required), BellSouth asserts that it met the due date for CLECs 88.9% of the time in August,[25] 1% less than it met the due date for its own customers. (Stacy 2 Aff., ex. WNS-1) Earlier months generally show similar differentials in favor of BellSouth. (Stacy 2 Aff., ex. WNS-1). For business orders that do not require dispatch, BellSouth has ostensibly met the due date 98.3% of the time for CLECs and 99.96 % of the time for itself. (Stacy 2 Aff., ex. WNS-9).

161. Thus, even BellSouth's own data suggests that it is not meeting due dates for CLECs to the same extent that it is meeting them for itself. MCI's data shows that BellSouth is vastly underestimating the extent of the problem.

2) Average Installation Intervals Are Longer for CLECs than for BellSouth Retail Customers

162. In addition to providing information on due dates met, BellSouth attempts to show parity in timely fulfillment of orders by reporting average installation intervals, as this Commission has required.[26] However, BellSouth's data fails to show parity both because that data in fact shows better service provided to BellSouth retail customers than to CLECs and because the measurements themselves are inadequate. In addition, MCI's data shows a significantly greater advantage for BellSouth retail customers than is revealed by BellSouth's own data.

163. To begin with, BellSouth's data does not actually report installation intervals. The average "installation intervals" reported by BellSouth is from the time BellSouth receives a "good

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[25] BellSouth does not provide totals from January to August for residential dispatch (nor does it provide a graph with a trend line) as it does for residential non-dispatch and for business orders.

[26] While BellSouth provides this data here, it refuses to agree to make it a part of its ongoing reporting.

LSR and issue[s] a service order in SOCs until the Original Due Date (Due Date provided by the due date calculation processor.)" (Stacy 2 Aff., WNS ex. 10-A). Thus, the starting point for BellSouth measurement is after BellSouth has performed any necessary manual processing and input the order into its systems. It is also after BellSouth has sent back any rejects and received back a clean order -- even if the reject was BellSouth's own fault. In addition, the end point for BellSouth measurement is based on the due date calculated by BellSouth's due date calculation processor, not the due date on which the order is actually completed. But it is the manual nature of the processing for many CLEC orders that will often delay the processing of CLEC orders. And, as I have already discussed, BellSouth often fails to complete an order on the date that it has promised. Thus, BellSouth's data on installation intervals fails to include much of the time it actually takes BellSouth to turn up service for CLECs.

164. In any case, the manner in which BellSouth reports its data on average installation intervals makes it difficult to fully understand. BellSouth breaks the data into N orders (new connects), T orders (To side of a, From and To order where a customer is moving) and C orders (change orders). (Stacy 2 Aff., ex. WNS 10-A). It subdivides each of these three categories into business and residential, dispatch and non-dispatch. But it fails sufficiently to explain its categorization. For example, BellSouth fails to explain what it considers a C order (change order) for its own retail customers; this category may include changes in features but this is not at all clear. BellSouth also fails to explain its category of change orders that require a dispatch; based on my understanding of a change order (a migration of service from BellSouth to a CLEC), change orders should never require a dispatch. BellSouth's failure to explain its categorization makes it difficult to assess BellSouth's data and also makes it difficult to know whether the

categories BellSouth uses to report data for CLECs and for its retail customers are truly analogous.

165. BellSouth also only reports on so-called average intervals for August. It fails to provide these intervals for February through August; nor does it provide them for any other individual months. This makes me suspicious that the results from other months reveal a significantly worse picture than the results from August.

166. BellSouth's reporting of the amount of time it takes to provide service to its own retail customers is highly suspect. I seriously doubt, for example, that it takes four days for BellSouth to provide new residential service to a retail customer when no dispatch is required, as BellSouth reports was true for August. (Stacy 2 Aff., ex. WNS-10(b)). Similarly, I doubt that it took an average of 1.6 days to process residential change orders (non-dispatched) for retail customers as BellSouth reports was true for August. Indeed, using BellSouth's Right Touch Service, a residential customer can call a 1-800 number in the BellSouth region, request a change of feature, and be guaranteed that the change will be completed that day (if the customer calls by 3:00) or the next day (if the customer calls after 3:00). Of course, I have no way of proving this. But this only emphasizes the need for audits of BellSouth's measurements to ensure that the data reported is accurate.

167. BellSouth's supporting data, which BellSouth provides for several months, is even more difficult to understand. (Stacy 2 Aff., ex. WNS-10). As I explained above, within each category of orders, BellSouth divides the data between BST orders and LCSC. Because CLEC orders only go to the LCSC when manual intervention is involved, the LCSC orders would not seem to include most CLEC orders. It may be that CLEC's automated orders are included under

the category of BST with BST's retail orders or it may be that BellSouth is using LCSC as shorthand for CLEC but this is impossible to know.

168. Even setting aside the fundamental problems with BellSouth's measurements, BellSouth's data fails to show parity. BellSouth's data shows that BellSouth took longer to provision change orders for CLECs than for BellSouth's retail customers. Although BellSouth's data also shows that it took less time to provision some other types of orders for CLECs than for BellSouth's retail customers, change orders have constituted the bulk of all orders to date. In August, assuming for the sake of argument BellSouth's reports of the number of orders, 2,596,990 of 3,110, 422 orders (83.4%) were change orders. (Stacy 2 Aff., ex. WNS-10). If the LCSC is equated with CLECs, which is a somewhat questionable assumption as explained above, the categories in which BellSouth's retail performance was better than with respect to CLECs encompassed 75.6% of CLEC orders in August. (Stacy 2 Aff., exhs. WNS-10, 10 B).

169. BellSouth's data show that for June, July, and August, with the exception of Business orders (dispatch), BellSouth turned up service on change orders for its retail customers more rapidly than it did for CLECs. This includes residential and business orders, non-dispatch and dispatch orders. (Stacy 2 Aff., ¶ 53).

170. BellSouth's data show that it took BellSouth 2.4 days to process CLEC residential change orders (non-dispatch) in August. MCI's data shows that, at least with respect to MCI, BellSouth's performance was significantly worse than reported. MCI's data shows that it took 4.3 days on average for BellSouth to process MCI's change orders in August (combining MCI's change as is and change as specified orders). (Att. 38, p.31). For all months, it took BellSouth

2.42 days on average to process orders for change as is[27] (2.71 days for August).[28] (Att. 38, pp.2,32). It took BellSouth 5.61 days on average to process a change as specified order (6.52 days for August). (Att. 38, pp.3, 33). Once again, this data is skewed in BellSouth's favor, because it does not include the 5% of MCI's orders in pending status which have been pending for almost 19 days on average. (Att. 38, p. 35). In contrast to BellSouth's performance with respect to MCI's orders, BellSouth's completed its retail change orders in an average of 1.6 days. (Stacy 2 Aff., ex. WNS-10 B).

171. For business orders, BellSouth's data shows August installation intervals of 1.6 days for its retail customers on non-dispatched change orders, 1.9 days for CLECs. (Stacy 2 Aff., ex. WNS-10 B). When a dispatch is required, the intervals are 5.0 days for retail customers, and 5.6 days for CLECs. (Stacy 2 Aff., ex. WNS -10 B). MCI has not yet submitted sufficient business orders to assert definitively that BellSouth's data underestimates the disparity between BellSouth retail customers and CLECs, but I have no reason to believe that BellSouth's data is more accurate with respect to business than residential orders.

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[27]MCI's data on average installation intervals does not include the data on orders for loop/port combinations, because, as I have explained, BellSouth has not provided information on when these orders were completed. The data MCI does have shows that the due dates BellSouth promised on the FOC were 7.8 days for migrations and 6.8 days for new orders for those orders on which BellSouth even returned a FOC.

[28]MCI's data includes all of the time required to turn up service -- from the time a clean (non-rejected) order was submitted to BellSouth to the time the order was actually completed (based on the information provided by BellSouth on completion date). MCI's data only includes clean orders. MCI's data is not skewed by requests of due dates far in the future. As I have explained, the due dates requested were based on the BellSouth installation intervals. The due dates requested on MCI's orders for change as is orders averaged .70 days, migrate as specified averaged 1.64 days, and new installations averaged 2.31 days. (Att. 38, pp. 40-42). Trends for average installation intervals do not show particular improvement. (Att. 38, pp. 26-34). The distribution of installation intervals is shown on Att. 38, pp. 22-25.

172. Thus, BellSouth clearly provides service more quickly to its retail customers for change orders than it does to CLECs. BellSouth acknowledges that this is true, but notes that "in assessing this, one should take into account the volume of CLEC caused errors . . . ." (Stacy 2 Aff., ¶ 53). But as I have already discussed, BellSouth's measurement starts after a clean order has entered Bell's automated systems. Thus, it is completely unaffected by any "CLEC caused errors." MCI's data similarly includes only clean orders and therefore excludes any MCI caused errors. BellSouth also states that "C orders (change orders) are generally not comparable as they are affected by individual CLEC/BST retail sales and promotional campaigns." (Stacy 2 Aff., ex. WNS-10A). I have no idea why this would be true.

173. For new installs, BellSouth's also shows, however, an advantage for BellSouth retail customers over CLECs with respect to non-dispatched residential orders -- by far the majority of new installs according to BellSouth's August data. Such orders constituted 79.4% of all new orders in August (98,916 of 124,594 orders in Bellsouth's reported data). (Stacy 2 Aff., ex. WNS-10). BellSouth's data shows that for CLECs BellSouth took 4.0 days on average in August to process an order for new residential service (non-dispatched) and 4.9 days dispatched. (Stacy 2 Aff., ex. WNS-10 B). As with change orders, however, BellSouth's data on new installs is very different from MCI's data. MCI's data, which necessarily combines orders requiring a dispatch and those that do not, shows that it took on average 8.03 days for BellSouth to process new orders (8.61 days in August). (Att. 38, p. 4, 34). For its own retail customers, BellSouth reports that it took 4.0 days on average in August to process an order for new residential service non-dispatched and 6.8 days dispatched. (Stacy 2 Aff., ex. 10 B).

174. Overall, MCI's data shows that the average due date MCI requested based on BellSouth's installation intervals was 1.36 days, the average interval Bellsouth offered on the FOC was 3.93 days, and the average actual completion interval was 4.56 days. (Att. 38, p. 39). The distributions make this performance even worse. On those orders on which BellSouth missed the due date, it generally missed by a significant amount. BellSouth's back end ordering systems are simply not ready.

b) BellSouth's Data Fails to Show Parity With Respect to Troubles and Time to Service Troubles

175. In addition to providing data on the time it took for it to fulfill orders, BellSouth also provides data on provisioning troubles and time for maintenance and repair. BellSouth presents a series of measurements with respect to this data. It analyzes these measures in terms of upper and lower control limits it has set as a measure of parity. It concludes that many of these measures show parity, some show better performance for CLECs than for BellSouth's retail customers, and a lesser number show better performance for BellSouth's retail customers than for CLECs. (Stacy 2 Aff., ¶¶ 44-50).[29] BellSouth therefore concludes that partity has been achieved.

176. BellSouth's data shows no such thing. First, of all BellSouth's list of which measures show better performance with respect to CLECs and BellSouth is inaccurate on its own terms. For example, BellSouth fails to list two measures -- percentage maintenance appointments met business non-dispatch and percentage out of service 30 days business non-dispatch -- as

[29] BellSouth concludes that these latter measures "are not significantly different" for retail customers and CLECs, (Stacy 2 Aff., ¶ 51), though on what basis it reaches this conclusion, and whether it believes the same conclusion applies to measures for which CLECs are ostensibly treated better than BellSouth customers, is not clear.

measures on which BellSouth's performance for its retail customers was better than for CLECs and outside the control limits. BellSouth also fails to list dispatched maintenance appointments met on residential lines which also consistently favor BellSouth retail customers, although BellSouth does not total the data and show their relationship to its "control limits." (Stacy 2 Aff., ex. WNS-1). BellSouth lists four measures -- percentage maintenance repeat troubles residential non-dispatch, percentage provisioning appointments met residential non-dispatch, percentage out of service business non-dispatch, and percentage provisioning troubles business non-dispatch -- as measures on which BellSouth's performance for its retail customers was better than for CLECs; the data shows the opposite to be true. Indeed, although BellSouth lists these measures as showing better service to CLECs, it also properly lists the first two of these measures as showing better performance for BellSouth retail. (Stacy 2 Aff., ¶ 50).

177. Second, BellSouth's attempt to add up categories of data in which CLECs received better average performance ignores the fact that the variance of the performance towards CLECs was far greater than the variance in performance towards its retail customers. This can be seen by looking at WNS-9 pp. 1 and 8, for example, in which BellSouth's performance towards its customers is much more constant than its performance towards CLECs. Indeed, calculation reveals that in 25 of 32 graphs presented by BellSouth, the standard deviation of BellSouth's performance towards CLECs was greater than the standard deviation in its performance towards itself. Processes with higher variance are less controlled and less reliable. Unlike BellSouth, a CLEC cannot tell its customers when they should expect performance.

178. Third, as I have discussed above, the vast majority of orders, at least as reported in BellSouth's data on average installation intervals, were orders for residential service non-

dispatched. With respect to these orders, there are only three performance categories BellSouth lists for which BellSouth's performance for CLECs was better than its performance for its retail customers, and two of these, as I just discussed, actually show better performance for BellSouth retail customers than for CLECs. Only one, percentage trouble reports, actually shows better performance for CLECs. In contrast, BellSouth lists three performance measurements with respect to residential non-dispatch orders -- perecentage provisioning appointments met, percentage maintenance appointments met, and percentage maintenance repeat troubles -- as showing better performance for BellSouth retail customers than for CLECs. (Stacy 2 Aff., ¶ 50).

179. Fourth, many of the measures that BellSouth claims show superior performance for CLECs in comparison to BellSouth retail customers only did so in early months, when presumably there were fewer orders, and the gap has been almost eliminated or has in fact reversed itself over time. This is true, for example, with respect to all three measures of average maintenance duration listed by BellSouth as showing better performance for BellSouth retail customers (business dispatch out, residential dispatch out, and business non-dispatch).

180. Fifth, BellSouth's use of control limits as its measure of parity is not a useful one. The control limits cover a wide range of performance levels rather than a specific level of service that BellSouth must guarantee to CLECs. They do not guarantee that CLECs will receive the same level of service that BellSouth provides to its retail customers.

181. Finally, I must again emphasize the untrustworthiness of BellSouth's data and the need for audits. MCI has little of its own data to contradict BellSouth's data largely because with a limited number of orders the number of reported troubles is small. However, as I have already discussed, in every place in which MCI has data it is inconsistent with BellSouth's data. But the

limited data MCI does have casts at least some doubt on BellSouth's data. I would expect this area to be no different.

c) BellSouth's Data Fails to Show Parity For Unbundled Elements

182. BellSouth provides far less data with respect to unbundled elements than it provides for resale. For unbundled loops, BellSouth does provide data on due dates met, but it fails to provide the data on average installation intervals this Commission has required. (Ameritech MI Order, ¶ 212). It fails to provide any performance data for any UNEs other than loops. And it fails to provide the data on comparative performance information for unbundled elements that this Commission required. (Ameritech MI Order, ¶ 212).

183. As for the data BellSouth does provide, for unbundled loops, BellSouth claims to have made only 86.8% of due dates in August even excluding supposed customer misses (91.2% and 93.6% for June and July respectively) (Stacy 2 Aff., ex. WNS-3). This is even given the lengthy installation interval BellSouth has set for loops of 5 days (assuming a quantity of 1-5 loops are ordered). (Stacy 2 Aff., ex. WNS-5). BellSouth also shows a new circuit failure rate of 6.7% for August for loops (and 11.5% for June and July). (Stacy 2 Aff.,ex. WNS-3). Finally, it shows repeat trouble reports for loops within 30 days were 29.3% in August and 18.4% the two prior months. This level of troubles is quite significant. For BellSouth's own lines, repeat trouble reports were 15.3% in August (15.7 and 14.9% in July and June). (Stacy 2 Aff., ex. WNS-9).

d) BellSouth Fails to Provide Data With Respect to Complex Orders

BellSouth does not break out any of its data by order type. It does break out orders by business orders and residential orders, but it does not say whether any of this data is for complex orders. I would presume at this early stage of competition that most of the resale ordering to date has been POTS orders (and orders for interconnection trunks). BellSouth therefore fails to show it is ready to process complex business services.

4) BellSouth's OSS Has Miscellaneous Important Functional Deficiencies

184. In addition to the delays in processing that became apparent from MCI's LENS ordering, MCI's LENS orders with BellSouth and its efforts to develop an EDI interface with BellSouth have revealed several major functional deficiencies with BellSouth's ordering processes. These include loss of dialtone, a manual process to notify CLECs that their customer has changed to another carrier, a non-existent process to notify CLECs that their local customer has changed PICs, a non-existent process of change management and others.

185. To start with, BellSouth's ordering processes have resulted in the loss of dialtone for a significant number of customers who have switched to MCI. Seventeen of 540 MCI resale customers reported a loss of dial tone for some period of time after they switched to MCI from BellSouth. The real number is presumably higher, because many customers who lost dial tone probably did not bother to report it. The high number of customers losing dial tone probably results, to a significant extent, from the fact that rather than simply changing the customer's billing information from BellSouth to MCI, BellSouth processes orders in two steps: one to disconnect the customer from BellSouth and one to connect to MCI local. When the first step is

completed and the second step is not, the customer is left without dialtone. BellSouth has stated that it intends to abandon its disconnect/reconnect process and to treat "change as is orders" as they should be treated -- as a simple billing change. But BellSouth has not yet even begun testing this new process and has stated that the implementation schedule depends on the test results. (E-mail from Sharon McCreary, Sept. 8, 1997, att. 40; e-mail from Sharon McCreary, Sept. 2, 1997, att. 41). In addition, BellSouth has not stated that it intends to use its new process for change "as specified" orders as well as for change "as is" orders. (E-mail from Sharon McCreary, Sept. 8, 1997, att. 40; Sept. 2, 1997, att. 41). Change as specified orders, like change as is orders, should be treated as a simple billing change with the only difference being that they also require translations in the switch.

186. A second major functional deficiency in BellSouth's ordering processes is the lack of an acceptable process to inform CLECs of "competitive disconnects." If MCI is providing resold local service to a customer (or service through a combination of unbundled elements) and that customer later switches to BellSouth or another provider for local service, it is BellSouth that makes the switch. BellSouth should provide MCI electronic "loss notification" showing that such a switch has occurred. MCI has provided BellSouth the necessary specfications to enable BellSouth to provide such notice. (Letter from Helen Arthur, Aug. 27, 1997, att. 36). But BellSouth has refused and has stated that it only will agree to provide such notice through the U.S. mail. (Letter from Cliff Bowers, Aug. 29, 1997, att. 21; e-mail from Judy Rueblinger, Aug. 29, 1997, att. 22; e-mail from Judy Rueblinger, Sept. 4, 1997, att. 23).

187. BellSouth's use of the U.S. mail to notify CLECs of competitive disconnects is entirely unacceptable. Receipt of "loss notification" through the mail makes it very difficult for

MCI to track which customers have switched to other carriers. Some mail is likely to be lost, and the need to manually enter the mail into MCI's systems will inevitably cause delay and error. In addition, during the lengthy delay between the customer's switch to another carrier and MCI's receipt of notice informing it of this switch, MCI may send the customer a bill. MCI will not know to process the bill as a final bill, and MCI is likely to charge the customer for some time in which, in reality, the customer is no longer an MCI customer. This could create the need to engage in the lengthy process of adjusting bills after the fact for a multitude of customers. Finally, during the two, three, or more days in which a letter is proceeding through the mail, MCI will not yet know that its customer has left and therefore will not be able to attempt to "win-back" a customer. In contrast, BellSouth intends to attempt to win-back customers who have left BellSouth immediately after they have switched from BellSouth. (Letter from Fred McCallum, Aug. 14, 1997, att. 42). Indeed, until pressed in state § 271 hearings into a commitment to stop doing so, BellSouth was attempting to "win-back" customers who had decided to switch, but had not yet switched from BellSouth. The delayed receipt of competitive disconnects therefore leaves MCI at a competitive disadvantage.

188. A third major functional deficiency in BellSouth's OSS is the lack of an acceptable process to notify CLECs if one of the CLEC's local customers requests, and obtains, a change in interexchange carrier (IXC). Although in recent testimony in North Carolina Ms. Calhoun asserted that BellSouth currently provides this information (Calhoun, N.Car. trans., p. 50, att. 12), in actuality BellSouth has required MCI to submit a BFR in order for it to consider providing notice of any sort if, for example, an MCI local customer switches from AT&T to Sprint for long distance service. This is so even though the industry has defined standards that would enable

BellSouth to transmit such information (Calhoun, N.Car. trans., p. 50, att.12), BellSouth admits it knows how to provide this information, and BellSouth initially intended to provide such information. (Letter from Sandra Hunt, January 8, 1997, att. 43). As a result of BellSouth's delay tactic of requiring a BFR for something it knows how to do, if a customer is unsure of its long distance carrier, MCI will be unable to inform the customer who its carrier is. In contrast, BellSouth can readily inform its customers of this information. Even more important, a CLEC will have great difficulty passing PIC-change charges on to its customers. When an MCI resale customer changes PICs, BellSouth will assess the PIC-change charge to MCI since MCI is the customer of record. But this PIC-change charge will not be sent on a customer by customer basis; it will be assessed as part of BellSouth's general bill to MCI. Even if MCI is able to disaggregate this bill and relate the charge to a specific MCI customer, a process that is likely to be costly and time consuming, the process will delay billing to the customer. The customer may change PICs on July 1, BellSouth will bill MCI on July 30, and MCI will then have to turn around and bill the customer in his next monthly bill (which may be August 30). By this time, the customer might not even remember that he has changed PICs.

189. In addition to deficiencies in the processing of orders, BellSouth's documentation remains deficient, despite this Commission's directive on the need for adequate specifications and documentation of business rules. (Ameritech MI Order, ¶137). BellSouth's LENS User Guide, for example, states that a premise visit is required for orders that are change "as is" even though these orders merely require a billing change. (Calhoun test., S.Car. trans., p. 100-101). The Resale Ordering Guide states that PBX trunks, Synchronet, ISDN, and hunting must be ordered manually; even though BellSouth now claims that these services can be ordered through EDI.

(Calhoun test., S.Car. trans., pp. 37-40, App. C, Vol. 3, Tab 58). In addition to containing misinformation, the documentation is subtantially incomplete. On BellSouth's web page, for example, under key acronyms, only two acronyms are listed. Similarly, the documentation does not, for example, set forth BellSouth's business rules, nor does it describe all of the products offered by BellSouth.

190. Related but distinct from the issue of inadequate documentation is the fact that BellSouth altogether lacks an organized process of change management. When an ILEC makes changes to its systems that effect CLECs, it should inform CLECs of those changes as early as possible so that they can prepare to make necessary changes, if needed, on their side of the interface and so that they can ensure appropriate changes in training to their customer service representatives. Otherwise, the changes are likely to result in significant confusion and a new round of errors. BellSouth, however, has not provided effective notification of changes. When LENS has changed, for example, BellSouth has not sent CLECs any letters notifying them of the changes, let alone sending them letters in advance of the changes. In the South Carolina hearings, Gloria Calhoun stated that CLECs were informed of changes to LENS through CLEC conferences or through updated user guides. (Calhoun test., S.Car. trans., pp. 273-74, App. C, Vol. 3, Tab 58). But there is not always a CLEC conference whenever there has been a change to LENS, and BellSouth does not specify every change at such a conference. As for user guides, since March, there have been three revisions of the LENS User Guide, and each time, MCI's knowledge that the User Guide had changed was obtained from sources other than BellSouth (e.g. based on state public utility commissioner's questions at state § 271 proceedings).

Moreover, the last revision of the LENS User Guide was in June even though there have been numerous changes to LENS since that time.

191. Similar issues have arisen with respect to other changes made by BellSouth. When BellSouth ostensibly added the ability to process four complex services through EDI, for example, it provided no information on the change except through testimony at § 271 proceedings until it sent a letter in September -- providing what the letter stated were revised sections of the July 1997 LEO Implementation Guide (letter from Ann Smith, Sept. 10, 1997, att. 44). Even the letter only provides updates to the Local Exchange Ordering Guide not the Resale Ordering Guide. With respect to the Resale Ordering Guide, it was only through repeated e-mails to BellSouth that MCI found out that BellSouth considers the Resale Ordering Guide to have been replaced by the CLEC Ordering guide on its WEB page.

192. BellSouth's inadequate process of change management has caused MCI some minor problems in using LENS and has delayed MCI development. In the future, however, this inadequate process is likely to cause substantial problems. When BellSouth changes an interface that requires corresponding changes on MCI's part, such as changes in the fields that must be filled in on an EDI order, failure to notify MCI in sufficient time for MCI to change its systems could result in the rejection of vast numbers of orders.

193. In addition to inadequate processes and documentation, BellSouth has engaged in conduct that is discriminatory. BellSouth representatives have, on several occasions of which MCI is aware, called MCI customers to tell them that their MCI service had been installed. They have also called MCI customers to obtain information concerning trouble tickets that had been

opened. But BellSouth should not be contacting MCI customers -- period. It is impossible for CLECs to build up brand identification if customers know they are being served by BellSouth.

194. BellSouth also does not "escalate" orders at parity. If a BellSouth retail customer is given a distant due date for installation of service, the BellSouth representative can escalate the order to a special group in the business office which can offer more immediate service. Although CLECs in theory can also escalate an order by calling BellSouth, (Stacy Aff., ex. WNS-52, p.22), when MCI has attempted to escalate orders it has on several occasions been told that the orders could not be escalated. The BellSouth representatives explained that they had told other CLECs that escalation was currently unavailable and parity required the same result for MCI. But that is not the right question! The right question is whether escalation was available at the time to BellSouth's retail operations; if so, escalation should also be available to CLECs.

5) BellSouth Has Not Commited to Use of Industry Standard Feature Identification Codes

195. Moreover, even if BellSouth had successfully implemented EDI, this would not be sufficient to demonstrate that it had provided the ordering parity required by the Telecommunications Act. The mere fact that BellSouth will use an EDI interface does not provide an answer to the question whether the ordering process conforms to industry standards. BellSouth has not committed to employing the industry conventions for feature identification codes. Feature identification codes identify particular services or functions. Even if the ILEC is employing a proper EDI format, a CLEC must employ the correct feature identification code for each service or function it wants to order or the transaction will "error out."

196. There are literally tens of thousands of services and functions that support feature identification codes. In the past, the codes have not been industry standards. Each ILEC, including BellSouth, could, and often did, assign idiosyncratic "USOC" codes to services. Sometimes these codes even varied by states within an ILEC.

197. The thousands of necessary codes make it essential that a CLEC have an easy way of determining the correct codes. For these reasons, BellSouth, like all BOCs, should be expected to implement the recently approved Telecommunications Industry Forum/ Electronic Data Interchange/ Service Order Sub-Committee (TCIF/EDI/SOSC) industry standard EDI Feature Code Listing. To date, BellSouth has made no such commitment.

198. Indeed, as I explained in the pre-ordering section, MCI uses downloads of information on features to identify the features available at a particular switch. The downloaded information does not include USOC codes, forcing MCI to rely on a cumbersome paper document to attempt to obtain the correct codes. Lack of satisfactory access to BellSouth's internal USOC codes causes significant competitive harms because it creates a substantial risk that CLECs will input incorrect or out-of-date USOC codes.

D. Maintenance and Repair

199. BellSouth offers two interfaces for maintenance and repair: the T1M1 electronic bonding interface for reporting on designed (circuit based) services (essentially those services for which the T1M1 interface is already used in the access world)[30] and the Trouble Analysis and

[30]BellSouth also claims to make available EC-PCM as an alternative to T1M1. Like BellSouth's current T1M1 interface, EC-PCM is not currently usable for most local trouble tickets. In any case, it is not an application to application interface.

Facilitation Interface (TAFI) for telephone number based services (basic local services such as Plain Old Telephone Service). (Stacy I Aff., ¶¶ 82-83). But the T1M1 is the industry standard interface for both circuit based and telephone number based services. BellSouth's failure to have made that interface available for both types of services is flatly unacceptable.

200. Like LENS, TAFI is not a true interface. It does not connect to CLECs' systems and thus requires them to retype trouble tickets from their systems into BellSouth's systems. (Calhoun test., Fla. trans., pp. 1225-29, att. 7). As with LENS, this inevitably creates delay and increases errors, increases the risk of system down time, and forces CLECs to use BellSouth designed screens.

201. Again like LENS, TAFI "times out" after a certain period of non-use. A CLEC customer service representative who is responding to troubles from more than one ILEC and therefore spends periods of time on which he is not working on BellSouth would have to re-log in to TAFI each time a BellSouth trouble came up.

202. While TAFI, in theory, is operational with respect to unbundled ports, BellSouth acknowledges that it cannot be used for unbundled loops. (Stacy test., S.Car. trans., p. 56, App. C, Vol. 4, Tab 60). Unbundled switching transport and unbundled dark fiber also cannot be tested through TAFI (Stacy test., S.Car. trans., p. 58, App. C, Vol. 4, Tab 60).

203. Most important, as a proprietary offering, TAFI simply costs too much to be worthwhile for national CLECs like MCI to build to, train their employees on, and periodically have to upgrade. In addition, because BellSouth relies on EB for some maintenance and repair functions, a CLEC would have to use two separate maintenance and repair interfaces just to do business with BellSouth. BellSouth's claim of the superior functionality of TAFI, (Stacy I Aff.

¶82), may hold true for BellSouth, but it ignores all of the disadvantages to CLECs of the fact that TAFI is a proprietary, non-system to system interface.

204. BellSouth has promised MCI that it will implement electronic bonding within one year from the effective date of its first signed contract with MCI (April of 1997). Here, BellSouth states that it will implement EB by November 1997. (Stacy Aff., ¶ 82). Indeed, MCI and BellSouth have had a series of meetings to discuss the use of electronic bonding for maintenance and repair. To date, there is still some disagreement on the functionality this interface should provide. For example, BellSouth is not willing to provide functionality to send a message to CLECs that a dispatch will be needed to clear a trouble ticket. Such functionality is needed to enable CLECs to request authorization from their customers prior to the dispatch of a service representative. Nonetheless, MCI is hopeful that some sort of agreement will be reached and testing will begin in a matter of months.

205. In any case, there is reason to be skeptical of any date BellSouth promises for the readiness of EB. Starting in 1994, BellSouth attempted to implement an industry-standard EB interface for access trouble reports. BellSouth took the longest of any ILEC to go through the various testing phases. It failed to meet six different production dates. Soon after the system finally went into operation in June 1996, MCI was forced to shut down its EB link with BellSouth due to many problems with BellSouth EB procedures. MCI was finally able to resume its EB link with BellSouth in September of 1996. Significant modifications are needed to make EB viable for local. Indeed, in its recent filing before this Commission with respect to Oklahoma, Southwestern Bell Telephone Company acknowledged that it had to perform many enhancements to its electronic bonding interfaces to make it functional for local. (Ham Aff. ¶ 38).

206. Until EB is up and running, MCI will be forced to rely on phone calls to report troubles. For resale, BellSouth requires CLECs to call the same service centers that BellSouth has established for retail customers and to rely on awkward three-way telephone calls with their customers and BellSouth.

E. Billing

207. The billing function encompasses two discrete sub-functions: daily usage reports that provide the information required to enable CLECs to bill their end users, and monthly bills detailing what the CLEC owes the ILEC.

208. Daily usage feeds are important to MCI, because MCI plans to offer local calling plans in which customers are billed based on their usage of telephone service. BellSouth employs the correct format, EMR, for daily usage feeds. However, BellSouth refuses to provide daily usage feeds for all customers. It will only agree to provide daily usage feeds for customers who CLECs bill based on usage (measured rate customers). But MCI needs the daily usage feed for all customers so that MCI will know if a particular customer would be better off becoming a measured rate customer and can advise the customer of this fact.

209. BellSouth commited to MCI that by September 7, 1997, it would begin offering the correct, industry standard format for monthly summary bills for resale, and for unbundled loops, switch ports, and interim local number portability -- CABS (Carrier Access Billing System) BOS (Billing Output Specification) mechanized format. (Affidavit of David Hollett, ¶ 7, Appendix A, Vol. 1, Tab 6). However, BellSouth is currently employing a CRIS (Customer Record Information System) format for all services that it sells out of its Subscriber Services

Tariff and its Private Line Services Tariff; BellSouth only employs CABS BOS for services ordered from its Access Services Tariff. (Stacy I Aff. ¶ 101). In other words, BellSouth employs CRIS for billing resold services, white page listings and basic unbundled elements such as ports and loops. (Hollett Aff., ¶ 5).

210. BellSouth states that this is non-discriminatory, because it uses a combination of CABS and CRIS to bill end users. (Stacy I Aff., ¶ 101). But CLECs are not end users and BellSouth's obligation of non-discrimination does not mean it should treat CLECs like end users. While CRIS is a perfectly appropriate format for BellSouth to bill its end users, it is not a system which is adequate for billing CLECs, and it is not the industry standard for that purpose.

211. CABS is the standard billing format in the interexchange context, and MCI would have to substantially alter its billing system to employ the CRIS system. Such alteration would be particularly difficult, because CRIS varies tremendously from ILEC to ILEC and even across states within an ILEC. Moreover, the CABS BOS format is needed to ensure that CLECs can audit their bills. Unlike CABS, CRIS provides no usage-sensitive data and is entirely inauditable. The bill contains no call detail and does not even specify the billing period.

212. BellSouth states that is ready to meet its contractual obligation to provide CABS BOS bills, but that MCI is not ready. (Hollet Aff., ¶ 7). It states that "[f]eedback from AT&T and MCI on processing data has not been received as their system changes have not been completed yet." (Hollett Aff., ¶ 7). This is completely false. BellSouth sent MCI its first test tape of CABS formatted data in August. This tape had major problems, and MCI provided feedback explaining the problems on August 20. BellSouth then provided a second test tape in early September. MCI provided feedback approximately two weeks later on September 22. MCI

explained that while BellSouth had corrected many of the problems, editing problems remained which, if not corrected, would cause the bills to error out in MCI's systems. BellSouth has not yet sent a third test tape. MCI is anxiously awaiting such a tape, because MCI is, and has been for some time, ready to receive CABS BOS bills.

213. In addition to its failure to commit to CABS BOS, BellSouth again fails to show that its systems are operationally ready. MCI has conducted limited audits of BellSouth's bills to MCI and has found many major problems. These include 1) billing the access rate for interconnection rather than the local rate; 2) billing the incorrect local rate for interconnection; 3) applying the same rate for interconnection on a regional basis even though the contracts required state specific rate; 4) billing directory assistance at the access rate rather than the contract rate; 5) billing the incorrect rate for resale discounts; 5) failing to apply the resale discount against non-recurring charges; 6) failing to apply the correct tariffed rate for some services. BellSouth imposed late fees on MCI for failing to pay the erroneously billed and disputed items and then imposed late fees on top of these late fees. BellSouth also imposed late fees even for some items for which MCI paid in a timely fashion.

214. BellSouth has now corrected most of the billing errors that MCI found. Although BellSouth originally stated that fixing these problems would take until the end of the year, when MCI brought the billing issues up in state § 271 hearings, BellSouth miraculously agreed to fix them by September. BellSouth has also finally credited MCI for most of the hundreds of thousands of dollars in erroneous bills. Crediting MCI, however, took months -- over four months for those issues that accounted for approximately half the disputed revenue for which credits have been issued to date.

215. Moreover, BellSouth has not succeeded in fixing all of the problems. It continues to bill many NRCs without applying the correct resale discount. Attachment 45, part of BellSouth's North Carolina tariff, shows that BellSouth has a nonrecurring charge of $27.50 for processing a migration order for a primary line. I have appended to the tariff part of BellSouth's September 25 North Carolina bill to MCI. This first page of the appended bill correctly bills the nonrecurring charge for migrating a line -- by applying the correct 21.5% resale discount to the $27.50 NRC and arriving at $21.59. The subsequent pages, however, show migration charges at the rate of $27.50 with no attempt to apply the discount.

216. In addition, the problems MCI has already discovered while manually auditing CRIS bills for major problems are likely only the most obvious of many problems. The problems MCI has already discovered are simple problems with the most basic aspects of the bill. These problems should not have existed in an operational billing system. As MCI begins receiving CABS bills and conducting more thorough audits, it is highly likely that additional problems will become apparent.

F. <u>LCSC</u>

217. The LCSC is the back up for LENS. The LCSC also processes all orders that fall out of EDI for manual processing. The LCSC also handles calls from CLECs on troubles. The LCSC's performance was originally extremely poor. For example on May 23, 1997, MCI received two BST Information/Clarification faxes regarding two "Migrate As Is" trunk orders. An MCI representative had to make six phone calls over a period of seven days, speak to nine BellSouth employees, and be placed on hold several times for significant periods of time just to

attempt to clarify something that was already on the order that had been placed. Although the BellSouth claims to have fixed the problems as of August, there has not yet been sufficient experience with the LCSC subsequent to then to determine if the problems have really been fixed.