Test Cross Reference	Evaluation Criteria	Result	Comments
	with established jeopardy procedures		This result does not have an associated exception.
P3-26	BA-NY provides delay notices when appropriate in a timely manner in compliance with established delay procedures	Not Satisfied	CLECs indicate that they do not currently receive delay notices. This result does not have an associated exception.
P3-27	BA-NY provides completion notices in a timely manner in compliance with established completion procedures	Satisfied, with qualifications	Several CLECs have demonstrated that they do not receive completion notices within the expected timeframes. In addition, the CLECs have demonstrated that in some cases completion orders are never received.
P3-28	BA-NY provides clear and comprehensive procedures for ordering/provisioning activities which are complex or have an extended timeline	Satisfied, with qualifications	CLECs have demonstrated that BA-NY's documentation describing the process of ordering services such as Enhanced Extended Loops (EELs) is insufficient to successfully process these transactions. Fields such as "Network Channel Code", "Network Channel Interface Code" and "Secondary Network Channel Interface Code" are not defined sufficiently in the *BA-NY LSR Business Rules Ordering Guidelines V1.5* and are not accompanied by valid entries. As a result, CLECs wishing to order these services must attempt to identify the BA's correct Subject Matter Expert(s) and through discussions determine the required LSR field entries. This process can be quite arduous and inefficient
P3-29	BA-NY provides knowledgeable and capable personnel to support CLECs in the ordering/provisioning activities which are complex or have an extended timeline	Not Satisfied	CLECs claim that BA-NY Engineering staffs have been unresponsive and difficult to work with during the process of establishing collocations. This result does not have an associated exception.
P3-30	BA-NY complies with its own procedures when providing CLECs with services that include ordering/provisioning activities which are complex	Not Satisfied	CLECs have demonstrated that for collocation orders, as BA-NY approaches its provisioning due date, BA-NY routinely queries the order and resets the provisioning interval clock or unilaterally pushes the due date out by

Test Cross Reference	Evaluation Criteria	Result	Comments
	or have an extended timeline		some number of weeks. CLECs routinely experience provisioning cycles beyond the 76 business day turnaround time quoted by BA-NY for physical collocations. CLECs routinely experience provisioning cycles beyond the 105 business day turnaround time quoted by BA-NY for virtual collocations. CLECs indicate that interim deliverables [such as BA's notification of commitment to a CLEC request within 8 (13) days for a physical (virtual) collocation request] in the collocation ordering cycle are not met by BA. This result does not have an associated exception.

3.2 *Conclusions*

The following section summarizes the conclusions for the CLEC Functional Evaluation Test. The CLEC functional Evaluation Test achieved the following evaluations, on the 29 test criteria:

- Satisfied – 5 of the test criteria were satisfied.
- Satisfied, Exception Resolved – None.
- Satisfied with Qualifications – 13 of the test criteria were satisfied with qualifications.
- Not Satisfied – 11 of the test criteria were not satisfied.

Of those test items accorded a "Satisfied, with qualifications" result, the weaknesses arise mainly from the following:

- Existence of inconsistencies within BA-NY's published Pre-Order and Order Business Rules Documents as well as EDI User's Guides (P3-03)
- Inaccessibility of the BA-NY Web GUI by CLEC Service Representatives (P3-05)
- Inability of CLEC Service Representatives to access an order which has been submitted by a different Service Representative (P3-07)

- Lack of published business rules describing different sets of rules associated with performing the Address Validation Pre-Order depending on the city or borough of the end user (P3-08)
- Lack of compliance with commitment dates associated with returns of LSCs and CMPs (P3-10)
- Irregularities associated with the GUI "Smarts Clock" (P3-11)
- Unclear error messages returned in response to CLEC orders (P3-12)
- Inability of BA's OSSs to reliably process Directory Listings requests associated with UNE loop migrations (P3-14)
- Difficulties regarding working with BA-NY Help Desk personnel including:
  - — Experiencing excessive hold times (P3-15)
  - — Enduring missed commitments for call backs (P3-16)
  - — Non-receipt of cogent answers in response to order population questions (P3-17)
- BA-NY rejects valid CLEC orders based on due date problems even though the CLECs use the Smarts Clock Application or the Standard Interval Guidelines to select the due date (P3-21)
- BA-NY Engineering Staffs SMEs are difficult to access (P3-23)
- Non-receipt of Completion Notices within required timeframe (P3-27)
- Lack of documentation describing the ordering/provisioning procedures associated with Enhanced Extended Loop (EEL) service (P3-28)

Of those test items accorded a "Not Satisfied" result, the weaknesses arise mainly from the following:

- Lack of adherence to BA-NY LNP Hot Processes by BA-NY Coordination Centers, switch Translations Centers, and Frame Technicians causing the following LNP procedures to be prone to problems:
  - — Supplements of Hot Cut orders not consistently recognized (P3-09)
  - — Cancellation of Hot Cut orders not consistently recognized (P3-09)
  - — Processing of Hot Cut orders in an uncoordinated manner outside of their scheduled Frame Due Time (P3-22)
  - — Pre-testing of Hot Cut Orders not being conducted uniformly or at prescribed times (P3-24)

- Inaccuracies of information included in LSCs and multiple transmissions of LSCs (P3-11)
- Integration issues associated with BA-NY pre-order system outputs and order system inputs (P3-13)
- Inability of BA's OSSs to reliably process Directory Listings requests associated with UNE loop migrations (P3-14)
- Non-receipt of valid and final LSCs within required timeframe (P3-20)
- Failure of BA-NY to provide Jeopardy Notices (P3-25)
- Failure of BA-NY to provide Delay Notices (P3-26)
- BA-NY Collocation personnel are unavailable and unresponsive to CLECs requiring collocation support.
- BA-NY Collocation provisioning cycles do not meet committed timeframes (P3-30)

The major findings from this test indicate that although BA-NY has made significant progress in implementing procedures to allow effective interfaces with the CLECs, their systems and procedures are still flawed in several major areas. These procedural and system flaws are demonstrated most clearly for services that require a higher level of coordination such as UNE-loop Hot Cut Orders.

Based on the defined test criteria, the above represents our evaluation of BA-NY's Live CLEC Functional Evaluation (POP3).

Appendix E

KPMG EXCEPTION ID 9

Exception: The Provisioning Coordination Process is documented in Methods and Procedures which are not consistently followed.

Domain: POP

Description: During the case study period from August 27, 1998 to September 29, 1998, the procedures defined in the RCCC Methods and Procedures documentation were not consistently or reliably practiced for the samples selected. KPMG found that the coordinators logged and contacted the CLECs before the due date in only 7 of the 25 selected completed orders. (32 orders were sampled, 7 of them were not completed during the sampling period.) In more than half of the selected orders, the RCCC Coordinators failed to log and call the CLECs one-hour prior to FDT and post-cutover. The coordinators did not consistently log the activities and times associated with the key events in a hot-cut.

Documentation reviewed:

- RCCC Two Wire Analog Loop and Interim Number Portability, RCCC North, 8/15/98
- RCO-98-0016, ADSL, HDSL - Digital Unbundled Loops
- RCO-98-0022, RCCC Coordinator's Guide, Expanded Extended Loop
- RCO-98-0027, RCCC Coordinator's Guide, DS1 Unbundled Loop Service
- RCO-98-0028, RCCC Coordinator's Guide, Unbundled Basic Rate ISDN Loop Service
- RCO-98-0039, RCCC Unbundled DS3 Transport, North
- RCO-98-0040, RCC Unbundled DS1 Transport, North

Impact Assessment: Quality of service is compromised when documented procedures are not followed. The coordination process was developed to ensure that customers do not lose service in the conversion from Bell Atlantic to the CLEC. When the coordinators do not follow the process including timely notification and contact with the CLEC, confusion, delays, or disconnects in error can result.

For example, when the RCCC fails to contact a CLEC for a hot-cut order before the due date, the CLEC may not have a confirmed notification of the provisioning schedule. Consequently, the CLEC can not pass along order status to its customers, giving the impression of poor quality service by the CLEC. In addition, the CLEC has no opportunity to review order details, such as the cable and pair numbers, loop

Appendix E

signaling, etc., with the Coordinator to ensure accuracy. This may result in errors during the hot-cut.

Status: Open

Date Opened: 12/4/98

KPMG Exception

ID	54
Domain	POP
Owner	Rob McDonald/ Steve Sesko
Date Uncovered	3/15/99
Status	Open
Date Opened	4/2/99 4/7/99 (Revised)
Exception	Lack of adherence to Established "Hot Cut" Procedures

Description

An exception has been identified as a result of the ongoing POP CLEC testing process. The following exception describes a failure by Bell Atlantic-New York to consistently follow the established "Hot Cut" coordination procedures as outlined in the the Regional CLEC Coordination Center's (RCCC) "RCCC Two Wire Analog Loop -RCCC North" document. Through their failure to follow established procedures, RCCC coordinators also allow irregularities to occur at the Recent Change Memory Administration Center (RCMAC) and various BA-NY Central Offices (CO).

CLECs order UNE Loops with Local Number Portability (LNP) as a coordinated "Hot Cut" to meet two primary customer needs:

1. Seamlessly transition of their customer to a new local exchange carrier without significant outage of telephone service
2. Allowing the customer to retain his/her original telephone number

When working on UNE Loop LNP Hot Cut Orders, the RCCC coordinates a series of tasks performed at the Frame Due Time (FDT) by the BA-NY Recent Change Memory Administration Center (RCMAC), the BA-NY Frame Technician(s), and the CLEC. The RCMAC performs translation updates to the BA-NY switch which disconnect dial-tone to the subscribers loop. The BA-NY Frame Technician removes BA-NY's switch cross-connections from the subscriber's loop and connects the CLEC's switch cross-connections to the subscriber's loop. The CLEC then provides dial-tone to the subscriber's loop. The Hot Cut process should be coordinated to ensure that the transfer of service occurs at the designated FDT and that any service disruption to the subscriber is minimized.

At FDT, safeguards are designed into the process to prevent subscribers from being put out of service as a result of the Hot Cut process. Through observation, KPMG has identified a number of problems associated with the UNE Loop LNP Hot Cut orders at various provisioning work centers and with communication between BA-NY and CLECs. These problems indicate that the process is not well coordinated by the RCCC. These UNE Loop LNP Hot Cut problems include:

- RCCC Coordinators placed the required coordination phone calls to the KPMG "pseudo" CLEC on only just over half of the test transaction orders entered by KPMG and received by BA-NY.
- Frame Technicians removed BA-NY switch cross-connects and replaced them with CLEC switch cross connects before FDT (early cut).
- Frame Technicians removed BA-NY switch cross-connects and replaced them with CLEC switch cross connects after FDT (late cut).
- Frame Technicians removed BA-NY switch cross-connects and replaced them with CLEC switch cross connects at the FDT of an order that had been superceded with a supplemented order specifying a new FDT.
- Frame Technicians removed BA-NY switch cross-connects and replaced with CLEC switch cross connects at the FDT of an order that had been cancelled.
- RCMAC switch administrator removed switch translations at FDT of an order that had been superceded with a supplemented order specifying a new FDT.
- RCMAC switch administrator removed switch translations at FDT of an order that had been cancelled.
- Upon completion of cut-over, acknowledgement by CLEC accepting orders through RCCC was not

ATTACHMENT 6

received.
- Directory Listings dropped for post-migrated orders.

Additionally, KPMG observed specific failures to adhere to established methods and procedures at various BA-NY COs unrelated to the coordination provided by RCCC coordinators. The Frame Technician located at the CO is required to follow an established process when working on a UNE Loop LNP Hot Cut Order at the BA-NY Wire Center. The following problems were identified:

- Testing for dial tone on CLEC switch appearance at Main Distribution Frame (MDF) prior to cut-over of customer's loop was not performed.
- Pre-wiring of new frame jumpers was not "tagged" prior to migration of customer's loop.
- Initial testing for dial tone occurred at Frame Due Time (FDT) instead of 24 - 48 hours earlier.
- Testing for Automatic Number Identification (ANI) on existing BA-NY Office Equipment (OE) at FDT was not performed.
- Conducted cut-overs at time other than scheduled FDT.
- Post cut-over testing for dial tone was not performed.
- Post cut-over testing for ANI was not performed.
- Service Interruptions of less than five (5) minutes was not met.
- Upon completion of cut-over, acknowledgement of customer acceptance through RCCC was not received.
- For cancelled orders, failure of BA-NY systems to notify Frame Technician that orders had been cancelled which led to the Frame Technician conducting customer disconnect order.
- For supplemented orders specifying a delayed cut-over, failure of BA-NY systems to notify Frame Technician that order had been delayed leading to Frame Technician processing customer disconnect order at time specified on original order.

Assessment

CLEC customers undergoing the UNE Loop with LNP Hot Cut Process are vulnerable to any number of service affecting disruptions. BA-NY's UNE Loop with LNP Hot Cut Processes are designed to minimize service affecting problems in the customer's service at the time of cut-over and to verify that a customer's service has been successfully migrated to the CLEC following the cut-over. Failure of the RCCC to ensure strict coordination between all affected parties at the FDT increases the chances that a given subscriber will experience a service disruption. Moreover, failure of BA-NY Frame Technicians to follow established Hot Cut procedures also increases the chances that a given subscriber will experience a service disruption.

UNE LOOP INSURANCE PROGRAM

Program Description

May 12, 1999
DRAFT

Bell Atlantic New York (BANY) is confident in its abilities to fulfill CLEC orders for UNE Loop Hot Cuts. In affirmation of this confidence, BANY will offer a UNE Loop Insurance Program as follows:

- **Product Substitution:** CLECs will be offered Resale and/or UNE-P if BANY is not capable of providing UNE Loop Hot Cuts. Product substitutions are for 2 wire analog loops from an end user to a CLEC's collocation arrangement in the same serving central office. Under the program, CLECs will be responsible only for the charges that they would have incurred had they received a UNE Loop Hot Cut.

- **Program Availability:** The Program will be available to all CLECs that are certified Resellers (for Resale) and/or are prepared to offer UNE-P. (The Resale and CLEC Handbooks provide detailed information.) When a CLEC agrees to participate in the UNE Loop Insurance program, Bell Atlantic will expedite the establishment of the CLEC as a Bell Atlantic Reseller if the CLEC is not already a certified reseller or an active UNE-P customer.

- **Product Ordering:** CLECs may order Resale and/or UNE-P as a substitute for their regular UNE Loop Hot Cut orders, subject to the conditions described herein.

- **Program Trigger:** BANY load balances its work force based on industry forecasts. In situations, where participating CLECs anticipate a shortfall in BANY performance, they may request permission to order Resale and/or UNE-P as a substitute for UNE Loop Hot Cuts. BANY will evaluate these requests on a case-by-case basis. If BANY anticipates a shortfall in performance or capacity, BANY may also notify participating CLECs that they may request Resale and/or UNE-P as a substitute for Hot Cuts.

- **Honor System:** CLECs that participate in the UNE Loop Insurance Program will order the substituted Resale and/or UNE-P product in volumes consistent with a backup, insurance program and not as a primary means for market entry. BANY will track CLEC substituted order volumes to ensure that the order volumes and mix are consistent with the intent of the program.

The UNE Loop Insurance Program provides Resale or UNE-P service as a substitute for UNE Loop Hot Cuts in certain circumstances:

- **Product Overview:** The CLEC and Resale Handbooks Volume III provide descriptions of Resale and UNE-P.
- **Eligible CLECs:** CLECs that are Certified Resellers would be able to order Resale as a substitute for UNE Loop Hot Cuts (see Resale Handbook Volume I for details on how to become a Certified Reseller). Those CLECs that have already completed the Network Design Review (NDR) process in order to configure the UNE Switch Port component of UNE-P (as defined by the CLEC Handbook Volumes I and III) may use UNE-P with customized routing, as a substitute for UNE Loop Hot Cuts. CLECs that have not completed the NDR process could utilize the abbreviated "Option B" process to use UNE-P with standardized routing, as a substitute for UNE Loop Hot Cuts.
- **Product Features:** The functions and features of UNE-P or Resale substituted for UNE Loops are limited to those found in BANY's switches. CLECs will specify the features they wish to order on an LSR. The existing Resale and UNE-P ordering scenarios apply (e.g., migrate as is, migrate as specified, etc.).
- **OS/DA:** CLECs ordering Resale and/or UNE-P as a temporary substitute for UNE Loop Hot Cuts should use BANY provided OS/DA with CLEC branding unless the CLEC has a pre-established active office dialing plan with customized routing.
- **Product Ordering:** While the program is in effect for a particular CLEC, eligible CLECs will submit Resale or UNE-P orders in lieu of UNE Loop Hot Cut orders. BANY may seek to identify substitution orders through reconciliation with CLECs or, consistent with the change control process, may seek to add a particular product identifier to the LSR to identify product substitution orders.
- **Product Billing:** Due to the temporary nature of the program, BANY may manually credit participating CLEC invoices for substituted services.

The UNE Loop Insurance Program is very easy to follow and has few constraints:

- **CLEC Initiated Program Trigger:** A CLEC may request BANY to initiate the program. BANY will evaluate these requests on a case-by-case basis, but will in no case deny such requests if the Firm Order Completion (FOC) and On Time Performance (OTP) UNE Hot Cut results from the last 5-day rolling average fall below 85%. With its request to initiate the program,the CLEC shall provide a plan for converting from the substituted product back to UNE Loop Hot Cut. BANY will monitor on a daily basis FOC and OTP UNE Loop Hot Cut results. If BANY anticipates a shortfall in performance or capacity, BANY may also notify participating CLECs that they may request Resale and/or UNE-P as a substitute for Hot Cuts. If BANY denies a CLEC request, CLECs may appeal to the Director of the DPS Office of Communications for quick resolution.

- **Product Life:** The lower insurance program rate on a substituted product will be in effect for a minimum period of three months. After this 3-month period, BANY will evaluate its current level of service and capacity and will coordinate with the CLEC to begin the migration of these substituted products to UNE Loop Hot Cuts. CLECs have the option of converting the substituted product to a UNE Loop Hot Cut, or leaving the substituted product in place after the 3-month period. If the CLEC chooses to leave the substituted product in place after 3 months, the CLEC will be charged full Resale or full UNE-P rates thereafter.

- **Program Life:** CLECs for which BANY has initiated the program will be permitted to place orders for product substitutions until notified by BANY to suspend the substitutions, which BANY will do once it has achieved clear and consistent FOC and OTP results. CLECs that have initiated the program will suspend substitution ordering per the agreed to conditions negotiated at the time of the request approval.

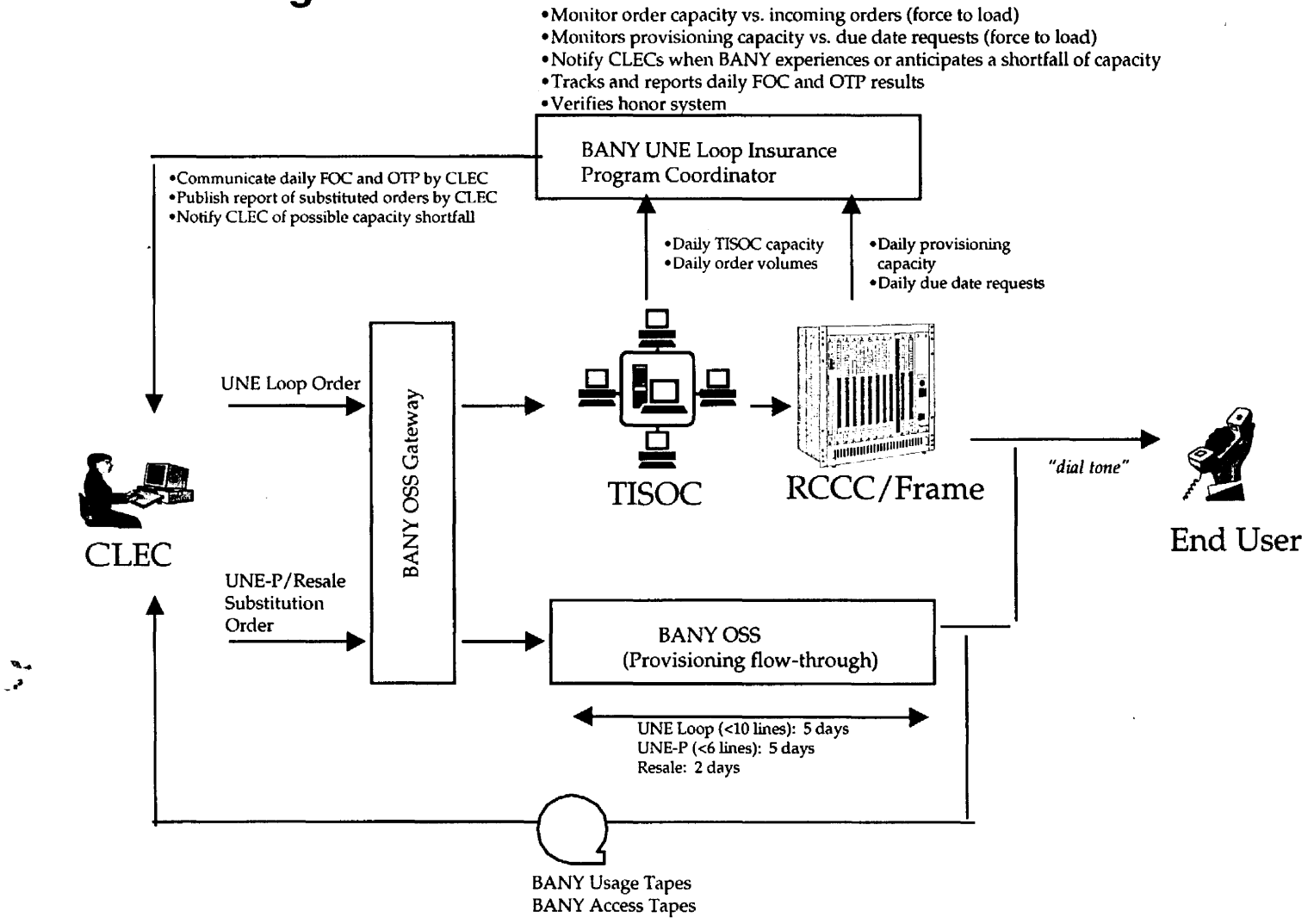
- **Service Constraints:** The UNE-P service and geography limitations, set out in the pre-filing statement and BANY's tariffs, continue to be in effect when CLECs order UNE-P as a substitute for UNE Loop Hot Cuts. When CLECs order Resale as a substitute for UNE Loop Hot Cuts, they can use all of the retail features and functions available in BANY switches at the time of ordering. Eligible CLECs may place substitution orders in any C.O. where CLECs would also be able to place UNE Loop Orders (collocation equipment for POTS loops with dial tone available).

The UNE Loop Insurance Program is based on an Honor System. Participating CLECs must use the program as an "insurance mechanism," and not as their primary means of doing business. BANY will monitor the program for reasonableness.

- **Performance Tracking:** BANY will track CLEC-specific FOC and OTP performance and will communicate these values to CLECs participating in the program on a daily basis.

- **Insurance Program Compliance:** In order to ensure that the program is being subjected to reasonable use, BANY will track the volumes of substitutions made and will compare the volume of CLEC orders for Resale and/or UNE-P substitutions for UNE Loop Hot Cuts to the CLEC negotiated substitution volumes and/or the volumes received in the eligible period of BANY initiated triggers. Substitution volumes will also be compared to the forecasted and actual volumes of regular UNE Loop Hot Cuts. BANY reserves the right to suspend CLECs from the insurance program when their substitution volumes are higher than those anticipated based on the comparison. The volumes of substitutions in excess of those anticipated shall be re-rated and subsequently billed at full Resale or full UNE-P rates accordingly. BANY will discuss program suspension and/or product re-rating with CLECs prior to taking such actions.

The following diagram depicts a high level flow of the Loop Insurance Program:



ATTACHMENT 7

February 5, 1999

Mr. Daniel M. Martin
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223

Re: AT&T/Bell Atlantic Hot Cut Data Reconciliation

Dear Dan:

This report presents AT&T's conclusions to date, derived from our joint review of AT&T's and Bell Atlantic's ("BA") data on BA's provisioning of hot cut loops with number portability for AT&T in September, 1998. We might begin by noting that this exercise, while painful, has proven highly instructive, as we think we can show below.

In summary, this effort demonstrates that:

1. fundamental process and performance deficiencies surround BA's provisioning of hot cut loops. These cause widespread customer service disruptions and downtime. Forty percent of BA's Firm Order Commitments ("FOCs" or "LSRCs") returned by BA to AT&T in September 1998 were incomplete, inaccurate or both. As initially provisioned by BA, at least 27.5 percent of the lines failed to work because of BA provisioning errors.

2. BA's performance reports under the interim carrier-to-carrier metrics mask these serious performance shortcomings and, therefore, fail to provide meaningful information for performance measurement purposes;

3. substantial changes are required in both BA's operations and data gathering processes in order to produce meaningful metric reporting on hot cut loop provisioning; and

4. the existing carrier-to-carrier metrics must be clarified, revised and supplemented in order to ensure that future BA performance reports show clearly what actually happens as CLECs seek to market to local service customers in competition with BA.

Objectives and Overview

One thing which is undoubtedly clear to Staff by now is that the objectives of AT&T and BA in undertaking this review were not the same. BA can speak for itself on its objectives. AT&T, however, had and continues to have three principal objectives. First, we wished to capture and provide some basic evidence that accurately described the commercial reality in connection with BA's provisioning of hot cut loops.

Second, to the extent that the facts differed from BA's reported performance under the existing carrier-to-carrier metrics, we wanted to know how to alter, clarify or add to those measurements, and how BA should modify its data gathering processes in order to produce meaningful performance information. This point warrants some small expansion. In the Joint Affidavit of Richard Fish and Jeannine Guidry, we presented evidence that the commercial realities AT&T was experiencing in provisioning loops was not reflected in the carrier-to-carrier performance reports that BA was filing. Put simply, BA's reports suggested relatively high quality performance and AT&T experienced very

poor performance. BA seems to have taken this affidavit as a criticism of its data collection and reporting processes and, to an extent, this is true.

AT&T, however, never limited itself to such argument. Statistical metrics are valuable if and only if they accurately measure the phenomena they are intended to measure. As you are aware, the carrier-to-carrier metrics developed in the earlier phase of the collaborative proceeding before Judge Brilling are interim. They were intended to be first approximations of methods for capturing data describing BA's performance in specified areas. They were never intended to be the last word on any of their subjects and, indeed, were always intended to be modified or supplemented if actual market experience demonstrated weaknesses in the measurement process.

A principal objective of AT&T in this investigation has been to determine whether and where BA's reporting failed to capture accurately what was occurring in the market. If BA's data prove inaccurate or incomplete, that is important. Similarly, if such data prove to be accurate, but the accuracy is based upon BA's interpretation of what the carrier metrics mean, then the question remains as to whether BA's interpretation hides or reveals what is happening in the market. Finally, if BA is complying with the carrier metrics but this investigation proves the metric is ill defined to capture the marketplace experience it is intended to capture, that too is important. We will

discuss each of these areas of concern below.

Third, we wanted to identify some of the root causes of problems underlying major areas of poor performance by BA. We sought to identify systemic problems that have resulted in customer service disruption and downtime during the hot cut loop provisioning process, and also prevented the development of appropriate metrics or metric reporting on that process.

We have not certainly fully achieved any of these objectives but I think we have made significant progress towards achieving all of them.

Three additional points warrant emphasis at the outset. First, the carrier-to-carrier metrics seem to have been developed based on an almost unconscious assumption that BA and its CLEC customers were already operating in a basically stable, functioning provisioning environment. The focus seemed to assume that anything that was done was done largely correctly and the central issue to measure, therefore, was speed of provisioning. This turns out to be an enormous error. While timeliness is and will continue to be important, especially when orders reach commercial volumes, the primary issue at this time is <u>not</u> just that provisioning is slow, it is that it isn't done well at all.

The metrics as currently written -- at least as interpreted by BA - don't capture this first, critical reality. They measure the speed with which BA returns a FOC but not whether the FOC that is returned is complete or valid. But 40%