

August 3, 2000.³⁴⁶

In response to concerns raised by various CLECs in the early part of this year, VZ-MA has noted on numerous occasions in this proceeding that it has resolved all of the issues surrounding the problems it had with missing notifiers earlier this year.³⁴⁷ VZ-MA notes that it has made numerous reviews of and enhancements to its OSS systems and has made all of the necessary software revisions to ensure that the missing notifiers problems will not be repeated. Additionally, it should be noted that KPMG's transaction testing of VZ-MA's OSS did not begin until May 2000, after VZ-MA confirmed that it had resolved all of the problems associated with the missing notifiers. VZ-MA has confirmed that all of the changes it made in response to those problems, which were most evident in New York, were implemented in Massachusetts to the same extent that they were implemented in New York.³⁴⁸

iii. Competitors' Positions and VZ-MA's Response

Only one CLEC, AT&T, has raised and supported with documentation any complaints against VZ-MA's ability to meet its obligation to provide confirmation, rejection, and completion notices. In comments filed with the Department, AT&T alleges that during its

³⁴⁶ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 72 (VZ-MA August Supplemental OSS Aff.).

³⁴⁷ See VZ-MA Application, Appdx. B, Vol. 32b, Tab 423, ¶¶ 77-86 (VZ-MA May OSS Aff.); see also VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4722-23, 4825 (Transcript of Technical Session Held 8/22/00).

³⁴⁸ Id.; see also VZ-MA Application, Appdx. B, Vol. 34b, Tab 443 (VZ-MA's Response to DTE-WorldCom-4-4).

production testing of VZ-MA's LSOG-4 software release³⁴⁹, VZ-MA failed to meet its timeliness obligations with respect to all three types of notifiers, and in many cases, according to AT&T, VZ-MA failed to provide notifiers altogether.³⁵⁰ AT&T notes in its comments that during its production test, VZ-MA provided timely confirmation and rejection notices only 66 percent of the time during the week in which AT&T submitted its highest volume of test orders, and for 22 percent of the test orders during that week, AT&T contends that no

³⁴⁹ AT&T conducted its production testing of the LSOG-4 software over an eight-week period from April 30 through June 24, 2000. During the course of the test, AT&T submitted 2,265 test transactions. VZ-MA Application, Appdx. B, Vol. 44, Tab 506 (AT&T's Response to DTE-ATT-1-4). AT&T notes that it did not notify VZ-MA in advance of its testing plans, nor did it adopt a naming convention for its test orders so that they could be distinguished from actual AT&T production orders. AT&T contends that it followed this practice to simulate a true commercial experience. After the completion of its testing AT&T did not address with VZ-MA any of the problems it raised in this proceeding. AT&T states it did not address with VZ-MA the problems it reported to the Department because, according to its testing agreement, "[e]ither party may provide test data to a government agency, . . . without providing the test data to the other party prior to disclosure to the Regulator,' so long as it simultaneously provides the data to the other party." Appdx. I (AT&T Response to RR-346, citing Att. 1 "Testing Agreement" at ¶ 21). However, while AT&T cites the section of the agreement governing the release of information to third parties, AT&T did not explain its failure to abide by paragraph 7(c) of the testing agreement, which states "[f]or all other problems or failures associated with the Test lines that AT&T has reasonably determined to be attributable to [VZ-MA], AT&T shall open timely and accurate trouble tickets with [VZ-MA]." Id., citing Att. 1 "Testing Agreement" at ¶ 7(c). The agreement further states that "a trouble ticket will not be considered open until AT&T submits complete and accurate PON(s) to [VZ-MA] where PON(s) exist(s) for the trouble ticket(s) being opened," and "AT&T shall cooperate with [VZ-MA] in resolving the problems and/or failures presented in such trouble tickets." Id. at ¶ 7(d).

³⁵⁰ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 20 (AT&T July Supplemental Comments).

confirmation or rejection was sent by VZ-MA.³⁵¹ When asked to support these claims, AT&T provided documentation showing that during the week of June 11 through 17, of 949 test orders submitted by AT&T, 411 test orders received timely LSRCs, 213 received late LSRCs, and 213 did not receive either an LSRC or a reject notice.³⁵²

VZ-MA rejects AT&T's claims that it did not send timely confirmation or reject notices to AT&T during AT&T's production test. VZ-MA notes that during the period of AT&T's production test, VZ-MA achieved 98.7 percent on time performance for both confirmation notices and rejections.³⁵³ VZ-MA notes that its calculation of on time performance included both test orders and actual production orders submitted by AT&T over the period of the test, because VZ-MA was unable to determine which AT&T PONs were associated with AT&T's

³⁵¹ Id. at 21. In its response to information request DTE-ATT-1-4(a), AT&T revised its comments to note that it calculated its 66 percent on-time measurement against the total number of confirmations received and not against the total number of test orders eligible to receive a confirmation (which excludes the 112 test orders for which AT&T received reject notices). AT&T contends that if it were to count all test orders eligible to receive a confirmation, it received timely confirmations for only 49 percent of its orders. See VZ-MA Application, Appdx. B, Vol. 44, Tab 506 (AT&T's Response to DTE-ATT-1-4(a)).

³⁵² See VZ-MA Application, Appdx. B, Vol. 44, Tab 506 (AT&T's Response to DTE-ATT-1-4). AT&T notes that the remaining 112 test orders were rejected by VZ-MA, but makes no indication that these rejections were received late. Assuming that the rejects were received on time, AT&T's data for the week of June 11 shows an on-time notice receipt of 55.1 percent.

³⁵³ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶¶ 77-78 (VZ-MA August Supplemental OSS Aff.).

production test.³⁵⁴ Further, VZ-MA provided evidence to refute AT&T's claim that it did not receive 213 expected LSRCs. VZ-MA provided logs showing that each of the PONs identified by AT&T had been successfully sent to AT&T via File Transfer Protocol (FTP).³⁵⁵

With regard to completion notices, AT&T notes in its comments that only 54 percent of the PCNs AT&T received during its production test were received on time according to the C2C standards.³⁵⁶ Further, AT&T contends that it received PCNs on only 91 percent and BCNs on only 88 percent of the test orders eligible to be completed.³⁵⁷ In support of these claims, AT&T provided a breakdown of orders submitted during the week of June 11, its highest volume week of testing. AT&T's data show that of 625 orders it states were eligible to be completed, 571 orders received PCNs with 335 PCNs received on time and 236 received late. The 571 PCNs received represent 91.4 percent of the orders AT&T states were eligible to be completed.³⁵⁸ Further, AT&T's data show that only 552 of its test orders received

³⁵⁴ Id. at ¶ 75.

³⁵⁵ Appdx. G (VZ-MA's Response to RR-DTE-334).

³⁵⁶ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 22 (AT&T July Supplemental Comments).

³⁵⁷ Id.

³⁵⁸ VZ-MA Application, Appdx. B, Vol. 44, Tab 506 (AT&T's Response to DTE-ATT-1-4(e)).

BCNs, accounting for 88.3 percent of the total number of eligible test orders.³⁵⁹

VZ-MA responds to AT&T's claims regarding late completion notices by stating that over the period of the test, 100 percent of PCNs were sent to AT&T on time under the C2C standards. VZ-MA questions the methods that AT&T used in calculating its timeliness performance for these notices.³⁶⁰ VZ-MA further notes that of the 1,397 eligible orders received during the testing period (including both test orders and production orders), 97 percent received PCNs and 95 percent received BCNs.³⁶¹ VZ-MA explained during Department technical sessions that the remaining PCNs and BCNs had not yet been generated.³⁶² VZ-MA further explains that AT&T's calculations regarding missing completion notices were flawed because AT&T included in its calculations 41 LSRs that had been supplemented and were therefore not eligible to be completed.³⁶³ Finally, with respect to all of AT&T's claims regarding missing notices, VZ-MA notes that it has established a formal trouble ticket process for resolving issues with missing notifiers. VZ-MA notes that AT&T

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Id.

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VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 79 (VZ-MA August Supplemental OSS Aff.).

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Id.

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VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4583-84 (Transcript of Technical Session Held 8/21/00).

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VZ-MA Application, Appdx. B, Vol. 47, Tab 550 (VZ-MA's Response to RR-DTE-335).

did not follow the established procedures with regard to the LSRCs, PCNs, and BCNs it claims were never received from VZ-MA.³⁶⁴

AT&T also raised complaints over VZ-MA's return of completion notices for order cancellations. AT&T contends that instead of receiving an LSRC on its order cancellations, VZ-MA frequently provides completion notices, leaving AT&T to wonder whether the cancellation was made or the original order provisioned.³⁶⁵ AT&T contends that VZ-MA's failure to follow its own procedures in this area forces AT&T to spend unnecessary time and expense to resolve the confusion over the notices that it receives. In support of these claims, AT&T notes that during its production test it submitted 387 supplements to cancel previous orders. Of these cancellations, AT&T states that 125 were rejected by VZ-MA and 155 received no response from VZ-MA. Of the remaining 107 cancellations, AT&T shows in its supporting documents that all 107 received completion notices rather than LSRCs.³⁶⁶

VZ-MA confirms that it did encounter a problem with completion notices being sent to AT&T on order cancellations. VZ-MA explains that the problem was related to a software error that caused completion notices to be generated in place of confirmations when every

³⁶⁴ VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4583-84 (Transcript of Technical Session Held 8/21/00); see also VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4714-15 (Transcript of Technical Session Held 8/22/00).

³⁶⁵ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 23-24 (AT&T July Supplemental Comments).

³⁶⁶ VZ-MA Application, Appdx. B, Vol. 44, Tab 506 (AT&T's response to DTE-ATT-1-6).

order on an LSR was canceled.³⁶⁷ VZ-MA states, however, that this software error was fixed once the problem was reported, and that in the future CLECs will receive confirmation notices on order cancellations as is stated in the business rules.³⁶⁸

Various CLECs have raised concerns over the low levels of order flow-through that VZ-MA has attained. First, AT&T contends that VZ-MA's low flow-through rates inevitably lead to order backlogs and manual processing errors that prevent CLECs from having an efficient opportunity to compete.³⁶⁹ As evidence of TIS OC's manual processing errors, AT&T alleges that during its production testing 247 test orders were erroneously rejected by VZ-MA's TIS OC, representing nearly 52 percent of the total number of rejected orders during the test period and more than 12 percent of the total orders submitted as part of the production test.³⁷⁰ AT&T later reduced the number of erroneous reject notices in its allegation to 138.³⁷¹

In response to AT&T's claims regarding the TIS OC's erroneous rejection of AT&T's production test orders, VZ-MA testified during technical sessions that of the 138 test orders

³⁶⁷ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4799 (Transcript of Technical Session Held 8/22/00).

³⁶⁸ Id.

³⁶⁹ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 23 (AT&T July Supplemental Comments).

³⁷⁰ Id.

³⁷¹ VZ-MA Application, Appdx. B, Vol. 44, Tab 506 (AT&T's Response to DTE-ATT-1-4(f)).

that AT&T claimed were rejected in error, VZ-MA found only 57 of the orders to have been inaccurately rejected by the TIS OC staff. Of the 57 incorrect rejects, 41 were the result of TIS OC representatives' misunderstandings of VZ-MA's policies regarding order cancellations on the service due date. Another nine erroneous rejects were the result of a representative's confusion between LSOG-2 and LSOG-4 ordering business rules.³⁷² VZ-MA notes that in each of these instances the TIS OC representatives who made these errors were retrained in the correct procedures for dealing with orders of these types.³⁷³ VZ-MA further explained the reasons that it believes the remaining 81 test orders were correctly rejected. VZ-MA stated that 41 of those orders were for services not available in Massachusetts, 39 orders included a request for expedited service while stating a requested due date longer than the standard interval, and the final order contained an invalid due date request.³⁷⁴ VZ-MA finally notes with regard to this complaint that the original number of test orders that AT&T claimed were incorrectly rejected by the TIS OC represented only 6.91 percent of all orders submitted by AT&T during the testing period. After removing the 81 orders that VZ-MA has shown to be correctly rejected, the 57 erroneous rejects account for only 2.85 percent of the total universe

³⁷² VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4584-85 (Transcript of Technical Session Held 8/21/00).

³⁷³ Id.

³⁷⁴ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4710-11 (Transcript of Technical Session Held 8/22/00).

of orders.³⁷⁵

WorldCom also contends that VZ-MA's low order flow-through leads to greater instances of manual processing error and is inadequate to support real commercial competition in Massachusetts.³⁷⁶ WorldCom further contends that Verizon has failed to implement flow-through improvements that the company had promised to provide as part of its Section 271 application in New York in 1999. WorldCom argues that despite its requests filed with the NYPSC, Verizon has refused to reveal the status of these flow-through improvements.³⁷⁷ VZ-MA notes in response to WorldCom's claims that it has implemented the flow-through improvements referred to by WorldCom, which were aimed toward improving UNE-P flow-through, and the effect has been that VZ-MA's reported flow-through for UNE-P orders was 77 percent in June 2000 and 92 percent in July 2000 (through July 24).³⁷⁸

AT&T also raises issue with VZ-MA's lack of flow-through for UNE-Loop hot-cuts. AT&T testified during the Department's technical sessions that VZ-MA's "48 hours to get a confirmation" takes a significant amount of time from the established five-day provisioning

³⁷⁵ Id.

³⁷⁶ VZ-MA Application, Appdx. B, Vol. 37, Tab 455, ¶¶ 126-127 (WorldCom Lichtenberg/Sivori Decl.).

³⁷⁷ Id. at ¶¶ 127-128.

³⁷⁸ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 40 (VZ-MA August Supplemental OSS Aff.); see also VZ-MA Application, Appdx. B, Vol. 34a, Tab 443 (VZ-MA's Response to DTE-5-33) for chart identifying specific flow-through improvements made by VZ-MA.

interval for hot-cuts. AT&T contends that if hot-cut orders were flow-through eligible, then AT&T and other CLECs would be able to use their full provisioning interval to coordinate their portion of the hot-cut.³⁷⁹ AT&T further argues that when VZ-MA's manual confirmations are returned later than the established time frame, AT&T's ability to prepare for the scheduled hot-cut is hampered even further, which puts the success of the hot-cut into jeopardy.

VZ-MA did not respond to AT&T's technical session comments regarding hot-cut order flow-through. However, it is apparent that AT&T's claims are based on a mistaken belief that AT&T is not allowed to perform preparatory work on a hot-cut until the cut is formally confirmed by VZ-MA. A number of other Massachusetts CLECs perform coordinated hot-cuts with VZ-MA, and only AT&T has brought these complaints to the Department. The process for preparing hot-cuts that is described by AT&T is only one of many approaches a CLEC can take, and therefore an evaluation of VZ-MA's processing of orders should not be based on the potential for problems that this lone approach presents.

Covad and Rhythms both raise concern over VZ-MA's alleged failure to upgrade its OSS to allow CLECs to submit line sharing orders electronically. The two CLECs argue that the current manual processing of line sharing orders causes undue delays and increases the chances for errors in order processing and provisioning. Covad and Rhythms note that while

³⁷⁹ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4823-24 (Transcript of Technical Session Held 8/22/00).

VZ-MA has indicated that it is planning to have Telcordia upgrade its systems for line sharing, VZ-MA has not provided any CLECs with information regarding the process or timeline of any such upgrade.³⁸⁰ In response to Covad and Rhythms' claims, VZ-MA notes that the CLECs are correct in stating that line sharing orders do not currently flow-through VZ-MA's OSS. However, VZ-MA states that CLECs can place line sharing orders with VZ-MA over either the GUI or EDI interface. VZ-MA also notes that, despite the fact that the FCC's Line Sharing Order³⁸¹ was implemented only recently, VZ-MA is already looking into the potential of making line sharing orders flow-through eligible.³⁸²

Covad contends that VZ-MA's processes for providing queries is inefficient to provide CLECs with service at parity to its own retail operations. Covad argues that VZ-MA's reject notices and queries do not provide sufficient information to allow Covad to correct errors in its errors and resubmit its LSRs.³⁸³ Rhythms echoes the complaints of Covad, noting that in many cases it is required to escalate its help desk trouble tickets in order to find out what the errors

³⁸⁰ VZ-MA Application, Appdx. B, Vol. 38, Tab 462, at 38 (July Supplemental Joint Comments of Covad and Rhythms).

³⁸¹ Deployment of Wireline Services Offering Advanced Telecommunications Capability and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Third Report and Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket 96-98, FCC 99-355 (rel. Dec. 9, 1999) ("Line Sharing Order")

³⁸² VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 33 (VZ-MA August Supplemental OSS Aff.).

³⁸³ VZ-MA Application, Appdx. B, Vol. 38, Tab 462, ¶¶ 46-47 (Covad Szafraniec/Katzman Decl.).

are in its orders so that it can correct and resubmit the LSRs.³⁸⁴ VZ-MA notes in response to these arguments that in May 2000 it implemented a standardized query notice system, at CLECs' request, in order to eliminate the potential discrepancies in query information that arise when different TIS OC representatives process LSRs.³⁸⁵

Covad further argues that VZ-MA's process for returning only one error on each query notice is inefficient and causes delays in the overall process of turning up service to Covad's customers.³⁸⁶ Covad contends that each query that Covad receives from VZ-MA adds up to a full day to the end-to-end process of establishing a customer's service, and explains that a process by which VZ-MA returns all of an LSR's errors on a single query notice would reduce substantially the interval from the initial customer contact to the completion of provisioning for that customer's service.³⁸⁷ Covad notes that it has raised this concern with VZ-MA at Change Management meetings, but that it has received very little feedback on the prospects for

³⁸⁴ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4811-12 (Transcript of Technical Session Held 8/22/00).

³⁸⁵ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 54 (VZ-MA August Supplemental OSS Aff.).

³⁸⁶ VZ-MA Application, Appdx. B, Vol. 38, Tab 462, ¶ 47 (Covad Szafraniec/Katzman Decl.).

³⁸⁷ VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4557-58 (Transcript of Technical Session Held 8/21/00).

revising the query process.³⁸⁸ Covad also contends that in many instances it has received queries from VZ-MA on orders that have already received an LSRC or been completed, and because Covad believes it has no reason to check for queries on confirmed and completed orders it has had customers' orders canceled and has had customers' service terminated when it failed to respond to these queries.³⁸⁹

VZ-MA acknowledges that its ordering systems are currently set up to return only one error on each query notice, but notes that there is a request currently pending in the Change Management process that would require VZ-MA to return all errors found on an LSR in a single query notice.³⁹⁰ VZ-MA further notes that the change request addresses not only the GUI, which is the interface Covad directed its comments toward, but also the EDI interface. VZ-MA states, however, that if CLECs choose to place greater priority in revising the query process for the GUI only, then VZ-MA will focus its efforts on that process.³⁹¹

With regard to Covad's complaints about queries issued after the confirmation or completion of a customer's order, VZ-MA notes that it does not send queries to CLECs on orders that have already been provisioned, and states that Covad has provided no evidence to

³⁸⁸ Id. at 4772.

³⁸⁹ Id. at 4558-59.

³⁹⁰ Id. at 4600.

³⁹¹ Id.

support such a claim.³⁹² VZ-MA states further that there are instances where issues such as facilities problems force VZ-MA to send queries to CLECs after an LSRC is sent, but that this process will not cause a customer to lose service he is already receiving. VZ-MA states that in June 2000 it implemented a revised query process whereby VZ-MA places the queried order into a pending status until the CLEC reviews and corrects the error identified in the query notice, rather than canceling a CLEC order if the CLEC does not respond to queries on the order, as VZ-MA had done prior to June 2000.³⁹³ VZ-MA asserts that, despite Covad's claims that it has no reason to expect queries after an order is confirmed, it is the CLEC's responsibility to ensure that it checks for and responds to all queries so that VZ-MA is able to get the necessary information to complete the provisioning of the CLEC's orders. VZ-MA notes that CLECs using the GUI, as Covad does, do not need to check manually for queries on every pending order. Rather, when the CLEC representative logs into the GUI, he or she will receive a listing of all pending orders for which a notice of any sort has been received. All the CLEC representative is required to do is to open these notices, make any necessary corrections, and return the information to VZ-MA.³⁹⁴

Covad and Rhythms each also raised complaints over VZ-MA's TIS OC hours of

³⁹² VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 56 (VZ-MA August Supplemental OSS Aff.).

³⁹³ Id. at ¶ 57.

³⁹⁴ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4861 (Transcript of Technical Session Held 8/22/00).

operation. During Department technical sessions, Covad testified that the business hours of the four TIS OC work centers were not sufficient to meet the needs of CLECs whose operation centers were located in different areas of the country. Covad asserted that TIS OC staff was available only from 8:00 a.m. to 5:00 p.m., eastern, Monday through Friday, and indicated that Covad would prefer to see the centers open until at least 6:00 or 7:00 p.m. and on Saturdays.³⁹⁵ Rhythms noted that its service centers, located in Colorado also face similar problems with the limited overlapping hours of the TIS OC centers. Rhythms stated that it expects to see this problem largely eliminated by Verizon's acquisition of NorthPoint, which has a significant West Coast customer base, but argues that CLECs should not be forced to wait for VZ-MA to experience its own benefits before it implements changes to its operations.³⁹⁶

VZ-MA responds to the arguments of both Covad and Rhythms by noting first that the TIS OC centers' business hours are 8:00 a.m. to 6:00 p.m., eastern, Monday through Friday.³⁹⁷ VZ-MA also asserts that while the TIS OC business hours are limited, CLECs may place orders through the VZ-MA ordering interfaces 24 hours per day. VZ-MA points out that

³⁹⁵ VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4559-60, 4562 (Transcript of Technical Session Held 8/21/00).

³⁹⁶ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4804-05 (Transcript of Technical Session Held 8/22/00).

³⁹⁷ VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4591 (Transcript of Technical Session Held 8/21/00).

this gives CLECs greater opportunity to submit orders over its own retail centers because the retail representatives may only submit orders during their normal operating hours.³⁹⁸ VZ-MA finally notes with regard to these complaints that VZ-MA's performance with respect to manual order confirmation and reject timeliness metrics shows that the TIS OC hours of operation are not limiting CLECs' opportunities to compete.³⁹⁹

Various CLECs have expressed concern over the accuracy of VZ-MA's Line-Loss Reports.⁴⁰⁰ Both Z-Tel and AT&T contend that VZ-MA fails to include all of a CLEC's lost customers on its reports, and, as a result the CLEC continues to bill those customers after they have canceled their service. AT&T argues that this type of situation makes it nearly impossible for the CLEC to attempt to regain that customer's business at a future date because the customer is left with a negative impression of the CLEC that is due to VZ-MA's

³⁹⁸ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 52 (VZ-MA August Supplemental OSS Aff.).

³⁹⁹ Id.

⁴⁰⁰ VZ-MA's Line-Loss reporting was addressed in comments filed separately by Z-Tel, AT&T, and WorldCom on July 18, 2000. See VZ-MA Application, Appdx. B, Vol. 38, Tab 463, at ¶ 8 (Rubino Decl.); VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 24 (AT&T July Supplemental Comments); VZ-MA Application, Appdx. B, Vol. 37, Tab 455, ¶¶ 111-119 (WorldCom Lichtenberg/Sivori Decl.). Additionally, AT&T addressed VZ-MA's Line-Loss reporting and KPMG's lack of Line-Loss report testing in its comments on the KPMG Draft Final Report. See VZ-MA Application, Appdx. B, Vol. 42, Tab 489, at 5-6 (AT&T Comments on the Draft of KPMG's OSS Evaluation Report).

performance.⁴⁰¹ Z-Tel states that inaccuracies in the Line-Loss reports result in the unnecessary use of time and expense by both VZ-MA and the CLECs in the investigation and correction of errors. Z-Tel further notes that the inevitable effect for the end user is overall frustration.⁴⁰² AT&T further argues that there have been numerous instances in which VZ-MA has erroneously included on Line-Loss Reports customers that AT&T has not lost.⁴⁰³

WorldCom also contends that Verizon has included many WorldCom customers on Line-Loss reports that had not left WorldCom's service. Additionally, WorldCom states that for those customers who did in fact switch carriers, the dates of service termination provided by Verizon have not matched the dates that WorldCom's lost customers actually canceled their services.⁴⁰⁴ WorldCom notes, however, that these two problems have largely been resolved by Verizon.⁴⁰⁵

However, WorldCom contends that further problems with Line-Loss notification still exist. WorldCom states that in March and April 2000, Verizon notified WorldCom of 1,289

⁴⁰¹ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4830-31 (Transcript of Technical Session Held 8/22/00).

⁴⁰² Id. at 4801-02.

⁴⁰³ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 24 (AT&T July Supplemental Comments).

⁴⁰⁴ VZ-MA Application, Appdx. B, Vol. 37, Tab 455, ¶¶ 114-115 (WorldCom Lichtenberg/Sivori Decl.).

⁴⁰⁵ Id. at ¶ 116.

lines that were alleged to be WorldCom losses, but that WorldCom had no record of ever having as customers.⁴⁰⁶ WorldCom argues that these types of problems require WorldCom and other CLECs to expend time and money to determine the source of the errors. Finally, WorldCom argues that Verizon's process for transmitting Line-Loss reports to CLECs is inadequate. WorldCom contends that Verizon should be required to transmit these reports over the EDI interface so that CLECs will be able to review the reports more easily.⁴⁰⁷

In response to CLEC complaints about the accuracy and effectiveness of Line-Loss Reports, VZ-MA explains that it has been working constantly with CLECs, both individually and through the Change Management process, to improve the quality of its reporting. VZ-MA notes that since January 2000 it has made a number of system enhancements to increase the accuracy and efficiency of the reports. Included in these enhancements is the addition of a "customer code" on the report to improve identification of reported accounts, correction of a software error that was causing resale gains to be listed as losses, correction of the Local Service Provider indicator to show the company to which the customer has migrated, and the correction of the Service Order Completion date to match the actual date of migration.⁴⁰⁸ VZ-MA further notes that, beginning in October 2000, VZ-MA will begin to make Line-Loss

⁴⁰⁶ Id.

⁴⁰⁷ Id. at ¶¶ 112-113.

⁴⁰⁸ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 99 (VZ-MA August Supplemental OSS Aff.).

Reports available to CLECs via EDI transmission, and VZ-MA plans to eliminate in December 2000 the “change in class of service” transaction from the list of transactions included on the Line-Loss Reports.⁴⁰⁹

Finally, with respect to Line-Loss reporting, VZ-MA argues that the CLEC complaints raised during this proceeding do not reflect the vast improvements that have already been made in VZ-MA’s reporting accuracy. VZ-MA notes that its Line-Loss reports are already more advanced than the current Ordering and Billing Forum (“OBF”) standards, which require the reporting of only the working telephone number (“WTN”) and the date of the migration. In addition to those items, VZ-MA also provides CLECs with the customer-type indicator, the billing telephone number (“BTN”), and the old and new service provider identifications.⁴¹⁰ VZ-MA notes that while it still receives trouble tickets identifying errors in the Line-Loss reports, the number of lines affected by these errors has declined significantly over time. For example, VZ-MA notes that while it received Line-Loss Report trouble tickets involving 5,215 WTNs in April 2000, the number of WTNs involved in Line-Loss troubles in July was only 1,043.⁴¹¹ VZ-MA also notes that of the 9,925 WTNs claimed to have been either missing or

⁴⁰⁹ VZ-MA Application, Appdx. B, Vol. 46, Tab 538, at 4732 (Transcript of Technical Session Held 8/22/00).

⁴¹⁰ Id. at 4626-27.

⁴¹¹ Appdx. H (VZ-MA’s Response to RR-DTE-338). VZ-MA also notes that in April the 5,215 WTNs represented only 1.4 percent of the total number of lines included on Line-Loss reports. The 1,043 July WTNs account for only 0.3 percent of the total

(continued...)

inaccurately reported on Line-Loss Reports for April 1 through August 25, 2000, 45 percent of the lines were found to be accurately reported upon investigation by VZ-MA. Of the remaining 55 percent, VZ-MA notes that the source of error for 41.2 percent of the lines was fixed by a system change implemented on April 24, 2000 and a system change implemented on October 6, 2000 resolved the source of error for another 10.5 percent of the WTNs identified on trouble tickets as being inaccurately reported.⁴¹²

iv. KPMG Findings

As stated above, KPMG's evaluation of VZ-MA's wholesale performance and capabilities with respect to ordering was part of the combined POP domain. KPMG's EDI and GUI functional evaluation and volume performance tests assessed VZ-MA's pre-order and order interfaces. Additionally, KPMG performed an analysis of VZ-MA's order flow-through capabilities. KPMG also addressed VZ-MA's ordering processes and interfaces as part of its POP documentation review and its capacity management evaluation. Finally, KPMG reviewed VZ-MA's ordering performance metrics reporting as part of its Performance Metrics review.

KPMG evaluated VZ-MA's order transaction functionality through the submission of

⁴¹¹(...continued)

number of reported line-losses during that month. Further, through the first 25 days of August, VZ-MA reports that it has received line-loss trouble tickets for only 280 WTNs, or 0.1 percent of the 269,023 lines included on the August Line-Loss reports.

⁴¹² Id. The system fix implemented on October 6, 2000 had originally been scheduled for implementation on September 29, 2000. The implementation of the fix was delayed by one week, but is currently in place and has resolved the problems noted in VZ-MA's response to RR-DTE-338. See id.

test transactions over both the EDI and GUI interfaces. KPMG's EDI and GUI functional evaluations examined the availability of the order interfaces and VZ-MA's capability to provide timely and accurate responses to a variety of order transactions. The functional evaluations also included the submission of order transactions with planned errors to ensure VZ-MA's systems are capable of providing accurate error responses that contain the necessary information for a CLEC representative to correct and resubmit the transaction.⁴¹³ While KPMG's functional evaluations focused predominantly on VZ-MA's LSOG-2 interface, KPMG also submitted transactions over the LSOG-4 interface to ensure that the LSOG-4 interface also provides CLECs with sufficient functionality.

In its evaluation of VZ-MA's order functionality, KPMG states that it found VZ-MA's ordering interfaces to be available on a consistent and reliable basis. Through a review of VZ-MA's Change Control notices and its own usage experiences, KPMG reports that VZ-MA's EDI ordering interface was available 100 percent of the scheduled prime-time hours for the duration of KPMG's testing.⁴¹⁴ KPMG also reports that VZ-MA's GUI was available 99.85 percent of scheduled prime-time hours during KPMG's test period.⁴¹⁵

KPMG reports that, during the conduct of its functional evaluations, VZ-MA's order

⁴¹³ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 15, 71 (KPMG Final Report Version 1.4).

⁴¹⁴ Id. at 47.

⁴¹⁵ Id. at 100.

systems returned responses for 98 percent of KPMG's EDI order transactions.⁴¹⁶ KPMG states that VZ-MA's performance with respect to the timely return of responses on KPMG's was strong. KPMG reports that it received 98.4 percent of the functional acknowledgments on its LSRs within one minute of submission.⁴¹⁷ KPMG also reports that VZ-MA met its C2C standard with respect to the return of LSRCs and reject notices for both flow-through and non-flow-through orders.⁴¹⁸ Finally, with respect to the timely return of completion notices, KPMG reports that VZ-MA returned 92.9 percent of PCNs by noon on the business day following the PCN's completion date and 74.7 percent of BCNs by noon on the business day following the BCN's completion date. KPMG notes, however, that these measurements are not based on the same data elements used by VZ-MA in the calculation of its completion notice timeliness metrics. VZ-MA uses the SOP completion date for calculation of PCN timeliness metrics and the CRIS completion date is used in the calculation of BCN timeliness.⁴¹⁹

As to the accuracy of VZ-MA's order responses, KPMG states that VZ-MA provided complete and accurate LSRCs and PCNs, but had inconsistencies in its return of reject notices

⁴¹⁶ Id. at 48.

⁴¹⁷ Id. at 49.

⁴¹⁸ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 50-53 (KPMG Final Report Version 1.4).

⁴¹⁹ Id. at 53-54.

and BCNs.⁴²⁰ KPMG notes that VZ-MA's reject notices, or System Error Messages ("SEMs"), were missing certain fields that are required under VZ-MA's Business Rules, but notes that the omitted data fields were not essential to the process of correcting errors and resubmitting LSRs.⁴²¹ KPMG also states that VZ-MA's systems omitted two required data fields, "DATASIZE" (a field that indicates the size of the file for verification of transmission accuracy) and "SEGNUM" (Service Order Segment Number identification, an identification number used internally by VZ-MA's systems), from the BCNs returned to KPMG. KPMG notes, however, that the absence of these fields did not impede KPMG's ability to perform its billing initiation activities.⁴²² KPMG also reported during its EDI functional evaluation that it found that VZ-MA's systems and interfaces provided information that could be readily integrated between pre-order and order transactions.⁴²³ Finally, in its review of the functionality of VZ-MA's LSOG-4 EDI interface, KPMG reports that VZ-MA provided complete and accurate order transaction responses with only one exception. KPMG notes that VZ-MA did not return information in two data fields out of 105 on KPMG's UNE-Loop

⁴²⁰ Id. at 58-60.

⁴²¹ Id. at 59.

⁴²² Id. at 60. In response to Exceptions raised by KPMG concerning the absence of these data fields, VZ-MA updated its Business Rules to eliminate the identification of these fields as being required. See, e.g., VZ-MA Application, Appdx. I, Vol. 2, Tab 2 (Exception Report #12).

⁴²³ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 60 (KPMG Final Report Version 1.4).

LSRCs. KPMG notes, however, that these two fields, while required by VZ-MA's Business Rules, were not essential to KPMG's ordering activities.⁴²⁴

With respect to the LSOG-2 GUI, KPMG reports that it received responses on 99.4 percent of its order transactions.⁴²⁵ KPMG also notes that VZ-MA returned these responses in a timely manner, meeting the C2C standards for all response types.⁴²⁶ With respect to the accuracy of VZ-MA's GUI order responses, KPMG states that its responses were complete and accurate in most cases, but that it did experience problems with the "CLECNAME" field being omitted from SEMs.⁴²⁷ KPMG notes, however that the omission of this field did not affect KPMG's ability to correct errors and resubmit its LSRs. In its LSOG-4 GUI functional evaluation, KPMG reports that VZ-MA showed satisfactory performance in its handling of all order responses. KPMG states that it did discover problems with the omission of the Request Type field from UNE-Loop LSRCs and the omission of the "ERR_CODE" field from error messages, but notes that neither field was essential to KPMG's ability to perform its order submission and correction activities.⁴²⁸

⁴²⁴ Id. at 61-64.

⁴²⁵ Id. at 101.

⁴²⁶ Id. at 102.

⁴²⁷ Id. at 105.

⁴²⁸ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 107-108 (KPMG Final Report Version 1.4).

KPMG also tested VZ-MA's EDI and GUI order interfaces as part of its Volume Performance Test. KPMG's Volume Performance Test evaluated VZ-MA's ability to handle CLEC transactions at projected daily, peak, and stress volumes for October 2000.⁴²⁹ KPMG conducted the Volume Performance Test at the same time that it was submitting individual transactions for the functional evaluations of VZ-MA's interfaces. KPMG submitted only flow-through eligible orders during the Volume Test in order to focus the test on the ability of VZ-MA's automated systems.⁴³⁰ Though the results are reported separately, KPMG examined both the EDI and GUI interfaces simultaneously in its Volume Performance Test.⁴³¹

During the Volume Performance Test, KPMG received responses for 99.7 percent of the transactions submitted via the EDI interface and 100 percent of transactions submitted over the GUI.⁴³² KPMG also reports that transaction response times were generally strong for both interfaces under volume conditions. For the EDI interface, KPMG states that it received Functional Acknowledgments within one minute for 84.3 percent of its transactions.⁴³³ VZ-MA also returned LSRCs and SEMs during the Volume Test within the defined C2C

⁴²⁹ Id. at 15, 71.

⁴³⁰ Id.

⁴³¹ As noted above, KPMG conducted its volume testing via the LSOG-2/3 production environment only. See Section V.B.1.f.iv above.

⁴³² VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 48,101 (KPMG Final Report Version 1.4).

⁴³³ Id. at 54.

standards.⁴³⁴ For the GUI portion of the Volume Test, KPMG reports that it received all order responses within the defined C2C standards⁴³⁵.

KPMG's order flow-through evaluation examined VZ-MA's ability to flow-through order types without any manual processing. KPMG's review consisted of three components. In the first component, the Achieved Flow-Through Test, KPMG submitted test transactions identified by VZ-MA as being flow-through eligible. KPMG identified 46 transaction types from its EDI and GUI functional evaluation test transactions as being flow-through eligible and monitored the flow-through success on all the transactions that fell into this list of transaction types.⁴³⁶ KPMG initially reported an achieved flow-through rate of 85.3 percent for resale orders, 98.5 percent for UNE-P orders, and 62.1 percent for UNE-Loop orders. However, after investigation, KPMG found that the initial documentation used to determine flow-through eligibility incorrectly identified certain non-flow-through eligible resale and UNE-Loop order types as being flow-through eligible. When the flow-through indicators for these order types were corrected, the achieved flow-through rates were 100 percent for resale and UNE-Loop orders and 98.5 percent for UNE-P orders.⁴³⁷ KPMG also reports that the flow-through rate

⁴³⁴ Id. at 56-57.

⁴³⁵ Id. at 103.

⁴³⁶ Id. at 114-116.

⁴³⁷ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 123-124 (KPMG Final Report Version 1.4).

for the orders reviewed as part of the EDI and GUI Volume Performance Tests was 100 percent for all three service types. Finally, KPMG also evaluated VZ-MA's performance with respect to the return of timely confirmation notices as part of its flow-through evaluation. KPMG reports that VZ-MA returned 100 percent of expected LSRCs within the C2C standard of two hours.⁴³⁸

The second component of KPMG's flow-through evaluation was a Commercial Flow-Through Test, in which KPMG sampled live CLEC orders to determine VZ-MA's performance in achieving flow-through in a commercial production environment. To conduct this evaluation, KPMG collected all orders from two CLECs over a two-week period from January 28 through February 11, 2000 to provide an initial pool of sample orders.⁴³⁹ In order to develop a significant sample size, KPMG included orders submitted in both Massachusetts and New York. KPMG then took a random sample of UNE orders from this initial set of orders and determined the flow-through eligibility of each order. KPMG verified the flow-through performance of each of these orders and calculated the actual and achieved flow-through rates. KPMG reports that of the commercial orders sampled, VZ-MA attained an actual flow-through rate of 35 percent and an achieved flow-through rate of 59 percent.⁴⁴⁰ It is

⁴³⁸ Id. at 125.

⁴³⁹ Id. at 122.

⁴⁴⁰ Id. at 126. VZ-MA objected to KPMG's inclusion of New York orders in the commercial flow-through test, and expressed its concerns over the efficacy of this

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important to note that KPMG's Commercial Flow-Through examination is not a good representation of VZ-MA's ability to flow-through CLEC orders. Notably, the test was not limited to orders placed in Massachusetts, but more importantly was conducted at a time when Verizon was addressing order processing errors that had caused significant problems in New York. KPMG notes that the Achieved Flow-Through Test is more suited to serve as a primary assessment of VZ-MA's ability to flow-through CLEC orders.⁴⁴¹

The final component of KPMG's review of VZ-MA's flow-through capabilities was a review of the parity between wholesale and retail flow-through scenarios. In this test, KPMG submitted to VZ-MA a list of 48 distinct ordering scenarios and asked VZ-MA to provide a description of the retail equivalent to each scenario and to state whether the retail equivalents

⁴⁴⁰(...continued)

component of KPMG's flow-through evaluation to the Department. With respect to the 43 orders that KPMG identified as flow-through eligible but did not flow-through, VZ-MA notes that all 43 orders were submitted in New York. VZ-MA explains that 12 of the orders were not eligible to flow-through Verizon's systems at the time they were submitted, 23 orders contained invalid account information which required manual review, five orders were rejected due to CLEC errors on the LSRs, and two orders did not flow-through because the back-end systems that were required to perform edits on the orders were out of service when the orders were submitted. VZ-MA states, finally, that one of the 43 orders KPMG identified as not flowing-through did in fact flow-through Verizon's OSS systems. See VZ-MA Application, Appdx. B, Vol. 47, Tab 560 (VZ-MA's Response to RR-DTE-353).

⁴⁴¹ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 126 (KPMG Final Report Version 1.4).

were flow-through eligible.⁴⁴² While there is no direct correlation between retail and wholesale order flow-through, for the purposes of this evaluation KPMG considered orders that VZ-MA retail representatives entered into the Direct Order Entry (DOE) system to be the equivalent of Level 5 wholesale flow-through orders.⁴⁴³ KPMG reports that 44 of the 48 scenarios submitted, consisting of eleven flow-through and 33 non-flow-through, had matching flow-through eligibility. The remaining four scenarios were identified by VZ-MA as flow-through eligible for retail but not for wholesale orders.⁴⁴⁴

KPMG's POP Documentation Review evaluated the published documents that VZ-MA makes available to CLECs to assist them in using VZ-MA's ordering interfaces. KPMG evaluated VZ-MA's documentation on the basis of whether it provides clear, accurate, and complete information to allow a CLEC representative to submit order transactions successfully and to correct errors on orders returned by VZ-MA.⁴⁴⁵ As part of its review, KPMG conducted interviews with both the VZ-MA staff responsible for developing order documentation and the CLECs that use VZ-MA documentation in submitting their ordering

⁴⁴² Id. at 127.

⁴⁴³ Id. at 116 n.71.

⁴⁴⁴ Id. at 127.

⁴⁴⁵ Id. at 131-133.

transactions to VZ-MA.⁴⁴⁶ In its report, KPMG states that it finds VZ-MA's ordering documentation satisfactory to meet the needs of CLECs conducting business through VZ-MA's ordering interfaces.⁴⁴⁷ KPMG notes that inconsistencies between separate sets of documentation discovered during the course of its test were corrected to achieve consistency between publications.⁴⁴⁸

KPMG also conducted a capacity management review of VZ-MA's ordering systems to assess whether VZ-MA has in place adequate procedures and tools to manage the projected growth in CLEC demand. In conducting this evaluation, KPMG reviewed relevant VZ-MA documentation and conducted interviews with VZ-MA personnel.⁴⁴⁹ KPMG concludes in its report that VZ-MA's capacity management process is adequate to meet both current and

⁴⁴⁶ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 141 (KPMG Final Report Version 1.4).

⁴⁴⁷ Id. at 141-150.

⁴⁴⁸ Id. at 144. KPMG issued Exception Reports #4 and #12 during its evaluation, identifying a number of inconsistencies in VZ-MA's order documentation and areas where VZ-MA's was not considered sufficiently detailed to enable CLECs to submit complete and accurate order transactions. See VZ-MA Application, Appdx. I, Vol. 2, Tab 2 (Exception Report #4); VZ-MA Application, Appdx. I, Vol. 2, Tab 2 (Exception Report #12). In its Disposition Reports for these Exceptions, KPMG states that, for each identified and confirmed error, VZ-MA implemented the necessary changes to improve the quality and accuracy of its order documentation. See VZ-MA Application, Appdx. I, Vol. 2, Tab 2 (Disposition Report for Exception #4); VZ-MA Application, Appdx. I, Vol. 2, Tab 2 (Disposition Report for Exception #12).

⁴⁴⁹ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 235 (KPMG Final Report Version 1.4).

projected future levels of CLEC orders.⁴⁵⁰

KPMG also evaluated VZ-MA's methods for recording, calculating and reporting its performance metrics related to ordering functions as part of its Performance Metrics Review. First, KPMG reviewed VZ-MA's data collection and filtering processes for the generation of metrics reports. KPMG reports that VZ-MA has in place adequate processes to collect, filter, and maintain the integrity of ordering data.⁴⁵¹ KPMG also validated the accuracy of VZ-MA's reported ordering metrics for the period December 1999 through February 2000. KPMG was able to verify VZ-MA's reported results for nearly all ordering metrics.⁴⁵² KPMG noted that in some cases its results differed from VZ-MA's reported results by only one or two orders, and states that these differences were not considered to be substantial.⁴⁵³

Finally, KPMG calculated metrics, based on the C2C Guidelines, for its own ordering transactions submitted during its EDI and GUI functional evaluations and volume tests. In this component of the metrics review, KPMG examined whether VZ-MA's metrics performance with regard to KPMG's test transactions met the C2C standards. VZ-MA's performance was at or above C2C standards for all ordering metrics with the exception of confirmation and reject notice timeliness for UNE-P Plain Old Telephone Service (POTS) orders. KPMG notes,

⁴⁵⁰ Id. at 235-238.

⁴⁵¹ Id. at 650-652.

⁴⁵² Id. at 668.

⁴⁵³ Id.

however, that it found this error to be the result of VZ-MA's counting Complex orders within the POTS measurement.⁴⁵⁴ KPMG states that it was able to verify that VZ-MA had implemented a temporary fix to resolve this error, and that VZ-MA intends to implement a permanent fix to correct the classification of orders for metrics reporting purposes.⁴⁵⁵

v. Conclusions

The Department finds that VZ-MA meets its obligation to provide nondiscriminatory access to its OSS ordering systems and functions. VZ-MA has in place sufficient systems and personnel to provide ordering capabilities to CLECs at parity with those of its own retail operations and in a manner that provides CLECs a meaningful opportunity to compete. Specifically, VZ-MA provides CLECs with timely order confirmation and rejection notices and completion notices. VZ-MA also provides CLECs with access to jeopardy information at a level equal to that of its retail representatives, and, beginning in October 2000, VZ-MA will actively transmit jeopardy notices to CLECs via the EDI interface. With respect to VZ-MA's order flow-through, the Department notes that while VZ-MA's reported metrics show that VZ-MA has not attained high levels of CLEC order flow-through, these reported flow-through results are not indicative of an inability on the part of VZ-MA to flow-through CLEC orders, but rather confirm the argument that CLECs are equally responsible for the achievement of

⁴⁵⁴ VZ-MA Application, Appdx. I, Vol. 1, Tab 1, at 686 (KPMG Final Report Version 1.4).

⁴⁵⁵ Id. at 696.

high flow-through performance. The results of KPMG's order flow-through evaluation and the disaggregated CLEC flow-through performances bear out this judgment. Further, the Department finds that VZ-MA has taken the necessary steps to ensure that CLEC orders that do not flow-through VZ-MA's systems are received, processed, and completed in a timely and accurate manner.⁴⁵⁶ Finally, as is evidenced in KPMG's Volume Performance Test, VZ-MA's ordering OSS are capable of handling both current and reasonably foreseeable future CLEC demands.

The Department notes that the primary focus of its evaluation was VZ-MA's LSOG-2/3 environment, not the LSOG-4 environment. Therefore, while the Department finds the results of AT&T's LSOG-4 production test instructive, the Department does not find these results to be conclusive of any deficiencies in VZ-MA's ordering OSS that would prevent an efficient competitor from having a meaningful opportunity to compete in the marketplace.

g. Provisioning

i. Standard of Review

In provisioning the orders of competing carriers, the FCC has found that the BOC must provide service to CLEC end customers in "substantially the same time and manner as it is

⁴⁵⁶ The Department notes also that it has ordered VZ-MA to implement OSS upgrades by April 1, 2001 that will, among other things, permit line sharing orders to flow-through VZ-MA's ordering OSS. Appdx. E (Phase III Order, D.T.E. 98-57, at 23-25 (2000)).

provisioning its own retail customers.”⁴⁵⁷ In determining that a BOC has met this requirement, the FCC has noted that it will place emphasis on whether the BOC’s systems are set up to “provide parity of service for provisioning wholesale and retail orders,” whether the BOC is provisioning competitors’ customers at the same level of quality as it provisions its own retail customers, and whether or not the completion intervals for wholesale and retail provisioning are at equal levels.⁴⁵⁸

ii. VZ-MA’s Offering

VZ-MA provides CLECs with parity in due date offerings through the use of standard provisioning intervals and via the SMARTs Clock. VZ-MA notes, however, that while the company offers CLECs parity in due date assignments, there are various factors that cause VZ-MA’s performance metrics to give the mere appearance that parity is lacking. First, VZ-MA notes that CLECs do not always select the first available due date that is offered to them. The CLEC may have any number of reasons for choosing a later due date than what is available, but the end result when they so choose is an inaccurate appearance of disparity between the wholesale and retail average interval offered metrics.⁴⁵⁹ The second major factor that causes

⁴⁵⁷ Bell Atlantic New York Order at ¶ 193.

⁴⁵⁸ The FCC notes with relation to the 271 application of Verizon New York that disparities between retail and wholesale provisioning completion intervals can be the result of inherent flaws in the underlying data. See Bell Atlantic New York Order at ¶¶ 203-210 and n.617.

⁴⁵⁹ VZ-MA Application, Appdx. B, Vol. 32a, Tab 423, ¶¶ 58, 66 (VZ-MA May

(continued...)

disparity between wholesale and retail provisioning intervals is the mix of orders that CLECs submit. VZ-MA asserts that because many CLECs order a high concentration of products with longer installation intervals, the overall average provisioning interval will be longer than that of VZ-MA's retail operations.⁴⁶⁰ For these reasons, VZ-MA notes that the C2C average interval offered and completed metrics are not adequate measures of the Company's ability to offer CLECs parity in installation intervals and due date availability.⁴⁶¹

VZ-MA notes that, while it attempts to provide parity in its offering of installation intervals and due dates, it has experienced some problems that have affected its ability to maintain its service. However, VZ-MA asserts that whenever such problems arise, the Company makes every effort to rectify these problems with minimal negative impact on CLECs. For example, until May 2000, a TIS OC process error was responsible for some UNE-P orders receiving due dates not in parity with equivalent retail services. VZ-MA explains that when UNE-P orders requiring a dispatch were dropped to the TIS OC for manual

⁴⁵⁹(...continued)

Measurements Aff.). VZ-MA notes that it implemented a system change for the LSOG-4 environment in March 2000 that automatically codes CLEC orders that have due dates later than the first available due date. VZ-MA explains that as more CLECs begin to use LSOG-4, the automatic coding of these orders will enable VZ-MA to report a more accurate comparison of installation intervals between retail and wholesale. However, VZ-MA notes that this fix will not have any effect on the order mix problem. Id. at ¶ 74.

⁴⁶⁰ Id. at ¶ 65.

⁴⁶¹ Id. at ¶¶ 73, 75-76.

processing, the TIS OC representatives were mistakenly assigning the due date available on the SMARTs Clock at the time they processed the order, rather than the due date available at the time the valid LSR was submitted to VZ-MA. VZ-MA asserts that this error has been corrected and that all TIS OC personnel have received sufficient training on the revised methods and procedures for handling this type of orders.⁴⁶² VZ-MA finally notes with respect to this issue that less than 10 percent of all UNE-P orders fall into the category of requiring dispatch, and only those that were processed by the TIS OC after the SMARTs Clock due date had changed were affected by this problem.⁴⁶³ A second example of VZ-MA's efforts to fix problems that arise with its provisioning parity occurred during the February 2000 software release. VZ-MA explains that a defect in the February release caused the SMARTs Clock to return longer than expected due dates to CLECs over both the EDI and GUI interfaces. However, VZ-MA explains that after investigating CLEC trouble tickets surrounding this issue, VZ-MA implemented a software fix on April 16, which has corrected the SMARTs Clock error.⁴⁶⁴

VZ-MA states that the most accurate evidence of its ability to provision CLECs' orders at parity with its own retail provisioning is the company's reported metrics for missed

⁴⁶² VZ-MA Application, Appdx. B, Vol. 32b, Tab 423, ¶ 92 (VZ-MA May OSS Aff.).

⁴⁶³ Id. at ¶ 92, n.10.

⁴⁶⁴ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, ¶ 19 (VZ-MA August Supplemental OSS Aff.).

appointments. VZ-MA states that while the selected due dates for retail and wholesale orders may occur at different intervals, the missed appointment rate shows how often VZ-MA is able to complete its provisioning work on or before the selected due date.⁴⁶⁵ VZ-MA separately reports missed appointments that are due to customer reasons. If a CLEC or its customer, for example, is not ready for VZ-MA to provision services, or if the VZ-MA technician is unable to gain access to the customer's premises, VZ-MA does not count the missed appointment against its own provisioning performance because these situations are beyond VZ-MA's control.⁴⁶⁶

VZ-MA notes that although CNR and No Access situations are beyond VZ-MA's control, the company has made efforts to work with CLECs to reduce the number of missed appointments that occur as a result of these problems. VZ-MA explains that it has asked CLECs to provide toll-free contact numbers for VZ-MA technicians to call when they experience problems with gaining access to a CLEC customer's premises to complete provisioning services.⁴⁶⁷ VZ-MA notes that many CLECs have already provided contact numbers to VZ-MA for this purpose, and others are in the process of setting up these contact numbers.

⁴⁶⁵ VZ-MA Application, Appdx. B, Vol. 32a, Tab 423, ¶¶ 75-77 (VZ-MA May Measurements Aff.).

⁴⁶⁶ Id. at ¶ 80.

⁴⁶⁷ VZ-MA Application, Appdx. B, Vol. 34a, Tab 443 (VZ-MA's Response to DTE-5-31).

The C2C standard for VZ-MA's missed provisioning appointment metric is parity with its retail performance. Throughout the period of April through July 2000, VZ-MA met this parity standard for resale provisioning with only one exception. In June, VZ-MA's missed appointments for resale 2-wire digital orders that required dispatch were out of parity with VZ-MA's retail equivalent. For UNE provisioning, VZ-MA's missed appointment rates were almost as good. The only UNE service in which VZ-MA's wholesale missed appointment rate was consistently greater than its retail equivalent was VZ-MA's provisioning of 2-wire xDSL loops requiring dispatch. However, the disparities in the missed appointment rates for this product type were minimal in every month. VZ-MA also had isolated instances of disparity in its provisioning performance for UNE-Loops requiring dispatch in April and UNE 2-wire digital loops requiring dispatch in June. Again, however, the disparities in these measures were minor, and each of these product types were provisioned in parity in the other months reviewed.

VZ-MA measures the quality of its wholesale provisioning through the C2C seven and 30-day installation trouble metrics, the same metrics VZ-MA uses to measure its retail provisioning quality.⁴⁶⁸ In calculating the installation quality metrics, VZ-MA counts the number of troubles reported on a line within seven and 30 days of the completion of provisioning work on that line and reports that number as a percentage of the total number of

⁴⁶⁸ VZ-MA Application, Appdx. B, Vol. 32a, Tab 423, ¶ 85 (VZ-MA May Measurements Aff.).

lines provisioned during the same seven or 30-day period.⁴⁶⁹ VZ-MA notes that the installation quality metrics are also a good indicator of VZ-MA's manual order processing capabilities, because if a service order was entered into SOP incorrectly the customer would report a trouble on the line when the service received was not the same as the service that was ordered.⁴⁷⁰ Under the C2C Guidelines, VZ-MA reports its installation quality metrics against a standard of parity with its retail performance. VZ-MA has met this standard with each of its offered services with only two exceptions. Throughout the period April through July 2000, VZ-MA has been unable to meet parity on the quality of its wholesale provisioning of UNE 2-wire digital and xDSL services.⁴⁷¹

iii. Competitors' Positions and VZ-MA's Response

WorldCom contends that Verizon's due date offerings do not offer CLECs parity to Verizon's retail customers. In addition to the SMARTs Clock problems that VZ-MA has acknowledged and fixed, WorldCom contends that Verizon's SMARTs Clock identifies all-day appointments as being any time between 8:00 a.m. and 7:00 p.m. instead of 8:00 a.m. to 5:00 p.m. as Verizon's business rules state. WorldCom contends that this discrepancy has the potential of causing CLEC customers to believe the Verizon technician has missed a provisioning appointment when the technician does not arrive by 5:00, when in fact the

⁴⁶⁹ Id. at Exh. A at 52.

⁴⁷⁰ Id. at ¶ 85.

⁴⁷¹ VZ-MA's UNE loop provisioning is discussed in detail within checklist item 4.