

M E M O R A N D U M

May 17, 2000

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (VACCARO) *(AV)*

RE: DOCKET NO. 000121-TP - INVESTIGATION INTO THE
ESTABLISHMENT OF OPERATIONS SUPPORT SYSTEMS PERMANENT
PERFORMANCE MEASURES FOR INCUMBENT LOCAL EXCHANGE
TELECOMMUNICATIONS COMPANIES.

Please place the attached in the above-referenced docket file.

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FPSC-RECORDS/REPORTING

Operations Support Systems Performance Assessment Plan Staff's Initial Proposal

I. Introduction

The following proposal was developed based on a workshop held March 30, 2000 for the purpose of collecting comments from interested parties concerning Docket No. 000121-TP – Investigation into the Establishment of Operations Support Systems Permanent Performance Metrics for Incumbent Local Exchange Companies. Participants offered comments on a list of questions, which were provided in the Notice of Workshop dated March 9, 2000. The list of questions and staff's position regarding those questions are shown in Attachment 1.

The development of permanent performance metrics, performance standards and a performance monitoring program (collectively, performance assessment plan) of operations support systems is vitally important to opening the local telecommunications market and ensuring nondiscriminatory access to LEC services and facilities. Performance monitoring by the Commission serves two key purposes. First, it provides a mechanism by which to gauge present compliance with the obligation to provide access and interconnection to new entrants in a nondiscriminatory manner. Second, performance monitoring establishes a benchmark against which new entrants and the Commission can measure performance over time to detect and correct any degradation of service rendered to new entrants. The intent of the development of a performance assessment plan, which includes performance metrics and standards, is to further competition, ensure quality service, and to effectively drive process improvements to deliver improved telecommunication services throughout Florida.

Commission staff will proceed with the development of a performance assessment plan initially for BellSouth, followed by separate proceedings for GTE and Sprint. This is in recognition of the differences among ILECs operating throughout Florida and the fact that identical standards for all ILECs would not be appropriate. Performance metrics of smaller, rural ILECs will not be developed in this proceeding. The development of this plan is not meant to preclude any ILEC from developing and implementing a voluntary self-effectuating enforcement program.

II. General Authority

Pursuant to Chapters 364 and 120, Florida Statutes, the Commission staff will work collaboratively with ILECs and ALECs to establish performance metrics, performance standards, and a performance monitoring program on the level of wholesale service that the incumbent local exchange company provides through its operations support systems. Specifically Section 364.01 (3) provides in part that:

The Legislature finds that the transition from the monopoly provision of local exchange service to the competitive provision thereof will require appropriate regulatory oversight to protect consumers and provide for the development of fair and effective competition.

And further Section 364.01 (4) (g) provides in part that:

The Commission shall exercise its exclusive jurisdiction in order to ensure that all providers of telecommunication service are treated fairly, by preventing anticompetitive behavior.

Finally Section 364.337 (5), Florida Statutes, states:

The Commission shall have continuing regulatory oversight over the provision of basic local exchange telecommunications service provided by a certificated alternative local exchange telecommunication company or a certificated alternative access vendor for purposes of establishing reasonable service quality criteria, assuring resolution of service complaints, and ensuring the fair treatment of all telecommunication providers in the telecommunications marketplace.

The Telecommunication Act of 1996 contemplates the continuing role of state public service commissions in monitoring the implementation of the competitive telecommunications environment pursuant to the Act. The Act specifically states:

Preservation of Authority-Notwithstanding paragraph (2), but subject to Section 253, nothing in this section shall prohibit a State commission from establishing or enforcing other requirements of state law in its review of an agreement, including requiring compliance with intrastate telecommunication service quality standards or requirements. 47 U.S.C. Section 252(e)(3).

The FCC has also recognized the implementation of performance metrics and monitoring by states for the purpose of evaluating the status of competition. In its evaluation of BellAtlantic New York's (BA-NY) application to enter the long-distance market, the FCC recognized that the New York PSC has ordered BA-NY to report performance data on a monthly basis pursuant to a series of 152 metrics. In paragraph 429 of the Order, the FCC states that in its consideration of an application for 271 authority in a state, it would look at whether a Bell Operating Company would be subject to performance monitoring and enforcement mechanisms on the state level.

III. Administration

The performance assessment plan should be established as soon as is practical to ensure a healthy competitive telecommunications market in the state of Florida. The performance assessment plan will be established through a series of collaborative workshops and meetings among Commission staff, ALECs and ILECs. Performance metric related work currently being performed in other states and in the current OSS testing in Florida will be taken into consideration in the development of the performance assessment plan. The ultimate result of this proceeding will be a Commission order on performance metrics and benchmarks for each ILEC. Once metrics have been established for all three major ILECs in the state, and the Commission has gained further experience, Commission staff will consider rulemaking. Commission staff proposes to develop metrics and standards first for BellSouth and subsequently for GTE and Sprint. Commission staff

anticipates that a hearing on performance metrics will only be required if major issues regarding metrics and standards cannot be resolved through the collaborative process.

IV. Establishment of Performance Metrics and Standards

The performance assessment plan is intended to allow Commission staff to monitor service the ILEC provides to its retail customers and to the ALECs and to detect any disparate treatment. Commission staff wishes to balance the goal of detecting discrimination with the goal of minimizing the burden imposed on the ILECs. The Commission staff hopes to focus on aggregate data for several key, customer-oriented, outcome metrics. Standards will be set which can be applied to the ALEC aggregate data. These same standards will be applicable to individual ALEC performance results as well. Individual data will only be evaluated for purposes of ensuring fair treatment of all telecommunication providers, pursuant to Sections 364.01 (4)(g) and 364.337 (5), Florida Statutes.

The metrics currently being considered for inclusion are the Florida interim metrics that are currently being evaluated for adequacy during Florida's testing of BellSouth OSS. These include:

Pre-Ordering – OSS	<ol style="list-style-type: none"> 1. Average OSS Response Time and Response Interval 2. OSS Interface Availability
Ordering	<ol style="list-style-type: none"> 1. Percent Flow-through Service Requests (Summary) 2. Percent Flow-through Service Requests (Detail) 3. Flow-through Error Analysis 4. Percent Rejected Service Requests 5. Reject Interval 6. Firm Order Confirmation Timeliness 7. Speed of Answer in Ordering Center
Provisioning	<ol style="list-style-type: none"> 1. Mean Held Order Interval & Distribution Intervals 2. Average Jeopardy Notice Interval & Percentage of Orders Given Jeopardy Notices 3. Percent Missed Installation Appointments 4. Average Completion Interval & Order Completion Interval Distribution 5. Average Completion Notice Interval 6. Coordinated Customer Conversions 7. Percent Provisioning Troubles w/i 30 days 8. Total Service Order Cycle Time
Maintenance & Repair	<ol style="list-style-type: none"> 1. Missed Repair Appointments 2. Customer Trouble Report Rate 3. Maintenance Average Duration 4. Percent Repeat Troubles w/i 30 days) 5. Out of Service > 24 Hours 6. OSS Interface Availability 7. OSS Response Interval and Percentages 8. Average Answer Time - Repair Centers
Billing	<ol style="list-style-type: none"> 1. Invoice Accuracy 2. Mean Time to Deliver Invoices 3. Usage Data Delivery Accuracy 4. Usage Data Delivery Completeness 5. Usage Data Delivery Timeliness 6. Mean Time to Deliver Usage

Operator Services (Toll) and Directory Assistance	<ol style="list-style-type: none"> 1. Average Speed to Answer (Toll) 2. Percent Answered within "x"Seconds (Toll) 3. Average Speed to Answer (DA) 4. Percent Answered within "x" Seconds (DA)
E911	<ol style="list-style-type: none"> 1. Timeliness 2. Accuracy 3. Mean Interval
Trunk Group Performance	<ol style="list-style-type: none"> 1. Trunk Group Service Report 2. Trunk Group Service Detail
Collocation	<ol style="list-style-type: none"> 1. Average Response Time 2. Average Arrangement Time 3. % of Due Dates Missed

In addition to the metrics listed above, Commission staff will consider the 17 additional metrics listed below. These metrics are also a part of the Interim Performance Metrics approved by the Commission for purposes of OSS testing:

1. Percent Service Loss from Early and Late Cuts
2. Percent of Hot Cuts Not Working When Initially Provisioned
3. Percent Completions or Attempt without Notice or with Less than 24 Hours Notice
4. Percent Order Accuracy
5. Percent of Orders Canceled or Supplemented at the Request of BellSouth
6. Percent and Timeliness of EDI and TAG LSR Acknowledgments
7. Provisioning Troubles Prior to Loop Acceptance
8. Percent Orders Canceled After Missed Due Date
9. Percent Found OK/Test OK/CPE
10. ALEC Center Call Abandonment Rate
11. Average Notification of Interface/OSS Outage
12. Percent of Change Management Notices and Documentation Sent on Time
13. Percent of Software Certification Failures and Software Problem Resolution
14. Percent Billing Errors Corrected in X days
15. Loop Make-up Information Timeliness
16. Provisioning Trouble Reports Prior to Service Order Completion
17. Coordinated Customer Conversions as a Percentage On-Time.

Disaggregation must also be considered and must be consistent with the overall requirement of ensuring meaningful comparisons that do not obscure performance result differences.

V. Monitoring/Enforcement

During the early stages of competition, performance metric reporting should be monitored both specific to individual ALECs and on an aggregate basis. As competition develops, the need for ALEC-specific reports may diminish, at which point performance metric reporting could be set according to an aggregate level only. Initially, ILEC performance will be reviewed and monitored on a monthly basis to ensure compliance. Performance results will also be monitored over time to ensure there is no chronic degradation. Commission penalty assessments will be made on a quarterly basis, if necessary.

Performance reports should include the performance results associated with all metrics. Result reporting should include ALEC specific, ALEC aggregate, ILEC retail, and ILEC affiliates. In addition, summary reports that convey the comparison of performance results to performance standards should specify compliance or noncompliance for each submetric. Reports may be provided over an electronic medium.

If the review by the Commission staff reveals noncompliance, the Commission staff will utilize its authority pursuant to 364.285, Florida Statutes, to recommend penalties. Severity and frequency of noncompliance will be considered in decision any to assess penalties. Any monitoring program that may be established by this proceeding does not preclude the ILEC from designing a voluntary self-effecting enforcement program.

VI. Review Procedures

After implementation, the ILECs, the ALECs, and the Commission staff will review the performance assessment plan on an annual basis to determine whether performance metrics should be added, deleted, or modified. During this review, it will also be determined if applicable benchmarks or standards should be modified or replaced by parity standards.

Attachment 1
Operation Support Systems
Performance Measures and Standards
Staff Proposal

Authority:

Issue	FPSC Strawman
Does the Commission have authority to set performance standards on the level of service that ILECs provide through Operations Support Systems?	Yes. Pursuant to Chapter 120 and 364, Florida Statutes.
Does the Commission have the authority to require ILECs to report results on performance standards on a monthly or quarterly basis?	Yes. Pursuant to Chapter 120 and 364, Florida Statutes.
Does the Commission have the authority to assess penalties for non-compliance with set performance standards?	Yes. Pursuant to Chapter 364.285, Florida Statutes.
What should be the ultimate result of this proceeding? Rules, guidelines established by Commission order, tariffing requirements, or something else?	The Commission will issue an order for each ILEC. Recommendation for performance metrics and standards will be based on a collaborative process.
Should all ILECs be subject to the same performance standards? If not, how should the requirements be modified to accommodate smaller ILECs or non RBOC LECs?	Performance metrics for smaller, rural ILECs will not be developed in this proceeding. Metrics and standards for BellSouth, GTE and Sprint will be set individually.

Administrative:

Issue	FPSC Strawman
What should be the time frame for establishing performance measures?	As soon as possible. Performance measures and standards will be developed first for BellSouth and subsequently for GTE and Sprint.
Will a hearing be necessary?	Possibly not. Hearing will only be needed if parties cannot agree on issues through the collaborative process.

Establishment of Standards:

Issue	FPSC Strawman
Should the Commission set performance standards that apply to an ILEC's aggregate level of performance across all ALECs, to individual ALECs, or to both?	Standards will be set for aggregate performance, however standards for individual ALECs should be identical.
Should standards be set at the statewide ILEC level or at some lower geographic level?	Statewide
For which wholesale functions should standards be set? How should wholesale offerings be grouped for purposes of setting standards?	Measures will be developed covering: Pre-ordering, Ordering, Provisioning, M&R, Network Performance, Billing, Collocation, Database & Interface Updates. The Florida OSS interim measures will be used as a starting point for developing the BellSouth measures and standards.

Monitoring Performance Standards:

Issue	FPSC Strawman
Should the Commission review ILEC performance on a monthly, quarterly, or some other basis?	Reports shall be filed monthly.
What types of periodic performance reports should an ILEC be required to file with the Commission?	Summary and disaggregated reports should be filed which include: ALEC specific, ALEC aggregate, ILEC retail, and ILEC affiliate. Summary reports shall include the comparison of performance results to performance standards and should specify compliance or noncompliance for each submetric .
Should an ILEC have to meet each individual standard in order to be viewed in compliance? If not, what approach should be used to determine compliance?	Uncertain. Performance metrics may be viewed individually to evaluate compliance. Severity and frequency of non-compliance will be considered.

Penalties for Noncompliance:

Issue	FPSC Strawman
Are penalties for non-compliance appropriate?	Yes.
How should penalties for non-compliance be determined?	ILECs are encouraged to develop and implement a voluntary self-enforcement program for monitoring compliance with standards. Additionally pursuant to Chapter 364.285, Florida Statutes, the Commission will determine appropriate penalties when necessary.