BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF ALPHONSO J. VARNER

BEFORE THE TENNESSEE REGULATORY AUTHORITY

FILED JULY 22, 2002

DOCKET NO. 97- 00309

Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR BUSINESS ADDRESS.

A. My name is Alphonso J. Varner. I am employed by BellSouth as an Assistant Vice President in Interconnection Services. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. ARE YOU THE SAME ALPHONSO J. VARNER WHO FILED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes I am.

Q WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My Rebuttal Testimony addresses various issues raised by CLECs in Rebuttal Testimony opposing the Tennessee Regulatory Authority's (the "TRA" or "Authority") evaluation of BellSouth's Section 271 compliance based on the performance measures adopted by the Georgia Public Service Commission

(GPSC). In that regard, I explain why the measures proposed by BellSouth for use in this proceeding (the measures adopted by the GPSC) are more than sufficient for the Authority to evaluate BellSouth's Section 271 compliance. In my testimony I refer to those measures as the 271 SQM. I also address other issues raised related to data integrity, notification of changes to performance measures, and the upgrade from PMAP version 2.6 to version 4.0. Finally I respond to several allegations regarding the level of performance that BellSouth provides to CLECs. To further illustrate the level of performance provided, I have included BellSouth's performance results for the months February, March and April 2002, which demonstrate continued strong performance by BellSouth for each of the 14 items of the Competitive Checklist.

Q. PLEASE DESCRIBE HOW YOUR TESTIMONY IS ORGANIZED.

A. Beginning in Section I of my testimony, I explain why the Georgia performance measurements (271 SQM) are appropriate for the Authority to use on an interim basis for purposes of evaluating BellSouth's compliance with the Section 271 Competitive Checklist. In this section, I also discuss why delaying this consideration until measures adopted in the Authority's performance measurements Docket No. 01-00193 can be implemented as a permanent set of measures, is unnecessary and not in the best interest of Tennessee consumers.

In Section II of my testimony, I provide information that supports the fact that BellSouth's data are reliable as the FCC concluded in granting BellSouth permission to enter the long distance business in Georgia and Louisiana.

Specifically, I describe how BellSouth has in place extensive validation procedures, both internally and through independent third party testing. In particular, I will provide a status update of the Georgia and Florida audits, which further confirm that the data are reliable. I also describe BellSouth's upgrade from PMAP version 2.6 to version 4.0, which occurred with production of data for April 2002, and why this upgrade has no material impact on BellSouth's reported performance results. Further, I discuss the process used by BellSouth to provide notice of changes to the method of calculating performance measurement data. Lastly, this Section of my testimony responds to specific data issues raised by CLECs.

Finally, in Section III of my testimony, I provide BellSouth's performance data for February, March and April 2002. Based on these results, and the results provided as part of my Direct Testimony in this proceeding, there is more than a sufficient basis for finding that BellSouth meets each item of the Section 271 Competitive Checklist. Further, I address performance issues raised by the CLECs and explain why these performance issues do not present any serious challenge to a conclusion that the performance levels provided to CLECs in Tennessee show that BellSouth is providing nondiscriminatory access to its network as required by the Act.

Q. HAVE YOU PROVIDED ANY ADDITIONAL INFORMATION THAT MAY BE HELPFUL IN REVIEWING YOUR TESTIMONY?

A. For convenience, I have provided a List of Acronyms used in my testimony,

attached as Exhibit[1] AJV-8.

I. BELLSOUTH'S GEORGIA MEASURES ARE APPROPRIATE FOR 271 EVALUATION PURPOSES

Q. WHAT IS ONE OF THE PRINCIPAL REASONS FOR AT&T's OBJECTION TO USING THE 271 SQM PROPOSED BY BELLSOUTH?

A. One of the principal reasons for this objection is the fact that the TRA, fairly recently, issued an order adopting a set of measurements to be used in the future in Tennessee. However, the measurements ordered by the Authority have not been fully implemented, and indeed, pursuant to the time frames authorized by the Authority, there could be no expectation that they would have been fully implemented. Further, even if they had been fully implemented, no data has or could have been reported pursuant to the measurement plan approved in that Order for the Authority to rely upon in this proceeding. Consequently, it cannot be used today as a basis for evaluating BellSouth's performance.

Furthermore, the Authority issued its *Amended Final Order Granting Reconsideration and Clarification and Setting Performance Measurements, Benchmarks and Enforcement Mechanisms*, Docket No. 01-00193, on June 28, 2002 (*"Amended Final Order"*). The *Amended Final Order* modified the TRA's May 14, 2002 *Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms*. The *Amended final Order* was in response to

[1] Unless otherwise indicated, all Exhibits are those attached to this Rebuttal Testimony filed July 22, 2002.

BellSouth's *Petition for Stay of Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms* and *Motion for Reconsideration*, the *Motion for Clarification* filed by Brooks Fiber Communications of Tennessee, MCImetro Access Transmission Services, LLC and MCI WorldCom Communications, Inc., and the *Motion for Clarification/Reconsideration* filed by the CLEC Coalition. Since then BellSouth has filed a Motion for Reconsideration of the June 28, 2002 Amended Final Order on July 15, 2002, which is still pending as of the writing of this testimony. Consequently, not only have the TRA's measures not been implemented yet, they are still subject to review and may not be final for some time.

Q. WHY IS IT APPROPRIATE FOR THE AUTHORITY TO USE MEASUREMENTS PER THE 271 SQM TO EVALUATE BELLSOUTH'S SECTION 271 COMPLIANCE RATHER THAN THE PERFORMANCE MEASUREMENTS ADOPTED BY THE AUTHORITY IN DOCKET NO. 01-00193?

A. As stated in my Direct Testimony, the 271 SQM contains 75 measurements, which, when disaggregated, represent over 2300 sub-metrics capturing the performance provided to CLECs by BellSouth. This same set of measures was sufficient for the commissions in seven of the nine states served by BellSouth and the FCC to evaluate performance. *See, e.g.,* Memorandum Opinion and Order, *In the Matter of Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., And BellSouth Long Distance, Inc. for Provision of In-region, InterLATA Services in Georgia and Louisiana*, 2002 WL 992213 (F.C.C., May 15, 2002)(NO. FCC 02-147, 02-35) ¶ 2 (*"BellSouth GA/LA Order*").

As stated in my Direct Testimony, BellSouth proposes using Tennessee data collected in accordance with the Georgia performance measurements primarily for reasons of data availability and expediency. The Authority recognized, as reflected in its *Amended Final Order*, that the performance measurements and enforcement mechanisms that it adopted requires considerable time and effort to implement. In fact, where the Authority ordered different levels of disaggregation from BellSouth's proposed SQM, the majority of Directors determined that a six-month implementation interval was warranted to effect the required changes. Consequently, data collected pursuant to that order would not be available for some time. Given that BellSouth is currently producing Tennessee data based on the Georgia SQM, which the FCC already found to be sufficient, it would not be in the public interest to further delay providing Tennessee consumers an additional choice of long distance carriers.

Q. AT&T WITNESS CHERYL BURSH, ON PAGE 4 OF HER TESTIMONY, REMARKS THAT BELLSOUTH WAS AWARE OF THE SUBSTANTIAL CHANGES REQUIRED BY THE AUTHORITY'S MAY 14, 2002 ORDER. NOTWITHSTANDING A SUBSEQUENT REVISED ORDER ON JUNE 28, 2002, SHE REASONS THAT "BELLSOUTH HAS HAD SUFFICIENT TIME IN WHICH TO COMPLY WITH THE TRA'S DETERMINATION." PLEASE RESPOND TO THIS STATEMENT.

A. Ms. Bursh on page 4 of her testimony acknowledges the "substantial changes required" in order to implement the Authority's Order, yet insists on her antithetical contention that BellSouth "has had sufficient time to comply with the

TRA's determination." However, ATT provides no analysis to support its claim, which is also contrary to the conclusion reached by the TRA. BellSouth pointed out in its *Motion for Reconsideration*, at 20, Docket No. 01-00193, filed with the Authority on May 29, 2002, that "while the [Authority's May 14, 2002 Order] ostensibly specifies 64 measurements proposed by BellSouth, the Order modifies 61 of these measurements." Specifically, BellSouth explained how, consistent with all the testimony that BellSouth filed in that docket, a single measurement change involved many detailed steps from conversion of the requirements into business rules, to a plan for developing and testing the measurements, as revised. *Id.* at 21 – 22.

Beyond the programming changes required for the measurements, the Authority's Order would also require changes in BellSouth's processes, "the addition of new hardware, the recoding of current software and extensive modifications to the infrastructure of the organization that currently reports and calculates penalties each month." *Id*. at 23. In fact, as already stated, the Authority recognized the need for additional time to implement the plan, allowing up to six months for BellSouth to begin producing certain measurements. Despite these facts, ATT continues to claim that sufficient time has elapsed to implement the order.

Q EVEN IF THE ORDER HAD BEEN IMPLEMENTED , WOULD DATA BE AVAILABLE UNDER THAT ORDER FOR THE TRA TO USE?

A. No. The order was issued on May 14, 2002. Consequently the first full month of data where the order could be effective, even assuming instantaneous implementation, would be June 2002. Data for June 2002 is not scheduled to be produced for any state until the end of July so no data would have been filed yet. Of course, the reality is that the order could not be implemented instantaneously and data could not have been collected or produced pursuant to the order.

Q. MS. BURSH, ON PAGE 5 OF HER TESTIMONY GOES ON TO ARGUE THAT THE AUTHORITY SHOULD WAIT UNTIL BELLSOUTH IMPLEMENTS THE TENNESSEE ORDER AND REPORTS DATA IN ACCORDANCE WITH THAT ORDER BEFORE CONDUCTING ITS SECTION 271 EVALUATION. IS THIS APPROACH APPROPRIATE?

A. No. The weight of seven of nine state commissions in BellSouth's region, the Department of Justice and the Federal Communications Commission tips the scale in favor of not deferring this evaluation. Indeed, each of these independent regulatory bodies, after due consideration, has determined that the performance measures adopted by the Georgia Commission are more than sufficient to measure BellSouth's compliance with Section 271 requirements. Further, these commissions have determined that the performance levels exhibited by these measures are sufficient to grant InterLATA relief to BellSouth. The Florida PSC has also adopted essentially the measures in the 271 SQM for use in their 271 evaluation. Thus the 271 SQM has actually been used by eight state commissions, the DOJ and the FCC despite these same arguments for delay having been made by CLECs. The arguments for delay were not persuasive in

these forums and have not gained credibility with the passage of time. The benefits of not deferring this evaluation accrue to the consumers of Tennessee in gaining an additional option for long distance service.

Q. ALSO ON PAGE 5 OF HER TESTIMONY, MS. BURSH USES A QUOTATION FROM THE FCC'S TEXAS ORDER WHICH SHE CONTENDS SUPPORTS HER VIEW FOR DELAYING EVALUATION OF BELLSOUTH'S SECTION 271 COMPLIANCE. DO YOU AGREE THAT THE FCC SUPPORTS HER VIEW?

A. No. There is nothing in the cited passage that requires a state commission to defer consideration of an ILEC's readiness for interLATA authority until a specific set of performance measurements and enforcement mechanisms are implemented. In fact, Ms. Bursh omits the first sentence of the first paragraph she cites, which reads, " [w]e caution, however, that adoption by a state of a particular performance standard pursuant to its state regulatory authority is not determinative of what is necessary to establish checklist compliance under section 271." Memorandum Opinion and Order, *In the Matter of Application by SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-region InterLATA Services in Texas*, 15 FCC Rcd. 18, 354 ¶ 55 (F.C.C. June 30, 2000)(No. CC00-65, FCC00-238)("SWBT Texas Order").

In particular, and more recently, notwithstanding the fact that the Louisiana Public Service Commission (LPSC) had already adopted its own performance

measurements and enforcement mechanisms, the LPSC adopted the Georgia SQM for purposes of evaluating BellSouth's readiness to provide interLATA services. The circumstances regarding timing of the order in Louisiana were similar to those in Tennessee. The LPSC had adopted a set of performance measures for use in the future. However, no data had been collected under that order, so the LPSC opted to use the measures in the 271 SQM for their 271 evaluation. The LPSC found, based on the 271 SQM, that BellSouth had met the requirements of the competitive checklist and supported BellSouth's application to the FCC. As the Authority is aware, the FCC granted BellSouth's request for in-region, interLATA authority in Louisiana on this basis. ("We grant BellSouth's application in this Order based on our conclusion that BellSouth has taken the statutorily required steps to open its local exchange markets in Georgia and Louisiana to competition.") (*See BellSouth GA/LA Order* ¶ 1).

Q. MS. BURSH, ON PAGE 6 OF HER TESTIMONY, STATES: "IN ORDER TO OBTAIN AN ACCURATE PICTURE OF BELLSOUTH'S PERFORMANCE WITHIN TENNESSEE, THE TRA SHOULD ONLY MAKE ITS SECTION 271 RECOMMENDATION BASED UPON THE PERFORMANCE MEASURES AND STANDARDS IT HAS ORDERED BELLSOUTH TO IMPLEMENT IN TENNESSEE." DO YOU AGREE WITH THIS STATEMENT?

A. No. As an initial matter, Ms. Bursh's characterization of the performance measurements and standards ordered by the TRA as the only means of determining BellSouth's performance in Tennessee presupposes unique market conditions in Tennessee when compared to other states in the BellSouth region.

Specifically, she argues that the performance measures based on the Georgia SQM are insufficient to promote local competition. However, seven of the nine states in the BellSouth region have adopted the Georgia performance measures on an interim basis for purposes of evaluating BellSouth's readiness to seek in-region, interLATA authority from the FCC. Indeed, three states (Kentucky, Mississippi, and South Carolina) have adopted the 271 SQM proposed for use in this proceeding as the permanent measurement plan. While the Florida Commission has made minor changes in the Georgia measures, it is also essentially using as the 271 SQM for 271 purposes, and consequently the FPSC is provided monthly data based on what is in every material aspect the Georgia SQM.

Q. ON PAGE 7 OF HER TESTIMONY, MS. BURSH RETURNS TO HER THEME THAT THE AUTHORITY CANNOT RELY ON THE GEORGIA SQM IN REACHING ITS 271 DECISION STATING "THE FCC RECOGNIZES THAT STATES MAY IMPLEMENT STATE-SPECIFIC PERFORMANCE MEASURES THAT REFLECT THE LEVEL OF COMPETITION REQUIRED BY THE PARTICULAR STATE." PLEASE RESPOND TO THIS INTERPRETATION OF THE FCC'S LANGUAGE.

A. ATT again reads limitations into the FCC's language that simply are not there. For example, one of the paragraphs cited by Ms. Bursh begins:

> The Commission has explained in prior orders that ***parity and benchmark standards established by state commissions do not represent absolute maximum or minimum levels of performance necessary to satisfy the competitive checklist***. Rather, where these standards are developed

> through open proceedings with input from both the incumbent and competing carriers, these standards can represent informed and reliable attempts to objectively approximate whether competing carriers are being served by the incumbent in substantially the same time and manner, or in a way that provides the with a meaningful opportunity to compete. *See BellSouth GA/LA Orde*r, App. D ¶ 8. [emphasis added].

Clearly, based on the above, the FCC does not place the limitations implied by AT&T on the determination of whether an ILEC meets the statutory requirements found in Section 271 of the Act. Thus, confining a 271 evaluation of BellSouth's compliance with the competitive checklist to the Tennessee plan exclusively is not a valid interpretation of the FCC passages cited by Ms. Bursh and cited in part above.

Q. ON PAGES 8 AND 9 OF HER TESTIMONY MS. BURSH CONTENDS THAT THE AUTHORITY ORDERED A GREATER LEVEL OF STATE SPECIFIC REPORTING THAN THE GEORGIA SQM. IN PARTICULAR, SHE ARGUES THAT IF THESE MEASURES ARE REPORTED ON A REGIONAL BASIS THE AUTHORITY WOULD NOT BE ABLE TO DETERMINE IF BELLSOUTH IS PROVIDING SERVICE TO TENNESSEE CLECS IN A NONDISCRIMINATORY MANNER. HOW DO YOU RESPOND TO THIS POSITION?

A. BellSouth maintains its position that the measurements identified by Ms. Bursh as measures reported on a regional basis in Georgia, but requiring state-specific reporting based on the TRA's June 28, 2002 Order, are indeed regional in nature. Further, seven of the nine states in BellSouth's region have agreed that the processes underlying these measurements are indeed regional, thus making regional reporting appropriate. In addition to these seven states, Florida is also

using regional data for these measures in its 271 evaluation. If BellSouth's processes are not providing CLECs with nondiscriminatory access to its network based on these measurements all states will be impacted, not just Tennessee. Moreover, the FCC, in reviewing BellSouth's Georgia/Louisiana application, determined that BellSouth's OSS are in fact regional in nature stating "we find that BellSouth, through the PwC audit and its attestation examination, provides evidence that its OSS in Georgia are substantially the same as the OSS in Louisiana." *See BellSouth GA/LA Order* ¶111.

These same systems and processes that were reviewed by other states in BellSouth's region and the FCC serve Tennessee CLECs as well. Thus, a finding that BellSouth's OSS are substantially the same for the other seven states served by BellSouth would apply equally to Tennessee. Further, to the extent that the regionality of BellSouth's OSS is disputed in Tennessee, as applies to the limited number of measurements identified by Ms. Bursh,[2] Tennessee CLECs are not harmed by the Authority's evaluation of BellSouth's competitive checklist compliance at this time for at least two reasons.

First, in reviewing Section 271 applications, the FCC focuses on certain key processes and the most viable measurement of these processes. For example, the FCC has remarked in addressing the flow-through metric: "We have not

[2] AT&T witness Cheryl Bursh, on pages 8 and 9 of her testimony, lists 12 measurements which are reported on a regional basis pursuant to the Georgia SQM, but require state-level reporting based on the TRA's Amended Final Order, issued June 28, 2002. These measures are: (1) Interface Availability (Preordering/Ordering, (2) Interface Availability (Maintenance and Repair), (3) % Flow-through Service Request –Summary, (4) Service Order Accuracy, (5) % Database Update Accuracy, (6) % NXXs and LRNs loaded by the LERG Effective Date, (7) Usage Data Delivery Accuracy, (8) Usage Data Delivery Completeness, (9) Usage Data Delivery Timeliness (10) Recurring Charge Completeness, (11) Nonrecurring Charge Completeness, and (12) Mean Time to Notify of Network Outages.

considered flow-though rates as the sole indicia of parity, however, and thus have not limited our analysis of a BOC's ordering processes to a review of its flow-through performance data. Instead, we have held that factors such as a BOC's overall ability to return timely order confirmation and rejection notices, accurately process manually handled orders, and scale its systems are relevant and probative for analyzing a BOC's ability to provide access to its ordering functions in a nondiscriminatory manner." *See SWBT Texas Order*, ¶ 179.

Secondly, to the extent the systems related to these measurements have detrimental effect on BellSouth's performance in Tennessee, the impact will show up in other metrics. For example, as relates to the billing process, which accounts for five (5) of the measures Ms. Bursh lists, BellSouth reports performance for the measures "Invoice Accuracy" and "Mean Time to Deliver Invoices" at the state (Tennessee) level.

Q. MS. BURSH, ON PAGE 11 OF HER TESTIMONY, STATES THAT THE AUTHORITY ORDERED BENCHMARKS FOR A SIGNIFICANT NUMBERS OF MEASURES THAT ARE MORE STRINGENT THAN THOSE ORDERED IN GEORGIA. SHOULD THIS FACT RENDER THE GEORGIA SQM INADEQUATE FOR THE AUTHORITY TO EVALUATE BELLSOUTH'S SECTION 271 COMPLIANCE?

A. Certainly not. An argument that suggests only the most stringent benchmarks should be applied in order to determine whether BellSouth is providing nondiscriminatory access to Tennessee CLECs is inconsistent with the Act. The

Act, as interpreted by the FCC, requires that ILECs provide nondiscriminatory access based principally on a parity standard. This means that where an ILEC has a similar process on the retail side as compared to the wholesale process accessed by CLECs, the two processes should provide comparable levels of service. In the event no analogous retail process exists, benchmarks may be used as a surrogate criterion, which requires providing CLECs with a "meaningful opportunity to compete." The performance measurement docket is completely void of any analysis that reasonably establishes that the benchmarks set therein form the only basis for creating a meaningful opportunity for CLECs to compete in Tennessee. Indeed, there is nothing in the record of this docket, or the performance measurements docket, that indicates that benchmarks found sufficient by at least seven other states, the DOJ and FCC are not sufficient in Tennessee to determine whether BellSouth meets the requirements of Section 271 of the Act.

Ms. Bursh compares the benchmarks in Georgia and Tennessee for the measure Reject Interval - partially mechanized orders as an example to support her view. In Georgia the benchmark is 85% of the responses returned in 10 hours, while the Tennessee order requires 95% returned in 5 hours – although the 5-hour standard is to become effective in 6 months. While this example points to the fact that two states, Georgia and Tennessee, have chosen different benchmarks for the same measure, Ms. Bursh does not establish why only the Tennessee standard is consistent with the Act. Moreover, the FCC has already reviewed the Georgia performance standards and found them to be sufficient based on the requirements of the Act. It is inconceivable to believe that the intent of the Act is

to encourage the ultimate in forum shopping, where the most stringent standard in any state, becomes the new requirement in every state.

The Georgia Commission, in its Comments filed October 19, 2001 in support of BellSouth's application to the FCC for interLATA authority in Georgia, stated "[g]iven that the performance measurements and enforcement mechanisms have been in place in Georgia since March 2001, the [GPSC] concludes that its plan is effective in practice." *See GPSC Comments* at 221, CC Docket No. 01-277, filed October 19, 2001 at 221. Thus, the GPSC believes, based on its actual experience, that the performance measurements and standards currently in place in Georgia provide CLECs with a meaningful opportunity to compete. Unless Tennessee can somehow be specifically distinguished from Georgia, and the other states finding the Georgia standards acceptable, the argument that the higher benchmarks are "critical to CLEC's ability to compete" stalls in its tracks.

Q. IS THE DISAGGREGATION IN THE 271 SQM SUFFICIENT FOR THE AUTHORITY TO EVALUATE BELLSOUTH'S PERFORMANCE?

A. Yes. It is more than sufficient for such an evaluation. The disaggregation used by BellSouth yields in excess of 2,300 sub-metrics – a formidable set of measurements upon which the Authority can assess BellSouth's performance. Adding even more disaggregation increases the possibility that the added granularity will simply produce more measurements with little or no activity. In fact, with the 2300 sub-metrics currently used by BellSouth, a number of sub-metrics reflect no activity or a low level of activity.

Indeed, AT&T witness King C. Timmons acknowledges this fact on page 6 of his Testimony, stating "BellSouth failed to provide sufficient evidence of performance in Tennessee for 72% of the sub-metrics reported in its MSS report for January 2002 because there was no data or statistically inconclusive data for those sub-metrics." This is a direct result of dividing the monthly activity in Tennessee over 2300 sub-metrics. This reality notwithstanding, Ms. Bursh suggests that it is critical that additional disaggregation be provided and that the level of disaggregation in the 271 SQM is not extensive enough to provide data essential to assess BellSouth's performance. Adding more disaggregation as Ms. Bursh apparently advocates, would mean even more sub-metrics with little or no activity. Thus, two witnesses for AT&T, Ms. Bursh and Mr. Timmons, make arguments that are at opposite ends of the spectrum, and consequently conflict, regarding whether more or less disaggregation than reflected in the Georgia Plan is appropriate.

Q. IF THERE ARE A NUMBER OF SUB-METRICS AT THE LEVEL OF DISAGGREGATION IN THE 271 SQM THAT HAVE NO DATA POINTS, HOW CAN BELLSOUTH DEMONSTRATE PARITY?

A. The FCC does not analyze parity at the level of disaggregation in the Georgia SQM. Rather, the FCC looks at more aggregated levels of performance such as voice grade loops, UNE-P, high capacity loops etc. BellSouth has commercial usage for these categories. Also, some of the products, such as standalone switch ports have little impact on CLECs ability to compete

Q. MS. BURSH, ON PAGE 13 OF HER TESTIMONY, IDENTIFIES TWO MEASUREMENTS, % BILLING ERRORS CORRECTED IN X DAYS AND % TIMELY LOOP MODIFICATION/DE-CONDITIONING ON XDSL LOOPS, AS CRITICAL MEASURES ORDERED BY THE TRA THAT ARE NOT IN THE GEORGIA SQM. PLEASE ADDRESS THE NECESSITY OF THESE MEASURES?

A. With respect to the first measure, % Billing Errors Corrected in X Days, this measurement focuses on how quickly billing errors are corrected. The more significant issue is how many errors there are to correct. The 271 SQM addresses errors in terms of accuracy and other significant aspects of the billing process. Specifically, the 271 SQM provides two measurements (Invoice Accuracy and Mean Time to Deliver Invoices) that capture both the accuracy and timeliness of billing records delivered to CLECs. In addition to these measurements, BellSouth's Billing Verification Group conducts monthly audits wherein samples of bills are evaluated to check accuracy, completeness, etc. BellSouth believes that these measures provide adequate information to assess BellSouth's billing processes.

Turning to the second measure, % of Timely Loop Modification/De-conditioning on xDSL Loops, BellSouth has DSL-level disaggregation in its 271 SQM that addresses this issue. In particular, the % of Timely Loop Modification/De-conditioning on xDSL Loops metric addresses issues already captured by BellSouth's provisioning measurements, such as Order Completion Interval and

Percent Missed Installation appointments. The Georgia metric Order Completion Interval reflects separately xDSL loops that require conditioning from xDSL loops that do not require conditioning. The standards are set at seven days if no conditioning is required and fourteen days if conditioning is required. Therefore, the time required for loop modification/de-conditioning is already addressed in the Georgia measurements.

Q. ON PAGES 14 TO 17 OF HER TESTIMONY, MS BURSH ALLEGES THAT THE 271 SQM SHOULD NOT BE USED BECAUSE BELLSOUTH MADE UNILATERAL CHANGES TO THE SQM AND THUS HAS NOT COMPLIED WITH THE GEORGIA COMMISSION'S JANUARY 12, 2001ORDER. PLEASE RESPOND TO THESE ALLEGATIONS.

A. In attempting to establish BellSouth's noncompliance with the Georgia Commission's January 12, 2001 Order, Ms. Bursh alleges several BellSouth-initiated changes to the May 2000 SQM and claims that after such changes "the measures do not reflect BellSouth's true performance." As a practical matter, the party in the best position to assess whether BellSouth's SQM complies with the Georgia Commission's Order is the Georgia Commission itself. The GPSC's unwavering support of BellSouth's application seeking permission to exercise interLATA authority in the state Georgia is the most probative indicia of BellSouth's present compliance with the GPSC's order. Additionally, CLECs have participated in approximately six days of workshops with BellSouth and the Georgia Commission Staff held in October, November and December 2001. These workshops provided CLECs with ample opportunities to raise issues

concerning BellSouth's SQM and propose modifications. Notwithstanding these comprehensive discussions, the Georgia Commission and Commission Staff have continued to support the data filed pursuant to the 271 SQM.

AT&T simply introduces several stale issues, which have long been addressed by the Georgia Commission in past workshops. It also misrepresents certain measurements in the Georgia SQM as they currently exist. For example, on page 17 of her testimony, Ms. Bursh alleges that BellSouth "excludes non-mechanized orders from the FOC and Reject Response Completeness measure." Ms. Bursh is misinformed, as this is clearly not the case. BellSouth does report non-mechanized orders in the FOC and Reject Completeness measure. In fact, BellSouth has 23 measurements of non-mechanized FOC and Reject Response Completeness metric. These measurements are included the Monthly State Summary (MSS) as measurements A.1.16 (.1 through .6) for Resale and B.1.16 (.1 through .17) for UNEs. The measurements are included on Exhibit AJV-3, Attachments 1I, 1J and1K. The separate reporting of non-mechanized orders in the FOC and Reject Response Completeness measurement is over and above the exclusion indicated in the 271 SQM.

Ms. Bursh, on page 16 of her testimony, claims that the exclusion of non-dispatch orders from the Jeopardy Notice Interval was a unilateral change to the Georgia SQM that is inappropriate. Again, Ms. Bursh creates an issue where no issue exists. Specifically, a jeopardy does not apply to non-dispatch orders because only orders requiring a dispatch would encounter a jeopardy condition. If an order that originally did not require a dispatch suddenly requires a dispatch,

that order would be given a dispatch-code and, consequently, would be included in the Jeopardy Notice Interval measure if a Jeopardy Notice was sent. This same issue has been covered repeatedly with AT&T, yet the issue is raised in every state as if it is a new issue.

On pages 16 and 17, Ms. Bursh claims that "BellSouth unilaterally decided to modify its May 2000 SQM to exclude rural orders from the Held Order Interval measures." She goes on to state that "[t]here is no justification for consumers in rural areas to receive inferior service." Again Ms. Bursh takes an issue that has been clarified in numerous state proceedings, especially Georgia, and creates the impression that BellSouth is attempting to avoid complying with the Georgia Commission's order. In particular, not all rural orders are excluded from the Held Orders measure, as represented by Ms. Bursh, only rural orders that require "special construction" are excluded. Special Construction involves the necessity of implementing extraordinary construction activity in order to provide service to a customer. Clearly, rural orders requiring special construction to complete are not the types of orders that this measure is designed to capture. In fact, such orders account for a very small number of occurrences.

Q. ON PAGE 19 OF HER TESTIMONY, MS. BURSH CONTENDS THAT THE GEORGIA REMEDY PLAN SHOULD NOT BE USED BECAUSE THE GEORGIA PLAN: (1) IS INSUFFICIENT BECAUSE "IT DOES NOT REFLECT WHAT THE TRA ORDERED," (2) "RELIES UPON AN INAPPROPRIATE REMEDY CALCULATION METHODOLOGY THAT REDUCES INCENTIVE FOR BELLSOUTH TO COMPLY WITH DESIGNATED PERFORMANCE

STANDARDS," AND (3) CONTAINS A LEVEL OF DISAGGREGATION THAT IS INSUFFICIENT. PLEASE RESPOND TO THESE ASSERTIONS.

A. First, the contention that the Georgia remedy plan is insufficient because it does not reflect what the TRA ordered is in stark contradiction to the FCC's finding in approving BellSouth's Georgia and Louisiana application. The FCC stated: "We conclude that the Georgia and Louisiana SEEM plans provide sufficient incentives to foster post-entry checklist compliance." *See BellSouth GA/LA Order,* ¶ 293. Secondly, AT&T and other CLECs made the same arguments in this proceeding that they made in opposing BellSouth's Georgia/Louisiana application. Namely, they claim that BellSouth's remedy calculations in the Georgia and Louisiana plans are flawed because of aggregation of heterogeneous cells, *inter alia*, allowing parity service in some cells to mask discrimination in other cells, and that key metrics are excluded from the remedy plan severely limiting BellSouth's exposure. Again, the FCC found the CLECs position unpersuasive stating:

> We reject these arguments. We recognize that development and implementation of metrics and inclusion in these SEEMs plans is an ongoing process. As stated above, the Georgia plan structure was developed with input from the Georgia Commission's staff, BellSouth and the competitive LECs. Similarly, the Louisiana SEEMs plan was developed, in part, through collaborative workshops with input from the Louisiana Commission staff, BellSouth and the competitive LECs. We believe that competitive LECs had sufficient opportunity to raise these issues in the state proceedings, and that the issues were appropriately handled by the workshops and the state commissions. *See BellSouth GA/LA Order,* ¶ 298 [*footnotes omitted*].

In short, contrary to the Ms. Bursh's position that the Georgia remedy plan is insufficient, the FCC found that the Georgia plan provides "adequate monetary incentives against backsliding." *Id.* ¶ 296.

II. BELLSOUTH'S DATA ARE RELIABLE

A. BELLSOUTH'S DATA VALIDATION PROCESS IN GENERAL

Q. AT&T AND ITC^DELTACOM WITNESSES RAISE GENERAL QUESTIONS REGARDING BELLSOUTH'S DATA RELIABILITY. HOW DO YOU RESPOND?

A. As discussed in my Direct Testimony, BellSouth's performance data undergo extensive validation processes prior to being publicly posted. These processes enhance the accuracy and reliability of the data that BellSouth makes available to the CLECs. These are the same validation processes that the FCC viewed favorably in evaluating BellSouth's Georgia and Louisiana application. Namely, the FCC considered BellSouth's internal monthly validation, CLECs access to their CLEC-specific raw data to validate reported results each month, the stringent third party audits conducted by KPMG in both Georgia and Florida, and the fact that BellSouth stands ready to engage in data reconciliation through its CLEC Interface Group. These indicia of reliability were in place for the data produced via the PMAP version 2.6 platform, and have remained as important safeguards for the data produced via the PMAP version 4.0 platform. I will discuss the extensive testing conducted on the PMAP version 4.0 platform, the third party metrics testing in Georgia and Florida, and respond to any specific

data reliability issues raised by the CLECs in subsequent sections of this testimony.

B. THIRD PARTY AUDIT OF BELLSOUTH'S PERFORMANCE METRICS

Georgia Audit

Q. PLEASE PROVIDE AN UPDATE ON THE STATUS OF THE GEORGIA PERFORMANCE METRICS AUDITS.

A. KPMG has now completed two audits and is currently conducting a third audit of BellSouth's performance data under the direction of the GPSC. KPMG began its testing for Audit III with PMAP 2.6 performance data and will conclude the audit with the testing of PMAP 4.0 performance data, beginning with April 2002 results.

Q. PLEASE EXPLAIN WHAT KPMG HAS FILED IN CONNECTION WITH THE GEORGIA AUDITS SINCE YOUR APRIL 26, 2002 DIRECT TESTIMONY WAS FILED IN THIS PROCEEDING.

A. On June 4, 2002, KPMG filed a comprehensive Interim Status Report with the GPSC (dated May 24, 2002) updating the status of its three metrics audits in Georgia for the period between January 1 and May 24, 2002, inclusive. This document provides KPMG's progress report for each "ongoing" test target, and any open issues or exceptions. In addition, KPMG provided to the GPSC several subtending logs and spreadsheets describing the status of the various evaluation

criteria tested in each of the three audits. These attachments provide further detail, sometimes at the sub-metric or individual chart level, regarding KPMG's findings to date. A copy of this report is attached as Exhibit AJV-1.

Subsequently, KPMG filed another Interim Status Report with the GPSC on July 10, 2002 (dated June 28, 2002) for the period between May 25 and June 30, 2002, inclusive. This report addresses the conclusion of PMAP 2.6 testing and the beginning of PMAP 4.0 testing. The focus of this KPMG progress report is on identifying the "open" targets that will be tested/retested within the PMAP 4.0 environment in order to complete Audit III. A copy of this report is attached as Exhibit AJV-2.

Q. PLEASE SUMMARIZE KPMG'S JUNE 4, 2002 INTERIM STATUS REPORT.

A. As of May 24, 2002, BellSouth had satisfied 415 of the 420 evaluation criteria for Audit I, and KPMG was continuing its evaluation of the two remaining open exceptions (Exception 89.3 and 122), both of which have since been submitted to the GPSC for closure as "satisfied".

In addition, KPMG has completed Audit II and BellSouth has met and satisfied all evaluation criteria.

Finally, for Audit III, KPMG has largely completed most of the test segments in the 2.6 environment. As of May 24, 2002, the status of Audit III by test segment was as follows:

PMR-1: Data Collection and Storage

All tests pertaining to PMR-1 criteria for PMAP 2.6 environment have been completed, and all of the evaluation criteria satisfied.

PMR-2: Standards and Definition

For PMR-2, 97% of the metrics have been successfully reviewed in the PMAP 2.6 environment (See Exhibit AJV-1, KPMG Interim Status Report, 5/24/02). The two measures that are still in progress for Audit III are Reject Interval and FOC Timeliness and will transition to the PMAP 4.0 environment for review.

PMR-3: Change Management

PMR-3 is 100% complete in the PMAP 2.6 environment. (See Exhibit AJV-1, KPMG Revised Interim Status Report 5/24/02). KPMG's testing of BellSouth's change management processes and documentation is currently complete for the PMAP 2.6 environment, with all evaluation criteria satisfied.

PMR-4: Data Integrity

PMR-4 is 27% complete for Audit III. The 27% complete figure for PMR-4 is based on the number of completed measures in Audit III, and does not include the measures completed in Audits I and II. The Metrics Data Integrity Verification and Validation Review is being conducted for the nineteen (19) new metrics, and forty-one (41) metrics with new levels of disaggregation added to the Georgia SQM since the completion of the Audit I and Audit II tests. Of the 37 metrics where testing had started in Audit III, or completed in Audits I or II, 20 (or 54%)

had satisfied the evaluation criteria and were completed. KPMG has issued the following exceptions and draft exceptions that are currently open in the PMAP 2.6 environment, none of which has a material impact on any of BellSouth's performance measurements. For detailed information on each of the Georgia Open and Closed exceptions please refer to Exhibit AJV-4.

- Exception #145 (Draft Exception186)- FOC/Reject Response Completeness
- Exception #149 (Draft Exception #196) - Percent Rejected Service Requests.

PMR-5: Data Replication

PMR-5 is 93% complete for SQM Reports and 91% complete for 271 Charts in the PMAP 2.6 environment. In the PMAP 2.6 environment, for Audit III, KPMG tested three months of data in both the SQM reports and 271 charts for 60 new or modified metrics. KPMG did not retest the 14 metrics previously reviewed during Audits I and II since the levels of disaggregation, business rules, and calculation methodologies remain unchanged. KPMG has issued thirteen exceptions or draft exceptions in connection with the Audit III replication testing accomplished to date, none of which has a material impact on BellSouth's reported data, and only five of which are currently open exceptions. All of the exceptions are addressed fully in Exhibit AJV-4.

- Exception #142 (DE #184) - Average Jeopardy Notice Interval.
- Exception #144 (DE #179) - % Completions/Attempts w/o Notice or <24 Hours Notice.
- Exception #148 (DE #191) - LNP- Reject Interval.

- Exception #150 (DE #197) – Reject Interval
- Exception #152 (DE #198) - % Provisioning Troubles within 30 Days of Service Order Completion

Q. PLEASE SUMMARIZE KPMG'S JULY 10, 2002 INTERIM STATUS REPORT.

A. As previously stated, in the June 6, 2002 Interim Status Report, for Audit I, KPMG evaluated 420 evaluation criteria and BellSouth has now satisfied all of those criteria. The remaining five (5) evaluation criteria will be considered satisfied when approved by the Georgia Public Service Commission.

Additionally, KPMG has completed Audit II and BellSouth has met and satisfied all evaluation criteria.

The results and current status of Audit III for the PMAP 4.0 environment are provided under each of the appropriate test sections that follow. In Audit III, PMR-6 and PMR-7 apply to the Self-Effectuating Enforcement Mechanisms (SEEMS).

<u>PMR-1: Data Collection and Storage</u>

The refresh activities for the PMAP 4.0 Data Collection and Storage tests have begun with a review of all data collection/storage points to determine those points that have changed. Development of interview guidelines is currently underway.

PMR-2: Standards and Definition

For the PMAP 4.0 environment, the 72 metrics that were successfully reviewed in PMAP 2.6 will be tested for one month. The remaining two, FOC Timeliness and Reject Interval, will be tested for three months. Testing will begin with the June 2002 data. Refer to KPMG Interim Status Report July 10, 2002 for more detailed information on PMR-2 status (See Exhibit AJV-2).

PMR-3: Change Management

KPMG Consulting continues to retest Audit I PMR-3 from the STP by requesting re-verification of documentation and interview summaries to confirm that they were still applicable and correct. PMAP 4.0 monitoring for adherence to BellSouth's documented Change Control Process (CCP) began with April 2002 data.

PMR-4: Data Integrity

The Metrics Data Integrity Verification and Validation Review continues for all 74 GA metrics in the PMAP 4.0 environment.

The analysis process for the PMAP 4.0 environment includes a comparison of data from the Legacy/Source Systems to the data captured in the Regulatory Ad-Hoc Database System (RADS) tables; the comparison of the RADS tables to the PMAP 4.0 tables, and the PMAP 4.0 data warehouse to the reporting data marts.

As a result of our PMAP 4.0 testing, KPMG Consulting has issued two (2) draft exceptions on the following issues:

- Draft Exception 199 – LMOS exclusion of orders between LMOS and RADS
- Draft Exception 201 – EDI exclusion of orders between EDI and RADS

Refer to Exhibit AJV-2, KPMG Interim Status Report July 10, 2002 for more detailed information.

PMR-5: Data Integrity

KPMG Consulting began to assess the accuracy and completeness of reported performance measure disaggregation levels, and determine whether there is agreement between KPMG Consulting-calculated and BellSouth–reported SQM values for the PMAP 4.0 environment. For the Audit III, PMAP 4.0 environment, there are 74 metrics to be reviewed. KPMG Consulting began the comparison of the calculated PMAP 4.0 values to the PMAP 4.0 SQM values depicted on the PMAP 4.0 graphical charts with the April 2002 data.

PMR-6: Statistical Analysis For SEEMS

The Statistical Analysis test moved to the PMAP 4.0 environment beginning with the April 2002 data.

PMR-7: Enforcement Review of SEEMS

KPMG Consulting continued the review of the data flow from the PMAP 4.0 into PARIS 2.0 and began review of the calculation documentation. Testing resumed

with the release of the April 2002 data for the Tier I metrics. Three months of replication will be completed within the PMAP 4.0 environment.

There is currently one (1) Exception related to the SEEMS reports:

- Exception 153 (formerly Draft Exception 200)

In short, BellSouth's performance data collection processes, validation processes, and data production processes have been audited extensively over at least the past three years. The open exceptions are minor, and present no credible challenge to the overall reliability of BellSouth's performance data. Each of the open exceptions and/or issues is discussed more fully in Exhibits AJV-4 and AJV-5. In reviewing BellSouth's joint Georgia and Louisiana application, the FCC found that "BellSouth has also provided extensive evidence to demonstrate that the exceptions generated on its audits did not suggest a material difference on important metrics that the [FCC] traditionally examines." *BellSouth GA/LA Order* ¶ 18. Likewise, the impact of open exceptions at this time does not demonstrate material or significant issues with BellSouth's data.

Overall, the Georgia metrics audit continues to progress, and KPMG has not identified any significant data integrity issues. Thus, the Georgia metrics audit continues to support the FCC's conclusion that BellSouth's performance data are accurate, reliable, and useful. *See BellSouth GA/LA Order* ¶ 19.

Q. WHAT IS THE BASIS OF YOUR STATEMENT THAT KPMG HAS NOT IDENTIFIED ANY SIGNIFICANT ISSUES IN AUDIT III?

A. In Audit III for PMAP 2.6, KPMG issued a total of 23 exceptions or draft exceptions in Georgia; this total includes both open and closed exceptions. Of those, 16 currently are either closed or in the closure process. Of the total of 23 issued exceptions and draft exceptions, 14 have no impact on reported results, 7 have less than 0.5% impact, 1 has a greater than 0.5% impact, and for 1 measure, the % impact is not known, but the data understates performance.

Additionally, in Audit III for PMAP 4.0, KPMG issued a total of 4 exceptions or draft exceptions in Georgia. As of July 9, 2002, of the 4 open exceptions and draft exceptions, 2 have no impact and 2 have <0.5% impact on reported results. A description of all Georgia Exceptions, open and closed, is attached as Exhibit AJV-4.

Consistent with my Direct Testimony, BellSouth's analysis of the PMR-5 Issues Log, attached hereto as Exhibit AJV-5, demonstrates that in total, KPMG has noted 90 issues in PMAP 2.6, including open and closed issues. Of those, 6 were withdrawn by KPMG, 17 were moved to Exceptions or Draft Exceptions and already addressed above and 12 were merged into other Issues. Of the 55 remaining Issues, 49 are closed. Of the 55 total, 48 have no impact on reported results; 6 have less than 0.5% impact; and 1 has slightly greater than 0.5% impact. Like the exceptions, many of the issues relate to documentation and interval buckets.

Furthermore, KPMG has noted 13 issues in PMAP 4.0, including open (11) and closed (2) issues. Of the 13 total, 9 have no impact on reported results and 2

have less than 0.5% impact and 2 are currently under investigation by BellSouth. Like the exceptions, many of the issues relate to documentation and time distribution interval buckets, which do not affect the data reported for purposes of this proceeding.

Florida Audit

Q. SOME CLECS HAVE RAISED ISSUES WITH THE FLORIDA AUDIT. WOULD YOU ADDRESS THE FLORIDA AUDIT?

A. Certainly. As pointed out in my Direct Testimony, in Comments filed in the FCC's proceeding to consider BellSouth's joint Georgia and Louisiana interLATA application (CC Docket No. 02-35), AT&T argued that the KPMG audit in Florida "provides additional evidence that BellSouth's performance data cannot be trusted." The FCC flatly rejected that position. Also, AT&T witness Jay Bradbury, on pages 15 –17, raises similar concerns regarding the Florida third party test in this proceeding. As BellSouth explained in each of its affidavits filed with the FCC as part of the Georgia/Louisiana application, and as reiterated in my Direct Testimony filed in this proceeding, the evidence upon which BellSouth seeks to rely is the Georgia OSS Test, including the audits of the performance measurement systems, and currently available extensive commercial usage (from Georgia and Louisiana in the FCC 271 application and from Tennessee for this proceeding). However, in reviewing the Florida audit results, the Authority will find, as in the Georgia audit, that none of the Florida exceptions (open or closed)

related to the current SQM reveal any significant issues with BellSouth's performance data.

Q. BRIEFLY DESCRIBE THE FLORIDA EXCEPTIONS.

A. KPMG has issued a FL OSS Testing Evaluation Monthly Status Report on June 30, 2002 (Exhibit AJV-6). This monthly status report combined with the FL Exceptions Exhibit (AJV-7) gives a detailed analysis of the status of the FL Audit currently being conducted. According to the June 21, 2002 Florida Draft Final Report (*See* Rebuttal Testimony of BellSouth witness, Milton McElroy Jr., Exhibit MM-7), KPMG stated that the Performance Metrics Reporting section of the Audit consisted of five tests, and contained 542 evaluation criteria. All 542 evaluation criteria remain in the "testing in progress" status due to the introduction of PMAP 4.0. In the PMAP 2.6 environment 369 of the 532 (69%) evaluation criteria had been satisfied prior to the release of PMAP 4.0.

In total, including both open and closed exceptions, KPMG has issued 32 exceptions in Florida based on its audit of the SQM that is similar to the Georgia SQM (i.e. after June 2001) and PMAP version 2.6. Of those, 18 exceptions currently are closed or in the closure process. Of the total of 32, 17 had no impact on reported results, 13 has less than 0.5% impact on reported results, 1 had less than 0.5% impact on reported results for all states other than FL which had a greater than 0.5% impact, and finally 1 had a greater than 0.5% impact on reported results. A description of all of the Florida Exceptions, open and closed, is attached as Exhibit AJV-7. Several exceptions, for example, Exceptions 15,

81 and 153 relate to issues with BellSouth's performance measurement documentation, which, as previously discussed, does not impact the validity of reported results. Moreover, Exception 122 relates to the production of an LSR detail report for xDSL orders, and Exception 152 relates to an issue that is not reflected in the data used for 271 evaluation purposes. These issues are also illustrative of exceptions that do not impact the reported results in the MSS. As BellSouth's analyses make clear, none of the Florida Exceptions indicate systemic problems with BellSouth's reported results.

Additionally, KPMG has issued two new exceptions in the PMAP 4.0 environment. One of the exceptions has no impact on report results and the other has less than 0.5% impact on reported results.

C. THE ENHANCEMENT TO PMAP – VERSION 4.0

Q. WITH APRIL DATA, BELLSOUTH UPGRADED PMAP FROM PMAP VERSION 2.6 TO PMAP VERSION 4.0. CAN YOU DESCRIBE THE ENHANCEMENT FROM PMAP VERSION 2.6 TO 4.0?

A. Yes. BellSouth has upgraded its performance measurement data collection and reporting platform from PMAP Version 2.6 to PMAP Version 4.0 as part of a normal and sequential enhancement to BellSouth's data processing capabilities. The first data month reported using PMAP Version 4.0 was April 2002. This upgrade does not alter the measures as defined by the SQM. It simply improves the system utilized to produce those measures. Among the key benefits

associated with this incremental upgrade are increased processing scalability, improved platform reliability, increased capacity for retention of data, and streamlined and simplified code (to improve audit ability).

Q. HAS THE UPGRADE TO PMAP VERSION 4.0 BEEN DISCUSSED WITH THE FCC OR ANY STATE COMMISSION?

A. Yes. BellSouth discussed this upgrade as well as the impact of the upgrade on the ongoing Audits with the GPSC, FPSC (during the course of the Third party metrics audit) and KPMG. The upgrade to PMAP Version 4.0, because of the streamlined code, will facilitate the conclusion of KPMG's work. BellSouth also provided the FCC and DOJ with information related to this upgrade. *See* Exhibits AJV-9 and AJV-10. BellSouth has also had meetings with the DOJ and FCC to describe this upgrade. There have also been discussions with CLECs and a workshop in Georgia to review changes resulting from PMAP version 4.0 implementation.

Q. CAN YOU EXPLAIN HOW THE PMAP 4.0 REPORTING PROCESS WORKS IN RELATION TO THE PMAP 2.6 PROCESS?

A. Yes. Please refer to Exhibit AJV-11, a diagram of the PMAP Version 4.0 process, throughout this discussion. The first stage of processing in PMAP is referred to as the 'Acquisition Phase' in which data is sourced from the requisite legacy systems so that it can be processed according to the SQM business rules.

This stage includes the processes used to obtain the data itself for the actual preparation and storage of the data, referred to as the 'snapshot' process.

In PMAP 2.6, the 'Acquisition' server platform was called the Interexchange Carrier Analysis and Information System ("ICAIS"). In the Version 4.0 platform, this stage is performed by the Regulatory Ad-Hoc Data System (RADS). On both platforms, the function is the same – get the data from the source system and prepare it for processing. The main differences between ICAIS and RADS are: 1) RADS utilizes Oracle 9i Database management software, ICAIS utilized an older Informix 7 database. Informix has been bought by IBM, and is no longer a primary database technology vendor for BellSouth. 2) RADS is housed in our EDS managed data centers, providing added redundancy and support levels whereas ICAIS is physically located in the Access Carrier Advocate Center (ACAC) operational center, which is a leased office building without the same level of power and computing support facilities as our corporate data centers and finally 3) RADS has significantly more processing power for dealing with the large datasets that PMAP receives.

The first step of the Acquisition Phase is to physically transfer the required data to the acquisition platform. This step is performed by automated control scripts that are timed to pick up the data at programmed intervals and transfer it across the network to the server's source storage area. The second step initiates a database load process in which the source data is directly transferred to a structured table format that constitutes the working representation of the source data. Depending on the source system in question, these files are loaded on an

hourly, daily, weekly, or monthly schedule, and are processed as soon as they are received from the source system. The raw files are then compressed and archived along with the log files that tracked the process. In Version 4.0, an additional feature has been added to this process. This new feature adds a 'load sequence' number to the log files and places this value in the database table records. With this additional information, a particular record can be easily traced back to the source file from which it came. This change was made in the new architecture to further facilitate the ability to trace the data in a mechanized fashion. This action could be performed in PMAP 2.6, but it had to be done manually.

Because PMAP processes data on a monthly basis and BellSouth must assure that measures can be replicated, a snapshot process for the source data was developed that effectively 'freezes' the data necessary for reporting in a given month. This process is implemented via a series of database script files that extract the source data from the database tables and create a new table consisting of one or two months (some measures require two months, such as Provisioning Troubles w/in 30 days) data. This snapshot data is then used as the basis for subsequent processing in the PMAP architecture. BellSouth refers to data in this stage of processing as 'early stage data'.

Q. WHAT HAPPENS AFTER THE ACQUISITION PHASE?

A. The next step is the Business Rules processing phase. The majority of the differences between PMAP 2.6 and the Version 4.0 architecture exist in this

phase. Following the generation of the snapshot data, PMAP 2.6 copied the data to an area called 'PMAP Staging' in which BellSouth applied the required business rules to the data. Version 4.0 directly accesses the snapshot data, applies the required business rules and moves it to the 'warehouse' schema. This makes the snapshot database itself in Version 4.0 the functional equivalent of PMAP 2.6 Staging.

Q. HOW DO THE BUSINESS RULES NOW GET PROCESSED?

A. The PMAP Business Rules are such things as Product Identification algorithms, Dispatch/Non-Dispatch algorithms, Customer Identification routines, Geographic routines, etc. In the 2.6 architecture, this rules processing was accomplished via a product called Ardent Datastage. Datastage is an 'off the shelf' product that BellSouth purchased to perform business rule processing. Datastage is a good product for many types and sizes of projects, but the sheer size and complexity of the business rule set required by the SQM documents caused BellSouth to surpass the designed capabilities of this tool. Over time, the rule set was spread out into various jobs and became exceedingly complex to maintain and reverse-engineer. This reduced the ability of a third party to efficiently audit the data. PMAP Version 4.0 uses a more 'simplistic' approach that involved coding the business rule sets in Oracle's native PL/SQL language. PL/SQL is a superset of the standard SQL language that implements various procedural elements allowing flow control such as 'if…then' and program logic branching. It is a language that is well supported in the industry and has an abundance of professional developers available, whereas Datastage is a niche product with a

limited professional developer pool. In comparison to Datastage, the PL/SQL approach is both simpler and much easier to analyze, providing benefits in the development process, audits, and maintenance.

Q. WHAT HAPPENS AFTER BUSINESS RULES ARE PROCESSED?

A. In PMAP 2.6, from PMAP Staging, the data were transferred to the Normalized Operational Data Store ("NODS"), which put the data into a normalized format. NODS passed the data to the Dimensional Data Store ("DDS"), which summarized and aggregated the data. The final SQM reports were generated by queries run against the DDS data. The data from NODS were also used to generate the raw data files made available to the CLECs and utilized by BellSouth to validate the final SQM reports.

In Version 4.0, as the data is transferred through the 'pipeline', it is stored in the 'warehouse' schema, which is the functional equivalent of 'NODS'. To provide the flexibility necessary to permit production of multiple SQM versions that could be required by different states, a task that was very difficult in Version 2.6, Version 4.0 implements a technology we call a 'membership map'. This map is quite simply a way of flagging each trouble, order, or LSR with candidacy for a particular measure individually by state to allow different implementations of SQM requirements on a state-by-state basis.

Q. DOES THE IMPLEMENTATION OF PMAP 4.0 HELP AUTOMATE MORE OF THE REPORTING PROCESS?

A. Yes. As discussed with respect to Version 2.6, the nature of several SQM reports, e.g. OSS Interface Availability and Trunk Group Performance, required that the bulk of the data collection and processing requirements be executed manually, using spreadsheets and other simple database management tools. For these reports, the process owner for each manually produced SQM was responsible for collecting and formatting the legacy system source data that was loaded directly into the PMAP DDS database. In Version 4.0, this data is loaded into the warehouse schema, and then is moved to the data marts (described below), mainly so the warehouse becomes the 'single source' of all data used for reporting. The Version 4.0 SQM reports are then generated by queries run against the data marts, using the same final process step employed for PMAP results reporting.

Data for some SQMs (e.g. LNP Standalone and xDSL ordering) were calculated in Version 2.6 directly from the BARNEY system. This process has been replaced in Version 4.0, allowing all products to be reported from the same system – providing additional consistency in reporting. It is BellSouth's intent to mechanize as much of the current manual reporting process over time, as development and test resources are available for this internal work.

Q. HAS THE PRESENTATION OF THE DATA (VIEWING CAPABILITIES, FORMAT, ETC) CHANGED WITH PMAP 4.0?

A. No. Once data is loaded into the 2.6 NODS structure or the Version 4.0 warehouse structure, it is then processed for presentation. Presentation mechanisms include the PMAP Web Site (http://pmap.bellsouth.com), Raw Data, 271 Charts, and MSS. To facilitate performance in presenting data, both PMAP Version 2.6 and Version 4.0 utilize a concept referred to as a 'data mart'. In 2.6, this mart is called DDS, in 4.0, there are separate data marts for 271 charts, SQM reports and raw data, each named according to function. BellSouth has made the presentation layer for data transparent to end-users, meaning that there are no changes in the formatting or view of SQM or 271 charts in the Version 4.0 environment, providing continuity of data results reporting through the architectural changes as outlined in this discussion.

Q. PLEASE SUMMARIZE YOUR TESTIMONY ON THE PMAP VERSION 4.0 UPGRADE.

A. To summarize, the Version 4.0 architecture is an incremental upgrade to the processing infrastructure used to build and present BellSouth's performance data. There have been improvements in the scalability, flexibility, audit ability and processing power. All of this work has been achieved without changing the outputs – the same input data is used to produce the same outputs, but a different path of achieving the same goal is used in Version 4.0, a path that allows BellSouth to be more flexible in meeting the demands placed upon it for performance data in different formats. In short, BellSouth has implemented a system that will allow the metrics operation to grow with changes that are ordered, deal with ever increasing volumes of data, and do so in an efficient and

quality oriented way. BellSouth is committed to not only meeting the letter of the requirements ordered, but also in enhancing these interfaces to provide an 'Industry Best' platform that allows our customers and regulators the best possible experience.

Q. HOW CAN THE AUTHORITY BE ASSURED THAT THE UPGRADE TO PMAP VERSION 4.0 DOES NOT IMPACT THE INTEGRITY OF DATA REPORTS?

A. Before PMAP Version 4.0 was used to generate April 2002 performance data, BellSouth subjected the software and outputs to extensive validation to ensure the results were correct. First, BellSouth conducted functional testing of the Version 4.0 software, raw data and reports. Second, BellSouth conducted an "output" validation pursuant to which it compared the output from Version 2.6, which BellSouth knew to be reliable, against the results of Version 4.0, to ensure that the results were comparable and thereby validate the Version 4.0 results. Third, KPMG has begun auditing, and will continue to audit, Version 4.0 data, to attest to the validity of the data. Fourth, a workshop has been conducted under the direction of the GPSC, during which interested parties had an opportunity to voice questions and/or concerns about the changes that were made in connection with the upgrade to Version 4.0. Finally, all of the other indicia of reliability discussed herein and in my direct testimony, including the on-going annual audits, and BellSouth's provision of monthly CLEC-specific raw data, remain in place with Version 4.0.

Q. WHAT DID THE FUNCTIONAL TESTING INVOLVE?

A. The Version 4.0 functional testing included testing of software code, raw data validation, and reports validation. Last year, BellSouth tested the data flow from the source systems to RADS to ensure that RADS was accumulating the correct source data. To test the software, BellSouth developed test cases to validate the software code against the Georgia SQM and the Version 4.0 business requirements and detailed design documentation. To test the flow of data from RADS to the data warehouse, BellSouth developed test cases to validate the code that identifies the product, entity, and geography dimensions for LSRs in Version 4.0. BellSouth created integration test data by extracting production data and using it to trigger each of the test cases BellSouth had developed. BellSouth then processed the Version 4.0 software to load the warehouse and data marts, and executed the test cases for each functional area. The goal of the test was to define an expected outcome for each test scenario, run the test case to determine if it achieved the expected result, and, if the expected result was not achieved, log and correct the defect and rerun the test case. This process validated the Version 4.0 software code and the transfer of data from RADS. A copy of the PMAP 4.0 RADS to Warehouse Test Plan, which provides a detailed description of the testing process, is attached hereto as Exhibit AJV-12.

Q. WAS THE RAW DATA VALIDATED AS WELL?

A. Yes. BellSouth also conducted raw data validation in Version 4.0 by manually applying the Raw Data Users Manual ("RDUM") instructions to raw data extracted from the PMAP 4.0 warehouse to replicate sub-metric level results reports created by processing Version 4.0 software. In other words, BellSouth did precisely what CLECs have the opportunity to do each month with their CLEC-specific data, and essentially what KPMG does in its PMR-5 audit. BellSouth executed mechanized raw data validation scripts ("RDVS") against raw data extracted from the Version 4.0 data warehouse to validate data loaded into the SQM data mart. Finally, as part of the functional testing, BellSouth tested the reports to ensure correct formatting.

Q. WERE THE RESULTS PRODUCED BY THE PMAP 2.6 AND 4.0 REPORTING PLATFORMS COMPARED TO DETERMINE DIFFERENCES, IF ANY?

A. Yes. BellSouth conducted comparative analysis testing of Version 2.6 and Version 4.0. The approach of this aspect of the validation process was to compare data, measurement results and reports to identify expected differences or defects in Version 4.0. To conduct the comparative analysis, BellSouth ran Georgia data for April 2002 in parallel, and populated two MSS reports, one with Version 2.6 data and one with Version 4.0 data (while BellSouth had conducted partial parallel runs of data in February and March 2002, April was the first full month of comparative data). This process allowed BellSouth to compare the outputs of the two versions and ensure that Version 4.0 was producing correct outputs. Identified defects in Version 4.0 were documented and corrected, and the appropriate software was re-run and re-tested.

Q. WHAT WERE THE RESULTS OF THIS TEST?

A. The comparative testing of Version 2.6 and Version 4.0 confirmed that Version 4.0 provided substantially similar, but not identical, measurement results, as BellSouth expected. The total number of sub-metrics reflecting parity differed between Version 2.6 and Version 4.0 by only 0.20%. Specifically, the parity evaluation for April 2002 for Version 2.6 was 87.54% compared to 87.34% for Version 4.0. The fact that the outputs of the two versions, each of which was independently coded, produced results that were so closely aligned confirmed the validity of the Version 4.0 outputs.

In addition, for April 2002, there were 849 sub-metrics with data in Georgia, only 69 of which had different parity results between Version 2.6 and Version 4.0.[3] Many of the sub-metrics that experienced a difference in parity results involved low volume products such as PBX and Centrex where a change in one or two records can result in a different parity result. Of those parity conclusions that were different between Version 2.6 and Version 4.0, and changed from "yes" to "no," or "no" to "yes" (rather than to a blank), 22 went from "yes" to "no," and 21 went from "no" to "yes," confirming that the data accurately reflected BellSouth's overall performance to the CLECs.

An analysis of the comparative data by mode of entry further confirms the reliability of Version 4.0 data. For example, for resale sub-metrics, the parity

[3] These figures exclude "FOC and Reject Response Completeness (Multiple Responses)" and "Parity by Design" sub-metrics, as well as diagnostics.

analysis for April 2002 data in Georgia was 86.82% using Version 2.6, as compared to 86.78% under Version 4.0, a difference of only 0.04%. Similarly, UNE parity performance was 87.45% using Version 2.6, as compared to 87.28% under Version 4.0, a difference of only 0.17%.

That two versions of software code, each of which was written independently based on the SQM and each of which was coded in a different software language, produced substantially similar results confirm the validity of the Version 4.0 results. BellSouth's comparative analysis, in conjunction with the functional testing of Version 4.0, demonstrates that the Version 4.0 code is as reliable as the Version 2.6 code upon which the FCC relied in the Georgia/Louisiana application and upon which the Authority can rely in its current evaluation.

Q. CAN YOU ELABORATE ON THE DIFFERENCES THAT WERE FOUND?

A. There are slight differences in the April 2002 results produced by the Version 2.6 and Version 4.0 code, which BellSouth expected. There are several reasons for these expected differences. First, in implementing Version 4.0 code, BellSouth corrected known errors in the PMAP 2.6 code, which are documented in my original testimony. Second, BellSouth implemented some enhancements with the Version 4.0 code, including improved accuracy in product and geographic mapping that caused shifts in data. Finally, in conjunction with the validation process, BellSouth uncovered several errors in the Version 2.6 code about which BellSouth did not previously know (which are discussed in greater detail below).

Each of these changes was memorialized in the notifications BellSouth filed with the Georgia Commission and posted to its PMAP website on May 23, 2002 and June 4, 2002, to provide CLECs and regulators notice of the changes BellSouth planned to make to its performance data. In addition, these charges were discussed at the GPSC workshop on July 8, 2002. Copies of the notification letters are attached hereto as Exhibits AJV-13 and AJV-14.

Q. WHAT WERE THE KNOWN ERRORS?

A. In the category of correction of known errors, BellSouth corrected four issues with the Version 2.6 data that BellSouth had previously identified and disclosed during its FCC Georgia/Louisiana 271 application and to this Authority in my direct testimony. First, BellSouth made an adjustment for Reject Interval and FOC Timeliness for LNP LSRs submitted via the EDI gateway for which BellSouth was unable to utilize start and stop timestamps from the EDI gateway itself. The Version 2.6 code for these measures assumed that all timestamps were based on central time, when, in fact, TAG was on eastern time, EDI is on central time, and the LNP gateway is on eastern time. As a result of this discrepancy, BellSouth's performance in Version 2.6 data is understated due to the fact that an hour is inappropriately added to the interval in some cases. Overall, these changes increase reported performance by 1-3% for Reject Interval and a negligible amount for FOC Timeliness. With April 2002 data, BellSouth fixed this issue.

Second, BellSouth had identified an issue with the OSS downtime exclusion for xDSL. The Version 2.6 code did not exclude OSS downtime from the interval calculations for fully mechanized Reject Interval and FOC timeliness, even though the SQM contains an exclusion for OSS downtime. This problem with Version 2.6 code, which was corrected in Version 4.0, made BellSouth's performance look worse than it actually was.

Third, BellSouth had identified an issue in which in certain situations SOCS might recycle service order numbers during a single calendar month. In certain rare situations on both BellSouth retail and CLEC orders, SOCS may generate duplicate service order numbers in the same month. When this rare situation occurs, only the most recent service order appears in the measurement feed. This does not affect the provisioning of CLEC or BellSouth orders and was fixed with April 2002 data.

Lastly, BellSouth had identified an issue in Version 2.6 in which in the WFA system, CPE and information tickets, which are not trouble tickets for which BellSouth is responsible, are being counted as troubles rather than being excluded from the measurement consistent with the SQM. Consequently, when there is a real trouble on that line, PMAP erroneously counts it as a repeat trouble. There is a minimal impact on results. For example, based on December data, both the retail analogue and CLEC data are overstated by less than 0.5%.

Q. WHICH DIFFERENCES WERE DRIVEN BY PLANNED ENHANCEMENTS MADE TO THE PMAP 4.0 CODE?

A. The second category of expected differences are due to enhancements to BellSouth's reporting capabilities that were implemented with Version 4.0. These enhancements are also memorialized in Exhibits AJV-13 and AJV-14**.** The enhancements include an adjustment for cross-boundary wire centers, enhanced product mapping, and the enhanced exclusion of official/administrative data. While these items represent improvements in the Version 4.0 code, they are not defects in the Version 2.6 code. For example, Version 2.6 divided data within the state by using the wire center location; Version 4.0 uses the end user location. While neither approach is wrong, BellSouth believed that the latter method simply is a better way to present the data.

Q. WERE THERE ANY OTHER CHANGES?

A. In addition to the two categories of expected/planned differences discussed above, during the validation of Version 4.0, BellSouth discovered certain minor errors with the Version 2.6 code, each of which was corrected in the Version 4.0 code and noted in Exhibits AJV-13 and AJV-14. Additionally, On June 14, 2002, BellSouth filed a letter with the FCC alerting the FCC to three issues BellSouth discovered with the Version 2.6 data during its comparative validation of Version 4.0. A copy of this letter is attached as Exhibit AJV-10. As demonstrated in the letter, these issues did not cause a substantial change in BellSouth's Version 2.6 data. From the fact that there was no substantial change in Georgia data, it can be inferred that there would be no substantial change in the data for the

Tennessee. Thus, these issues do not affect the overall reliability of BellSouth's reported performance data.

In addition to Georgia April data, BellSouth did a parallel run of April 2002 data for Mississippi in Version 2.6 and Version 4.0. This comparison confirms that these issues did not cause a substantial change in BellSouth's reported performance data. For example, on the line sharing provisioning measures, there was no CLEC data for April in either Version 2.6 or Version 4.0. Likewise, for Local Interconnection Trunks-provisioning, the parity evaluations remained unchanged (all "yes") from Version 2.6 to Version 4.0.

In addition to the fact that these three issues caused no substantial change in BellSouth's reported data, April 2002 data for Tennessee for these three areas continue to demonstrate BellSouth's compliant performance.

For example, in April 2002, for FOC and Reject Response Completeness – xDSL, the total combined electronically submitted performance for this sub-metric was over 94% for Tennessee. Despite the relatively high April 2002 performance, BellSouth performed a root cause analysis of the process to investigate the performance, particularly for partially mechanized orders. During this analysis, BellSouth discovered an operational issue in which supplemented xDSL LSRs submitted electronically by the CLECs were being dropped to the LCSC by the Corporate Gateway/Delivery Order Manager ("COG/DOM") (the interface through which electronically submitted xDSL orders flow). In that scenario, the LCSC had a process in place to send manual FOCs back to the CLECs rather than sending

the notice electronically. The result of this error in COG/DOM is that while the CLEC was to receive a manual FOC (or reject), PMAP would not capture a manual FOC or reject as a mechanized or partially mechanized response. This operational issue is causing BellSouth's performance to appear worse than it is.

For Line Sharing provisioning measures, Tennessee had activity with April 2002 data. BellSouth met all of the OCI sub-metrics for Tennessee. The CLEC OCI was 4.90 days compared with the retail analogue of 4.12 days, which met the z-score analysis. On Provisioning Troubles Within 30 Days, for Line Sharing, Tennessee did not meet the retail analogue comparison. However, Tennessee had 1 dispatched trouble and 6 non-dispatched troubles for all CLECs for April. This small number of troubles did not indicate any systemic issues for April 2002. On the Line Sharing metrics for Held Orders, % Jeopardies, % Missed Installation Appointments and Average Completion Notice Interval, BellSouth met all of the sub-metrics for these measures Tennessee in April 2002.

On provisioning measures for Local Interconnection Trunks in Tennessee, BellSouth met 26 of the 26 sub-metrics associated with these measures in April 2002.

Q. PLEASE ELABORATE ON KPMG'S ROLE IN AUDITING THE 4.0 PLATFORM.

A. In addition to the extensive internal validation BellSouth conducted on the Version 4.0 software and outputs, KPMG is auditing the Version 4.0 data as part of its ongoing performance measurements audit in Georgia (which is discussed

at length in the audit section herein). In the PMR-4 Data Integrity audit, KPMG's analysis process for the PMAP 4.0 environment includes a comparison of data from the legacy/source systems to the data captured in the Regulatory Ad-Hoc Database System (RADS) tables; the comparison of the RADS tables to the PMAP 4.0 Warehouse; and the PMAP 4.0 data warehouse to the reporting data marts. As previously discussed, one of the advantages of the Version 4.0 code is that it should facilitate completion of the PMR-4 audit.

Thus, KPMG will verify BellSouth's conclusion that the Version 4.0 data are reliable. Indeed, KPMG already has started this verification process. BellSouth expects KPMG to make significant progress on the audit in the coming weeks.

D. DATA NOTIFICATION POLICY

Q. PLEASE EXPLAIN HOW BELLSOUTH'S DATA NOTIFICATION PROCESS WAS DEVELOPED.

A. Let me address this question by providing some history. While BellSouth's FCC application for Section 271 relief in Georgia/Louisiana was pending, several CLECs, the Department of Justice, and the Georgia and Louisiana Commissions raised questions regarding the manner in which BellSouth implements changes to its performance measurement data calculations. In response to these concerns, BellSouth expressed its commitment to providing notice to regulators and affected CLECs of changes in the way its performance results are calculated.

In the absence of a formal notification process that had been adopted in any of its states, BellSouth provided notice to regulators and CLECs of the changes it was making in connection with April 2002 performance data. These notifications, which were filed with the Georgia Commission and posted to the PMAP website on May 23, 2002 and June 4, 2002, are attached hereto as Exhibits AJV-13 and AJV-14. The purpose of these notices was to provide CLECs and regulators the opportunity to review the changes being made and assess the impact of the changes on reported results.

Subsequent to the filing of these two notifications, SECCA filed a motion on June 12, 2002, requesting that the Georgia Commission require that: (1) BellSouth provide at least sixty (60) days advance written notice of any proposed changes to its performance measurement calculations; (2) an industry conference call be held so that affected parties can have the opportunity to ask questions about these proposed changes; (3) parties have the opportunity to file written comments on the impact of any proposed change; and (4) any proposed change be approved by the Georgia Commission.

In response to SECCA's petition, BellSouth and SECCA reached a settlement agreement on a methodology for resolving SECCA's stated issues, a copy of which is attached as Exhibit AJV-15. The Georgia Commission approved the agreement at its June 18, 2002 Agenda session. As part of that agreement,

BellSouth and SECCA hosted a meeting for all interested parties to discuss the establishment of a formal notification process to be utilized by BellSouth on a going-forward basis. In advance of this meeting, BellSouth filed its proposed notification process with the Georgia Commission on June 19, 2002. The industry meeting was held on June 27, 2002, after which BellSouth proposed a more expansive notification process in order to address CLEC concerns. The Georgia Commission Staff recommended that the Commission adopt BellSouth's expanded notification process, with a few modifications. The Georgia Commission voted to adopt its Staff's recommendation on July 2, 2002. A copy of the relevant portions of the transcript from the Georgia Commission's July 2, 2002 meeting is attached as Exhibit AJV-16.

Q. PLEASE PROVIDE AN OVERVIEW OF THE DATA NOTIFICATION PROCESS RECOMMENDED BY THE GEORGIA COMMISSION STAFF?

A. In essence, consistent with SECCA's request, the data notification process adopted by the Georgia Commission entails: (1) at least sixty days preliminary and thirty days final notice of BellSouth's proposed changes to its method of calculating and reporting data; (2) opportunity for an industry workshop and comment; and (3) Georgia Commission approval of the proposed changes.

Specifically, the Georgia Commission has required the following:

- On the first business day of the month preceding the data month for which BellSouth proposes to make any change to the method by its performance data is calculated, BellSouth will provide written notice of any such proposed changes (hereinafter referred to as "Proposed Data Changes"). This notice will identify the affected

measure(s), describe the proposed change, provide a reason for the proposed change, and outline its impact. At the same time BellSouth will provide written notice of any known changes BellSouth is considering making to the method of calculating performance data for the following data month (hereinafter referred to as "Preliminary Data Changes"). This written notice shall be served electronically on parties and be posted on the PMAP website.

- No later than four (4) business days after the written notice referenced above has been provided, BellSouth will conduct an industry conference call at which time affected parties as well as the Commission can ask questions about either the Proposed Data Changes or the Preliminary Data Changes. The call will be conducted from 2:00 to 5:00 p.m. (Eastern Time).

- No later than ten (10) business days after the industry conference call, affected parties must file written comments with the Georgia Commission to the extent they have objections or concerns about the Proposed Data Changes. These comments shall be served electronically on parties, and BellSouth will have the opportunity to file a response, if necessary.

- The Proposed Data Changes set forth in the written notice referenced above would be presumptively valid and deemed approved by the Commission effective thirty (30) calendar days after that notice, unless the Commission staff directs BellSouth not to go forward with the changes.

Q. WHEN DOES BELLSOUTH EXPECT TO IMPLEMENT THE DATA NOTIFICATION PROCESS ADOPTED BY THE GEORGIA COMMISSION?

A. BellSouth has already implemented the formal notification process adopted by the Georgia Commission, even though a written order has not yet been entered. In fact, BellSouth is also using this process as the vehicle to provide advance notice of any future changes to the method of calculating its performance data in other states, including Tennessee, to the extent these other states have not adopted a formal data notification process of their own. This will ensure that

CLECs and regulators throughout BellSouth's region have advance notice to learn about and understand any proposed changes to the calculation of BellSouth's performance data and should alleviate any concern about BellSouth unilaterally changing its measurement calculations.

In fact, consistent with the process adopted by the Georgia Commission, BellSouth filed two data notification letters with the Georgia Commission, the first on June 28, 2002 covering May, June, and July changes, and the second on July 1, 2002 covering August changes and a preliminary list of proposed changes for September data. These data notification letters are attached as Exhibits AJV-18 and AJV-19, respectively. In addition, BellSouth conducted its first industry workshop and conference call on July 8, 2002 to discuss each of the changes implemented with April and May data, as well as the proposed changes targeted for implementation with June, July, August, and September data. The Georgia Commission Staff and the Department of Justice were represented along with several CLECs, including AT&T, WorldCom, US LEC, Birch Telecom, Network Telephone, and Covad.

Q. WHAT WERE THE RESULTS OF THE JULY 8, 2002 INDUSTRY WORKSHOP?

A. During this workshop session, I described each of the changes addressed in each data notification letters for April to September 2002, in some detail and responded to questions raised by the attendees. BellSouth was asked to provide some additional information regarding a few of the changes, and BellSouth's

responses to these requests were filed with the Georgia Commission and provided to the parties on July 18, 2002. I would also like to point out that none of the implemented or proposed changes was challenged by any of the participants during the workshop. In compliance with the recommended data notification process, BellSouth will post its proposed data changes for September 2002 and its preliminary list of data changes for October 2002 by August 1, 2002. The next industry workshop is tentatively scheduled for August 7, 2002.

Q. ON PAGES 16-17 OF AT&T WITNESS K.C. TIMMONS' TESTIMONY, HE COMPLAINS THAT BELLSOUTH MADE SEVERAL UNILATERAL CHANGES TO ITS APRIL 2002 PERFORMANCE METRICS CALCULATIONS BY POSTING ITS APRIL DATA NOTIFICATION LATE AND FAILING TO OBTAIN APPROVAL FROM THE GEORGIA COMMISSION. CAN YOU RESPOND TO THESE ACCUSATIONS?

A. Certainly. As I explained above, at the time of the April notice, the Georgia Commission had yet to establish an approved process by which BellSouth was to provide such notice to CLECs or regulators. Consequently, BellSouth filed its April Data Notification letter as soon as possible given that April was the first data month that performance results were reported via the upgraded PMAP v4.0 platform. As the evidence demonstrates, BellSouth has filed, and will continue to file, subsequent data notices well in advance of the posting of monthly performance results, consistent with the process just established by the Georgia Commission. In addition, as I previously stated, while Mr. Timmons complains

about the short notice period for April, none of the CLECs objected to any of the April changes during the July 8, 2002 workshop.

Q. ON PAGE 18 OF MR. TIMMONS' TESTIMONY, AND ON PAGE 4 OF MS. CONQUEST'S TESTIMONY, THEY OFFER THE AUTHORITY A COUPLE OF SUGGESTIONS FOR A DATA NOTIFICATION PROCESS. CAN YOU COMMENT ON THESE SUGGESTIONS?

A. Yes. The first suggestion offered by both Mr. Timmons and Ms. Conquest is that BellSouth be required to provide CLECs with at least 60 days to review and comment on proposed changes and obtain approval from the Authority before implementing any such changes to its performance measurement calculations. That is exactly what BellSouth is doing under the current notification process approved by the Georgia Commission and used for each state. Thus, Ms. Conquest and Mr. Timmons proposal in this instance has already been implemented.

Mr. Timmons' next proposal involves allowing CLECs to participate in internal BellSouth meetings at which performance data changes are discussed and providing CLECs with access to BellSouth's internal metrics change management database for performance measures (which is called Test Director). AT&T made this same proposal in Georgia, which the Georgia Commission rejected.

CLECs should not be permitted to participate in internal BellSouth meetings at

which changes to calculating performance results are discussed. BellSouth should be able to conduct internal business meetings without CLEC involvement, and there is no need for CLEC participation in those meetings in order to learn about what changes to calculating performance results are being considered by BellSouth. BellSouth has no objection to providing advance notice of performance measurement changes and, in fact, already does so. Thus, CLECs can obtain adequate information about proposed changes to the method of calculating performance results without participating in BellSouth's meetings, which would hamper BellSouth's ability to run its business.

CLECs also should not have access to Test Director (BellSouth's internal metrics change management tracking database) for several reasons. First, as described above, CLECs already receive advance notice and opportunity to comment on changes in metrics calculations before they are made. Access to Test Director is unnecessary for this purpose. Second, Test Director contains proprietary information about BellSouth's programming efforts. Third, Test Director is an internal planning system that contains considerably more information than is reasonably necessary to address the concerns raised by AT&T. In addition to keeping track of proposed changes to the method of by which BellSouth's performance data are calculated, Test Director is used to monitor proposed changes to PMAP documentation and internal quality assurance reports, which have nothing to do with providing advance notice of performance measurement changes. Finally, BellSouth personnel use Test Director as a tool to facilitate internal discussions, which would be hampered if CLECs had access to that system.

On page 18 of his Testimony, Mr. Timmons suggests that CLEC access to Test Director and CLEC participation in BellSouth's internal meetings are necessary to address concerns raised by KPMG Consulting, Inc. ("KCI") in the Georgia third-party test. This is not the case, particularly since each of the test criteria referenced by Mr. Timmons was closed by KCI as "Satisfied." *See* Final Report, Supplemental Test Plan, at VIII-C-11 Thus, while KCI's Final Report contains certain observations about Issue Tracker and CLEC participation in the internal BellSouth performance measurements process, KCI concluded that BellSouth "has a complete and consistent change development process" ((PMR-3-1-1) and that BellSouth's "process for tracking changes is adequate and complete" (PMR-3-1-6). *Id.* at VIII-C-11 & VIII-C-13. Furthermore, KCI's observations were based on the fact that, at the time, BellSouth did not "automatically provide information on any [proposed performance measurement change] to those outside the company." *Id.* As outlined above, BellSouth is now providing such information as required by the Georgia Commission, which obviates any need for CLEC access to Test Director or CLEC participation in BellSouth's internal performance measurements meetings (even assuming there was such a need in the first place).

E. SPECIFIC DATA ISSUES

i. Raw Data Files

Q. AT&T WITNESS K. C. TIMMONS, ON PAGES 8 AND 9 OF HIS TESTIMONY, CLAIMS THAT BELLSOUTH PICKS AND CHOOSES WHAT IT WILL INCLUDE IN RAW DATA BECAUSE BELLSOUTH DOES NOT PROVIDE THE RAW DATA TRANSACTIONS OR RECORDS EXCLUDED FROM THE PERFORMANCE MEASURES. IS IT APPROPRIATE TO EXCLUDE SUCH TRANSACTIONS FROM THE RAW DATA?

A. Yes. It is unnecessary to provide the excluded data to CLECs because any CLEC that is interested in obtaining data that was excluded from the performance measurement calculation can do so by extracting this information from its own data. For example, when a CLEC submits an order, the CLEC's ordering system will have a record of all the information submitted on the order, including information that is excluded from the measurement calculation. To give one example, Disconnect (D&F) Orders are excluded from many of the provisioning measurements. The CLECs' ordering systems have records of these Disconnect Orders. Accordingly, there is no need for BellSouth to provide essentially duplicate information to the CLEC. Moreover, the purpose of raw data is to provide CLECs the ability to calculate performance results. BellSouth provide CLECs all such data. ATT has made this same claim before several state commissions and in BellSouth's federal application for interLATA relief in Georgia and Louisiana. None of those regulators required BellSouth to incur the unnecessary expense that ATT claims is necessary here.

ii. <u>SQM Exclusions</u>

Q. MR. TIMMONS, ON PAGES 10 TO 15 OF HIS TESTIMONY, ASSERTS THAT BELLSOUTH UNILATERALLY MAKES DECISIONS TO EXCLUDE DATA FROM ITS DATA FILES AND THAT THESE EXCLUSIONS ARE UNDOCUMENTED. PLEASE RESPOND TO THIS ASSERTION.

A. I addressed similar claims made by AT&T witness Cheryl Bursh previously in this testimony. Like the assertions made by Ms. Bursh, the nature and significance of these issues are vastly overstated in all cases, and misstated in other cases. Some of the issues raised by Mr. Timmons as alleged undocumented exclusions related to BellSouth's SQM are also raised as data integrity or notification issues, which I address in other sections of this testimony. However, to put these issues related to the proper documentation of data exclusions in perspective, I will address a couple of examples of such undocumented exclusions raised by Mr. Timmons.

Consider, on page 13 of Mr. Timmons' testimony, where he states: "BellSouth excludes LSRs for which a product code could not be identified, and LSRs for which a state was not identified from the denominator of its calculation of the % Rejected LSRs – Total Mechanized measure in PMAP. These exclusions are not documented in BellSouth's SQM. Each of these items is included in the Total Mech LSRs filed in the Flow-Through Report." This is a case where a CLEC either does not enter or enters incorrectly the necessary product or state code. BellSouth is unable to properly assign these LSRs, and, therefore, they do not appear in the totals for this measure. However, the impact is insignificant. For example, based on March 2002 data, BellSouth was unable to identify a product

ID for 0.003% of the LSRs received in March 2002 and was unable to identify the state for 0.29% of the LSRs received in March 2002.

Similarly, on page 15 of his testimony, Mr. Timmons states that "LSRs which may have been clarified by a BellSouth Service Representative or LSRs that fell out for manual" are being included in the LNP Flow-Through Auto-Clarifications field and Issued Service Orders. BellSouth identified an error in a flow-through code, which, in a small number of cases, mistakenly identifies some LSRs that actually did flow-through as having fallen out for manual handling. Thus, the LSRs that Mr. Timmons indicates are erroneously shown in the flow-through counts actually should be shown in flow-through counts. There is simply an error with the flow-through code that shows the LSR as manually handled and understates BellSouth's performance.

These examples point to the fact that Mr. Timmons mischaracterizes minor data problems, which BellSouth reports when identified, as "unilateral" decisions by BellSouth to exclude data. BellSouth has discussed in some detail with the Georgia Commission, as described in my present testimony, its data notification process, which the Georgia Commission has found sufficient. These are highly inflated concerns that have been shown to have little impact on factors important to the Authority's Section 271 compliance evaluation.

iii. CLEC Data Issues

Q. ON PAGES 19-20 OF AT&T'S KC TIMMONS' TESTIMONY, HE COMPLAINS

ABOUT AN AVERAGE COMPLETION NOTICE INTERVAL ERROR. PLEASE ADDRESS THIS ISSUE.

A. First, this is not an error. Both the previous method and the current method of reflecting orders that completed in one month and the notice was sent in a subsequent month in the data are correct. AT&T requested, and with the concurrence of other CLECs at a Georgia workshop in December, BellSouth agreed to include such orders in the data. Mr. Timmons is referring to an apparent conflict between a Tennessee Discovery response and the Notice of Changes posted for April 2002 data. In the discovery response, BellSouth indicated that data associated with orders completed in one month but for which a completion notice was sent in another month would be corrected with July data. However, the Notice of Changes indicated a change to include some orders of this type was effected with April data.

The two documents refer to two different types of orders for which this AT&T requested enhancement will be implemented. In April, BellSouth implemented a change to pick up additional orders where the completion date is recorded in one month, but the order moved into completion pending (CP) status in the previous month. CP status is the start time stamp for ACNI. In response to Tennessee Discovery Item #21, BellSouth was referring to another enhancement required to pick up an additional subset of orders that achieve CPX status (the ACNI stop time stamp) in one month, but the work was completed in the previous month. This change will only impact a small number of orders for which CPX status is not achieved prior to the closure of BellSouth's data processing window (3-4

days into the subsequent calendar month). Although BellSouth indicated in its Tennessee Discovery response that BellSouth would implement this enhancement for July data, this change request has not yet been scheduled for implementation.

Q. ON PAGE 20 OF MR. TIMMONS' TESTIMONY, AT&T COMPLAINS THAT 4,174 COMPLETION NOTICES HAVE NO CORRESPONDING DATA REGARDING THE COMPLETED ORDERS. CAN YOU EXPLAIN?

A. The 4,174 completion notices that Mr. Timmons is referring to is a regional number, and not a Tennessee volume as Mr. Timmons would suggest in his testimony, and refers to March 2002 data. BellSouth was able to find all the orders in the raw data. Neither a data integrity issue nor a discrepancy exists. The only differences are the differences between the reports for Average Completion Notice Interval and Order Completion Interval. The same Service Orders are included in both measures; however the exclusions made, using the business rules that apply to each, and the reporting structures do differ between the two measures. Specifically, 'L' coded orders are excluded from OCI results as documented in the SQM but are not excluded from ACNI.

Q. ON PAGES 20-21 OF HIS TESTIMONY, MR. TIMMONS ARGUES THAT THERE ARE UNDOCUMENTED EXCLUSIONS WHEREIN BELLSOUTH IS EXCLUDING LSRS FROM THE FLOW THROUGH REPORT. CAN YOU EXPLAIN?

A. Yes. Mr. Timmons is referring to responses provided in the Tennessee Discovery process that laid out several differences, no matter how minor, between the Flow Through report and certain PMAP reports. For instance, in Tennessee Discovery Item 31, it is explained that one of the differences between the data provided in the LSRs in the fully mechanized Reject Interval and the LSRs in the auto-clarifications of the flow-through report is the exclusion of LSRs received in previous months in the flow-through report. In fact, this slight coding difference only applied to 50 LSRs in March 2002. The volumes of all "previous month" exclusions are listed in the table below and refer to regional data for March 2002.

TN Discovery Item	Difference
31	Fully mechanized Reject Interval includes LSRs received in a previous month. This was the case for 50 LSRs.
32	Fully mechanized LNP Reject Interval includes LSRs received in a previous month. In March this never occurred.
33	Partially mechanized Reject Interval includes LSRs received in a previous month. This was the case for 832 LSRs.
34	Partially mechanized LNP Reject Interval includes LSRs received in a previous month. This was the case for 146 LSRs.
35	Fully mechanized FOC Timeliness includes LSRs received in previous months and FOC'd in the current month. This was the case for 74 LSRs.
36	Fully mechanized LNP FOC Timeliness includes LSRs received in previous months and FOC'd in the current month. This was the case for 3 LSRs.

As is shown, there are very few LSRs affected by these differences. There is no reason to believe that the LSRs that fell outside the month's reporting data have differing performance from those that fall within the reported data month.

Q. THERE IS ALSO CONCERN ON PAGE 21 OF MR. TIMMONS' TESTIMONY ABOUT WHAT THE "SNAPSHOT" EXCLUSION ENTAILS. CAN YOU EXPLAIN?

A. The Flow Through report and the PMAP report are delivered from different platforms. The two platforms must pull the legacy data into the snapshot for early stage data at slightly different times, so small differences should be expected. Based on March 2002 regional data, of 11742 Total Mechanized LSRs for LNP Standalone reflected in the denominator of the March 2002 LNP Percent Rejected Service Requests Report, 11 LSRs were not reflected in the March 2002 LNP Flow Through Report as Total Mech LSRs (<0.01%). Of 4599 Total Mechanized LSRs for Loops with LNP reflected in the denominator of the March 2002 LNP Percent Rejected Service Requests Report, three LSRs were not reflected in the March 2002 LNP Flow Through Report as Total Mech LSRs (<0.01%). As evidenced by the analysis, these slight differences have a negligible impact on the results.

Q. ON PAGES 21-22 OF TESTIMONY, MR. TIMMONS REQUESTS CLARIFICATION ON WHETHER OR NOT LSRS SUBMITTED TO THE CRSG

ARE INCLUDED IN FOC TIMELINESS. CAN YOU PLEASE CLARIFY?

A. In the case of FOC Timeliness, any order that receives a FOC, regardless of whether it comes in through the LCSC or the CRSG, is captured in the measure because orders that come in through the CRSG flow to the LCSC to issue the FOC. For FOCs, the CRSG processing time is excluded as this processing time occurs prior to the LSR, the starting time for the FOC, as defined by the measure. The CRSG is not included in the reject measure, as indicated in BellSouth's Florida Exception response, because the reject is issued directly from the CRSG.

Q. ON PAGE 24 OF MR. TIMMONS' TESTIMONY, HE COMPLAINS THAT 'DIRECTORY LISTING ONLY' SERVICE ORDERS ARE NOT CAPTURED IN THE % DATABASE ACCURACY MEASURE. CAN YOU EXPLAIN?

A. Mr. Timmons is correct that Directory Listing 'only' orders are not captured in the Percent Database Accuracy measurement. The Percent Database Accuracy measurement is based on a sampling of service orders, as defined in the SQM. The service order sample is the same sample used for the Service Order Accuracy measurement, which does not include Directory Listing only service orders. That being said, BellSouth does not object to developing a procedure to include "directory listing only" orders in the Database Update Accuracy report. In fact, BellSouth has already agreed to such a change in the Louisiana six-month review. Since this change requires a change in the SQM it had to be accomplished in the six-month review of the SQM. The "directory listing

only" orders are less complex than the orders currently being reviewed for the report, therefore it is anticipated that their accuracy rate will be greater than that of the other orders. Based on current projections, "directory listing only" orders will make up about 20% of the orders reviewed for the report. Therefore, the impact of including "directory listing only" orders may tend to slightly improve the accuracy but it should have minimal impact on the results.

Q. ON PAGES 25-26, MR TIMMONS ARGUES THAT THE MEAN HELD ORDER GETS AN INTERVAL OF ZERO EVEN WHEN THERE ARE NO QUALIFIED ORDERS. WHY IS THIS?

A. As clearly answered in TN Discovery Item 27, the equity column is populated with zeros for the Held Order Interval measure where no Orders were held if there were orders for that product within the month that had the potential to be held. This can be verified by looking at the volume of the “% Missed Installation Appointments” measure, since this number represents all orders for each product, and subtracting the number of orders held for the same product and circuit count.

Q. ON PAGES 26 OF HIS TESTIMONY, MR. TIMMONS STATES THAT BELLSOUTH HAS GIVEN INCONSISTENT ANSWERS AS TO WHAT IS INCLUDED IN THE ACNI MEASURE DENOMINATOR. CAN YOU PLEASE EXPLAIN WHAT IS INCLUDED IN THE ACNI DENOMINATOR?

A. Yes. Tennessee Discovery Item # 37 is incorrect and BellSouth will be filing an amended response. To clarify, ACNI utilizes completed orders for the denominator. This includes all completed orders that receive a notice within the reporting period.

Q. MR. TIMMONS STATES ON PAGE 27 THAT 725 ISSUED SERVICE ORDERS INCLUDED IN BELLSOUTH'S LNP LSR FLOW-THROUGH FOR MARCH 2002 ARE NOT INCLUDED THE LNP FOC TIMELINESS RAW DATA FILES UNDER FULLY MECHANIZED LNP LSRS, RATHER INCLUDED UNDER PARTIAL MECHANIZED LNP LSRS. THIS IS 13% OF THE 5,482 ISSUED SERVICE ORDERS IN THE LNP LSR FLOW-THROUGH LOG. WHY DID THIS OCCUR?

A. All 725 Issued Service Orders in question are classified as Partially Mechanized by the FOC Timeliness code, but they met the March 2002 LNP Flow Through criteria so they were classified as Issued Service Orders. The problem identified by KPMG Consulting as part of the Florida Third Party Test involved an issue with LNP Flow Through data by which some of the LSRs were being erroneously captured as "Flow Through" even though they were actually handled by a service rep in the LCSC. These LSRs were properly recorded as partially mechanized for FOC timeliness purposes. BellSouth implemented a coding change with May 2002 data to more accurately identify when a service rep handles an LSR in calculating the LNP Flow Through results. If these new rules are applied to the 725 Issued Service Orders in question, 665 remain Issued Service Orders while the remaining 60 are newly classified as BellSouth Caused Fallout.

Q. THERE SEEMS TO BE CONFUSION, ON PAGES 29-30 OF MR. TIMMONS' TESTIMONY, OVER THE SOLUTION TO FLORIDA OBSERVATION 184. CAN YOU SUMMARIZE THE SOLUTION?

A. There was a fix required, as per BellSouth's response, and it was implemented with May data to correct the flow through report. Florida Observation 184 has been closed.

Q. ON PAGE 30, AT&T'S ANALYSIS SHOWED THAT THERE ARE 133 AUTO CLARIFICATIONS IN THE MARCH 2002 LNP FLOW THROUGH RAW DATA THAT APPEAR AS PARTIALLY MECHANIZED IN THE MARCH 2002 LNP REJECT RAW DATA. CAN YOU EXPLAIN?

A. The 133 LSRs were classified as Auto Clarifications in the March 2002 LNP Flow Through data because they were not classified as Fatal Rejects and met the criteria for Auto Clarifications. The 133 LSRs appear as Partially Mechanized in the March 2002 LNP Reject raw data because the March 2002 LNP Reject code classifies LSRs with a CUID not equal to 'unassign' in the LSRLOOKUP table as Partially Mechanized. The March 2002 LNP Flow Through code does not look at the CUID field when classifying LSRs as Auto Clarifications. Thus it is possible for LSRs that are classified as Partially Mechanized by the March 2002 LNP Reject code to be classified as Auto Clarifications in the March 2002 LNP Flow Through code. BellSouth implemented a change in May 2002 LNP Flow Through data that will identify LSRs as Auto Clarifications if they were not

classified as Fatal Rejects and the first response was a system generated Clarification. A pending change to the LNP Reject code will identify LSRs as partially mechanized if at least one FOC or Clarification associated with the LSR was sent by a service representative and will identify the LSRs as fully mechanized if all of the FOCs and Clarifications associated with the LSR were system generated.

Q. ON PAGE 31, AT&T ARGUES THAT THE INCLUSION OF TEST SERVERS AND BACK-UP SERVERS IN THE INTERFACE AVAILABILITY MEASURE RESULTS IN INFLATED PERFORMANCE FOR BELLSOUTH. PLEASE RESPOND.

A. BellSouth found that it had included test servers in the Interface Availability Measure from April 2001 to November 2001. This was an error that was corrected with December 2001 and test server hours are no longer included in the denominator for this measure. On the other hand, the back-up server hours should be included in the denominator for this measure as they are production-ready and available when there are problems with the servers that are normally used. Because there is time spent to keep these back-up servers production-ready and because they are available to CLECs when needed, these hours are validly included in the denominator for Interface Availability.

iv. <u>BellSouth Data Issues - Disclosure</u>

Q. ARE THERE OTHER DATA INTEGRITY ISSUES OF WHICH THIS AUTHORITY

SHOULD BE AWARE?

A. There are a few minor measurement issues impacting January 2002 and forward results. Many of these issues were identified in my direct testimony and the updates and fixes to these, where applicable, are provided below, along with any new issues that may have been discovered since that time. Note that any issues identified by KPMG in its third party metrics audits are separately addressed in the KPMG Audit section of my testimony. Additionally, issues discussed in the April, May, June, July, August, and September Notices (Exhibits AJV-13, AJV-14, AJV-17, AJV-18 and AJV-19) can be found in the attached exhibits and will not be repeated in this section.

Q. WHAT UPDATES CAN YOU PROVIDE TO WHAT WAS DISCUSSED IN YOUR DIRECT TESTIMONY?

A. As discussed in the data issues exhibit of my direct testimony, BellSouth implemented a permanent fix for ACNI dealing with auto-restorals of service in March 2002 data.

Q. CAN YOU UPDATE THE AUTHORITY ON THE PERCENT REPEAT TROUBLES WITHIN 30 DAYS MEASURE?

A. The Percent Repeat Troubles Within 30 Days measure where all trouble tickets logged within the report period are assigned to the last customer of record was fixed with June 2002 data and appears on the June Data Notification.

The other enhancement to modify the PMAP logic associated with WFA troubles to ensure the close date of the initial trouble ticket is no more than 30 days prior to the receipt date of a subsequently reported trouble ticket was implemented with February 2002 data.

Q. CAN YOU PLEASE PROVIDE AN UPDATE ON THE NEW LNP AVERAGE DISCONNECT TIMELIENSS FOR NON-TRIGGERS ORDERS MEASURE?

A. With respect to the new LNP Average Disconnect Timeliness for Non-Trigger Orders measure, BellSouth deployed a manual workaround to recover the missing MARCH timestamps directly from the source system and recalculated the metric results beginning in March 2002.

Q. HAVE ANY UPDATES BEEN MADE TO THE AVERAGE RESPONSE INTERVAL ISSUE?

A. BellSouth continues to investigate the issues associated with this new source system data feed and currently expects to migrate the timestamps back to the front edge of the LENS server beginning with July 2002 data, as per the July 2002 Data Notification. Until then, the Authority should continue to subtract 2 seconds from the retail analogue associated with LENS sub-metric results.

Q. ARE THERE ANY ISSUES THAT HAVE BEEN IDENTIFIED SINCE YOUR DIRECT TESTIMONY?

A. Yes. BellSouth has identified that a very small number of LSRs with a specific LEO "dummy FOC" identifier are being incorrectly classified as flow-through when, in fact, this is an internal system audit note and no FOC (dummy or otherwise) was actually returned to the CLEC. In February 2002 data, a total of 30 LSRs moved from one bucket to the other, resulting in a 0.01% decrease in the aggregate Percent Flow Through result. There has been no date determined to correct this issue, however its impact is inconsequential.

Also, beginning with February 2002 data, BellSouth's FOC and Reject Timeliness performance for partially mechanized and non-mechanized resale orders is understated. In February 2002, the LCSC announced new business hours for its Residence Resale workgroup (M-F 7:30am-6:30pm, Sat 8am-4pm). However, it was recently discovered that the revised business hours were incorrectly coded into the metrics platform, actually extending the working hours by a full hour for each workday (M-F 7:30am-7:30pm, Sat 8am-5pm). As a result, the off-hours exclusion for non-mechanized and partially mechanized Residence Resale LSRs will be an hour short each day, which understates performance. BellSouth plans to resolve this issue with June 2002 data per the June data notification.

During the February and March 2002 OSS data review, an "anomaly" was discovered in some of the RNS retail analogue data for OSS response interval. These anomalies dramatically overstated the retail analogue data for six sub-metrics. An example of one of these anomalies occurred in February 2002, when the RNS retail analogue for RSAG requested by address contained 3 transactions with a total of 1,124,100,000 seconds of duration. In other words,

the average duration for each of these 3 transactions was nearly 12 years. Obviously, duration of 12 years for an OSS response is not possible, but, the inclusion of these three transactions caused a 461.28 second RNS retail analogue average. The removal of these 3 anomalies from the retail data reduces the RNS retail analogue results to 2.89 seconds compared with the CLEC results of 1.91 seconds, still meeting the parity requirement. The following table will summarize the six sub-metrics and the associated anomalies for February and March 2002. BellSouth continues to research the cause of the RNS long response intervals for the retail analogue transactions.

Measure (MSS item #)		# Of Anomalies	Total Seconds	Prior to Removal	After Removal	CLEC Results
February 2002						
RSAG-ADDR	D.1.3.2.1	3	1,124,100,000	461.28	2.89	1.91
(Same analogue)	D.1.4.2.1				2.89	1.59
CRSACCTS	D.1.3.5.1	1	1,035,000,000	199.21	3.25	3.77
OASISBIG	D.1.3.6.1	1	1,035,000,000	105.81	4.34	3.58
(Same analogue)	D.1.3.7.1				4.34	2.34

Additionally, BellSouth implemented an enhancement in order to identify project-managed service requests more accurately. Although CLECs have been advised not to make entries in the project field for non-project managed orders, some CLEC orders continue to contain such erroneous entries. To reduce the impact of these entries on the data, only those LSRs with syntactically valid Project ID entries were excluded as projects beginning with February 2002 results for most product categories. Beginning with March 2002 results, this new logic was introduced for LNP-based and non-mechanized xDSL products. Further, projects are not being excluded for mechanically submitted xDSL LSRs,

which understates performance.

BellSouth is investigating two minor issues with FOC and Reject Interval. In the first, in approximately 0.25% of the cases, BellSouth is not capturing a FOC or reject for submitted LSRs. In the second issue, in certain cases, due to human error, a service representative will return both a FOC and a reject on a partially mechanized or non-mechanized LSR. In this scenario, PMAP only captures the first response, even if the second response is the correct response. Because this scenario only occurs as a result of human error, BellSouth does not expect, if this issue has any impact on the measure at all, for it to be significant. BellSouth anticipates it will accommodate this operational issue in the future by counting both responses.

Q. ARE THERE ANY NEW ISSUES THAT HAVE NOT YET BEEN DISCLOSED TO THE AUTHORITY?

A. There are a few very minor issues that were discovered since my initial testimony and I have included these in Exhibit AJV-20. There are no issues here that affect the overall reliability of the data. As the FCC has made clear, Section 271 does not require perfection – either with respect to performance or performance data. *SWBT– Texas Order* ¶ 358 (notwithstanding a "handful" of data problems, Commission found SWBT's performance data to be reliable). BellSouth's internal validation processes, the KPMG audits, and the safeguards in place to ensure continued reliability all demonstrate the dependency and reliability of BellSouth's performance data.

Q. PLEASE ADDRESS MR. TIMMONS' ASSERTIONS REGARDING THE TIMELINESS OF BELLSOUTH'S RESPONSES TO AT&T'S INQUIRIES.

A. AT&T does not often encounter lengthy delays in receiving responses as Mr. Timmons claims. He complains about an average of six to seven weeks to respond in 2000 and 2001, but provides no information about the nature or complexity of the requests. During that period, AT&T requested BellSouth to research hundreds of transactions in some cases. Also some response required follow up information from AT&T in order to answer their inquiry. Consequently, the information provided by Mr. Timmons provides no basis to conclude that BellSouth has not provided timely responses to AT&T.

Further, Mr. Timmons' comments should be put into perspective. During 2002, AT&T has sent 10 letters and 15 emails generating 55 requests regarding performance data. Responses have been provided to all but 7 of those requests. At the request of AT&T, responses to the remaining 7 items will be provided in a meeting on July 23, 2002. In addition, the same group in BellSouth that responds to performance data requests has spent 15 full days assisting AT&T in on site reviews of their SEEM data. In those reviews, AT&T has raised 7 issues and 6 of them have been resolved. The remaining issue is being analyzed by our statistician. For the resolved issues BellSouth has had to research thousands of transactions and no discrepancy was found. Clearly BellSouth has demonstrated a commitment to providing timely and accurate responses to AT&T.

Q. IS MR. TIMMONS CORRECT IN HIS CLAIM THAT BELLSOUTH REFUSES TO PROVIDE A TIMEFRAME WHEN A RESPONSE CAN BE EXPECTED?

A. No. Mr. Timmons refers to Exhibit KCT-28 to support his claim. However, the exhibit clearly states that it was not possible to give an estimate of the date when a complete and detailed response could be provided due to the effort required to answer the question. BellSouth did commit in that letter to respond as quickly as possible and provide periodic updates. The issue that was the subject of this letter will be addressed in the July 23 meeting with AT&T.

Q. PLEASE RESPOND TO MR. TIMMONS' CRITICISM OF BELLSOUTH'S RESPONSE TO ATT'S REQUEST ON FEBRUARY 12, 2002.

A. Mr. Timmons omits a few important parts of the story. In the February 12, request, Mr. Charles of AT&T asked BellSouth to reconcile data that BellSouth had previously explained was not supposed to match. These explanations had been provided to Ms. Norris of AT&T and Mr. Timmons. Information explaining why the data comparison should not be made, which had been provided previously to AT&T was provided to Mr. Charles on February 14, 2002. In the ensuing months, Mr. Charles has asked additional questions regarding this issue and BellSouth has responded. AT&T has received responses to many questions and the remaining issues will be addressed at the meeting on July 23. BellSouth offered in a letter on February 18, 2002 to meet with AT&T regarding performance data issues. However, AT&T did not request such a meeting on

this issue until June 25. BellSouth responded to that request on July 1, proposing to meet on July 11. On July 8 BellSouth sent an agenda to AT&T and AT&T rescheduled the meeting to July 23 due to internal conflicts.

Q HAS MR. TIMMMONS CORRECTLY CHARACTERIZED THE ADEQUACY OF BELLSOUTH'S RESPONSE TO THE FEBRUARY 12 EMAIL?

A No. As his Exhibit KCT–32 shows, BellSouth responded to several specific questions raised by Mr. Charles related to this issue. However, a recurring theme has been that Mr. Charles was attempting to make an invalid comparison. There is no validity to Mr. Timmons claims that "undocumented exclusions or business rules" or a failure by BellSouth to adhere to its SQM caused the differences in data identified by AT&T.

III. BELLSOUTH'S PERFORMANCE IN TENNESSEE MEETS THE REQUIREMENTS OF THE COMPETITIVE CHECKLIST

Q. IN THEIR TESTIMONY THE CLECS HAVE ATTEMPED TO INDICATE THAT BELLSOUTH FAILS TO MEET ITS BURDEN UNDER THE ACT. WOULD YOU LIKE TO RESPOND?

A. Yes. BellSouth has provided the CLECs with exemplary service, which has provided them with a meaningful opportunity to compete in Tennessee. BellSouth met or exceeded the criteria for 634 of the 720 sub-metrics (88%) for which there was CLEC activity in April 2002, and which were compared to

benchmarks/retail analogues. BellSouth met or exceeded the criteria for 672 of the 742 sub-metrics (91%) for which there was CLEC activity in March 2002. BellSouth met or exceeded the criteria for 688 of the 754 sub-metrics (91%) for which there was CLEC activity in February 2002.

During the three-month period, February through April 2002, there were a total of 707 sub-metrics that had CLEC activity for all three months and that were compared with either benchmarks or retail analogues. Of these 707 sub-metrics, 631 sub-metrics (89%) satisfied the comparison criteria during at least two of the three months.

BellSouth's performance results are equally strong for each of the major modes of entry in Tennessee. BellSouth's results in the following categories are based on the percentage of all sub-metrics that had CLEC activity for all three months and met or exceeded the statistical criteria for at least two of the last three months (February – April 2002) included with Exhibit AJV-3.

- For Resale, BellSouth met or exceeded the criteria for 135 of the 150 sub-metrics or 90% for at least two of the last three months,
- For UNE, BellSouth met or exceeded the criteria for 323 of the 343 sub-metrics or 94% for at least two of the last three months,
- For Local Interconnection Trunks (LIT), BellSouth met or exceeded the criteria for 23 of the 24 sub-metrics or 96% for at least two of the last three months,

- For OSS, BellSouth met or exceeded the criteria for 77 of the 85 sub-metrics or 91% for at least two of the last three months,
- For Collocation, BellSouth met or exceeded the criteria for 6 of the 6 sub-metrics or 100% for all three of the last three months.

For the coordinated conversions (*i.e.*, hot cuts) BellSouth met the 15 minute benchmark for 983 of the 989 scheduled conversions (B.2.12) or greater than 99% for the three month period of February through April 2002. The average interval for each cutover was 4:11 min: sec (minutes: seconds) during this period.

For those measures that BellSouth did not meet benchmarks or retail analogue comparisons, my Exhibit AJV-3 demonstrates that there are no systemic performance problems. The results of the Tennessee performance measurements for the period of February through April 2002 are included as attachment AJV-3 1I – 1K, 2I – 2K and 3K. Attachments AJV-3, 7-9 are included as reference only and show the Georgia results for February through April 2002.

Q. MS. DAVIS STATES ON PAGE 21 & 22 OF HER TESTIMONY THAT BELLSOUTH IS DELIVERING A LINE SHARED LOOP IN AN AVERAGE OF 4.03 DAYS IN TENNESSEE, AND CLAIMS THAT THIS IS AN ONGOING PROVISIONING PROBLEM THAT HAS A SERIOUS IMPACT ON COVAD'S ABILITY TO PROVIDED TIMELY SERVICE TO ITS CUSTOMERS. WOULD YOU LIKE TO COMMENT ON THIS ISSUE?

A. Yes. BellSouth is committed to provide parity of service to the CLECs with its

retail analogue comparison for 271 purposes. The 4.03-day average for Covad in April 2002 is for the orders that did not require a dispatch to complete. This interval met or exceeded the retail analogue comparison as determined by the modified z-score analysis in April in Tennessee.

Q. MS. DAVIS TESTIFIED ON PAGE 23 THAT BELLSOUTH CANNOT PROVISION THE LOOP (UCL-ND) CORRECTLY. SHE CLAIMS THAT OF 50 UCL-ND ORDERS IN JANUARY 2002, COVAD DATA SHOWED THAT BELLSOUTH FAILED TO PROPERLY PROVISION 38 OF THOSE ORDERS. WOULD YOU LIKE TO COMMENT?

A. Yes. BellSouth has been unable to identify these 50 UCL-ND orders for January 2002. Since Ms. Davis did not provide enough detail to locate these orders, BellSouth is not sure if any of these orders are for Tennessee. As an example, Covad also filed the exact same statement in their comments for the Alabama, Kentucky, Mississippi, North Carolina and South Carolina BellSouth 271filing.

Q. ON PAGE 28 MS. DAVIS CLAIMS THAT THE REPORTED DATA SHOWS THAT BELLSOUTH PERFORMED MUCH BETTER IN PROVISIONING ITS RETAIL ADSL SERVICE THAN IT DID IN PROVISIONING LINE SHARING TO COVAD IN TENNESSEE. WOULD YOU LIKE TO COMMENT?

A. Yes. As reported in item B.2.1.7.3.1 of the Tennessee April 2002 MSS, this item met or exceeded the retail analogue comparison as determined by the modified z-score analysis. BellSouth is committed to provide parity of service to the

continuing to use the modified Z-Score to determine parity results. As an example, in his Exhibit KCT-40, page 41 of 44, item E.1.1.2, Mr. Timmons shows that the March 2002 results for the Average Response Time for Physical Caged Orders in Tennessee was worse (column "performance comparison") than in January 2002. The 3 orders responded to in March 2002 averaged 11 days compared with the 14 orders in January 2002 that averaged 7 days. Mr. Timmons completely misses the very important fact that in both months BellSouth met the benchmark for this measurement. To clarify, the benchmark for this measurement is 30 days. In January BellSouth's response time was 7 days compared to a 30 day objective; in March BellSouth's response time was 11 days compared to the 30 day objective. The performance of both months exceeded the 30 day standard.

Next, Mr. Timmons compares items without regard to volume in his analysis. In his Exhibit KCT-40, page 41 of 44, item E.1.1.4, he shows that the March 2002 results for the Average Arrangement Time for Physical Cageless Orders in Tennessee was worse (column "performance comparison") than in January 2002. There were a total of 3 orders that averaged 12 days in January and 1 order that averaged 25 days in March. Once again, the fact that both months exceeded the 30-day benchmark is omitted. In fact, Mr. Timmons failed to mention that BellSouth met all collocation sub-metrics for all months in Tennessee included with this filing. Finally, the results from Table I and II of Mr. Timmons' testimony indicate that BellSouth is meeting or improving its results for 73% to 83% of all sub-metrics analyzed. This does not indicate a decline in performance; it indicates an excellent increase to the performance level for the

CLECs in Tennessee.

Q. WOULD YOU LIKE TO RESPOND TO MR. TIMMONS STATEMENTS ABOUT HOW MANY SUB-METRICS HAVE NO DATA OR A STATISTICALLY INCONCLUSIVE AMOUNT OF DATA IN THE TENNESSEE MSS REPORT?

A. Yes. Mr. Timmons states that there were 1,011 sub-metrics, which fall into this category out of a total number of 1,411 sub-metrics (excluding diagnostics) in January 2002. BellSouth reports the data that results from the orders and reports received from the CLECs in a given month. As indicated in Mr. Timmons's Exhibit KCT-41, the majority of these sub-metrics had no activity or very little activity from the CLECs. BellSouth has pointed out many times that the extreme level of disaggregation proposed by the CLECs will produce exactly what Mr. Timmons has highlighted. In fact, Ms. Kinard in her original testimony in this case proposed a level of disaggregation that when multiplied out would have produced over 400,000 sub-metrics. The current order in Tennessee will also increase the volume of sub-metrics that fit in this category. This is not an issue about being adequately capable of evaluating BellSouth's performance in Tennessee, it is about the CLECs trying to add more and more to their agenda. BellSouth is providing excellent service for all orders and reports received from the CLECs in Tennessee. The 72% of the sub-metrics Mr. Timmons refers to on page 43 of his testimony are a direct result of the number of sub-metrics being provided, not the performance of BellSouth in Tennessee. However, I should point out that the 400 sub-metrics for which there are data, provide more than enough commercial usage data to evaluate BellSouth's performance as

evidenced by the seven states and the FCC that have found BellSouth in compliance with the competitive checklist.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.