APPENDIX E

Mode of Entry Bill Credit Mechanism

The following are the steps that will be undertaken to determine whether Bill Credits are due to any CLECs for the MOE categories.

1. For each MOE measure with a "parity" standard: Calculate Z or t score or perform permutation test (for small samples).[1]

2. Convert Z, t or permutation equivalent score to performance score pursuant to the following table:

Statistical Score	**Performance Score**
≤ -1.645	-2
< -0.8225 and > -1.645	-1
> -0.8225	0[2]

3. For each MOE measure with an absolute standard: Determine Performance Score using performance range for the applicable measure. For small sample sizes, the small sample size table for measures with absolute standards is used. (*See* Appendix C.)

4. If the Aggregate Total Performance Score for a MOE is greater than the minimum value allowable for the applicable MOE (*See* Minimum and Maximum Bill Credit Tables in Appendix A), no bill credits are due to the CLECs that received the particular MOE services in that month. If the value is equal to or less than a minimum value, CLECs will be paid Bill

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1 When "no activity occurs" in a metric the performance measure and its weight will be excluded from performance score.

2 For report rate measures – regardless of z or t score – if absolute difference is less than 0.1%, the performance score is a 0.

Credits pursuant to the Bill Credit Tables in Appendix A, which will be adjusted to reflect the monthly volumes or units being used by the CLECs.[3]

5. The MOE Bill Credit Table reflects (1) the range of the aggregate performance scores from the minimum to maximum, (2) the monthly dollars attributable to each score, (3) the aggregate CLEC monthly volumes for the measure, and (4) the corresponding monthly rate what will be paid to each CLEC if Verizon-MA's performance is at that particular level. The individual CLEC's Bill Credit will be determined by multiplying the CLEC's monthly units in service by the applicable rate for the Aggregate MOE score.

6. For example, assume the first two steps of the UNE Bill Credit Table were as follow:

Score	Mon. $	Mon. Vol.	Mon. Rate
-0.260	$585,474	100,000	$5.85
-0.300	$758,947	100,000	$7.58

Using the above Credit Table, if the Aggregate MOE score was -0.300 and a CLEC had 5,000 UNE lines (at the end of the month), it would entitled to a $26,700 Bill Credit ($7.58 X 5,000 = $37,900).

8. The Domain Clustering Rule

The Mode of Entry measures are classified into four key domains: Pre-Order, Ordering, Provisioning and Maintenance. To ensure that competition is not negatively influenced by poor performance on measures in any one of these domains, a Domain Clustering Rule has been established under this Plan. The rule, which applies only to the UNE and Resale MOEs, enables the entire mode of entry performance score to be modified if 75% or more of the total weights

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[3] The measurement units for UNEs and Resale are lines in service. For Interconnection, it is minutes in use. For Collocation, it is collocation cages installed in the month.

for the measures in any of the domains is tripped. For the Pre-Order domain, this percentage is reduced to 66.7%. Under this rule, the lower of the overall MOE score or the Domain score will be used to determine whether any bill credits are due. The domain score will be calculated as follows: First, determine the % of weights tripped, *e.g.*, if a domain contained a number of metrics with a total weight of 80, and 65 of the 80 weights were tripped, the domain percentage would be 81.2%. Since this is greater than 75%, the domain clustering rule will apply,. Next, determine the difference between the minimum and maximum performance scores for the MOE, in which the domain appeared. For example, the minimum score for the UNE MOE is -0.1904 and the maximum score for the UNE MOE is -0.67, therefore, the difference is -0.4796. This figure would be multiplied by the 81.2%. This equals -0.3894. This number (-0.3894) would be added to the minimum score and would result in a domain clustering score of -0.5798. If the MOE score were -0.388, the performance score for the MOE would be replaced with the domain clustering score of -0.5798 based on the Domain Clustering Rule.

APPENDIX F

Critical Measures Performance Scoring

A. The following steps would be taken to determine which CLECs would be entitled to Bill Credits pursuant to the Aggregate Rule, *i.e.,* when aggregate CLEC performance falls below standard for a critical measure.

1. Calculate the total dollars available for Bill Credits per critical measure per month.

An increment table will be developed for each critical measure to determine the Bill Credits available for unsatisfactory performance, *i.e.*, at or less than performance scores of -1. The tables will range from 50% of the maximum monthly amount, for a performance difference of less than 1% to 100% of the amount for performance differences of 10% and greater.[1] A sample table appears below for z and t and performance scores where the maximum monthly amount for the measure is $390,690.

Table F-1-1
Allocation of Dollars for Critical Measures
Measures with Statistical Evaluation Standards

Statistical Score		Performance	Increment	Dollars
From	To	Score		
	> -0.8225	0	0%	$0
≤ -0.8225	> -0.9048	-1.0	50%	$195,345
≤ -0.9048	> -0.9870	-1.1	55%	$214,880
≤ -0.9870	> -1.0693	-1.2	60%	$234,414
≤ -1.0693	> -1.1515	-1.3	65%	$253,949
≤ -1.1515	> -1.2338	-1.4	70%	$273,483
≤ -1.2338	> -1.3160	-1.5	75%	$293,018
≤ -1.3160	> -1.3983	-1.6	80%	$312,552
≤ -1.3983	> -1.4805	-1.7	85%	$332,087
≤ -1.4805	> -1.5628	-1,8	90%	$351,621
≤ -1.5628	> -1.6450	-1.9	95%	$371,156
≤ - 1.645		-2.0	100%	$390,690

[1] For HOT Cut Performance, if either metric is below standard, the entire critical measure is treated as below standard.

Table F-1-2
Allocation of Dollars for Critical Measures
Measures with 95% Standards [2]

% Performance		Performance	Increment	Dollars
From	To	Score		
	≥ 95.0	0	0%	$0
< 95.0	≥ 94.5	-1.0	50%	$195,345
< 94.5	≥ 94.0	-1.1	55%	$214,880
< 94.0	≥ 93.5	-1.2	60%	$234,414
< 93.5	≥ 93.0	-1.3	65%	$253,949
< 93.0	≥ 92.5	-1.4	70%	$273,483
< 92.5	≥ 92.0	-1.5	75%	$293,018
< 92.0	≥ 91.5	-1.6	80%	$312,552
< 91.5	≥ 91.0	-1.7	85%	$332,087
< 91.0	≥ 90.5	-1,8	90%	$351,621
< 90.5	≥ 90.0	-1.9	95%	$371,156
< 90.0		-2.0	100%	$390,690

2. **The aggregate performance score would be used to determine the amount of Bill Credits available for CLECs who received unsatisfactory performance.**

   Pursuant to table F-1-1, $195,345 would be available if the aggregate z-score equaled -0.823 and the performance score equaled -1[3]

3. **Determine which CLECs qualify for the market adjustment.**

   For measures where the statistical score is used, the cutoff point for qualification is Verizon-MA's score on the critical measure +/- one sampling error (based upon the Verizon-MA sampling error). Each CLEC's performance is compared to the cutoff point. Performance equal to or less than the cutoff qualifies for Bill Credits. For example, if Verizon-MA's performance score was .13 and the sampling error was .03, all CLECs with scores equal to or greater than .16 would qualify.

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2 For Performance Measures with other % standards, the range of performance will be similarly distributed in 10 even increments.

3 When calculating a market adjustment for metrics that use absolute standards (generally a 95% standard) all CLECs at the -1 level or less would qualify. The calculation of the dollars is similar to the z-score method.

4. Calculate the individual market adjustments for qualified CLECs.

a. Determine each CLEC's allocated weight. Multiply the CLEC's score on the measure by the volume of its service to be credited.

b. Determine each CLEC's weighted share. Aggregate the amounts from step "a" and divide each CLECs share by this total to determine each CLEC's weighted share.

c. Determine each CLEC's dollar share. Multiply the CLEC's weighted share by the total amount available for market adjustment.

B. The following steps will be taken to determine whether any CLECs would be entitled to Bill Credits pursuant to the Individual Rule, i.e., for CLECs who receive a performance score ≤ -1 for two consecutive months:

1. Determine if any CLECs qualify for Bill Credit Adjustment. CLECs qualify for a Bill Credit if they received a final score equal to or less then -.8225 for z and t scores or equal to or less than -1 for absolute scores on any of the measures included in the critical measurements for the applicable month.

2. Determine each CLECs Bill Credit Adjustment base. The CLECs individual z or t or performance score is used as a starting point to determine the monthly amount available for bill credits to that CLEC.

3. Calculate Bill Credit Adjustment to apply to the CLECs impacted. The monthly dollars available to the CLEC are converted to a rate assuming that 1/3 of the market would receive a Z or t-score of -.8225 or less or a performance score of -1 or less. This rate is multiplied by the CLEC's volume (*e.g.,* lines in services) to determine the amount to be credit to the CLEC for that critical measure.

APPENDIX G

Bell Atlantic - MA 271 Backslide Report

RESALE

Month

		BA	CLEC	Observations BA	Observations CLEC	BA Stnd. Deviation	Sampling Error	Z-Score	Diff.	Perf. Score	Wgt.	Wgtd. Score
PO	**Pre-Ordering**											
1-01	**Customer Service Record**											
1-02	**Due Date Availability**											
1-03	**Address Validation**											
1-04	**Product and Service Availability**											
1-05	**Telephone Number Availability and Reservation**											
1-06	**Facility Availibility (Loop Qualification)**											
2-02	**OSS System Availability - Prime**											
3-02	% Answered within 30 Seconds - Ordering											
3-04	% Answered within 30 Seconds - Repair											
OR	**Ordering**											
1-02	% On Time LSRC - Flow Through - POTS - 2hrs											
1-04	% OT LSRC <10 Lines (Elec.- No Flow Through) - POTS											
1-04	% OT LSRC <10 Lines (Elec.- No Flow Through) - Specials											
1-06	% On Time LSRC >= 10 Lines (Electronic) - POTS											
1-06	% On Time LSRC >= 10 Lines (Electronic) - Specials											
2-02	% On Time LSR Reject - Flow Through - POTS											
2-04	% OT LSR Rej.<10 Lines (Elec.-No Flow Through)-POTS											
2-04	% OT LSR Rej.<10 Lines (Elec.-No Flow Through)-Specials											
2-06	% On Time LSR Reject >=10 Lines (Electronic) - POTS											
2-06	% On Time LSR Reject >=10 Lines (Electronic) - Specials											
4-09	% SOP to Bill Completion Sent w/in 3 Business Days											
5-03	% Flow Through - Achieved - POTS & Specials											
6-03	**% Accuracy - LSRC**											
PR	**Provisioning**	BA	CLEC	BA	CLEC	Deviation	Error	Z-Score				
3-08	% Completed w/in 5 Days (1-5 lines - No Dispatch) - POTS											
3-09	% Completed w/n 5 Days (1-5 lines - Dispatch) - POTS											
4-01	**% Missed Appointment - BA - Total - Specials**											
4-02	Average Delay Days - Total - POTS											
4-02	Average Delay Days - Total - Specials											
4-04	**% Missed Appointment - BA - Dispatch - POTS**											
4-05	**% Missed Appointment- BA - No Dispatch - POTS**											
5-01	% Missed Appointment - Facilities - POTS											
5-01	% Missed Appointment - Facilities - Specials											
5-02	% Orders Held for Facilities > 15 days - POTS											
5-02	% Orders Held for Facilities > 15 days - Specials											
6-01	% Installation Troubles within 30 days - POTS											
6-01	% Installation Troubles within 30 days - Specials											
MR	**Maintenance & Repair**								Diff.			
1-01	Average Response Time - Create Trouble											
1-03	Average Response Time - Modify Trouble											
1-04	Average Response Time - Request Cancellation of Trouble											
1-06	Average Response Time - Test Touble (POTS only)											
									Z-Score			
2-01	Network Trouble Report Rate - Specials											
2-02	Network Trouble Report Rate - Loop (POTS)											
3-01	% Missed Repair Appointments - Loop											
3-02	% Missed Repair Appointments - Central Office											
4-01	**Mean Time to Repair - Specials**											
4-02	**Mean Time to Repair - Loop Trouble**											
4-03	**Mean Time to Repair - CO Trouble**											
4-08	% Out of Service > 24 Hours - POTS											
4-08	**% Out of Service > 24 Hours - Specials**											
5-01	**% Repeat Reports w/in 30 days - POTS**											
5-01	**% Repeat Reports w/in 30 days - Specials**											
BI	**Billing**											
1-01	% DUF in 4 Business Days											
									Totals			

Credit to Industry at this Performance

Bell Atlantic - MA 271 Backslide Report

UNE

Month

PO Pre-Ordering

		BA	CLEC	Diff.	Score	Wgt.	Wgtd. Score
1-01	**Customer Service Record**						
1-02	**Due Date Availability**						
1-03	**Address Validation**						
1-04	**Product and Service Availability**						
1-05	**Telephone Number Availability and Reservation**						
1-06	**Facility Availibility (Loop Qualification)**						
2-02	**OSS Interface Availability - Prime**						
3-02	% Answered within 30 Seconds - Ordering						
3-04	% Answered within 30 Seconds - Repair						

OR Ordering

1-02	% On Time LSRC - Flow Through - POTS - 2hrs						
1-04	% OT LSRC<10 Lines (Elec.-No Flow Through)-POTS						
1-04	% OT LSRC<10 Lines (Elec.-No Flow Through)-Specials						
1-04	% OT LSRC<10 Lines (Elec.-No Flow Through)-Complex						
1-06	% On Time LSRC >=10 Lines (Electronic) - POTS						
1-06	% On Time LSRC >=10 Lines (Electronic) - Specials						
1-06	% On Time LSRC >=10 Lines (Electronic) - Complex						
2-02	% On Time LSR Reject - Flow Through - POTS						
2-04	% OT LSR Rej.<10 lines (Elec.-No Flow Through)-POTS						
2-04	% OT LSR Rej.<10 lines (Elec.-No Flow Through)-Specials						
2-04	% OT LSR Rej.<10 lines (Elec.-No Flow Through)-Complex						
2-06	% On Time LSR Reject >= 10 Lines (Electronic) - POTS						
2-06	% On Time LSR Reject >= 10 Lines (Electronic) - Specials						
2-06	% On Time LSR Reject >= 10 Lines (Electronic) - Complex						
4-09	% SOP to Bill Completion Sent w/in 3 Business Days						
5-03	% Flow Through - Achieved - POTS & Specials						
6-03	**% OT Accuracy LSRC**						

PR Provisioning

		BA	CLEC	Observations BA	Observations CLEC	BA Stnd. Deviation	Sampling Error	Z-Score		
3-08	% Completed w/in 5 Days (1-5 lines-No Dispatch)-UNE-P/Other									
3-09	% Completed w/in 5 Days (1-5 lines-Dispatch)-UNE-P/Other									
4-01	**% Missed Appointment - BA - Total - Specials**									
4-01	**% Missed Appointment - BA - Total - EEL**									
4-01	% Missed Appointment - BA - Total - IOF									
4-02	Average Delay Days - Total - POTS									
4-02	Average Delay Days - Total - Specials									
4-02	Average Delay Days - Total - Complex									
4-04	% Missed Appointment - BA - Dispatch - Platform									
4-04	**% Missed Appointment - BA - Dispatch - New Loop**									
4-04	**% Missed Appointment - BA - Dispatch - Complex**									
4-05	**% Missed Appointment- BA - No Dispatch - Platform**									
4-05	**% Missed Appointment- BA - No Dispatch - Complex**									
4-06	**% On Time Performance - Hot Cut**									
5-01	% Missed Appointment - Facilities - POTS									
5-01	% Missed Appointment - Facilities - Specials									
5-02	% Orders Held for Facilities > 15 days - POTS									
5-02	% Orders Held for Facilities > 15 days - Specials									
6-01	% Installation Troubles within 30 days - POTS Other									
6-01	% Installation Troubles within 30 days - Specials									
6-02	% Installation Troubles within 7 days - Loops									

MR Maintenance & Repair

				Diff.			
1-01	Average Response Time - Create Trouble						
1-03	Average Response Time - Modify Trouble						
1-04	Average Response Time - Request Cancellation of Trouble						
1-06	Average Response Time - Test Touble (POTS only)						

								Z-Score		
2-01	Network Trouble Report Rate - Specials									
2-02	Network Trouble Report Rate - Loop (POTS)									
3-01	% Missed Repair Appointments - Loop									
3-02	% Missed Repair Appointments - Central Office									
4-01	**Mean Time to Repair - Specials**									
4-02	**Mean Time to Repair - Loop Trouble**									
4-03	**Mean Time to Repair - CO Trouble**									
4-08	% Out of Service > 24 Hours - POTS									
4-08	**% Out of Service > 24 Hours - Specials**									
5-01	**% Repeat Reports w/in 30 days - POTS**									
5-01	**% Repeat Reports w/in 30 days - Specials**									

BI Billing

1-01	% DUF in 4 Business Days		

Totals

Credit to Industry at this Performance

Bell Atlantic - Massachusetts

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Month

INTERCONNECTION

OR	Ordering	CLEC	Obs.	Perf. Score	Wgt.	Wgtd. Score
1-12	% On Time Firm Order Confirmations					
1-13	% On Time Design Layout Record					
2-12	% On TimeTrunk ASR Reject					

PR	Provisioning	BA		Observations BA	Observations CLEC	BA Standard Deviation	Sampling Error	Z-Score	Perf. Score	Wgt.	Wgtd. Score
4-01	**% Missed Appointment - BA - Total**										
4-02	Average Delay Days - Total										
4-07	**% On Time Performance - LNP only**										
5-01	% Missed Appointment - Facilities										
5-02	% Orders Held for Facilities > 15 Days										
6-01	% Installation Troubles w/in 30 Days										
MR	**Maintenance & Repair**										
4-01	**Mean Time to Repair - Total**										
5-01	**% Repeat Reports w/in 30 Days**										
NP	**Network Performance**										
1-03	**# of Final Trunk Groups Blocked 2 Months**										
1-04	**# of Final Trunk Groups Blocked 3 Months**										
								Totals			

Credit to Industry at this Performance

Collocation

NP	Network Performance	CLEC	Obs.	Perf. Score	Wgt.	Wgtd. Score
2-01	% OT Response to Request for Physical Collocation					
2-02	% OT Response to Request for Virtual Collocation					
2-05	**% On Time - Physical Location**					
2-06	**% On Time - Virtual Location**					
2-07	**Average Delay Days - Physical**					
2-08	**Average Delay Days - Virtual**					
				Totals		

Credit to Industry at this Performance

Month		Bell Atlantic -Massachusetts CRITICAL MEASURES - Backslide Report	Resale %	Resale $	UNE %	UNE $	Trunks %	Trunks $	Collocation %	Collocation $	Total $
		PRE-ORDERING									
1	metric	**Response Time OSS Interface**									
	PO-1-01	Customer Service Record									
	PO-1-02	Due Date availability									
	PO-1-03	Address Validation									
	PO-1-04	Product and Service Availability									
	PO-1-05	Telephone Number Availability and Reservation									
	PO-1-06	Facility Availibility (Loop Qualification)									
2	PO-2-02	**OSS Interface Availability - Prime**									
		ORDERING									
3	metric	**% On Time Ordering Notification**									
	OR-1-02	% On Time LSRC - Flow Through - POTS - 2hrs									
	OR-1-04	% OT LSRC<10 Lines (Elec.-No Flow Through)-POTS									
	OR-1-06	% OT LSRC >=10 Lines (Electronic) - POTS									
	OR-2-02	% On Time LSR Reject - Flow Through - POTS									
	OR-2-04	% OT LSR Rej.<10 lines (Elec.-No Flow Through)-POTS									
	OR-2-06	% On Time LSR Reject >= 10 Lines (Electronic) - POTS									
	OR-4-09	% SOP to Bill Completion Sent w/in 3 Business Days									
		PROVISIONING									
4a	PR-4-01	**% Missed Appointment - BA - Total - EEL**									
4b		**% Missed Appointment**									
	PR-4-01	% Missed Appointment - BA - Total - Specials									
	PR-4-01	% Missed Appointment - BA - Total - Trunks									
	PR-4-04	% Missed Appointment - BA - Total - Dispatch - POTS									
	PR-4-04	% Missed Appointment - BA - Total - Dispatch - New Loops									
	PR-4-05	% Missed Appointment - BA - Total - No Dispatch - POTS									
5	PR-4-05	**% Missed Appt. - BA - No dispatch - Platform**									
6		**Hot Cut Performance**									
	PR-4-06	% On Time - Hot Cut (adj. for missed appts. due to late LSRC)									
	PR-6-02	% Troubles within 7 Days - Hot Cut									
7	PR-4-07	**% On Time Performance - UNE LNP**									
		MAINTENANCE									
8		**Mean Time To Repair**									
	MR-4-01	Mean Time To Repair - Specials									
	MR-4-01	Mean Time To Repair - Trunks									
	MR-4-02	Mean Time To Repair - Loop Trouble									
	MR-4-03	Mean Time To Repair - Central Office									
	MR-4-08	% Out Of Service > 24 Hours - POTS									
9		**% Repeat Reports within 30 Days**									
	MR-5-01	% Repeat Reports w/in 30 days - POTS									
	MR-5-01	% Repeat Reports w/in 30 days - Specials									
		NETWORK PERFORMANCE									
10		**Final Trunk Group Blocked**									
	NP-1-03	**Blocked 2 Months**									
	NP-1-04	**Blocked 3 Months**									
11		**Collocation**									
	NP-2-05/6	% On Time - Physical & Virtual									
	NP-2-07/8	Average Delay Days - Physical & Virtual									
		Digital Subscriber Line Services									
12		**xDSL**									
	PO-8-01	Avg. Response Time - Manual Loop Qualification									
	PO-8-02	Avg. Response Time - Engineering Record Request									
	PR-4-14	% Completed on Time									
	PR-4-15	% Completed on Time									
	PR-4-16	% Completed on Time									
	PR-4-17	% Completed on Time									
	PR-4-18	% Completed on Time									
	PR-6-01	% Installation Troubles - xDSL Loops									
		# of full share measures in category Total									

Month

Special Provision - UNE Ordering

		% On Time	Observations	Market Adj.
OR-1-04-3100	% OT LSRC<10 Lines (Elec.-No Flow Through)-POTS			
OR-1-06-3320	% On Time LSRC >=10 Lines (Electronic) - POTS			
OR-2-04-3320	% OT LSR Rej.<10 lines (Elec.-No Flow Through)-POTS			
OR-2-06-3320	% On Time LSR Reject >= 10 Lines (Elec.) - POTS			

Total Market Adj.

* For allocation, any UNE Ordering market adjustment is combined with the MOE UNE market adjustment allocation.

Special Provision - UNE Flow Through

PR-5-01-3000 % Flow Through - Total - POTS & Specials				OR-5-03-3112 % Flow Through - Achieved - POTS & Special			
Month	%	Observations Gross #	Flow-thru	Month	%	Observations Gross #	Flow-thru
Overall				Overall			

Market Adjustment *

* For allocation, any Flow Though market adjustment is combined with the MOE UNE market adjustment allocation.

Special Provision - Hot Cut - Loop Performance

		% On Time Current Mo.	Observations	% On Time Prior Month	Observations
PR-9-01-3520	% On Time Performance - Hot Cut				

		%Troubles
PR-6-02-3520	% Installation Troubles within 7 days - Hot Cut	

	Tier I (2 mo)	Tier II (1 mo)	Total
Market Adjustment *			

* For allocation purposes, any Hot Cut market adjustment is combined with the Critical measure market adjustment allocation.

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Bell Atlantic - Massachusetts

Sheet I

271 Backslide Market Adjustment Summary

Month

		Weighted Score	Market Adjustment
	MODE OF ENTRY		
	Resale		
	Unbundled Network Elements		
	Trunks		
	Collocation		
	Mode of Entry Total		
#	**CRITICAL MEASURES**		
1	Response Time OSS Interface		
2	OSS Interface Availability - Prime		
3	% Accuracy LSRC		
4a	% Missed Appointment - BA - Total - EEL		
4b	% Missed Appointment - BA - Complex		
4c	% Missed Appointment		
5	% Missed Appt. - BA - No dispatch - Platform		
6	% On Time Performance - Hot Cut		
7	% On Time Performance - LNP		
8	% Repeat Reports within 30 Days		
9	Mean Time To Repair		
10	Final Trunk Group Blocked		
11	Collocation		
	Critical Measure Total		
	SPECIAL PROVISIONS		
	UNE Ordering		
	UNE Flow Through		
	UNE Hot Cut Loop		
	Special Provision Total		
	Grand Total		

APPENDIX H

Special Provisions

UNE Ordering Performance Measures:

Verizon-MA will provide an additional $1,083,333 in monthly bill credits for UNE Order Confirmation Performance based on four POTS metrics included in the MOE category. If on-time performance falls below 90% for any month, a credit of $270,833 for each metric missing the standard will be distributed like the bill credits under Critical Measures. Funding for these credits will be taken from funds that are unused in 6 previous months or from the current month. No new funds are available. The metrics and standards are as follows:

Metric #	POTS Electronically Submitted	Threshold
OR-1-04	% On Time LSRC < 10 Lines	< 90%
OR-1-06	% On Time LSRC ≥ 10 Lines	< 90%
OR-2-04	% On Time Reject < 10 Lines	< 90%
OR-2-06	% On Time Reject ≥ 10 Lines	< 90%

Flow Through:

An additional $5.4 Million per year is available for flow through performance. Two performance measures for UNE from the Carrier to Carrier Performance Guidelines will be used to measure performance with the performance scores set forth below.

Metric #		Threshold
OR-5-01	% Flow Through – Total – UNE	≥ 80%
OR-5-03	% Flow Through – Achieved – UNE	≥ 95%

For each measure, the UNE scores will be combined and reviewed on a quarterly basis. If the combined score meets either target, no additional credits are due. If the combined score meets neither metric target for that quarter, then $1,350,000 will be credited to all CLECs purchasing UNEs based on the number of lines in service. Lines in service will equal: UNE-P, UNE Loops, IOF, and EEL Loops.

Performance will be measured for the first time under this measure upon Verizon-MA's entry into the InterLATA market. The prior three months will be examined to determine if bill credits are due.

The following table demonstrates the calculation of quarterly flow through performance:

Quarterly Flow Through Performance:

	Month 1	Month 2	Month 3	Quarter Total
Total Orders that Flow Through *UNE*	15000	18000	17000	50000
Total Orders Processed *UNE*	25000	21000	22000	68000
Total % Flow Through - UNE Combined for Quarter:				73.5%
Total Orders that Flow Through *UNE*	15000	18000	17000	50000
Total Orders Designed to Flow Through: *UNE*	18000	19000	18000	55000
Total % Achieved Flow Through - UNE Combined for Quarter:				90.9%

In this example, neither metric met the performance threshold, therefore, $1,350,000 would have been credited to all CLECs purchasing UNEs.

Additional Hot Cut Loop Performance Measures:

An additional $13 Million per year is available for Hot Cut Loop performance. This measure will be composed of two performance metrics: PR-4-06 – "% On Time Hot Cut Loop" and PR-6-01 – "% Installation Troubles within 7 Days – Hot Cut Loop."[1] If either one of these thresholds is missed, additional bill credits will be distributed to the CLECs.

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[1] These two measures are also included in the Critical Measurements method, and additional bill credits may be due if Verizon-MA does not satisfy that Critical Measure.

This measure has two tiers of performance standards. Tier I will be applied to a two month scenario, and Tier II will be applied to a one month scenario. The Tier I threshold is measured based on two consecutive months of performance, while the Tier II threshold is measured based on an individual month's performance. The performance thresholds are contained in the table below:

Metric #		Tier I Threshold	Tier II
PR-4-06	% On Time Hot Cut Loop[2]	< 90%	< 85%
PR-6-01	% Installation Troubles within 7 Days – Hot Cut Loop	≥ 3.00%	≥ 4.00%

Under Tier I, if Verizon-MA does not satisfy the above standards for two consecutive months, it will distribute $541,666 million to the affected CLECs. Under Tier II, if Verizon-MA does not satisfy the above standards for a single month, it will distribute $1,083,333 million to the affected CLECs. Below is an example of how this measure would work.

Example:

Metric #		Performance For Month 1	Performance for Month 2	Performance for Month 3	Performance for Month 4
PR-4-06	% On Time Hot Cut Loop	84%	91%	91%	91%
PR-6-01	% Installation Troubles within 7 Days – Hot Cut Loop	2%	3.5%	2%	3.5%
	Credit for the Month	$1,083,333	$541,666	$0	$0

In month 1, Verizon-MA did not satisfy the more stringent requirements of Tier II and $1,083,333 in bill credits would be due.

In month 2, Verizon-MA satisfied the performance standard under Tier II, but not the less severe standard under Tier I. Bill credits would be due, however, because Verizon-MA failed to meet the Tier I standard two months in a row. (Month 1 counts against Verizon-MA.)

In month 3 both the Tier I and II standards were met, Verizon-MA would owe nothing.

In month 4, the Tier I performance standard was not met, but no bill credits would be due since Tier I requires Verizon-MA to fail these performance standards two months in a row. Verizon-MA service in month 3 was satisfactory. Month 5 would determine whether bill credits would be due under either Tier I or Tier II.

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[2] % On Time – Hot Cut Loop performance will be adjusted such that any missed appointment for customer reasons – due to late FOC will be counted as a miss.

APPENDIX I

CHANGE CONTROL ASSURANCE PLAN

VERIZON - MASSACHUSETTS

OCTOBER 2000

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APPENDIX I-A – Change Control Measures

I. INTRODUCTION

To ensure that Verizon Massachusetts ("Verizon-MA"), will execute the Change Control process in an expeditious and non-discriminatory manner, Verizon-MA will undertake the actions set forth in this Change Control Assurance Plan (the "C.C.A.P.") after entry into the long distance market pursuant to Section 271 of the Telecommunications Act of 1996. A total of $13.2 million in bill credits will be at risk to CLECs if Verizon-MA provides unsatisfactory service for the four measures in this Plan.

II. THE CHANGE CONTROL MEASURES AND BILL CREDITS

The following measures are included in this Plan:

1. PO-4-01: % Change Management Notices Sent on Time;
2. PO-4-03: Change Management Notice Delay 8 plus Days;
3. PO-6-01: % Software Validation; and
4. PO-7-04: Delay Hours - Failed/Rejected Test Transactions - No Workaround.

Attached hereto as Appendix A is a chart that provides the standards that will be applied to each of the above measures and the total amount of bill credits associated with each standard. If a performance measure is missed according to its standards, bill credits will be paid to all CLECs purchasing Unbundled Network Elements ("UNEs") or resold services. CLECs will receive bill credits on a prorated basis of the total credit determined using Appendix A based on their lines in service. This Plan will use the same mechanisms set forth in the Performance Assurance Plan for determining "lines in service." (*See* P.A.P. Section II (C)(2))

Under this Change Control Assurance Plan, Verizon-MA will retain the right to withdraw any proposed software release prior to the item being put into final production. If Verizon-MA exercises this right, it will not be deemed to have violated the requirements set forth in PO-4-01,

PO-4-03, PO-6-01 or PO-7-04 and will not be subject to the payment of bill credits under those measures.

The initial amount of annual bill credits for all CLECs will be $5.28 million under this Plan. If, however, the bill credits due to the CLECs under this Plan exceed $5.28 million in any year,[1] an additional amount of $7.92 million will be at risk from the bill credit amounts allocated to the Mode of Entry Categories in the Performance Assurance Plan. Thus, a total of $13.2 million will be available for bill credits for the Change Control measures. Bill credit payments for Change Control measures will be given priority over bill credits for the MOE categories.

The Department will have the authority to reallocate the monthly distribution of bill credits between and among any provisions of the P.A.P. and the C.C.A.P. The Department will give the Company 15 days notice prior to the beginning of the month in which the reallocation will occur. Any reallocation will be done pursuant to Department order.

III. MONTHLY REPORTS

Each month Verizon-MA will issue a report on its performance on the above measures to each CLEC providing service in Massachusetts.[2] The reports will be CLEC specific and will indicate the scores on the measures, the aggregate amount of bill credits, if any, that Verizon-MA must provide pursuant to the standards set forth in Appendix I-A, and the specific amount of bill credits that will appear on the individual CLEC's bill. All CLECs with multiple bill accounts

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[1] The "year" will be measured from the first day of Verizon-MA's entry into the interLATA market.

[2] Verizon-MA's performance on the other Change Control metrics will be reported in the monthly C2C reports.

must inform Verizon-MA as to which of their accounts should receive any bill credits for the Change Control measures.

IV. REVIEWS, UPDATES AND AUDITS

- Annual reviews and updates will occur under this Plan until the Department determines otherwise. However, Verizon-MA, after consulting with Staff, may at any time recommend to the Department modifications, additions, or deletions to the measures in this Plan or the bill credit allocations. CLECs and any other interested parties will be given an opportunity to provide comments on any recommendations. In addition, Staff will have the right from time to time, on 60-days notice to Verizon-MA, to conduct an audit of data reported in the monthly reports.[3]

V. EXCEPTION PROCESS

Verizon-MA will have the right to file a petition with the Department seeking to have the standards contained in Appendix I-A waived or modified either for future or past periods. The Department shall grant such a request if it determines that the application of one or more of the standards contained in Appendix I-A would not serve the public interest. The application of one or more parts of Appendix I-A would not serve the public interest if Verizon-MA could not, through any reasonable efforts, prevent results that do not satisfy the standards. Verizon-MA's petition must include all information that demonstrates how the measure was missed. It shall also include a recalculation of the measure with the challenged information excluded from the calculations. CLECs and other interested parties will be given an opportunity to respond to any Verizon-MA petition for an Exception. In the event the Department rules in Verizon-MA's

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[3] Unlike the most of the measures in the P.A.P., the recording of data for each of the measures in this Plan will be done manually.

favor, Verizon-MA will have the right to offset any paid bill credits against any future bill credits that may come due for either the Change Control measures or Performance Assurance Plan measures.

VI. TERM OF PLAN FOR THE CHANGE CONTROL PROCESS

The Change Control Assurance Plan will have the same term as the Performance Assurance Plan. It will remain in effect, as modified from time to time by the Department, until the Department rescinds the Performance Assurance Plan or develops a replacement mechanism.

VII. FULLY INTEGRATED DOCUMENT

The terms and provisions of this Plan are submitted in their entirety to the Department for approval. This Plan represents a fully integrated statement of the commitments Verizon-MA will undertake, including the payment of bill credits for unsatisfactory performance under the measures. It is not offered to the Department for approval on a piecemeal basis.

Change Control Performance Assurance Plan Measures

PO-4-01	**% Change Management Notices Sent on Time**			
	Performance Range (Notification and Confirmation for Types 3, 4 and 5 only)	≥ 95%	90 to 94.9%	< 90%
	Performance Credit	$0	$132,000	$264,000
PO-4-03	**Change Management Notice Delay 8 plus Days** (Notification and Confirmation for Type 1, 2, 3, 4 and 5)			
	Performance Credit	$13,200 per day		
PO-6-01	**% Software Validation** (See Note 1)			
	Performance Range	≤ 5%	5.1 to 10%	> 10%
	Performance Credit	$0	$52,800	$528,000
PO-7-04	**Delay Hours – Failed/Rejected Test Transactions – No Workaround** (See Note 2)			
	Performance Credit	$26,400 per day Per Release		

Note 1: Measured against releases pursuant to Change Notice Types 3, 4 and 5.

Note 2: PO-7-04 applies to failed Test Deck items executed by Verizon-MA in
PO-6-01 and applies until all errors reported in PO-6-01 are fixed.