

being provided to local competitors in Massachusetts under approved interconnection agreements and tariffs that have been filed with the Massachusetts Department of Telecommunications and Energy or, in some cases, with the Federal Communications Commission. In fact, the Massachusetts Department of Telecommunications and Energy carefully reviewed Verizon's compliance with the checklist and confirmed that Verizon satisfies each checklist item.

4. Nor can the commenters dispute the fact that competitors are using checklist items in commercial volumes to compete successfully in Massachusetts. Through September 2000, competitors are using over 307,000 local interconnection trunks to exchange on average 1.8 billion minutes of traffic each month. Competitors are also using nearly 56,000 unbundled loops, either individually or in combination with other network elements, and reselling over 250,000 dial tone lines. In addition, through September 2000, Verizon has ported more than 208,000 telephone numbers through local number portability.

5. The issues that have been raised by commenters are largely limited to anecdotes about Verizon's performance in providing certain checklist items. In some cases, they recount incidents where Verizon did not deliver a particular network element on time. In other cases, they manipulate their own data to present a completely misleading picture of Verizon's performance.

6. During August 2000, Verizon experienced a work stoppage by its union employees. As we explained in our initial declaration and we describe further in Section VIII of this Reply Declaration, Verizon took a number of non-discriminatory steps designed to minimize the impact of the work stoppage on wholesale and retail customers.

These steps included dedicating field personnel primarily to repair and maintenance of existing services. This meant that as a general rule orders requiring a dispatch were not provisioned for either wholesale or retail customers.

7. Because of the limited personnel available for installation work in the field, Verizon could not meet many of its interval measurements. Nonetheless, Verizon made its limited resources available in a non-discriminatory manner so that Verizon was able to meet most of its parity measurements. In those instances where Verizon was not able to meet its parity metrics, it was because when the work stoppage ended, Verizon caught up faster for CLECs than it did for its retail customers. Since orders appear in the provisioning measurements in the month in which they are completed, a large number of CLEC orders with missed due dates are included in the August results, while relatively fewer retail orders (which were not completed until September) are included. In addition, the volume of incoming retail orders during the work stoppage dropped by substantially more than the volume of incoming wholesale orders. As a result, at the conclusion of the work stoppage, there was a substantially higher inventory of service orders to be provisioned in wholesale than in retail. The impact of the work stoppage and the recovery period on the performance measurements is more fully described in the joint reply declaration of Ms. Guerard and Ms. Canny.

8. When these isolated incidents are placed in perspective and Verizon's performance data are presented fairly, it is evident that Verizon is meeting the checklist. No one can perform perfectly and the checklist does not require perfection. But overall, Verizon is providing checklist items on time and competitors are using them to enter the local market in Massachusetts on a massive scale.

II. Verizon Provides Interconnection.

9. There is no dispute that Verizon is provisioning commercial volumes of local interconnection trunks to CLECs. As of July 2000, Verizon had more than 290,000 local interconnection trunks in place. This represents nearly three-fourths of the total number of trunks Verizon has in its entire interoffice network in Massachusetts. In August and September 2000, Verizon added another 17,000 local interconnection trunks to CLECs. As of the end of September 2000, Verizon had over 307,000 local interconnection trunks in place.

10. During the first seven months of 2000, Verizon's local interconnection trunks carried on average over 1.8 billion minutes of traffic each month. No party disputes the fact that Verizon has been able to construct a massive trunking network for the CLECs in Massachusetts in a remarkably short period of time.

11. No commenter raises concerns about blockage on the interconnection trunks that carry local traffic from Verizon to CLECs. As explained in our Joint Declaration, Verizon's blocking performance is at parity for CLECs. The results for August continue to show parity. The utilization for dedicated final trunk groups from Verizon to CLECs was 28.7 percent and the utilization for Verizon's own common final trunk groups was 63.7 percent. Only 1.49 percent of Verizon's dedicated final trunk groups to the CLECs in Massachusetts exceeded their designed engineering load. *See* August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D). In addition, in August, only two Verizon dedicated final interconnection trunk groups to the CLECs exceeded the designed engineering load for two consecutive months and only one final

trunk group exceeded the designed engineering load for three consecutive months. *See* August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).

12. Verizon continued to show strong interconnection performance in September. The utilization for dedicated final trunk groups from Verizon to CLECs was 31.6 percent and the utilization for Verizon's own common final trunk groups was 71.6 percent. And as in August, only 1.43 percent of Verizon's dedicated final trunk groups to the CLECs in Massachusetts exceeded their designed engineering load. *See* September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D). In addition, in September, no Verizon dedicated final interconnection trunk groups to the CLECs exceeded the designed engineering load for two consecutive months and only one final trunk group exceeded the designed engineering load for three consecutive months. *See* September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).

13. The assertions by few commenters about a few of their interconnection trunk orders, even if true, do not detract from Verizon's overall performance in providing interconnection trunks. Verizon is installing local interconnection trunks for CLECs in a timely fashion by consistently meeting or exceeding its committed provisioning intervals for interconnection trunks in each category. As we explained in our Joint Declaration, during May, June and July 2000, Verizon met nearly 100 percent of the due dates for all CLEC interconnection trunks. *See* Carrier to Carrier Reports (Guerard/Canny Decl. Att. E).

14. Verizon's interconnection trunk provisioning performance continued to be at parity during the month of August, when Verizon experienced a work stoppage. In August 2000, Verizon met approximately 81.7 percent of the due dates for all CLEC

interconnection trunks and 82.4 percent of the due dates for IXCs. *See* August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).

15. As expected, Verizon's trunk provisioning performance improved in September. In September 2000, Verizon met approximately 90.7 percent of the due dates for all CLEC interconnection trunks and 88.0 percent of the due dates for IXCs. *See* September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).

16. Based on an extensive record, the Massachusetts Department of Telecommunications and Energy concluded that Verizon is meeting the checklist requirements for interconnection. MA DTE Comments at 31.

17. Despite Verizon's strong record installing interconnection trunks, two CLECs raise issues with Verizon's interconnection trunks. As detailed below, their assertions are inaccurate, unsupported and out-of-date.

18. WinStar claims that Verizon issued late Firm Order Confirmations ("FOC") on 4 out of 10 WinStar trunk orders. WinStar Comments at 4. This is incorrect. Two of the orders that WinStar identified as having a late FOC were cancelled by WinStar, eliminating the need for Verizon to send a FOC to WinStar. Another order was simply a records change order that does not require a FOC. Only one out of the ten trunk orders received a late FOC. *See* Attachment A. WinStar also claims that CLECs are experiencing missed due dates on trunk orders. WinStar Comments at 4. WinStar does not offer any evidence of its own, but instead points to evidence submitted by AT&T before the Massachusetts Department of Telecommunications and Energy. AT&T has abandoned these claims before the FCC.

19. WinStar claims that Verizon “fails to provide to CLECs 64 Kbps Clear Channel interconnection trunks in its Cambridge switch” but then admits that this situation was “recently resolved.” WinStar Comments at 5. WinStar further claims that “Verizon’s ability to use such trunks while denying CLEC’s the same quality of interconnection gave it a clear advantage in the type and level of service it offers its customers.” WinStar Comments at 5.

20. First, contrary to WinStar’s assertion, the industry allocation of 64 Clear Channel trunks applied in a non-discriminatory fashion to all carriers including Verizon. Verizon did not provide any additional 64 Kbps trunks to itself from the Cambridge tandem during the industry allocation. Verizon instead used 56 Kbps trunks.

21. Second, Verizon did not refuse to provide 64 Kbps trunks to CLECs from its Cambridge tandem. Under the industry allocation process used during the construction of the Newton tandem, Verizon provided 64 Kbps trunks to CLECs that could demonstrate a need for them. Verizon indicated its willingness to work with WinStar and any other CLEC to provide additional 64 Kbps trunks from the Cambridge tandem where 64 Clear Channel traffic volume warranted, but WinStar never attempted to demonstrate any such need. *See* Attachment B. In fact, Verizon’s analysis of WinStar’s 64 Kbps dedicated final trunk group to the Cambridge 4ESS in June 2000 showed that WinStar’s trunk utilization (trunks required divided by trunks in service) was approximately \*\*\*\* percent. This is a conservative calculation based on all traffic operating over this trunk group (56 Kbps and 64 Kbps), not just the 64 Kbps Clear Channel traffic.

22. Finally, the Massachusetts Department of Telecommunications and Energy carefully scrutinized the industry allocation process at the Cambridge tandem. It found that Verizon’s “completion of a new access tandem in Newton, and its application of the ‘as required’ allocation standard for Clear Channel trunks to itself as well as to its competitors, was an appropriate response to the constraints at the Cambridge tandem.” MA DTE Comments at 44.

23. WinStar also claims that it is experiencing delays in obtaining trunks to its hubs in major markets. WinStar Comments at 5. None of the “trunks” identified by WinStar are interconnection trunks or unbundled interoffice facilities. They are instead high capacity special access services from Verizon’s access tariffs that Verizon provides directly to interexchange carriers. In fact, Verizon delivers WinStar’s interconnection traffic to points other than the hubs mentioned in its comments. They have nothing to do with the checklist.

24. WinStar also complains about a “major outage” in September 1999 when Verizon moved WinStar’s interconnection trunks from one switch to another. WinStar Comments at 2. As Verizon explained to the Massachusetts Department of Telecommunications and Energy, this outage was an isolated incident more than a year ago that was attributable to human error. Verizon took the appropriate action to correct the outage and responded to WinStar’s concerns promptly.

25. To prevent or eliminate this type of outage from occurring in the future, Verizon implemented a WinStar Service Improvement Action Plan and communicated this plan to WinStar on September 17, 1999. *See Attachment C.* Verizon is committed to service excellence to CLECs, and the documented response to WinStar is reflective of

such a policy. Moreover, during July, August and September 2000, WinStar submitted three trouble tickets associated with a single T-1 failure and those tickets were closed with no trouble found in Verizon's network. The trouble was isolated to WinStar's own equipment.

26. WinStar also claims that Verizon's methods for calculating its responsibility for the length of the outage does not accurately reflect its performance. WinStar Comments at 3. Verizon has a longstanding practice of "stopping the clock" when Verizon fails to find a problem on a trouble reported by an IXC (and now with CLECs as well) and referring the trouble investigation back to the IXC/CLEC is appropriate. This method is consistent with the convention underlying the Carrier to Carrier performance measures adopted by the Massachusetts Department of Telecommunications and Energy.

27. CompTel raises interconnection issues on behalf of one CLEC – ICG – that were not raised before the Massachusetts Department of Telecommunications and Energy. CompTel claims that Verizon "unilaterally committed to install only 39.3% of the interconnection trunks that ICG had requested for Boston." CompTel Comments at 16. CompTel has grossly distorted the facts. The interconnection trunks that ICG is complaining about are not the trunks that ICG ordered to deliver traffic from ICG to Verizon. ICG has ordered, and Verizon has installed on a timely basis, approximately \*\*\*\* \* interconnection trunks to carry traffic from ICG to Verizon.

28. ICG is complaining about the trunks that carry traffic from Verizon to ICG. These trunks are not ordered by CLECs. They are provisioned by Verizon based upon traffic volumes, trunk utilization and forecasts provided by CLECs. ICG has

forecasted that Verizon should provision over 24,000 interconnection trunks to deliver traffic from Verizon to ICG. This means that ICG thinks Verizon should install (and pay for) 120 trunks from Verizon to ICG for every one trunk from ICG to Verizon. There is no sound basis for Verizon to install 24,000 trunks to ICG. The number of trunks ICG is requesting as a new entrant with almost no traffic volumes amounts to nearly 8 percent of all the local interconnection trunks Verizon installed during the last four and a half years to serve all CLECs. It is also more trunks than Verizon typically installs for all CLECs in a two-month period.

29. Moreover, Verizon has already installed nearly 8,000 trunks to carry traffic from Verizon to ICG and these trunks are grossly underutilized. The current utilization level on these trunks is approximately \*\*\*\* percent. This means that these trunks could handle about \*\*\*\* times the traffic they are now carrying. By contrast, the overall utilization level for interconnection trunks carrying traffic from Verizon to CLECs is 33 percent and for Verizon's own final trunk groups is 68 percent. *See* Lacouture/Ruesterholz Decl. ¶ 27.

30. Verizon will augment the interconnection trunks carrying traffic from Verizon to ICG as warranted by increases in traffic volumes or proof from ICG that traffic volumes will increase. ICG has not provided any documentation that its traffic volumes will increase and its recently announced revised business plan suggests just the opposite. *See* September 18, 2000 ICG Press Release ("The Company previously had anticipated net line additions of approximately 470,000 lines in the third and fourth quarters of 2000 and approximately 1,000,000 lines in 2001. The revised business plan

provides for net line additions of approximately 125,000 lines during the second half of 2000 and approximately 500,000 to 600,000 lines for the year 2001”).

31. In any event, Verizon has strong incentives to ensure that it has sufficient trunk capacity in place to carry traffic from Verizon to ICG. Verizon’s Carrier to Carrier Performance Reports measure the percentage of calls blocked on final trunk groups carrying traffic from Verizon to CLECs. If Verizon does not have enough trunks in place to carry traffic from Verizon to ICG, the percentage of CLEC dedicated final trunk groups exceeding their engineering blocking design will go up and will be reflected in Verizon’s performance reports.

32. ICG also says that Verizon was supposed to complete the construction of fiber facilities to ICG’s switch in Boston by December 1, 1999, but did not complete the fiber build until May 14, 2000. Theodore Washington Decl. ¶¶ 19-21, attached to CompTel Comments. Once again, ICG has distorted the facts.

33. Verizon representatives met with ICG on October 25, 1999, to discuss the construction of entrance facilities in Boston. At that meeting, Verizon gave ICG a 4-6 month interval for completion of the entrance facility, not a completion date of December 1, 1999. During that same meeting, ICG informed Verizon that it expected to complete its room preparation work necessary to accept the entrance facility equipment (*e.g.*, dust free, power ready, and racks installed) by mid-December 1999. Verizon, in turn, informed ICG that if the room was ready by mid-December, the fiber multiplexing equipment associated with the entrance facility could be installed during January 2000 with testing and turn-up complete by mid-February.

34. ICG did not complete its room preparation work until late February 2000. And because of access problems at ICG's site, Verizon had to delay delivery of the fiber optic multiplexing equipment until March. On April 4, 1999, Verizon technicians attempted to install Verizon multiplexing equipment at ICG's site, but discovered that ICG had not installed the necessary power equipment. As a result, Verizon had to delay the equipment installation until April 12, 2000, so that ICG could install the necessary power equipment. Final installation, testing and turn-up of the entrance facility was completed by May 5, 2000.

35. Finally, ICG complains that Verizon does not provide "diverse paths to the tandem." Theodore Washington Decl. ¶ 13, attached to CompTel Comments. This is not true. If ICG collocates at Verizon's tandem, it can use separate building entrances to bring its fiber interconnection facilities to its collocation arrangement for interconnection to Verizon's network. DTE Tariff No. 17, Part E, Section 2.2.1.A.

### III. Verizon Provides Collocation

36. There is no dispute that Verizon is provisioning commercial volumes of collocation. Through July 2000, Verizon had already provided over 1,600 collocation arrangements. In August and September 2000, Verizon provided another 25 collocation arrangements and 177 collocation augments.

37. There is also no dispute that Verizon's collocation performance is excellent. During May, June and July 2000, Verizon met the committed to due date for 96 percent of physical collocation jobs completed in those months. *See Carrier to Carrier Reports* (Guerard/Canny Decl. Att. E). During the work stoppage in August, Verizon completed 9 out of the 12 new physical collocation arrangements on time and all of the

collocation augments. *See* August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D). Of the three physical collocation arrangements that completed late, two of the three jobs were completed late when discrepancies were identified at by the CLEC at the Cage Acceptance Meeting (CAM) meetings. Verizon promptly made the requested corrections to complete the jobs. The third job was completed late due to an internal processing error that affected the overall schedule.

38. In September, Verizon completed 10 out of 13 new physical collocation arrangements on time and 48 percent of the collocation augments. *See* September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D). Because of the longer intervals associated with collocation, the effects of the work stoppage did not begin to appear in Verizon's metrics until September. The work stoppage caused a two to three week delay for all collocation jobs and Verizon was not able to make up the time in these cases.

39. With the exception of collocation augments for line sharing, which we address in Section IV.C of our reply declaration, the only collocation issues raised by commenters concern Verizon's collocation offerings themselves. These issues largely reflect a misunderstanding on the part of the CLECs and do not undercut the fact that Verizon's collocation offerings satisfy all checklist requirements.

40. ALTS and Rhythms argue that Verizon's collocation offerings in Massachusetts are not identical to Verizon's collocation offerings in New York. In particular, they claim that Verizon refuses to convert virtual collocation arrangements to cageless collocation arrangements in Massachusetts even though it offers these same conversions in New York. ALTS Comments at 13; Rhythms Comments at 15.

41. Verizon does not offer to convert virtual collocation arrangements to cageless collocation arrangements in either Massachusetts or New York. The New York Public Service Commission required Verizon to accept requests to convert virtual collocation arrangements to cageless collocation arrangements during a 60-day window that ended on February 12, 2000. During that window, none of the 15 CLECs with virtual collocation arrangements in New York submitted even a single request to convert their virtual collocation arrangements. Verizon does not have an obligation to accept requests from CLECs in Massachusetts or New York to convert their virtual collocation arrangements to cageless collocation arrangements.

42. In Massachusetts, there are only 3 virtual collocation arrangements held by unaffiliated CLECs and each of those arrangements is located in an unsecured area of Verizon's central offices. The Massachusetts Department of Telecommunications and Energy decided that Verizon should not be required to convert virtual collocation arrangements to cageless collocation, except in those limited situations where cageless collocation was not available to the CLEC. *See Investigation by the Department on Its Own Motion as to the Propriety of the Rates and Charges Set Forth in the Following Tariffs: M.D.T.E. Nos. 14 and 17, Filed with the Department on August 27, 1999, to Become Effective on September 27, 1999, by Verizon New England, Inc. d/b/a Verizon-Massachusetts, D.T.E. 98-57 - Phase I, Order at IV.C.6. (Mar. 24, 2000)* (“[a]part from the limited circumstances identified above, we agree with Bell Atlantic that allowing in-place conversions when both [cageless] and virtual collocation arrangements were available options to the CLEC . . . would not be in the public interest since it would allow CLECs to flip-flop between those options at will.”). The Department subsequently

stayed the requirement to convert virtual collocation in those limited situations, pending the FCC's further rulemaking on this issue on remand from the United States Circuit Court of Appeals for the District of Columbia. *See Investigation by the Department on Its Own Motion as to the Propriety of the Rates and Charges Set Forth in the Following Tariffs: M.D.T.E. Nos. 14 and 17, Filed with the Department on August 27, 1999, to Become Effective on September 27, 1999, by Verizon New England, Inc. d/b/a Verizon-Massachusetts, D.T.E. 98-57 - Phase I, Order at III.A.2. (Sept. 7, 2000)* (“we agree with Verizon that a stay of our directives is warranted regarding commingling of equipment, virtual to cageless conversions, and regarding Verizon’s removal of the reference to the construction of a separate room. The stay is pending the FCC's final decision on this issue”).

43. ALTS, Rhythms and Covad complain about the way Verizon recovers its costs of providing power to collocation arrangements. *See* ALTS Comments at 18-20; Rhythms Comments at 18-20; Covad Comments at 43-47. Verizon is recovering its costs for collocation power through rates that were approved by the Massachusetts Department of Telecommunications and Energy as part of its Consolidated Arbitration proceeding. *See* Verizon MA 271 Application, App. H, Vol. 63, Tab 522 at 17-22 (Phase 4G Order); Verizon MA 271 Application, App. H, Vol. 69, Tab 593 (Phase 4I Order). CLECs raised these same arguments in that proceeding and the Department rejected those arguments. The Massachusetts Department of Telecommunications and Energy has reaffirmed in its comments in this proceeding that Verizon’s “method of estimating power costs was sound, because it properly accounted for incremental energy costs associated with providing power to the CLECs’ equipment.” MA DTE Comments at 57.

44. ALTS argues that Verizon has not met its obligation to provide collocation at remote terminals because its Collocation at Remote Terminal Equipment Enclosures (“CRTEE”) tariff has not yet gone into effect. ALTS Comments at 16-17. However, on September 14, 2000, the Massachusetts DTE released a procedural memorandum indicating that Verizon’s CRTEE offering is now available under the terms, conditions and rates contained in Verizon’s May 17<sup>th</sup> compliance tariff filing, subject to true-up and revision after the Department completes its review of the filing. Additionally, Verizon is meeting its obligation to allow collocation at remote terminals through amendments to interconnection agreements. As of October 20, 2000, 5 CLECs have signed amendments to their interconnection agreements that provide for collocation at remote terminals. *See Attachment D.* These amendments make collocation available at remote terminals to the full extent required by applicable law.

45. One CLEC – NAS – argues that Verizon’s 76 business-day interval for collocation augments is too long. NAS Comments at 6. On September 29, 2000, the Department directed Verizon to reduce its 76 business-day collocation augment interval for line sharing to 40 business days. *See Investigation by the Department on Its Own Motion as to the Propriety of the Rates and Charges Set Forth in M.D.T.E No. 17, Filed with the Department on May 5, 2000 to Become D.T.E. 98-57, Phase III Effective June 4 and June 6, 2000 by New England Telephone and Telegraph Company d/b/a Bell Atlantic – Massachusetts* (Sept. 29, 2000). Verizon has petitioned for reconsideration of this order because the interval is not reasonable. Verizon has also requested that the Massachusetts Department of Telecommunications and Energy defer the requirement that Verizon file a compliance tariff relating to the 40 day interval pending the Department’s

decision on Verizon's petition for reconsideration. *See* Verizon Massachusetts Request to Defer the Date for Compliance in Part and to Extend the Judicial Appeal Period, DTE 98-57 Phase III, filed October 19, 2000.

IV. Verizon Provides Loops.

46. There is no dispute that Verizon is providing loops in commercial volumes. Through July 2000, Verizon had over 56,000 loops in service, including more than 44,000 stand-alone loops (new loops and hot cuts) and nearly 12,000 loops provided as part of network element platforms that include switching and transport elements.

A. Voice Grade Loops.

47. Verizon is unquestionably providing voice grade loops in commercial volumes. Verizon is also filling orders for loops when CLECs request them. During May, June and July 2000, Verizon completed more than 96.8 percent of new POTS loop orders and more than 99.9 percent of platform orders on time. *See* Carrier to Carrier Reports (Guerard/Canny Decl. Att. E). In addition, Verizon is consistently meeting the due date on CLEC new loop and platform orders a higher percentage of the time than it does for its own retail orders. *See* Carrier to Carrier Reports (Guerard/Canny Decl. Att. E).

48. During the work stoppage in August, Verizon focused its limited management resources on repair and maintenance activities. As a result, Verizon was not able to maintain the same high level of on-time performance as it had in prior months. Nonetheless, Verizon continued to provision and repair CLEC loops in a non-discriminatory manner. For example, during August 2000, Verizon completed CLEC platform orders not requiring a dispatch within 1.52 days, as compared to 1.32 days for

Verizon retail orders. *See August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).* In addition, the installation trouble report rate during August 2000 was only 1.83 percent for CLECs, as compared to 2.98 for Verizon retail orders. *See August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).*

49. As expected, Verizon's on time performance improved during the month following the work stoppage. In September, Verizon's on time performance rate for new loops was 90.38 percent as compared to 91.3 percent for Verizon's retail orders. *See September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).* In addition, Verizon completed on time 100 percent of platform orders that did not require a dispatch. *See September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).*

50. In September, Verizon continued to provision and repair CLEC loops in a non-discriminatory manner. For example, during September 2000, Verizon completed CLEC platform orders not requiring a dispatch within 1.52 days, as compared to 1.37 days for Verizon retail orders. *See September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).* In addition, the installation trouble report rate during September 2000 was only 1.68 percent for CLECs, as compared to 3.61 for Verizon retail orders. *See September Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).*

51. Verizon is also providing excellent performance on hot cuts. During May, June and July 2000, Verizon completed on average 99.1 percent of hot cut orders on time. *See Carrier to Carrier Reports (Guerard/Canny Decl. Att. E).* In addition, less than 1 percent of hot cut lines had installation troubles reported within 7 days. *See Carrier to Carrier Reports (Guerard/Canny Decl. Att. E).*

52. During the work stoppage in August, Verizon was able to maintain its high level of installation quality on hot cuts. Less than one third of one percent of hot cut lines had installation troubles reported within 7 days. *See August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).* Unfortunately, because of the need to focus resources on repair and maintenance activities, Verizon could not maintain the same high level of on time performance as it had in prior months.

53. In September, Verizon continued to maintain its high level of installation quality on hot cuts. Only about one percent of hot cut lines had installation troubles reported within 7 days. *See August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D).* As explained more fully in Section VIII of our reply declaration, Verizon's hot cut on time completion rate did not improve in September because hot cut orders that were due during the work stoppage were completed after the work stoppage on a central office by central office basis, unless the CLEC requested otherwise. If the orders that were submitted or due during the work stoppage are excluded from the calculation, Verizon's on time performance for hot cut loops in September was 99 percent. *See Attachment E.*

54. As we explained in our initial declaration, only one CLEC – AT&T – challenged Verizon's hot cut performance. During data reconciliation before the Massachusetts Department of Telecommunications and Energy, AT&T could only identify 6 hot cuts that were mis-scored between July of last year and February of this year. *MA DTE Comments at 454.* AT&T abandoned its hot cut claims before the FCC.

55. Only two parties – Sprint and the Massachusetts Attorney General – raised as an issue Verizon's hot cut performance before the FCC. They simply rely on the same

AT&T data that Verizon discredited before the Massachusetts Department of Telecommunications and Energy and that AT&T itself has abandoned.

B. xDSL Loops.

56. Verizon's ability to provision xDSL loops in commercial volumes and on a timely basis is not undermined by anecdotes involving individual orders. Through July 2000, Verizon had provisioned over 13,000 2-wire xDSL loops. In August 2000, Verizon provisioned 1,100 xDSL loops.

57. Verizon is providing xDSL loops when carriers want them. During June and July 2000, Verizon's on time performance, as measured under the Massachusetts Performance Assurance Plan, meets or exceeds 95 percent in each of the separate reporting categories. *See* Guerard/Canny Decl. Att. M. These performance measures best reflect Verizon's actual performance because they exclude orders that Verizon cannot complete for reasons that are beyond Verizon's control. These include orders where facilities are not available and orders where Verizon cannot gain access to facilities at the customer's premises.

58. The fact that Verizon is providing xDSL loops when CLECs want them is further confirmed by Verizon's missed installation appointment rate. During May, June and July 2000, CLECs missed appointment rate was a little over 3 percent while Verizon's missed appointment rate for retail ADSL orders was a little over 2 percent. *See* Carrier to Carrier Reports, Guerard/Canny Decl. Att. E. As expected, during the work stoppage in August, Verizon's missed appointment rate went up as Verizon focused its very limited resources on maintenance and repair activities. In September, Verizon's performance began to recover as Verizon cleared out the backlog of work stoppage

orders and worked current orders. The missed appointment rate in September returned to single digit levels; the missed appointment rate for CLECs was 9.16 percent and the rate for Verizon's retail orders was comparable at 7.13 percent.

59. Verizon's on time performance is comparable to or better than what the Commission found acceptable in Texas. SBC missed between 3 and 7.7 percent of xDSL installation appointments for CLECs, which is up to more than twice as many as Verizon missed prior to its work stoppage. *Texas Order* ¶ 151 n.830. The Commission also found that a differential of between one and two percent between CLEC and retail missed appointment rates satisfied parity requirements. *Id.* The differential in Verizon's retail and CLEC missed appointment rate prior to the work stoppage is within the same range.

60. Verizon's reported performance on certain provisioning intervals are subject to several factors that are beyond Verizon's control. As explained by Drs. Gertner and Bamberger, when these factors are properly excluded from Verizon's performance results, Verizon is providing xDSL loops in intervals that are comparable to Verizon's retail ADSL service. *See Gertner/Bamberger Reply Decl.* ¶ 25. Verizon is meeting these comparable intervals even though it is more difficult to provision an xDSL loop than to provision retail xDSL service. Verizon retail service simply adds ADSL service to a loop that is already in service, while provisioning xDSL loops involves bringing into service a loop that is not working.

61. The flaws that affect interval measures are especially true in the case of PR-3-10, which measures Verizon's performance on the percentage of orders completed

within 6 days.<sup>1</sup> This metric is skewed by at least three separate factors. First, not all of the orders captured by this metric carry an interval of 6 days. For example, orders requesting manual loop qualification carry a total interval of 9 days. If such an order were completed within 9 days, it would be on time even though it was not completed within 6 days.

62. Second, this metric includes orders that Verizon was not able to complete because of a lack of facilities. Third, it also includes orders requesting an interval longer than the standard 6 day interval and that are improperly coded by the CLEC. For example, sometimes a CLEC prequalifies a loop, but seeks an interval of 8 days. In that case if the order were completed within 8 days, it would be on time even though it was not completed within 6 days. Therefore, this metric is not a measure of Verizon's on time performance.

63. In order to obtain an accurate picture of Verizon's performance under this metric, these factors must be excluded from the calculation. Ms. Guerard and Ms. Canny demonstrated that taking into account just one of these factors – manual loop qualification – the intervals within which Verizon provides xDSL loops to CLECs are comparable to the intervals within which Verizon provides its own retail DSL services. *See* Guerard/Canny Decl. ¶ 20.

64. This analysis is further confirmed by a study performed by Drs. Gertner and Bamberger. This study shows that when the factors that are beyond Verizon's control are properly excluded from Verizon's performance results, Verizon is providing

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<sup>1</sup> Contrary to what we reported in our initial declaration, the retail analogue for this metric is residential second lines. For all other DSL loop provisioning metrics, the retail analogue is Verizon's ADSL service as we reported.

xDSL loops in intervals that are comparable to Verizon's retail ADSL service. *See* Gertner/Bamberger Reply Decl. ¶ 25.

65. Moreover, Verizon's performance under this metric improved in September. As reported in the September Carrier to Carrier Report, 56.3 percent of CLEC xDSL orders were completed within 6 days, as compared to 65.5 percent of Verizon's retail orders for residential second lines. *See* August Carrier to Carrier Report (Guerard/Canny Reply Decl. Att. D). If the orders that were either submitted or due during the work stoppage are excluded from the calculation, 69.67 percent of CLEC xDSL orders were completed within 6 days, as compared to 68.54 percent of Verizon's retail orders for residential second lines. *See* Guerard/Canny Reply Decl. ¶ 22.

66. Verizon is also installing loops with a high level of quality, but Verizon's installation trouble report rate is skewed by the fact that CLECs are reporting troubles on loops that they tested and accepted as working. In July, for example, more than 70 percent of reported installation troubles were for loops that had been tested by the CLEC and the CLEC provided Verizon a serial number indicating that the xDSL loop was working. When the trouble reports for these loops are excluded from the calculation, Verizon's installation trouble report rate on CLEC xDSL loops is 2.53, as compared to 2.97 for Verizon's retail ADSL service. *See* Attachment F.

67. Covad says that 44 percent of the trouble tickets it submitted actually result in trouble found on the loop. Covad then makes an inexplicable leap to the conclusion that "at least 44% of the loops Verizon delivered to Covad were non-functioning." Covad Comments at 16. This is simply not true. During July 2000, Covad reported installation troubles on \*\*\*\* percent of the loops provisioned by

Verizon, but more than \*\*\*\* percent of those reported troubles were closed with no trouble found. The remaining trouble tickets represent a reported installation trouble rate of \*\*\*\* percent. And more than \*\*\*\* percent of those remaining trouble tickets were for loops that were tested and accepted by Covad during the provisioning process. *See* Attachment F. When the loops that Covad tested and accepted are excluded from the calculation, the installation trouble report rate drops to \*\*\*\* percent. *See* Attachment F.

68. Covad also claims that xDSL loops are three times more likely to have installation problems than Verizon's retail service. Covad Comments at 15. This reason for this disparity is the fact that \*\*\*\* percent of Covad's installation trouble reports are for loops that Covad tested at the time of installation and certified as working. When these installation trouble reports are excluded from the July performance data, Covad's installation trouble report rate drops to \*\*\*\* percent, which is better than the retail rate. *See* Attachment F. Moreover, as noted above, when installation trouble reports on loops tested and accepted by CLECs generally are excluded from the July performance data, the CLECs' installation trouble report rate is better than Verizon's retail trouble report rate. *See* Attachment F.

69. Covad suggests that if CLECs are submitting trouble tickets on loops that have been tested and accepted, Verizon needs to fix the acceptance testing process. Covad Comments at 18. Acceptance testing is performed by CLECs at the time Verizon delivers xDSL loops. Verizon simply facilitates that testing by shorting the loop at the terminal. Only the CLECs – not Verizon – can fix the acceptance testing process. Moreover, Covad admitted during the hearings before the Massachusetts Department of

Telecommunications and Energy that it is accepting loops that do not pass testing and then submitting repair requests to have them conditioned. As Ms. Cutcher explained on behalf of Covad, “[t]he process that Covad experiences, if Bell Atlantic provisions the loop and through Harris testing we discover it has, for example, load coil on it, the way that is dealt with is through a trouble ticket. We have to call Bell Atlantic and open up a trouble ticket. Bell Atlantic has a commitment to clear a trouble ticket in 24 hours.” Application, App. B, Tab 233 at 3247. Mr. Pratte on behalf of another CLEC, Vitts, said “[o]ur approach has been the same manner with the trouble report. They have two or three days’ turnaround time repairing those, depending on how many load coils they have and how much work is involved.” *Id.* at 3248.

70. Two other CLECs – Digital Broadband and NAS – make claims about the installation trouble report rate on the xDSL loops they obtain from Verizon. Neither one of these CLECs raised these claims before the Massachusetts Department of Telecommunications and Energy. Nor did either one of these CLECs submit data in support of their claims. This reason for this disparity is the fact that most of the installation trouble reports submitted by these CLECs are for loops that the CLECs tested at the time of installation and certified as working. When these installation trouble reports are excluded from the July performance data, Digital Broadband’s installation trouble report rate drops to \*\*\*\* percent and NAS’ installation trouble report rate drops to \*\*\*\* percent, which in each case is better than the retail rate. *See* Attachment F.

71. Verizon is also making its repair services available to CLECs on a non-discriminatory basis, but once again, the CLECs behavior is skewing the results. For

example, Covad claims that “in July competitive LEC customers waited nearly an entire day longer to have their service restored than Verizon’s own customers were forced to wait.” Covad Comments at 20. The principal reason for this difference is the fact that a larger percentage of the CLECs’ repair requests are associated with the initial provisioning of the loop and take a long time to close because Verizon is effectively reprovisioning or conditioning the loop. These activities are not typical maintenance and are driving up the average time to repair CLEC xDSL loops.

72. In order to obtain an accurate picture of Verizon’s maintenance performance, these trouble tickets should be excluded from the analysis. To adjust for these CLEC behaviors, Verizon has excluded those repair requests that took more than 50 hours to clear and were associated with installation troubles or other provisioning issues. Most of these repair requests required multiple dispatches and were frequently referred to engineering and construction to “condition” and “reprovision” the loop. In a worst case, Verizon dispatched seven times on a single loop. When these adjustments are made to both the CLEC and retail performance data, the mean time to repair for CLECs is within 9 hours of the retail mean time to repair for July and within 3 hours for September. *See* Attachment G.

73. Another reason for the difference in average repair times is the fact that CLECs more frequently do not accept weekend repair appointments. As we explained in our initial declaration, this behavior on the part of CLECs adds approximately 4 hours to the average repair time on CLEC loops. *See* Lacouture/Ruesterholz Decl. ¶ 74. These two factors together reduce the difference between CLEC and retail repair intervals in July to 5 hours and eliminate the difference altogether for September.