

# **EXHIBIT 1**



**Clifford K. Williams**  
**Senior Attorney**

32 Ave of the Americas, Room 2700  
New York, NY 10013

December 23, 1999

**BY FIRST CLASS AND E-MAIL**

Dan Martin  
Chief of the Intercarrier Coordination Section-  
Communications Division  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223

Dear Dan:

AT&T Communications of New York, Inc. ("AT&T") hereby requests that the Commission Staff intervene and resolve the carrier-to-carrier issues described below pursuant to the Expedited Dispute Resolution process. AT&T requests intervention on three issues that have arisen between AT&T and Bell Atlantic-New York ("BA-NY"): (i) nearly 10,000 AT&T platform orders are severely backlogged, resulting in a serious impediment to AT&T's ability to service its customers; (ii) AT&T experiences continuous outages of BA-NY's CORBA pre-order interface; and (iii) BA-NY has failed to provide a significant number of provisioning and billing completion notices to AT&T. AT&T has attempted to resolve these issues by consulting and conferring with BA-NY, but has been unable to obtain a satisfactory resolution.

**Backlogged Orders**

As AT&T has explained to the Commission and BA-NY, approximately 9,600 AT&T Unbundled Network Element-Platform ("UNE-P") orders have been sent to BA-NY without the return of notices of acknowledgement, confirmation, rejection, provisioning completion, and/or billing completion -- though these notices are due to AT&T. In addition to failing to provide appropriate electronic notices, BA-NY has not provisioned these orders, many of which were submitted more than 30 days ago, and some of which were submitted more than

60 days ago. AT&T has submitted a total of twenty trouble tickets concerning these 9,600 orders -- all of which have passed their due dates. AT&T submitted 8 of these trouble tickets in October and November 1999, seeking resolution of approximately 1,100 of these orders. AT&T submitted an additional twelve trouble tickets in December, seeking resolution of approximately 8,500 of these orders. Despite the submission of these trouble tickets, these troubles have not been cleared.

AT&T sought to work cooperatively with BA-NY to resolve these issues, though these efforts proved unsuccessful. William Carmody, District Manager of AT&T, initially escalated both the October/November trouble tickets -- which related to AT&T orders that are at least one month, any in many cases two months, late -- and the December trouble tickets, to Kathy LaMartina, Director - BA-NY Systems Help Desk on weekly calls between AT&T and BA-NY. These weekly calls began in October and continue to the present. After Mr. Carmody received nothing more than general assurances that the tickets were being worked, Ray Crafton, Director - AT&T Operations Systems, escalated the trouble tickets to Marion Jordan - Vice President, BA-NY Systems, on December 3, 1999.<sup>1</sup> Ms. Jordan was also unable to provide a definitive solution and resolution date for the outstanding trouble tickets. Finally, David Jefferson, AT&T Vice President escalated these issues to Pat Hanley, President - BA Wholesale Services, by letter on December 7, 1999 and by phone call on December 10, 1999. This escalation also did not result in a satisfactory resolution of the issues.

Later, after weeks and in many cases months of escalations, BA-NY offered a "solution" to the problem of the outstanding trouble tickets on December 21, 1999. BA-NY's offer was to "target" the October/November tickets for closure within fifteen days, and to tentatively "target" the December trouble tickets -- which represent more than 8,000 overdue orders -- for closure within 30 days, though BA-NY expressly reserved the right to change this closure date. (Attached as Attachment 1 is an e-mail message from Kathy LaMartina to William Carmody setting forth the proposal.)

BA-NY's proposal is unacceptable and provides AT&T no basis to believe that any of its outstanding trouble tickets will be cleared in a commercially reasonable manner, or that the bulk of the outstanding trouble tickets will in fact be closed in the foreseeable future. More significant, Staff's intervention is necessary to ensure that the inability of BA-NY's Help Desk to clear trouble tickets does not become chronic, at a time when

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<sup>1</sup> BA-NY has sought to "clear" a number of backlogged orders by requesting that AT&T resubmit the affected orders. Not only is this an unacceptable practice for addressing BA-NY system failures, but AT&T's re-submission of some of the affected orders has not resulted in a clearing of either the resubmitted or other AT&T orders.

AT&T's order volumes are increasing rapidly. AT&T thereby requests that the Commission Staff intervene and assist in resolving this issue. Specifically, AT&T requests that Commission Staff intervene to ensure that all outstanding trouble tickets are properly and successfully cleared within seven days of an initial meeting between Staff, BA-NY, and AT&T. AT&T further requests that Commission Staff perform a root cause analysis of the missing notices problem, and ensure the implementation of a permanent solution that will ensure that, in the future, all trouble tickets relating to missing notices are properly and successfully cleared in no more than seven days.

### Pre-Order Outages

AT&T has experienced continuous outages of BA-NY's COBRA pre-order interface. Beginning in late October, continuing into November, and persisting in December, AT&T service representatives have experienced slow-downs in CORBA response times, followed by CORBA pre-order outages. The address validation pre-order function -- critical for CLEC installation, repair, directory listings, and billing operations -- has been especially impaired. These CORBA outages have worsened and increased in recent weeks. Since November 30, 1999, AT&T has been forced to open at least twenty trouble tickets regarding CORBA interface outages.<sup>2</sup> These trouble tickets have identified issues relating to "timeouts" of address validation functions, problems with BA-NY's back-end pre-order systems resulting in AT&T's inability to send pre-order queries, and other matters.

Lack of CORBA interface availability is competitively harmful because AT&T service representatives are forced to take orders manually on paper down-time forms ("DTFs") and forward the DTFs to a separate work center, when interface outages occur. This increases operations costs, enhances the likelihood of input errors, and degrades the customer experience. William Carmody has raised these pre-order issues with Kathy LaMartina on weekly calls, without resolution. Ray Crafton has also escalated these issues to Marion Jordan, similarly without success. On December 16, 1999, the issue was escalated again on a conference call between Pat Hanley, David Jefferson, Marion Jordan, Ray Crafton, and others. As of December 23, 1999, no permanent solution had been identified by BA-NY.

AT&T hereby requests that Commission Staff intervene and resolve this issue. Specifically, AT&T requests that Commission Staff perform a root cause analysis and ensure implementation of a systems solution that ensures continuous CORBA interface availability to AT&T going forward.

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<sup>2</sup> AT&T opened trouble tickets on November 30, and on December 1, 2, 6, 7, 8, 9, 11, 13 and 14. Two outages occurred on each of December 6 and December 9.

BA-NY's Failure to Return Completion Notices

BA-NY has failed to provide completion notices for an unacceptable number of AT&T UNE-P orders when these notices are in fact due. Over the last few months, BA-NY has failed to provide billing completion notices for approximately 9% of AT&T UNE-P orders, and has failed to provide either a provisioning completion notice or a billing completion notice for approximately 3.5% of AT&T UNE-P orders. In the former case, a significant risk of unnecessary and prolonged double-billing results due to the extended time during which BA-NY does not provide a billing completion notice. In the latter case, AT&T is unable to begin its own billing, is uncertain as to installation status, and is unable to honor requests to add features to the customer's account. AT&T has escalated these issues to Kathy LaMartina (through Bill Carmody on weekly calls), to Marion Jordan (through Ray Crafton), and to Pat Hanley (through David Jefferson). No satisfactory resolution has been identified, and the problem persists.

AT&T hereby requests the intervention of Commission Staff to resolve this problem. Specifically, AT&T requests that Commission Staff ensure that BA-NY provide AT&T with all missing and due provisioning and billing completion notices within seven days of an initial meeting between AT&T, BA-NY, and Staff. AT&T also requests that Commission Staff perform a root cause analysis and ensure implementation of a systems solution that will provide AT&T, on a going forward basis, with 100% of billing and provisioning completion notices that are due.

Respectfully submitted,

Clifford K. Williams

Attachment

cc: Peggy Rubino - (By 1<sup>st</sup> Class Mail and E-Mail)  
Marion Jordan - (By 1<sup>st</sup> Class Mail and E-Mail)  
Kathy LaMartina - (By 1<sup>st</sup> Class Mail and E-Mail)

# **EXHIBIT 2**

**STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE**

**THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350**

Internet Address: <http://www.dps.state.ny.us>

**PUBLIC SERVICE COMMISSION**

**MAUREEN O. HELMER**  
Chairman  
**THOMAS J. DUNLEAVY**  
**JAMES D. BENNETT**  
**LEONARD A. WEISS**  
**NEAL N. GALVIN**



**LAWRENCE G. MALONE**  
General Counsel

**DEBRA REDNER**  
Acting Secretary

January 7, 2000

**Paul A. Crotty**  
Group President - New York/Connecticut  
1095 Avenue of the Americas  
Room 4143  
New York, NY 1003

Dear Mr. Crotty:

We have received requests from both MCI WorldCom and AT&T for expedited dispute resolution of problems the companies are having with platform orders. Specifically, MCI requests that Staff intervene to address three issues: missing billing completion notices, missing acknowledgements, and missing firm order confirmations, all for UNE-P orders. AT&T requests Staff's assistance with a backlog of UNE-P orders that have not been provisioned, that are missing some or all of the following: acknowledgements, confirmations, rejections, provisioning completion notices, and billing completion notices. AT&T also stated that it is missing either provisioning or billing completion notices on a number of orders that have been provisioned. Finally, AT&T asks that Staff address the significant number and duration of CORBA outages it has recently experienced.

Both AT&T and MCI have attempted to resolve the above issues by working through the BA-NY escalation procedures, and have been unsuccessful. In addition, Staff has participated in a number of conference calls between AT&T and BA-NY and between MCI and BA-NY. Because of the significant overlap of issues raised by MCI and AT&T (with the exception of CORBA outages), we believe that the most efficient path to resolution of these issues would be to convene two working groups composed of representatives of Staff, BA-NY, AT&T and MCI. One group would address orders with missing acknowledgements and/or firm order confirmations, and the other would address missing notices of completion. We have discussed this approach with AT&T and MCI, and both have agreed to participate fully.

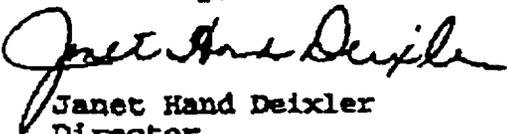
We intend to convene these groups as quickly as possible. In order to operate efficiently, it would be helpful to both groups for BA-NY to provide, no later than January 14, any root cause analyses that BA-NY has performed to address these

issues. Until confidentiality issues can be resolved, BA-NY should provide Staff with all such analyses, and provide AT&T and MCI with any non-proprietary information BA-NY has developed, as well as each company's specific information to that company. BA-NY should also provide, by January 14, a contact person for each issue.

CORBA outages will not be addressed by a working group as the issue is specific to AT&T, and the problem seems to lie entirely within BA-NY's systems. BA-NY should perform a root cause analysis of this problem, and provide the results of that analysis to AT&T and Staff, by January 21.

Because of the serious impacts these problems are having on the ability of AT&T and MCI to provide service to their customers in a timely manner, we expect that BA-NY will devote adequate resources to solve these problems. We also expect that the current backlogs of orders will receive appropriate attention from BA-NY so that these orders can be correctly provisioned with minimal further delay. If the backlogs are not eliminated by the time BA-NY submits the root cause analyses of the problems causing the backlogs, BA-NY's submission should also include an action plan for processing these orders.

Sincerely,



Janet Hand Deixler  
Director  
Office of Communications

cc: Kimberly Scardino, MCI WorldCom  
Clifford Williams, AT&T ✓

# **EXHIBIT 3**

February 4, 2000

Mr. Dan Martin  
New York Public Service Commission

Dear Dan,

Bell Atlantic-New York's inability to reliably process our consumer UNE-P orders reached the crisis stage in December and resulted in our 12/23 complaint to the state commission. The task force mandated by the PSC in response to this complaint has operated for approximately a month now and BA-NY is no closer to solving the root causes of lost UNE-P orders and completion notices. Workarounds that have been instituted have been ineffective. Indeed, the problems are become even more severe. As of today, Bell Atlantic's systems continue to lose literally thousands of orders per day. Therefore, we need your support and that of the PSC in ordering BA-NY to undertake the following steps towards an effective solution to these problems.

**Replace FTP with Connect:Direct.**

We requested that BA-NY implement Connect:Direct in April 1999 because it has proven to be a reliable means in the access business to transmit and receive batches of orders and status messages about those orders. BA-NY refused then and has refused several times since to implement it for the local business. Yet BA-NY continues to lose files of AT&T local orders sent to them over the FTP link. In the past, they have excused this by pointing to the immaturity of their FTP operation. The time for excuses is over. Connect:Direct is a more robust, reliable means of transmitting and receiving EDI files. It contains capabilities not resident in FTP to detect and correct transmission failures. We would like BA-NY to implement this approach jointly with us within the next 60 days.

**Replace ECXpert with a system of proven capability.**

BA-NY has been working with its software supplier, Netscape, since early November to fix software bugs in its EDI front-end. Despite these intensive efforts, one or more software bugs in this software continues to cause the loss of a significant number of our UNE-P orders. This same bug is implicated in BA-NY's inability to return electronic status messages, especially the completion notices needed to trigger our retail local billing and customer servicing. There is no sign whatever that the underlying problems are even being identified, much less fixed. Since there has been no progress on an area that seriously harms our customers and our ability to serve them, we insist that BA-NY complete the replacement of the faulty systems within the next 90 days. The new system should be chosen for its scalability, reliability, and compatibility with the AT&T gateway and with Connect:Direct. We request that BA-NY be required to review and obtain our agreement to their approach before implementing it. Failure to have a fully functioning interface that does not lose orders or status messages within 90 days should be accompanied by very substantial daily fines.

These future penalties notwithstanding, BA-NY should be ordered to immediately begin to remove from our wholesale bill any charges for customers on whom they have failed to send us a completion notice. In addition, BA-NY should be ordered to begin immediately to reimburse AT&T for our costs and lost revenue related to orders BA-NY has lost. These costs include but are not limited to the opening of trouble tickets on affected orders, the resubmission of the orders to BA-NY, and the loss of revenue calculated from the original customer due date to the date on which an electronic completion notice finally arrives in AT&T's systems.

**Implement order tracking, management and recovery.**

As early as the June 1999 technical conference, we pointed out the need for BA-NY to develop order tracking and management tools to support a commercial grade wholesale business capable of realistic volumes. BA-NY chose to ignore this advice. The result is that BA-NY systems and human resources are totally inadequate to find and fix the tens of thousands of AT&T orders that experience problems every month. The problems are bad enough, but when they occur, the problems are compounded because AT&T is forced to function as a surrogate order tracking and management system for BA-NY because of BA-NY's under-investment in this crucial capability. We are forced to open trouble tickets that often contain thousands of PONs on an individual ticket and to e-mail to BA-NY the details on each of these PONs. BA-NY personnel must then close such trouble tickets by manually closing out each individual PON. The result is that customers' orders and their bills remain stuck in BA-NY for months.

BA-NY should incur the costs of managing its own systems failures, and thus it should be required to develop the specifications for an order tracking, management and recovery system jointly with AT&T to ensure that that system meets our process DMOQs and our needs for timely performance information. In addition, the system must have the capability to recover those orders and status messages that encounter trouble conditions in BA-NY. This would not only be more competitively equitable, it would provide greater efficiencies in finding and resolving problems, thereby minimizing inconvenience and harm to consumers. We believe these capabilities can be brought on line in 90 days.

However, this is not soon enough to deal with the provisioning and billing crisis in which we now find ourselves. Therefore, we ask:

1. BA-NY systems have information logging and tracking capabilities that BA-NY is not employing. BA-NY should be directed immediately to turn on logging and tracking capabilities in all of their wholesale and retail systems so that they are able to detect system fall-out more speedily and to fix the underlying problems, and
2. BA-NY should be ordered to close within the next week, every trouble ticket with an order on it that is older than 14 calendar days (these customers have waited too long for service and if they leave us we will incur the cost of reselling them later or will lose the sale entirely)

**Implement a trouble ticket process that rapidly fixes problems.**

Only recently has BA-NY closed trouble tickets that we opened in late October and early November. Until these tickets were closed, customers went all of that time without service and/or without a bill for local service from AT&T. Trouble tickets on these high-severity problems should close within 24 hours. BA-NY should be directed to develop and implement a comprehensive process (process flows, systems, people, documentation, etc.) that meets this goal within the next 30 days. Again, we would expect BA-NY to develop this process jointly with AT&T on the basis of AT&T requirements and subject to our approval prior to implementation.

**Implement an application-to-application OUTPLOC report.**

AT&T and other CLECs have sought implementation of an electronic feed over EDI of information on OUTPLOCing customers. Current reports require manual retrieval and are often out of date and/or erroneous. We believe that many of the OUTPLOCs we are experiencing are related to the BA-NY problems discussed above. Therefore, if we are to effectively address these problems with our customers, it is imperative that we receive immediate and accurate notification of these occurrences. CR#1077 was submitted to BA-NY and placed high on the list of desirable changes by CLECs in recent change control meetings. Yet BA-NY has delayed in meeting with the CLECs to complete these requirements and has failed to target a production date. BA-NY should be ordered to immediately begin a collaborative negotiation to complete the requirements with the CLEC community and to bring this capability to production no more than 60 days from the date of the PSC order.

**Additional Metrics**

Besides these directives to BA-NY, Dan, the PSC should immediately add the attached metrics to NY Carrier-to-Carrier metrics. As you know, the existing C2C metrics do not capture the extraordinary systems failures and resulting competitive and consumer harms that are now occurring. These new metrics need to be measured on a total set of orders and transactions *defined by what CLECs submit, not defined by what BA-NY finds and processes*. Experience has taught us that too many orders and transactions are lost and excluded from BA-NY's current measurements. The metrics need to be closely tied to PAP penalty provisions.

**Solutions for UNE Loop Problems**

While we have addressed consumer UNE-P so far in this letter, a number of the foregoing steps are also warranted for business UNE loop orders. Specifically, the Commission should order BA-NY to develop a more robust trouble ticket process for clearing system-related problems, as well as a more robust order tracking, management and recovery process for UNE loop orders. In addition, we ask that the PSC order BA-NY to make TSR and UNE-P available at UNE loop prices for business customers when BA-NY cannot deliver a UNE loop to us because the customer is served by IDLC technology. Finally, BA-NY has failed to follow agreed processes for outside moves and new lines. The PSC should direct them to follow these processes immediately.

In addition, although BA-NY has proposed a process for disconnect / re-termination, it would require complete re-engineering of our processes. We request that BA-NY be directed to jointly develop a process satisfactory to AT&T in the next 30 days.

**The Commission Should Impose These Requirements by Order**

It is important that Bell Atlantic be directed to undertake these actions by formal Commission order, and not by some form of informal or "voluntary" commitment. We have had too much experience with such commitments. Only by directing these actions by order can the Commission hope to guarantee to preserve its full statutory authority in case some or all of these actions are not successfully completed in the appropriate time frames.

Our closing request, Dan, is that the NY PSC temporarily suspend the five-day provisioning weak spot measurement of AT&T and other CLECs who cannot meet this requirement as long as the foregoing BA-NY wholesale problems exist. Thank you for your on-going support in these matters.

Sincerely,

Raymond G. Crafton

# **EXHIBIT 4**

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on February 11, 2000

COMMISSIONER PRESENT:

Maureen O. Helmer, Chairman

CASE 00-C-0008 - Complaint of MCI Worldcom, Inc. against Bell Atlantic-New York concerning Billing Completion Notices, Firm Order Commitments, Acknowledgments and Tracking Numbers, filed in 99-C-1529.

CASE 00-C-0009 - Complaint of AT&T Communications of New York, Inc. against Bell Atlantic-New York concerning Acknowledgements, Completion Notices and Pre-Order Outages, filed in 99-C-1529.

ORDER DIRECTING IMPROVEMENTS TO  
WHOLESALE SERVICE PERFORMANCE

(Issued and Effective February 11, 2000)

In late December 1999, MCI Worldcom, Inc. and AT&T Communications of New York, Inc. filed with the Department requests for expedited dispute resolution. The complainants alleged that deficiencies in Bell Atlantic-New York's (Bell Atlantic) operation support systems (OSS) were, among other things, causing wholesale orders to drop out of the normal OSS systems and substantially delaying the ability of consumers to move their service to competitive local exchange companies.

Over the past several weeks, the Department has confirmed the allegations and worked with the competitive carriers and Bell Atlantic to identify and resolve the problems. By letter dated February 4, 2000, Bell Atlantic acknowledged the system problems and committed to resolve them. It indicated that, in the short term, it would develop temporary solutions to ensure that wholesale customers would receive adequate service and thereby be able to continue mass market efforts. The problems, nonetheless, remain substantially unresolved.

Because adequate wholesale service is critical to the vitality of the newly developing competitive markets, the Performance Assurance Plan requires Bell Atlantic to serve wholesale customers in accordance with performance levels set forth in a variety of monthly metrics. Bell Atlantic's current performance problems, however, if unabated for another month, could undermine the ability of competitors to provide local service in New York State. The Commission, therefore, is invoking its authority under the Public Service Law to require Bell Atlantic to comply with particular performance levels, described herein, on a daily basis.

First, Bell Atlantic will be directed to process and provision orders each day in accordance with the standards set forth below. Further, inasmuch as system problems have generated a substantial backlog of orders that directly affect wholesale users and their customers, Bell Atlantic will be directed to respond to all outstanding trouble tickets by dates certain, with appropriate notifications and order status information.

Until the system problems are resolved to the Commission's satisfaction, Bell Atlantic must report daily to the Director of the Office of Communications the number of wholesale orders that it has requested its wholesale customers to resubmit. This information will enable the Department to monitor the progress of Bell Atlantic's interim, work-around solution.

Authority is reserved to the Commission in the Amended Performance Assurance Plan to reallocate available bill credits. By letter dated February 7, 2000, parties were invited to submit comments concerning reallocation. Comments were received from the Office of Attorney General, AT&T Communications of New York, Inc., MCI Worldcom, Inc. and Nextlink New York, Inc. The commentators agreed that the seriousness of the situation required a response.

Given the importance of the timely provisioning of notification to competitive carriers, it is appropriate to reassign weights within the UNE and Resale Mode of Entry ordering

domains. The weights of OR metrics 1-02-%On Time LSRC - Flow Through - POTS; 1-04-%On Time LSRC <10 lines (No Flow Through) - POTS; 1-06-%On Time LSRC >=10 Lines - Flow Through - POTS; 2-02-%On Time LSR Reject - Flow Through - POTS; 2-04-%On Time Reject <10 Lines (No Flow Through) - POTS; 2-06-%On Time LSR Reject >=10 Lines (No Flow Through) - POTS; and 4-02-Completion Notice - %On Time - POTS & Specials are doubled. Further, in the UNE Mode of Entry ordering domain, the weights of Complex metrics 1-04, 1-06, 2-04, and 2-06 are changed to 0 and the weight of 6-03-%On Time Accuracy LSRC is reduced to 10.

In the Critical Measure allocation, metric #3 (6-03-%On Time Accuracy LSRC) will be replaced with the metrics that are doubled in the Mode of Entry noted above. The dollars allocated to metric #3 will be allocated to the various metrics that are added according to each metric's relative weight. The reallocations in the Amended Performance Assurance Plan, together with the directives in this order, will maximize the company's incentive to resolve the problems described above in an expeditious manner.

This action is taken on an emergency basis under the State Administrative Procedure Act Section 202(6). The immediate adoption of this rule is necessary for preservation of the general welfare of New York customers. The resolution of Bell Atlantic's OSS problems is essential to enable competitive telephone companies to offer local access service to customers. Delayed implementation of corrective measures will delay competitive service offerings to customers to the detriment of the general welfare.

This order will remain in effect until the Commission is advised by Department Staff that Bell Atlantic's systems and processes are performing at satisfactory levels.

It is Ordered:

1. Bell Atlantic shall respond to and clear all trouble tickets filed from January 1, 2000 to February 11, 2000

regarding missing orders, acknowledgements, firm order confirmations, and notices of provisioning and/or billing completion, by no later than 5:00 p.m. on February 18, 2000. Trouble tickets filed prior to January 1, 2000 shall be cleared by February 15, 2000. Bell Atlantic's response should either provide the notice(s) that were the subject of the trouble ticket or, in the case of orders that Bell Atlantic has been unable to retrieve or recover, request the wholesale customer to re-send the order. If a wholesale customer is requested to re-send orders, Bell Atlantic must ensure that no more than 5%, on a daily basis, of the orders are rejected as a duplicate order.

2. For orders submitted by wholesale customers via EDI beginning February 18, 2000, Bell Atlantic shall process and provision the orders according to the intervals set forth in the carrier-to-carrier guidelines, including related notices according to the intervals set forth in the carrier-to-carrier guidelines. Firm Order Commitments and Billing Completion Notices must be timely provided at a minimum 90% performance level measured on a daily basis. Bell Atlantic shall submit by 3:00 p.m. each day, until further notice, a report to the Director of the Office of Communications showing Bell Atlantic's on-time performance for the previous day.

3. Bell Atlantic's Amended Performance Assurance Plan shall be modified as set forth in the body of this order effective March 1.

4. This order is adopted on an emergency basis pursuant to Section 202(6) of the State Administrative Procedure Act.

5. This proceeding is continued.

(SIGNED)

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Commissioner

# **EXHIBIT 5**

Bell Atlantic  
1095 Avenue of the Americas  
New York, NY 10036

Paul Lacouture  
Group President - Network Services  
212-395-1088



January 19, 2000

Mr. Frank Ianna  
President - Network Services  
AT&T  
295 North Maple Ave., Room 44913  
Basking Ridge, New Jersey 07920-1002

Dear Frank,

AT&T is an important and major customer to Bell Atlantic and I am committed to see that your concerns are addressed appropriately. Let me assure you that Bell Atlantic has been committed to provide quality OSS interfaces to all of our wholesale customers. Bell Atlantic is always reviewing service issues and working on quality assurance plans to ensure its operating systems performance meets or exceeds the expectations of our customers.

We are working on addressing the key areas that you identified in your letter dated January 7<sup>th</sup>. We have developed action plans in each of these areas.

1. *Pre-order interface* - AT&T uses a CORBA interface to Bell Atlantic for pre-order transactions. It is a new interface, jointly developed between Bell Atlantic and AT&T. The vendor technology used is relatively new and does not have as much "out of the box" performance reliability as more established products and technologies. Many issues were addressed between our teams as we developed the interface. Bell Atlantic received 18 trouble tickets in November and December for pre-order. We have conducted root cause analysis on all these tickets. Seven of those tickets were caused by vendor software issues, five tickets were Bell Atlantic back end system problems which affected Bell Atlantic's retail operations as well, three tickets were AT&T problems, two tickets were undetermined problems and one was related to internal Bell Atlantic software processes.

To remedy those caused by vendor software defects, we have introduced a fix to detect the problem and automatically reset within 2 - 3 seconds. At the time these problems occurred, AT&T's configuration would have resulted in a 2 - 3 hour impact from the 2 - 3 second impact at Bell Atlantic. We believe that AT&T has made changes to prevent this situation from causing an extended outage within AT&T. A permanent fix for this situation requires a vendor patch, which will be installed after the Bell Atlantic internal Y2K moratorium, which ends 1/20. We have taken other corrective action as appropriate including escalations to senior levels at the software vendors, moving off impacted hardware boxes, and changing the failover procedures.

For the tickets that were caused by slow or no response time from back-end systems, we have allocated additional resources (queue size, memory, CPU) to back end applications, to meet the demand of growth.

The root cause could not be determined for two tickets. Bell Atlantic investigated problems on this side of the interface. No problems were detected. To the best of my knowledge, AT&T did not respond to the request for joint investigation which would be needed to find the root cause. Due to the synchronous real time nature of this interface, joint problem analysis between our companies is critical to quick and permanent resolution of issues. Bell Atlantic is monitoring this interface and looks forward to conducting joint analyses with AT&T to resolve issues quickly.

2. *Ordering* -Bell Atlantic has determined the root cause for the majority of the missing acknowledgements in November and early December. These were caused by a configuration change made November 7 to a third party product, ECXpert, as instructed by the vendor. The issue was escalated to the vendor and the configuration was reset 12/2; this uncovered another bug that was resolved on 12/9.

With respect to the missing acknowledgements reported since early December, we have found additional issues with the ECXpert product and have escalated those with the vendor. The vendor has responded with technical support, including providing on-site support to resolve this problem, and has committed to work these issues to satisfactory conclusion.

3. *Confirmation and Completion notices*- Many of AT&T's October - December business tickets, have now been closed, and the remaining ones will be done by the end of this week. The analysis of these situations has shown a variety of root causes. For examples, there were internal log-on ID problems, and a query situation that impacted Bell Atlantic South orders intermittently.

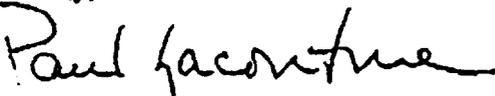
We are continuing to work resolution of the consumer orders. Like the business orders we have found that there are varied root causes and few patterns that explain large numbers of missing confirmations or completions. The ongoing investigation of all of these issues requires analysis of individual PONS, and this is a very time consuming effort.

Bell Atlantic is working aggressively on these open issues. Our objective is to clear as many as possible within two weeks. Those orders that remain unresolved at the end of the two-week window will have a resolution and timeline plan identified.

4. *Business orders* -Our TISOC Operations Centers and your Operations Centers are in almost daily contact with each other working through various operational concerns. These operations team discussions have led to order reconciliation, center training for both companies, and some daily process changes. We must continue to work together to improve our joint handling of ultimate end user customer orders. Although in the beginning there may have been perceived "mishandling" of orders by AT&T, our daily interaction has eliminated confusion in the provisioning of orders between companies. I am sure you agree that if our centers operate as a team, these issues at the operational level will result in improvements for both companies.
5. *The systems help desk* - Bell Atlantic has established a special task force to perform root cause analysis and expedite resolution of these open trouble tickets. This team has technical experts from the impacted systems and business experts from the Operations Center (TISOC). This team is taking an end to end view of the problems, identifying and working issues. At this time, we do not think that any direct participation by AT&T on our site would be helpful. We are sending two CLEC Operations Support members to the AT&T Denver Operations site this week. They will be in AT&T's Center for two weeks to conduct in-depth analyses and assess what additional corrective actions may be needed. We also will continue to hold weekly team calls with AT&T's consumer and business units to review/resolve the open trouble tickets and, executive calls to provide feedback. In addition, we are establishing a direct technical contact process to monitor orders with your technical contacts each day.

Let me assure you that Bell Atlantic is working aggressively to address all the issues raised in your letter. If you have any questions, please send me an email directly.

Sincerely,



# **EXHIBIT 6**

## ***Bell Atlantic's Investment in Wholesale: Insufficient to Sustain Commercial Quality at Realistic Volumes***

### **Summary**

A pattern of consistent under-investment in BA's wholesale local business evident to AT&T in 1999 is now evident to all. Elements of this pattern include:

- Use of immature, inadequately tested software for the wholesale business in conjunction with a wholesale systems architecture that cannot scale to handle real-world volumes with commercial quality.
- Refusal to invest in an order management, tracking, and recovery system that would prevent the loss of large volumes of CLEC orders and BA's responses to those orders.
- Refusal to invest in processes, software tools, human resources, and documentation that would rapidly close CLEC trouble tickets issued against BA systems.
- Refusal to apply adequate resources in a timely manner to meet committed schedules for new systems releases.

### **Under-investment in Wholesale Systems and Architecture**

#### **Pre-ordering**

- BA acknowledges that 13 of 18 trouble tickets from November and December relate to bugs in its wholesale software, insufficient scale in its back-end systems, and flaws in its software for backing up against system failure.
- BA acknowledges that "The vendor technology used is relatively new and does not have as much 'out of the box' performance reliability as more established products and technologies." [P. Lacouture to F. Ianna, letter dated 1/19/00.]

#### **Ordering**

- Since April 1999 BA has refused AT&T's requests to invest in a file transfer mechanism that would detect the loss of files exchanged between AT&T and BA. Thus BA continues to lose files sporadically and to send empty files.
- BA's wholesale ordering systems broke down in late October as CLEC volume increased. Other trading partners and other industries have successfully avoided such problems.
- BA acknowledges that a series of software bugs in its wholesale systems for electronic ordering have caused losses of large numbers of CLEC orders and BA's responses to them. The first problem occurred on 11/7/99 and was corrected on 12/2. A second bug was fixed on 12/9. This, in turn, uncovered still a third serious bug in the same system that remains unsolved to date. [P. Lacouture to F. Ianna, letter dated 1/19/00.]
- BA acknowledges that 87% of missing confirmation notices and 76% of missing completion notices are being lost by their new wholesale systems, not by legacy retail systems. [Task Force Meeting with NY PSC and AT&T 1/19/00.]
- Since BA cannot fix the software bug, it has instituted a combination of manual workarounds and has begun to rearrange its systems to try to cope with the problem. The manual workarounds have been ineffective thus far and neither of these approaches is scaleable.

**Under-investment in Order Tracking, Management and Recovery**

- Since the June 1999 Technical Conference BA has refused to invest in a system that would track CLEC orders as they run through a long chain of BA wholesale and retail systems in an attempt to be successfully processed.
- This system must determine when an order or response is stuck between two of BA's systems and provide the management tools to allow successful recovery from the condition.
- Without an investment in such a system BA has resorted to manual methods requiring that lost orders and responses be searched for one at a time. Manual recovery has been completely unable to cope with the large volumes of problems generated by BA's unstable systems and wholesale architecture.
- Trouble tickets that cover thousands of stuck or lost customer orders and missing responses often take more than 30 days to close and hold up customer service, customer bills, and information needed to deal with customer inquiries. See next item.

**Under-investment in the Systems Trouble Ticket Process**

- Long distance carriers have invested in network elements, operations systems, processes, documentation, and people to ensure that high-severity problems affecting customers are normally closed within 24 hours.
- BA's process team for closing systems-related problems told AT&T that its current process cannot be expected normally to close severe problems in less than 30 days. [D. Jefferson and staff with P. Hanley and staff, telephone call of 12/16/99]
- As noted below, actual performance often exceeds even this elongated target.
- Inadequate BA investment in a robust commercial process for handling problems has resulted in a long string of broken promises to clear trouble tickets:

<b>Business Trouble Tickets</b>	<b>Due Date</b>	<b>Outcome</b>
Weekly meetings with BA Help Desk from October onward agree to: Close all Oct and Nov trouble tickets. Deliver root cause analysis.	11/28/99	Missed
After repeated escalations in early December, BA commits on 12/16 to close all Oct, Nov, and Dec trouble tickets in one week	12/23/99	Missed (11 of 24 tickets open)
		Commitment Met 1/27/00

<b>Consumer Trouble Tickets</b>	<b>Due Date</b>	<b>Outcome</b>
Weekly meetings with BA Help Desk from October onward agree to: Close all Oct and Nov trouble tickets. Deliver root cause analysis.	11/28/99	Missed
After repeated escalation in early December BA commits on 12/21 to close 8 Oct/Nov tickets in 15 days	1/5/00	Missed
After repeated escalation in early December BA commits on 12/21 to close 12 Dec tickets in 30 days	1/20/00	Missed
		Commitment Met 1/26/00
PSC requests root cause analysis on 1/7/00	1/14/00	Missed
		Commitment Met 1/19/00

<b>Consumer Backlog / Missed Due Dates</b>	<b>Due Date</b>	<b>Outcome</b>
PSC requests backlog removal or action plan on 1/7/00	1/14/00	Missed
BA commits to AT&T on 1/11 to work backlog down in 2 weeks	1/25/00	Missed
BA commits to AT&T on 1/20 to "clear as many as possible in two weeks. Those orders that remain unresolved at the end of the two-week window will have a resolution and timeline plan" (Letter from Lacouture to Ianna)	2/2/00	Missed
AT&T has been asked to re-send 1,600 orders on 2/1 indicating that BA is still losing orders. Despite BA's attempts to work around the problem from 1/17 onward, about 15% of the orders submitted to BA in January missed their requested due dates, the same percentage as December.		Open

<b>Consumer No Dial Tone (NDT) / Suspend for Non-Payment (SNP) During UNE-P Migration</b>	<b>Due Date</b>	<b>Outcome</b>
After repeated failures to respond with a root cause analysis and set of solutions in December, the problem was escalated to 5 <sup>th</sup> level management and AT&T gave BA a deadline on 1/6/00	1/13/00	Missed
After repeated escalations to 6 <sup>th</sup> level management and issuance of PSC complaint BA partially addressed the problem in the Crotty to Helmer letter of 2/4/00		SNP problem to be fixed in June
BA promises a "definite plan" to fix NDT problem on 2/8	2/9	Missed
The "definite plan" turned out to be a list of causes and the number of occurrences. No solution to any cause was offered. A full plan is now due in a week.	2/18	Open

### Inadequate Investment in Resources to Support New System Releases

<b>LSOG 4 Uniform Interface Release</b>	<b>Due Date</b>	<b>Outcome</b>
In August 1999 BA settled an FCC complaint by agreeing, in part, to deliver LSOG 4.1. Delivery to its CLEC Test Environment was required to occur 30 days prior to the 2/21/00 production release.	1/20/00	Missed
As of 2/10, LSOG 4.1 was still not available for testing and the production date of 2/21 is imminent		Open

Declaration

I declare under penalty of perjury that the foregoing is true and correct.

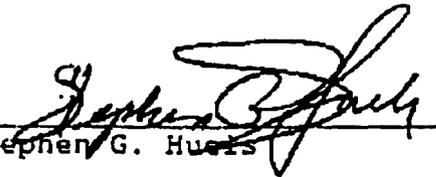
Executed on February 10, 2000.

  
Denise E. Smith

Declaration

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 14, 2000.

  
Stephen G. Huels