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December 9, 2008

VIA HAND DELIVERY

Hon. Tre Hargett, Chairman
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *BellSouth's Motion For The Establishment Of A New Performance Assurance Plan*
Docket No. 04-00150

Dear Chairman Hargett:

In connection with an internal review of the SEEM Plans that are in effect in the Southeast, BellSouth Telecommunication, Inc., d/b/a AT&T Tennessee ("AT&T Tennessee") discovered a documentation omission in the SEEM Plan. Specifically, in the portion of the SEEM Plan that describes the plan's statistical formulas (Appendix D), AT&T Tennessee discovered that a formula associated with rate measures had been inadvertently omitted from Section D.2.4 (Calculate the Theoretical Mean and Variance) of Appendix D. For the Authority's convenience, enclosed with this letter is a redlined version of Appendix D, Section D.2.4, which includes the previously omitted formula. AT&T Tennessee intends to update Appendix D, Section D.2.4 on the PMAP website to include the omission.

Please be advised that the aforementioned omission had no impact whatsoever on any SEEM calculations, which were, and continue to be, calculated in the manner approved by the Authority.

A copy is being provided to counsel of record.

Very truly yours,

Guy M. Hicks

725985

TENNESSEE SEEM ADMINISTRATIVE PLAN

Tennessee Plan
Version ~~3.01~~ 3.02

Effective Date: ~~April 19, 2008~~ December 15, 2008

~~Note: This SEEM Administrative Plan version is issued to reflect the OSS architecture changes implemented on April 19, 2008.~~

equivalent Z values are set to 0, and negative values are left alone. Mathematically, this is written as

$$Z_j^* = \min(0, Z_j)$$

D.2.4 Calculate the Theoretical Mean and Variance

Calculate the theoretical mean and variance of the truncated statistic under the null hypothesis of parity, $E(Z_j^* | H_0)$ and $Var(Z_j^* | H_0)$. To compensate for the truncation in step 3, an overall, weighted sum of the Z_j^* will need to be centered and scaled properly so that the final overall statistic follows a standard normal distribution.

- If $W_j = 0$, then no evidence of favoritism is contained in the cell. The formulae for calculating $E(Z_j^* | H_0)$ and $Var(Z_j^* | H_0)$ cannot be used. Set both equal to 0.
- If $\min(n_{1j}, n_{2j}) > 6$ for a mean measure, or $\min\left\{a_{1j}\left(1-\frac{a_{1j}}{n_{1j}}\right), a_{2j}\left(1-\frac{a_{2j}}{n_{2j}}\right)\right\} > 9$ for a proportion measure, $\min(n_{1j}, n_{2j}) > 15$ and $n_j q_j (1-q_j) > 9$ for a rate measure, then

  $$E(Z_j^* | H_0) = -\frac{1}{\sqrt{2\pi}}$$

  and

  $$Var(Z_j^* | H_0) = \frac{1}{2} - \frac{1}{2\pi}$$

- Otherwise, determine the total number of values for Z_j^*. Let z_{ji} and θ_{ji}, denote the values of Z_j^* and the probabilities of observing each value, respectively.

  $$E(Z_j^* | H_0) = \sum_i \theta_{ji} z_{ji}$$

  and

  $$Var(Z_j^* | H_0) = \sum_i \theta_{ji} z_{ji}^2 - \left[E(Z_j^* | H_0)\right]^2$$

The actual values of the z's and θ's depends on the type of measure.

CERTIFICATE OF SERVICE

I hereby certify that on December 9, 2008, a copy of the foregoing document was served on the following, via hand delivery, facsimile, overnight, electronic mail or US Mail, addressed as follows:

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