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Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of	)	
	)	
Application by SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance for Provision of In-Region, InterLATA Services in Texas	)	CC Docket No. 00-65

COMMENTS OF MCI WORLDCOM, INC., ON THE APPLICATION BY SBC FOR AUTHORIZATION TO PROVIDE IN-REGION, INTERLATA SERVICES IN TEXAS

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NY Order	In re Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Services in the State of New York, CC Docket No. 99-295, Memorandum Opinion and Order, FCC No. 99-404 (rel. Dec. 22, 1999)
SC Order	In re Application of BellSouth Corporation, et al. Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in South Carolina, CC Docket No. 97-208, Memorandum Opinion and Order, 13 F.C.C.R. 539 (1997)
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McMillon, Sivori & Lichtenberg Reply Decl.	Joint Reply Declaration of Terri McMillon, John Sivori and Sherry Lichtenberg on Behalf of MCI WorldCom (Feb. 22, 2000) (MCI WorldCom Feb. 22 Reply Comments, Tab A)

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INTRODUCTION AND SUMMARY

In response to Southwestern Bell's ("SWBT's") section 271 application filed in January, MCI WorldCom identified a discrete but critical set of Operations Support Systems ("OSS") and pricing issues that must be resolved before there can be successful competition using unbundled elements to serve residential consumers and small businesses in Texas. SWBT has since cured only one of the six major defects MCI WorldCom identified, and it continues to pursue excessive charges for access to the UNE-Platform ("UNE-P"). SWBT could expeditiously resolve the remaining systems issues and demonstrate through commercial experience that the planned enhancements work. Instead, it has again based its application on a combination of promises to comply with some competitive checklist requirements in the future and an ostrich-like refusal even to admit the seriousness of other problems. The Commission should reject SWBT's repeated efforts to gain section 271 approval prematurely without fully implementing the checklist requirements and thereby removing barriers to robust local competition.

Last year MCI WorldCom initiated plans to enter the Texas residential market on a provisional basis, relying on the Texas PUC's decision to require SWBT to offer UNE-P, and, more generally, on the PUC's commitment to achieving sustainable local competition. Consistent with those plans, MCI WorldCom began offering UNE-P service in Texas earlier this month at small volumes. The scope and ultimate viability of MCI WorldCom's entry are, however, contingent on SWBT removing the remaining barriers to entry, primarily in the areas of OSS and pricing. MCI WorldCom hopes to be able to ramp up to full commercial volumes once these issues are resolved. At this time, however, SWBT has not resolved outstanding system problems, and has erected additional barriers to UNE-based competition, including the following:

OSS Deficiencies: Service Addresses and Integration. SWBT does not provide integratable pre-order and order interfaces. In order to comply with the competitive checklist, SWBT must provide fully parsed Customer Service Records ("CSRs") to CLECs, ensure that the pre-order information it provides to CLECs precisely matches the information CLECs are required to submit on orders, eliminate the requirement that service addresses be transmitted on migration orders, and resolve discrepancies in SWBT's back-end databases. SWBT has not done any of this. The only step it has taken is an apparent promise that it will provide CLECs fully parsed CSRs in June 2001 and eliminate, on May 27, 2000, the requirement that service addresses be submitted on migration orders. Bell Atlantic, in contrast, had implemented both of these fixes prior to submitting its section 271 application for New York. MCI WorldCom welcomes SWBT's promised improvements, but they must be implemented and proven to work before SWBT applies for section 271 approval, not next month or next year.

SWBT contends that it need not provide parsed CSRs because it supposedly has documented procedures to allow CLECs to integrate pre-order and order functions effectively. However, SWBT's consultant, Telcordia, correctly states that SWBT's documentation is incomplete even for parsing simple service addresses. Telcordia nonetheless states it was able to obtain sufficient rules orally from SWBT. CLEC system developers cannot, however, rely on "oral specifications" that can change depending on which SWBT representative is supplying the information and whether the inquiry comes from SWBT's competitor or SWBT's consultant. That is why SWBT is required to publish complete documentation. Moreover, Telcordia does not even show that it built an interface that successfully transmitted representative orders to SWBT. In fact, there are fundamental flaws in SWBT's documentation and systems that preclude successful integration – flaws that SWBT and Telcordia do not address at all.

First, even if CLECs could parse CSRs themselves, that would not resolve other barriers to integration, including mismatches in SWBT's databases and discrepancies between information SWBT provides to CLECs at the pre-order stage and information SWBT requires CLECs to provide on orders. Second, SWBT does not provide critical directory-related information in a parsed format, and Telcordia does not state that it obtained such information verbally from SWBT. Third, even if SWBT's promised service-address improvement works, it will not eliminate the need for SWBT to provide fully parsed CSRs. CLECs will still be required to submit addresses for key functions such as changing the customers' features, ordering a second line, and ordering xDSL-based services. Neither SWBT nor Telcordia addresses any of these fundamental obstacles to OSS integration.

The Commission's Louisiana II Order states that consultant reports concerning OSS integration are unpersuasive if they do not address the "actual performance" of the claimed integration functionality, including evidence of volume testing and that the claimed integrated interface is "capable of negotiating a service order in substantially the same amount of time as BellSouth's own integrated systems." SWBT has been on notice for more than a year that such evidence of the integration function is required to establish that its OSS is integratable, but chose not to comply with the Commission's direction.

OSS: Defective LIDB Process. SWBT's renewed application fails to address SWBT's inadequate process for accepting updates to the "LIDB" database (used for important functions such as authorization for collect calls, maintaining long-distance and intraLATA "PIC" choices, and triggering directory assistance branding). Early data from MCI WorldCom's launch suggest that SWBT is failing to correctly change customers' long distance and/or intraLATA PICs on

approximately one-third of orders and is also failing to ensure they receive proper branding on operator and directory assistance calls.

OSS: Disassociation of Service Orders. SWBT still divides UNE-P orders into three sub-orders and disassociates the sub-orders, causing lost dial tone for consumers. In December, SWBT promised to address the problem in an unstated manner and at an undefined time, but it has not done so. SWBT contends that "only" 7 or 8 of every 1000 residential consumers switching to CLECs will lose dial tone due to this problem. Leaving aside that SWBT's ever-changing data does not even count lost dial tone restored before a trouble ticket is opened, and is based on SWBT manually hand-holding a small volume of UNE-P orders, local competition in a mass markets setting cannot be sustained with this level of lost dial tone. SWBT must be able to process well over 100,000 orders every month, as Bell Atlantic does today. Local competition will inevitably fail if 700-800 or more customers every month lose dial tone merely for trying a competitor's service.

Other OSS Defects. SWBT continues to reject too many orders and manually process far too many rejects, and it has exceeded the required interval for returning manual rejects to CLECs for six consecutive months. Moreover, SWBT has not lessened the excessive degree of manual intervention for supplemental orders, partial migrations and other order types discussed in MCI WorldCom's earlier comments. SWBT has also failed to correct its defective process for relating two different orders for the same customer, and the limited hours of operation for its systems.

In addition to the LIDB problems discussed above, MCI WorldCom is experiencing several problems with SWBT's processing of orders as part of MCI WorldCom's initial UNE-P launch. A high percentage of MCI WorldCom's orders are being rejected. Of those that are

accepted, far too many firm order confirmations ("FOCs") and service order completions ("SOCs") are being returned late.

Excessive Charges for UNE-P. SWBT's promise to temporarily refrain from collecting an unlawful and exorbitant glue charge for UNE-P is insufficient. SWBT continues to support grossly excessive charges before the PUC and has stated its intention to retroactively collect these charges from CLECs.

Unreasonable Barriers to Access to Loop and Transport. SWBT has recently placed discriminatory and unreasonable restrictions on access to combinations of loop and transport unbundled network elements in violation of the competitive checklist and the Commission's UNE Remand Order. The effect of these restrictions (including requirements that CLECs needlessly collocate, and disconnect and reconnect existing loops) would be to prevent MCI WorldCom from using loop-transport combinations to provide local services.

Optical Loops. SWBT has refused to provide optical level loops to MCI WorldCom, which are needed for a wide array of high bandwidth applications supporting voice, video and data. SWBT's refusal to provide these high capacity connections where they are available is blatantly discriminatory and unreasonable, as SWBT uses these capabilities for its own retail services.

SWBT's conduct in refusing to remedy systems defects that bar widespread competition for residential and small business customers, and in erecting new barriers that impede broadband competition and grossly inflate competitors' costs of accessing SWBT's network, cannot be squared with a finding of checklist compliance and an irreversibly open local market.

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COMMENTS OF MCI WORLDCOM, INC., ON THE APPLICATION BY SBC FOR AUTHORIZATION TO PROVIDE IN-REGION, INTERLATA SERVICES IN TEXAS

Southwestern Bell's ("SWBT's") renewed application for section 271 authority is still premature, as SWBT has not yet satisfied the competitive checklist nor irreversibly opened the Texas local market to competition. The Commission's prior section 271 orders leave no ambiguity that a Bell Operating Company ("BOC") must fully implement the competitive checklist and cannot rely on mere promises to implement enhancements after the application date. SWBT's prior premature filing – supplemented by thousands of pages of unverified, post-application ex parte assertions – demonstrates why it is critical that a BOC first demonstrate in evidentiary proceedings before the state commission that its systems, including promised enhancements, have been implemented and work properly. Only then can competitors and regulators adequately test SWBT's self-serving factual claims on the record.[1/] SWBT has not

1/ SWBT has already begun the process of relying on post-application "facts" that CLECs have limited or no opportunity to review and rebut, including reliance on a Telcordia report concerning OSS integration filed only two days before CLEC comments were due in this proceeding. See Texas PUC Mem. dated April 24, 2000, Docket No. 20000 (attaching Telcordia Supp. OSS Readiness Report, Pre-order/Order Integration Analysis). As discussed below, there

shown that it has eliminated the remaining barriers to entry in Texas. It has simply promised to do so in the future for some problems, while refusing altogether to address other issues.

In addition to the unresolved OSS problems relating to UNE-P discussed in detail below, MCI WorldCom is concerned with SWBT's performance and discriminatory policies relating to access to advanced services and unbundled loops, but generally defers to the comments of other carriers with more immediate experience in these areas.[2/] In two areas relating to loops, however, SWBT has recently engaged in anticompetitive and discriminatory conduct directly against MCI WorldCom. First, SWBT has refused to provide to MCI WorldCom loop-transport combinations (known as enhanced extended links, or "EELs") absent patently unreasonable and discriminatory conditions. Second, SWBT has refused to agree to provide to MCI WorldCom high-capacity optical loops needed for broadband services, even though SWBT uses these high capacity connections in its own network. Finally, SWBT continues to demand excessive charges for UNE-P.

SWBT's hastily refiled application should be rejected.

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are gaping holes in Telcordia's analysis. MCI WorldCom and other CLECs have had no opportunity to discuss these defects with Telcordia, SWBT or the Texas PUC on the record, let alone prior to the submission of SWBT's application.

2/ Consistent with the Commission's Public Notice, MCI WorldCom has not repeated its discussion of issues for which SWBT does not present new arguments or evidence (including the flawed performance remedy plan, extension of intellectual property protection, and several OSS issues not addressed in SWBT's renewed application).

I. SWBT HAS NOT CORRECTED SUBSTANTIAL OSS DEFECTS

On April 15, 2000, based on longstanding plans, MCI WorldCom began offering local residential service in Texas using UNE-P. MCI WorldCom transmitted approximately 1100 orders to SWBT in the first week, a rate far below the anticipated commercial level of 3000-5000 orders per day that MCI WorldCom alone would place in full-scale operations. McMillon, Sivori & Lichtenberg Supp. Decl. ¶¶ 3-4.

The scope and ultimate viability of MCI WorldCom's launch depend on SWBT's progress in correcting the remaining defects in its OSS. Without needed enhancements in SWBT's systems and proof that SWBT can accurately and timely process high volumes of orders, MCI WorldCom will not be able to expand service in Texas to reach full commercial scale, and Texas will see only a minimal level of UNE-based residential competition for the foreseeable future. Id. ¶¶ 6-8.

Since the time of its January application for section 271 approval, SWBT has corrected, at most, only one of the significant systemic defects in its OSS that MCI WorldCom has documented.[3/] The most significant remaining systemic defects in SWBT's OSS include: (1) SWBT's failure to provide integratable pre-order and order interfaces; (2) SWBT's requirement that CLECs provide a full service address on orders for customers migrating from SWBT to a CLEC; (3) SWBT's flawed process for updating the Line Information Database ("LIDB"), which is already causing severe problems; (4) SWBT's division of each CLEC UNE-P order into three

3/ SWBT appears to be able to accept electronic trouble tickets immediately after an order has been completed, although testing is ongoing.

sub-orders without a process for ensuring those sub-orders remain associated, and (5) SWBT's reliance on too much manual processing, especially in the processing of rejects.

SWBT has nonetheless submitted a new section 271 application on the basis of updated data and a promised future change in its OSS. The fact remains, however, that SWBT does not today provide OSS that is functionally adequate or operationally ready. Indeed, even SWBT's promised future change, to enable CLECs to transmit migration orders without transmitting a customer's service address, while helpful, will not bring SWBT's OSS up to the standards required for section 271 approval.[4/]

In explaining why this is so, MCI WorldCom focuses on responding to new facts provided by SWBT in its April 5 filing and providing data from its launch. MCI WorldCom does not repeat its prior analysis, which remains valid.

A. SWBT Fails to Provide CLECs with Pre-Order Interfaces That Can Be Effectively Integrated with an EDI Ordering Interface.

The Commission consistently has emphasized that a BOC must provide a pre-order interface that CLECs can integrate with an EDI ordering interface. NY Order ¶ 137; LA II Order ¶¶ 94-100; SC Order ¶¶ 112, 156-59. Chairman Kennard indicated that this was one of the areas on which SWBT should focus before renewing its application, while Commissioner Tristani similarly emphasized that SWBT should focus on OSS issues. Nonetheless, SWBT chose to

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4/ In addition, after it submitted its renewed application, SWBT promised in an April 17 Texas PUC meeting that it would provide CLECs with fully parsed CSRs by June 2001. This promise is a welcome one, because it would eliminate one of the key defects in SWBT's OSS. However, SWBT's promise to help CLECs in fourteen months cannot justify section 271 entry at this time, even apart from other fundamental remaining defects. Nor is it clear whether SWBT would make fully parsed CSRs available for all records or simply for those it already has available in parsed format in its systems. McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 33.

reapply for section 271 approval prior to providing CLECs the capability to successfully integrate pre-ordering and ordering.

CLECs cannot successfully integrate pre-order and ordering interfaces because of several fundamental barriers: (1) the information SWBT transmits at the pre-order stage frequently does not match the information required for ordering; (2) some of the pre-order information SWBT provides, including service addresses and directory names and addresses, is in a concatenated rather than a parsed format; (3) many of the addresses in SWBT's back-end "CRIS" database do not match addresses in its "PREMIS" database; and, in any case, (4) SWBT's service address proposal has not been implemented and will not remove the need for fully parsed CSRs.

1. The Information SWBT Returns at the Pre-Order Stage Frequently Differs from That Which SWBT Requires at the Ordering Stage.

In its response to SWBT's prior section 271 filing for Texas, MCI WorldCom emphasized that SWBT must provide evidence that all of its pre-order functions are integratable. MCI WorldCom's evaluation of SWBT's documentation demonstrates why such evidence is important.

As part of its launch of residential service in Texas, and in preparation for possible expansion of service to a larger volume of customers, MCI WorldCom has carefully reviewed SWBT's documentation in an effort to integrate at least part of the pre-order and ordering interfaces. It is clear that the information SWBT returns at the pre-order stage frequently cannot be used for ordering, even apart from the issue of parsing discussed below. In completing the various fields required on an order, CLECs must comply with very specific rules provided by SWBT as to the number of characters CLECs can enter in the field (field length) and the

particular characters they can enter in the field (valid values). If the CLEC does not fully comply with these rules, the order will be rejected. Thus, in order for the information SWBT returns in a particular field at the pre-order stage to be successfully populated on an order without causing a reject, the field length and valid values for pre-ordering must match the field length and valid values required for ordering. McMillon, Sivori & Lichtenberg Supp. Decl. ¶¶ 49-50.

SWBT's documentation reveals many instances where this is not the case. For example, in completing a Local Service Request ("LSR"), a CLEC is sometimes required to provide a "Hunting Type Code." At the pre-order stage, SWBT returns this code with values between 1 and 4. Yet at the order stage, SWBT's systems will not accept value 4, and the values of 2 and 3 have different meanings for order than for pre-order. Thus, if SWBT returns a 2, 3, or 4 at the pre-order stage, these values cannot be placed on the order without causing the order to be rejected or misconstrued. Similarly, at the pre-order stage SWBT returns a customer's "Terminal Number," with up to 10 numeric characters, but SWBT accepts no more than eight numeric characters on the End User form during ordering. Thus, if a CLEC receives a 10 character terminal number at the pre-order stage and attempts to place that on an order, the order will be rejected. Comparable disparities between pre-order and order exist with numerous other fields, including the PIC, LPIC, PULSE and TER fields on the Port Service form required for ordering number portability as well as the TOA, WPP, and SIC fields that are part of the Directory Listing form required for changing a customer's directory listing. These and other discrepancies are discussed in the McMillon, Sivori and Lichtenberg Supp. Decl. ¶¶ 51-53.

The differences between the information SWBT returns at the pre-order stage and requires at the order stage underscore that the interfaces are not integratable. By contrast, in its

section 271 application, Bell Atlantic provided evidence – evaluation by an objective third party – to show that its pre-order and order interfaces were integratable with respect to the five core pre-order functions. NY Order ¶¶ 133-34, 138. SWBT has provided no comparable evidence (McMillon & Sivori Decl. ¶¶ 45-50; McMillon, Sivori & Lichtenberg Supp. Decl. ¶¶ 12-13), and it is now apparent from MCI WorldCom's detailed analysis of SWBT's documentation that SWBT's interfaces are not effectively integratable.

Neither SWBT's citation of letters from Sage and Navigator (Ham Supp. Aff. ¶ 20, att. A, B) nor Telcordia's April 24 report on integration proves the contrary. First, Sage, Navigator and Telcordia do not state that they successfully integrated functions other than Customer Service Records ("CSRs"). For example, there is no evidence that any CLEC has or could integrate the critical functions of due date availability and telephone number reservation. Integration of these other functions would enhance CLEC efficiency in processing orders and reduce rejects. McMillon, Sivori & Lichtenberg Reply Decl. ¶ 15. For example, integration of due date functionality would reduce the high percentage of rejects that SWBT blames on CLEC requests for due dates that are not available. Ham Supp. Aff. ¶ 41; McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 84.

Second, even with respect to information obtained from CSRs, the Sage and Navigator letters and the Telcordia report do not demonstrate that smooth integration is possible. As explained above, much of the pre-order information returned on the CSR does not match the information required for ordering. To the extent that Sage and Navigator have integrated pre-order and order despite this, it may be because the mix of orders they are submitting has not yet brought this defect into focus. They may, for example, only be submitting simple orders that do

not require use of many of the fields in which there are disparities between pre-order and order. McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 54. However, Sage and Navigator (along with all CLECs) are experiencing many rejects, so it is quite likely that many of the rejects that Sage and Navigator are experiencing are attributable to this defect.

As for Telcordia, its report states that it used CSR information returned at the pre-order stage to successfully populate an LSR in a Pre-order/Order simulator. It does not state, however, that it successfully transmitted any LSRs to SWBT, much less transmitted the wide array of orders likely to reveal the impact of the conflicts between pre-order and order requirements. If, for example, Telcordia did not evaluate any customers whose pre-order information contained Hunting Type Codes, or only examined customers whose hunting type code was 1, rather than 2, 3 or 4, the conflict in business rules with respect to hunting type codes would not be apparent. Id. ¶ 54.

Thus, SWBT has not yet provided the required evidence that its pre-order and order interfaces are integratable with respect to CSRs, much less all other pre-order functions. To the contrary, SWBT's different requirements at the pre-order and order stages must be eliminated before pre-order and order interfaces can be effectively integrated. Id. ¶ 55.

2. SWBT Fails to Provide Fully Parsed CSRs.

Even more fundamentally, SWBT's failure to provide fully parsed CSRs precludes CLECs from efficiently and accurately integrating pre-order and order. MCI WorldCom has previously explained that SWBT returns service addresses in a concatenated rather than a fielded

format.[5/] McMillon & Sivori Decl. ¶¶ 51-64; McMillon, Sivori & Lichtenberg Reply Decl. ¶¶ 17-23. As MCI WorldCom has continued to examine SWBT's documentation and the information SWBT returns on CSRs in an attempt to develop integrated interfaces, it has learned that SWBT also returns directory listing names, directory listing addresses, and directory delivery information in a concatenated format. None of this information can be populated directly onto an order. McMillon, Sivori & Lichtenberg Supp. Decl. ¶¶ 14-18. As a result, SWBT fails to provide non-discriminatory OSS, a key prerequisite for section 271 approval. NY Order ¶¶ 83-84.

SWBT responds that CLECs can parse address information themselves. It states that in a February 18 ex parte letter to the Commission and in SWBT's Universal Service Order Practice Manual, it has provided rules to CLECs that inform them how to perform such parsing. Ham Supp. Aff. ¶ 18. It also provides letters from Sage and Navigator suggesting they have integrated CSR information. Ham Supp. Aff. att. A, B. But the reality is that while CLECs may be able to guess at parsing rules for simple names and addresses, SWBT has not provided rules to enable CLECs to perform accurate parsing.[6/]

The parsing rules that SWBT provided in its February 18 ex parte (Ham Supp. Aff. att. F) and in its Universal Service Order Practice Manual (USOP Manual) lack key information. They

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5/ A concatenated address, informally known as a "blob," is one in which the multiple components of an address (Service Address House Number, Service Address House Number Suffix, Service Address Street Directional, Service Address Street Name, Service Address Street Suffix, Service Address Thoroughfare, and City) are returned in one field.

6/ SWBT's business rule documentation does not contain parsing rules and does not direct CLECs to the USOP manual. MCI WorldCom requested in December 1998 that SWBT provide fully parsed CSRs and renewed that request in December 1999. McMillon & Sivori Decl. ¶¶ 62-63.

do not, for example, provide any information explaining what separates the street name from the thoroughfare, two separate fields that must be filled out in populating the End User form. Thus, for example, in the address 118 Camino Royal Trail, there is nothing that tells the CLEC whether "Trail" should go into the street name field or the thoroughfare field. Similarly, for multi-tenant buildings, SWBT has not provided any delimiters needed to parse the Service Address Descriptive Location, Floor, Room and Building fields. Finally, SWBT's February 18 ex parte discusses only address information. It provides no rules explaining how to parse a customer's Directory Name. When a CLEC places an order to change a customer's directory listing, it needs parsed directory information in order to fill out the order. See McMillon, Sivori & Lichtenberg Decl. ¶¶ 21-24.

Telcordia's April 24 report on integration does not demonstrate that accurate parsing is possible. Telcordia acknowledges in that report that SWBT's documentation does not contain sufficient rules to parse the concatenated CAI field which contains street address information. But Telcordia states that it was able to obtain such rules by calling SWBT. Yet SWBT must rely on published rules that are readily available to every CLEC, not on rules provided by individual SWBT employees who may or may not be able to provide correct and consistent rules to each CLEC who calls. System developers do not build interfaces based on oral "specifications." McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 25. Moreover, Telcordia states only that it obtained parsing rules for the CAI field, not the directory name fields or fields such as floor, room and building. And Telcordia indicates that it was able to populate an LSR only in a pre-order/order integration process simulator, not that it populated actual LSRs and submitted them to SWBT without rejects. Finally, Telcordia does not state that it even attempted to populate

information, such as directory name, required to order a new directory listing. Id. ¶ 26. The Commission has previously rejected a carrier's attempt to rely on a third-party report to prove interfaces could be integrated where the third party had not shown actual nondiscriminatory performance of the prototype interface it had ostensibly constructed. LA II Order ¶ 101.

The letters from Sage and Navigator also do not demonstrate that accurate parsing is possible. Both state that they have experienced some problems with address validation, and Navigator explains that it is experiencing a success rate of 80 to 90% in the transmission of orders. Ham Supp. Aff. att. A, B. This is hardly overwhelming success. Moreover, MCI WorldCom understands that Navigator has not even attempted to integrate address functionality; thus, Navigator's relatively high failure rate exists even without attempting to integrate the information SWBT provides in concatenated format. Sage does not explain how many rejects it is experiencing.

Furthermore, neither Sage nor Navigator state how many orders they have transmitted using their "integrated" OSS. Nor do they describe the mix of those orders. While it may be possible to guess at parsing rules on orders for simple residential addresses with a fair amount of success, this method will not work for more complicated addresses such as the multi-tenant buildings that MCI WorldCom frequently serves. McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 29. As noted above, SWBT simply has not provided the rules necessary for CLECs accurately to parse such addresses, and without such rules a high percentage of rejects is inevitable. In addition, Sage and Navigator do not indicate that they have attempted to parse directory listing information which is accessed via the combined CSR and directory listing pre-order function,

and which is needed to transmit directory listing orders.[7] Id. ¶ 30.

SWBT suggests that the address validation problems experienced by Sage and Navigator do not result from their inability to parse address information accurately but rather from "using parsed CSR address information . . . which was not found to be a valid address upon SWBT's editing of the LSR." Ham Supp. Aff. ¶ 21. In other words, SWBT used a different database to edit the address than the database from which the CSR was drawn, and the addresses in the two databases did not match. Certainly, some of the rejects are likely attributable to this cause – mismatches in SWBT's address databases – which merely underscores the existence of a separate fundamental problem that SWBT must fix.[8] But given SWBT's failure to provide adequate parsing rules, it is likely that a high percentage of the address validation problems experienced by Sage (and Navigator to the extent it is parsing service addresses) result from inaccurate parsing of service addresses. SWBT provides no reason to believe otherwise. At a minimum, it is clear that Sage and Navigator continue to experience significant address problems from whatever

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7/ It also is not apparent whether, and to what extent, Sage and Navigator are transmitting directory change requests for their customers. Thus, the letters from Sage and Navigator do not show that CLECs can successfully parse directory information.

8/ SWBT suggests that problems caused by address mismatches could be avoided if CLECs were to take the address obtained from the CSR and run it through the address validation function. Ham Supp. Aff. ¶ 21. SWBT does not explain how this would avoid the problem, however. If an address obtained from the CSR and accurately parsed is declared invalid by the address validation function, it is not clear what the CLEC is supposed to do. Submission of the address from the CSR will lead to rejection of the order, but submission of the address obtained from the address validation function may cause other problems such as loss of dial tone. McMillon, Sivori & Lichtenberg Reply Decl. ¶ 21; McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 44. Moreover, use of the address validation pre-order function in addition to the CSR function wastes significant time and resources. McMillon & Sivori Decl. ¶¶ 55-57. Although SWBT states that this will take only a few additional seconds, those seconds add up because the function will have to be performed on every order. Ham Supp. Aff. ¶ 21; McMillon & Sivori Decl. ¶ 57.

cause and thus can hardly be cited as evidence that successful integration is possible with respect to addresses.

In any event, even if CLECs could successfully parse pre-order information themselves, they should not have to do so. It is unreasonable for SWBT to require each CLEC separately to parse the information given that SWBT is the most familiar with information in its databases and what is required to parse that information. McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 19. Finally, SWBT must provide parsed pre-order information to CLECs in order to provide parity. SWBT's retail systems accept information in a concatenated form; thus, SWBT does not have to perform any parsing of information on its retail side. Id. It is discriminatory for CLECs to have to perform parsing in order to place an order.

It would not be difficult for SWBT to parse address information itself. SWBT already claims to be providing parsed address information through the address validation function, and under its new "service address proposal" to be implemented in late May, SWBT intends to populate CLEC orders with service addresses after they have been transmitted – suggesting that SWBT can parse address information. McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 32. SWBT should also be able to provide parsed address information through the CSR (as other BOCs such as Bell Atlantic already do). Indeed, in a recent Texas PUC meeting, SWBT committed to providing fully parsed CSRs by June 2001. This is a welcome development, but SWBT should speed up this process which is pivotal to the ability of CLECs to rapidly expand in the Texas market. Certainly, SWBT should be required to provide fully parsed CSRs prior to section 271 approval in order to comply with its obligation to provide access to unbundled network elements on reasonable and nondiscriminatory terms. NY Order ¶¶ 137, 151-52.

3. SWBT Has Not Eliminated the Problems Caused by Database Mismatches.

SWBT indirectly blames some of the rejects associated with service addresses on mismatches between its so-called CRIS and PREMIS databases, both of which contain address information and both of which are used in SWBT's back-end systems to perform functions associated with addresses. Ham Supp. Aff. ¶ 21. Indeed, early data from MCI WorldCom's launch already suggests that database mismatches are causing a significant number of rejects. McMillon, Sivori & Lichtenberg Supp. Decl. ¶ 42. In addition to rejects, address mismatches also have led to provision of service at the wrong address and to loss of dial tone when different addresses are placed on the three service orders that SWBT creates from every LSR for UNE-P. McMillon & Sivori Decl. ¶¶ 68, 101-02; McMillon, Sivori & Lichtenberg Reply Decl. ¶ 21.

SWBT has done nothing to reduce the number of address mismatches between its databases. Instead, SWBT suggests that its service address proposal (discussed below) will clear up the problems associated with address mismatches. This remains to be seen, however. Because SWBT will itself populate the LSRs it receives with an address from CRIS but will still apparently rely on the PREMIS database for some downstream edits and for provisioning, address mismatches are likely to continue to cause problems.

SWBT acknowledged at a Texas PUC hearing on April 17 that address mismatches can still occur. It stated that when such a mismatch occurs, SWBT will manually correct the address in CRIS so that it matches the address in PREMIS and thus will avoid downstream problems. Of course, this solution has the potential of increasing all of the problems generally associated with manual processing – including both increased errors and delay. In addition, if SWBT changes