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April 4, 2001

Ex Parte

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

RE: Bell Atlantic Corp. and GTE Corp., CC Docket No. 98-184

Dear Ms. Salas:

On December 19 and February 12,Verizon met with Mark Stone and other members of the Common Carrier Bureau staff to conduct the semi-annual review of the Carrier-to-Carrier Performance Assurance Plan as provided for in Condition V, Attachment A, Paragraph 4 of the order approving the merger between Bell Atlantic and GTE ("Merger Order"). The enclosed information is being provided per the request of Mark Stone.

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

Sincerely,

Dee May

Attachments

cc: A. Dale
C. Mattey
M. Stone

Dee May
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Stamp + Return

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January 5, 2001

Dorothy Attwood
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW – Room 5C-450
Washington, DC 20554

Dear Dorothy:

On December 19, 2000, we met with your staff to propose, and seek the Common Carrier Bureau's concurrence on, performance measures and standards for flow through to be incorporated into the Carrier-to-Carrier and Performance Assurance Plan pursuant to the Bell Atlantic/GTE merger conditions. Attachment A-2a, footnote 10 and Attachment A-2b, footnote 2.

There are several aspects to our proposal. First, we proposed that flow through be measured separately for resale, unbundled loops, and UNE platform. We also proposed different standards for each product based on the level of complexity and difficulty of providing flow through. These products tend to be used by CLECs to provide different types of services with very different levels of complexity. For example, UNE platform typically is used to serve residential customers whose orders are often less complex and therefore more likely to flow through. On the other hand, unbundled loops are often used to provide more complex services, which can make the development of flow through capability very difficult.

Second, we proposed different measures and different standards for Verizon East (the former Bell Atlantic service areas) and Verizon West (the former GTE service areas). For Verizon East, where CLECs purchase more residential services, our proposal is to measure Total Flow Through. For Verizon West, with primarily UNE Loop services, our proposal is to measure Achieved Flow through.

Third, within Verizon East and Verizon West, respectively, we proposed to categorize the states based on the number of access lines served by Verizon in each state and to apply different standards to the separate categories (since a small number of lines means that a small number of orders can have a disproportionate impact on the measurement result). Verizon's states with fewer access lines are typically rural in nature. In this environment, UNE and Resale activity have tended to concentrate on more complex services, and there has been little demand for simple residential POTS services which have a higher flow through capability. Attached are the proposed standards for each group of states and each product, which reflect the level of development and experience for that category, and are above Verizon's current flow through levels. As a result, these standards will provide an incentive for Verizon to increase the level of flow through throughout its territory.

Finally, we proposed that any penalties for failure to achieve the relevant flow through standard would apply only if Verizon also failed to meet the 95% on time standard for returning confirmations or reject notices for manually handled local service requests (LSRs). This is based on the Commission's determination, in the New York 271 proceeding, that "[f]low-through rates . . . are not so much an end in themselves, but rather are a tool used to indicate a wide range of possible deficiencies in a BOC's OSS that may deny an efficient competitor a meaningful opportunity to compete in the local market." *New York 271 Order*, ¶ 162. Therefore, if Verizon demonstrates that it is returning order confirmation and reject notices to CLECs on manually handled orders (i.e., non-flow through orders) in a timely manner, then any short fall of flow through performance is not denying competitors a meaningful opportunity to compete, and no penalty should apply.

We would appreciate your concurrence with this proposal. Verizon plans to begin reporting its flow through performance in accordance with this proposal, effective with the first full data month following your concurrence. If it would be helpful in your review of our proposal, we would be happy to provide a red-line of the relevant business rules.

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

Dee May

Attachments

cc: Carol Mattey
Tony Dale
Mark Stone

ATTACHMENT A

VERIZON EAST
FORMER BELL ATLANTIC STATES

Performance Standards for % Total Flow Through

Product	MA,MD,NJ PA & VA	Other Verizon East States
Resale	50%	40%
UNE Platform	50%	50%
UNE Loop	25%	25%

ATTACHMENT B

VERIZON WEST
FORMER GTE STATES

Performance Standards for % Flow Through Achieved

Product	FL	CA	Other Verizon West States
Resale	50%	10%	20%
UNE Platform	10%	10%	10%
UNE Loop	10%	10%	10%