

Matilda Sanders

From: Daniels,Sonia C - LGCRP [soniadaniels@att.com]
Sent: Monday, November 15, 2004 2:54 PM
To: Filings@psc.state.fl.us
Cc: Lisa Harvey; PCHRISTE@psc.state.fl.us; rmulvany@birch.com; gwatkins@covad.com; mfeil@mail.fdn.com; Michael Gross; dst@tobinreyes.com; aleiro@idstelcom.com; NEdwards@itcdeltacom.com; Donna McNulty; Jerry Hallenstein; jmclau@kmctelecom.com; jacanis@kelleydrye.com; mhazzard@kelleydrye.com; jmcglothlin@mac-law.com; Vicki Gordon Kaufman; rheatter@mpowercom.com; danyelle.kennedy@networktelephone.net; Inowalsky@nbglaw.com; Michael Britt; Peter Dunbar; Susan Masterton; Dulaney L. O'Roark; Mark.Ozanick@accesscomm.com; mconquest@itcdeltacom.com; MCampbell@nuvox.com; TSauder@birch.com; Nancy Sims; Nancy White; Tracy Hatch; Chris McDonald; Musselwhite,Brian J - LGCRP; Norris,Sharon E - LGCRP
Subject: RE: 000121A -- CLEC Response to Staff's Technical Matrix



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Docket No. 000121A-TP -- In re: Investigation into the Establishment of Operations Support system Permanent Performance Measures for Incumbent Local Exchange Telecommunications Companies (BellSouth track)

Attached please find for electronic filing the CLEC Coalition's Response to Staff's Technical Matrix regarding proposed SEEM changes in the above-referenced docket. The cover letter, certificate of service and the CLEC Coalition's Reply are a total of 41 pages. The attached document should be considered the official version for purposes of the docket file.

As indicated in the cover letter, copies of the CLEC Coalition's Response are being distributed to parties via electronic (in cases where e-mail addresses are available) and U.S. Mail. Thank you for your assistance in this matter.

<<000121A-CLEC Resp to Technical Matrix 111504.pdf>> Sonia Daniels Docket Manager AT&T Law & Gov't Affairs 1230 Peachtree 4th Floor Atlanta, GA 30309
Phone: 404-810-8488
Fax: 281-664-9791

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ORIGINAL



Tracy Hatch
Senior Attorney
Law and Government Affairs
Southern Region

Suite 700
101 N. Monroe Street
Tallahassee, FL 32301
850-425-6360

November 15, 2004

BY ELECTRONIC FILING

Ms. Blanca Bayó, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 000121A-TP

Dear Ms. Bayó:

Attached please find the CLEC Coalition's Response to Staff's "Technical" matrix in the above-referenced docket. Pursuant to the Commission's Electronic Filing Requirements, this version should be considered the official copy for purposes of the docket file. Copies of this document will be served on all parties via electronic and U.S. Mail.

Thank you for your assistance with this filing.

Sincerely yours,

s/ Tracy W. Hatch

Tracy W. Hatch

TWH/scd
Attachment
cc: Parties of Record

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the CLEC's Reply was served by

U.S. Mail this 15th day of November 2004 to the following:

(*) Blanca S. Bayo
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 3239-0850

Ms. Nancy B. White
c/o Nancy H. Sims
BellSouth Telecommunications, Inc.
150 S. Monroe Street, Suite 400
Tallahassee, FL 32301-1556

Michael A. Gross
Florida Cable Telecommunications Assoc.
246 E. 6th Avenue, Suite 100
Tallahassee, FL 32302

Nanette Edwards
ITC Deltacom
4092 South Memorial Parkway
Huntsville, AL 35802

Donna Canzano McNulty
MCI
1203 Governors Square Blvd., Suite 201
Tallahassee, FL 32301

John D. McLaughlin, Jr.
KMC Telecom, Inc.
1755 North Brown Road
Lawrenceville, GA 30043

Messer Law Firm
Floyd Self
Norman Horton
P.O. Box 1867
Tallahassee, FL 32302

Pennington Law Firm
Peter Dunbar
Karen Camechis
P.O. Box 10095
Tallahassee, FL 32302-2095

Rutledge Law Firm

Kenneth Hoffman
John Ellis
P.O. Box 551
Tallahassee, FL 32302-0551

McWhirter Law Firm
Joseph McGlothlin/Vicki Kaufman
117 S. Gadsden St.
Tallahassee, FL 32301

Wayne Stavanja/Mark Buechele
Supra Telecom
1311 Executive Center Drive, Suite 200
Tallahassee, FL 32301

Kimberly Caswell
Verizon Select Services, Inc.
P.O. Box 110, FLTC0007
Tampa, FL 33601-0110

John Rubino
George S. Ford
Z-Tel Communications, Inc.
601 S. Harbour Island Blvd.
Tampa, FL 33602-5706

Renee Terry
e.spire Communications, Inc.
131 National Business Parkway, #100
Annapolis Junction, MD 20701-10001

William Weber
Covad Communications Company
19th Floor, Promenade II
1230 Peachtree Street, NE
Atlanta, GA 30309-3574

WorldCom, Inc.
Dulaney O'Roark, III
Six Concourse Parkway, Suite 3200
Atlanta, GA 30328

IDS Telecom, LLC
Angel Leiro/Joe Millstone
1525 N.W. 167th Street, Second Floor
Miami, FL 33169-5131

Katz, Kutter Law Firm
Charles Pellegrini/Patrick Wiggins
106 East College Avenue, 12th Floor

Tallahassee, FL 32301

Mpower Communications Corp.
David Woodsmall
175 Sully's Trail, Suite 300
Pittsford, NY 14534-4558

ALLTEL Communications, Inc.
C/O Ausley Law Firm
Jeffrey Whalen
PO BOX 391
Tallahassee, FL 32302

BellSouth Telecom., Inc.
Patrick W. Turner/R. Douglas Lackey
675 W. Peachtree Street, Suite 4300
Atlanta, GA 30375

Sprint Communications Company
Susan Masterton/Charles Rehwinkel
PO BOX 2214
MS: FLTLHO0107
Tallahassee, FL 32316-2214

Miller Isar, Inc,
Andrew O. Isar
7901 Skansie Ave., Suite 240
Gig Harbor, WA 98335-8349

Birch Telecom of the South, Inc.
Tad J. Sauder
Manager, ILEC Performance Data
2020 Baltimore Ave.
Kansas City, MO 64108

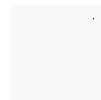
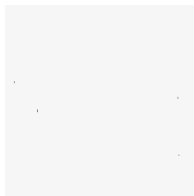
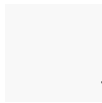
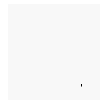
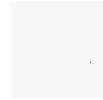
Suzanne F. Summerlin
2536 Capital Medical Blvd.
Tallahassee, FL 32308-4424

Kelley Drye & Warren, LLP
Jonathan E. Canis/Michael B. Hazzard
1200 19th Street, N.W., 5th Floor
Washington, DC 20036

David Benck
Momentum Business Solutions, Inc.
2700 Corporate Drive
Suite 200
Birmingham, AL 35242

Russell E. Hamilton, III
Nuvox Communications, Inc.
301 N. Main Street, Suite 5000
Greenville, SC 29601

s/ Tracy W. Hatch
Tracy W. Hatch



FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 000121A-TP

**SEEM
“TECHNICAL” MATRIX**

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SEEM Technical Matrix
CLEC Coalition Proposed Changes

Row #	Proposal Concepts	CLEC Reasoning	BST Response
1	Measure-Based Concept	<ul style="list-style-type: none"> ➤ Transaction-based remedies provide an incentive for BellSouth to give worse service, in order to suppress CLEC volumes. ➤ Maintains continuity with the current remedy plan. ➤ Addresses the need for sufficient remedies even at small volumes. ➤ Violations give evidence of processes being out of parity. Measure-based plans tie the remedy to motivating behavior to provide incentive to fix the process. 	
2	<p>Base Remedy Payment Calculation $d * \text{SQRT}(n) * B$ d = disparity index = CLEC Perf./ Applicable Std. - 1 B = Factor varies by Meas./ Prod. Cat.</p>	<ul style="list-style-type: none"> ➤ Essential to incorporate severity considerations in the determination of the remedy amount. ➤ Measures severity in terms of the CLEC performance relative to either the ILEC performance or a designated benchmark. ➤ Disparity index derived based on like-to-like comparisons ➤ Disparity index capped to avoid extreme remedies when BellSouth's support for its own customers is extremely better than how it supports CLEC customers. ➤ Incorporates volume while maintaining adequate incentives at low volumes and avoiding extreme incentives at high volumes: ➤ Remedies designed to be close to the remedy amounts in the current SEEM fee schedule. ➤ Bases remedies on the disparity index which is similar to what FPSC Staff previously recommended. 	
3	\$25,000 Limit on First Month Violation	<ul style="list-style-type: none"> ➤ Addresses concerns raised about the magnitude of per submetric remedy amounts. 	
4	Small Volume Cap	<ul style="list-style-type: none"> ➤ Further limits potential remedies at small volumes for proportion parity measures. ➤ Address concerns about large remedies at low volumes. 	

Florida Public Service Commission

SEEM Technical Matrix

Row #	Proposal Concepts	CLEC Reasoning	BST Response
5	Persistence Factor	<ul style="list-style-type: none"> ➤ Remedy amounts for Tier 1 should escalate in the same fashion across all domains ➤ BellSouth continually reports below-standard performance for some submeasures ➤ Factors approximate those in current fee schedule. 	
6	Tier 2	<ul style="list-style-type: none"> ➤ Status Quo ➤ Allows the Tier 1 implementation to be evaluated prior to disruption caused by modifications. If the modified Tier 1 proves to enable the generated remedies to be effective in motivating compliant performance by BellSouth, then potential changes associated with Tier 2 would be avoided. 	

SEEM Technical Matrix
BellSouth Proposed Changes

Row #	Proposed Change	BST Reasoning	CLEC Response
1	Remedy Plan based on Transaction-based system	<p>Transaction-based approach:</p> <ul style="list-style-type: none"> ➤ Inherently scalable ➤ Straightforward variation of penalties based on severity ➤ Does not require a proxy for severity, such as a disparity index – which has proven to be very subjective and untenable, thus arbitrary ➤ Transaction-based plan is preferable as a general proposition, from a practical standpoint ➤ Currently, at least 40 states, including Florida, use transaction-based plans 	<p>➤ CLECs DISAGREE.</p> <ul style="list-style-type: none"> ➤ Remedy amounts should be based primarily on the size of the difference between the ILEC and CLEC means or proportions in order to provide incentive for BellSouth to improve the service process. ➤ Remedies in a transaction based system are inherently tied more to CLEC volumes than to the disparity in service levels, resulting in insufficient incentives to improve service at low CLEC volumes. Consequently, transaction-based remedies provide an incentive for BellSouth to give worse service, in order to suppress CLEC volumes. ➤ Estimating, and even defining, disparate transactions for interval measures is arbitrary (see Rows 2 and 4). ➤ Even if a method is established for counting “disparate transactions,” there is no basis for setting a per-transaction remedy amount (see Rows 5-6).
2	Quantifying disparate transactions	<ul style="list-style-type: none"> ➤ Counts number of disparate transactions and pays penalties on those ➤ For Parity Measures, the most direct and logical approach: <ul style="list-style-type: none"> ○ Alter the most damaging “out-of-parity” situations first ○ Alter next most damaging until “parity” is achieved ➤ Corrects transactions having greatest potential customer impact first, before correcting those having lesser potential impact ➤ For Benchmark Measures, the disparate transactions are simply the number of additional transactions that must be changed for the better to meet the benchmark. 	<p>➤ CLECs DISAGREE.</p> <ul style="list-style-type: none"> ➤ Any definition of disparate transactions for mean (interval) measures is inherently arbitrary. ➤ Consider a single cell in which ten CLEC customers receive a service in a mean of 4.0 hours. If the goal is to reduce the mean to 3.0 hours, that could be accomplished by reducing all ten service times by 25% each or, perhaps, by reducing one service time by 10 hours, for example, from 15 hours to 5 hours. Is there one disparate transaction, or are there ten? ➤ Similarly, suppose that “zeroing out” cell A (with 5 CLEC transactions) or Cell B (with 10 CLEC transactions) would each increase truncated Z by the same amount. What is the basis for giving one cell precedence over the other?

Row #	Proposed Change	BST Reasoning	CLEC Response
3	Interpolation for Total Affected Volume	<ul style="list-style-type: none"><li data-bbox="944 260 1474 315">> All transactions in final cell may not need to be altered for "parity"<li data-bbox="944 315 1474 371">> Appropriate action: interpolate to bring sub-metric into "parity"	> CLECs AGREE.

Row #	Proposed Change	BST Reasoning	CLEC Response
4	Parity Point versus Detection Point	BellSouth is obligated to pay penalties under SEEM only up to the point necessary to achieve "parity" of service for CLECs.	<p>➤ CLECs DISAGREE.</p> <p>➤ The repeated use of the word "parity" in the BST reasoning for Rows 3 and 4 clearly support using the parity point, not the detection point. In Row 4, BellSouth states that it "is obligated to pay ... only up to the point necessary to achieve 'parity' of service." The point where parity is achieved for the observed data is where the truncated Z statistic equals 0.</p> <p>➤ The CLECs recognize that the magnitude of disparity between service processes is measured with uncertainty. The statistical tests allow for this uncertainty in making the compliance determination. Consequently, BellSouth may be found in compliance even though the observed service for CLEC customers is inferior to that for BellSouth's customers.</p> <p>➤ However, once performance has been determined to be in violation, the goal should be to estimate the magnitude of disparity in the process. By various principles, disparity should be estimated relative to the parity point and not the detection point.</p> <p>➤ In general, statisticians estimate a quantity in a population (or process) by the corresponding quantity in a sample. For this application, that means estimating the magnitude of disparity in the process by the size of the observed disparity (i.e., relative to the parity point). In contrast, measuring disparity relative to the detection point yields a very biased estimate.</p> <p>➤ BellSouth's proposed method, results in estimating disparate transactions by a lower confidence limit for that quantity. While the lower confidence limit may correspond to the truth some of the time, that argument would be equally valid in favor of using the upper confidence limit (equidistant from the parity point on the other side).</p>
5	Amounts per transaction	➤ Current transaction-based fees in other states:	➤ CLECs DISAGREE.

Row #	Proposed Change	BST Reasoning	CLEC Response
		<ul style="list-style-type: none"> o Outdated o Continued use is unwarranted and inefficient o Resulted from evidence presented to GPSC in 2000 o Developed with much less CLEC activity o Fee schedule artificially high, although thought to be too low initially o Penalty amount/transaction – excessive relative to typical rate for service o Artificially high fee schedule compounded with increased CLEC activity cause transaction-based payment to scale too high. ‣ Existing and new plans require BST to provide CLECs better service in the aggregate than retail in order to eliminate penalty payments because: <ul style="list-style-type: none"> o Performance for each CLEC is compared to BST’s average performance across a geographic area o Contrary to intent of SEEM ‣ A more rationale fee schedule reduces the effect of this occurrence while still deterring backsliding very effectively. ‣ More in line with rebates in commercial transactions where performance guarantees are provided. 	<ul style="list-style-type: none"> ‣ BellSouth proposes to set amounts that purport to compensate CLECs for harm suffered from BellSouth’s sub-parity service. The CLECs disagree with this basis for setting amounts per transaction. ‣ Instead, CLECs believe that final remedy amounts need to be set at levels that provide effective incentives to improve service to CLEC customers. BellSouth’s standard fee schedule is very likely to generate remedies that could be treated as costs of doing business as usual. This Commission has recognized that payments to the CLECs are a crucial aspect of the plan. Additionally, this Commission has previously concluded that “it is arguable that payments to ALECs under our plan do not even fall within the realm of “liquidated damages” ...but, instead, are a mechanism to level the competitive playing field when BellSouth does not, or cannot, meet the benchmarks” (Page 122 of Order No. PSC-01-1819-FOF-TP dated September 10, 2001.) ‣ The standard fee schedule also falls far short, even as compensation for damages suffered. ‣ Many types of expenses/costs are experienced by the CLEC when BellSouth fails to perform as required. For example, a missed appointment can cause the CLEC to have to re-negotiate with its customer, possibly supplement its service order, and potentially re-schedule its own personnel for the new due date. OSS failures can cause labor-intensive, costly workarounds or total roadblocks that keep other metrics from even being implicated because orders cannot move forward. These types of substantial costs are ignored in BellSouth’s proposal. Remedies need to be at a level where BellSouth will have the incentive to expend capital or add to its labor costs to keep orders flowing smoothly toward completion. ‣ Customers may be lost before they are even installed. Revenue losses may correspond to

Row #	Proposed Change	BST Reasoning	CLEC Response
			<p>multiple years of service, and this revenue may not just be from POTS type services but more enhanced applications and long distance services. In addition, word of mouth from these departing customers may chill the CLECs market growth as well.</p> <ul style="list-style-type: none"> ➤ BellSouth's proposed fee schedule is completely inadequate when compared to other states, with large gaps even in Month 1 and exponential gaps by Month 6 (See Attachment A). ➤ Also see Row 44 of CLEC non-technical matrix. ➤ For submetrics that are out of parity, BellSouth's proposal is very likely to underestimate the number of disparate transactions. In some cases, the statistical test will fail to trigger a violation. Even when performance is found to be in violations, BellSouth's proposal to measure disparate transactions only up to the detection point would most often lead to an underestimate. Larger amounts per transaction are needed to compensate for these two sources of underestimation.
6	<p>"High Performance" / "Standard Performance" / "Low Performance"</p> <p>Enforcement Mechanisms Methodology (Tier 1) Section 4.3.1.4: <u>If BellSouth's performance in the current month should exceed the baseline level by three standard deviations, no Tier-1 payment will apply for any CLEC in that month.</u></p> <p>Enforcement Mechanisms Methodology (Tier 2) Section 4.3.2.2: <u>If BellSouth's performance, as measured by the average percent of submetrics met for the three months used to determine whether Tier 2 applies in the current data month, exceeds the baseline performance by three standard deviations, no Tier-2 payment will apply for any CLEC in the current data month.</u></p>	<ul style="list-style-type: none"> ➤ Implements new anti-backsliding mechanism ➤ Two fee schedules proposed <ul style="list-style-type: none"> ○ New standard fee schedule ○ Low performance schedule <ul style="list-style-type: none"> • Will apply if performance materially deteriorates from current levels • Same as fee schedule currently in all other transaction-based SEEMs for BellSouth ○ Allay any concerns that Proposed SEEM is too soft to deter backsliding ○ If performance deteriorates by a statistically significant degree from baseline, then fees increase dramatically ○ Permits BellSouth to avoid penalties w/ statistically significant improvement in overall performance. 	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ BellSouth's proposal permits it to discriminate in targeted measurement areas and against individual CLECs with impunity. ➤ Assuming that service performance stayed at the same level as in recent months, CLECs believe that remedies based on the proposed Standard Performance fee schedule would be greatly reduced from current levels. CLECs do not believe that BellSouth's current performance warrants such a change, as even current levels of payments have been insufficient to improve performance. ➤ The proposed method for selecting which fee schedule to use in any month is seriously flawed.

Florida Public Service Commission

SEEM Technical Matrix

Row #	Proposed Change	BST Reasoning	CLEC Response
	<p>Need example showing how this will work for each possible combination: Benchmark/Parity/Mean/Proportion.</p>	<ul style="list-style-type: none"> ➤ Professed role of SEEM: provide another mechanism to deter backsliding in performance ➤ SEEM is not the only means available CLECs to address performance problems with BellSouth. Other mechanisms also exist to address backsliding: <ul style="list-style-type: none"> ○ Complaints to federal and state commissions ○ Monitoring by those same commissions ○ Contract provisions ○ Court actions ➤ Facts show that there has been no backsliding under the current SEEM ➤ Provision requires SEEM fee schedule to revert to a much more punitive fee schedule, consistent with the levels applicable in current transaction-based plans SEEM if performance deteriorates materially. ➤ New positive Additional incentive relieves BST of payments if a material improvement in overall performance occurs <ul style="list-style-type: none"> ○ To improve performance ○ To partially compensate for the risk of reverting to fee schedule used currently for other transaction-based plans ➤ Existing plan requires BST to provide CLECs better service in the aggregate than retail in order to eliminate penalty payments because: Performance for each CLEC is compared to BST's average performance across a geographic area <ul style="list-style-type: none"> ○ Contrary to intent of SEEM <p>This mechanism puts a limit on this occurrence if performance improves significantly.</p>	<ul style="list-style-type: none"> ➤ Most important, the measure of compliance is far too general—lumping together all measure domains and products. As such, it may easily miss performance deterioration in selected areas that proves devastating to individual CLECs. Alternatively, BellSouth's proposed methodology might trigger the High Performance fee schedule—where no remedies are paid—even though performance has not improved in areas critical to CLECs. ➤ These concerns are far from hypothetical because it is BellSouth that controls where it focuses its efforts to improve, or not, performance for CLEC customers. ➤ Furthermore, the methodology is flawed because it relies on the SQM submetrics and the SQM statistical tests, which do not disaggregate to cells for making like-to-like comparisons or use the balancing critical value. These differences mean that the methodology could easily miss a substantial decline in SEEM compliance that does not appear in SQM tests. ➤ Finally, CLECs disagree with using 12 current months as the standard for calibrating future performance. The benchmarks and analogs established by the Commission should be used to determine compliance, not BellSouth's historical performance.
7	Disaggregation	<ul style="list-style-type: none"> ➤ The disaggregation for SEEM should be different from the SQM so that the statistical methodology can function according to design ➤ Report Structure changed to eliminate categories with little or no volume, resulting in data that should be more concise and meaningful. For example, >=10 lines/circuits virtually never has any data in the reports. These low volumes render the measure virtually useless to evaluate 	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ The SEEM disaggregation must balance two concerns: maintaining adequate volumes at the submetric level while not aggregating heterogeneous products that can mask discrimination. BellSouth's proposed disaggregation goes too far in aggregating distinct products and services. ➤ The CLECs recognize that many submetrics in

Florida Public Service Commission

SEEM Technical Matrix

Row #	Proposed Change	BST Reasoning	CLEC Response
		<p>performance.</p> <ul style="list-style-type: none"> ➤ The products in the low volume disaggregations will continue to be included in the results. They will simply be part of another category instead of reported separately. ➤ Cell structure, as defined by wire Center, dispatched, service-type, # of circuits as previously agreed upon by BellSouth and the CLECs ensures like-to-like comparisons ➤ Truncated-z statistical methodology as previously developed jointly by BellSouth and CLECs permits aggregation of these cells into submetrics to improve validity of results without masking poor performance. ➤ Recent testing of truncated z methodology by CLECs confirmed that mechanism does permit cell aggregation without masking as designed. ➤ The level of disaggregation should allow for a statistically meaningful number of transactions in each submetric ➤ Because Tier 1 penalties are calculated by individual CLEC, with too much disaggregation, the spread of transactions across cells means the vast majority of cells show little or no activity. 	<p>the current SEEM disaggregation have little or no volume for some CLECs. Small volumes are undesirable because they increase both Type I and Type II error rates. Consequently, the current disaggregation may require some modification.</p> <ul style="list-style-type: none"> ➤ It is equally important to avoid combining submetrics in ways that allow masking discrimination, which can happen if BellSouth provides discriminatory service for some product(s) but parity or better service for other product(s) combined into the same submetrics. ➤ Paragraph 6 of the BST Reasoning, which refers to recent testing of the truncated z methodology, contains several mischaracterizations of that effort. First, the work was joint with BellSouth, with only BellSouth and its consultants having access to the raw data. Second, the analysis found numerous instances of systematic heterogeneity, i.e., cases where the performance received by CLECs (relative to parity) was significantly better for one group of cells (e.g., dispatch) than for another (e.g., non-dispatch). Third, the analysis used data from Louisiana, where volumes were generally low, so it may not have uncovered problems that exist in Florida. In particular, there was almost no opportunity to look for heterogeneity among products. ➤ Disaggregation should allow for like-to-like comparisons. The current set of submetrics facilitates accurate comparisons of results to expected performance. However, BellSouth's proposal does not. For example, BellSouth proposes UNE Loops be combined in the Order Completion Interval Measure, despite differences in the standard offered interval based on type of loop and volume ordered. (See Attachment B) And BellSouth's own performance reports confirm significant differences in intervals between dispatch and non-dispatch orders. (For example, the Florida

Row #	Proposed Change	BST Reasoning	CLEC Response
			<p>MSS Report for September for the OCI measure for 2 wire analog lop design reports an interval of 9.92 days for dispatch and 4.6 days for non-dispatch) Clearly dispatch orders use difference processes and different personnel and so should be evaluated separately.</p> <p>➤ Referring to disaggregation for penalty assessment, this Commission has previously concluded, "We find that this product reaggregation is inappropriate for penalty determination.... We find BellSouth product disaggregation for compliance purposes shall match what ..we have approved for product reporting purposes." (See page 102 of Order No. PSC-01-1819-FOF-TP dated September 10, 2001.)</p>
8	Degree of Escalation	<ul style="list-style-type: none"> ➤ Tier 1 fee amounts would only escalate in month 2 ➤ Tier 1 fees were designed to be liquidated damages – no reason to conclude that damages continue to escalate each month. ➤ CLECs would continue to receive payments at the increased Month 2 level if the condition persists. ➤ Tier 2 penalties, which were designed to be punitive, apply beginning in month 3 ➤ More fully utilizes the Tier 2 mechanism, which was designed to address cases of persistent metric failures. 	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ Escalation for repeated violations serves to focus remedies on submetrics most in need of attention. ➤ Tier 1 fees were not designed by the Commission to be liquidated damages. (See response in Row 5 above) ➤ The current SEEM fee schedule includes six months of escalation, with penalties for a sixth violation reaching approximately three times the base amount. ➤ Despite that provision, chronic violations continue to occur for various submetrics. ➤ Consequently, it would be a mistake to dilute the period or magnitude of escalation from the current levels. The CLEC's proposed escalation factors maintain this incentive. ➤ See Attachment A for magnitude of escalation in other states.

Row #	Proposed Change	BST Reasoning	CLEC Response
9	<p>To pay or not to pay for only 1 failed month Enforcement Mechanisms Definitions Section 4.1.7: Tier-1 Enforcement mechanisms - ...for any <u>two consecutive months</u> as calculated by BellSouth. Enforcement Mechanisms Methodology Section 4.3.1: Tier-1 Enforcement Mechanisms will be triggered ... in a given month for two (2) consecutive months.</p>	<ul style="list-style-type: none"> > Situation more likely problematic when volumes are low <ul style="list-style-type: none"> o Currently, due to excessive disaggregation o Still to some extent in Tier 1 for proposed plan > Does not represent discriminatory practice > Some failures are anomalies: <ul style="list-style-type: none"> o No systemic changes required to address failures o Random occurrences: <ul style="list-style-type: none"> • temporary random system malfunction • random human error o No corrective action can be taken o Neither predictable nor preventable o Penalty clearly inconsistent with objectives of SEEM. > Assessing penalties based on a single-month failure equates statistical significance with materiality <ul style="list-style-type: none"> o Only deals in probabilities and not certainties o Depends on inputs for certain materiality parameters such as Delta, Psi and Epsilon o Only identify statistically significance o Cannot determine actual materiality > Virtually removes likelihood of assessing remedies for random occurrences. 	<ul style="list-style-type: none"> > CLECs DISAGREE. > Requiring two consecutive months of violations before any remedy payments occur destroys the concept of balancing error probabilities. Doing so increases the probability that no remedy payment will occur given that a material difference exists, while decreasing the probability that a payment will occur given that the processes are in parity. See Action Item 3 of CLEC filing dated October 11, 2004.
10	<p><u>Measured to be included in SEEM</u></p>	<ul style="list-style-type: none"> > Proposed for each Domain, where such timeliness and accuracy are measured: <ul style="list-style-type: none"> o 1 measure of timeliness o 1 measure of accuracy > Measures of some intermediate processes were removed <ul style="list-style-type: none"> o Little, if any, customer effect o Any significant customer effect would likely be reflected in other measures 	<ul style="list-style-type: none"> > CLECs DISAGREE. > Please see CLEC response to rows 45 – 66 of non-technical matrix for each specific metric. Additionally, CLECs note that this Commission has previously found that both directly customer affecting measures e.g. missed appointments, as well as process metrics such as FOCs and rejections which are “critical to ALECs in providing quality service in a timely manner” are appropriate for the enforcement mechanisms. > (See page 94 of Order No. PSC-01-1819-FOF-TP dated September 10, 2001.

Row #	Proposed Change	BST Reasoning	CLEC Response
<p><u>11</u></p>	<p>Delta Enforcement Mechanisms Definitions Section 4.1.6: Delta - ...For individual CLECs submetrics the Delta value shall be determined using Ford's Delta Function as ordered by the Florida Public Service Commission. 1.0 and for the CLEC aggregate the Delta value shall be 0.5.</p>	<ul style="list-style-type: none"> ➤ Single delta value <ul style="list-style-type: none"> ○ Tier 1 of 1.0 ○ Tier 2 of 0.5 ➤ Current delta function: <ul style="list-style-type: none"> ○ Initially proposed by Z-Tel's economist Dr. Ford ○ To address adjustment to the statistical balancing methodology ○ Dr. Ford introduced some confusion about several key hypothesis testing issues <ol style="list-style-type: none"> (1) statistical hypothesis test's significance level (2) interpretation of a "balanced" hypothesis test (3) reasons for using "balancing" in SEEM plan ➤ No need for "fix" of Dr. Ford's delta function <ul style="list-style-type: none"> ○ No reason to conclude serious flaws are in the balancing methodology ○ No indication of problem initially alleged by Dr. Ford in all 7 of BST's states with single delta value ➤ Use of delta function introduces additional variables <ul style="list-style-type: none"> ○ Requiring subjective exercise in determining values ○ Probably creates more problems than it solves. 	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ Dr. George Ford introduced the delta function in order to simultaneously address two problems associated with using a fixed delta value for balancing: high Type I and Type II error probabilities for submetrics with low CLEC volumes and exorbitant balancing critical values for submetrics with high CLEC volumes. The delta function mitigates both problems. ➤ While addressing the low volume problem, BellSouth's proposal to use a fixed critical value of 1.0 makes the high volume problem much worse. ➤ If a fixed value of delta is chosen, it should be set to correspond to the minimum disparity producing a "material" obstacle to competition. In his testimony during Florida's 2001 performance measurement hearings, Dr. Robert Bell illustrated that a delta value of 1.0 corresponded with extreme disparities going far beyond any notion of a minimal material obstacle. For example, if BellSouth misses 5 percent of appointments for its own customers, a delta value of 1.0 corresponds to a material disparity occurring when 44 percent of appointments are missed for CLEC customers. (See Direct Testimony of Robert M Bell, Ph.D., Docket 000121-TP, March 1, 2001).

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SEEM Technical Matrix

Row #	Proposed Change	BST Reasoning	CLEC Response
12	<p>Appendix C: Statistical Properties and Definitions C.1.5: Trimming</p>	<ul style="list-style-type: none"> ➤ Originated in Louisiana Workshop in 1999 <ul style="list-style-type: none"> ○ CLEC volumes and distributions were much smaller than they are now ○ Distributional differences no longer a factor ➤ Requires each observation to be discarded be examined to determine if true business reason exists for discarding this real data. ➤ Defeats Self Effectuating aspect of SEEM plan. 	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ The CLECs recognize that the current algorithm for trimming may result in deleting an inappropriately large fraction of ILEC observations in some instances. ➤ However, extreme ILEC observations, whether erroneous or valid, can have undue influence on the modified Z statistic. ➤ The current trimming procedure was designed to provide an automated method for protecting against outliers. ➤ CLECs disagree with unilateral elimination of trimming but welcome the opportunity to jointly develop a simple, self effectuating procedure that protects all parties.
13	<p>Appendix D: Statistical Formulas and Technical Descriptions Beginning on page 101 Revised Section D to incorporate the change from measurement-based plan to a transaction based plan and to change from the floating delta approach, based on the Ford delta function, a fixed delta of 1.0 for Tier 1 and 0.5 for Tier 2. See Exhibit B, Appendix D.</p>	<p>Section D has been substantially revised to reflect the change from a per-measurement based SEEM plan to a per-transaction based SEEM plan. Therefore, the entire section is shown in red.</p>	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ See previous rows.
14	<p>Appendix C Statistical Properties and Definitions Section C The statistical process for testing whether BellSouth's (BST) wholesale customers (alternative local exchange carriers or CLECs) are being treated equally with BST's retail customers involves more than a simple mathematical formula. Three key elements need to be considered before an appropriate decision process can be developed. These are the type of:</p> <ul style="list-style-type: none"> • data • comparison • performance <p>This section describes the properties of a test methodology and the truncated Z statistic for fourtwo types of measures.</p>	<p>This change reflects the fact that BellSouth's proposal does not include rate or ratio measures and to correct ALEC to read CLEC.</p>	<ul style="list-style-type: none"> ➤ CLECs DISAGREE ➤ CLECs do not agree with the deletion of all rate measures from SEEM (e.g., see Row 62 of the non-technical matrix).
15	<p>Appendix C Statistical Properties and Definitions Section C.1 Necessary Properties for a Test Methodology Once the key elements are determined, a test methodology should be developed that complies with the following properties:</p>	<p>Changed to reflect the removal of the trimming of data in the process. See rationale below for Appendix C, section C.1.5.</p>	<ul style="list-style-type: none"> ➤ CLECs DISAGREE. ➤ See Row 12.

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SEEM Technical Matrix

Row #	Proposed Change	BST Reasoning	CLEC Response				
	<ul style="list-style-type: none"> ▪ Like-to-Like Comparisons ▪ Aggregate Level Test Statistic ▪ Production Mode Process ▪ Balancing ▪ Trimming 						
16	<p>Appendix C Statistical Properties and Definitions C.1.1 Like-to-Like Comparisons When possible, data should be compared at appropriate levels, e.g. wire center, time of month, dispatched residential, new orders. The testing process should:</p> <ul style="list-style-type: none"> • Identify variables that may affect the performance measure • Record these important confounding covariates • Adjust for the observed covariates in order to remove potential biases and to make the <u>CLEC ALEC</u> and the ILEC units as comparable as possible. 	Correction	> CLECs AGREE.				
17	<p>Appendix C Statistical Properties and Definitions C.1.2 Aggregate Level Test Statistic Each performance measure of interest should be summarized by one overall test statistic giving the decision maker a rule that determines whether a statistically significant difference exists. The test statistic should have the following properties:</p> <ul style="list-style-type: none"> • The method should provide a single overall index on a standard scale. • If entries in comparison cells are exactly proportional over a covariate, the aggregated index should be very nearly the same as if comparisons on the covariate had not been done. • The contribution of each comparison cell should depend on the number of observations in the cell. • Cancellation between comparison cells should be limited. • The index should be a continuous function of the observations. 	Correction	> CLECs AGREE.				
18	<p>Appendix C Statistical Properties and Definitions C.1.6 Measurement Types The performance measurements that will undergo testing are of fourtwo types: mean, ratio, and proportion, and rate. All fourBoth have similar characteristics. Different types of data are used to calculate them. Table C-1 shows the type of data that is used to derive each measurement type. Table C-1: Measurements Types and Data</p> <table border="1" data-bbox="257 1450 710 1481"> <thead> <tr> <th data-bbox="257 1450 485 1481">Measurement</th> <th data-bbox="485 1450 710 1481">Data Used to</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Measurement	Data Used to			These changes reflect the fact that there are no rate or ratio measures in BellSouth's proposed SEEM plan. There are no ratio measures in the existing SEEM plan either.	> CLECs DISAGREE > CLECs do not agree with the deletion of all rate measures from SEEM (e.g., see Row 62 of the non-technical matrix).
Measurement	Data Used to						

Florida Public Service Commission

Row #	Proposed Change	BST Reasoning	CLEC Response										
	<table border="1"> <tr> <th data-bbox="258 265 485 299">Type</th> <th data-bbox="485 265 722 299">Derive Measure</th> </tr> <tr> <td data-bbox="258 299 485 332">Mean</td> <td data-bbox="485 299 722 332">Interval</td> </tr> <tr> <td data-bbox="258 332 485 366">Ratio</td> <td data-bbox="485 332 722 366">measurements</td> </tr> <tr> <td data-bbox="258 366 485 399">Proportion</td> <td data-bbox="485 366 722 399">Counts</td> </tr> <tr> <td data-bbox="258 399 485 428">Rate</td> <td data-bbox="485 399 722 428"></td> </tr> </table>	Type	Derive Measure	Mean	Interval	Ratio	measurements	Proportion	Counts	Rate			
Type	Derive Measure												
Mean	Interval												
Ratio	measurements												
Proportion	Counts												
Rate													
19	<p>The calculation of the Truncated Z statistic is described in Appendix A of the "Louisiana Statistician's Report." The methodology described in this document is the same as that described in the "Statistician's Report," however, this document contains extra technical details to avoid undefined situations when programming the technique.</p> <p>In summary, many covariates are chosen in order to provide meaningful comparison levels below the sub-metric level chosen for the parity comparison. This includes such factors as wire center and time of month, as well as order type for provisioning measures. In each comparison cell, a Z statistic is calculated. The form of the Z statistic may vary depending on the performance measure, but it should be distributed approximately as a standard normal, with mean zero and variance equal to one. Assuming that the test statistic is derived so that it is negative when the performance for the CLEC ALEC is worse than for the ILEC, a positive truncation is done - i.e. if the result is negative it is left alone, if the result is positive it is changed to zero. A weighted sumaverage of the truncated statistics is calculated where a cell's weight depends on the volume of BST and CLEC ALEC orders in the cell. The weighted sumaverage is standardized by thesubtracting the theoretical mean of the truncated distribution, and this is divided by the standard error of the weighted sum. Summaries based on measurement type are given for the calculation of the cell Z statistic.</p>	<p>These changes are added to make minor corrections and to delete the discussion concerning the Louisiana study, which is not necessary for an understanding of the statistical methodology.</p>	<p>► CLECs AGREE, BASED ON AGREEMENT AT NOVEMBER 8-9, 2004 WORKSHOP TO CHANGE THE FINAL INSTANCE OF "WEIGHTED SUM" TO "WEIGHTED AVERAGE."</p>										
20	<p>Appendix C Statistical Properties and Definitions C.2.1 Mean Measures</p> <p>For mean measures, an adjusted, asymmetric t statistic is calculated for each like-to-like cell that has at least seven BST and seven CLEC ALEC transactions. This statistic is an adjustment to the modified z statistic in order to make the</p>	<p>These changes are added for clarification purposes and to delete the discussion concerning the Louisiana study, which is not necessary for the understanding of the statistical methodology.</p>	<p>► CLECs AGREE.</p>										

Florida Public Service Commission

SEEM Technical Matrix

Row #	Proposed Change	BST Reasoning	CLEC Response
	<p>assumption that the statistic is approximately normally distributed more reasonable even for fairly small sample sizes. The adjusted, asymmetric t statistic is part of the methodology described in the "Statistician's Report," and it has been documented for the statistical community in the August 2001 issue of The American Statistician, a peer review statistics journal. The statistic was created for mean performance measure parity tests in order to reduce the number of permutation tests needed for calculating cell statistics. Several sets of BST/CLEC mean measure data from Louisiana were examined in order to determine when the adjustment results give approximately the same results as a permutation test. The result is that a permutation test is used when one or both of the BST and CLEC ALEC sample sizes is less than seven. The adjusted, asymmetric t statistic and the permutation calculation are described below in Appendix D, Statistical Formulas and Technical Description.</p>		
21	<p>Appendix C Statistical Properties and Definitions C.2.2 Proportion Measures For performance measures that are calculated as a proportion, in each adjustment cell, the cell Z and the moments for the truncated cell Z can be calculated in a direct manner. In adjustment cells where proportions are not close to zero or one, and where the sample sizes are reasonably large ($n_{ij}p_{ij}(1-p_{ij}) > 9$), a normal approximation can be used. In this case, the moments for the truncated Z come directly from properties of the standard normal distribution. If the normal approximation is not appropriate, <u>then the Z statistic is calculated from the hypergeometric distribution. Is the exact permutation distribution.</u> In this case, the moments of the truncated Z are calculated exactly using the hypergeometric probabilities.</p>	<p>These changes are added for clarification purposes.</p>	<p>> CLECs AGREE.</p>
22	<p>Appendix C Statistical Properties and Definitions C.2.3 Rate Measures The truncated Z methodology for rate measures has the same general structure for calculating the Z in each cell as proportion measures. For the rate measure customer trouble report rate there are a fixed number of access lines in service for the ALEC, b_{2j}, and a fixed number for BST, b_{1j}. The modeling assumption is that the occurrence of a trouble is independent between access lines, and the number of troubles in b access</p>	<p>This proposed deletion of the existing language reflects the fact that there are no rate measures in BellSouth's proposed SEEM plan.</p>	<p>> CLECs DISAGREE > CLECs do not agree with the deletion of all rate measures from SEEM (e.g., see Row 62 of the non-technical matrix).</p>

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SEEM Technical Matrix

Row #	Proposed Change	BST Reasoning	CLEC Response
23	<p>lines follows a Poisson distribution with mean b where is the probability of a trouble per l access line and $b = (b_1j + b_2j)$ is the total number of access lines in service. The exact permutation distribution for this situation is the binomial distribution (the limit for the hypergeometric distribution) that is based on the total number of BST and ALEC troubles, n, and the proportion of BST access lines in service, $q_j = b_1j/b$.</p> <p>In an adjustment cell, if the number of ALEC troubles is greater than 15 and the number of BST troubles is greater than 15, and $n_jq_j(1-q_j) > 9$, then a normal approximation can be used. In this case, the moments of the truncated Z come directly from properties of the standard normal distribution. Otherwise, if there are very few troubles, the number of ALEC troubles can be modeled using a binomial distribution with n equal to the total number of troubles (ALEC plus BST troubles.) In this case, the moments for the truncated Z are calculated explicitly using the binomial distribution.</p> <p>Appendix C Statistical Properties and Definitions C.2.4 Ratio Measures The current plan contains no measures that call for the use of a Z-parity statistic.</p>	<p>This change reflects the fact that there are no ratio measures in either the existing or the proposed SEEM plan.</p>	<p>> CLECs AGREE.</p>

Transaction Based Plan Comparison

Performance Measurement (Based on GA / BST proposed plan)	BellSouth Proposed ¹ Month 1	GA - Month 1	TX ² - Month 1	NJ ³ - Month 1	MI ⁴ - Month 1
Pre-Ordering	\$10	\$20	\$25 (Low)	Per Measure	\$75
Ordering	\$20	\$40	\$25 (Low)	\$75 (Moderate)	\$75
Ordering - Flow Through	NA	\$80	\$25 (Low)	\$75 (Moderate)	\$75
Provisioning - Resale	\$45	\$100	\$150 (High)	\$75 (Moderate)	\$75
Provisioning - UNE	\$95	\$100	\$150 (High)	\$75 (Moderate)	\$75
Provisioning - UNE-P	\$40	\$100	\$150 (High)	\$75 (Moderate)	\$75
Provisioning UNE (Coordinated Customer Conversions)	\$95 (from UNE)	\$400	\$150 (High)	\$75 (Moderate)	\$75
Maintenance and Repair - Resale	\$45	\$100	\$150 (High)	\$75 (Moderate)	\$75
Maintenance and Repair UNE	\$35	\$400	\$150 (High)	\$75 (Moderate)	\$75
Maintenance and Repair UNEP	\$25	\$400	\$150 (High)	\$75 (Moderate)	\$75
LNP	\$95	\$150	\$150 (High)	\$75 (Moderate)	\$75
Billing - BIA	\$.02 of adjusted amount	\$1.00	NA	Per Measure	NA
Billing - BIT	\$5	\$1.00	\$25 (Low)	Per Measure	\$75
IC Trunks	\$25	\$100	\$150 (High)	\$75 (Moderate)	\$75
Collocation	\$3,640	\$5,000	Escalates based on # of days late.	\$75 (Moderate)	Escalates based on # of days late.
Service Order Accuracy	\$20	\$50	\$150 (High)	\$75 (Moderate)	\$75

¹ Month 1 "Per Affected Item" would not apply unless the same measure was also missed in Month 2.

² The Texas transaction based plan categorizes each measurement as Low, Medium or High.

³ The New Jersey plan assesses a transaction amount based on the severity of the miss. The severity amounts are deemed Minor, Moderate or Major.

⁴ The Michigan plan is largely based on the Texas plan, however, all transactions were set at the Medium level.

Transaction Based Plan Comparison

Month 2 – Tier 1

Performance Measurement (Based on GA / BST proposed plan)	BellSouth Proposed Month 2	GA - Month 2	TX - Month 2	NJ - Month 2	MI - Month 2
Pre-Ordering	\$13	\$30	\$50 (Low)	Per Measure	\$150
Ordering	\$25	\$50	\$50 (Low)	\$150 (Moderate)	\$150
Ordering - Flow Through	NA	\$90	\$50 (Low)	\$150 (Moderate)	\$150
Provisioning - Resale	\$56	\$125	\$250 (High)	\$150 (Moderate)	\$150
Provisioning - UNE	\$119	\$125	\$250 (High)	\$150 (Moderate)	\$150
Provisioning - UNEP	\$50	\$125	\$250 (High)	\$150 (Moderate)	\$150
Provisioning UNE (Coordinated Customer Conversions)	\$119 (from UNE)	\$450	\$250 (High)	\$150 (Moderate)	\$150
Maintenance and Repair - Resale	\$56	\$125	\$250 (High)	\$150 (Moderate)	\$150
Maintenance and Repair - UNE	\$44	\$450	\$250 (High)	\$150 (Moderate)	\$150
Maintenance and Repair - UNEP	\$31	\$450	\$250 (High)	\$150 (Moderate)	\$150
LNP	\$95	\$250	\$250 (High)	\$150 (Moderate)	\$150
Billing - BIA	\$.025 of adjusted amount	\$1.00	NA	Per Measure	NA
Billing - BIT	\$7	\$1.00	\$50 (Low)	Per Measure	\$150
IC Trunks	\$25	\$125	\$250 (High)	\$150 (Moderate)	\$150
Collocation	\$4,550	\$5,000	See Month 1 rate	\$150 (Moderate)	See Month 1 rate
Service Order Accuracy	\$25	\$50	\$250 (High)	\$150 (Moderate)	\$150

Transaction Based Plan Comparison

Month 3 – Tier 1

Performance Measurement (Based on GA / BST proposed plan)	BellSouth Proposed Month 3	GA - Month 3	TX – Month 3	NJ – Month 3	MI – Month 3
Pre-Ordering	\$13	\$40	\$100 (Low)	Per Measure	\$300
Ordering	\$25	\$60	\$100 (Low)	\$225 (Moderate)	\$300
Ordering - Flow Through	NA	\$100	\$100 (Low)	\$225 (Moderate)	\$300
Provisioning –Resale	\$56	\$175	\$500 (High)	\$225 (Moderate)	\$300
Provisioning -- UNE	\$119	\$175	\$500 (High)	\$225 (Moderate)	\$300
Provisioning - UNEP	\$50	\$175	\$500 (High)	\$225 (Moderate)	\$300
Provisioning UNE (Coordinated Customer Conversions)	\$119 (from UNE)	\$500	\$500 (High)	\$225 (Moderate)	\$300
Maintenance and Repair - Resale	\$56	\$175	\$500 (High)	\$225 (Moderate)	\$300
Maintenance and Repair - UNE	\$44	\$500	\$500 (High)	\$225 (Moderate)	\$300
Maintenance and Repair - UNEP	\$31	\$500	\$500 (High)	\$225 (Moderate)	\$300
LNP	\$95	\$500	\$500 (High)	\$225 (Moderate)	\$300
Billing – BIA	\$.025 of adjusted amount	\$1.00	NA	Per Measure	NA
Billing - BIT	\$7	\$1.00	\$100 (Low)	Per Measure	\$300
IC Trunks	\$25	\$175	\$500 (High)	\$225 (Moderate)	\$300
Collocation	\$4,550	\$5,000	See Month 1 rate	\$225 (Moderate)	See Month 1 rate
Service Order Accuracy	\$25	\$50	\$500 (High)	\$225 (Moderate)	\$300

Transaction Based Plan Comparison

Month 4 – Tier 1

Performance Measurement (Based on GA / BST proposed plan)	BellSouth Proposed Month 4	GA - Month 4	TX - Month 4	NJ - Month 4	MI - Month 4
Pre-Ordering	\$13	\$50	\$200 (Low)	Per Measure	\$400
Ordering	\$25	\$70	\$200 (Low)	\$300 (Moderate)	\$400
Ordering - Flow Through	NA	\$110	\$200 (Low)	\$300 (Moderate)	\$400
Provisioning – Resale	\$56	\$250	\$600 (High)	\$300 (Moderate)	\$400
Provisioning – UNE	\$119	\$250	\$600 (High)	\$300 (Moderate)	\$400
Provisioning - UNEP	\$50	\$250	\$600 (High)	\$300 (Moderate)	\$400
Provisioning UNE (Coordinated Customer Conversions)	\$119 (from UNE)	\$550	\$600 (High)	\$300 (Moderate)	\$400
Maintenance and Repair - Resale	\$56	\$250	\$600 (High)	\$300 (Moderate)	\$400
Maintenance and Repair - UNE	\$44	\$550	\$600 (High)	\$300 (Moderate)	\$400
Maintenance and Repair - UNEP	\$31	\$550	\$600 (High)	\$300 (Moderate)	\$400
LNP	\$95	\$600	\$600 (High)	\$300 (Moderate)	\$400
Billing – BIA	\$.025 of adjusted amount	\$1.00	NA	Per Measure	NA
Billing - BIT	\$7	\$1.00	\$200 (Low)	Per Measure	\$400
IC Trunks	\$25	\$250	\$600 (High)	\$300 (Moderate)	\$400
Collocation	\$4,550	\$5,000	See Month 1 rate	\$300 (Moderate)	See Month 1 rate
Service Order Accuracy	\$25	\$50	\$600 (High)	\$300 (Moderate)	\$400

Transaction Based Plan Comparison

Month 5 – Tier 1

Performance Measurement (Based on GA / BST proposed plan)	BellSouth Proposed Month 5	GA - Month 5	TX - Month 5	NJ - Month 5	MI - Month 5
Pre-Ordering	\$13	\$60	\$300 (Low)	Per Measure	\$500
Ordering	\$25	\$80	\$300 (Low)	\$300 (Moderate)	\$500
Ordering - Flow Through	NA	\$120	\$300 (Low)	\$300 (Moderate)	\$500
Provisioning – Resale	\$56	\$325	\$700 (High)	\$300 (Moderate)	\$500
Provisioning – UNE	\$119	\$325	\$700 (High)	\$300 (Moderate)	\$500
Provisioning - UNEP	\$50	\$325	\$700 (High)	\$300 (Moderate)	\$500
Provisioning UNE (Coordinated Customer Conversions)	\$119 (from UNE)	\$650	\$700 (High)	\$300 (Moderate)	\$500
Maintenance and Repair - Resale	\$56	\$325	\$700 (High)	\$300 (Moderate)	\$500
Maintenance and Repair - UNE	\$44	\$650	\$700 (High)	\$300 (Moderate)	\$500
Maintenance and Repair - UNEP	\$31	\$650	\$700 (High)	\$300 (Moderate)	\$500
LNP	\$95	\$700	\$700 (High)	\$300 (Moderate)	\$500
Billing – BIA	\$.025 of adjusted amount	\$1.00	NA	Per Measure	NA
Billing - BIT	\$7	\$1.00	\$300 (Low)	Per Measure	\$500
IC Trunks	\$25	\$325	\$700 (High)	\$300 (Moderate)	\$500
Collocation	\$4,550	\$5,000	See Month 1 rate	Per Measure (Moderate)	See Month 1 rate
Service Order Accuracy	\$25	\$50	\$700 (High)	\$300 (Moderate)	\$500

Transaction Based Plan Comparison

Month 6 – Tier 1

Performance Measurement (Based on GA / BST proposed plan)	BellSouth Proposed Month 6	GA - Month 6	TX – Month 6	NJ – Month 6	MI – Month 6
Pre-Ordering	\$13	\$70	\$400 (Low)	Per Measure	\$600
Ordering	\$25	\$90	\$400 (Low)	\$300 (Moderate)	\$600
Ordering - Flow Through	NA	\$130	\$400 (Low)	\$300 (Moderate)	\$600
Provisioning – Resale	\$56	\$500	\$800 (High)	\$300 (Moderate)	\$600
Provisioning – UNE	\$119	\$500	\$800 (High)	\$300 (Moderate)	\$600
Provisioning - UNEP	\$50	\$500	\$800 (High)	\$300 (Moderate)	\$600
Provisioning UNE (Coordinated Customer Conversions)	\$119 (from UNE)	\$800	\$800 (High)	\$300 (Moderate)	\$600
Maintenance and Repair - Resale	\$56	\$500	\$800 (High)	\$300 (Moderate)	\$600
Maintenance and Repair - UNE	\$44	\$800	\$800 (High)	\$300 (Moderate)	\$600
Maintenance and Repair - UNEP	\$31	\$800	\$800 (High)	\$300 (Moderate)	\$600
LNP	\$95	\$800	\$800 (High)	\$300 (Moderate)	\$600
Billing – BIA	\$.025 of adjusted amount	\$1.00	NA	Per Measure	NA
Billing - BIT	\$7	\$1.00	\$400 (Low)	Per Measure	\$600
IC Trunks	\$25	\$500	\$800 (High)	\$300 (Moderate)	\$600
Collocation	\$4,550	\$5,000	See Month 1 rate	\$300 (Moderate)	See Month 1 rate
Service Order Accuracy	\$25	\$50	\$800 (High)	\$300 (Moderate)	\$600

Transaction Based Plan Comparison

Tier 2 Measures

Performance Measurement	BellSouth Proposed Tier 2	Georgia Tier 2	Texas Tier 2	Michigan Tier 2
OSS/Pre-Ordering	\$15	\$20	\$300 (Medium)	\$300
Ordering	\$30	\$60	\$300 (Medium)	\$300
Ordering - Flow Through	\$30	\$100	\$500 (High)	\$300
Provisioning - Resale	\$68	\$300	\$500 (High)	\$300
Provisioning - UNE	\$143	\$300	\$500 (High)	\$300
Provisioning - UNE-P	\$60	\$300	\$500 (High)	\$300
Provisioning-UNE (Coordinated Customer Conversions)	\$143 (from UNE)	\$875	\$500 (High)	\$300
Maintenance and Repair - Resale	\$68	\$300	\$500 (High)	\$300
Maintenance and Repair-UNE	\$53	\$875	\$500 (High)	\$300
Maintenance and Repair-UNEP	\$38	\$875	\$500 (High)	\$300
Billing - BIA	\$.03 of adjusted amount	\$1.00	NA	\$300
Billing - BIT	\$8	\$1.00	NA	\$300
LNP	\$143	\$500	\$500 (High)	\$300
IC Trunks	\$38	\$500	\$500 (High)	\$300
Collocation	\$5,460	\$15,000	Escalates Based on the # of days late.	Escalates Based on the # of days late.
Change Management	\$1,000	\$1,000	\$200 (Low) / \$75,000 (High per Measure)	\$300
Service Order Accuracy	\$30	\$50	\$200 (Low)	\$300

Docket 000121A
CLEC Response to Technical Matrix
November 15, 2004
Attachment B

BELLSOUTH
Local Ordering Handbook

Section 8
Interval Guide

LSOG6 / ELMS6

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DDD Calculation

1. For LSRs submitted electronically and qualifying for flow-through/electronic processing, the CLEC should reflect the standard interval as the desired due date (DDD).
2. The LCSC will apply the standard interval as follows:
 - (a) When DDD is less than the standard interval, BellSouth® will apply the standard interval.
 - (b) When the DDD is equal to or greater than the standard interval, BellSouth® will apply the DDD as shown on the LSR.
3. In all cases, a later due date than the standard interval may be requested by the CLEC and indicated in the DDD field of the LSR.
4. When a targeted LSR processing interval is listed on the interval chart, it should be added to the standard interval when calculating the DDD. (See UNE interval table.)
5. Intervals are based on business days, excluding Saturdays for business lines and Sunday and holidays for all lines.

Unbundled Network Element (UNE) Interval Table

Product	Quantity	Standard Interval	Targeted LSR Processing Interval	Targeted Manager
Unbundled Loops				
2 Wire analog voice grade loop non-designed (SL1) CHC Does Not = Y	1 - 9	3 business days	See assumption #5	---
---	10 -14	5 business days	3 business days	---
---	15-30	8 business days	3 business days	Y
---	31+	Negotiated	Negotiated	Y
2 Wire analog voice grade loop non-designed (SL1) CHC = Y	1 - 9	4 business days	See assumption #5	---
---	10 - 14	6 business days	3 business days	---
---	15-30	8 business days	3 business days	Y
---	31+	Negotiated	Negotiated	Y
2 Wire analog voice grade loop designed (SL2)	1 - 9	4 business days	See assumption #5	---
---	10 - 14	6 business days	3 business days	---
---	15-30	8 business days	3 business days	Y
---	31+	Negotiated	Negotiated	Y

Product	Quantity	Standard Interval	Targeted ISR Processing Interval	Project Managed
4 Wire analog voice grade loop	1 - 9	5 business days	See assumption #5	---
	10 - 14	7 business days	3 business days	---
	15+	Negotiated	Negotiated	Y
2 Wire ISDN digital loop	1-5	10 business days	See assumption #5	---
	6-14	12 business days	3 business days	---
	15+	Negotiated	Negotiated	Y
Universal Digital Channel (UDC)	1-5	10 business days	See Assumption #5	---
	6-14	12 business days	3 business days	---
	15+	Negotiated	Negotiated	Y
4 Wire 2.4, 4.8, 9.6, 19.2, 56 or 64 Kbps digital loop	1-5	5 business days	See assumption #5	---
	6-14	7 business days	3 business days	---
	15+	Negotiated	Negotiated	Y
DS3/STS1* Loop	1-5	25 business days	See assumption #5	---
	6-14	27 business days	3 business days	---
	15+	Negotiated	Negotiated	Y
Dark Fiber	1-14	30 business days	2 days	N
	15+	Negotiated	Negotiated	Y
Line Share without loop modification	1-9 TNs	2 business days	See assumption #5	---
	10+	Negotiated	Negotiated	Y
Line Share with loop modification	1 - 4 TNs	11 business days	See assumption #5	Y
	5 - 9 TNs	16 business days	Negotiated	Y
	10+	Negotiated	Negotiated	Y

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Product	Quantity	Standard Interval	Targeted LSR Processing Interval	Project Managed
Line Share with Loop Modification answered with: Pair Change, Pair Change with Line Station Transfer (LST)	1-9 TNs	2 business days	See assumption #5	
---	10 +	Negotiated	Negotiated	Y
Line Splitting	1-9 TNs	2 business days	See assumption #5	---
---	10+	Negotiated	Negotiated	Y
Line Splitting without loop modification	1-4 TNs	2 business days	See assumption #5	---
---	5-9 TNs	5 business days	See assumption #5	---
---	10 +	Negotiated	Negotiated	Y
RS (Remote Site) HFS Unbundled Line Share DLEC Owned & Bellsouth Owned Splitter	1-9 TNs	2 business days	See assumption #5	---
---	10+	Negotiated	Negotiated	Y
RS (Remote Site) HFS Unbundled Line Share DLEC Owned & Bellsouth Owned Splitter with Loop modification	1-4 TNs	11 business days	See assumption #5	---
---	5-9 TNs	16 business days	See assumption #5	See assumption #5
---	10+	Negotiated	Negotiated	Y
RS (Remote Site) HFS Unbundled Line Splitting DLEC Owned & Bellsouth Owned Splitter	1-9 TNs	2 business days	See assumption #5	---
---	10+	Negotiated	Negotiated	Y
RS (Remote Site) HFS Unbundled Line Splitting DLEC Owned & Bellsouth Owned Splitter with Loop modification	1-4 TNs	11 business days	See assumption #5	---
---	5-9 TNs	16 business days	See assumption #5	See assumption #5

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Product	Quantity	Standard Interval	Targeted SR Processing Interval	Project Manager
ADSL-2 Wire asymmetrical digital subscriber line loop without modification*	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
ADSL-2 Wire asymmetrical digital subscriber line loop with modification*	1-5	11 business days	See assumption #5	---
---	6-14	16 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
HDSL-2 Wire & 4 Wire high bit rate digital subscriber line loop without modification*	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
HDSL-2 Wire & 4 Wire high bit rate digital subscriber line loop with modification*	1-5	11 business days	See assumption #5	---
---	6-14	16 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
Unbundled Copper Loop - Designed without modification*	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
Unbundled Copper Loop - Designed with modification*	1-5	11 business days	See assumption #5	---
---	6-14	16 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
Unbundled Copper Loop - Non-Designed without modification*	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y

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Product	Quantity	Standard Interval	Targeted LSR/ Processing Interval	Project Managed
Non-Designed with modification				---
---	6-14	16 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
Unbundled Network Terminating Wire* Set-up (Outside Plant)	1+	Negotiated	Negotiated	Y
Unbundled Network Terminating Wire* Set-up (LCSC)	1+	1 business day	See Assumption #5	---
Unbundled Network Terminating Wire* Activation of Pairs (LCSC)	1+	1 business day	See Assumption #5	---
Unbundled Loop Concentration (ULC) System*	1	Negotiated	Negotiated	Y
Sub Loops (outside plant)				
Unbundled Sub Loop Feeder	1+	Negotiated	Negotiated	Y
Unbundled Copper Sub Loop	1+	Negotiated	Negotiated	Y
Unbundled Sub-loop Distribution* Set-up (Outside Plant)	1+	Negotiated	Negotiated	Y
Unbundled Sub-Loop Distribution* Activation of Pairs (LCSC)	1 - 5	3 business days	See Assumption 5	---
---	6 - 14	5 business days	3 Business days	---
---	15+	Negotiated	Negotiated	---
Unbundled Sub-loop - INC* Set-Up (Outside Plant)	1+	Negotiated	Negotiated	Y
Unbundled Sub-Loop INC* Activation of Pairs (LCSC)	1 - 5	3 business days	See Assumption 5	---
---	6 - 14	5 business days	3 business days	---
---	15+	Negotiated	Negotiated	---
NID	1-5	5 business days	See assumption #5	---

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Product	Quantity	Standard Interval	Targeted/ISR Processing Interval	Project Managed
---	6-10	7 business days	3 business days	---
---	11+	10 business days	5 business days	---
Local Channel DS1*	1-4	10 business days	See assumption #5	---
---	5+	14 business days + 1 business day for each additional circuit above 5	3 business days	---
Local Channel DS3 / STS1*	1-5	25 business days	See assumption #5	---
---	6-14	27 business days	3 business days	---
---	15+	Negotiated	Negotiated	Y
wire voice grade				---
---	6-14	7 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
Dedicated interoffice DS0	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
Dedicated interoffice DS1	1-4	10 business days	See assumption #5	---
---	5+	14 business days + 1 business day for each additional circuit above 5	3 business days	---
Dedicated interoffice DS3 / STS1*	1-5	25 business days	See assumption #5	---
---	6-14	27 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
Unbundled Channelization (MUX) DS1*	1-5	20 business days	See assumption #5	---
---	6-14	22 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y

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Product	Quantity	Standard Interval	Targeted LSR Processing Interval	Project Managed
Unbundled Channelization (MUX) DS3 / STS1*	1-5	25 business days	See assumption #5	---
---	6-14	27 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
Unbundled Local Switching (Port)				
2 Wire analog line port (Reqtyp F)	1-10	3 business days	See assumption #5	---
---	11-25	5 business days	See assumption #5	---
---	25+	Negotiated	Negotiated	Y
Enhanced Extended Links (EELs)				
Voice Grade 2 Wire/4 Wire EELs	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
DSO EELs	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
DS1 EELs	1-4	10 business days	See assumption #5	---
---	5+	14 business days + 1 business day for each additional circuit above 5	3 business days	---
DS1 EELs Georgia and Kentucky	1-14 circuits	7 business days	See assumption #5	---
DS3/STS-1 EELs*	1-5	25 business days	See assumption #5	---
---	6-14	27 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
Conversion of existing UNE-L to UNE-E (Bulk)				
EELs (Voice)	2-99	Negotiated	Negotiated	Y
Conversion of existing tariffed services to UNE services, including EELs				
A. Spreadsheet DS1 & below, no mixed bandwidth	15 +	37 business days		Y
Verification		7 business days		
Order Issuance		30 business	30 business days	

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Product	Quantity	Standard Interval	Targeted LSR Processing Interval	Project Manager
1				
Voice Grade 2 wire/4 wire	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	
---	15 +	Negotiated	Negotiated	Y
DSO	1-5	5 business days	See assumption #5	---
---	6-14	7 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
DS1	1-4	10 business days	See assumption #5	---
---	5+	14 business days + 1 business day for each additional circuit above 5	3 business days	---
DS3/STS-1*	1-5	25 business days	See assumption #5	---
---	6-14	27 business days	3 business days	---
---	15 +	Negotiated	Negotiated	Y
Unbundled Dedicated Transport (UDT)				
Open AIN (OAIN)				
OAIN tool kit*	1	45 calendar days	10 calendar days	---
OAIN service management system*	1	45 calendar days	10 calendar days	---
CCS7 Signaling Transport Service				
A-Link signaling	1	60 business days	12 business days	---
D-Link signaling	1	60 business days	12 business days	---
STP-signaling transfer point	1	60 business days	12 business days	---
O/S and D/A UNEs				

Product	Quantity	Standard Interval	Targeted LSR Processing Interval	Project Managed
1-5 LCC	1-5	30 calendar days	7 calendar days	---
6-25 LCC	6-25	60 calendar days	15 calendar days	---
>25 LCC	25+	Negotiated	Negotiated	Y
Pre-order*	1	30 calendar days	N/A	---
Order / Provisioning*	1	30 calendar days	N/A	---
Maintenance / Repair*	1	30 calendar days	N/A	---
800 database	1	10 calendar days	3 calendar days	---
Line information database (LIDB)	1	60 calendar days	7 calendar days	---

Local Number Portability (LNP)

The Number Portability Interval Guide is used for porting telephone number(s) only. If the porting request includes loops see Unbundled Network Elements (UNE) interval table and use the interval in this table, or the UNE table, whichever is longer. If existing service rearrangement is needed see complex services interval table.

The Number Portability interval table consists of the following terms and definitions:

Terms and Definitions

Term	Definition
Product	BellSouth® Product
Quantity	Numbers, or number blocks
Standard Interval	The number of days required for provisioning of the requested service type. This is the number of days from the time the service order is entered into the service order processing system until the order is completed.
Targeted LSR Processing Interval	The number of days from receipt of request to processing Local Service Request (LSR).
Full Migration	Port all telephone numbers on end user account.
Partial Migration	Port some telephone numbers, leave some telephone numbers, and/or disconnect some telephone numbers.