BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

October 15, 1999

IN RE:	)	
	)	
PETITION FOR ARBITRATION BY	)	
ITC^DELTACOM COMMUNICATIONS,	)	**DOCKET NO. 99-00430**
INC. WITH BELLSOUTH	)	
TELECOMMUNICATIONS, INC.,	)	
PURSUANT TO THE	)	
TELECOMMUNICATIONS ACT OF 1996	)	

DIRECT TESTIMONY OF CHRISTOPHER J. ROZYCKI ON BEHALF OF ITC^DELTACOM COMMUNICATIONS, INC.

I. INTRODUCTION

Q: PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.

A: My name is Christopher J. Rozycki. I am Director of Regulatory Affairs for ITC^DeltaCom Communications Inc., ("ITC^DeltaCom"). My business address is 700 Boulevard South, Suite 101, Huntsville, Alabama 35802.

Q: PLEASE DESCRIBE YOUR BUSINESS EXPERIENCE AND BACKGROUND.

A: I have over 25 years of experience in telecommunications and other regulated industries. Before joining ITC^DeltaCom in March 1998, I was employed by Hyperion Telecommunications, Inc. as Director of Regulatory Affairs. I directed all aspects of Hyperion's regulatory activity in 12 states and before the Federal Communications Commission ("FCC"). This included filing for certificates to be a competitive local exchange carrier ("CLEC") in these states and creating and/or amending over 40 state and federal tariffs for local, access, long distance, and dedicated services. I coordinated filings before the FCC and state commissions, including Virginia, Pennsylvania, New York, New Jersey, Vermont, Tennessee, Louisiana, and South Carolina.

Between 1983 and 1997, I was employed by AT&T. During my tenure there I held positions in Treasury/Finance (regulatory), Law & Government Affairs (docket management), Access Management (access-price negotiations), and Network Services Division (cost analysis of local infrastructure). While in Access Management, I testified before the Pennsylvania Public Utility Commission and the Delaware Public Service Commission on subjects like LEC-access pricing and regulation.

Before joining AT&T, I was a consumer advocate in Fairfax County, Virginia. Between 1982 and 1983, I represented county ratepayers in electric, gas, and telephone rate cases. I testified before the Virginia State Corporation Commission on several occasions, generally on the subject of rate of return.

As a partner in an energy and regulatory consulting firm from 1979 to 1982, my responsibilities included all of the firm's regulatory work for the Department of Energy.

Early in my career I was employed as an economist for two public-utility consulting firms that specialized in utility rate-case work on behalf of consumer advocates and state commissions and as an economist for the U.S. Department of Energy, where I evaluated the impact of energy-conservation regulations.

I hold a master's degree in Economics from George Mason University in Fairfax, Virginia and a bachelor's degree in Economics from Georgetown University in Washington, DC.

Q. WHAT ARE YOUR RESPONSIBILITIES AT ITC^DELTACOM?

A. As Director of Regulatory Affairs, I am responsible for all regulatory activities of ITC^DeltaCom related to its local, long distance, and wholesale telecommunications services. These activities include CLEC certification; monitoring of dockets; and the filing and maintenance of tariffs, customer complaints, interconnection and traffic exchange agreements.

Q. HAVE YOU PROVIDED TESTIMONY IN OTHER REGULATORY PROCEEDINGS?

A. Yes. I have provided testimony on a variety of issues in Alabama, Georgia, Mississippi, North Carolina, Virginia, Pennsylvania, Delaware, New York, and Vermont.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. My testimony will provide an overview to our case. ITC^DeltaCom's petition for arbitration focuses on several key issues: performance measures and performance guarantees, the functionality of Operational Support Systems ("OSS") and OSS charges, parity, reciprocal compensation or payment for ISP traffic, price and availability of individual unbundled network elements ("UNEs"), availability of UNE combinations, physical collocation, and other general contract issues.

Q: HAVE ANY OF THE ISSUES INCLUDED IN YOUR ARBITRATION FILING BEEN RESOLVED?

A: Yes. Attached as Exhibit CJR –1 is a summary of those issues ITC^DeltaCom believes are resolved as a result of negotiations with BellSouth. At the time of the filing of this testimony however, the parties have not finalized their agreement in writing. To be clear, ITC^DeltaCom reserves its right to arbitrate these issues should there not be a meeting of the minds or should a dispute regarding the contract language arise.

Q. DOES YOUR TESTIMONY ADDRESS ALL OF THE UNRESOLVED ISSUES RESULTING FROM YOUR NEGOTIATIONS WITH BELLSOUTH?

A. No. There are a number of other issues addressed by witnesses sponsored by ITC^DeltaCom in this case. Additionally, there are numerous issues which we will not contest. We are not contesting every disagreement with BellSouth in an attempt to reduce the open issues to a manageable number. This does not mean we agree with

BellSouth's position on these issues, and we reserve the right to keep these issues open until the negotiations and arbitration are complete.

Q. PLEASE EXPLAIN WHY THERE ARE SO MANY UNRESOLVED ISSUES AFTER OVER SIX MONTHS OF NEGOTIATIONS.

A. There are several reasons behind the list of unresolved issues that remain. There are, however, two overriding reasons that I believe ITC^DeltaCom and BellSouth have failed to mutually agree.

First, ITC^DeltaCom is primarily focused on providing its customers with the best service available at the most reasonable price. If ITC^DeltaCom were to agree to the terms and conditions of the contract that BellSouth wants it to accept, it could not provide the quality of service its customers have come to expect from ITC^DeltaCom, nor could it come close to the service BellSouth is providing its own customers. In essence, ITC^DeltaCom would be offering substandard service at premium prices, a guaranteed formula for failure.

Second, BellSouth has been quite uncompromising on even the most basic elements of the agreement required for any CLEC to survive the rigors of competition, much less succeed. To ensure that ITC^DeltaCom and its customers receive parity of service, there are several basic or fundamental elements which must be incorporated in its interconnection agreement. These include: (1) performance measures with guarantees; (2) parity; (3) a fully functioning Operational Support System; (4) proper availability and pricing of UNEs and collocation; and (5) agreement by BellSouth that it will compensate ITC^DeltaCom for the use of and access to ITC^DeltaCom's network.

Q. ARE THERE LESS TECHNICAL REASONS FOR THE NUMEROUS UNRESOLVED ISSUES?

A. BellSouth opened these negotiations by presenting ITC^DeltaCom with its "template" interconnection agreement. This agreement is very different from ITC^DeltaCom's current interconnection agreement, and would be a giant step backward for ITC^DeltaCom. Realizing this, ITC^DeltaCom proposed that the starting point of negotiations should be its existing contract. BellSouth would not agree, arguing that it could not effectively deal with hundreds of contracts and was looking to move companies like ITC^DeltaCom onto its "standard contract" with its "standard language." This template contract had major disadvantages, but it also had several small improvements to ITC^DeltaCom's existing contract. The one improvement we sought to capture was the overall organization or outline of the template.

Q. HOW WOULD YOU CHARACTERIZE THE LANGUAGE IN THE BELLSOUTH TEMPLATE?

A. Much of the language in the " template" is anti-competitive, denying ITC^DeltaCom the parity that is required by the Telecommunications Act. Language such as this makes it nearly impossible for ITC^DeltaCom to successfully compete with BellSouth.

Q. HOW HAS YOUR EXPERIENCE IN THE MARKETPLACE AFFECTED YOUR DECISION TO ARBITRATE?

A. ITC^DeltaCom's decision to arbitrate is based on its experience in the marketplace with BellSouth as its primary vendor of unbundled network elements. This experience has taught us that BellSouth is either currently incapable of or unwilling to deliver service

equal to that which it gives itself. As a result, ITC^DeltaCom has vigorously argued for language that will insure that BellSouth delivers service in a timely fashion, and equal in quality to the service it provides itself. By contrast, BellSouth has refused to accept language that would require it to provide service at parity with the service it provides itself.

Q. PLEASE CHARACTERIZE BELLSOUTH'S NEGOTIATING PHILOSOPHY.

A. It appears that BellSouth is using a win-lose strategy, and is rarely seeking common ground. ITC^DeltaCom was not treated as a customer or a buyer of BellSouth network and services, but as a competitor. BellSouth presented much of its language in an "our way is the only way" fashion. BellSouth also repeatedly refused to commit to any form of enforceable performance measures.

II. PERFORMANCE MEASURES AND PERFORMANCE GUARANTEES

Q. WHY ARE PERFORMANCE MEASURES SUCH AN IMPORTANT REQUIREMENT FOR ITC^DELTACOM?

A. Experience has shown ITC^DeltaCom that measures must be taken to ensure that BellSouth provides high-quality wholesale service to its customer, i.e., ITC^DeltaCom. Without performance measures and performance guarantees, BellSouth is unlikely to provide service in the same manner that it provides itself. In fact, in some situations, BellSouth's service to ITC^DeltaCom fails to come close to the service it provides to itself. This is true for both the timeliness and the quality of the services and equipment that BellSouth provides to ITC^DeltaCom. These facts will be demonstrated in the testimony of Thomas Hyde and Michael Thomas.

Furthermore, if BellSouth succeeds in its 271 application, then there must be "anti-backsliding measures" incorporated in our contract or we may never get the quality of service that we and our customers are entitled to under the provisions of the 1996 Telecommunications Act.

Q. WHY ARE ANTI-BACKSLIDING MEASURES NECESSARY?

A. BellSouth is a competitor with significant market power as well as a supplier of network services to ITC^DeltaCom. As a result, there are economic incentives that pressure BellSouth and its employees to provide better service to its own customers and subsidiaries than it provides to its competitor, ITC^DeltaCom. Today, BellSouth's incentive to perform in a competitively neutral manner is found in Section 271 of the Telecommunications Act, the opportunity to enter the long-distance market. Once BellSouth obtains 271 authority, there is little to prevent it from discriminating in the service it provides its competitors.

To eliminate this possibility, anti-backsliding measures must be put in place. Anti-backsliding measures are requirements that would prevent BellSouth from acting in an anti-competitive manner in providing the network and services required by CLECs. These anti-backsliding measures could be implemented in the form of regulations put in place by the FCC or state public service commissions. In fostering a more competitive local telecommunications market; however, anti-backsliding measures will be far more effective with performance measures and guarantees such as those introduced by ITC^DeltaCom in this interconnection agreement.

Q. IS THERE EVIDENCE THAT PERFORMANCE MEASURES SHOULD BE INCORPORATED IN INTERCONNECTION AGREEMENTS?

A. Yes. Several states, including California and Texas, are in the process of adopting performance measures with performance guarantees. Attached as exhibit CJR –2 is the performance remedies section of the SBC and Southland amendment, which has been filed with the Texas Public Utility Commission, and which will be incorporated into ITC^DeltaCom's interconnection agreement with SBC. Finally, BellSouth itself seems to have acknowledged that such measures are necessary by proposing its own Self-Effectuating Enforcement Measures to the FCC on April 8, 1999. Attached as exhibit CJR-3 is the BellSouth proposed Self-Effectuating Enforcement Measures. These proposed enforcement measures fall far short of the truly useful measures proposed by ITC^DeltaCom, but they do indicate BellSouth's willingness to work toward a solution. BellSouth, however, has refused to include its FCC proposal in our contract.

In addition, I understand that the Authority is working to develop performance measures. To the extent the measures proposed by ITC^DeltaCom do not conflict with those developed or being developed by the Authority, ITC^DeltaCom believes that the measures contained in Attachment 10 of Exhibit A should be implemented by the parties. If a conflict does arise in the future, the agreement would be revised to reflect the changes required by the Authority.

Q. PLEASE EXPLAIN HOW ITC^DELTACOM'S PROPOSED PERFORMANCE MEASURES AND PERFORMANCE GUARANTEES ARE STRUCTURED?

A. ITC^DeltaCom has structured its performance measures and performance guarantees as a three-tiered system.

At the first level, BellSouth must meet specified performance benchmarks as found in Exhibit A, Attachment 10 to ITC^DeltaCom's Petition. These benchmarks have been developed to closely match the services that BellSouth provides itself. Each of the 45 performance measures has a specific performance guarantee associated with it. Failure to meet the benchmark causes the terms of the guarantee to be invoked. In some cases performance guarantees require refunds of nonrecurring charges. In other cases, the performance guarantee indicates that it is a performance metric. Performance metrics are included throughout the performance measures to ensure parity of service.

The second level constitutes what we have labeled a "Specified Performance Breach." A Specified Performance Breach occurs when BellSouth fails to meet a single measurement for two consecutive months or twice during a quarter. Where a Specified Performance Breach occurs, BellSouth shall be required to compensate ITC^DeltaCom $25,000 for each measurement BellSouth failed to meet.

The third level is defined as a "Breach-of-Contract." A Breach-of-Contract occurs where BellSouth fails to meet a single measure five times during a six-month period. The specific terms associated with a Breach-of-Contract may be found in paragraph 25 of the General Terms and Conditions. A Breach-of-Contract results in penalties in the amount of $100,000 for each default for each day the breach or default continues.

Q. THE DOLLAR AMOUNTS ASSOCIATED WITH A SPECIFIED PERFORMANCE BREACH OR A BREACH-OF-CONTRACT APPEAR HIGH. DO YOU BELIEVE THESE AMOUNTS ARE JUSTIFIED?

A. Yes. Not only are these levels appropriate, such levels may in fact be necessary. BellSouth is an extremely large company with significant market power. BellSouth has both the ability and the economic incentive to limit the ability of ITC^DeltaCom to compete in the local market. Because ITC^DeltaCom depends entirely on BellSouth for its access to local customers within BellSouth territory, BellSouth's dominating market power must be controlled. The principal way to achieve this without placing significant regulatory requirements upon BellSouth is through effective performance measures in ITC^DeltaCom's interconnection agreement. The guarantees associated with Specified Performance Breaches or the damages arising from a Breach-of-Contract must be set high enough to discourage poor performance by BellSouth. Given the relative size of BellSouth, damages of $100,000 are a small amount for BellSouth to pay.

Q: DO TIERS 2 AND 3 RESULT IN A WINDFALL TO ITC^DELTACOM?

A: No. In other jurisdictions, BellSouth has argued that the state commissions should not adopt tiers two and three because that encourages ITC^DeltaCom to "game" the process and would result in unearned income to ITC^DeltaCom. Because ITC^DeltaCom wants performance not damages, ITC^DeltaCom's solution to BellSouth's concerns is to pay tiers two and three to the State. ITC^DeltaCom believes that tier one, which is simply a refund or credit of money paid by ITC^DeltaCom for services not delivered, should

continue to be refunded back to ITC^DeltaCom. In summary, there must be an self-enforcement mechanism in the agreement requiring performance.

Q. IF THE TENNESSEE REGULATORY AUTHORITY WERE TO ADOPT BELLSOUTH'S PROPOSED "SELF EFFECTUATING PERFORMANCE MEASURES," WOULD THESE MEASURES BE SUFFICIENT TO INSURE PARITY?

A. No. BellSouth's proposal for self-effectuating enforcement measures presented recently to the FCC fails in two critical areas. First, the performance standards themselves do not guarantee that BellSouth will provide service to CLECs equal to that which it provides itself. Second, without consequences for poor performance, BellSouth has little incentive to deliver the services required by CLECs to compete. Our own experience suggests yet another reason. BellSouth's Operational Support Systems currently fall far short of providing a competitive alternative to BellSouth's own internal OSS. This means that even if BellSouth were to agree to performance measures, they simply cannot meet them, given the way their OSS currently performs. As a result, BellSouth must be required to bring its OSS performance up to an acceptable competitive level.

III. PARITY

Q. WHY IS PARITY SUCH AN IMPORTANT ISSUE FOR ITC^DELTACOM?

A. Parity is not just an important issue, it is at the heart of the Telecommunications Act because it is vital to the survival of companies like ITC^DeltaCom. Unless ITC^DeltaCom can service customers in BellSouth's territory using BellSouth's network

on an equal basis with BellSouth itself, then ITC^DeltaCom will be unable to compete in the local market. The authors of the Telecommunications Act envisioned exactly this kind of competition when they crafted Sections 251 and 252.

Whether it is a fully functioning operational support system, interconnection to BellSouth's network, tariff change notification, access to UNEs such as IDLC loops, or equal treatment with White pages listings, ITC^DeltaCom must receive the same kind of service and support that BellSouth provides to itself. Unfortunately, the service and support that ITC^DeltaCom is receiving today is significantly less than that provided by BellSouth to itself or its end-users. This places ITC^DeltaCom at a distinct competitive disadvantage, as its services are delivered at slower intervals and at a lower quality than that which BellSouth provides itself.

ITC^DeltaCom is already experiencing the repercussions of purchasing UNEs at less than parity. In numerous instances the winback process for BellSouth begins while the customer is waiting for their service to be turned up by ITC^DeltaCom. The unreasonable delays caused by BellSouth forces customers to wait for their service to be activated. This delay provides BellSouth with ample time -- too much time -- to approach the customer and attempt to win them back by offering to get them back in service more quickly. This "window of opportunity" is made possible by the disparity in provisioning that ITC^DeltaCom experiences. This is one reason why parity is critical to opening BellSouth's network to the forces of competition.

A. Operational Support Systems

Q. IS ITC^DELTACOM HAVING PROBLEMS WITH THE OPERATIONAL SUPPORT SYSTEMS PROVIDED BY BELLSOUTH?

A. Yes. ITC^DeltaCom witnesses Mike Thomas and Thomas Hyde will talk extensively about the problems we are having. In addition to the specific problems ITC^DeltaCom is having with BellSouth's OSS, there are more fundamental problems at issue. For instance, BellSouth has indicated that for each order ITC^DeltaCom places, it will be assessed an OSS charge. BellSouth has offered two options. The first is a regional price of $3.50 per OSS order. The second is for ITC^DeltaCom to pay the state ordered rates for each OSS order. Neither of these options is acceptable to ITC^DeltaCom for several reasons.

First, BellSouth's OSS currently does not work. Today, ITC^DeltaCom orders frequently take more than 10 days from the time it submits the order to BellSouth to the time the customer's service is up and running. A BellSouth customer, in many instances, could order the same service directly from BellSouth in 24 to 48 hours.

Second, ITC^DeltaCom currently has no way to parse the LENS Customer Service Record ("CSR") to speed the preordering process, and BellSouth has not committed to providing ITC^DeltaCom a download of the RSAG database including updates.

Third, the prices that have been suggested, ranging from $3.50 to nearly $11, are unacceptable and have no competitive analogy. Prices for similar kinds of services are generally rolled into the price of the product or service. Competitive firms may recover

these costs only if they can do so while keeping the price of their service competitive. In the case of BellSouth, the closest thing to a competitive analogy is BellSouth's own OSS. The BellSouth OSS is rolled into the price of its service. Its customers are not assessed separate OSS charges. CLECs should pay no more for OSS than BellSouth charges its own customers.

Fourth, ITC^DeltaCom did not request a separate system be constructed for it. ITC^DeltaCom considers it acceptable to have direct access into BellSouth's existing operational support systems. BellSouth chose to construct a separate system for CLECs to use for preordering, ordering, provisioning, and maintenance.

Fifth, ITC^DeltaCom should not be required to pay for any system or interface that it does not use.

Finally, if it is determined that BellSouth should be reimbursed for the cost of developing a separate OSS, then this cost should be spread among all telecommunications users within BellSouth territory. This cost should be considered a cost of opening the market to competition and should be borne by all telecommunications users equally. Don Wood will also address OSS charges.

IV. ACCESS TO BELLSOUTH'S NETWORK

A. Audits

Q. SECTION 2 OF THE LOCAL INTERCONNECTION ATTACHMENT 3 ADDRESSES AUDITS. ARE THE PARTIES IN AGREEMENT AS TO HOW AUDITS FOR LOCAL AND TOLL TRAFFIC WILL BE TREATED?

A. No. The parties disagree as to who should pay for the audits. BellSouth believes that if the auditing party finds errors in the records of the other party that are equal to or greater than 20%, then the audited party should pay for the audit. ITC^DeltaCom disagrees. It is our opinion that each party should pay for its own audits regardless of the outcome. It is interesting to note that BellSouth is in favor of this penalty but will not consider providing credits or refunds of nonrecurring charges when it fails to deliver service to ITC^DeltaCom.

V. GENERAL CONTRACT LANGUAGE ISSUES

A. Loser Pays

Q. DID ITC^DELTACOM AND BELLSOUTH AGREE TO A PROVISION IN THE CURRENT INTERCONNECTION AGREEMENT THAT WOULD DISCOURAGE FRIVOLOUS COMPLAINTS?

A. Yes. ITC^DeltaCom has recommended the following language, which was previously filed and approved with the Authority:

> The Party that does not prevail shall pay all reasonable costs of the arbitration or other formal complaint proceeding, including reasonable attorney's fees and other legal expenses of the prevailing Party.

Q. WHAT WAS BELLSOUTH'S RESPONSE TO THIS PROPOSED LANGUAGE?

A. BellSouth does not agree with this "loser pays" proposal. This fact alone is cause for concern. Since the enactment of the Telecommunications Act, BellSouth has lost a number of cases before state commissions and the courts. If BellSouth were made

responsible for the legal expenses associated with these cases, then it might begin to think twice about forcing CLECs to file complaints or other claims against BellSouth. A "loser pays" clause would reduce the amount of litigation before the Authority.

B. Taxes

Q. ARE THE PARTIES IN DISPUTE OVER LANGUAGE REGARDING THE RESPONSIBILITY FOR PAYMENT OF TAXES?

A. Yes, we have been unable to agree upon the language to be included. ITC^DeltaCom's current interconnection agreement contains no language regarding taxes. During the two years that the existing agreement has been in place, there have been no disputes over the payment of taxes. Yet, BellSouth's template introduces extensive language to deal with a problem that does not exist. In the spirit of compromise, ITC^DeltaCom proposed the following language:

> Any Federal, state or local excise, license, sales, use or other taxes or tax-like charges (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The Party obligated to collect and remit taxes shall do so unless the other Party provides such Party with the required evidence of exemption. The Party obligated to pay any such taxes may contest the same and shall be entitled to the benefit of any refund or recovery. The Party obligated to collect and remit taxes shall cooperate fully in any such contest by the other Party by providing, records, testimony, and such additional information or assistance as may reasonably be necessary to pursue the contest.

The language proposed by ITC^DeltaCom covers substantially the same issues as BellSouth's language addresses using significantly fewer words. We see no reason why BellSouth should not accept our proposed compromise language.

VI. RECIPROCAL COMPENSATION

Q. DESCRIBE THE ISSUE.

A. ITC^DeltaCom has proposed continuing the current reciprocal compensation rate found in the existing interconnection agreement, while BellSouth has proposed elemental billing based on the state ordered rates for local transport, end office switching, and tandem switching.

Q. HAS EITHER PARTY SHOWN ANY INTEREST IN COMPROMISING ITS INITIAL POSITION AND SETTLING THIS DISPUTE OVER RECIPROCAL COMPENSATION?

A. Yes. ITC^DeltaCom offered to agree to a form of elemental billing if BellSouth would agree to pay reciprocal compensation for traffic to ISPs. BellSouth has refused to compromise its unreasonable position. Thus, while ITC^DeltaCom has offered to reduce its initial compensation rate by approximately 75%, BellSouth has not moved an inch.

Q. HAS BELLSOUTH PROPOSED ANY METHOD OF COMPENSATING ITC^DELTACOM FOR THE USE OF ITS NETWORK?

A. Not to my knowledge. BellSouth has simply refused to pay and refused to negotiate a compensation method for calls to ISPs who are customers of CLECs. BellSouth has

argued that these calls are interstate and therefore not covered under our agreement. More recently, BellSouth has argued that ISPs are carriers and that ITC^DeltaCom should pay BellSouth access ISP-bound traffic. In essence, BellSouth has told ITC^DeltaCom that it must provide them free use of its network for all calls to the Internet and **to pay BellSouth** for the privilege of carrying the traffic for free!

Q. PLEASE SUMMARIZE WHY THE AUTHORITY SHOULD REQUIRE RECIPROCAL COMPENSATION FOR TRAFFIC ORIGINATED BY CUSTOMERS OF BELLSOUTH THAT IS BOUND FOR ISP CUSTOMERS OF ITC^DELTACOM.

A. Section 251 of the Telecommunications Act of 1996 requires that BellSouth negotiate in good faith. Calls from customers of BellSouth to ISP customers of ITC^DeltaCom cause ITC^DeltaCom to incur significant costs. The Authority should allow recovery of these costs through reciprocal compensation.

Q. WHAT ARE THE DIFFERENCES BETWEEN ITC^DELTACOM AND BELLSOUTH WITH RESPECT TO RECIPROCAL COMPENSATION?

A. There are essentially two areas in dispute between the parties, the price for reciprocal compensation, and the traffic to which reciprocal compensation applies.

Q. PLEASE SUMMARIZE YOUR CONCERNS WITH THE BELLSOUTH PROPOSAL FOR RECIPROCAL COMPENSATION.

A. BellSouth's proposal is difficult to describe because it is discriminatory and contrary to the spirit of the Telecommunications Act. BellSouth's proposal discriminates in three ways: (1) it denies ITC^DeltaCom the ability to recover its costs for terminating local calls for

BellSouth; (2) it grants BellSouth free access to ITC^DeltaCom's network when sending ISP calls to it without reciprocating with an offer of equal value; and (3) it requires ITC^DeltaCom to subsidize BellSouth's profit margins and shareholders by providing below-cost service.

A. Reciprocal Compensation Pricing

Q. DESCRIBE THE ISSUE.

A. ITC^DeltaCom has proposed continuing the current reciprocal compensation rate found in the existing interconnection agreement, while BellSouth has proposed elemental billing based on the state ordered rates for local transport, end office switching, and tandem switching.

Q. ARE THERE ANY OTHER ISSUES?

A. Yes. BellSouth has proposed a different computation for ITC^DeltaCom's transport rate, one which will not allow ITC^DeltaCom to recover its costs in the same manner that BellSouth does. In essence, while BellSouth proposes that it be allowed to recover its cost of terminating ITC^DeltaCom originated local calls, it would have ITC^DeltaCom charge less than its cost of terminating BellSouth originated local calls. Not only is BellSouth's proposal anti-competitive, it would have customers of ITC^DeltaCom subsidize BellSouth.

Q. DO YOU MEAN THAT BELLSOUTH IS TRYING TO SET UP A SYSTEM OF PRICING WHERE CUSTOMERS OF ITC^DELTACOM WOULD SUBSIDIZE RESIDENTIAL CUSTOMERS OF BELLSOUTH?

A. No, I do not mean that. BellSouth is trying to establish a pricing scheme where ITC^DeltaCom and its customers will subsidize the profit margins and the stockholders of BellSouth.

Q. PLEASE EXPLAIN.

A. BellSouth's pricing scheme discriminates against ITC^DeltaCom and its customers in several ways. First, it rewards BellSouth for its inefficiency, allowing it to charge for each element it uses in terminating local calls, including actual transport. Second, it penalizes ITC^DeltaCom by requiring that it use a formula for transport designed to lower the charges to BellSouth and thereby denies ITC^DeltaCom full recovery of its costs, and permits ITC^DeltaCom charge for only end office switching.

Q. WHY IS BELLSOUTH DENYING ITC^DELTACOM THE ABILITY TO RECOVER ITS COSTS FOR TRANSPORT?

A. BellSouth pressed hard in its first round of negotiations with CLECs for high reciprocal compensation rates when it thought that the balance of revenue would be flowing its way. Now that it is possible that both the states and the FCC will rule that some form of compensation is due to companies that handle ISP traffic, BellSouth is pressing just as hard for unreasonably low compensation to CLECs. BellSouth has proposed that ITC^DeltaCom be required to charge transport between ITC^DeltaCom's point of presence located within the LATA to the V & H coordinates of the ITC^DeltaCom terminating NPA/NXX in the same LATA. In essence, BellSouth wants ITC^DeltaCom to charge a proxy transport based on the way BellSouth's network is configured, not

based on ITC^DeltaCom's actual transport. Just as BellSouth charges for each and every component in its network that ITC^DeltaCom uses, so should ITC^DeltaCom be able to charge BellSouth. Thus, if BellSouth wishes to charge ITC^DeltaCom for transport, end office switching, and tandem switching on its terms, then so too should ITC^DeltaCom be able to charge BellSouth for the same elements as they are configured in ITC^DeltaCom's network.

Q. YOU MENTIONED SWITCHING, WHAT IS THE PROBLEM WITH BELLSOUTH'S PROPOSAL?

A. As with transport, BellSouth is trying to tilt the revenue scales its way. When ITC^DeltaCom picks up local traffic at a BellSouth tandem, BellSouth will charge ITC^DeltaCom for both tandem and end office switching. But when ITC^DeltaCom handles calls for BellSouth, even though it may perform the same tandem and end office switching functions in one switch, BellSouth proposes it should only pay the end office rate.

Q. IS THERE A CORRECT OR BETTER WAY TO HANDLE THESE IMBALANCES IN COSTS AND REVENUE FLOW?

A. Yes, I believe there is. A single negotiated rate can be crafted to insure that neither party is disadvantaged with respect to the other. I will discuss this rate and its development in more detail later in my testimony.

Q. YOU HAVE INDICATED THAT A SINGLE RATE FOR RECIPROCAL COMPENSATION IS A MORE EQUITABLE AND REASONED SOLUTION TO THE

CURRENT PRICING DILEMMA. WHAT DO YOU THINK THAT RATE SHOULD BE?

A. I believe the rate should be set at $0.0045 for the two-year term of this contract. The rate should then be reduced by $0.0005 per year until it reaches BellSouth's TELRIC-based rates for transport and switching. The rate should be equal at all times. This would help minimize BellSouth's gaming and arbitrage schemes. It would also allow ITC^DeltaCom some time to fill its network, so that it gets closer to recovering its cost by the time the rate reaches BellSouth's TELRIC-based rates.

Q. HOW DO YOU EXPLAIN OR RATIONALIZE THE RATE OF $0.0045 WHEN BELLSOUTH'S TELRIC COSTS ARE LOWER?

A. ITC^DeltaCom faces much higher costs than does BellSouth. BellSouth is a multi-billion dollar monopoly. As such, it has significant bargaining power that ITC^DeltaCom does not possess. Thus, when BellSouth buys switches, fiber, or electronics for its network, it is capable of negotiating much more favorable pricing than ITC^DeltaCom. BellSouth can also go into the market and borrow capital at much lower rates than ITC^DeltaCom. Finally, the BellSouth network is operating at or near full capacity, while ITC^DeltaCom's network is operating at much lower capacity. These factors give ITC^DeltaCom a much higher cost structure than that faced by BellSouth. Since the costs faced by each firm are so different, it is appropriate to compromise, to move to the middle ground when negotiating a rate for the mutual exchange of traffic.

B. Reciprocal Compensation For ISP Traffic

Q. WHAT IS ITC^DELTACOM'S POSITION ON THE PAYMENT OF RECIPROCAL COMPENSATION FOR BELLSOUTH CUSTOMER ORIGINATED CALLS TO ISPS?

A. I would rather start with a more basic question: What is ITC^DeltaCom's position on compensation for all forms of traffic? ITC^DeltaCom believes in the "calling party pays" concept. That is, the party or company responsible for originating a call is responsible for the costs associated with that call. Thus, when individuals make local calls, they and their telecommunications carrier are responsible for the costs associated with that call. Likewise, when individuals "call" the Internet, they and their telecommunications carrier are responsible for those costs too. If, for instance, a BellSouth customer calls BellSouth.net, then that customer and BellSouth are responsible for the cost of that call. The costs associated with the call are not the responsibility of the receiver, BellSouth.net, nor are they the responsibility of the receiving telecommunications carrier or network.

Q. WHEN THAT SAME BELLSOUTH CUSTOMER CALLS AN ISP CUSTOMER OF ITC^DELTACOM, DOES THE COST RESPONSIBILITY CHANGE?

A. No. The responsibility of that call still belongs to the caller and BellSouth. As a result, BellSouth and its customer should pay for the call. This fundamental concept of cost-causer responsibility helps to make markets work.

Consider a long distance call. We generally think of these calls as containing three parts: the originating access part, the long distance part, and the terminating access part. Each part may be handled by a different carrier, but each carrier is paid for its role in

handling the call through a detailed compensation plan. Additionally, each carrier is paid by the calling party, either directly or indirectly.

Calls to the Internet are similar in that there are multiple parts to each Internet session. Assuming the call is initiated over standard phone lines, the initial part of the call, its delivery to the Internet service provider or ISP, may be handled by one or more carriers. Each of these carriers plays a roll in delivering the call to its destination, and as such, each should be compensated.

Q. SHOULD THE ISP BEAR SOME OF THE COSTS IN GETTING EACH CALL TO ITS LOCATION?

A. Yes, and in fact it does. The ISP pays for its local phone line, just as any user or receiver of telephone calls would.

Q. BESIDES THE PHONE LINE, SHOULD THE ISP BEAR SOME OF THE COST ASSOCIATED WITH GETTING EACH CALL TO THE ISP'S LOCATION?

A. Not in my view. The phone system in this country has been set up so that the calling party pays for the variable costs associated with each call, whether it is a local call or a long distance call. There are, of course, exceptions, such as, collect calls, 800-type calls, and dedicated or private line services. This system has been very successful.

Q. DOES THE ACT REQUIRE BELLSOUTH TO NEGOTIATE?

A. Yes, Section 251 (c)(1) requires BellSouth to negotiate in good faith. While BellSouth has no economic incentive to cooperate or negotiate with CLECs, ITC^DeltaCom has no

choice but to negotiate. This places ITC^DeltaCom at an extreme disadvantage when trying to establish or renegotiate an interconnection agreement.

Consider the following situation. If BellSouth refuses to negotiate a fair price for handling of its traffic to ISPs, then ITC^DeltaCom could refuse to deliver this traffic for BellSouth. If ITC^DeltaCom chose not to deliver this traffic, then it would lose its ISP customers – they would have no incentive to remain customers of ITC^DeltaCom if it were unable or unwilling to deliver their traffic.

The threat of losing its ISP customers would force ITC^DeltaCom to deliver BellSouth's traffic at no charge. Faced with the higher cost of serving these ISPs, ITC^DeltaCom would be forced to raise its price. The increase in price could drive these customers to seek other alternative local service providers. As ISPs look for alternatives, they may find that no CLEC could provide them a better price. In the end they would be driven back to BellSouth. The only way to offset this significant market power is for regulators to either require BellSouth to negotiate a fair price, or to order a mutually beneficial reciprocal compensation that applies to ISP and local traffic.

Q. DOES THE FACT THAT THE FCC RECENTLY DECLARED ISP TRAFFIC JURISDICTIONALLY INTERSTATE MAKE RECIPROCAL COMPENSATION FOR ISP TRAFFIC ILLEGAL?

A. No. In fact the FCC has indicated that until it proposes rules, the states are free to determine whether to require reciprocal compensation for ISP-bound traffic. The FCC states:

> Nothing in this Declaratory Ruling precludes state commissions from determining, pursuant to contractual principles or other legal or equitable considerations, that reciprocal compensation is an appropriate interim inter-carrier compensation rule pending completion of the rulemaking we initiate below.[1]

Therefore, the Authority should find that it is equitable to impose reciprocal compensation as an appropriate interim inter-carrier compensation mechanism for the recovery of costs associated with the delivery of ISP-bound traffic.

Q. PLEASE SUMMARIZE WHY THE AUTHORITY SHOULD REQUIRE RECIPROCAL COMPENSATION FOR TRAFFIC ORIGINATED BY CUSTOMERS OF BELLSOUTH THAT IS BOUND FOR ISP CUSTOMERS OF ITC^DELTACOM.

A. Section 251 of the Telecommunications Act of 1996 requires that BellSouth negotiate in good faith. Calls from customers of BellSouth to ISP customers of ITC^DeltaCom cause ITC^DeltaCom to incur significant costs. The Authority should allow recovery of these costs through reciprocal compensation.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes it does. However, since the parties intend to continue negotiating after the submission of my testimony, I reserve to modify and update my testimony.

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1 *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Inter-Carrier Compensation for ISP-Bound Traffic*, Declaratory Ruling, CC Docket No. 96-98; CC Docket No. 99-68, ¶ 27 (February 26, 1999).

BST/ITCD INTERCONNECTION AGREEMENT NEGOTIATIONS

Issue	RESOLUTION
Issue 1(a) (Att. 10) Should BellSouth be required to comply with the performance measures and guarantees for pre-ordering/ordering, resale and unbundled network elements ("UNEs"), provisioning, maintenance, interim number portability and local number portability, collocation, coordinated conversions and the bona fide request processes as set forth fully in Attachment 10 of Exhibit A to this Petition?	
Issue 1(b) (Att.6-4.8.15) Should BellSouth be required to waive any nonrecurring charges when it misses a due date?	
Issue 2(GTC-3.2;Att.2.2.3.1.4-5; (Att.6-1.1) Should BellSouth be required to provide services including Operational Support Systems ("OSS"), UNEs, White Page Listings and Access to Numbering Resources to ITC^DeltaCom at parity with that which it provides to itself?	
Issue 2(a)(i) (Att. 6-3.1,4.8.3.3,4.8.3.4) Should BellSouth be required to provide the specifications for "parsing" the CSRs? Should BellSouth be required to provide a download of the RSAG?	
Issue 2(a)(ii) (GTC-20.3;Att.6-1.1) Should BellSouth be required to provide changes to its business rules and guidelines regarding resale and UNEs at least 45 days in advance of such changes being implemented and in a manner that is easily accessible?	
Issue 2(a)(iii) (Att.1-3.7) Should a customer be permitted to retain both BellSouth and ITC^DeltaCom services or can one carrier restrict the customer's choice?	CLOSED
Issue 2(a)(iv) (Att.2-3.1) Should BellSouth be required to provide an unbundled loop using IDLC technology which will allow ITC^DeltaCom to provide consumers the same quality of service to that offered by BellSouth to its customers?	
Issue 2(a)(v) (Att.3-5.1) Should BellSouth be required to provide interconnection to ITC^DeltaCom that is equal in quality to that provided by BellSouth to any other telecommunications company or to BellSouth itself ?	
Issue 2(a)(vi) (Att.6-4.8.9) Should the parties be required to continue to provide referral intercept at no cost to each other?	CLOSED
Issue 2(a)(vii) (Att.6-4.9.5) Should ITC^DeltaCom receive the same service intervals as that performed by BellSouth on winbacks?	CLOSED

Exhibit CJR-1

Issue	RESOLUTION
Issue 2(b)(i) (Att.2-2.2.6) Should BellSouth be required to follow the same priority guidelines that it has for BellSouth customers for repair and maintenance and UNE provisioning when it provides service to ITC^DeltaCom customers?	
Issue 2(b)(ii) (Att. 2-1.3,2.3.1.3,2.3.1.7) Should BellSouth be required to continue providing those UNEs and combinations that it is currently providing to ITC^DeltaCom under the interconnection agreement previously approved by this Commission?	
Issue 2(b)(iii) (Att.2-1.3,2.3.1.3, 2.3.1.7) Should BellSouth be required to provide to ITC^DeltaCom extended loops and the loop/port combination?	
Issue 2(b)(iv) (Att.6-4.8.10,4.8.28,4.8.28, 4.9.28;Att. 2-6.2.2.1) Should BellSouth be required to provide UNE testing results to ITC^DeltaCom? Should the parties be required to perform cooperative requesting within two hours of a request from the other party?	
Issue 2(c)(i) (Att.2-1.3) Should BellSouth be required to provide NXX testing functionality to ITC^DeltaCom?	
Issue 2(c)(ii) (Att.2-2.2.2.1) Should the required installation interval for cutovers be 15 minutes?	
Issue 2(c)(iii) (Att.2-1.3;2.2.3;2.2.5; Att 6-4.8.27) Should BellSouth be required to continue offering order coordination with SL1? Should SL1 orders without order coordination be specified by BellSouth with either an a.m. or p.m. designation?	
Issue 2(c)((iv) (Att.2-2.2.2.2) Should the party responsible for delaying a cutover also be responsible for the other party's reasonable labor costs?	
Issue 2(c)(v) (Att.2-2.2.5) Should BellSouth be required to designate personnel for cutovers?	
Issue 2(c)(vi) (Att.2-2.2.7-.8) Should ITC^DeltaCom be responsible for the repair for troubles caused or originated outside of its network? Should Bellsouth reimburse ITC^DeltaCom for any additional costs ITC^DeltaCom in-curs in isolating the trouble to charges BellSouth's network?	

Issue	RESOLUTION
Issue2(c)(vii) (Att 2-2.3.1.2) Should BellSouth provide to ITC^DeltaCom access to BellSouth's network to determine how the carrier loop should be engineered?	
Issue 2(c)(viii) (Att 2-2.31.2.1-.3) Should BellSouth be responsible for maintenance and repair of HDSL and ADSL facilities provided to ITC^DeltaCom?	
Issue 2(c)(ix) (Att 2-1.1; Att 2-2.3.1.2) If a customer orders a loop which requires special construction charges be paid for by ITC^DeltaCom, and BellSouth reuses the same facilities to provide service to the customer for itself or on behalf of another CLEC, should BellSouth be required to refund to ITC^DeltaCom the amount ITC^DeltaCom paid to BellSouth for Special Construction for that customer?	
Issue 2(c)(x) (Att 2-2.2.2.8) Should BellSouth reimburse any costs incurred by ITC^DeltaCom to accommodate modifications made by BellSouth to an order after sending a firm order confirmation ("FOC")?	
Issue 2(c)(xi) (Att 2-2.3.1.8) Should BellSouth be required to refrain from impeding ITC^DeltaCom's deployment of modern DLC equipment?	CLOSED
Issue 2(c)(xii) (Att 2-7.0) What are OAMP (Operating, Administration, Maintenance and Provisioning) procedures for Local Switching?	CLOSED
Issue 2(c)(xiii) (Att 2-7.2.1.15) How are 211 and 611 calls routed?	CLOSED
Issue 2(c)(xiv) (Att 6-4.9.1-.4) Should BellSouth be required to coordinate with ITC^DeltaCom 48 hours prior to the due date of a UNE conversion? If BellSouth delays the scheduled cutover date, should BellSouth be required to waive the applicable non-recurring charges? Should BellSouth be required to perform dial tone tests at least 8 hours prior to the scheduled cutover date?	
Issue 2(c)(xv) (Att 2-7.2.1.4) Should ITC^DeltaCom be permitted to choose customized call treatment via ITC^DeltaCom's or BellSouth's Advanced Intelligent Network ("AIN") platforms?	CLOSED
Issue 2(c)(xvi) (Att 2-7.2.1.13) What should be the rate for Performance Data that BellSouth provides to ITC^DeltaCom regarding customer line, traffic characteristics, and other information?	CLOSED

Issue	RESOLUTION
Issue 2(d) (GTC-4.1) Should BellSouth be required to provide ITC^DeltaCom's White Page Listings to independent third party publishers in the same way that BellSouth provides White Page Listings for its customers to independent third party publishers?	
Issue 2(e) (Att.5-2.5.1) Should the parties be required to exchange SS7 TCAP messages with each other?	CLOSED
Issue 2(f) (Att.5-2.6-2.6.3) Should BellSouth be required to establish LNP cutover procedures under which BellSouth must confirm with ITC^DeltaCom that every port subject to a disconnect order is worked at one time?	
Issue 2(g) (Att.6-4.7.1,4.7.2) How should "order flow-through" be defined?	
Issue 3 (Att.3-6.0;GTC-definition of "local" and "reciprocal compensation") What should be the rate for reciprocal compensation? Should BellSouth be required to pay reciprocal compensation to ITC^DeltaCom for all calls that are properly routed over local trunks, including calls to Information Service Providers ("ISPs")?	
Issue 3(a) (GTC 2.1) Should the BellSouth ordering guides and the procedures set forth in Attachment 6 (Ordering and Provisioning) be referenced in The General Terms and Conditions as the definitive procedures for placing orders?	CLOSED
Issue 3(b) (Att.6-1.9.1) Should ITC^DeltaCom and BellSouth be required to follow the ATIS/OBF business rules in order to develop a national standard?	CLOSED
Issue 3(c) ((Att.6-3.3) Should BellSouth be required to schedule maintenance of OSS on weekends and/or at night?	CLOSED
Issue 3(d) (Att.6-1.15.1-.12) Should BellSouth be required to provide ITC^DeltaCom access to Universal Service Order Codes ("USOCs"), Field Identifiers ("FIDs") and other information in a downloadable format which is necessary to process orders?	CLOSED
Issue 3(e) (Att.6-1.21) Should BellSouth be required to provide ITC^DeltaCom notice when a customer leaves ITC^DeltaCom?	CLOSED
Issue 3(f) (Att.6-2.1) Should BellSouth be required to maintain both the current and one previous version of an electronic interface?	CLOSED

Issue	RESOLUTION
Issue 3(g) (Att.6-2.2) Should ITC^DeltaCom have at least 90 days advance notice prior to BellSouth discontinuing an OSS interface?	CLOSED
Issue 3(h) (Att.6-4.2.1) If ITC^DeltaCom needs to reconnect service following an order for a disconnect, should BellSouth be required to reconnect service within 48 hours?	
Issue 3(i) (Att.6-4.8.1) Should BellSouth be required to maintain UNE/LCSC hours from 6 a.m. - 9 p.m.	
Issue 3(j) (Att.6-4.8.2) Should BellSouth be required to provide a toll free number to ITC^DeltaCom to answer questions concerning BellSouth's OSS proprietary interfaces from 8 a.m. to 8 p.m.?	CLOSED
Issue 3(k) (Att.6-4.3) What information should be included on the FOC?	CLOSED
Issue 3(l) (Att.6-4.8.16) Should the Parties establish escalation procedures for ordering/provisioning problems?	CLOSED
Issue 3(m) (Att.6-5.2;6-5.3-5.3.2) What type of repair information should BellSouth be required to provide to ITC^DeltaCom such that ITC^DeltaCom can keep the customer informed?	
Issue 3(n) (Att.6-5..6) Should BellSouth be required to train their technicians on the procedures contained in the interconnection agreement which sets forth the manner in which BellSouth must treat ITC^DeltaCom customers?	CLOSED
Issue 3(o) (Att.6-5.13) Should ITC^DeltaCom be billed by BellSouth for unauthorized work?	CLOSED
Issue 4(a) (Att.4-6.4) Should BellSouth provide cageless collocation to ITC^DeltaCom 30 days after a complete application is filed?	
Issue 4(b) Should BellSouth be required to compensate ITC^DeltaCom when BellSouth collocates in ITC^DeltaCom collocation space?	CLOSED
Issue 4(c) (Att. 4-11) Should ITC^DeltaCom and its agents be subject to stricter security requirements than those applied to BellSouth's agents and third party outside contractors?	
Issue 4(d) (Att.4-1.2.1)) Whether BellSouth should be permitted to reclaim collocation space if BellSouth believes that ITC^DeltaCom is not fully utilizing such space?	

Issue	RESOLUTION
Issue 5 (Att. 3) Should the Parties continue operating under existing local interconnection arrangements? Should the current interconnection language continue regarding: cross-connect fees; reconfiguration charges/network redesigns; and NXX translations? What should be the definition of the terms local traffic, and trunking options? What parameters should be established to govern routing ITC^DeltaCom's: originating traffic; and each party's exchange of transit traffic? Should the parties implement a procedure for binding forecasts?	
Issue 6(a) (Att. 11) Should BellSouth be permitted to impose charges for BellSouth's OSS on ITC^DeltaCom?	
Issue 6(b) (Att. 11) What are the appropriate recurring and non-recurring rates and charges for BellSouth ADSL/HDSL and two-wire and four wire ADSL/HDSL. Two-wire SL2, Two-wire SL1, Two Wire SL2 Order Coordination for Specified Conversion Time, Extended Loops and Loop-Port Combinations services?	
Issue 6(c) (Att. 6-4.8.20) Should BellSouth be permitted to charge ITC^DeltaCom a disconnection charge when BellSouth does not incur any costs associated with such disconnection?	
Issue 6(d) (Att. 11) What should be the appropriate rate for cageless/shared collocation in light of the recent FCC Advanced Services Order?	
Issue 6(e) (Att.2-2.3.1.6) Should BellSouth be permitted to charge for ITC^DeltaCom conversions of customers from resale to unbundled network elements?	
Issue 6(f) (Att.1-3.14) Should BellSouth be permitted to recover all of its costs for resale from ITC^DeltaCom?	CLOSED
Issue 7(a) (Att.7-1.1 & 1.9) What billing detail must BellSouth provide to ITC^DeltaCom to verify BellSouth's charges to ITC^DeltaCom?	CLOSED
Issue 7(b) (Att.7-4.14) Whether the party responsible for failing to deliver access usage records in a timely manner is liable for lost revenue?	CLOSED
Issue 7(b)(i) (Att.7-4.14) What is a reasonable time frame for the parties to estimate lost access data for purposes of billing?	CLOSED
Issue 7(b)(ii) (Att.3-9) What procedures should be adopted for meet point billing?	
Issue 7(b)(iii) (Att.7-Exh.A2.1) How should all relevant information be defined for purposes of ADUF?	CLOSED

Issue	RESOLUTION
Issue 7(b)(iv) (Att.3-2.0) Who pays for the audit?	
Issue 8(a)(GTC-11) What is the appropriate legal forum for enforcement of the provisions of the Interconnection agreement?	CLOSED
Issue 8(b)(GTC-11) Whether the losing party to an enforcement proceeding or proceeding for breach of the interconnection agreement should be required to pay the costs of such litigation?	
Issue 8(c)(GTC-6.3) What should be the appropriate standard for limitation of liability under the interconnection agreement?	CLOSED
Issue8(d)(GTC-16.1) Should ITC^DeltaCom be permitted to "pick and choose" any individual element service or term of interconnection contained in any other interconnection agreement approved by this Commission?	CLOSED
Issue 8(e)(GTC-13.1;Att 1-11.5) Whether language covering tax liability should be included in the interconnection agreement, and if so, whether that language should simply state that each Party is responsible for its tax liability?	
Issue 8(f)(GTC-25) Should BellSouth be required to compensate ITC^DeltaCom for breach of material terms of the contract?	

ATTACHMENT 17: PERFORMANCE MEASUREMENTS

1.0 Introduction

The parties agree that the measurements set forth in this Attachment, if met by SWBT, illustrate non-discriminatory access to SWBT's Operations Support Systems (OSS) and cover the five recognized OSS functions (Pre-Ordering, Ordering, Provisioning, Maintenance and Repair, and Billing).

The performance measurements contained herein, notwithstanding any provisions in any other Attachment in this Agreement, are not intended to create, modify or otherwise affect parties' rights and obligations. The existence of any particular performance measure, or the language describing that measure, is not evidence that CLEC is entitled to any particular manner of access, nor is it evidence that SWBT is limited to providing any particular manner of access. The parties' rights and obligations to such access are defined elsewhere, including the relevant laws, FCC and PUC decisions/regulations, tariffs, and within this interconnection agreement.

2.0 Reservation of Rights

By agreeing to the performance measurements contained in this agreement, SWBT:

- Does not make any admission regarding the propriety or reasonableness of any mandatory establishment by the PUC of performance penalties or liquidated damages;
- Reserves the right to contest the level of aggregation or disaggregation of data for purpose of assessing any penalties or damages;
- Reserves the right to contend that any damages or penalties approved by the PUC should be the exclusive remedy for any failure of performance and should be viewed only as guidelines, subject to voluntary negotiation by the parties; and,
- Does not admit that an apparent less-than-parity condition reflects discriminatory treatment without further factual analysis.

3.0 Definitions

When used in this Attachment, the following terms will have the meanings indicated:

3.1 Performance Criteria means the target level of SWBT performance specified for each Performance Measurement. Generally, the Performance Measurements contained in this Attachment specify performance equal to that which SWBT achieves for itself in providing equivalent end user service as the Performance Criterion. For certain Performance Measurements, a specific quantitative target has been adopted as the

Performance Criterion.

3.2 Performance Measurements means the set of measurements listed in all of section 11.0 of this Attachment.

3.3 Specified Activity means any activity performed under this Attachment as to which a Performance Measurement has been established in this Attachment and SWBT's failure to meet the Performance Criteria could result in the payment of liquidated damages. Each such Specified Activity is listed in section 6.3.

3.4 Specified Performance Breach means the failure by SWBT to meet the Performance Criteria for any Specified Activity listed in section 6.3.

4.0 Specified Performance Standards

4.1 SWBT will meet the Performance Criteria contained in this Attachment, except in those instances where its failure to do so is a result of a) the CLEC's failure to perform any of its obligations set forth in this Agreement, b) any delay, act or failure to act by an end user, agent or subcontractor of the CLEC, c) any Force Majeure Event, or d) for INP, where memory limitations in the switch in the service office cannot accommodate the request.

5.0 Occurrence of a Specified Performance Breach

5.1 In recognition of either: 1) the loss of end user opportunities, revenues and goodwill which a CLEC might sustain in the event of a Specified Performance Breach; 2) the uncertainty, in the event of a Specified Performance Breach, of a CLEC having available to it end user opportunities similar to those opportunities available to SWBT at the time of a breach; or 3) the difficulty of accurately ascertaining the amount of damages a CLEC would sustain if a Specified Performance Breach occurs, SWBT agrees to pay the CLEC, subject to Section 6.2 below.

6.0 Liquidated Damages

6.1 The Parties agree and acknowledge that a) the Liquidated Damages are not a penalty and have been determined based upon the facts and circumstances known by the Parties at the time of the negotiation and entering into this Agreement, with due consideration given to the performance expectations of each Party; b) the Liquidated Damages constitute a reasonable approximation of the damages the CLEC would sustain if its damages were readily ascertainable; and c) neither Party will be required to provide any proof of the Liquidated Damages.

6.2 Liquidated Damages Payment Plan

Liquidated damages apply only when SWBT performance does not meet the criteria for Performance Measurements for the Specified Activities listed for each category and or service type listed in 6.3 below.

If the Z-test value is greater than the Critical Z, the performance for the reporting category does not meet the criteria or is below standard.

The number of measurements that are allowed not to meet the criteria are shown as K values in the sliding scale (Critical Z – Statistical Table) that is related to the total number of measurements required to be reported to CLEC. Liquidated damages apply to substandard measures that are above the applicable "K" number of exempt measurements and do not result from random variation. None of the liquidated damages provisions set forth in this proposal will apply during the first three months after a CLEC first purchases the type of service or unbundled network element(s) associated with a particular performance measurement.

For measurements that are market area specific and liquidated damages are required, SWBT will generally waive the associated non-recurring or recurring charges per substandard occurrence. For measurements that are not market area specific, such as Billing, Pre-Order and Order Status, the liquidated damage is $10 per occurrence. A measure is subject to liquidated damages only if there are at least 30 occurrences. Measurements with less than 30 occurrences will be reported but are not subject to liquidated damages.

Critical Z - Statistical Table

Number of Performance Measurements	K Values	Critical Z value
70 -79	6	1.68
80 - 89	6	1.74
90 - 99	7	1.71
100 - 109	8	1.68
110 -119	9	1.7
120 - 139	10	1.72
140 - 159	12	1.68
160 - 179	13	1.69
180 - 199	14	1.7
200 - 249	17	1.7
250 - 299	20	1.7
300 - 399	26	1.7

400 - 499	32	1.7
500 - 599	38	1.72
600 - 699	44	1.72
700 - 799	49	1.73
800 - 899	55	1.75
900 - 999	60	1.77
1000 and above	60	1.79

6.3 Liquidated damages for a Specified Performance Breach, as defined above, will only apply to the Specified Activities listed for each category and or service type below:

6.3.1 Pre-Ordering

6.3.1.1 Specified Activity - Average response time for OSS Pre-Order Interfaces

6.3.1.2 Specified Activity - OSS Interface Availability

6.3.2 Ordering and Provisioning

6.3.2.1 POTS

6.3.2.1.1 Specified Activity - Average installation interval

6.3.2.1.2 Specified Activity - Percent SWBT Caused Missed Due Dates

6.3.2.1.3 Specified Activity - Delay Days for Company Missed Due Dates

6.3.2.2 Specials

6.3.2.2.1 Specified Activity - Average installation interval

6.3.2.2.2 Specified Activity - Percent SWBT Caused Missed Due Dates

6.3.2.2.3 Specified Activity - Delay Days for Company Missed Due Dates

6.3.2.3 UNEs

6.3.2.3.1 Specified Activity - Average installation interval

6.3.2.3.2 Specified Activity - Percent SWBT Caused Missed Due Dates

6.3.2.3.3 Specified Activity - Delay Days For Company Missed Due Dates

6.3.2.2 Order Accuracy

6.3.2.2.1 Specified Activity - Percent POTS Installation Reports Within 10 Days

6.3.2.2.2 Specified Activity - Percent Specials Installation Reports Within 30 Days

6.3.2.2.3 Specified Activity - Percent UNE Installation Reports Within 30 Days

6.3.2.3 Order Status

6.3.2.3.1 Specified Activity - Percent Firm Order Completions Received Within "X" Hours where "X" is the specified time frame from receipt of valid service request to return of confirmation to CLEC.

6.3.2.3.2 Specified Activity - Percent Mechanized Rejects Returned Within 1 Hour of the start of the EDI/LASR batch process

6.3.2.3.3 Specified Activity - Percent Mechanized Completion Notices returned within one hour of successful execution of the SORD (BU340) batch cycle

6.3.3 Maintenance/Repair

6.3.3.1 POTS

6.3.3.1.1 Specified Activity - Mean Time To Restore/Receipt To Clear
6.3.3.1.2 Specified Activity - Percent Out of Service < 24 Hours
6.3.3.1.3 Specified Activity - Repeated Trouble Reports Within 10 Days
6.3.3.1.4 Specified Activity - Customer Trouble Report Rate
6.3.3.1.5 Specified Activity - Percent Missed Repair Commitments

6.3.3.2 Specials

6.3.3.2.1 Specified Activity - Mean Time to Restore/Receipt To Clear
6.3.3.2.2 Specified Activity - Repeated Trouble Reports Within 30 Days
6.3.3.2.3 Specified Activity - Customer Trouble Report Rate

6.3.3.3 UNEs

6.3.3.3.1 Specified Activity - Mean Time to Restore/Receipt To Clear
6.3.3.3.2 Specified Activity - Percent Out of Service < 24 Hours
6.3.3.3.3 Specified Activity - Repeated Trouble Reports Within 30 Days
6.3.3.3.4 Specified Activity - Customer Trouble Report Rate
6.3.3.3.5 Specified Activity - UNEs Percent Missed Repair Commitments

6.4 Interconnection Trunks

6.4.1 Specified Activity - Percent Interconnection Trunk Blockage

6.5 Billing

6.5.1 Specified Activity - Percent Billing Records Transmitted Correctly
6.5.2 Specified Activity - Billing Completeness

7.0 Limitations

7.1 In no event will SWBT be liable to pay the Liquidated Damages if SWBT's failure to meet or exceed any of the Performance Criteria is caused, directly or indirectly, by a Delaying Event. A "Delaying Event" means: a) a failure by a CLEC to perform any of its

obligations set forth in this Agreement; b) any delay, act or failure to act by an end user, agent or subcontractor of the CLEC ; c) any Force Majeure Event; d) for Out of Service Repairs for unbundled Loops, where either Party lacks automatic testing capability; or e) for INP, where memory limitations in the switch in either Party serving office cannot accommodate the request. If a Delaying Event (i) prevents a Party from performing a Specified Activity, then such Specified Activity will be excluded from the calculation of SWBT's compliance with the Performance Criteria, or (ii) only suspends SWBT's ability to timely perform the Specified Activity, the applicable time frame in which SWBT's compliance with the Performance Criteria is measured will be extended on an hour-for-hour or day-for-day basis, as applicable, equal to the duration of the Delaying Event.

8.0 Sole Remedy

8.1 The liquidated damages shall be the sole and exclusive remedy of CLEC for SWBT's breach of the Performance Criteria or a Specified Performance Breach as described in this Attachment and shall be in lieu of any other damages or credit CLEC might otherwise seek for such breach of the Performance Criteria or a Specified Performance Breach through any claim or suit brought under any contract or tariff.

9.0 Records and Reports

9.1 SWBT will not levy a separate charge for provision of the data to CLEC called for under this Attachment. Notwithstanding other provisions of this Agreement, the Parties agree that such records will be deemed Proprietary Information.

9.2 Reports are to be made available to the CLEC by the 20th day following the close of the calendar month. If the 20th falls on a weekend or holiday, the reports will be made available the next business day.

9.3 CLEC will have access to monthly reports through an interactive Website.

9.4 SWBT will provide credits for the associated liquidated damages within 30 days after reporting the measurement for apparent out of parity situations. However, SWBT reserves the right to analyze any apparent out of parity measure. If the analysis of the apparent out of parity condition reflects that SWBT's service in fact has been in parity, SWBT will not be liable for liquidated damages or penalties of any sort whatsoever. If SWBT has already applied a credit to CLEC's account, SWBT may offset future damages incurred in connection with any breach of specified performance. If analysis indicates that a prior apparent out of parity condition was due to either CLEC acts or omissions or due to any other reason outside the control of SWBT, then SWBT may offset future damages incurred in connection with any breach of specified performance.

9.5 CLEC and SWBT will consult with one another and attempt in good faith to resolve any

issues regarding the accuracy or integrity of data collected, generated, and reported pursuant to this Attachment. In the event that CLEC requests such consultation and the issues raised by CLEC have not been resolved within 45 days after CLEC's request for consultation, then SWBT will allow CLEC to have an independent audit conducted, at CLEC's expense, of SWBT's performance measurement data collection, computing, and reporting processes. The auditor will enter into an appropriate non-disclosure agreement. CLEC may not request more than one audit per twelve calendar months under this section. This section does not modify CLEC's audit rights under other provisions of this Agreement.

9.6 SWBT will submit a Corrective Action Plan to remedy performance disparity to the CLEC within 90 days from the date of identification of occurrence of non-parity performance.

SWBT will commence the implementation of the Corrective Action Plan as soon as possible based on the nature of the required changes.

9.7 Should SWBT at some future date purchase local services from CLEC, the Parties will negotiate performance measurements to be provided to SWBT.

10.0 Initial Implementation; Data Review

10.1 The Parties agree that none of the liquidated damages provisions nor the requirement to provide a Corrective Action Plan set forth in this Attachment will apply during the first three months after CLEC first purchases the type of service or unbundled network element(s) associated with a particular Performance Measurement. During this three month period the Parties agree to consider in good faith any adjustments that may be warranted to the Performance Criteria for that Performance Measurement.

10.2 The Parties agree to revise the Performance Criterion for a Performance Measurement whenever a sufficient quantity of performance data indicate that SWBT's performance for itself on a particular measurement does not closely enough approximate a normal distribution curve to make use of standard deviation measurements reasonable.

11.0 Performance Measurements

SWBT will provide the following Performance Measurements under this Agreement:

11.1 Pre-Ordering/Ordering

11.1.1 Measurement - Average Response Time For OSS Pre-Order Interfaces
Definition - The average response time in seconds from the SWBT side of the Remote Access Facility (RAF) and return for pre-order interfaces (Verigate and

DataGate) by function.

Calculation - Σ[(Query Response Date & Time) - (Query Submission Date & Time)]/(Number of Queries Submitted in Reporting Period)
Report Structure - Reported on a company basis by interface for DATAGATE and VERIGATE.

- **Benchmark:**
- **Address Verification**

Datagate: 80%≤ 5 sec 90%≤ 7 sec
Verigate: 80%≤ 5 sec 90% ≤ 7 sec

- **Request For Telephone Number**

Datagate: 80%≤ 4 sec 90%≤ 6 sec
Verigate: 80%≤ 4 sec 90% ≤ 6 sec

- **Request For Customer Service Record (CSR)**

Datagate: 80%≤ 6 sec 90%≤ 8 sec
Verigate: 80%≤ 7 sec 90% ≤10 sec

- **Service Availability**

Datagate: 80%≤ 3 sec 90%≤ 5 sec
Verigate: 80%≤ 11 sec 90% ≤13 sec

- **Service Appointment Scheduling (Due Date)**

Datagate: 80%≤ 2 sec 90%≤ 3 sec
Verigate: 80%≤ 2 sec 90% ≤ 3 sec

- **Dispatch Required.**

Datagate: 80%≤ 17 sec 90%≤ 19 sec
Verigate: 80%≤ 17sec 90% ≤ 19 sec

11.1.2 **Measurement** - EASE Average Response Time
Definition - Average screen to screen response from the SWBT side of the Remote Access Facility (RAF) and return
Calculation - Σ[(Query Response Date & Time) - (Query Submission Date & Time)]÷ (Number of Queries Submitted in Reporting Period)
Report Structure - Reported for all CLECs and SWBT by division name (CPU platform)
Benchmark - Equal to SWBT's own

11.1.3 **Measurement** - OSS Interface Availability
Definition - Percent of time OSS interface is available compared to scheduled availability
Calculation - ((# scheduled system available hours - unscheduled unavailable system hours) ÷ scheduled system available hours)) * 100
Report Structure - Reported on a company basis by interface e.g. EASE, DATAGATE, VERIGATE, LEX, EDI and TOOLBAR. The RAF will be reported by CLEC
Benchmark - 99%

11.1.4 **Measurement** - % Firm Order Confirmations (FOCs) Received Within "X" Hours

Definition - Percent of FOCs returned within a specified time frame from receipt of service requests to return of confirmation to CLEC

All Res. And Bus. < 24 Hours

Complex Business - Negotiated

UNE Loop (1-49 Loops) < 24 Hours

UNE Loop (> 50 Loops) < 48 Hours

Switch Ports < 24 Hours.

Calculation - (# FOCs returned within "X" hours ÷ total FOCs sent) * 100.

Report Structure - Reported for CLEC and all CLECs. This includes mechanized from EDI and LEX and manual (FAX or phone orders). The FOC for EASE is considered to be at the time the due date is negotiated and is not included in the calculation.

Benchmark - 90% within "X" hours

11.1.5 **Measurement** - Average Time To Return FOC

Definition - The average time to return FOC from receipt of service order to return of confirmation to CLEC

Calculation - Σ[(Date and Time of FOC) - (Date and Time of Order Acknowledgment)]÷ (# of FOCs)

Report Structure - Reported for CLEC and all CLECs

Benchmark - 90% within "X" hours

11.1.6 **Measurement** - Percent Mechanized Completions Returned Within 1 Hour Upon The Successful Execution Of The SORD (BU340) Batch Cycle Which Updates The Order Status, Indicating A Completion Notice. The batch process executes at the following times: 9:00 AM, 12:00 noon, 3:00 PM, 6:00 PM, 10:30 PM.

Definition - % mechanized completions returned within 1 hour for EDI and LEX

Calculation - (# mechanized completions returned to CLEC within 1 hour ÷ total completions) * 100

Report Structure - Reported for CLEC and all CLECs for the electronic interfaces (EDI and LEX). The 1 hour interval above is subject to change as the EDI polling time frame changes

Benchmark - 97%

11.1.7 **Measurement** - Average Time to Return Mechanized Completions

Definition - Average time required to return a mechanized completion

Calculation – Sum [(Date and Time of Notice Of Completion Issued to the CLEC) -(Date and Time of Work Completion)]÷(# of Orders Completed).

Report Structure - Reported on CLEC and all CLECs for the electronic interfaces (EDI and LEX). The 1 hour interval is subject to change as the EDI polling time frame changes

Benchmark - 97%

11.1.8 **Measurement** - Percent Rejects
Definition - The number of rejects compared to the issued orders for the electronic interfaces (EDI, RMI and LEX)
Calculation - (# of rejects ÷ total orders issued) * 100
Report Structure - Reported on CLEC and all CLECs for the electronic interfaces (EDI and LEX)
Benchmark - Not required (Diagnostic)

11.1.9 **Measurement** - Percent Mechanized Rejects Returned Within 1 Hour Of The Start Of The EDI/LASR Batch Process
Definition - Percent mechanized rejects returned within 1 hour of the start of the EDI/LASR batch process. The EDI and LASR processes execute every two hours between 6:00 A.M. and 12:00 A.M
Calculation - (# mechanized rejects returned within 1 hour ÷ total rejects) * 100
Report Structure - Reported for CLEC and all CLECs for the electronic interfaces (EDI and LEX
Benchmark - 97% within 1 hour of PON

11.1.10 **Measurement** - Mean Time to Return Mechanized Rejects
Definition - Average time required to return a mechanized reject
Calculation - Σ[(Date and Time of Order Rejection) - (Date and Time of Order Acknowledgment)]÷ (# of Orders Rejected)
Report Structure - Reported on CLEC and all CLECs for the electronic interfaces (EDI and LEX)
Benchmark - 97% within 1 hour of PON

11.1.11 **Measurement** - Mechanized Provisioning Accuracy
Definition - Percent of mechanized orders completed as ordered
Calculation - (# of orders completed as ordered ÷ total orders) * 100
Report Structure - Reported by individual CLEC, CLECs and SWBT
Benchmark - Equal to SWBT's own

11.1.12 **Measurement** - Order Process Percent Flow Through
Definition - Percent of orders or LSRs from entry to distribution that progress through SWBT ordering systems excluding rejects
Calculation - (# of "good" orders that flow through ÷ total orders) * 100
LASR orders that flow through are those orders that go to the mechanized order generation (MOG). Total orders are the sum or orders that go to the MOG and those that go to folders for manual handling. EASE orders that flow through are those orders that are issued by using the PF11 key and do not go to the error queue. The total orders are all PF11 issued orders.
Report Structure - Reported by individual CLEC, CLECs and SWBT for CLEC typed orders and LSC typed orders

Benchmark - Equal to SWBT's own

11.2 Billing

11.2.1 **Measurement** - Billing Accuracy
Definition - SWBT performs three bill audits to ensure the accuracy of the bills rendered to its customers: CRIS, CABS and toll/usage. A sample of customer accounts is selected on the basis of USOCs and classes of service using CIDB. The purpose of this audit is to assure that the monthly bill sent to the CLECs whether it is resale or unbundled services is accurate according to the rating of the USOCs and classes of service. For all accounts that are audited, the number of bills that have been released prior to correction are counted as an error.
Calculation - (# of bills not corrected prior to bill release ÷ total bills audited) * 100
Report Structure - Reported for aggregate of all CLECs and SWBT for the CRIS, CABS and Usage bill audits
Benchmark - Equal to SWBT's own

11.2.2 **Measurement** - Percent of Accurate And Complete Formatted Mechanized Bills
Definition - Measurements the % of monthly bills sent to the CLECs via the mechanized EDI process that are accurate and complete. If an error is found, a decision must be made to correct the error before the bill is rendered and jeopardize timeliness or to send the bill out on time and in error.
Calculation - (Count of accurate and complete formatted mechanized bills via EDI ÷ total # of mechanized bills via EDI) * 100
Report Structure - Reported for CLEC and all CLECs
Benchmark - 99%

11.2.3 **Measurement** - Percent Of Billing Records Transmitted Correctly
Definition - Measurements % of billing records transmitted correctly on the usage extract feed. Usage records are sent to the CLEC each day containing information to enable the CLEC to more promptly bill their own customers. Controls and edits within the billing system uncover certain types of errors which are likely to appear on the usage records. When these errors are uncovered, a new release of the program will be written to insure that the error does not occur again. Thus, an error that is reported in one month should not occur the next month because the billing program error would have fixed by the next month.
Calculation - (Count of billing records transmitted correctly ÷ total billing records transmitted) * 100
Report Structure - Reported for CLEC and all CLECs
Benchmark - 95%

11.2.4 **Measurement** - Billing Completeness

Definition - Percent of service orders that are posted in the CRIS or CABS billing systems prior to the customers bill period
Calculation - (Count of service orders included in current applicable bill period ÷ total service orders in current applicable bill period) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.2.5 Measurement - Billing Timeliness (Wholesale Bill)
Definition - Billing timeliness measurements the length of time from message creation to the time it is made available to the CLECs. Data is collected from a transmission report obtained each month from CIDB. A mechanized bill will be considered timely if it is sent by midnight of the 6th work day after the end of the bill period. Since paper bills are handled via the same process that SWBT uses for paper distribution no measurement is provided.
Calculation - (Count of bills released on time ÷ total number of bills released) * 100
Report Structure - Reported for CLEC and all CLECs
Benchmark - 95% within the 6th work day

11.2.6 **Measurement** - Daily Usage Feed Timeliness
Definition - Usage information is sent to the CLECs on a daily basis. This usage data must be sent to the CLEC within 6 days in order to be considered timely.
Calculation - (Number of usage feeds transmitted on time ÷ total number of usage feeds) * 100
Report Structure - Reported for CLEC and all CLECs
Benchmark - 95% within the 6th work day

11.2.7 **Measurement** - Unbillable Usage
Definition - The percent usage data that is unbillable. For CRIS billing, the total dollars for AMA/ECS write off is divided by the total CRIS AMA/ECS billing. For CABS, the total CABS uncollectible dollars are divided by total CABS billing.
Calculation - (Total unbillable usage ÷ total usage) * 100
Report Structure - Reported for the aggregate of SWBT and CLECs
Benchmark - Not required (Aggregate measurement)

11.3 Miscellaneous Administrative

11.3.1 **Measurement** - LSC Average Speed Of Answer
Definition - The average time a customer is in queue. The time begins when the customer enters the queue and ends when the call is answered by a SWBT representative
Calculation - Total queue time ÷ total calls

Report Structure - Reported for all calls to the LSC by operational separation and SWBT retail
Benchmark - Equal to SWBT's own

11.3.2 **Measurement** - LSC Grade Of Service (GOS)
Definition - % of calls answered by the LSC within a specified period of time
Calculation - Total number of calls answered by the LSC within a specified period of time ÷ total number of calls answered by the LSC
Report Structure - Reported for all calls to the LSC by operational separation and SWBT retail (RSC and BSC)
Benchmark - Equal to SWBT's own

11.3.3 **Measurement** - Percent Busy in the LSC
Definition - Percent of calls which are unable to reach the Local Service Center due to a busy condition in the ACD
Calculation - (Count of blocked calls ÷ total calls offered) * 100
Report Structure - Reported for all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.3.4 **Measurement** - LOC Average Speed Of Answer
Definition - The average time a customer is in queue. The time begins when the customer enters the queue and ends when the call is answered by a SWBT representative
Calculation - Total queue time ÷ total calls
Report Structure - Reported for all calls to the LOC for all CLECs and SWBT retail
Benchmark - Equal to SWBT's own

11.3.5 **Measurement** - LOC Grade Of Service (GOS)
Definition - % of calls answered by the LOC within a specified period of time
Calculation - Total number of calls answered by the LOC within a specified period of time ÷ total number of calls answered by the LOC
Report Structure - Reported for all calls to the LSC by operational separation and SWBT retail (Repair Bureau)
Benchmark - Equal to SWBT's own

11.3.6 **Measurement** - Percent Busy in the LOC
Definition - Percent of calls which are unable to reach the Local Operations Center due to a busy condition in the ACD
Calculation - (Count of blocked calls ÷ total calls offered) * 100
Report Structure - Reported for all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.4 POTS - Provisioning

11.4.1 **Measurement** - Mean Installation Interval
Definition - Average business days from application date to completion date for N,T,C orders excluding customer caused misses and customer requested due dates that are earlier or greater than 5 business days
Calculation - [Σ(completion date - application date)]÷ (Total number of orders completed)
Report Structure - Reported for CLEC, all CLECs and SWBT, by Field Work (FW), No Field Work (NFW), Business and Residence
Benchmark - Equal to SWBT's own

11.4.2 **Measurement** - Percent Installations Completed Within "X" Business Days (POTS)
Definition - Measure of orders completed within "X" business days, 5 business days for FW and 3 business days for NFW, of receipt of confirmed service order for POTS resale service excluding orders where customer requested a due date greater than "X" business days and excluding orders with only customer caused misses
Calculation - (Count of N,T,C orders installed within business 5 days ÷ total N,T,C orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT by Field Work (FW), No Field Work (NFW), Business and Residence
Benchmark - Equal to SWBT's own

11.4.3 **Measurement** - Percent SWBT Caused Missed Due Dates
Definition - Percent of N,T,C orders where installation was not completed by the due date, excluding customer caused misses
Calculation - (Count of N,T,C orders not completed by the due date, excluding customer caused misses ÷ total number of N,T,C orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT by Field Work (FW), No Field Work (NFW), Business and Residence
Benchmark – Equal to SWBT's own

11.4.4 **Measurement** - Percent SWBT Missed Due Dates Due To Lack Of Facilities
Definition - Percent N,T,C orders with missed committed due dates due to lack of facilities
Calculation - (Count of N,T,C orders with missed committed due dates due to lack of facilities ÷ total N,T,C orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT Retail for POTS Reported for > 30 calendar days & > 90 calendar days (Calculated monthly based on posted orders)
Benchmark - Equal to SWBT's own

11.4.5 **Measurement** - Delay Days For Missed Due Dates Due To Lack Of Facilities
Definition - Average calendar days from due date to completion date on company missed orders due to lack of facilities

Calculation - Σ(Completion date - committed order due date)÷(# of posted orders)
Report Structure - Reported for CLEC, all CLECs and SWBT Retail POTS
Benchmark - Equal to SWBT's own

11.4.6 **Measurement** - Delay Days for SWBT Caused Missed Due Dates
Definition - Average calendar days from due date to completion date on company missed orders
Calculation - Sum(Completion date - committed order due date) ÷ (# of posted orders)
Report Structure - Reported for CLEC, all CLECs and SWBT Retail POTS, UNE Loop and Port Combinations where SWBT does the combining
Benchmark - Equal to SWBT's own

11.4.7 **Measurement** - Percent SWBT Caused Missed Due Dates > 30 Days
Definition - Percent of N,T, C orders where installation was completed >30 days following the due date, excluding customer caused misses
Calculation - (Count of N, T, C orders completed > 30 days following the due date, excluding customer caused misses ÷ total number of N, T, C orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT for Resold POTS and UNE Loop and Port Combinations where SWBT does the combining
Benchmark - Equal to SWBT's own

11.4.8 **Measurement** - Count of Orders Canceled After the Due Date (SWBT Caused)
Definition - Orders canceled after the due date caused by SWBT
Calculation - (1-30, 31-90, and >90 ÷ count of canceled orders)
Report Structure - Reported for individual CLECs and the aggregate of all CLECs
Benchmark - Not required (Diagnostic)

11.4.9 **Measurement** - Percent Trouble Reports Within 10 Days Of Install
Definition - Percent of N,T,C orders that receive a network customer trouble report not caused by CPE or wiring within 10 calendar days of service order completion excluding subsequent reports and all disposition code "13" reports (excludable reports)
Calculation - (Count of N, T, C orders that receive a network customer trouble report within 10 calendar days of service order completion ÷ total N,T,C orders (excludes trouble reports received on the due date)) * 100
Report Structure - Reported for POTS Resale by CLEC, total CLECs and SWBT retail by Field Work (FW), No Field Work (NFW) business and residence
Benchmark - Equal to SWBT's own

11.5 POTS - Maintenance

11.5.1 **Measurement** - Trouble Report Rate
Definition - The number of customer trouble reports not caused by CPE or wiring, CPE and disposition code "13" reports within a calendar month per 100 lines
Calculation - [Total number of customer trouble reports ÷ (total lines ÷100)].
Report Structure - Reported for POTS Resale trouble reports by CLEC, all CLECs and SWBT retail (valid for line counts of 300,000 or greater)
Benchmark - Equal to SWBT's own

11.5.2 **Measurement** - Percent Missed Repair Commitments.
Definition - Percent of trouble reports not cleared by the commitment time, excluding disposition code "13" reports
Calculation - (Count of trouble reports not cleared by the commitment time for company reasons ÷ total trouble reports) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT retail by dispatch and no dispatch
Benchmark - Equal to SWBT's own

11.5.3 **Measurement** - Receipt To Clear Duration
Definition - Average duration of customer trouble reports from the receipt of the customer trouble report to the time the trouble report is cleared with the customer excluding subsequent, and all disposition code "13" reports (excludable)
Calculation - Σ[(Date and time ticket is cleared with customer) - (Date and time ticket received)] ÷ total customer network trouble reports
Report Structure - Reported for POTS Resale trouble reports by CLEC, all CLECs and SWBT retail for Out of Service and Affecting Service by Dispatch and No-Dispatch
Benchmark - Equal to SWBT's own

11.5.4 **Measurement** - Percent Out Of Service (OOS) < 24 Hours
Definition - Percent of OOS trouble reports cleared in less than 24 hours excluding subsequents, tickets received on Saturday or Sunday, no access and all disposition code "13" reports (excludable)
Calculation - (Count of OOS trouble reports < 24 hours ÷ total number of OOS trouble reports) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT retail
Benchmark - Equal to SWBT's own

11.5.5 **Measurement** - Percent Repeat Reports
Definition - Percent of customer trouble reports received within 10 calendar days of a previous customer report that were not caused by CPE or wiring excluding

subsequent reports and all disposition code "13" reports (excludable)
Calculation - (Count of customer trouble reports, not caused by CPE or wiring and excluding subsequent reports, received within 10 calendar days of a previous customer report ÷ total customer trouble reports not caused by CPE or wiring and excluding subsequent reports) * 100
Report Structure - Reported by CLEC, all CLECs and SWBT retail
Benchmark - Equal to SWBT's own

11.6 Specials - Provisioning

11.6.1 **Measurement** - Average Installation Interval
Definition - Average business days from application date to completion date for N,T,C orders by item. Excludes customer caused misses and customer requested due dates that are earlier or greater than "X" business days
Calculation - [Σ(completion date - application date)]÷(total number of orders completed)
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3, Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.6.2 **Measurement** - Percent Installations Completed Within "X" Business Days
Definition - Percent installations completed within "X" business days excluding customer caused misses and customer requested due date greater than "X" business days
Calculation - (Count of N,T,C orders by item installed within business "X" business days ÷ total N,T,C orders by item) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3, Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.6.3 **Measurement** - Percent SWBT Caused Missed Due Dates
Definition - Percent of N,T,C orders where installations were not completed by the negotiated due date excluding customer caused misses
Calculation - (Count of N,T,C orders by item with missed due dates excluding customer caused misses ÷ total number of N,T,C orders by item) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3,Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.6.4 **Measurement** - Percent Installation Reports Within 30 Days (I-30)

Definition - Percent of N,T,C orders by item that receive a network customer trouble report within 30 calendar days of service order completion
Calculation - (Count of N,T,C orders by item that receive a network customer trouble report within 30 calendar days of service order completion ÷ total N,T,C orders by item (excludes trouble reports received on the due date)) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3, Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.6.5 **Measurement** - Percent SWBT Missed Due Dates Due To Lack Of Facilities
Definition - Percent N,T,C orders by item with missed committed due dates due to lack of facilities
Calculation - (Count of N,T,C orders by item with missed committed due dates due to lack of facilities ÷ total N,T,C orders by item) * 100
Report Structure - Reported for Specials Resale by CLEC, all CLECs and SWBT Retail Reported for > 30 calendar days & > 90 calendar days
Benchmark - Equal to SWBT's own

11.6.6 **Measurement** - Delay Days For Missed Due Dates Due To Lack Of Facilities
Definition - Average calendar days from due date to completion date on company missed orders due to lack of facilities
Calculation - Σ(Completion date - Committed order due date)÷ (# of completed orders)
Report Structure - Reported for CLEC, all CLECs and SWBT Retail Specials
Benchmark – Equal to SWBT's own

11.6.7 **Measurement** - Delay Days for SWBT Caused Missed Due Dates
Definition - Average calendar days from due date to completion date on company missed orders
Calculation - Sum (Completion date - committed order due date) ÷ (# of posted orders)
Report Structure - Reported for CLEC, all CLECs and SWBT Retail Specials
Benchmark – Equal to SWBT's own

11.6.8 **Measurement** - Percent SWBT Caused Missed Due Dates >30 Days
Definition - Percent of N, T, C orders where installation was completed > 30 days following the due date, excluding customer caused misses
Calculation - (Count of N, T, C orders completed > 30 days following the due date, excluding customer caused misses ÷ total number of N, T, C orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT for Retail Specials
Benchmark - Equal to SWBT's own

11.6.9 **Measurement** - Count Of Orders Canceled After The Due Date (SWBT Caused)
Definition - Orders canceled after the due date which were caused by SWBT
Calculation - (1-30, 31-90, and >90 ÷ the count of canceled orders)
Report Structure - Reported for individual CLECs and the aggregate of all CLECs
Benchmark - Not required (Diagnostic)

11.7 Specials - Maintenance

11.7. 1 **Measurement** - Mean Time To Restore
Definition - Average duration of network customer trouble reports from the receipt of the customer trouble report to the time the trouble report is cleared excluding no access and delayed maintenance
Calculation - Σ[(Date and time trouble report is cleared with the customer) - (date and time trouble report is received)] ÷ total network customer trouble reports
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3, Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.7.2 **Measurement** - Percent Repeat Reports
Definition - Percent of network customer trouble reports received within 30 calendar days of a previous customer report
Calculation - (Count of network customer trouble reports received within 30 calendar days of a previous customer report ÷ total network customer trouble reports.) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3, Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.7.3 **Measurement** - Failure Frequency
Definition - The number of network customer trouble reports within a calendar month per 100 circuits
Calculation - [Count of network trouble reports ÷ (Total Resold circuits ÷100)]
Report Structure - Reported for CLEC, all CLECs and SWBT by DDS, DS1, DS3, Voice Grade Private Line (VGPL) and ISDN and any other services available for resale
Benchmark - Equal to SWBT's own

11.8 UNE - Provisioning

11.8.1 **Measurement** - Average Installation Interval
Definition - Average business days from application date to completion date for N,T,C orders excluding customer cause misses and customer requested due date that are earlier or greater than "X" business days. The "X" business days is determined based on quantity of UNE loops ordered and the associated standard interval.
Calculation - [Σ(completion date - application date)]÷ (total number of orders completed)
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - 80% within "X" business days

11.8.2 **Measurement** - Percent Installations Completed Within "X" Business Days
Definition - Percent installations completed within "X" business days excluding customer caused misses and customer requested due dates that are earlier or greater than "X" business days
Calculation - (Count of N,T,C orders installed within business "X" business days ÷ total N,T,C orders) * 100
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - 80% within "X" business days

11.8.3 **Measurement** - Percent SWBT Caused Missed Due Dates
Definition - Percent of UNE N,T,C orders where installations are not completed by the negotiated due date excluding customer caused misses
Calculation - (Count of N,T,C orders with missed due dates excluding customer caused misses ÷ total number of UNE N,T,C orders) *100
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.8.4 **Measurement** - Percent Installation Reports Within 30 Days (I-30)
Definition - Percent UNE N, T, C orders by item that receive a network customer trouble report within 30 calendar days of service order completion
Calculation - (Count of UNE N, T, C orders by item that receive a network customer trouble report within 30 calendar days of service order completion ÷ total UNE N,T,C orders by item (excludes trouble reports received on the due date)) * 100
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.8.5 **Measurement** - Percent Missed Due Dates Due To Lack Of Facilities
Definition - Percent N,T,C orders with missed committed due dates due to lack of facilities
Calculation - (Count of N,T,C orders with missed committed due dates due to lack of facilities ÷ total N,T,C orders) * 100.
Report Structure - Reported for all UNEs contained in the UNE price schedule by CLEC, all CLECs Reported for > 30 calendar days & > 90 calendar days
Benchmark – Equal to SWBT's own

11.8.6 **Measurement** - Delay Days For Missed Due Dates Due To Lack Of Facilities
Definition - Average calendar days from due date to completion date on company missed orders due to lack of facilities
Calculation - Σ(Completion date - committed order due date)÷ (# of completed orders)
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.8.7 **Measurement** - Average Delay Days for SWBT Missed Due Dates
Definition - Average calendar days from due date to completion date on company missed orders
Calculation - Sum (Completion date - committed order due date) ÷ (# of posted orders)
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.8.8 **Measurement** - Percent SWBT Caused Missed Due Dates > 30 Days
Definition - Percent of N, T, C orders where installation was completed > 30 days following the due date, excluding customer caused misses
Calculation - (Count of N, T, C orders completed > 30 days following the due date, excluding customer caused misses ÷ total number of N, T, C orders) * 100
Report Structure - Reported for CLEC and all CLECs for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.8.9 **Measurement** - Count Of Orders Canceled After The Due Date (SWBT Caused)
Definition - Orders canceled after the due date that were SWBT caused
Calculation - (1-30, 31-90, and >90 ÷ the count of canceled orders)
Report Structure - Reported for individual CLECs and the aggregate of all CLECs
Benchmark - Not required (Diagnostic)

11.9 UNE -Maintenance

11.9.1 **Measurement** - Trouble Report Rate
Definition - The number of network customer trouble reports within a calendar month per 100 UNEs (excludes cross connects without remote test access)
Calculation - [Count of network trouble reports ÷ (total UNEs ÷ 100)].
Report Structure - Reported for CLEC, all CLECs and SWBT for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.9.2 **Measurement** - Percent Missed Repair Commitments
Definition - Percent of trouble reports not cleared by the commitment time for company reasons (excludes cross connects without remote test access)
Calculation - (Count of trouble reports not cleared by the commitment time for company reasons ÷ total trouble reports) * 100
Report Structure - Reported for each CLEC, all CLECs and SWBT for "POTS type" loops (2-Wire Analog 8dB Loop)
Benchmark - Equal to SWBT's own

11.9.3 **Measurement** - Mean Time To Restore
Definition - Average duration of network customer trouble reports from the receipt of the customer trouble report to the time the trouble report is cleared excluding no access and delayed maintenance (excludes cross connects without remote test access)
Calculation - Σ[(Date and time trouble report is cleared with the customer) - (date and time trouble report is received)] ÷ total network customer trouble reports)
Report Structure - Reported for CLEC, all CLECs and SWBT for UNEs contained in the UNE price schedule by dispatch and no dispatch
Benchmark - Equal to SWBT's own

11.9.4 **Measurement** - Percent Out Of Service (OOS) < 24 Hours
Definition - Percent of OOS trouble reports cleared in less than 24 hours (excludes cross connects without remote test access)
Calculation - (Count of UNE OOS trouble reports < 24 hours ÷ total number of UNE OOS trouble reports) * 100
Report Structure - Reported for CLEC, CLECs and SWBT by "POTS like" loop (2-Wire Analog 8dB Loop)
Benchmark - Equal to SWBT's own

11.9.5 **Measurement** - Percent Repeat Reports
Definition - Percent of network customer trouble reports received within 30 calendar days of a previous customer report (excludes cross connects without

remote test access)
Calculation - (Count of network customer trouble reports received within 30 calendar days of a previous customer report ÷ total network customer trouble reports) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT for UNEs contained in the UNE price schedule
Benchmark - Equal to SWBT's own

11.10 Interconnection Trunks

11.10.1 **Measurement** - Percent Trunk Blockage
Definition - Percent of calls blocked on outgoing traffic from SWBT end office to CLEC end office and from SWBT tandem to CLEC end office
Calculation - (Count of blocked calls ÷ total calls offered) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT. The SWBT end office to CLEC end office and SWBT tandem to CLEC end office trunk blockage will be reported separately.
Benchmark - Equal to SWBT's own

11.10.2 **Measurement** - Common Transport Trunk Blockage
Definition - Percent of local common transport trunk groups exceeding 2% blockage
Calculation - (Number of common transport trunk groups exceeding 2% blocking ÷ total common transport trunk groups) * 100
Report Structure - Reported on local common transport trunk groups
Benchmark - Not required (Aggregate measurement)

11.10.3 **Measurement** - Distribution Of Common Transport Trunk Groups Exceeding 2%
Definition - A distribution of trunk groups exceeding 2% reflecting the various levels of blocking
Calculation - The number of trunk groups exceeding 2% will be shown in histogram form based on the levels of blocking
Report Structure - Reported on local common transport trunk groups
Benchmark - Not required (Aggregate measurement)

11.10.4 **Measurement** - Percent Missed Due Dates
Definition - Percent trunk order due dates missed on interconnection trunks
Calculation - (Count trunk order orders missed ÷ total trunk orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.10.5 **Measurement** - Delay Days For Missed Due Dates

Definition - Average calendar days from the due date to completion date on company missed interconnection trunk orders
Calculation – Sum (Completion date - committed order due date) ÷ (# of completed trunk orders)
Report Structure - Reported for CLEC, all CLECs and SWBT for interconnection trunks
Benchmark - Equal to SWBT's own

11.10.6 **Measurement** - Percent SWBT Caused Missed Due Dates > 30 Days
Definition - Percent of N, T, C orders where installation was completed >30 days following the due date, excluding customer caused misses
Calculation - (Count of interconnection trunk orders completed >30 days following the due date, excluding customer caused misses ÷ total number of interconnection trunk orders) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT for interconnection trunks
Benchmark - Equal to SWBT's own

11.10.7 **Measurement** - Average Trunk Restoration Interval
Definition - Average time to repair interconnection trunks
Calculation - Total trunk outage duration ÷ total trunk trouble reports
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.10.8 **Measurement** - Percent Interconnection Trunks Repaired Within 24 Hours
Definition - The percent of interconnection trunks restored within 24 hours of being reported to SWBT by the CLEC
Calculation - (Number of interconnection trunks repaired within 24 hours ÷ total interconnection trunks repaired) * 100
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.10.9 **Measurement** - Average Interconnection Trunk Installation Interval
Definition - The average time from receipt of a complete and accurate ASR until the completion of the trunk order
Calculation - Sum (Completion date of the trunk order - receipt of complete and accurate ASR) ÷ total trunk orders
Report Structure - Reported by CLEC, all CLECs and comparable SWBT trunks disaggregated by interconnection trunks, SS7 links, OS/DA and 911 trunks
Benchmark - Equal to SWBT's own

11.10.10 **Measurement** - Standard Deviation Of Interconnection Trunk Installation Interval

Definition - Measure of the variation of the installation intervals around the mean installation interval
Calculation - sqrt[Sum(individual installation interval - mean installation interval)^2 ÷ (number of orders in the sample - 1)]
Report Structure - Reported by CLEC, all CLECs and comparable SWBT trunks disaggregated by interconnection trunks, SS7 links, OS/DA and 911 trunks
Benchmark - Equal to SWBT's own

11.11 DIRECTORY ASSISTANCE (DA) AND OPERATOR SERVICES (OS)

11.11.1 **Measurement** - Directory Assistance Grade Of Service
Definition - % of directory assistance calls answered < 1.5, < 2.5, > 7.5, > 10.0, > 15.0 , > 20.0, and > 25.0 seconds
Calculation - Calls answered within "X" seconds ÷ total calls answered
Report Structure - Reported for the aggregate of SWBT and CLECs
Benchmark - Not required (Aggregate measurement)

11.11.2 **Measurement** - Directory Assistance Average Speed Of Answer
Definition - The average time a customer is in queue. The time begins when the customer enters the queue and ends when the call is answered by a SWBT representative
Calculation - Total queue time ÷ total calls
Report Structure - Reported for the aggregate of SWBT and CLECs
Benchmark - Not required (Aggregate measurement)

11.11.3 **Measurement** - Operator Services Grade Of Service
Definition - % of operator services calls answered < 1.5, < 2.5, > 7.5, > 10.0, > 15.0, > 20.0, and > 25.0 seconds
Calculation - Calls answered within "x" seconds ÷ total calls answered
Report Structure - Reported for the aggregate of SWBT and CLECs
Benchmark - Not required (Aggregate measurement)

11.11.4 **Measurement** - Operator Services Average Speed Of Answer
Definition - The average time a customer is in queue. The time begins when the customer enters the queue and ends when the call is answered by a SWBT representative
Calculation - Total queue time ÷ total calls
Structure - Reported for the aggregate of SWBT and CLECs
Benchmark - Not required (Aggregate measurement)

11.11.5 **Measurement** - Percent Calls Abandoned
Definition - The percent of call s where the customer hangs up while the call is in queue
Calculation - (Number of calls abandoned ÷ number of operator positions requested) * 100
Report Structure - Reported for CLEC and SWBT in the aggregate
Benchmark - Not required (Aggregate measurement)

11.11.6 **Measurement** - Percent Calls Deflected
Definition - The percent of calls that are received and are unable to be placed in queue

Calculation - (Number of calls deflected ÷ number of operator positions requested) * 100
Report Structure - Reported for CLEC and SWBT in the aggregate
Benchmark - Not required (Aggregate measurement)

11.11.7 **Measurement** - Average Work Time
Definition - the average number of seconds an operator spends handling a customer's request for assistance in obtaining a telephone number, placing a call at the customer's request or in a position busy state. The Average Work Time normally begins when the customer connects to an operator position and ends when the operator position releases the customer after serving his/her request.
Calculation - Sum (Time operator position releases customer - time customer connects to an operator position) ÷ calls
Report Structure - Reported for CLEC and SWBT in the aggregate
Benchmark - Not required (Aggregate measurement)

11.11.8 **Measurement** - Non-Call Busy Work Volumes
Definition - The amount of time in CCS (Centum Call Second) that an operator has placed their position in make busy or in a position busy state
Calculation - Sum (Time operator position in busy state - time operator removed position from busy state)
Report Structure - Reported for CLEC and SWBT in the aggregate
Benchmark - Not required (Aggregate measurement)

11.12 INTERIM NUMBER PORTABILITY (INP)

11.12.1 **Measurement** - % Installation Completed Within "X" (3, 7, 10) Business Days
Definition - % installations completed within "X" (3, 7, 10) business days excluding customer caused misses and customer requested due dates greater than "X" (3, 7, 10) business days
Calculation - Total INP orders installed within "x" (3, 7, 10) business days ÷ total INP orders
Report Structure - Reported for CLEC and all CLECs
Benchmark - 80% within "X" business days

11.12.2 **Measurement** - Average INP Installation Interval
Definition - Average business days from application date to completion date for INP orders excluding customer requested due dates greater than the SWBT standard interval
Calculation - (Total business days from application to completion date for INP orders ÷ total INP orders) * 100

Report Structure - Reported for CLEC and all CLECs
Benchmark - 80% within "X" business days

11.12.3 **Measurement** - Percent INP I-Reports Within 30 Days
Definition - Percent of INP N, T, C orders that receive a network customer trouble report not caused by CPE or wiring within 30 calendar days of service order completion excluding subsequent reports and all disposition code "13" reports (excludable reports)
Calculation - (Count of INP N, T, C orders that receive a network customer trouble report within 30 calendar days of service order completion ÷ total INP N,T,C orders (excludes trouble reports received on the due date)) * 100
Report Structure - Reported for CLEC and all CLECs
Benchmark - Equal to SWBT's own

11.12.4 **Measurement** - Percent Missed Due Dates
Definition - Percent of INP N,T,C orders where installations are not completed by the negotiated due date excluding customer caused misses
Calculation - (Count of INP N,T,C orders with missed due dates excluding customer caused misses ÷ total number of INP N,T,C orders) *100
Report Structure - Reported for CLEC and all CLECs
Benchmark - Equal to SWBT's own

11.13 911

11.13.1 **Measurement** - Average Time To Clear Errors
Definition - The average time it takes to clear an error after it is detected during the processing of the 911 database file. The clock will start upon receipt of the error file and end when the error is corrected. This is only on resale or UNE loop and port combination orders that SWBT installs.
Calculation - Σ(Date and time error detected - date and time error cleared) ÷ total number of errors
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.13.2 **Measurement** - Average Time Required to Update 911 Database (Facility Based Providers)
Definition - the average time it takes to update the 911 database file. The clock starts when the data processing starts and ends when the data processing is complete
Calculation - Sum (Date and time data processing begins - date and time data processing ends) ÷ total number of files
Report Structure - Reported for individual CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.14 Poles, Conduit And Rights Of Way

11.14.1 **Measurement** - Percent Of Request Processed Within 35 Days
Definition - The percent of request for access to poles, conduits, and right-of-ways processed within 35 days
Calculation - (Count of number of requests processed within 35 days ÷ total number of requests) * 100
Report Structure - Reported for individual CLEC and all CLECs. SWBT's objective is 90% of requests answered
Benchmark - 90% of requests answered within 35 days

11.14.2 **Measurement** - Average Days Required To Process A Request
Definition - The average time it takes to process a request for access to poles, conduits, and right-of-ways
Calculation - Sum (Date request returned to CLEC - date request received from CLEC) ÷ total number of requests
Report Structure - Reported for individual CLEC and all CLECs
Benchmark - 90% of requests answered within 35 days

11.15 Collocation

11.15.1 **Measurement** - Percent Missed Collocation Due Dates
Definition - The percent of SWBT caused missed due dates for Physical Collocation projects
Calculation - (Count of number of SWBT caused missed due dates for physical collocation facilities ÷ total number of physical collocation project) * 100
Report Structure - Reported for individual CLEC and all CLECs
Benchmark - Under investigation

11.15.2 **Measurement** - Average Delay Days For SWBT Caused Missed Collocation Due Dates
Definition - The average calendar days from due date to completion date on company missed collocation due dates
Calculation - Sum (Completion date - committed collocation due date) ÷ (# of missed collocation due dates)
Report Structure - Reported for individual CLEC and all CLECs
Benchmark - Under investigation

11.15.3 **Measurement** - Percent Of Requests Processed Within 35 Business Days
Definition - The percent of request for collocation facilities processed within 35 business days

Calculation - (Count of number of requests processed within 35 days ÷ total number of completed requests) * 100
Report Structure - Reported for individual CLEC and all CLECs
Benchmark - 90% of request answered within 35 business days

11.16 Directory Assistance Data Base

11.16.1 **Measurement** - Percent Of Updates Completed Into The DA Database Within 72 Hours For Facility Based CLECs
Definition - The percent of DA database updates completed within 72 hours of receipt of the update from the CLEC. The clock starts when SWBT receives the request from the CLEC and ends when the listing is updated in the DA database. The update clerks work hours are 6:30 a.m. to 3:00 p.m. On requests received after 3:00 p.m. the clock will start at 6:30 a.m. the following day. Weekends and holidays are excluded from this measurement.
Calculation - (Count of updates completed within 72 hours ÷ total updates) * 100
Report Structure - Reported by CLEC and all CLECs for facility based providers
Benchmark - 95% updated within 72 hours

11.16.2 **Measurement** - Average Update Interval For DA Database For Facility Based CLECs
Definition - The average update interval for DA database changes for facility based CLECs. The clock starts when SWBT receives the request from the CLEC and ends when the listing is updated in the DA database. The update clerks work hours are 6:30 a.m. to 3:00 p.m. On requests received after 3:00 p.m. the clock will start at 6:30 a.m. the following day. Weekends and holidays are excluded from this measurement.
Calculation – Sum (8:00 a.m. of the day following the input into the LSS database - time update received from CLEC) ÷ total updates
Report Structure - Reported by CLEC and all CLECs for facility based providers
Benchmark - 95% updated within 72 hours

11.16.3 **Measurement** - Percent DA Database Accuracy For Manual Updates
Definition - The percent of DA records that were updated by SWBT in error. The data required to calculate this measurement will be provided by the CLEC. The CLEC will provide the number of records transmitted and the errors found. SWBT will verify the records determined to be in error to validate that the records were input by SWBT incorrectly.
Calculation - (Number of SWBT caused update errors ÷ total number of updates) * 100
Report Structure - Reported by CLEC and all CLECs for facility based

Calculation - (Count of number of requests processed within 35 days ÷ total number of completed requests) * 100
Report Structure - Reported for individual CLEC and all CLECs
Benchmark - 90% of request answered within 35 business days

11.16 Directory Assistance Data Base

11.16.1 **Measurement** - Percent Of Updates Completed Into The DA Database Within 72 Hours For Facility Based CLECs
Definition - The percent of DA database updates completed within 72 hours of receipt of the update from the CLEC. The clock starts when SWBT receives the request from the CLEC and ends when the listing is updated in the DA database. The update clerks work hours are 6:30 a.m. to 3:00 p.m. On requests received after 3:00 p.m. the clock will start at 6:30 a.m. the following day. Weekends and holidays are excluded from this measurement.
Calculation - (Count of updates completed within 72 hours ÷ total updates) * 100
Report Structure - Reported by CLEC and all CLECs for facility based providers
Benchmark - 95% updated within 72 hours

11.16.2 **Measurement** - Average Update Interval For DA Database For Facility Based CLECs
Definition - The average update interval for DA database changes for facility based CLECs. The clock starts when SWBT receives the request from the CLEC and ends when the listing is updated in the DA database. The update clerks work hours are 6:30 a.m. to 3:00 p.m. On requests received after 3:00 p.m. the clock will start at 6:30 a.m. the following day. Weekends and holidays are excluded from this measurement.
Calculation – Sum (8:00 a.m. of the day following the input into the LSS database - time update received from CLEC) ÷ total updates
Report Structure - Reported by CLEC and all CLECs for facility based providers
Benchmark - 95% updated within 72 hours

11.16.3 **Measurement** - Percent DA Database Accuracy For Manual Updates
Definition - The percent of DA records that were updated by SWBT in error. The data required to calculate this measurement will be provided by the CLEC. The CLEC will provide the number of records transmitted and the errors found. SWBT will verify the records determined to be in error to validate that the records were input by SWBT incorrectly.
Calculation - (Number of SWBT caused update errors ÷ total number of updates) * 100
Report Structure - Reported by CLEC and all CLECs for facility based

providers
Benchmark - 97% accuracy for DA database updates for the manual DA process

11.17 Coordinated Conversions/Reconfigurations

11.17.1 **Measurement** - Percent Pre-mature Disconnects (Coordinated Cutovers)
Definition - Percent of coordinated cutovers where SWBT prematurely disconnects the customer prior to the scheduled conversion/reconfiguration
Calculation - (Count of prematurely disconnected customers ÷ total coordinated conversion/reconfiguration customers) * 100
Report Structure - Reported by CLEC and all CLECs
Benchmark - 5% or less of customers disconnected prematurely

11.17.2 **Measurement** - Percent Caused Delayed Coordinated Cutovers
Definition - Percent of SWBT caused late coordinated cutovers in excess of 30 minutes
Calculation - (Count of SWBT caused late coordinated cutovers in excess of 30 minutes ÷ total coordinated cutovers) * 100
Report Structure - Reported by CLEC and all CLECs
Benchmark - 5% or less of SWBT coordinated conversions/reconfigurations delayed

11.17.3 **Measurement** - Percent Missed Mechanized INP Conversions or Reconfigurations
Definition - Percent of mechanized INP conversions/reconfigurations not loaded in the switch
Calculation - (Count of mechanized INP conversions/reconfigurations not loaded in the switch within 30 minutes of scheduled due time (Frame Due Time)) ÷ total mechanized INP conversions/reconfigurations) * 100
Report Structure - Reported by CLEC and all CLECs
Benchmark - 5% or less of those started outside of scheduled time

11.18 NXX

11.18.1 **Measurement** - Percent NXXs Loaded And Tested Prior To The LERG Effective Date
Definition - The percent of NXXs loaded and tested prior to the LERG effective date
Calculation - (Count of NXXs loaded and tested by LERG date ÷ total NXXs loaded and tested) * 100
Report Structure - Reported by CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.18.2 **Measurement** - Average Delay Days For NXX Loading And Testing
Definition - Average calendar days from due date to completion date on company missed NXX orders

Calculation – Sum (Completion date - LERG date) ÷ (number of orders)
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

11.18.3 **Measurement** - Mean Time To Repair
Definition - Average calendar days from due date to completion date on company missed NXX orders
Calculation – Sum (Completion date - LERG date) ÷ (number of orders)
Report Structure - Reported for CLEC, all CLECs and SWBT
Benchmark - Equal to SWBT's own

12. CONFLICTING TERMS AND CONDITIONS

Upon notice of CLEC's election to utilize any Performance Measurements function, SWBT will provide nondiscriminatory access to such function on the terms and conditions set forth in this Attachment. To the extent that CLEC elects to receive Performance Measurement functions under the terms of this Attachment Performance Measurement, where the terms and conditions of this Attachment conflict with the terms of and attachments or appendices contained in the original agreement, the terms of this Attachment Performance Measurement shall apply with respect to such Performance Measurement functions utilized by CLEC.

13. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

This Attachment, and every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement or any other appendices or attachments to this Agreement which are legitimately related to such interconnection, service or network element; and all such rates, terms and conditions are incorporated by reference herein and as part of every interconnection, service and network element provided hereunder. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions, interpretation and construction, notice of changes, general responsibilities of the Parties, effective date, term, termination, disclaimer of representations and warranties, changes in end user local exchange service provider selection, severability, intellectual property, indemnification, limitation of liability, force majeure, confidentiality, audits, disputed amounts, dispute resolution, intervening law and miscellaneous.

Proposal to Establish Voluntary Self Enforcing Penalties

FCC discussion

Exhibit CJR-3

Self Enforcing Penalties Overall Objective

- Voluntarily establish penalties acceptable to the FCC as part of a package for 271 approval
- Assumptions
  - FCC will accept penalties in lieu of requiring 3rd party CLEC testing of OSS
  - FCC will accept penalties and approve an early 271 application before completion of some scheduled OSS enhancements (OSS'99)

Self Enforcing Penalties Characteristics

- Not applied until after 271 approval in a specific state
- Designed to prevent BST "backsliding" on CLEC service
- Legally binding (implement through contracts)
- Penalties will be "Meaningful" and "Significant"
- Limited number of measurements
- Statistical or "bright line" test to easily verify "parity"
- CLECs retain rights to file complaints with PSC or FCC

Self Enforcing Penalties Proposal

- 9 key measures of timeliness or quality
- Each measure is tested vs. a retail analog
- Initial tests will be for "materiality", until a method for statistical validation is established
- Two product groups will be initially offered as subcategories (**Retail** (including UNE loop+port combinations), and **UNEs**)
- Penalties are derived from the concept of liquidated damages

Self Enforcing Penalties Proposal

- Penalties are "triggered" by a parity miss in any of the 13 separate subcategories of the nine measurements. These measurements are made at the state level to test for overall parity for all CLECs doing business in that subcategory.
- Once the penalty is "triggered", payments are made to each CLEC based on their activity in that particular subcategory.

Self Enforcing Penalties Proposal

- EXAMPLE:
  - The parity test for Installation Timeliness (% Due Dates Missed) fails for Georgia for the month of October in the subcategory RESALE & COMBOS
  - All CLECs in Georgia having any missed appointments in this category would receive a penalty payment of ($38 * their number of missed appointments). (The $38 figure approximates the aggregate NRC for this group of services)

Self Enforcing Penalties
Proposal Details

CATEGORY	METRIC	SUBCATEGORY	PARITY DETERMINATION	Materiality Test	PENALTY
					NRC=Non Recurring Charge
INSTALLATION					RC=Recurring Charge
Installation Timeliness (State)	% DD Missed	RESALE UNE	RA RA	1% variance 1% Variance from (retail-res/bus dispatch)	Resale NRC * Missed Appts UNE NRC * Missed Appts
Installation Quality (State)	% Report w/in 4 days	RESALE UNE	RA RA	1% variance 1% Variance from (retail-res/bus)	50% monthly Resale RC* # of reports 50% monthly UNE RC* # of reports
MAINTENANCE					
Repair Timeliness (State)	% Missed Repair Appts	RESALE UNE	RA RA	1% variance 1% variance from (retail res/bus dispatch)	50% monthly Resale RC* # of reports 50% monthly UNE RC* # of reports
Repair Quality (State)	Repeated report rate	RESALE UNE	RA RA	1% variance 1% variance from (retail-res/bus-dispatch)	50% monthly Resale RC* # of reports 50% monthly UNE RC* # of reports

Self Enforcing Penalties
Proposal Details

BILLING					
Billing (Regional)	Usage Timeliness		RA	1 day variance	>1 day = 25% * monthly ODUF/ADUF billing
(Regional)	Invoice Timeliness	RESALE (CRIS) UNE (CRIS UNE + CABS)	RA BENCHMARK	1 day variance 1 day variance	.000493 * total monthly bill for each 1 day out of parity
OTHER					
OSS (Regional)	Pre-ordering and ordering OSS Availability		RA	1% difference aggregated across access to all systems	Credit for 5% of total order volume at a rate of $20/per order handled for each 1% disparity in access.
Collocation (individual case)	% DD Missed		BENCHMARK	No Due dates missed	% percent * NRC / week beyond Due date, capped at 25%
Trunking (State)	Trunk Blockage		RA	Any 2 hours month >0.5 difference in aggregate blockage	Any 2 hours/ month > 0.5% difference triggers an increase in Reciprocal Compensation Usage payments based on the difference in actual blockage for the hours "missed"

Comparison of ILEC Measurement/Penalty proposals

COMPANY NAME	NUMBER OF MEASUREMENTS					PENALTY STRUCTURE	PENALTY DISTRIBUTION	COMMENTS
	PROCESS MSMTS.	PENALTY Y/N	OUTCOME MSMTS.	PENALTY Y/N	TOTAL MSMTS. With PENALTIES			
BellSouth	0	N	14	Y	14	Aggregate Trigger CLEC specific payments; RA	CLECs	Materiality Adjusted jackknife monthly
Nevada Bell	21x	Y	26x	Y	47	RA & benchmarks	PSC (fines)	z-test monthly
GTE								
Sprint								
Bell Atlantic / NYNEX	18	Y	22	Y	40	CLEC Specific & aggregate	CLECs - "market adjustments	weighted z scores quarterly
Pacific Bell/SBC	17	?	48	?	65	CLEC specific	?	?
Ameritech	5x	Y	13x	Y	18x	CLEC specific RA & Benchmarks NRC & RC	CLECs	z score multi-level analysis quarterly

x - Actual # of measurements is driven by product disaggregation.

Self Enforcing Penalties
Summary

- BellSouth's proposed measures meet all the criteria discussed in our previous meetings
  - "Meaningful" and "Significant"
  - Limited number of measurements
  - Outcome oriented rather than process oriented
  - Statistical or "bright line" test to easily verify "parity"
- The proposed measures demonstrate parity for all CLECs as a whole - the ultimate goal of the process, but compensate individual CLECs for parity failures
- The proposed measures are simpler and present a more understandable picture of the effect on a CLEC's customer than those enacted or proposed by other ILECs

BellSouth's Proposal for Self Effectuating Enforcement Measures
April 8, 1999

OUTLINE

INTRODUCTION 2

EXECUTIVE SUMMARY 2

MEASUREMENTS 4

REPORTING 5

BENCHMARKS 5

TESTS FOR PARITY 6

REMEDIES 7

IMPLEMENTATION 7

COMMENTS ON CLEC PROPOSALS 7

STRENGTHS OF BELLSOUTH'S PROPOSAL 8

ATTACHMENT A - Matrix of proposed measurements 9

ATTACHMENT B - Explanation of calculations for enforcement payments 16

ATTACHMENT C - Measurement Details 21

INTRODUCTION

BellSouth has entered into over 400 contracts with CLECs in the nine BellSouth states. These contracts have been approved by the various state Public Service Commissions. A number of these cases were arbitrated and included the issue of whether the PSC or arbitrator should order liquidated damages and/or penalties as part of the contract. In each case, the commission and/or the arbitrator declined to order liquidated damages or penalties as part of the decision.

Additionally, in Georgia, a full evidentiary hearing was conducted by the PSC specifically to deal with the issue of measurements. Once again, no self-effectuating enforcement measures were ordered by that commission as a result of the hearing. The Georgia order instead, pointed to that commissions its own enforcement authority under existing statutes .

The proposal we now present is a voluntary proposal of BellSouth, which will take effect under BellSouth's contracts with the CLECs, but should not be interpreted as admitting in any way that the PSCs or FCC have the authority to impose self-executing penalties or liquidated damages without BellSouth's agreement.

BellSouth is making this offer as one means of breaking through the clutter and minutiae of the service measurements of multiple processes and instead focusing on the real issues of market entry.

EXECUTIVE SUMMARY

BellSouth has conducted a series of discussions with the FCC staff since the second petition for 271 relief for Louisiana was denied. In its order denying that, the FCC stated that it believed that a system of self- effectuating enforcement measures should be established by BellSouth in the public interest, to insure that BellSouth does not backside in providing services provided for the CLECs after 271 authority is granted. BellSouth is committed to opening the local market to entry by others and firmly believes that it has taken the steps necessary to do this. As a result of these discussions with the FCC, BellSouth has prepared this proposal which describes a set of enforcement measures that BellSouth is willing to put in place, subject to the terms and conditions described in this document.

BellSouth is proposing that 9 key measures, measured monthly, and disaggregated into a total of 14 categories that will satisfy the goal of the FCC, of protecting against BellSouth's "backsliding" in the provision of service to the CLECs for all three market entry methods: resale; unbundled network elements; and interconnection. These key measures are based on

measures in BellSouth's existing Service Quality Measurements. There are many other process measures that underlie these 9 key measures. These process measures will continue to be reported in BellSouth's SQM, and will be useful to the CLECs and BellSouth for analysis of business processes, but will not be used as part of this enforcement mechanism.

BellSouth has been analyzing a series of different types of statistical tests capable of measuring parity (as part of a series of workshops conducted by the Louisiana PSC). At this time, there is no consensus on a single test that adequately protects the interests of both BellSouth and the CLECs, although the "modified jackknife" method of analysis holds some promise of satisfying all the parties.

In the interim, this proposal provides simple, "bright line" tests that:

(1) Provide a retail analog for each measurement or benchmark;

(2) Establish an acceptable level of variance from BellSouth's performance that recognizes that the aggregate CLEC results may differ from BellSouth's retail unit results and still not "materially" affect the CLECs, and;

(3) Establish a standard for making enforcement payments to the CLECs, if this "material" variance is exceeded.

BellSouth's proposal measures the results for all CLECs aggregated at a state level, and compares those measures to the specified retail analog. Then, if the CLEC aggregate results are "materially" different from BellSouth's results, the proposal provides for a specific enforcement payments to each individual CLEC, based on the services and function being measured.

For example, one of the key measures proposed is a measure of Missed Due Dates comparing all of BellSouth's retail services with old resale services and loop-port combinations provided to the CLECs. If the levels of Missed Due Dates are materially different (>1%), the enforcement measures are triggered, and a payment is made to each CLEC, refunding the Non-Recurring Charge for all orders in that category where BellSouth missed the due date.

The levels of payment proposed in these enforcement mechanisms are based on long standing contractual agreements between BellSouth and its Interexchange Carrier Customers, IXCs. These existing contractual arrangements compensate the IXCs for performance failures in the areas of installation, maintenance, and billing, and are based on the NonRecurring (NRC) and Recurring Charges (RC) the IXC would have paid if the service objectives had been met.

The payments in this proposal are similar in that:

(1) They compensate the CLEC based on the charges for a service BellSouth committed to perform and then did not perform as specified, and;

(2) When a "parity" failure is detected the CLEC is compensated for EVERY instance of service failure that month (as opposed to those "misses" beyond parity), thus returning the CLEC to the financial position of perfect service. To this extent, BellSouth's proposal goes beyond any imaginable requirement in the law.

This concept, using an aggregate measurement to determine parity, and then making enforcement payments to individual CLECs based on the performance they have received, ties together:

(1) The objectives of public interest (verifies that parity is being provided on an overall basis), and;

(2) The interests of individual CLECs (if a failure in service occurs and parity is not being provided, the CLEC is compensated based on the individual performance received.)

MEASUREMENTS

Certain key measurements selected from the entire set of BellSouth SQM will be tested for "parity" in this proposal. Additional, detailed descriptions of the measurements are given in attachment C.

The key measurements proposed are:

Installation Timeliness:	Percent Missed Due Dates
Installation Quality:	Percent Repair reports within 4 days of installation
Repair Timeliness:	Percent Missed Appointments
Repair Quality:	Percent Repeat Reports
Billing:	Usage Timeliness
Billing:	Invoice Timeliness
Operating Support Systems (OSS):	Percent Availability
Collocation:	Due Dates Met
Trunking:	% Aggregate Blocked Calls

REPORTING

BellSouth will continue to collect data directly from the various CLEC and legacy systems described in its Service Quality Measurements (SQM). These data will be collected in the Performance Measurements Analysis Platform system (PMAP) and will continue to be used to generate SQM reports to meet regulatory reporting requirements and individual CLEC reports required to meet regulatory and contractual reporting obligations. These date will also continue to be given to individual CLECs. Additionally, for the purposes of this proposal, the same data will be used to report on the key measures included in the enforcement mechanisms.

The data will be aggregated as described in the Benchmark Section to produce groups of BellSouth's retail services and group of CLEC resale or unbundled Network Elements that can be properly compared as analogous.

These measurements will be made on a monthly basis, and will include all data obtained during the month, except as specified in the detailed exclusions.

BENCHMARKS

RETAIL ANALOGS: Each measure (except collocation) has a specific retail analog measurement, designed to reflect similar services that BellSouth provides for its retail customers. These retail analogs are:

RESALE: Results for all BellSouth retail services are grouped together (residence, business, and designed services), and are compared to the services provided for the CLECs at resale. The loop+port combinations provided to the CLECs are also included in this category, because these combinations are essentially identical to the resold services.

UNE: Results for all Unbundled Network Elements (except loop+port combinations) are aggregated together and are compared to an aggregate of BellSouth's retail residence and business services that require an outside dispatch. Since the unbundled loops that constitute the major portion of this category may be used to serve either residential or business customers, and require conversion at the central office frame or dispatch to the customer premise, it is reasonable to compare UNEs to an aggregate of similar services – both residence and business.

BILLING USAGE TIMELINESS: Results for delivery of daily usage data (local and access) to the CLECs are aggregated and compared to BellSouth's delivery of CMDS data between BellSouth different regional accounting offices over the same time period.

BILLING INVOICE TIMELINESS: Results for delivery of invoices to the CLECs are calculated for two categories, Resale invoices and UNE invoices, and are compared to BellSouth's delivery of invoices to its retail units.

OSS AVAILABILITY: Results for specified BellSouth retail unit operating support systems are aggregated and compared directly to the results for CLEC OSS provided by BellSouth.

COLLOCATION: There is not a specific retail analog for this service, so the benchmark of the space available due date (negotiated between the CLEC and BST) is used for this measurement.

1. TRUNK BLOCKING: This measures & compares the average monthly blocking (on an hour-by hour basis) for BST trunks linked to the CLEC network and the BST local trunking network.

FURTHER CONDITIONS:

No enforcement mechanism will be put in place until BST receives 271 approval from the FCC for a given state.

The penalties are structured to provide no incentive for the CLEC community to prefer the remedy over quality service.

A finding (statistical or materiality) of apparent disparity is not an irreversible finding of discrimination.

TESTS FOR PARITY:

1) BellSouth has been analyzing a series of different types of statistical tests capable of measuring parity (as part of a series of workshops conducted by the Louisiana PSC). At this time, there is no consensus on a single test that adequately protects the interests of both BellSouth and the CLECs, although the "modified jackknife" method of analysis holds some promise of satisfying all the parties. BellSouth has been working with the Louisiana Public Service Commission, and their consultant on this matter for several months. BellSouth has also retained Dr.

Fritz Scheuren, a renowned statistician, who has assisted in the analysis, and has held numerous discussions with the Common Carrier bureau staff on the results and status of this analysis.

2) Any test for parity will ultimately include tests for both statistical significance and materiality.

3) In the interim, until statistical tests are validated by two BST state commissions or by the FCC, a simple test of materiality will be used.

REMEDIES

The payments in this proposal are structured to:

1) Compensate the CLEC based on the charges for a service BellSouth committed to perform and then did not perform as specified, and;

2) When a "parity" failure is detected BellSouth will compensate the CLEC for EVERY instance of service failure that month, thus returning the CLEC to the financial position of perfect service.

The calculations for these remedies are explained in detail in Attachment B.

IMPLEMENTATION

These enforcement measures will be put in place by adding them to existing contracts between BellSouth and the CLECs, immediately after a 271 petition is approved by the FCC. Once they are added to any contract in state, the enforcement measures will be structured so that any CLEC can selectively add these provisions to its contract using the "pick and choose" mechanism.

COMMENTS ON CLEC PROPOSALS

Several of the CLECs have joined together in a consortium called the Local Competitive Users Group, LCUG. This group has prepared a series of detailed proposals for service quality measurements, statistical validation of service differences, and penalties for failures to meet certain measures.

These measures include all of the key measures in this proposal, and dozens of other measurements of both outcomes and processes.

BellSouth's position is, and has been, that the LCUG proposal is overly complex and burdensome, both in the number and complexity of the measures proposed, and in the depth of disaggregation of geography and services suggested. LCUG would have BellSouth capture and produce data for hundreds of different scenarios each month, and then try to produce a meaningful overall analysis from those measures with a statistical methodology (the modified z-test) that has known flaws in this type of application. LCUG's proposal goes far beyond business measurements meaningful to the actual end users of the service that can be analyzed by the state commissions and the FCC to insure that the aims of the Telecommunications Act are being carried out.

STRENGTHS OF BELLSOUTH'S PROPOSAL:

BellSouth's proposal, on the other hand is:

- Limited to key measures that capture the outcomes of processes, *i.e.*, services provided to end-users.

- Offers a simple, easily understood test for "parity", until the industry can arrive at a consensus on the application of statistical tests for these measures.

Proposed VSEEM Matrix:

CATEGORY	METRIC	SUB-CATEGORY	PARITY DETERMINATION	MATERIALITY TEST	VSEEM NRC=NON RECURRING CHARGE RC=RECURRING CHARGE
INSTALLATION					
Installation Timeliness (Calculations Made at State Aggregate Levels)	% Service Order Due Dates Missed for BST Caused Reasons	Resale/Combo	Retail Analog	CLEC variance with BST cannot be more than 1% at the state aggregate level	Resale NRC * Number of Missed Installation Appointments. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 1 on Matrix Details "Attachment B")*
		UNE	Retail Analog (Retail-Installation Residence/Business Dispatch)	CLEC variance with BST cannot be more than 1% at the state aggregate level	UNE NRC * Number of Missed Installation Appointments. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 1 on Matrix Details "Attachment B")*

Installation Quality (Calculations Made at State Aggregate Levels)	% Trouble Reports within 4 days for BST Caused Reasons	Resale/Combo	Retail Analog	CLEC variance with BST cannot be more than 1% at the state aggregate level	50% monthly Resale RC * Number of repeated customer trouble reports within 4 days. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 2 on Matrix Details "Attachment B")*
		UNE	Retail Analog (Retail-Installation Residence/Business Dispatch)	CLEC variance with BST cannot be more than 1% at the state aggregate level 1	50% monthly UNE RC * Number of repeated customer trouble reports within 4 days. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 2 on Matrix Details "Attachment B")*

MAINTENANCE					
Repair Timeliness (Calculations Made at State Aggregate Levels)	% Missed Repair Appointments for BST Caused Reasons	Resale/Combo	Retail Analog	CLEC variance with BST cannot be more than 1% at the state aggregate level	50% monthly Resale RC* Missed Repair Appointments. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 3 on Matrix Details "Attachment B")*
		UNE	Retail Analog [Retail-Repair Residence/Business Dispatch]	CLEC variance with BST cannot be more than 1% at the state aggregate level	50% monthly UNE RC * Number of Missed Repair Appointments. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 3 on Matrix Details "Attachment B")]*

Repair Quality (Calculations Made at State Aggregate Levels)	% Repeated Report Rate	Resale/Combo	Retail Analog	CLEC variance with BST cannot be more than 1% at the state aggregate level	50% monthly Resale RC * Number of repeated customer trouble reports within 30 days. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 4 on Matrix Details "Attachment B")*
		UNE	Retail Analog [Retail-Repair Residence/Business Dispatch]	CLEC variance with BST cannot be more than 1% at the state aggregate level	50% monthly UNE RC* Number of Repeated Customer Trouble Reports within 30 days. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 4 on Matrix Details "Attachment B")*

BILLING					
Billing (Calculations Made at the Regional Level)	Usage Data Delivery Timeliness		Retail Analog	1 day variance	>1 day = 25% * Monthly Optional Daily Usage File (ODUF) / Access Daily Usage File (ADUF). The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 5 on Matrix Details "Attachment B")*
	Invoice Timeliness	RESALE (CRIS)	Retail Analog	1 day variance	.000493 * Total monthly bill for each 1 day out of parity. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 6 on Matrix Details "Attachment B")*
		UNE (CRIS UNE + CABS)	Benchmark	1 day variance	.000493 * Total monthly bill for each 1 day out of parity. The VSEEM calculation applies only in a month where the benchmark is not met, *(See Note 6 on Matrix Details "Attachment B")*

OPERATIONAL SUPPORT SYSTEMS					
OSS (Regional)	Pre-ordering and ordering OSS Availability		Retail Analog	1% difference aggregated across access to all systems	Credit for 5% of total order volume at a rate of $20/per order handled for each 1% disparity in access. The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 7 on Matrix Details "Attachment B")*
COLLOCATION					
Collocation (Individual case)	% DD Missed		Benchmark	No Due dates Missed	Percent Due Dates Missed * NRC / week beyond due date, capped at 25%. The VSEEM calculation applies only in a month where the benchmark of "zero" missed due dates is not met. *(See Note 8 on Matrix Details "Attachment B")*

TRUNK GROUP PERFORMANCE					
Trunking (Calculations Made at State Aggregate Levels)	Trunk Blockage		Retail Analog	Any 2 hours month >0.5 difference in aggregate blockage	Any 2 hours/ month > 0.5% difference triggers an increase in Reciprocal Compensation Usage payments based on the difference in actual blockage for the hours "missed". The VSEEM calculation applies only in a month where BST results are better following the application of the monthly Materiality Test. *(See Note 9 on Matrix Details "Attachment B")*

Attachment B

Matrix Details

Note #	VSEEM Measure	Category	Parity Calculation
1	Installation Timeliness	% Due Dates Missed	Calculation: When a Materiality Test failure occurs at the state level, each CLEC with missed appointments on service orders in this category will be compensated for the failure to meet the BST commitment(s). The CLEC's actual number of missed appointments will be multiplied by the NRC. Separate calculations will be made for the Resale and UNE categories.
			UNE Analog Methodology: The analog for UNEs will be the combined missed Due Date rate of Residence/Business POTS dispatch. Unbundled loops constitute a majority of the UNE category, which can serve either residential or business customers and require conversion at the central office and/or the customer location. Thus, they have been compared to an aggregate of retail residence and business dispatched service requests.
2	Installation Quality	% Report w/in 4 days	Calculation: When a Materiality Test failure occurs at the state level, each CLEC with repeated reports within 4 days on service orders in this category will be compensated for the failure to meet the retail analog/ materiality test. The CLEC's actual number of repeated reports will be multiplied by the RC. Separate calculations will be made for the Resale and UNE categories
			UNE Analog Methodology: The analog for UNEs will be the combined missed DD rate of Residence/Business POTS dispatch. Unbundled loops constitute a majority of the UNE category, which can serve either residential or business customers and require conversion at the central office and/or the customer location. Thus, they have been compared to an aggregate of retail residence and business dispatched service requests.

Attachment B

3	Repair Timeliness	% Missed Repair Appts	Calculation: When a Materiality Test failure occurs at the state level, each CLEC with missed appointments on trouble reports in this category will be compensated for the failure to meet the BST commitment(s). The CLEC's actual number of missed appointments will be multiplied by the RC. Separate calculations will be made for the Resale and UNE categories
			UNE Analog Methodology: The analog for UNEs will be the combined missed DD rate of Residence/Business POTS dispatch. Unbundled loops constitute a majority of the UNE category, which can serve either residential or business customers and require conversion at the central office and/or the customer location. Thus, they have been compared to an aggregate of retail residence and business dispatched service requests.
4	Repair Quality	Repeated Report Rate	Calculation: When a Materiality Test failure occurs at the state level, each CLEC with repeated reports within 30 days of a trouble report in this category will be compensated for the failure to meet the retail analog/ materiality test. The CLEC's actual number of repeated reports will be multiplied by the RC. Separate calculations will be made for the Resale and UNE categories.
			UNE Analog Methodology: The analog for UNEs will be the combined missed DD rate of Residence/Business POTS dispatch. Unbundled loops constitute a majority of the UNE category, which can serve either residential or business customers and require conversion at the central office and/or the customer location. Thus, they have been compared to an aggregate of retail residence and business dispatched service requests.

Attachment B

5	Billing	Usage Timeliness	Calculation: If CLEC results are greater than 1 day, then the following calculation will apply: 25% * Monthly Optional Daily Usage File (ODUF) / Access Daily Usage File (ADUF) sales charges.
			VSEEM Methodology: A 25% VSEEM rate is applied to the formula as noted in the calculation above. This rate was selected in order to present a significant VSEEM to the CLEC community in the event of disparate billing performance.
6		Invoice Timeliness	Calculation: A value of .000493 * Total monthly bill for each day out of parity.
			VSEEM Methodology: The VSEEM is based on the business inconvenience caused to the CLEC by a delay in delivering the billing information they need, and is based on an 18%/yr rate for each whole days delay of their billing data.

Attachment B

7	OSS	Pre-ordering and ordering OSS Availability	Calculation: System availability will be compared to BST's retail systems as currently defined in the SQM (based on scheduled availability). The total availability for LENS, EDI, TAG, LEO MAINFRAME, LEO-UNIX, LESOG, HAL, and BSOG will be compared to the availability of SOCS, RSAG, DSAP, BOCRIS, and ATLAS/COFFI. In the event that a difference favoring the BST by >1 % occurs in a given month, a $20 cost for manual handling will be multiplied by the actual number of electronically submitted service requests to produce the VSEEM amount.
			VSEEM Methodology: The VSEEM payment is based on compensating the CLECs for manual handling of orders on a sliding scale based on the difference between BST's systems and the CLEC systems. Manual handling of service requests may be necessary for the CLECs in the event that they are unable to electronically submit their requests.
8	Collocation	% DD Missed	Calculation: The NRC in this case is the total of all space preparation and application fees for the specific collocation job. Any supplements to the original order will reset the due date (as agreed to by BST and CLEC) for this measurement.
			VSEEM Methodology: The NRC of $45,000 represents an average charge to the CLECs requesting collocation arrangements and follows the same principles of missed due dates/commitments used in the provisioning and maintenance arenas.

Attachment B

9	Trunking	Trunk Blockage	Calculation/VSEEM Methodology: This VSEEM is based on the new trunk blocking parity measurement. This measurement will define the difference in blocking at the state (or MSA) level for all CLEC trunk groups as compared to all BST local trunk groups. There are 24 aggregate measurements (one per hour) to be compared. A parity failure is defined as any 2 hours when the CLEC aggregate exceeds the BST aggregate by more than 0.5%. **The VSEEM payment would be calculated by determining the difference in blockage for each hour where the CLEC exceeded BST, dividing the result by 16 (average usage hours/day), and increasing the CLECs Reciprocal Compensation payment by the amount.** For example, if 4 hours exceed the 0.5 threshold, a failure would be triggered. If the differences in % blockage were 1%, 2%, 1%, and 3%, the calculation would be (.01+. 02+. 01+. 03)/16 = 0.43%, and the CLEC would be paid a 0.43% VSEEM payment based on their monthly reciprocal compensation usage payment. I.E. if the reciprocal comp usage payment they received was $500,000, the VSEEM would be 0.43% * $500,000 = $2150. If we failed by 1% for 16 hours, the VSEEM payment would be 1% * $500,000 = $50,000. This method ties the VSEEM payment to the CLECs actual usage during the month, but uses a simply, easily calculated formula.

Attachment C

Modified Service Quality Measurements Descriptions[1]

TABLE OF CONTENTS

CATEGORY	FUNCTION	VSEEM PAGE #
Pre-Ordering and Ordering OSS	1. OSS Interface Availability	2
Provisioning	2. Percent Missed Installation Appointments 3. Percent Provisioning Troubles within 4 days	3 4
Maintenance & Repair	4. Missed Repair Appointments 5. Percent Repeat Troubles within 30 days	5 6
Billing	6. Invoice Timeliness 7. Usage Data Delivery Timeliness	7 8
Collocation	9. % of Due Dates Met	9
Trunk Group Performance	8. Trunk Group Service Comparison	10, 11

[1]Selected VSEEM Measures have been excerpted from the standard BST-Service Quality Measurements and their descriptions have been enhanced or modified for the purposes of this discussion.

Attachment C

PRE-ORDERING AND ORDERING OSS

Function:	OSS Interface Availability
Measurement Overview:	This measurement captures the availability percentages for the BST systems that the CLEC uses during pre-ordering and ordering. Comparisons to BST results allow conclusions as to whether an equal opportunity exists for the CLEC to deliver a comparable customer experience.
Measurement Methodology:	**1. OSS Interface Availability = (Actual Availability)/(Scheduled Availability) X 100** **Definition:** Percent of time OSS interface is actually available compared to scheduled availability. Availability percentages for CLEC interface systems and for all legacy systems accessed by them are captured.

OSS Interface Availability

OSS Interface	% Availability
LENS	x
LEO Mainframe	x
LEO UNIX	x
LESOG	x
EDI	x
HAL	x
BOCRIS	x
ATLAS/COFFI	x
RSAG/DSAP	x
SOCS	x

Attachment C

PROVISIONING

Function:	Installation Timeliness
Measurement Overview:	The "percent missed installation appointments" measure monitors the reliability of BST commitments with respect to committed due dates to assure that CLECs can reliably quote expected due dates to their retail customer as compared to BST.
Measurement Methodology:	**1. Percent Missed Installation Appointments = ↗ (Number of Orders missed in Reporting Period) / (Number of Orders Completed in Reporting Period) X 100** Percent Missed Installation Appointments is the percentage of total orders processed for which BST is unable to complete the service orders on the committed due dates. *Missed Appointments caused by end-user reasons will be included and reported separately.* **Definition:** Percent of orders where completions are not done by due date. See "Exclude Situations" for orders not included in this measurement **Methodology:** • Mechanized metric from ordering system

Reporting Dimensions:	Excluded Situations:

• CLEC Aggregate
• BST Aggregate
• State,
• Reporting Levels
  • Resale
  • UNE
	• Orders canceled by the CLEC
	• Order Activities of BST associated with internal or administrative use of local services.
	• Orders missed due to CLEC and/or End User causes

Attachment C

Data Retained Relating to CLEC Experience:	Data Retained Relating to BST Performance:
• Report Month • CLEC Order Number • Order Submission Date • Order Submission Time • Status Type • Status Notice Date • Status Notice Time • Standard Order Activity • State, and further geographic dissagregation as required by State Commission Order	• Report Month • BST Order Number • Order Submission Date • Order Submission Time • Status Type • Status Notice Date • Status Notice Time • Standard Order Activity • State, and further geographic dissagregation as required by State Commission Order

Function:	**Installation Quality**
Measurement Overview:	The Percent Provisioning Troubles within 4 days of Installation measures the quality and accuracy of installation activities.
Measurement Methodology:	**1.% Provisioning Troubles within 4 days of Service Order Activity = ↗ (Trouble reports on all completed orders ⇔4 days following service order(s) completion) / (All Service Orders in a calendar month) X 100** **Definition:** Measures the quality and accuracy of completed orders by. **Methodology:** • Mechanized metric from ordering and maintenance systems.

Reporting Dimensions:	Excluded Situations:

• CLEC Aggregate
• BST Aggregate
• State
• Reporting Levels
  • Resale/Combo
  • UNE
	• Trouble reports canceled at the CLEC request
	• BST trouble reports associated with administrative service
	• Trouble reports associated with CPE/CPIW
	• Trouble reports "Found OK" after dispatch to outside field forces (e.g. Disposition Code 09XX)

Attachment C

Data Retained Relating to CLEC Experience:	Data Retained Relating to BST Performance:
• Report Month • CLEC Ticket Number • Ticket Submission Date • Ticket Submission Time • Ticket Completion Time • Ticket Completion Date • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order	• Report Month • BST Ticket Number • Ticket Submission Date • Ticket Submission Time • Ticket Completion Time • Ticket Completion Date • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order

Attachment C

MAINTENANCE & REPAIR

Function:	Missed Repair Appointments
Measurement Overview:	When the data for this measure is collected for BST and a CLEC it can be used to compare the percentage of accurate estimates of the time required to complete service repairs for BST and the CLEC.
Measurement Methodology:	**2. Percentage of Missed Repair Appointments = (Count of Customer Troubles Not Resolved by the Quoted Resolution Time and Date) / (Count of Customer Trouble Tickets Closed) X 100.** **Definition:** Percent of trouble reports not cleared by date and time committed. Note: Appointment intervals vary with force availability in the POTS environment. Specials and Trunk intervals are standard interval appointments of no greater than 24 hours. **Methodology:** Mechanized metric from maintenance database(s).

Reporting Dimensions:	Excluded Situations:

• CLEC Aggregate
• BST Aggregate
• State, and further geographic dissagregation as required by State Commission Order
• Product Reporting Levels
  • Resale/UNE Combos
  • UNE
	• Appointments not met due to CLEC and/or End User causes
	• Trouble tickets canceled at the CLEC request
	• BST trouble reports associated with internal or administrative service
	• Trouble reports associated with CPE/CPIW
	• Trouble reports "Found OK" after dispatch to outside field forces (e.g. Disposition Code 09XX)

Attachment C

Data Retained Relating to CLEC Experience:	Data Retained Relating to BST Performance:
• Report Month • Total Troubles • Total and Percent Missed Appointments • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order Report Month • CLEC Ticket Number • Ticket Submission Date • Ticket Submission Time • Ticket Completion Time • Ticket Completion Date	• Report Month • Total Troubles • Total and Percent Missed Appointments • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order Report Month • BST Ticket Number • Ticket Submission Date • Ticket Submission Time • Ticket Completion Time • Ticket Completion Date

Attachment C

Function:	Quality of Repair
Measurement Overview:	This measure, when collected for both the CLEC and BST and compared, monitors that CLEC maintenance requests are cleared comparably to BST maintenance requests.
Measurement Methodology:	**1. Percent Repeat Troubles within 30 Days = (Total Repeated Trouble Reports within 30 Days) / (Total Closed Troubles) in reporting period X 100** **Definition:** For Percent Repeat Trouble Reports within 30 Days: Trouble reports on the same line/circuit as a previous trouble report within the last 30 calendar days as a percent of total troubles reported. **Methodology:** Mechanized metric from maintenance database(s).

Reporting Dimensions:	Excluded Situations:

• CLEC Aggregate
• BST Aggregate
• State, and further geographic dissagregation as required by State Commission Order
• Product Reporting Levels
  • Resale/UNE Combos
  • UNE
	• Trouble reports canceled at the CLEC request
	• BST trouble reports associated with administrative service
	• Trouble reports associated with CPE/CPIW
	• Trouble reports "Found OK" after dispatch to outside field forces (Disposition Code 09XX)

Attachment C

Data Retained Relating to CLEC Experience:	Data Retained Relating to BST Performance:
• Report Month • Total Troubles • Total and Percent Repeat Trouble Reports within 30 Days • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order Report Month • CLEC Ticket Number • Ticket Submission Date • Ticket Submission Time • Ticket Completion Time • Ticket Completion Date • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order	• Report Month • Total Troubles • Total and Percent Repeat Trouble Reports within 30 Days • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order Report Month • BST Ticket Number • Ticket Submission Date • Ticket Submission Time • Ticket Completion Time • Ticket Completion Date • Service Type • Disposition and Cause (Non-Design/Non-Special only) • State, and further geographic dissagregation as required by State Commission Order

Attachment C

BILLING

Function:	Invoice Timeliness
Measurement Overview:	The accuracy of billing invoices delivered by BST to the CLEC must provide CLECs with the opportunity to deliver bills at least as accurate as those delivered by BST. Producing and comparing this measurement result for both the CLEC and BST allows a determination as to whether or not parity exists.
Measurement Methodology:	**2. Mean Time to Deliver Invoices = Σ[(Invoice Transmission Date) - (Date of Scheduled Bill Close)] / (Count of Invoices Transmitted in Reporting Period)** This measure provides the mean interval for billing invoices. CRIS-based invoices should be released for delivery within six (6) workdays, and CABS-based invoices should be released for delivery within eight (8) calendar days. **Objective:** Measures the mean interval for timeliness of billing records delivered to CLECs in an agreed upon format.

Reporting Dimensions:	Excluded Situations:
• CLEC Aggregate • BST Aggregate	• Any invoices rejected due to formatting or content errors • Adjustments not related to billing errors (e.g., credits for service outage)
Data Retained Relating to CLEC Experience:	**Data Retained Relating to BST Performance:**

• Report Monthly
• Invoice Type
  ■ Resale
  ■ Unbundled Element Invoices (UNE)
	• Report Monthly
	• Retail Type
	  ■ CRIS
	  ■ CABS

Attachment C

BILLING (Continued)

Function:	Usage Data Delivery Timeliness
Measurement Overview:	The accuracy of usage records delivered by BST to the CLEC must provide CLECs with the opportunity to deliver bills at least as accurate as those delivered by BST. Producing and comparing this measurement result for both the CLEC and BST allows a determination as to whether or not parity exists.
Measurement Methodology:	**3. Usage Data Delivery Timeliness = (Total number of usage records sent within six(6) calendar days from initial recording/receipt) / (Total number of usage records sent)** This measurement provides percentage of recorded usage data (BellSouth recorded and usage recorded by other carriers) delivered to the appropriate CLEC within six (6) calendar days from initial recording. A parity measure is also provided showing timeliness of BST messages processed and transmitted via CMDS. **Objective:** The purpose of these measurements is to demonstrate the level of quality and timeliness of processing and transmission of both types of usage data (BellSouth recorded and usage recorded by other carriers) to the appropriate CLEC. **Methodology:** The usage data will be mechanically transmitted or mailed to the CLEC data processing center once daily. Method of delivery is at the option of the CLEC. Timeliness and completeness measures are reported on the same report.

Reporting Dimensions:	Excluded Situations:
• CLEC Aggregate • BST Aggregate	• None
Data Retained Relating to CLEC Experience:	**Data Retained Relating to BST Performance:**

• Report Month
• Record Type
  ■ BellSouth Recorded
  ■ Non-BellSouth Recorded
	• Report Monthly
	• Record Type

Attachment C

Collocation

Function:	**Response Interval, Provisioning Interval and Timeliness for Providing Collocation Space to a CLEC in a BellSouth Central Office.**
Measurement Overview:	Collocation is the placement of customer-owned equipment in BellSouth Central Offices for interconnecting to BellSouth's tariffed services and unbundled network elements. Although BellSouth offers both Virtual and Physical Collocation, only due dates for Physical requests will be included in this metric. The vehicle for tracking the BST commitment to the CLEC is the "Percentage of due dates on firm orders missed".
Measurement Methodology:	**1. % of Due Dates Missed = (Number of Orders not completed w/i ILEC committed Due Date during reporting period) / (Number of Orders completed in reporting period) X 100.** **Definition:** Measures the percent of Collocation space request, including construction and network infrastructure, that are not complete on the due date. Methodology: Current-Manual, Future-Mechanized

Reporting Dimensions:	**Excluded Situations:**
• State, and further geographic dissagregation as required by State Commission Order • Physical	• Any order canceled by the CLEC. • Time for BST to obtain any permits • Collocation contract negotiations
Data Retained Relating to CLEC Experience:	**Data Retained Relating to BST Performance:**
• Report Month • CLEC Order Number • Application Submission Date • Firm Order Submission Time • Space Acceptance Date	• Report Month • Application • Application Response • Firm Order • BST Completion Date

Attachment C

TRUNK GROUP PERFORMANCE

Function:	Interconnection Trunk Performance
Measurement Overview:	In order to ensure quality service to the CLECs as well as protect the integrity of the BST network, BST collects traffic performance data on the trunk groups interconnected with the CLECs as well as all other trunk groups in the BST network.
Measurement Methodology:	**1. Trunk Group Performance: Contains the service performance results of the following high use and final trunk groups carrying comparable CLEC and BST traffic:** 1. BellSouth End-Office to BellSouth Access Tandem 2. BellSouth End-Office to CLEC Switch 3. BellSouth Local Tandem to CLEC Switch 4. BellSouth Access Tandem to CLEC Switch 5. BellSouth End-Office to BellSouth Local Tandem 6. Inter-Tandem Trunk Groups 7. BellSouth End-Office to BellSouth End-Office Method of Calculation: • First, the daily blocking is calculated for each trunk group as the overflow divided by call attempts for each hour on a given day. • Next the weekly blocking is calculated as the average of each day's blocking by hour. • Next the monthly blocking is calculated as the weighted average across all weeks for each hour with valid measurement data within the study period. The weighting factor is the number of valid measurement days. • Finally, the monthly aggregate blocking is calculated as the weighted average for all weeks for each hour with valid measurement data within the study period. The weighting factor is the number of trunks in service assigned to a trunk group included in the average.

Attachment C

Reporting Dimensions:	Excluded Situations:
• BST Trunk Group Aggregate • CLEC Trunk Group Aggregate • CLEC Trunk Group Specific • State, Region and further geographic dissagregation as required by state commission order	• Trunk groups for which valid traffic data measurement is unavailable • Trunk groups that are not relevant for comparison.
Data Retained Relating to CLEC Experience:	**Data Retained Relating to BST Performance:**
• Report month • Total trunk groups • Total trunk groups for which data is available • Number of trunks assigned to each trunk group • Blocking by hour for each trunk group • State, region and further geographic dissagregation as required by state commission order	• Report study period • Total trunk groups • Total trunk groups for which data is available • Number of trunks assigned to each trunk group • Blocking by hour for each trunk group • State, region and further geographic disaggregation as required by state commission order