as soon as we get the standard nailed down, we'll begin building the interface for that as well, AP to AP.

But in the meantime, we have set up a web page that goes into effect next month in June that will allow them to get that information via a GUI, a graphical user interface, on line through the Internet.

So let's walk through some of the interfaces, going back to that block diagram, and come to a piece of this.

One way is purely manual. We haven't turned off the manual process. There's still CLECs out there or ALECs, that, you know, are very small in nature,

aren't looking for electronic to some extent and they still want a manual. Even though that's a lot of work on our side, you know, we, in our interconnection agreements, do allow manual processing of services.

So that would happen through basically a -- from a preorder standpoint, a telephone call, or it could be a fax information to us, wanting certain information back and we would fax it back to them at that point in time.

On the electronic side of it, here on the bottom of the diagrams, our preorder, basically you have a graphical user interface again, and this is Internet ready, so any CLEC that has access to the Internet can get to this. They have to apply for a security certificate. But once that's in play, then they have full access to our preordering and that's in a realtime mode. They can do due date and telephone number and the things we mentioned right on that site. And that will come through the web server.

And then we also have a system application to application today, which has been in, again, early on in the stages. That basically gives them access to the same protocols that we use for our GUI. It's a hypertext-type protocol that they could build their system and have their own GUI that would connect and

be able to do preordering with us as well.

Now, on the ordering side of it, it becomes a little more complex at that point because now we're actually trading data back and forth in kind of a different manner.

Again, fax. We do offer manual, if they do elect a fax. We try to encourage customers not to fax to us. We'd much rather have electronic than we would faxes because you know all the horrible stories behind trying to do a manual process.

So what we've tried to do is we went out and we met with the ALECs and, in particular, we met with a lot of smaller-nitch player ALECs that don't have a lot of resources to build systems and tried to find out what some of their needs were, because we wanted to get as much electronic into our systems as we could and that's kind of where we focused at in the past year.

So what we've done is we've come up with a series of ways to get that electronic formatted LSR to us, local service request.

One way is the FTP and that's basically a file transfer protocol. It allows them to either dial up, like you would dial into a computer and drop off data to us, or they can actually come through the

Internet. We have an Internet IP address that they can come and drop files off to us and receive files back. So we make it easy for them to connect and send data back and forth.

We also have NDM batch which is the network data mover. A lot of large, basically, the IXC world has used main frame to main frame connectivity or NDM-type connectivities and we offer that as a mechanism.

And then we also allow e-mail scripts which I think is something pretty unique. We went out and met with a lot of ALECs and CLECs that said, "Hey, we do a lot of e-mail stuff. Is there any way that you can except an order over e-mail?" And we went through and thought about that and what we did was worked with a company called -- trying to think of it. PDP. But it's a way of securing or taking the attachment, like a file to an e-mail, and basically encrypting it in such a way that it would be secure to go across the Internet.

So basically by using that -- it's called pretty good privacy software -- they can send us and we will receive LSRs as e-mail attachments back and forth. Again, that way we can read it into our system unlike a fax. We can at least take that and put it

into our system electronically.

And then we also have an Internet GUI, which is something -- we ruled this out last year, around the summer of last year and really didn't expect to have that big of a demand. But it's amazing the amount. We probably receive over half of our orders now through our Internet GUI. It's called WISE. We call it the Wholesale Internet Services Engine. And what it is, is I think it's somewhat similar to LENS, I think, for BellSouth where you have the ability to go into the Internet site that we have set up and actually input all the information into an order and then that would actually come into our SIGS and realtime into the editor.

COMMISSIONER JACOBS: I'm sorry. I may have missed it. The LIA box at the top, what function does that provide?

MR. HOLLAND: The LIA function at the top is, when we do get a faxed order we somehow have to get that electronically into our gateway or into our SIGS thing because we want to be able to do performance measurements and be able to watch everything that is going on. That's basically another graphical user interface, GUI, that we use internally to just put the orders in. That's really what WISE

is. WISE is actually a better GUI than that one. It's kind of a prototype. We've used that for a prototype and made improvements to it and gave the CLECs the same exact copy of that.

So once it comes in, kind of what happens realtime, is in that middle box there with the gray boxes in it is the Secure Integrated Gateway System. That business rule editor is a realtime electronic editor. So what happens, the information comes in and it's very similar to what BellSouth has said. It's looked at for anything that may be a fatal error. It may have a problem on it where it's missing information, there are certain fields that are not populated correctly or that don't have any information in them. That would be the first pass.

But then we also do an additional pass where we actually talk to our back-end LEGACY systems to obtain, you know, is that telephone number really a GTE telephone number? I mean, or is it they just messed up and sent it to the wrong ILEC. So we can do a lot of interactive tests at that point, too, in editing to check and verify against our back-end databases to see if that's a good order or not. But basically from there we would take that and reject it back electronically to the ALEC.

Again, it's a matter of minutes. I mean, to the -- it's about a, you know, less than a 15-minute process for sure.

Then once it's into our center, basically, we have a system that's client-server based that would flow those orders around the different reps that we have sitting there dedicated to the wholesale environment. And they can read that order at that point in time and do with it what they may have to as far as interact with our LEGACY systems in a manual mode, or if we can get flow-through it would flow through to the ordering center.

Now, it's worth mentioning that BellSouth, I think, is a little bit further along the pendulum on flow-through than we are from a basis of we've had to change out our LEGACY systems over the past few months. Actually, we started about several years ago planning to change them out because of the Y2K issues, and we've now went ahead and been changing it out. Florida, we converted, I think, the first part of this year to a system called NOCV. We are basically writing code now for NOCV to get flow-through and our first flow-through code for that system goes into effect in July of this year. We hope to get a high percentage of flow-through at that point.

Now, comparing this to our retail centers, if you look at the top part of the slide, you've got the NOMC, which is the wholesale center. And we talked about that one. With SIGS it's kind of a gateway-type function or feature there.

Down at the bottom you see how the end user will interact with our retail center. So really the only difference here is that electronic gateway or interface between a CLEC and how our retail works. Once it gets into our ordering LEGACY platform, then it's basically a parity situation at that point; it's really the same system used for retail as it is for wholesale.

And, again, talking about somebody that, well, we're changing our LEGACY systems out. Again, we had SORCES and SOLAR, two different LEGACY internal retail systems we used. We're replacing both of those systems with this NOCV that we've got out.

The one update to this slide is SOLAR target sunset was 5/99. That's now been moved to June. It's been a one-month slide. And SOLAR is only used in California. It was never used in Florida. And SORCES has already been sunsetted. So that one has been done away with.

This is a slide that's in here to kind of

give you a comparison of just the flow of how the order would flow-through. I'm not going to go through all the detail of it, but essentially it would -- you know, once this comes through that gateway and it gets to NOCV, this is the same flow diagram that would be the same for retail order that GTE may do or a wholesale order we do on behalf of a CLEC. And it would flow exactly down this way.

So basically a facility administration, you know, assign facilities is required, update facility management, you know, route to the technician to actually get it installed and so on, would all be a parity at that point.

Now, ordering is really interactive. I mean, we've got to be able to share information from GTE, the ILEC, to ALECs as needed back and forth so they can get statusing and know what's going on with their orders.

So as a return feed, basically it comes through the same systems. It just goes back towards the CLEC instead of coming in to us. The kind of return feeds we're talking about here are things like an LSC, which is a local service confirmation. "Yeah, we got your order. Yes, that's a good due date. We can make that date." Those kinds of things go back

through that way. And currently we're at a 24-hour turnaround as LSCs is our goal.

And what we do is we try to turn around within 24 hours the confirmation that that order is a good order, and that we've got it and that this is the due date -- is a correct due date for that order.

Jeopardies can happen any time during the process. I mean, if we get out there and the customer is not home, the end user is not there, or we have a facility problem at the last minute and we can't find a good pair, so there is a process for that as well called jeopardy that we would send back an electronic receipt to say that the order is jeopardy and here's the next available date or here's what we found wrong or situations that way.

And, of course, errors. Like we talked about with the rejects and having electronic error ability, you know, we have a series of hard edit errors, which means it's automatically rejected back to the CLEC, kind of the fatal thing that BellSouth mentioned, as well as soft errors, which are things that we can kind of ignore; they're errors, but we still know what we need to do based on that order.

And what we've done is, we've had ALECs that have come to us and said, "we want to know every

error, whether it's soft or hard or whatever. So, reject my order." So we've actually built the dynamics in our system that they can set the threshold ALEC-specific. If an ALEC says, "I want to see every error rejected to me," then we'll do that. Or if they say, "Don't reject it so me unless I have five soft errors on there." So we have that ability to build that in by listening to the ALECs.

And then, of course, the completion. We call that the Service Activation Report, or SAR.

One thing we do that may be a little bit unique, too, is, you know, back in the negotiation phases, in the 1996-97 time frame, we had agreed to provide back basically all the information you would see on a customer service record on a Service Activation Report or Completion Notice. This is before there was any industry standards available.

So we actually send back in many cases a two-page document, if you printed it out, but it's electronic, of all the information from our back-end system that's collected. So it says, you know, service was installed on this date; it was installed at this address for this customer's name; it was -- had call waiting on it, all the features. All that is echoed back on that SAR. It's been a real nightmare

for us to pull all that together and try to get that out in a timely manner.

So what we are doing is we're kind of going to the industry standard, which is out now, which is a very abbreviated form that just kind of says here's your order number. It was completed. This is the date it was completed and so on. And then we're following up at a later time frame with all that information if the ALEC chooses they still want that information. So that's kind of what we've done.

Order flow-through. Again, mentioning, talking about the flow-through piece of it. I think we define it very similar to what BellSouth is defining it as. You know, we're a little behind the pendulum because of the LEGACY systems being able to get some stable code out there that we're using in retail that we can build to, and make the ties from our SIGS system into that ordering system. So, we've got our first code coming out in July.

We've targeted -- on the left-hand side here, you will see the order types that we've targeted. Currently based on March's data, that's about 74% of all the orders we receive. So, those would be the order types. And we're trying to limit our first attempt at the code to get the biggest bang

for our buck. So we've really went out and tried to build the code for the particular orders that are the primary orders that we're getting from ALECs today.

Now, as we go forward, we will keep adding more threads, as we call them, or order types, including UNEs and such as that is concerned.

It is also mentioned, too, a UNE, I guess unlike what BellSouth was, but these interfaces are generic. They work for resale, you know, as far as resale simple. They work for resale complex, in business. And they also work for UNEs. It's just a standard LSR form. There are, you know, however, to kind of side note that, some complex services in which the LSR doesn't have all the fields for yet. It hasn't been worked out in industry standards. In those situations there would be data gathering forms for like CENTREX or some of the more, you know, complex services, similar to what BellSouth does with some of their manual back-end stuff. We've tried to gear this thing around the standards in such a way that UNEs will work, resale will work; it's ambiguous of the service type.

That takes me through pretty much the ordering piece of this. Repair, I think, we're going to do after lunch or sometime this afternoon. So, any

questions? (No response.) Okay. Thanks.

MS. KEATING: The next presentation is by Sprint and we may need to take just a couple of minutes to get them set up.

MR. FELZ: Okay. Can everybody hear me okay? My name is John Felz. I'm with Sprint and I'm going to, hopefully, quickly lead you through where Sprint is on Operational Support Systems. I will try not to be duplicative of the information that's already been presented by BellSouth and GTE.

On the Service Establishment Orders I'm going to walk through kind of following the agenda, the transaction types, the systems that we use. Kind of go through step by step the process that both CLEC orders and our own orders follow; talk about the flow through and reliability measures, and time required.

When we talked about OSS, in terms of service establishment, we're basically talking about preordering, ordering and provisioning. What I'm going to cover is just a quick run through of what preordering, ordering, provisioning, what those mean, where the industry is, and where the Sprint local division is.

As we've already pretty well covered, preordering is a process by where an ALEC can obtain

information from the ILEC prior to placing an order, and that would include information about what the customer currently has to verify service addresses; to see what features and services the ILEC has available; reserve telephone numbers; to determine what service intervals the ILEC would be able to commit to; and to determine facility availability and the service configuration that a customer currently has.

Moving on then to ordering and provisioning. Basically those are the processes that allow an ALEC, once they have a customer, to be able to place an order and to have the ILEC provision the services to that CLEC or ALEC end user.

Once we, as the ILEC, receive that local service request or LSR from the ALEC, we provision the requested service and provide back to the ALEC a receipt that we got or an acknowledgement that we got the order in the first place. "Yeah, we received the fax or we received the order via Internet."

A firm order confirmation, which we talked about, other presenters have talked about, is basically a commitment then that we have the order and we will install the service requested at a particular date.

Along the way then, any status updates,

anything that cause us after that firm order confirmation has come out to, for a variety of reasons, have to make changes to the due date or changes to what we had committed to.

And then finally, a Completion Notice that the service was installed in accordance with the order from the ALEC.

Quickly talk about where the industry is. One of the things that Sprint, in building it's OSS systems, was very mindful of, is that we wanted to develop things that were going to be standard across the industry. We did not want to spend the time and resources to develop interfaces that were specific to a particular ALEC. So we've participated in these various forums that are listed there. The Alliance for Telecommunications Industries Solutions, which has various component pieces, the Ordering and Billing Forum, which BellSouth the representative talked about, is the primary one that has given standards that we have included now in our OSS interfaces that we developed.

TCIF is also another component of another work group within the Alliance for Telecommunications Industry Solutions.

The OBF has defined the data elements you

see there for telephone number assignment, service address validation, features and service availability, due date/scheduling, customer service record, and service configuration. And as talked about previously, EDI and CORBA are the established electronic interfaces.

The industry on ordering and provisioning has -- the OBF has defined local service request and it's gone through a number of iterations. We're now to Version IV of the local service request. They've also established the standards for firm order confirmation and completion notice. And EDI has been defined as the electronic gateway for ordering and provisioning.

Now to where Sprint is. On preordering, we have available -- and we'll see the diagram in a little bit. We have available to ALECs the ability to send us orders -- preorder requests and to send us orders via manual fax. We have a National Exchange Access Center, which is a group of service representatives dedicated to working orders for CLECs. It's in Decatur, Indiana. So that is our national center where all CLECs would send their orders. They can do that via fax.

We also have, similar to GTE, an

Internet-based solution, which allows the ALEC to send us LSR and preorder requests via the Internet. So they can get from us, either Internet and manual, a list of service and features available for a particular central office. They basically tell us what central office they're interested in. We can return back to them then, via the Internet or via fax, what services and features are available, which primary interexchange carriers are available in that central office and provide them the customer as-is information. We can validate an address. Provide them service intervals. That process is currently manual but will be available on a mechanized basis in the third quarter of this year. Telephone number assignment and service configuration are manual functions today.

COMMISSIONER JOHNSON: How does that work when you say the telephone number assignment is manual? What happens? You have to explain the process. You call and someone else -- there is no screen? How does it work?

MR. FELZ: Basically they can send us the request for a telephone number, either fax or through the Internet. But, it's not -- it's a process where one of the service representatives in our national

center would have to do some manual involvement, look the information up in another system, and then return the information back to the CLEC.

COMMISSIONER JOHNSON: To assign a phone number? Any --

MR. FELZ: Yes. To assign a --

COMMISSIONER JOHNSON: For an individual or for each order they have to call the national center and then the national center would --

MR. FELZ: That's correct.

COMMISSIONER JOHNSON: -- give out a number? Do they have a choice of numbers?

MR. FELZ: They would have a similar choice as BellSouth and GTE talked about. The service representative in the national center would be able to query our systems then and determine what numbers are available and provide that same level of information to the CLEC as they would to any of our end users.

COMMISSIONER JOHNSON: And that's the same process they use for your end users?

MR. FELZ: Yes.

COMMISSIONER JOHNSON: So someone in -- for your customers, your service representatives always have to call this national number to --

MR. FELZ: No. I'm sorry. Our service

representatives would have to query a system that they would have available on their desktop to -- a separate system to determine a telephone number and to be able to assign a telephone number for that retail customer.

COMMISSIONER JOHNSON: That system isn't available for the competitors. They call this national number and then the person sitting there would get a series -- get 25 numbers and then they have to kind of go through them and tell them which numbers were available?

MR. FELZ: That's correct.

COMMISSIONER CLARK: How long does that take?

MR. FELZ: How long does it take to assign the telephone number?

COMMISSIONER CLARK: Uh-huh.

MR. FELZ: It can be done very quickly through -- by the service representative at the national center querying that database, providing the telephone number and faxing it back or over the telephone providing that information back to the CLEC.

COMMISSIONER CLARK: Well, suppose the CLEC customer rep was sitting at their computer and is on the phone, I would imagine, to their customer. They want to get the telephone number to them right now.

What do they do?

MR. FELZ: Well, there would be that slight delay to be able to call our national center or to fax the order. They would not be able to get it to them instantaneously.

COMMISSIONER CLARK: Give me a figure. Is it an hour? Is it a couple minutes? Is it a day?

MR. FELZ: I would say it's less than five minutes to provide that telephone number back.

COMMISSIONER JACOBS: After they receive the fax, because the CLEC is going to have to fax this in. After your national office gets the fax it will take them five or ten minutes. Is there a queue or backlog normally?

MR. FELZ: I'm not sure, Commissioner.

COMMISSIONER JACOBS: Do you reserve numbers for a period of time? I think it was Sprint that -- I'm sorry. GTE said they do it for 15 days.

MR. FELZ: I'm sure that we do reserve numbers. I don't know what the time frame or what the time period is.

COMMISSIONER JOHNSON: And service configuration. What is that?

MR. FELZ: Basically what type of facilities serve that particular customer. In some cases, if

they're behind a digital concentration device, there would be some considerations as to the types -- the types and the time frames of the service that we can provide to the CLEC.

COMMISSIONER JOHNSON: And to confirm -- what would a CLEC -- what would be the nature of their inquiry? They would call you to determine the service configuration? They would call some national number? I don't understand this -- explain to me again what service configuration is and I will start over.

MR. FELZ: Okay. Service configuration is basically how that -- how service is provided to that customer; what facilities are available out to that customer. If a CLEC is interested in purchasing an unbundled loop and that customer is behind a digital concentration device, and a specific copper pair is not available to serve that customer, it could influence the amount of time that would be required to provision that unbundled loop. So the CLEC would like to know whether there are any facility issues that would affect the provisioning interval.

COMMISSIONER JOHNSON: And in order to find out, they would have call to you -- they would call the Sprint national office and then the Sprint national office would have some database and would get

back to them verbally or by fax?

MR. FELZ: That's correct.

COMMISSIONER JOHNSON: Okay. As opposed to what? As opposed to the CLEC being able to somehow pull it up on a screen and have the database right there and have the information available to understand the network and what the infrastructure is?

MR. FELZ: That's correct.

COMMISSIONER JOHNSON: Okay.

MR. FELZ: Okay. Where is Sprint on the ordering and provisioning? On the local service request, we have available to CLECs the ability to provide us LSRs via the Internet, File Transfer Protocol, or typically referred to as flat files, and manual via fax or telephone.

We also have the ability to provide order acknowledgement then, Internet or manual. That's basically that we got the order and have received it in our center.

Status updates. Any jeopardy situations, anything that we need to communicate back to the CLEC about that particular order prior to completion. And completion notices.

The note at the bottom of the page. We have -- at the time OSS kind of started, Version I of

the LSR was developed, we had done the system work necessary to accept local service requests via EDI. Since that point in time, the LSR has taken -- undertaken a number of different variations, such as local service request Version IV.

At this point in time we don't have a trading partner, a CLEC that has come to us and demonstrated a willingness to send us orders in an EDI fashion. And so we're not currently offering EDI as a vehicle for receiving LSRs from CLECs or ALECs.

We certainly would be willing, if we have a trading partner that comes to us and wants to do EDI for LSRs, we would negotiate with them an implementation schedule for getting EDI up and going in the latest version of the LSR. We just don't have any CLECs that have demonstrated a desire to use EDI as the interface.

I did talk about systems used. The industry standard interfaces, our alternative interfaces and then go through our Sprint retail systems.

Over on the left-hand side of the page, we have various protocols available for CLECs to send orders to us, including Internet access; the standards that are available under OBF for preordering; and also EDI and the LSR flat file. As I talked about, the EDI

ordering is currently not in production because we don't have any CLECs that are using that.

Those -- all of those versions would come into our IRES system. The Integrated -- Integrated Request Entry System, which is basically, as GTE indicated with their system, a GUI interface that allows this system to accept information from a variety of different formats and IRES basically takes that information from a variety of different formats and converts it to the format needed for our LEGACY systems to be able to process those orders.

So IRES basically would accept information from a flat file that was sent to us by a CLEC. It would accept it from an Internet access if the CLEC was sending us information via the Internet. It would also accept the data from one of our representatives in the national center sitting down and keying that information into IRES from a fax that was received from the CLEC.

IRES basically then takes the information and converts it to the format that is needed to generate a service order within our system, and then it would move on down to our downstream provisioning systems.

COMMISSIONER JACOBS: Question. It looks

like your address validation function occurs after IRES, so that if you get an order, and there is a question about the address, it's going to flow through that process but it could be rejected later?

MR. FELZ: I'm not for certain of that.

COMMISSIONER JACOBS: The reason I ask is that it would -- it would be later. Apparently if there were a problem with the address, essentially it could take much later to detect that and correct or return to the CLEC or whoever to correct.

MR. FELZ: If the address validation is done --

COMMISSIONER JACOBS: Right.

MR. FELZ: -- further into the process. I do not believe that IRES does address validation at the time that it receives the order. It would come in the downstream LEGACY system is where that validation would occur.

We talked about the standard interfaces. We have provided alternative gateways to the CLECs to allow them to send us orders in a mechanized fashion, but not have to go through the expense of implementing the more sophisticated EDI and other data interfaces.

We basically use the Internet as a vehicle for doing this. It's an easy to use system with a

point and click type of approach. It allows a CLEC, once they have preorder information, they've queried our databases to get customer as-is information to get service address, that they can take that information, that preorder information, and key it -- not have to key it again, but basically transfer it to the local service request so that it eliminates duplicate entry that the CLEC would have to do.

From an ALEC standpoint, it's very easy to implement. All it requires is a current based PC with a web browser and some security clearance and then basically they're in and able to send us orders electronically. It also provides the preorder information and the ability to send us local service requests. And I've already touched on the ability to send us file transfers of local service requests.

All I want to mention on this slide is that the downstream systems, IRES basically is the entry vehicle for the CLECs to get information to us. From that point on, they go through the remainder of Sprint's LEGACY systems.

This slide shows the ILEC view in our Sprint business office effectively replaces everything that's over on left-hand side here. Our Sprint businesses offices use this SPICE translator as the entry vehicle

for all of the information necessary to process a service order for our retail customers.

So from -- once it gets into IRES from the CLEC, the order flows through the same systems that all of our retail orders flow through and that's what these next few slides are. Basically is to show you the ILEC flow and the systems that are used for the different components of taking an order and processing it through to provide service to a customer.

COMMISSIONER JACOBS: I assume that, like BellSouth, your order taking process is very much dependent on your service reps and their expertise and that sort of thing to resolve?

MR. FELZ: Actually, the SPICE system that is shown there as our original entry for all service order information, is very much a point and click type system, similar to what I talked about IRES being. It's a GUI interface. The service rep basically has to fill in certain pieces of information but they are -- there's a lot of drop down menus. There is a lot of point and click.

And so, from a training standpoint, the service reps don't have to have, you know, that two or three years' worth of training to get proficient. In the system that SPICE is used for both residential and

business customers.

Once the information goes into SPICE it then flows to our order entry system and creates a pending order. Once the pending order is in then, it goes through our loop assignment system, where it assigns plant facilities and line equipment. And from there the orders then flow through various systems, including work force management, our hand-held craft terminal, the switch translator, and other systems which are needed to actually provision service, to turn the service on in the central office or to have the technician connect the right facilities in the outside plant so that service and dial tone are provided.

All of these systems and processes that I just referred to on the last three slides are followed for CLEC orders as well as ILEC orders.

Quickly review the functions performed, the method and the edit checks for orders. I mentioned the National Exchange Access Center handles both preordering and ordering functions for CLECs. We return confirmations and firm order confirmations -- acknowledgements and firm order confirmations via fax or our IRES application.

On the ordering side, the CLECs have the

ability to view firm order confirmations, rejects, either via IRES, or if it's a manual order that we received, we'll send it back via fax.

As far as the edit checks goes, for Internet, the initial gateway is just a security validation and to make sure that required fields are filled in. The orders themselves go through the same retail service order entry edits that any of our retail orders do.

And as far as correction, the NEAC would attempt to do whatever they can to correct the error. If that's not possible they will send it back to the CLEC only as a last resort or at the ALECs request.

Touch on flow-through and reliability: Order flow-through, provisioning flow-through and performance measurements.

Ordering flow-through. These are the types of orders that we have the ability to flow through our system without manual intervention to -- on under resale to convert as is, convert with a PIC change and convert with some limited changes to custom calling features and other like services.

On the UNE side, we have the ability to flow through new install, convert of an existing customer, local number portability and a loop with number

portability.

And as far as future enhancements, we're currently working on the ability to flow through a new installed customer who is going to be a resale situation, directory and a disconnect of an ALEC resale line.

For provisioning, our resale lines flow through the same as retail. Once they get into the system they would flow through exactly the same as our retail orders.

On loops, we say manual intervention is required here. That basically is where we would have it at a minimum to connect the unbundled loop to the CLECs collocation space or wherever they are in our network where we need to provide that loop to them so they can take it to their switch.

Performance measurements. It's Sprint's position that it's critical for the Commission to establish performance measurements that make sure that we are providing parity to the CLECs as our own -- as we provide to our own customers. We believe the measurement plan should be adopted at an all-party workshops, which includes the Commission as a participant.

The development process, as we've seen in

other states, can be somewhat lengthy. We have been able to reach agreement with AT&T, GTE, and MCI in a couple of states and we think it would be wise is for the Commission to consider that work that's taken place in the other states and the consensus that have been reached.

Also, workshops in Florida would allow for input from the regional CLECs to make sure that their voice is heard in development of the performance measurements.

We believe the measurement plan should address the issues that we've listed here. And a lot of the work that's been done in Nevada and in California address all of these issues.

And lastly, the time required are benchmarks for installation intervals for ALECs. On resale, the results should equal our Sprint retail results and that's the standard that we would hold ourselves to for these various categories of service.

For UNE loops, we should provide, and Sprint strives to provide, retail results that it would be equivalent to our provisioning of service where a R1/B1 dispatch is required.

For advanced loops, such as DS1 loops, those installation intervals should be equivalent to what we

provide for design services or engineered circuits.

COMMISSIONER JACOBS: Are you aware of what that is -- what that time limit is?

MR. FELZ: On the design circuits, it's a seven day interval. On ports, the results should equal our retail results for turning up central office type services.

Dedicated transport, our results should, again, equal our retail results for providing Hi-Cap facilities.

And on interconnection, trunks between us and a CLEC, those should equal whatever we provision for our own internal network. And that's all I have on service establishment orders.

COMMISSIONER DEASON: Thank you. Ms. Kaufman, I understand you have a couple of quick questions before we break for lunch. You need to get to a microphone please.

MS. KAUFMAN: Mr. Deason, we've tried to collect our questions and we think it would be more efficient if Mr. Bradbury came forward and asked questions on behalf of our group. And I think that our questions are primarily for Mr. Stacy, so it might be helpful if he would come back.

COMMISSIONER DEASON: Well, the Chairman

indicated that you had two questions. How lengthy are your questions to be?

MS. KAUFMAN: If we're only to be permitted two questions, we will only ask two questions. I think we had several more than that, but at your pleasure.

COMMISSIONER DEASON: Ms. Keating, how are we on time?

MS. KEATING: We are running just a little bit behind at this point, but I'm not sure that the afternoon presentations are going to be as lengthy.

COMMISSIONER DEASON: Why don't we do this. We will just -- why don't we hold the questions until the very end and whatever time we have, we have.

MS. KEATING: I think that's a good suggestion.

COMMISSIONER DEASON: Okay. We're going to recess for lunch then at this time and we will -- do we need to take less than an hour or can we take an hour, Ms. Keating?

MS. KEATING: We were scheduled to reconvene at 1:15. I would suggest 1:30. Not any longer than that.

COMMISSIONER DEASON: We will reconvene at 1:30.

(Thereupon, lunch recess was taken at 12:40 p.m.)

- - - - -

COMMISSIONER DEASON: If I could have everyone's attention. We'll call the workshop back to order. Commissioner Garcia has asked me to go ahead and get things cranked up. Beth, is there anything preliminarily that we need to address at this time?

MS. KEATING: I was just going to mention that GTE and Sprint don't seem to have very much in the way of presentation on move, add and change orders, so we've suggested that BellSouth just start their presentation and carry it all the way through repair orders and then GTE and Sprint can follow with their presentations on repair orders.

COMMISSIONER DEASON: And then we'll wait on questions until after the end of all presentations --

MS. KEATING: That's correct.

COMMISSIONER DEASON: -- and then we'll take questions. Very well. Let's proceed.

MR. STACY: Commissioner, I would just like to begin briefly. I want to introduce folks from Bellcore who are here with us. They have -- I said it again. Kick me, John. Except they keep changing their name. From Telcordia Technologies who have

actually produced a commercial implementation of a TAG interface that is trademarked Service Gate, and Jim is going to take a minute and run us through a very quick example of what they have done as far as this commercial implementation. So I will turn the mike over to him for about the next 10 minutes or so.

MR. BOYER: Thank you, Bill. As Bill mentioned, I'm Jim Boyer from Telcordia, formerly Bellcore. As part of our interconnection suite of products we are developing and have developed an industry clearinghouse that we call Exchange Link. So, we're going to give a demo of the first version of Exchange Link that is actually out and operational today.

But before we do that, I wanted to take a few moments and just sort of walk through the premise of why it's Exchange Link, why an industry clearinghouse and then really talk about our implementation of it, as well as how we see it going in the future. So, John, if you could go to the first chart.

Okay. Very simplified view, but what we see in today's world is that each CLEC, and quite frankly, each ILEC are developing or working interfaces to each of their additional trading partners. So right now,

what you see is on the -- on this side of the screen you really have a mishmash of interfaces. And for example, each CLEC needs to manage the business rules, the interfaces, the changes that happen with each of their trading partners that they have out there. It's, quite frankly, a monumental task.

So what we've done in partnership with Bill Stacy from BellSouth, as well as Sprint's CLEC located in Kansas City, is begun developing and building an industry clearinghouse. Our viewpoint, our focus and our vision is really to build the industry clearinghouse such that CLECs can interface into the clearinghouse one way with one standing interface. We'll do the business rule validations as well as the appropriate interface mapping to the ILECs such that each has to interface one way, and the management of change is much simpler for both CLECs and ILECs.

So where are we today? We have an initial -- our initial operational phase, if you will, is out there. We have -- Sprint is actually up and using the service, interfacing to both BellSouth and Ameritech. The first version supports very simple POTs orderings, migration as specified and disconnects orders, as well as initial preordering. By the end of June we will have the second phase out and in

production, operational, which will support both full POTs, and full preordering by year end with two additional trading partners. So we're trying to cover the whole national scheme, if you will.

By year end we intend and plan and have committed to having eight wholesalers into Phase II, as well as a full suite of products, including full POTs, UNE, loop, LNP and many of the -- many of the complex ordering. So with that, if you will go to the next chart.

So why is an industry clearinghouse needed? Well, the previous chart sort of showed the near term problem. Many to many interface is very difficult. If you think about it in the future, it's going to get an order of magnitude harder in that it's not going to be just CLECs hooking up to ILECs. It's also going to be ILECs going back to CLECs for trading. It's going to be CLECs having to trade through and win back or win customers from other CLECs. It's going to be Internet service providers going into CLECs that are facility based and also get some services and functions from the ILEC.

So in tomorrow's world, the whole aspect of interconnection takes on a much, much broader and bigger and more difficult challenge because

everybody's going to have to interface to everybody.

Okay. Next chart, please.

The prerequisite architectured document or architectured drawing, I'm not going to spend a lot of time on this. But the bottom line is we're showing this because, one, it is real. Functionally what happens is, either through VFO, Virtual Front Office, which John Ruja is going to give you a demonstration on in a few minutes, or through our standard interface, as indicated by the firewall, you can access our Exchange Link service. We'll do the validations based on each of the ILECs out there, that each one has validations that are a bit different. Then we do the appropriate mapping and translation to the ILEC interfaces so the order flows through as much as possible to the ILEC. We then take the appropriate responses back and map it back to the standard interface coming in.

So, by doing so, we're trying to simplify it on both ends, such that the CLEC only has to map the one interface as well as it simplifies things for the ILECs in that they're only having to deal with one interface and one testing aspect, if you will, coming in.

So with that, John, why don't you hop on to

the demo itself. And while he's doing that, I want to point out, I mentioned that VFO, Virtual Front Office, is a web-based graphical user interface coming into Exchange Link. So John is going to use that as the vehicle to demonstrate Exchange Link. VFO, it's not required, but VFO is one tool that gets in. Sprint is actually up and using this today. John.

MR. RUJA: Thanks. We're going to, as Jim said, try to demonstrate some of the capability and stimulation that we've got loaded on our laptop here.

So, the VFO is, as Bill was describing a little bit earlier this morning, one way of interfacing at the graphical user interface layer, what the user presentation layer would look like. This is our version of that GUI, if you will. We're using it today, obviously, by way of demonstrating what our Exchange Link Service is capable of.

Right now we have developed the capability, as Jim said a minute ago, for some preordering queries, as well as developing the order requests for the local service request for the local orders. We have the capability in here for, from the user perspective, if you have a lot of repeatable order types that are being generated to a certain trading partner of developing templates so that the same

orders don't have to be created over and over again. You simply create a template and it automatically brings up that template for that user at that time point in time. This is like a customer info notes screen, if you will.

What I want to focus on, first of all, is the preordering. This is actually what the user would see initially. And if we click on preordering, we'll bring up the CSR query screen.

So we talked this morning, you heard numerous times about the customer service record query. Again, this is our version of that screen. So, we have drop downs for this trading partners right now. As Jim said, we are connected in production to Ameritech and BellSouth with Sprint CLEC.

Now, again, this is not a production environment we're running here. Obviously, this is a simulation. But I did want to point out that we'll have the trading partners here so in this case we'll choose BellSouth. We are developing drop downs for the states, but in this case for the demo we don't have that yet. So we'll choose Georgia. We have to populate a telephone number here. (Indicating.) Now, we're going to go over here to authorize the request. So the service rep would put their name here or the

requester.

COMMISSIONER JACOBS: What's the origin of that telephone number? I'm sorry. Maybe I just can't see it, but the telephone number that you just put in, what purpose does it serve?

MR. RUJA: We're doing a CSR, Customer Service Request, a record retrieval. So we have to have the telephone number in order --

COMMISSIONER JACOBS: Oh, I'm sorry. So this is an existing customer.

MR. RUJA: Exactly. Right.

COMMISSIONER JACOBS: Okay.

MR. RUJA: And we want the user to positively indicate that they're, indeed, authorized on the customer's behalf to request this information, since this is customer information. So that's what this field does and then we keep track of that, 0obviously.

We can submit this query, either through the submit function here, or using the runner icon, and hopefully at this point the simulator will retrieve the response we expect which is a customer's -- a copy of the customer service record. Again, it's a simulation so the response times are a little bit slower here running it on the laptop. And this is not

exactly a replica of BellSouth's CSR, but it's a reasonable facsimile.

We do periodically have some timing out problems on the simulator.

But in this case, we've got back the customer service record. As you can see here, it has the name information, the address information, the service and equipment information, and in this case, it's a 1FB service; who the PIC is; what kind of services are here. All types of stuff you could expect to see on a CSR.

Okay. What I wanted to do -- any questions about that? (No response.)

What I wanted to do next is close out of this and go into and show you how we would do the initial creation of an LSR. In this case we have the ability, so far, based on our current development, to submits LSRs for resale, as Jim mentioned, for migrations and for disconnects.

So what we want to try to do here, so you'll at least get the concept of what is being developed and later in the year, actually in the September time frame, we're going to have the UNE, LNP capability available to do this.

COMMISSIONER CLARK: What's on the screen

now?

MR. RUJA: This is the work list. So the user would click on LSR to create -- to get into the LSR model, and the work list comes up. This is a work list of just all the LSRs that are pending, have been submitted for the user. Okay. So it tells them who the trading partner is here; what state that is for; what type of service, res or business. This is the purchase order number, which, in VFO's case, is automatically assigned by VFO. This is the VFO version. This is the status of that.

In VFO -- you see we have some on here. These are actually pretty much dummy records. Some that have been saved, submitted. You can see that all the way down the line, that version.

The response status. This is a response status coming back from the trading partner. So in this case, these have been sent, for example, from VFO but have not been actually acknowledged and confirmed by the trading partner yet, so they're pending confirmation. This one has been confirmed. Some you see have been either errored or rejected.

Errors, the error status indicates that within -- remember the architecture picture that Jim had up? That within our service, because we are

managing the business rules and doing edits ourselves on both the CLEC and ILEC business rules, we validate against those business rules before it actually goes out to the trading partner, to the ILEC in this case.

So, if there's an error that we detect within our service, that error condition comes back to the user and is displayed to them and has to be corrected before the error can get all the way through to the trading partner.

A reject, in this case, would be something that has made it out to the trading partner and is in the case -- for example, what Bill was describing this morning, a fatal reject, something that gets rejected by the ILEC and that status would indicate on here as a rejected error -- rejected order.

This tells you what type of service and what kind of activity within that service request and, of course, the due date for it.

So, you know, as the orders are being sent and as messages are being received back and forth through the service and the trading partners, this status is being updated in near realtime basis in terms of confirmations, rejects and things like that so that they can be corrected and fixed.

If we wanted to create a new LSR, click on

new. Some basic customer information is required before the LSR can be built. In this case, assume that we have a service rep who's talking to the customer and they understand what kind of service at this point is being requested. As I say, we now have the capability for resale. So we'll do resale with directory.

The yellow fields on here are the required fields, according to the industry standards. And those must be populated. If they are not populated, then an error notice before this actually -- after this is -- before this can be submitted to a trading partner, an error notice would be presented to the user.

Put a user name in here. Trading partner in this case is BellSouth. Say that it's in Georgia. Go ahead and put a telephone number in. Assume this is a migration. And in this case, for purposes of our simulation, the way the simulation is processing the orders, remember I mentioned the template button from the previous screen. We've built a template in here to handle Georgia resale orders. So we'll call in that template. Click okay.

And what's happening now is you'll notice the buttons populating across the top where it -- just

below where you see the -- right up here. End user resale LSR. It was mentioned this morning that the LSR, of course, is a multicomponent form, so what's happening now is VFO is actually building all the forms of the LSR that are needed to do this type of service activity for this specific request.

CHAIRMAN GARCIA: How can you find the account without the number?

MR. RUJA: I'm sorry.

CHAIRMAN GARCIA: How can -- in the previous screen, you didn't need -- the phone number wasn't required. How do you find the account without the number?

MR. RUJA: Well, this may not necessarily be an existing service. It could be a brand new service.

COMMISSIONER CLARK: I guess the question is, how do you get into the system? What do you have to know to get into the system? Either the phone number or the person's number or -- I guess I'm a little confused. Are we doing move, add and change orders?

MR. RUJA: No. This is a migration as specified or a migration as-is order from an existing ILEC customer. CLEC is taking over that customer. So, they would have most --

COMMISSIONER CLARK: You would have --

MR. RUJA: -- naturally obtained the customer's telephone number, I would think.

COMMISSIONER CLARK: Now, just to follow up. Without that, the ILEC could not call up and say, "Well, we don't have the phone number, but this is the person." They would need the phone number.

MR. RUJA: Yes, in order to get through this, exactly. You're right.

CHAIRMAN GARCIA: But, yet, it wasn't one of the required fields?

MR. RUJA: Well, because it's not a required field on every LSR.

CHAIRMAN GARCIA: Got you.

MR. RUJA: Just like a house address, a street address, we don't have designated as a required field because there are rural addresses and things like that. There are rules about that in the industry standards for what's required and what's not.

So, the proper forms have been built here in order to do the resale order. We happen to be starting here on the end user form. The end user form, obviously, has many different sections to it. So, if we just wanted to quickly walk through this. I can then take you through the rest of the forums very

quickly. We're not going to populate all these.

Let's just assume that in this case we do have a house and we do know the address.

(Working on computer.)

At this point then the user would actually work through the rest of the sections on this end user form and actually have to work through the rest of those forms then. So this would be the section for inside wiring. There is a billing information section. Get to remarks. We actually go to the resale form then.

This is where you would designate how many lines are actually being migrated; what the telephone numbers of those lines are; what kind of activity is occurring on those lines. Here you see the PICs and the LPICs.

On the feature selection page or on the feature selection form then, this is where you would designate the service that the customer is requesting.

Then there's the administration of dealing with the LSR itself, who the administrative contacts are, the billing, et cetera. We actually have the DSR capability billing this for straight line listing so they can populate listing information on here, if that's required, and directory delivery form.

So those would be the forms that would be required to complete or may be needed to complete this type of a service transaction.

Back here -- now assume that we had worked through all of those at this point. Then this is a simple submit.

Okay. And then what we would see here is the work list has been updated. At this point there is no -- in simulation, no place for this order to go. Then the work list gets automatically updated with a submission. When the trading partner responds, as I mentioned earlier, then the status of that changes coming back from the trading partner. And that's really it.

COMMISSIONER CLARK: And your objective is that all the ILECs and CLECs will use this single system so that they can all interact with each other?

MR. BOYER: That's a rather broad objective, but I think, from my perspective, the challenges of building an interface is one thing. The challenge then of maintaining the change controls and the changes as maintenance occurs is a very broad and huge issue for the industry to deal with, especially when you're connecting up with more than one or two particular ILECs.

So the response is, ultimately, I firmly believe there's got to be a way for the industry to deal with the maintenance change control of the interfaces and business rules across the multiple ILECs. So our vision is, a clearinghouse is going to be absolutely needed, so we're building it.

COMMISSIONER CLARK: Is there anyone else building it?

MR. BOYER: To my knowledge, no.

COMMISSIONER JACOBS: How deeply into -- looks like, for instance, in the schematic that is there, you don't necessarily interact with BellSouth's TAG system. So then in that instance, when your input is done, you wouldn't have validated addresses or reserved phone numbers or anything of that sort? That has to still occur after the Exchange Link interface has occurred, is that correct?

MR. BOYER: What we've done is, the CLEC server is, if you will, a portion of TAG. That is the, as Bill mentioned, the integratable part. We have integrated that into Exchange Link. So the flow of information is, we're attempting to, in the clearinghouse simplify the flow, if you will. So, all the preordering information comes through Exchange Link and we map that to the appropriate interfaces.

In this case, we are mapping it from the CLEC server into TAG, into the appropriate LEGACY systems at the back end for BellSouth, retrieving that information back and providing it to the CLEC. So assuming that you get the TN -- the TN reservations systems up and the address is validated, all that information will be obtained by the CLEC and be populated on the order for submission in.

COMMISSIONER JACOBS: So, while Exchange Link wouldn't necessarily do the auditing and other functions that are done, it would be a very quick turn around sounds like.

MR. BOYER: Correct.

COMMISSIONER JACOBS: So that they could have that information pretty quickly.

MR. BOYER: Correct. We've done some benchmarking and the preordering that we've seen so far is in the single seconds.

COMMISSIONER DEASON: How do you plan on getting compensated for your services?

MR. BOYER: We actually are working on both ends, if you will. There is really a whole number of answers to that.

One, we're out there, quite bluntly, peddling to the CLECs as this is the way to keep cost

down for the long run, i.e., maintenance and change control. I would also suggest that there is significant advantages to the ILEC, that we're working with the various ILECs across the country on opportunities there.

Then the one part that I failed to mention as we are going through this, I believe that there is an ongoing verification testings aspect of this. This is an infrastructure that is going to be connected up to every ILEC and I -- our perspective is that the movement out there is to have an ongoing verification testing requirement of the wholesalers and we believe this fits that bill as well.

COMMISSIONER JACOBS: Does the ILEC have to have a standardized protocol on their side of the wall to deal with you or will you tally what you do to meet what they have?

MR. BOYER: Our commitment is we will meet to what they have. Clearly, we are pushing hard for standardization as much as possible. Some ILECs are fairly standard, some are not. So we are meeting the existing interfaces as to what they have.

COMMISSIONER JACOBS: Because just in the positions to date, it doesn't look like the GUIs and all those other things were that standardized. But

by -- to your process that's where it would start to happen. Okay.

MR. BOYER: I guess different levels of standardization. From the formating, EDI, CORBA, et cetera, that's one level. To the actual field level of what's in each format, et cetera, you know, there's significant differences out there that, quite bluntly, cause some mapping complexities that we have to deal with. But so far we've been able to solve them.

COMMISSIONER JACOBS: Okay.

COMMISSIONER DEASON: Is it your vision to eventually include all incumbent LECs?

MR. BOYER: Yes.

COMMISSIONER DEASON: Even small independents?

MR. BOYER: Yes. We have eight scheduled for this year and it's the eight big guys, but the plan is to grow from there.

MR. STACY: Thanks, Jim. I wanted to add one thing at the end. As Jim said, we're obviously still negotiating with them over who is going to pay for this, how, as is Sprint.

To give credit where credit is due, the prime mover on the fact that this is the right solution for the industry was Carol Bussy, who's vice

president of Information Technologies at Sprint National Integrated Services.

She did a very thorough analysis for Sprint and came to the conclusion several months ago, almost a year ago now, that management of multiple ILEC interfaces was something that was not in their best interest in the long term. So she began pushing on their suppliers and at the same time we heard about it and we are having problems, from our side, of interfacing with multiple CLECs because we have to do the system development and the system assurance and the verification "X" times and then do it again.

And when she and I managed to get together and get together with Telcordia now, and arrive, at least for us as trading partners and then they brought Ameritech into the mix and are bringing other ILECs that they trade with into the mix, that this was a viable solution going forward for an industry solution.

The other point for me is that it begins to remove doubts about whether the TAG interface is functional because now I have a fairly large commercial provider up and using it. Not with all the functionality I want yet, but between now and the end of the year there's somebody outside of BellSouth

saying, "TAG works. I can get preordering information for it and I can send orders over it." And that becomes a matter of fact instead of a matter of dispute which saves me a lot of time.

Okay. Adds, moves and changes. If you will read that on the way past as Ron scrolls.

Adds, moves and changes, which is slide No. 36 on the left-hand side and some subsequent customer service record slides. This portion will go very fast because it's a definitional question. Other than one segment I'm going to show you, you've seen all the basics.

An add to BellSouth and to the other carriers is nothing more than a new service at an existing address. So you start out with a valid address. It makes it very easy to validate your address because you can get it with a telephone number. But an add is really nothing more than a new order that you have some information about already.

Moves, on the other hand, are a combination of an add at a different location. So it looks a lot like a new service.

And then changes we're going to talk about because changes are changes in an existing service. The real difference on a change order -- Chad, you

want to bring the other one up on the other side. Go on through to the change.

Real difference on the change order is that you've got a service in place with the customer -- this is three slides forward on the left -- on the right. Excuse me. On the left. One forward on the right.

Is that you have a customer service record to look at. Telcordia showed you a minute ago what their view of a retrieved customer service record looks like. I'm going to show you very quickly three different views.

Similar to what you I showed you this morning, when our residential customer service rep pulls it back, it comes back in English. They never see the codes. They never see the gory details of that particular record. And in this case, it takes up two screens to show the particular record we look at. The services that the customer has are shaded in and color coded. It's a very different, very friendly display.

For business services, the customer service record looks a lot like the order that we typed this morning, which is no surprise because that's the way the information is actually kept inside our system.

For residents, they take this information and convert it to English. Our business people are skilled enough that they read it and they read it directly off the screen and would never ask any questions.

So here's the detail of what this business customer has. And as you can see, particularly when you get here, it looks exactly like that order we placed this morning. Here's a particular service where there's a code, and there are a bunch of modifiers for the code following it. This is the service and equipment record of what that customer has in service and here's the rest of that particular record.

Now, what does it look like when the CLEC gets it back through TAG. Again, this is my view of what it looks like because I had the designers present this. There is information you can pull out and pull out in what are called fields or parsed information. There is a list of services and equipment which I chose not to parse, but can be parsed. You saw some of that in the Bellcore example demonstration.

The point is, that when the CLEC gets ready to do a change order, the information that BellSouth has in the record of that customer's retail service,

can be pulled out and manipulated by the CLEC. That's really the only difference between a new order and a change order.

You're able to take the existing stuff and say, I want to delete that one, I want to add this, I want to change that to a different characteristic. So when you talk about adds, moves and changes, you need to realize that the structure has already been built with a new order. That has most of the complexity in it. And then if you add to that the ability to see the existing services with the customer service record, a change order is just a modification on that.

That's really all I plan on talking about adds, moves and changes. Unless you all have some specific questions, we will move on to maintenance.

All right. Let's talk about maintenance.

COMMISSIONER JACOBS: I'm sorry. I did have one question.

MR. STACY: Yes.

COMMISSIONER JACOBS: When you do a move --

MR. STACY: Uh-huh. Back up to the move slide Ron, please. A move is actually two orders and let me tell you in simple terms or in -- not our industry terms.

In the industry terms a move would

constitute two orders called a T and an F. A "to" and a "from". From is the old location. "T" is the new location. If you get underneath that, what you're doing is instituting a new order at the new location, and processing a disconnect order at the old location. They just happen to be coordinated so that they happen either at the same time or overlap, however you've negotiated that with the user.

So the characteristics of the order really aren't any different than a new order and a disconnect order. We just call them a different thing.

COMMISSIONER JACOBS: They are coordinated?

MR. STACY: They are coordinated at the customer's request. They can be not coordinated at a all. They can be scheduled to happen on the same day or they can be scheduled to overlap in what we call dual service, and you pay for both of it for a period of time.

COMMISSIONER JACOBS: We just heard a horror story of a lawyer where that didn't happen.

MR. STACY: We do have them. And I'll say this, and I know some of the CLECs will say this either today or tomorrow.

The more changes there are in an order, and the closer you get to the delivery date when those

changes are made, the more chances there are of one or the other or both of us screwing up. When we get a change on the morning of the day that the order is supposed to be worked, the chances that we will be able to correct all of the places in the systems where that order is sitting pending, are very low. Give us two days to do it, we're pretty good at it. And I won't say it's all their fault. I won't say it's all our fault. But the closer we push up to the time that it actually happens and change somebody, the worse is gets.

And some of our worst horror stories are where somebody called the morning that a conversion was supposed to happen or sent us a change order the morning that a conversion was supposed to happen at 2 o'clock in the afternoon and we corrected three pieces of information and didn't get the fourth one and the conversion started and you got three records that say one thing, and another that says something different, and then somebody spends the rest of the night straightening it out or even a day straightening or two days straightening it out because your records and what is physically happening out in the field no longer agree and it's -- that's when the horror stories happen.

If that happened three days earlier and just the due date moves, very high chance that it's going to be all corrected and happen. And we do it -- you all don't like to hear this, Commissioners, and Nancy doesn't want me to say it, but we perform equally badly for BellSouth customers and the CLEC customers in that case. If a customer calls us and changes it at the last minute, our chances of messing it up are roughly the same as our chances of messing a CLEC order up. When we do, we get in there and correct it. It wasn't too bad, was it?

Okay. Anything else on adds, moves and changes?

One last summary on adds, moves and changes. What the local service request let's you do now is a whole different group of what are called requisitions and activities. There are different local service requests, those forms we looked at this morning for the CLEC. There are different combinations of those that let's you order a loop, order a loop with number portability of the two different kinds, order just number portability, order a bundled service -- and I'm not sure we've ever taken one of these orders yet. That was one of those that was invented that nobody ever used. Order a resale service, a switch port,

directory listings or combination of a loop and a port.

And then there are different kinds of activity you can work against that particular order. So when you look at the matrix and the ordering guide that defines all of that -- if you'll pull that one up, Ron. You'll find that for a loop type requisition represented by this row, it's valid to add a new one, change an existing one, delete one, do an inside move, do an outside move, change the records, or do what's called a switch with changes order to that.

So these types of activities mapped in this matrix apply to the types of requisitions that are shown there and that's what's available to the CLEC. Some of those are electronic. Some of those are manual. I'm not dealing with which ones are which on this particular chart. But that's the kinds of activities that are available.

So each of the activities; adds, moves, changes, new installs, disconnects, broken apart by the different service categories, all apply. Obviously, the resale category and the loop port combination category, which looks identical to retail services except the pricing, those have the broadest range of activities that are applicable to them.

All right. Now, let's go in and talk about maintenance for a few minutes. Changing systems names on you, and Ron reminded me I should have said this earlier and I apologize. There is a glossary at the back of the right-hand side -- left-hand side of the double binders and at the back of that stack on the -- those of you who don't have binders to keep up with the short three letter acronyms I toss out periodically.

The systems we're going to talk about for the next few minutes are BellSouth's maintenance systems that we use and that we provide for the CLECs. There are two systems that a BellSouth repair employee uses depending on what group of customers they're talking to. One of them is called TAFI. The other one is called and pronounced WFA, W-F-A. And there are two parallel systems that are available to the CLECs. There is a version of TAFI that's available to the CLECs that we will spend just a minute on, that allows them exactly the same functionality that we have. And there is an access to work force administration to WFA, that is electronic that allows them access to that system.

Let's go ahead and look at the specific systems.

First, we're going to talk about TAFI and what I want you to see from these two slides is what I've said repeatedly here, that the functionality available to the CLECs in TAFI is the same functionality that is available to BellSouth. The system architecture is the same. The way they access the system is the same. The only differences are security differences so that the CLECs can't see each others customers and -- or BellSouth's customers, and so that appropriate restriction -- appropriate security restrictions are put in place.

The other difference is that BellSouth chose to split this up and we have a group of these systems for just business customers, and a group for just residence customers. The CLECs system let's you go to either a residence customer or a business customer from one point of entry.

A trouble report in TAFI for the CLECs looks like this then. Trouble report is received for no dial tone. Pull this forward one, Ron, please. That is a CLEC repair service attendant sitting at a console interacting with BellSouth systems. There is a trouble entry screen that leads them through the process of entering the telephone number and defining the trouble. There is a data collection screen that

leads them through the process of categorizing what the trouble is, and in this case, this was a no dial tone report, so it's a dial tone problem. And then there are subscreens like this one that help them categorize more specifically what the customer's reporting.

When the CLEC repair service attendant comes to training with us on this, they're trained on this system and how the dialog with the customers work and this is actually an English prompted system. The system tries to lead the customer and the repair service attendant through to the most likely cause of the trouble.

So we're walking them through a problem with no dial tone. The logical question for us in terms of determining where the trouble is, is this trouble on all phones or not. And the answer, in this case, was yes.

And in this particular case, we're going to ask the customer whether the line is in use, which is how we're going to determine whether we should do a test at this point in time or not, and we're going to start building a trouble ticket for the customer. The CLEC's screen is this screen. It's the same one that a BellSouth service repair attendant would see.

When we get that far, the system has the ability to kick off tests in remote systems. We've already looked at some data at this point in the mechanized loop testing system. I'm sorry. We haven't just yet. We're ready to start that.

Go to the next screen and go down one more.

We've kicked off of a test in the loop test system that is actually going out through the system to the central office, testing that customer's loop and will give us some test results, and then the CLEC has the ability to go in and read those test results just like we do to interpret what needs to be done for the customer on that -- in that case and to discuss with the customer what action is to be taken.

If it turned out to be a problem with a feature instead of a problem like no dial tone, there is the ability in the system to look at the features that the customer has in service, and those are retained here in a box called the loop maintenance operating system host. This is another version of the customer service record, but this deals with just the features they have in service. It doesn't have billing information. It doesn't have any of the other stuff there, but says, these are the services you've sold them.

So it gets a copy of that back and let's the repair service attendant see it and deal with that and leads them by the hand. We have a significant number of trouble reports that are classified by us and the CLECs as just customer instruction. You sold them something and they don't remember how to use it or they don't know how to use it.

So the repair service group was set up to provide helpful instructions on how to use your most commonly ordered features in all of these cases. And in this case, the particular feature that we're looking at the help screen for -- go ahead, Chad, and drop down one more -- is if you have ordered call forwarding, how do you use it. And then the repair service attendant can walk through the person on the phone. Here is how you're suppose to activate your call forwarding. You're supposed to wait until you get a dial tone. You're supposed to dial 72#. You're supposed to do this, this and this and that gets rid of that trouble report quickly, interactively over the phone, when there really wasn't a physical trouble in that case.

If there was a physical trouble, then this system generates the work request that goes downstream to BellSouth, and causes eventually either a

technician to be dispatched or some work to be done.

That's available to the CLECs. We have a great many CLECs using it. It's also exactly the same system that is used by BellSouth's repair service attendants.

On the other side of the service --

COMMISSIONER JACOBS: Can you go back for just a moment?

MR. STACY: Yes. Sorry.

COMMISSIONER JACOBS: So they do a test. They confirm that there is something occurring in the connection and that some maintenance is required.

MR. STACY: Correct. Or not required, as the case may be.

COMMISSIONER JACOBS: Okay. Then that box does a dispatch for the CLEC's personnel?

MR. STACY: No. That box does a dispatch for BellSouth's personnel --

COMMISSIONER JACOBS: BellSouth's personnel to go out?

MR. STACY: Because this is -- these services are all driven by BellSouth telephone numbers. So these are cases where either resale or switch port, we have the telephone number on our switch and have some work to do in terms of testing or

maintaining it.

And that trouble report that we just talked about over there, when it's finished, goes to the work maintenance centers where a technician is actually either sent to the premise or sent to the central office or sent wherever work is needed to be done to repair it.

COMMISSIONER JACOBS: Are there intervals on this?

MR. STACY: The intervals -- they are the state -- the normal state intervals, which I can never remember exactly which ones apply in Florida. But the same ones apply to the CLECs. We report them in the same manner. And we also report each month the performance of BellSouth compared to the CLEC performance for the state.

So if you went and looked on the performance measurements web site, which I know the Staff does periodically and some of the other groups, you see both sets of results displayed side by side where there's a comparison. So you can see residence straight down against the other one.

The other types of services that require maintenance are those that do not have a telephone number but have what is called a circuit

identification. And what I'm going to take you through here again quickly is a trouble report for a service called -- a service report, can't dial long distance, but on a circuit identified circuit.

Chad, want to bring that one up?

The system that we're talking about is ECTA, Electronic Communications Trouble Administration. It has the ability -- it has significantly different abilities than TAFI has. This is our strongest testing system. We made it available to the CLECs directly, as I said earlier. This system only let's you send data back and forth. It doesn't actually drive any testing. It will begin to drive some testing capabilities in June and will evolve over time to add more and more, but this is the national standard at the moment.

You'll see it called -- it's on an earlier slide, the committee that administrates this is a committee called T1/M1, and you'll hear this called at various points in time, electronic bonding. Our in-house name for it is ECTA.

It let's the CLEC develop a machine-to-machine interface that can provide us with trouble reports on a telephone numbered service like TAFI or a circuit ID service in WFA, but it lacks the

functionality that TAFI had, so we put both of them out there because we had believed in the interest of nondiscrimination, and we had to provide the same access that we had for telephone numbered services.

So trouble report comes in. The repair service person would already be logged in through the two sign-on screens that you see. And they're working at this level with circuit identifications. Much longer, much more complicated service. This could handle anything from an 800 number, which is what we're -- an 800 service, which is the particular one that we're talking about here, up through a DS3 service. So this is all of the designed services that are administered and reported through this system.

COMMISSIONER JACOBS: I forget. TAFI was limited, right? TAFI has some limitations in that regard?

MR. STACY: TAFI's limitation is it has to have a 10 digit telephone number assigned to it, otherwise it wasn't designed to administer that, but as you can imagine in terms of volume, TAFI handles about 85% of our volume because most of what we have out there for sale in terms of sheer bulk is telephone numbered services. These are business private lines. This includes unbundled network elements. Includes

interoffice trunking facilities that go back and forth between us and the interexchange carriers and between us and the independent companies and the CLECs.

So this is sort of the everything else category administered by this system. You work at a circuit identification level. It's a very different trouble report form. It's not prompted. It's not user friendly. And we pay the technicians that work in this system about twice what we pay the maintenance attendants that work in this system because the level of expertise is significantly different. It is a very, very technical, very demanding job on this side when you start working in design services.

So, you enter the trouble report. There are places for the technician to put comments in here, and they haven't done anything yet except talk to the customer about the trouble report and gather information.

Go ahead, Chad.

That information is all kept in a log. We keep track of who was doing what to this service and when it broke before. And then finally, there is a summary of the trouble ticket.

Now, the important point to remember here is whether this is a BellSouth technician talking to a

customer on the phone and putting this trouble into our system or whether it's a CLEC talking to their customer and putting the trouble in this system. Nothing has happened yet. All we've done has gotten information about the customer's problem in the circuit. Everything on these services goes downstream to a technician to actually be tested and fixed. There is no automatic testing. There is no automatic retrieval of what the customer's record looks like. There's none of the features and functions that make TAFI really easy to use for those services. This is all manual. And what we're talking about is an electronic means to get the trouble report to us instead of the CLEC having to call us. So it's a very different system.

But that's what we offer in terms of maintenance. One of each. Exactly what we use and an electronic interface to the same system we use, or they can call us if they choose to do so.

We have the same kind of performance measurements for these systems as appropriate that we have for our provisioning and ordering systems.

In this case, there's a measure of whether the systems are available. If we offer TAFI to the CLECs, how much of the promise time is it available?

How quickly does it respond? If we have to answer their call on a manual basis, how long does it take us. And then when we actually start fixing a trouble, how often do we miss a repair appointment; what is the rate at which customers report troubles; how long does it take; how often does a customer call back and repeat a trouble report; and how many are out of service 24 hours.

The same kind of measures we use in the state measures in the various states. Those measures are all filed, again, created monthly and made available to the CLECs and to the Commission on the web site.

Go ahead, Chad.

Going to take a look again, just -- you'll look at your page, it'll be easier to read. But just through some specific ones. What's the maintenance average duration in this particular case for residential services, and you see it displayed over time rising as we get more troubles in the summer and more weather related troubles and tailing back off in the fall.

For business customers, similar pattern. But you see the display and the actual results at the bottom of what the CLEC's results are and what the

BellSouth results are.

And then for UNEs in this case, the pattern is obvious. We were getting better over time in this particular case but the actual results, the number of troubles that are reported, are very small numbers of actual reports in this case and what that means in terms of how long it took us to fix it.

So each of those -- each of those issues is presented in terms of what we are able to do to the CLECs.

Where, I believe, we are now, and I will wrap up my portion of this and let GTE and Sprint talk about theirs. We have a set of continuing issues in mechanization about, what are we going to do about complex resold services; where we do them manually today, is there enough demand to mechanize those. And that's a question that we're going to have to settle with the CLECs and with the industry. And what unbundled network elements need to be mechanized and in what order?

There is not complete agreement between the CLECs about what this order is, nor do we necessarily agree with some of them. And none of us agree with the standards bodies at the moment about what order this is supposed to proceed in. So there is a

continuing issue here.

There's the issue that Jim Boyer talked about. About how do we efficiently get business rules and knowledge transferred out. If I can move my business rules outside of my ordering systems and transfer them over on the CLEC side of the system, they do business more efficiently and I do business more efficiently. But they have the problems that Telcordia mentioned of saying, "Ameritech's got one set of rules. BellSouth has another. NYNEX has a third. How do I manage that?" That is something that we're going to have to deal with.

In measurements, what are we going to measure; how many things are we going to measure; how we going to evaluate them. We're involved, as I told you earlier, in a series of workshops in Louisiana trying to deal with that now.

And then there's the question of standards. There are services that I could roll out faster and could convert to mechanized ordering faster, if I took off down a BellSouth path and said, "If you want to order it from me, you do it this way." If I do that, I'm not following the national standard. And it may be a temporary advantage for me and the CLECs who agree to do it, but then we both -- we both wandered

off the path from the standard and we both have to correct at some future point.

Then, of course, there is the question you all have to answer on what is the Telecom Act and the FCC's orders actually mean.

I was telling somebody at the break this morning, and you all have seen many times of it. I've spent a little bit over two years working on this particular project now. BellSouth has spent somewhere in excess of $350 million developing these systems and the interfaces that underlie them and go behind them and there's still no clear definition of what the objective is.

Every time we put out a system, and I go back to the FCC, something changes. We had never heard about fully integratable before, at least not in those words before Louisiana II. Now, it's a requirement. All right. I went off and developed TAG. I will go back to the FCC sometime later this year and find out if that's what they meant.

But, until there's very specific interpretations of what the Act and the order actually mean, we're all going to be in this pattern of weaving back and forth, never having quite understood what the goal is.

What we're doing ongoing, however, in the meantime, we're bringing our processes further up the curve.

COMMISSIONER JOHNSON: Can you go back to that point that you were making, just so that I can understand procedurally what's happening. What -- in your conversations with the FCC have they stated any intention to put forth any criteria with specificity or is it just a moving target or what's that process?

MR. STACY: We have a little debate with them about it being a moving target, as you can imagine. As the decision makers, they have stated several times in meetings I have been in, that it's not appropriate for them to decide what the correct target is. That we have to submit an application and then they will tell us if that meets the test of nondiscrimination or not. But they have not told us what a specific target is and said, this is required or this is enough.

COMMISSIONER JOHNSON: So they're just looking at it on a case by case basis and you're getting the direction from you're filings or the filings of others?

MR. STACY: Yes. I've got the output from Louisiana II. Presumably New York and Texas are going

to file some time this year also. I don't know when they are in sequence with our next filing, but two or three of us will file again sometime between now and the end of the year. And then we'll get the next set of directions. If that next set of direction is different, then we're back off building another system.

That's the way the process is apparently designed to work, but that's one of the reasons that things keep changing. I don't want to harp on it, but it's just a fact that without some legal definition of, here it is, we are all going to keep inching our way forward until we either, you know, finally reach consensus, and I don't know exactly when BellSouth and AT&T would reach consensus, but I don't think I've got that long left to work. Or we're going to have a legal order from somebody that says, here it is, and you know, at this point in time we're going to go on. It's an interesting process for me.

COMMISSIONER JOHNSON: So they're just kind of, they'll know it when they see it because they, I guess, maybe it's unchartered territory for everybody, but they're kind of more reactive than being proactive in giving direction?

MR. STACY: Yes. Two of these -- let me

just take a second. For instance, UNEs. We took them to court over the original definition. We lost part of it, part it of got remanded.

Until the new rulemaking on 319 is done, I don't know exactly what unbundled network elements I should prepare to have electronic ordering for because I don't know if the original set is good, if it's good only under certain terms and conditions that meet the necessary and impaired standard that it talked about, or what I should do.

So, we're going to be here through the middle of the summer and maybe into fall with another set of things that are still undefined that will then become defined three and a half years after the Act was implemented, and then we'll know what to do about UNEs maybe. And if they put a new idea on the table or take ideas off the table -- well, I'll give you both cases.

Suppose they put a UNE on the table that none of us have thought about yet. I'm probably in a nine month development cycle to figure out to do it, how to code it, and how to it make it come back into the system.

If they take some off the table, AT&T and Sprint and MCI have them in court again saying, "You

can't do this. You retracted this. You don't have the authority to do that." And we're in a nine month cycle of litigation.

So from my perspective as a developer, it's sort of a moving target, and I don't see a clear end yet.

On measurements, they issued a rulemaking. We've all filed probably tons literally of paper against that rulemaking in the State Commissions and there is no rule yet, nor according to the Staff, is there likely to be any time in the next future because they're waiting for the various states to shake out their rulemaking.

We're hoping that we shake one through in Louisiana that added to what we did earlier in Georgia. We can push out for nine states. But they haven't done that.

COMMISSIONER JOHNSON: I'm sorry. Rulemakings on?

MR. STACY: On measurements. There is a proposed rulemaking on measurements that's been out there for two years and hasn't been closed. It's just sitting there. A year and a half.

So those are our interpretations of the issues.

COMMISSIONER JOHNSON: This might not be -- and you might have already address this, and I apologize. I was working with the FCC on another matter and missed some of your presentation. Did you talk about what's happening up in the New York and the third-party verification process?

MR. STACY: I didn't.

COMMISSIONER JOHNSON: Are you going to talk about that at any time? Just kind of -- that might not by here directly. But just kind of for my edification, how does that fit into this? Should we be thinking about that? And just candidly how you feel about that process.

MR. STACY: I had assumed from the agenda that we were going to do that tomorrow afternoon, but I'd be glad to take a second now and give you my -- you know, our position on it.

COMMISSIONER JOHNSON: I can wait until tomorrow.

MR. STACY: There's a speaker scheduled for late tomorrow that addresses that specifically and I thought we were going to talk about it then.

COMMISSIONER JOHNSON: The KPMG person? Are you going to respond?

MR. STACY: Yes.

COMMISSIONER JOHNSON: Oh, okay. That'll be fine. We'll handle it during the response then.

MR. STACY: Okay. That's all that I have on adds, moves and changes and maintenance and repair. If there are no more questions -- oh, I'm sorry. I didn't finish this. Thank you, Ron.

What we are doing in terms of future improvements. Finishing the process improvements in our centers so that they're ISO certified, which means that what they're doing is predictable and repeatable and happens the same way, and we're working hard on that.

You can see what the growth curve looks like. We were at 320 service reps at the end of 1998. We were at 411 as of the end of March. That will be at 700 by year end. That total organization for local ordering has gone from 0 to over 1,000 in two years. So that's how fast we've come up the curve in that particular organization.

You've heard about, and will hear more about, our training, both internal training for these people and external training for the CLECs.

The mechanization improvements. TAG is up and running. There is a new version of it scheduled to go into effect in September that adds additional

functionality and features, particularly with regard to some complex services and some UNEs.

And we've put in place a change control process that the CLECs participate in, although they don't all profess to like it, that allows them to have inputs to what happens to change these electronic interfaces. This version specifically was driven by this process. We were going to convert because of a contract we have and put in Version 8 of ordering which adds certain features and functions. And in the process of socializing that with the CLECs the answer came back, "No, let's do the best of or what we want of 8, 9 and 10," and a negotiated truce was arrived at about what would go in that particular version. And you'll hear more about that later I'm sure.

Point is, there's a process growing that let's the industry begin to drive what happens when in terms of the interfaces. It's not perfect, but it's beginning to work.

And that's it, I guess. That's what we're doing in terms of OSS and that pretty much brings you up-to-date as far as BellSouth's efforts.

With that, Beth, I'm done with this section. We can turn it over to GTE and Sprint.

MS. KEATING: Commissioners, I suggest we go

ahead and take a break so we can get GTE set up.

CHAIRMAN GARCIA: Okay.

(Brief recess.)

- - - - -

CHAIRMAN GARCIA: Mr. Bradbury, just so you know, we're not going to take more than 15 minutes, so if your questions can be precise and to the point; and, likewise, Mr. Stacy.

MR. STACY: Yes, sir.

MR. BRADBURY: I'll do my best. As Mr. Stacy said earlier, the CLECs and BellSouth have some different opinions. I'm not here to explore those right now. I'm here to gather some information through some questions, not -- I've got a presentation tomorrow where I'll talk about things where we have differences.

And I've got three things -- areas I want to talk about, Bill, just to give you an idea. I want to talk a little bit about edits, about flow-through --

CHAIRMAN GARCIA: Mr. Bradbury, you need to get closer --

MR. BRADBURY: Okay. Edits, flow-through and customer service records, and I'll try to get us on a page where we can see -- and the first ones would

be the -- your left-hand slide. Let's see. Let's use the bottom of Page 16. It's the CLEC ordering process flow.

CHAIRMAN GARCIA: Page 16, you said?

MR. BRADBURY: Yeah. Yes, sir; left-hand side. This one. (Indicating)

MR. STACY: Oh; I'm sorry. Page 16. Which slide number is that.

MR. BRADBURY: Slide number 32, unnumbered.

MR. STACY: All right.

MR. BRADBURY: Okay. It's my understanding that SOCS, indeed, has error codes, or error checking in it. Is that true?

MR. STACY: Yes. It has a table of edits called the SOR (phonetic) edits.

MR. BRADBURY: And it does apply those SOR edits to orders that come to it from LESOG, the CLEC orders?

MR. STACY: Yes, it does.

MR. BRADBURY: Okay. So there are errors generated by SOCS? How are those then handled? If a CLEC order suffers a SOCS error, how is that handled? Because it's not depicted in this chart.

MR. STACY: And that's part of the chart that's simplified to the point of being misleading.

Those actually show up either as what's marked on the chart as an R' or an E error.

The SOCS edits are, to a large extent, applied already in LESOG, and those that are caught in SOCS and later come back and show up in this count as an E. So there's actually a cycle there that doesn't show in this simplified diagram.

MR. BRADBURY: Okay. Similarly, if we could look at your diagram on the left side of page -- it's Pages 3 and 4, Slides 6 and 7 where we see RNS sending orders to SOCS.

MR. STACY: Yes.

MR. BRADBURY: And on Slide 7 we see DOE sending orders to SOCS.

MR. STACY: Right.

MR. BRADBURY: In both of those cases, does SOCS apply SOR edits to the orders that it receives from SOC --

MR. STACY: Yes --

MR. BRADBURY: -- from R --

MR. STACY: -- it always reapplies the edits regardless of the source. In the case of RNS, all of those edits that then residence unit believed they needed have already been applied by FUEL and SOLAR, but that doesn't stop SOCS from reapplying it and --

MR. BRADBURY: And in --

MR. STACY: -- in the case of DOE, that's the first time they're applied.

MR. BRADBURY: Okay. So if SOCS finds an error on a DOE order, for example, what happens to it?

MR. STACY: That order drops out for manual correction by a trouble resolution group for that business unit.

MR. BRADBURY: And similarly for RNS?

MR. STACY: Yes.

MR. BRADBURY: Okay. While I'm on that chart, I've got a question that relates somewhat to flow-through.

The first page in the flow-through reports says BellSouth's own flow-through. Could you use Charts 6 and 7 to show how BellSouth's residential and BellSouth's business flow-through are calculated?

MR. STACY: Back up. On Chart 6, the BellSouth flow-through for residence --

CHAIRMAN GARCIA: Mr. Stacy, tell me what page you're on. It will be easier for us. What page are you on?

MR. STACY: It's actually Page 6 on the left-hand side. I'm sorry. I have a reduced version.

CHAIRMAN GARCIA: Okay.

MR. STACY: Let me make sure we're together. (Pause) Yes. That's it; Page 6.

In BellSouth's residence system, the flow-through is measured from the orders released by the RNS server to those successfully edited and completed by SOCS.

MR. BRADBURY: So those errors that SOCS found, then, are what constitute things that don't flow through for RNS?

MR. STACY: That's correct. In the case of DOE, as you know, we have a little ongoing argument about that. But there is no such thing as flow-through for DOE, even though we reported it.

We were -- what we were reporting -- and it's my error for many months in the past -- was the service reps' ability to create an error free order, not the system's ability to create an error free order; and that ran in the 70 to 75% range.

With the definition we've agreed to with the FCC of mechanized service order generation that you all disagree with, business flow-through is actually zero.

MR. BRADBURY: Let me check with you on this, though. What were the "from" and "to" points that you were measuring for the last 18 months?

MR. STACY: The "from" point is the order leaving the DOE mainframe. The "to" point is the order being successfully processed by SOCS.

And then on the CLEC systems, the "from" point is -- as we talked about it this morning, is -- the "from" point is eligible for processing, which is at the front end of LESOG, and the "to" point is the successful processing by SOCS.

MR. BRADBURY: One more question in the DOE area. Does the DOE system itself have edits within it?

MR. STACY: It does. It has copies of the SOCS edits contained in it.

MR. BRADBURY: So an order that has been released from DOE has received some editing?

MR. STACY: Has received some editing, plus the service rep's expertise editing; same type of edits that Bellcore is now applying externally.

MR. BRADBURY: I'd like to change just a little bit and talk about customer service records for just a moment. And if I can find my question we'll be all right. (Pause)

This is on the right side at Slide 76, and this is the GUI demonstration for TAG of the customer service record. And you had indicated that the fields

on the left in this demonstration you had caused to be parsed from the customer service record, but that you chose not to parse those on the right.

Does that mean that you are capable of parsing what's on the right?

MR. STACY: Yes. It means that we are capable of parsing what's on the right by applying another program to it. We have chosen not to do that, and have given the CLECs -- more to MCI than to you all -- instructions on how to do that. But the records are not parsed in our system, but they are capable of being parsed.

MR. BRADBURY: All right. If I move back several slides to around 71 or 72, I'm now looking at RNS.

MR. STACY: Yes.

MR. BRADBURY: Would that be an example, then, of where BellSouth has taken its customer service record and parsed it?

MR. STACY: Yes. The residence service retail unit takes the record that I've showed you from the customer record information system and parses it to their specifications using the same data that's available to the CLECs.

MR. BRADBURY: Okay.

MR. STACY: The business unit, on the other hand, doesn't. They display it as raw data.

MR. BRADBURY: And when the customer service record is sent to a CLEC, what format is it in? Is it in a parsed format or is it in --

MR. STACY: No. It's in an ASCII string format with what are called line delimiters. Each line comes with a line type identifier on the front of it, a string of text, and a line ending character that would have to be dealt with as just units of data. That's the format that was manipulated in the TAG record on Slide 76.

MR. BRADBURY: Okay. And I'm hoping you'll be able to answer this one. It may be a Telcordia question.

But when they were demonstrating the migration order, they had previously pulled up a customer service record. Yet in the demonstration they did not use any of the customer service record information to populate the customer service -- the LSR for the migration.

Is that something that they just didn't do in this demonstration, or is it a later capabilities, or something that can't be done?

MR. STACY: Something they didn't do in this

demonstration. Certainly the capability exists, but that's the choice of what they have built with their external customer, Sprint, so far and what their specs were about what they wanted to handle.

MR. BRADBURY: Thank you. Those are all the questions I have.

CHAIRMAN GARCIA: Thank you, Mr. Stacy.

GTE?

MR. HOLLAND: Well, good afternoon. We're here to finish up our presentation and focus on local repair. But just as a note, the add/move/change discussion is pretty much exactly the same as BellSouth.

Again, the mechanism CLECs would use for that are the same mechanisms for installs. It's the LSR would come through and flow, just as we had talked about earlier this morning.

On our repair side, again, we're using our gateway, which is SIGS. I don't know if I've defined it before, but it's secure integrated gateway system, the same one used for ordering a -- (inaudible) --. We kind of have a database we house all the requests that come in through that system.

So what we have today is, again, a telephone call from a manual standpoint if a CLEC chooses to do

manual, they could call in to our care center, which is our center that we handle for retail trouble, as well as we would use the same center for wholesale trouble. So there's parity there.

And then they also have the option of using a graphical inter -- user interface, the WISE platform we talked about that on the Internet, and it's basically a GUI again where we can go in and submit trouble tickets. That GUI also gives them a lot of other capabilities, too, which we'll talk about, from a repair standpoint, but it kind of flows through the same dot -- block diagrams that we showed with our ordering and preordering.

And, again, there is a way to use the same protocols that we used to provide that GUI. They could use the same hypertext type protocols to do an ap to ap if they wanted to. And what happens is -- just to kind of give you a flow of what happens, once that order comes in or once that request comes in to create a trouble ticket and the trouble has been reported, it kind of goes the same route as it would for our retail center.

It comes in -- you know, we would expect the CLEC, though, to do some isolation on their side as to whether it was end user trouble or if it was trouble

in the network, same way we would. If we had the end user calling in to our care center, we would ask a series of questions like -- you know, possibly go outside and plug into the NID to make sure there's no inside wiring issues, things like that. So that's kind of the CLECs' responsibility in this.

Once that's been done, we would -- they would submit a trouble ticket through our systems, but even prior to that they have the ability, using that GUI interface, to actually do a line test. So it's kind of their choice. But to do even more isolation they could go in, put the telephone number in the GUI, and perform a realtime line test on it to get test results back that's displayed on the GUI that was whether, you know, it was in parameter or if we could see the NID and so on, on that test results.

Then, you know, again, to test out bad, is there trouble on the line; they would open a trouble ticket at that point in time. We would do event testing as well once we had the ticket, same as we would do for our retail centers, or retail troubles, and then accordingly go through the steps you see up there, which would include, you know, dispatching, if we had to, to the customer's premise or doing, you know, on the line or whatever it may take.

With -- the web also gives them, this GUI, the ability to status at any time. They can go in and see the status of where that trouble ticket is at; you know, was it dispatched and that kind of stuff. Also, when the service is closed out, they'll get the status that that trouble has been repaired and closed out through that same GUI interface.

Moving on a little bit -- I know some of the other presenters had talked about performance measurements. I just kind of stuck them here at the end from the standpoint as a wrap-up.

But to give you a kind of where we are with GTE with performance measurements, about this time last year, actually April of last year, we began a full docket, I guess, within California, very similar what BellSouth had alluded to in Louisiana where we started releasing in a collaborative effort along with the commission staffs in California and set down what is appropriate measures, what are they.

I mean, they hadn't really been defined at that point. So through that collaborative effort, where we are today -- and it's been about a year later; it does take a long time to go through this stuff and lay it all out -- we basically -- the CLECs in those states, which are some of the same ones here

in Florida -- have laid out in the collaborative effort everything they wanted measured, and then through the process, we kind of went through and determined what it was possible to be measured, what kind of -- what it would cost to implement certain measurements and so on.

And through that process we basically set upon 44 measures that the CLEC community wanted. There's 39 of those that GTE is prepared now to begin actually performing the measurements and producing those measurements on a web site. That web site will be turned up next month, and we're in the process of gathering data now and then just shoring it up and making sure we're headed forward.

So there has been a tremendous amount of effort done in the past year to determine what measurements apply and how they should be applied. That's kind of the effort that happened in -- collaborative out in California.

Again, we've also been -- participated in open dockets in California, Indiana, Michigan, Nevada Pennsylvania -- I mean, Nevada and Pennsylvania. And what we've done is taken that work that's been happened and carried it forward from state to state.

I mean, ideally what GTE would want to do --

and I think you'll hear that from other ILECs as well, is to come up with a consistent set of measurements that we can do with all states, because, again, our OSS platform is national in scope platform. You know, GTE operates in 28 states. It would be very difficult to have a lot of different measurements in each state.

So there's a groundwork. What we've done is kind of walked in with these measurements that we had in a collaborative effort and determined is there anything additional to these that make sense that's unique to that state or something there that has to be measured that we feel is required, other than what we've already agreed to measure in those 39 measurements.

And, again, we've put in separate reporting system delivery and service deliver -- broken into system delivery and service delivery. So we're really checking more than just the systems. We're also kind of checking service delivery as well, the processes that the wholesale would go through, and checking those processes to make sure they do match up with retail analogs where we can.

And I'd say 90% of these have a retail analog associated with them, something we can measure that we do in the retail world and compare it to what

we do in the wholesale world so we can show parity on those measures; but there are a handful of them that are unique to wholesale around UNEs and around LSC, timeliness, things like that, that we have to establish benchmarks for; and then we basically would grade ourselves against that benchmark is how it's been established.

In lieu of this, also what we've been doing is kind of a second phase approach in California/Nevada is to tie incentives to that. You know, what happens when there is sub-par performance; what if you're measuring this thing and you see that there is sub-par performance; what do you do to correct that, and what guarantees does a CLEC have, or an ALEC, that that's going to, you know, impact their business.

So what we've done is tried to craft in -- and we're still working this out in that collaborative effort -- but to craft some kind of a mechanism for incentive payouts when service performance isn't what it should be, and that would include both system delivery and service delivery.

And I know just a little bit ago we kind of talked -- touched base on third-party a little bit with BellSouth, and they were going to wait until

tomorrow afternoon. But just to touch that, one of the things that we -- that we're a proponent of is, you know, third-party testing is done in New York, is a very resource intensive effort.

I mean, it takes tremendous amounts of resources from a financial commitment as well as resources within the company as far as, you know, able bodies to be able to perform this testing and review test results and work through the issues.

One of the things that we see as a surrogate to that really is this performance measurements tied with a very comprehensive incentive program that says, you know, the system does function, and if it doesn't function, we're going to be paying out these incentives. So, therefore, there is, you know, a reasoning here. There's a purpose as to how these performance measures work in lieu of a third-party type environment. That's kind of our position on third party briefly.

And, again, this slide just goes to the fact that we're trying to, you know, make this thing as, I guess, in a national basis as we can. I mean, again, it's pretty, very difficult to try to do different measurements state by state. So it would be our hopes that we would be able to import what we have done in

other states into Florida, work those out in such a way that we kind of -- are we reporting those things, you know.

I think CLECs and ALECs within Florida benefit from those measures instantly, because we -- one of our goals is we're not just holding this in the state of California. As we roll this out in our web site, it will be for all states, not just California that we've agreed to.

And last but not least, you know, a cost recovery has been a big issue for us. You know, this -- the systems, the billing of the systems, the setting of the performance measurements, the dedicated resources required for all that are very expensive things. I mean, it's been kind of starting this all along for the last couple years is -- of what we've done.

We actually even built interfaces that no one has ever used. I mean, we've had to go that far in order to try to, you know, get in line with the FCC order. And so kind of what we're saying here is that, you know, cost recovery is a big issue to us.

We're looking for some kind of mechanisms to recover costs associated with those type of interface exchanges, and that's kind of where we are.

Any questions?

Oh, that's right. One other slide.

COMMISSIONER DEASON: Excuse me. I have a question. The previous slide, the last bullet point, when you say seek recovery, how do you seek recovery of these costs?

MR. HOLLAND: We're kind of open to ideas. Right now, I know one state has set up a memorandum that we've actually taken our costs and we put into there and they had actually to do a surcharge back to end users for these costs. I think there's different mechanisms for them. I don't know if we've really landed on the appropriate mechanism at this point. I think at this point we're just saying we need to have some way of seeking cost recovery.

COMMISSIONER DEASON: Does the Act address that?

MR. HOLLAND: I don't know. I don't believe it does.

Future --

COMMISSIONER JACOBS: I'm sorry. I have one question. Go ahead, finish, because it had to do with a prior slide also.

MR. HOLLAND: Okay.

What we've got here is the last slide is

kind of -- this is our focus for this year; I mean, trying to give a short-term focus. It's being very difficult to plan in the long term, because, I mean, the whole industry has been kind of in a state of the flux, and the industry changes of -- you know, standards have changed.

But our focus for this year immediate is to really focus on preordering ap to ap stuff. CORBA -- I mean, I think with like BellSouth's got with their CORBA interface. We would like to have a CORBA interface with realtime preordering information and also EDI.

We're working actively with trading partners today to make that a reality. So we're thinking third quarter we should be functional on those two facts.

Mechanize our CSR process: That's been a very difficult one for us. A lot of our CSR information is housed in our LEGACY ordering system, which, as we talked about previously, we've replaced now with a new system. So we've now developed code on the new system that's become stable, and it's in the marketplace to try to get a mechanized CSR.

So we're basically starting June, which is next month, we'll have our first phase of that out. We're on the web. An ALEC can actually request a

customer service record and get that back. And then we want to move that further with our preorder in CORBA EDI to actually have an ap to ap CSR similar to what you saw with some of the presentations. I mean, Telcordia being able to pull that information over.

And then we're also enhancing and we have enhanced our WISE platform to include templates. Again, ALECs have to come to us. They like the GUI. They like using the GUI, but one of the things they had asked as an enhancement to it would be the ability to save an actual template. If they're doing the same type of order with us in the same state over and over, it's much easier for them to have the ability to save the information and pull it up and only change what they need to change. So we've turned that functionality on so they have that ability to do that.

And then, again, we're really focused on flow-through, because I think flow-through benefits, not just the CLECs and ALECs, because you get faster turn around on service delivery, but it also helps us from the standpoint of just taking out a lot of the manual efforts and a lot of the human costs there is with resources to try to keep up with the spike in -- you know, we're growing exponentially as far as the order volumes. And as that happens, you've got to

make a decision do you add more bodies or do you try to do something that's mechanized, and the flow-through has really become an important objective for us this year.

COMMISSIONER JACOBS: It appears that both in your preordering and provisioning and in your repair, you're following pretty much the standards that are set out. It does not appear that there's a great emphasis on the auditing and verification on the front end. It seems like most of yours is focused on input, on standardizing the input, and getting into the ordering process. Is that a fair statement?

MR. HOLLAND: Yeah, I think that is kind of fair; because what we've done is we've kind of broke it in tasks. I mean, the first thing was to get those gateways, and we've really put a lot of effort and resources around getting that shored up, that interface piece up, and offering different flavors of it for different CLECs' and ALECs' needs.

You know, I think what you're seeing here is our internal focus now has become more on the back end of it, the flow-through, things like that. Once we kind of complete those, then we kind of get the best of both worlds.

COMMISSIONER JACOBS: That brings me to my

question. It would appear, and it sounds like from some of the other things we've seen, that the more you can focus on and eliminate those formatting, those situational errors on the front end, the better your flow-through would be.

MR. HOLLAND: Yes, it definitely will. We think the key to that is getting that automated CSR information. If an ALEC or CLEC gets access to the actual information -- because the bulk of our orders are really migration orders, and the customer has service today; now they're moving over; if they can get all the information from that customer, such as the address right out of our system, it really takes away a lot of the errors.

COMMISSIONER JACOBS: So you don't anticipate moving towards the process of the -- I can't remember the system that we heard from earlier -- but of their being able to access your automated, i.e., automated address validation, your --

MR. HOLLAND: Yes.

COMMISSIONER JACOBS: -- parsing in your information? Do you anticipate that kind of functionality?

MR. HOLLAND: Exactly. That is what our focus is. The first two bullets up here, the preorder

CORBA, EDI --

COMMISSIONER JACOBS: Oh. That's what that --

MR. HOLLAND: -- that's exactly what those are. It gives them the ability to view our data and get a hold of our data.

We have that ability today through the web GUI. I mean, but the problem is, it doesn't integrate the ordering and preordering together, and that's what we need to get to is allow the ALEC to integrate those two functions together on their side.

Any other questions?

COMMISSIONER DEASON: Do you have a position on the concept of clearinghouse?

MR. HOLLAND: Yeah. I think -- in my opinion on the clearinghouse, I think it's something that's needed. I think there are some other companies looking at it. I know Telcordia is looking at it. I've heard of a couple other companies that are also looking at that type of functionality.

It's just something that needs to mature. It's just not there yet. It's starting to mature as it goes forward. We've had numerous discussions with Telcordia as well, and at some point I think, you know, GTE will be a player with that. (Pause)

Is that it? Okay. Thanks.

(Technical difficulties.)

MR. FELZ: I can just operate off the hard copy. Two quick points I wanted to make back to this morning's presentation based on questions that came from the Commissioners.

One: The automation of our telephone numbering interface is in progress right now and should be completed before the end of the year. So CLECs will be able to automatically reserve telephone numbers and to get telephone numbers via our IRES application.

And also there was another question about the validation of the service address, whether that happens downstream after the local service request has already been received from the CLEC. That validation happens at the point that it comes into our IRES system rather than downstream. So if there is an address problem, it will be identified at the time the order is received and not, you know, a day or so later. So those are just two quick points of clarification I wanted to make.

In terms of trouble administration, trouble administration is basically in a CLEC environment a CLEC end user would contact their CLEC if trouble

occurs. They wouldn't contact Sprint's repair center. They would contact their provider first, and their provider then contacts our repair center either electronically or manually via a faxed order or a telephone call.

Obviously ALECs need the ability in a trouble environment to open a trouble ticket to obtain the status of where that trouble ticket stands, to be able to escalate it, and to be able to close the ticket once the trouble has been fixed.

Where the industry is on trouble administration: The industry standards were developed for IXC trouble interfaces back in 1996. Those IXC trouble administration standards were basically used as the framework for trouble standards for the local service activity, and this is commonly referred to as electronic bonding. These standards are very complicated and very expensive to implement.

Where is Sprint in trouble administration: We made substantial modifications to our systems back in 1997 to provide electronic bonding interfaces to the CLECs, and we had the ability to provide this electronic bonding starting back in October of 1997. We still have the capability to implement it, but as of yet we don't have a CLEC that has come to us

wanting to utilize electronic bonding.

CHAIRMAN GARCIA: Why do you think that is? The areas that you have aren't that attractive to them, or --

MR. FELZ: My sense is that the amount of competition that we have had in our area thus far, we haven't had the large volumes, large volume CLECs, and trouble is maybe not their immediate priority as it is ordering and preordering systems; and also the fact that it is fairly expensive to implement this electronic interface for trouble.

The next few slides basically walk you through the process; once the trouble order comes into our systems how it's then taken and eventually cleared. As a GTE representative indicated, we basically go through the testing phases identifying whether the problem is part of an overall outage. We attempt resolution with the customer; get it into our trouble reporting system; do tests through our various systems to determine where the problem is; if necessary, dispatch a technician to get the trouble cleared; clear the problem and close the trouble report; and eventually report back to the CLEC once that trouble ticket has been cleared.

I guess in summary I'd just indicate on

trouble administration we stand ready to implement an electronic interface on trouble once a CLEC is willing and ready to do that.

Any questions? (No response.) Thank you.

CHAIRMAN GARCIA: Thank you. Beth, do you have anything left?

MS. KEATING: That's the last presentation scheduled for today.

CHAIRMAN GARCIA: Well, then we will commence tomorrow at 9:00 a.m. Thank you very much.

(Thereupon, the hearing adjourned at 3:45 p.m. to reconvene at 9:00 a.m., Thursday, May 6, 1999 at the same address.)

- - - - -

(Transcript continues in sequence in Volume 2.)

B

C

D

E

F

G

H

I

J

K

L

M

N

Q

R

S

T

U

V

W

X

Y

Z