

State of Florida



## Public Service Commission

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**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** October 11, 2007

**TO:** Office of Commission Clerk (Cole)

**FROM:** Division of Competitive Markets & Enforcement (Hallenstein)  
Office of the General Counsel (Teitzman)

**RE:** Docket No. 000121C-TP – Investigation into the establishment of operations support systems permanent performance measures for incumbent local exchange telecommunications companies. (VERIZON FLORIDA TRACK)

**AGENDA:** 10/23/07 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Carter

**CRITICAL DATES:** None

**SPECIAL INSTRUCTIONS:** None

**FILE NAME AND LOCATION:** S:\PSC\CMP\WP\000121C.RCM.DOC

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### Case Background

Docket No. 000121C-TP was opened to develop a wholesale permanent performance measurement plan for Verizon Florida. The purpose of the plan is to ensure CLECs receive nondiscriminatory access to Verizon operations support systems (OSS) and to establish a standard against which CLECs and this Commission can measure performance over time to detect and correct any degradation of service provided to CLECs.

By Order No. PSC-03-0761-PAA-TP, issued June 25, 2003, the Commission approved a Joint Partial Settlement Agreement (the stipulation) between Verizon and CLECs to adopt wholesale permanent performance measures in Florida. Verizon's Florida Performance Measurement Plan, filed in Docket 00021C-TP, is based on Verizon's California performance measurement plan and is the result of the stipulation entered into by parties to FPSC Docket No. 000121C-TP. The stipulation further identifies a process for the flow through of changes ordered by the California Public Utilities Commission to the measures in effect in Florida.

Accordingly, parties to the stipulation agreed that should the California Public Utilities Commission order additions, deletions, or modifications to Verizon's Performance Measurement Plan, the following should occur:

Not more than ten calendar days after the date of the final order of the California Public Utilities Commission, Verizon shall provide written notice of the additions, deletions, and/or modifications to the Florida Public Service Commission and to all CLECs with which it has an interconnection agreement.

Not more than 15 calendar days after the date of the written notice described in Paragraph 1, any affected party may notify the Commission and Verizon in writing of any objections to the additions, deletions, and/or modifications ordered by the California Public Utilities Commission.

If no party provides written notice of an objection within the 15-day window, then Verizon shall implement the changes to the OSS Performance Plan in Florida in accordance with the schedule established by the CPUC, and Staff shall recommend that the FPSC issue a Proposed Agency Action to adopt the changes effective as of the implementation date set forth in the CPUC Order.

If one or more parties provide written notice of an objection within the 15-day window, then the FPSC shall resolve the objection, and Verizon shall implement the FPSC's Order in accordance with the implementation date specified in that Order.

This recommendation addresses whether the Commission should approve proposed revisions to Verizon's Florida Performance Measurement Plan that were approved by the California Public Utilities Commission on September 6, 2007. The summary of the revisions and a redline version of the Plan approved by the California Public Utilities Commission are provided in Attachments 1 and 2. Verizon filed notice of the changes with the Commission on September 18, 2007. The 15-day window for parties to object to Verizon's proposed changes expired on October 3, 2007. No comments or objections were received.

### **Jurisdiction**

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.01(3) and (4)(g), Florida Statutes. Pursuant to Section 364.01 (3), Florida Statutes, the Florida legislature has found that regulatory oversight is necessary for the development of fair and effective competition in the telecommunications industry. To that end, Section 364.01 (4)

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(g), Florida Statutes, provides, in part, that the Commission shall exercise its exclusive jurisdiction in order to ensure that all providers of telecommunications service are treated fairly by preventing anti-competitive behavior. Furthermore, it is noted that the FCC has encouraged the states to implement performance metrics and oversight for purposes of evaluating the status of competition under the Telecommunications Act of 1996.

### **Discussion of Issues**

**Issue 1:** Should the Commission approve Verizon's proposed revisions to its Florida wholesale Performance Measurement Plan presented in Attachments 1 and 2?

**Recommendation:** Yes. Staff recommends that the Commission approve Verizon's Florida revisions to the Performance Measurement Plan as shown in Attachment 1 and summarized in Attachment 2. Staff further recommends that implementation of the revisions to Verizon's Florida Performance Measurement Plan becomes effective beginning with the March 2008 data month to enable simultaneous implementation of changes with Verizon's California Performance Measurement Plan. **(HALLENSTEIN)**

**Staff Analysis:** Verizon's current Florida Performance Measurement Plan is the result of agreed-to changes negotiated between Verizon and participating CLECs, collectively known as the Joint Parties Stipulation Agreement (JPSA). The JPSA originated in California pursuant to a California Public Utilities Commission Order instituting a rulemaking proceeding to develop a mechanism to allow for the monitoring of OSS performance. In the course of the rulemaking, parties entered into detailed negotiations to establish a set of performance measures. In January 1999, the parties filed with the California Public Utilities Commission a joint motion to approve the JPSA on Verizon's California Performance Measurement Plan. The California Public Utilities Commission issued a decision approving the JPSA in August 1999.

In May 2003, the parties to the JPSA filed a Joint Motion with the FPSC to approve the JPSA in Florida and thereby adopting a Performance Measurement Plan for Verizon Florida based on Verizon's California Performance Measurement Plan. The purpose is to have one common set of performance measures that could be applied on a like basis in each of Verizon's respective states, including Florida. Pursuant to Order No. PSC-03-0761-PAA-TP, issued June 25, 2003, the Commission approved the parties' Joint Motion.

On September 18, 2007, Verizon filed in Docket No. 000121C-TP a request to approve revisions to Verizon's Florida wholesale performance measurement plan. The revisions are based on changes to Verizon's California Performance Measurement Plan that were recently approved and ordered by the California Public Utilities Commission on September 6, 2007. The JPSA provides for ongoing reviews of Verizon's Performance Measurement Plan, allowing the parties to reflect any necessary changes based on experience and changes in the telecommunications industry.

Verizon's September 18, 2007 filing in Docket No. 000121C-TP contains the Final Order adopted by the California Public Utilities Commission, a revised edition of Verizon's Performance Measurement Plan, a redline version of the revised Performance Measurement Plan, and a summary of the redline changes.

The revisions approved in the California Public Utilities Commission's Final Order primarily fall into the following categories: (i) the adoption of a JPSA for Verizon only;<sup>1</sup> (ii) the agreement to formatting changes to match Verizon's format in several other states; and (iii) the agreement to remove unbundled network elements (UNEs) from Verizon's Performance Measurement Plan that have been delisted per the Triennial Review Order (TRO) and Triennial Review Remand Order (TRRO).

The process for implementing changes to Verizon's Florida Performance Measurement Plan is identified in the May 2003 Joint Motion approved by the FPSC. The stipulating parties agreed that Verizon shall provide written notice to the FPSC of all California ordered changes no more than 10 calendar days after receiving the California Public Utilities Commission's Final Order. Furthermore, within 15 days after the date of the written notice, any affected party must notify the FPSC and Verizon in writing of any objections to changes ordered by the California Public Utilities Commission. Verizon has complied with the ten-day window to notify the FPSC of its proposed revisions, and, to date, no objections were filed in Docket 000121C-TP.

Staff reviewed Verizon's redline version of the revised Performance Measurement Plan and agrees that the proposed changes are necessary and serve the public interest in providing non-discriminatory access to Verizon's OSS systems. Additionally, staff verified that the summary in Attachment 2 adequately reflects the changes contained in the redline version shown in Attachment 1. Staff believes the changes to Verizon's Performance Measurement Plan should be adopted in Florida.

**Conclusion:** Staff recommends that the Commission approve Verizon's Florida revisions to the Performance Measurement Plan as shown in Attachment 1 and summarized in Attachment 2. Staff further recommends that implementation of the revisions to Verizon's Florida Performance Measurement Plan becomes effective beginning with the March 2008 data month to enable simultaneous implementation of changes with Verizon's California Performance Measurement Plan.

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<sup>1</sup> Prior to 2004, the JPSA was a single document that applied to both AT&T California (then SBC California) and Verizon, even though not all measures were used by each company and the standards developed for like measures could vary between companies. In 2004, it was agreed to have a separate JPSA for each company, because AT&T California, Verizon, and many CLECs were multi-state companies with operations in the same states.

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**Issue2:** Should this docket be closed?

**Recommendation:** No. This docket should remain open for the Commission to conduct periodic reviews of Verizon's Performance Measurement Plan and to complete any initial third-party audit outlined in Order No. PSC-03-0761-PAA-TP. **(TEITZMAN)**

**Staff Analysis:** This docket should remain open for the Commission to conduct periodic reviews of Verizon's Performance Measurement Plan and to complete any initial third-party audit outlined in Order No. PSC-03-0761-PAA-TP.