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February 14, 2001

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th St., S.W. – Portals
Washington, DC 20554

RE: Application by Verizon New England Inc., et al., for Authorization To Provide In-Region, InterLATA Services in Massachusetts, Docket No. 01-9 1

Dear Ms. Salas:

The attached letter was sent to Mr. Eric Einhorn, CCB, in response to a number of questions raised by staff in the above proceeding.

Please let me know if you have any questions. The twenty-page limit does not apply as set forth in DA 01-106.

Sincerely,

Dee May /AP

Attachment

cc: E. Einhorn
S. Pie
K. Farroba

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February 13, 2001

Ex Parte

Mr. Eric Einhorn
Common Carrier Bureau
445 12th Street, SW, 5th Floor
Washington, DC 20554

RE: Application by Verizon New England Inc., et al., for Authorization To Provide In-Region, InterLATA Services in Massachusetts, Docket No. 01-9

This letter provides responses to a number of questions from staff concerning the Massachusetts Carrier-to-Carrier performance measures.

Pre-Ordering Measures: Staff asked how CLEC interface outage reports are factored into the reported results for PO-2 (OSS Interface Availability). OSS availability is monitored in two ways. First, Verizon uses the EnView monitoring system by dividing each day into six-minute segments. EnView sends test transactions to the underlying OSS 24 hours a day. For each interface, if EnView fails to receive a response to all test CLEC transactions sent via the interface in a six-minute segment, but is able to receive a response to at least one of the same transactions sent at the same time directly to the OSS (the "retail" transactions), then the CLEC interface is scored as unavailable during that segment. (If both CLEC and retail transactions fail to receive responses, that is scored as resulting from a problem with the underlying OSS, not the CLEC interface.) Second, Verizon measures interface outages reported by CLECs based on actual reported time frames. When two individual CLECs report that an interface is down, Verizon records the beginning of the outage as reported by the first CLEC. Verizon records the end of the outage when two CLECs can successfully receive a response through the affected interface. If the CLEC-reported outage does not coincide with an EnView outage, the duration of the CLEC-reported outage is then added to the EnView-reported outages in calculating the measure.

Verizon will begin measuring PO-7 (Software Problem Resolution Timeliness) in February. The first software release for which data will be reported is scheduled for February 17. Since PO-7 measures resolution of software troubles referred in the 30 days following release of the software into production, full data may not be available until the March data month.

Ordering Measures: For OR-5-03 (achieved flow through), Verizon will begin reporting with the January data month. Staff also asked whether Verizon could provide information on what the achieved flow through rate was for September through December in Massachusetts. That information is set out below:

	September	October	November	December
Resale	77.81%	77.98%	82.32%	81.01%
UNE Total	65.24%	67.50%	67.09%	69.84%
UNE Loop	59.02%	61.96%	64.03%	66.16%
UNE Platform	93.04%	92.74%	94.05%	92.82%

The September through December results were calculated by excluding pending orders. Beginning with January data, and consistent with the New York PSC's December 15 order, Verizon will no longer exclude pending orders in calculating these results. As noted in the McLean/Wierzbicki Declaration, ¶ 46, the UNE Total figure is driven by UNE Loop orders, which account for over 90 percent of the UNE orders in OR-5-03. The majority of the UNE Loop orders in OR-5-03 that fall out do so for address validation reasons, a problem that does not affect UNE Platform or Resale orders, but which also affects retail orders. Customer addresses in Verizon's databases may not match precisely the addresses provided by either CLEC or retail customers. When there is a mismatch, manual processing is necessary for the order to complete.

As was the case with the Bell Atlantic/GTE merger performance reports, some orders for one CLEC were erroneously excluded from the Massachusetts Carrier-to-Carrier ordering metrics (provisioning and maintenance and repair metrics were not affected). This occurred because, consistent with Carrier-to-Carrier practice, that CLEC authorized Verizon to exclude from the ordering metrics orders that were part of a "project." Verizon incorrectly excluded all of that CLEC's orders from the ordering metrics. That CLEC's orders will be correctly captured effective with the January 2001 data month. In addition, Verizon will correct the reports for September 2000 through December 2000 at the same time. Since most of that CLEC's recent orders have been part of projects, this correction is expected to have very little impact on the previously reported results.

Provisioning Measures: Staff asked about apparent disparities between the resale and retail results for the average interval offered and average interval completed measures (PR-1 and PR-2). The results for September through November are similar to the results for May through July, and are affected by factors outside of Verizon's control. These factors are fully discussed in the Guerard/Canny Declaration (¶¶ 66-72 and Attachment I) submitted with Verizon's application in September 2000. Specifically, CLECs may request a different mix of services than Verizon offers, and CLECs may offer their customers a longer due date than that Verizon offers.

As we explained, since different products can have very different provisioning intervals, a CLEC's average interval may appear different if the CLEC requests a substantially different mix of products than that Verizon provides to its retail customers, even though both customers are offered the same interval for the same product. Based on a random sample of resale orders for May, June, and July 2000, we showed that the product mix accounted for 0.4 of a day of the difference between the average offered intervals for retail and resale. Guerard/Canny Declaration ¶¶ 67-68.

In addition, we looked at a random sample of "W" coded no-dispatch resale and retail orders for the same time period to determine whether the CLECs had requested the standard interval or a longer interval for their orders. A "W" on an order is supposed to indicate that the order was given the standard interval. On LSOG 2 orders, however, if a CLEC miscodes longer requested intervals as "W," the incorrectly coded orders will be included in the measurement calculation and will distort the report completion interval results. In the sample, more than half (56%) of the resale orders had incorrect appointment codes, while only 17% of retail orders were incorrectly coded. Guerard/Canny Declaration ¶¶ 70-72.

The average offered interval for the resale sample, including the incorrectly coded orders, was 2.85 days. When the average interval was recalculated to exclude the CLEC-requested longer interval orders that were incorrectly coded, however, the average interval dropped to 0.90 of a day, or less than a day for no-dispatch orders. When the incorrectly coded retail orders were excluded from the retail sample, the average interval was 0.26 of a day. The remaining difference of 0.64 days is largely explained by the order mix differences discussed above. The difference that is not explained by these two factors is 0.24, or less than a quarter of a day.

Verizon expects that another study of the September through November data would produce similar results. Verizon found that these factors also affected the reported average interval measure results in New York, and presented similar data in connection with its New York 271 application. *See New York 271 Order*, ¶¶ 202-209. In the *New York 271 Order*, the Commission concluded that a half day difference in provisioning intervals was not competitively significant. *Id.*, ¶ 210. The difference in Massachusetts is even smaller.

Maintenance and Repair Measures: Staff asked Verizon to examine measure MR-2-03 for UNE POTS Loop and UNE POTS Platform for October and November, and the MR-4 measures for UNE POTS Loop for the same months. Staff appeared to be concerned about the "z-scores" for these measures in October, although Staff noted an improvement in November. It is important to note that the z-score is a measure of the confidence level that two results are actually different; it is not a measure of how "good" or "bad" the performance actually is. Where (as is the case with these measures) the size of the "sample" (the number of observations) being measured is large (4,185,813 for retail; 42,965 for UNE Loop), even a very small difference in results can produce a large z-score. This does not mean that the difference has any competitive significance. *See, e.g., Performance Measurements and Reporting Requirements for Operations Support Systems, Interconnection, and Operator Services and Directory Assistance*, Notice of Proposed Rulemaking, 13 FCC Rcd 12817 (1998) at Appendix B, ¶ 7.

Here, the actual difference between retail and CLEC performance for MR-2-03 POTS Loop and Platform ranges between six one-hundredths of one percent and four tenths of one percent. This small actual difference is not competitively significant. Similarly, the difference in total mean time to repair for retail and CLEC UNE Loops was only about one hour, and a smaller percentage of CLEC customers than retail customers were out of service for more than 24 hours. Again, this small difference is not competitively significant.

If you have any questions, please do not hesitate to call.

Sincerely,

Dee May/HR

cc: E. Einhorn
K. Farroba
S. Pie