

Before the
Federal Communications Commission
Washington, D.C. 20554

RECEIVED

JUN 7 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Application by Verizon New York Inc.,)
Verizon Long Distance, Verizon)
Enterprise Solutions, Verizon Global)
Networks Inc., and Verizon Select)
Services Inc., for Authorization To)
Provide In-Region, InterLATA Services)
in Connecticut)

CC Docket No. 01-100

**APPLICATION BY VERIZON NEW YORK
FOR AUTHORIZATION TO PROVIDE IN-REGION,
INTERLATA SERVICES IN CONNECTICUT**

REPLY APPENDIX

Reply Declaration of
Paul A. Lacouture and Virginia P. Ruesterholz
(Competitive Checklist)

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Application by Verizon New York Inc.,)	
Verizon Long Distance, Verizon Enterprise)	
Solutions, Verizon Global Networks Inc.,)	CC Docket No. 01-100
and Verizon Select Services Inc., for)	
Authorization To Provide In-Region,)	
InterLATA Services in Connecticut)	
)	

**REPLY DECLARATION OF PAUL A. LACOUTURE
AND
VIRGINIA P. RUESTERHOLZ**

1. My name is Paul A. Lacouture. I submitted a Declaration with Virginia P. Ruesterholz in this proceeding on April 23, 2001. My qualifications are set forth in that declaration.

2. My name is Virginia P. Ruesterholz. I submitted a Declaration with Paul A. Lacouture in this proceeding on April 23, 2001. My qualifications are set forth in that declaration.

I. Purpose of Reply Declaration.

3. The purpose of our reply declaration is to address the issues raised by Covad about whether Verizon's performance in providing unbundled network elements for DSL services in satisfaction of the checklist requirements in Section 271(c)(2)(B) of the

Telecommunications Act of 1996. We also address the issues raised by Cablevision and ASCENT and provide updated performance data for several checklist items.¹

4. Covad is the only party to raise issues relating to Verizon's wholesale performance. These issues raised by Covad – which are not supported by a sworn declaration or any back-up data – are largely limited to questions about Verizon's performance in providing unbundled network elements for DSL-capable loops. In some cases, Covad challenges Verizon's performance under performance measures that have already been changed because they are significantly flawed. In other cases, Covad challenges performance data that do not appear anywhere in Verizon's application or in Covad's own filing.

5. When these isolated challenges and unsupported assertions are placed in perspective and Verizon's performance data are presented fairly, it is evident that Verizon is meeting the checklist. No company 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 Connecticut.

II. Verizon Provides Loops.

6. There is no dispute that Verizon's overall performance in providing unbundled loops is excellent. As we explained in our declaration, as of February 2001, Verizon has provisioned about 635 loops in Connecticut. In March and April, Verizon provisioned more than 110 loops in Connecticut.

¹ For the Commission's convenience, the Connecticut and New York Carrier-to-Carrier reports for March and April 2001 are included as Attachments 1 and 2, respectively.

7. Verizon can easily meet commercial demand for unbundled loops in Connecticut because it is already doing so in New York. Through March, Verizon provisioned over 2,000,000 unbundled loops in New York. This represents nearly an eight-fold increase since the time of Verizon's New York application.

a. Hot Cut Loops.

8. In our declaration, we demonstrated that Verizon uses the same hot cut process in Connecticut and New York. Although the volume of hot cuts has been relatively low in Connecticut, Verizon is continuing to provide hot cuts in commercial volumes in New York with excellent performance.

9. During December, January and February, Verizon completed only 7 hot cuts in Connecticut and all of them were completed on time under the reporting guidelines established by the New York PSC. During March and April, Verizon completed only 6 hot cuts in Connecticut and only one of these was not completed on time. *See Attachment 1.*

10. During December, January and February, Verizon completed on average over 98.2 percent of its New York hot cut orders on time. In March and April, Verizon completed over 10,000 hot cuts in New York and over 98.6 percent of them were on time. *See Attachment 3.*

11. Verizon is also continuing to install hot cut loops with a high degree of quality. During December 2000 through April 2001, Verizon has had no I-Codes on hot cut lines in Connecticut. *See Attachment 1.* We also explained that during December, January and February, less than one percent of hot cut lines in New York had installation troubles reported by CLECs within seven days of the hot cut. In March and April,

Verizon's performance improved even further – less than one-third of one percent of hot cut lines in New York had installation troubles. *See* Attachment 4.

b. POTS Loops.

12. Although Verizon has provided relatively few POTS capable loops in Connecticut, Verizon's overall performance on all POTS-capable loops in New York continues to be strong. During December 2000 through April 2001, Verizon missed only one installation appointment on POTS loops for CLECs in Connecticut.

13. During December, January and February, Verizon's missed appointment rate in New York on POTS loops overall was less than one percent. In March and April, Verizon's missed appointment rate was again less than one percent. *See* Attachment 5. This means that Verizon continues to complete more than 99 percent of POTS loop orders on time.

14. Verizon is also continuing to install POTS loops with a high level of quality. In Connecticut, Verizon had one installation trouble on POTS loops between December 2000 and April 2001. *See* Attachment 1. In New York, during December, January and February, fewer than 2 percent of CLEC POTS loops had troubles reported within 30 days, as compared to more than 4 percent for Verizon's retail service. During March and April, fewer than 1.5 percent of CLEC POTS loops in New York had troubles reported within 30 days, as compared to more than 4.5 percent for Verizon's retail service. *See* Attachment 6.

15. Verizon's reported performance in New York for provisioning POTS loops that require a dispatch continues to show some disparity in the average installation interval. As we explained in our declaration, there are a couple of reasons for this

disparity. These reported results include orders where the CLEC requested an interval longer than the standard interval, which increases the average completion interval for CLEC orders overall, and orders that Verizon could not complete because facilities were not available on the due date.

16. Verizon recalculated its New York performance under these measures for platform lines by excluding orders where the CLEC requested a longer interval and where facilities were not available on the due date. During March and April, Verizon's average completion interval for 1-5 POTS loops provided as part of UNE-P where a dispatch was required was 5.93 days for CLECs and 4.24 days for Verizon's retail customers. *See Attachment 7.* In addition, Verizon also recalculated its performance for stand-alone loops by excluding orders where facilities were not available on the due date. (Verizon was not able to exclude stand-alone POTS loop orders where the CLEC requested a longer interval.) During March and April, Verizon's average completion interval for 1-5 stand-alone POTS loops where a dispatch was required was 7.99 days for CLECs and 4.24 days for Verizon's retail customers. *See Attachment 8.* This disparity would be further reduced if Verizon were able to exclude orders where the CLEC requested a longer interval.

17. Verizon's performance in New York for repairing and maintaining POTS loops overall continues to be strong. During December, January and February, Verizon's average missed repair appointment rate for POTS loops overall was 8.10 percent and for Verizon's retail customers was 10.07 percent. During March and April, Verizon's average missed repair appointment rate (as measured by MR-3-01) for POTS loops overall was 6.69 percent for CLECs and for Verizon's retail customers was 9.39 percent.

See Attachment 9. In other words, Verizon met its commitment for completing the repair by the committed time 93 percent of the time for CLECs and 91 percent of the time for Verizon's retail customers.

18. Verizon's mean time to repair CLEC loops in New York continues to be in parity. During December, January and February, Verizon's mean time to repair POTS loops was, on average, 22.55 hours for CLECs in New York and 24.04 hours for Verizon's retail customers. During March and April, Verizon's mean time to repair POTS loops was, on average, 21.10 hours for CLECs in New York and 23.48 hours for Verizon's retail customers. *See* Attachment 10.

19. Verizon's repeat trouble report rate for POTS loops provided as part of UNE-P continues to be within two percentage points of the repeat rate for Verizon retail services. *See* Attachment 2. The only POTS maintenance measure in New York that shows some disparity is the percent repeat trouble report rate for stand-alone POTS loops (MR-5-01). As we explained in our declaration, this disparity is driven by CLEC behavior in failing to make access arrangements and to isolate the location of the trouble, and Verizon's inability to test whether a CLEC loop is working.

20. Although Verizon is not able to quantify how many repeat trouble reports would have been avoided had Verizon's technician been able to test the loop or contact the customer, Verizon has quantified how many repeat trouble reports are attributable to the CLECs' failure to isolate the location of the trouble or make access arrangements at the customer premises. Correcting for these two factors alone reduces the disparity in the average repeat trouble report rate for the months of March and April to about 5 percentage points. *See* Attachment 11. This difference is not competitively significant

and could well be explained by the fact that Verizon cannot test a CLEC loop after it is repaired or contact the customer to verify that the loop is working.

c. High-Capacity Loops.

21. Verizon offers CLECs unbundled access to high-capacity (DS-1 and DS-3) loops in Connecticut in the same manner as in New York. Verizon has not provisioned any high-capacity loops to CLECs in Connecticut and does not anticipate significant demand for high-capacity loops in Connecticut. Verizon is prepared to provision high-capacity loops in Connecticut as CLEC demand develops.

22. In New York, Verizon has provisioned over 1,100 high-capacity DS-1 loops. High-capacity loops in New York continue to represent only approximately 0.05 percent of all unbundled loops provisioned to competitors.

23. As we explained in our declaration, Verizon's performance in delivering high-capacity loops is strong when adjusted to eliminate those orders that Verizon could not provision on the due date because it lacked the necessary facilities. This is the same type of adjustment the New York PSC approved for measuring Verizon's performance in provisioning DSL Loops. *See Petition of New York Telephone Company for Approval of its Statement of Generally Available Terms and Conditions Pursuant to Section 252 of the Telecommunications Act of 1996 and Draft Filing of Petition for InterLATA Entry Pursuant to Section 271 of the Telecommunications Act of 1996, Order Amending Performance Assurance Plan, Case No. 97-C-0271 (NYPSC Mar. 9, 2000).* As the New York PSC explained, if it is determined "that available lines do not meet technical specifications [], the order may be scored for purposes of the PAP as 'missed for facilities.' This is a reasonable process and [Verizon] may exclude 'missed for facilities',

as defined above, pending further review of the issue.” This same reasoning can be applied to high-capacity loops, which Verizon may determine are not suitable for high-capacity service.

24. Rather than reject orders where no facilities are available, Verizon takes additional steps to make facilities available. These additional steps inevitably increase the interval to complete the installation of the high-capacity loop. The additional steps that Verizon voluntarily takes to make facilities available should not be counted against Verizon in measuring its performance. During March and April, Verizon’s average completion interval for DS-1 loops where facilities were available was 11.23 days and 15.04 days, respectively. *See* Attachment 12. These intervals are shorter than those reported for Verizon’s retail customers.

25. In addition, beginning in April 2001, Verizon changed the way it reports certain retail special services performance measures in Carrier-to-Carrier reports to include only designed special services. Prior to April, Verizon’s reported retail performance for high-capacity loops was based on both designed and non-designed retail special services. The Carrier-to-Carrier Guidelines, however, specify that retail performance should be measured only on designed retail special services. *See* Application, App. F, Tab 1, page 96. Non-designed special services are significantly easier to provision than either designed special services or unbundled high-capacity loops. Including non-designed special services in the retail performance calculation inappropriately skewed Verizon’s retail performance to look better than the actual retail comparison group. In April, Verizon’s reported average interval completed was 28.55 days for CLECs and 25.02 days for Verizon retail special services. *See* Attachment 2.

26. Verizon has also recalculated its retail special services performance for January, February and March based solely on designed special services. These recalculations are in accordance with the Carrier-to-Carrier Guidelines and show that Verizon's retail and wholesale performance are comparable. *See* Attachment 12.

27. Verizon is also installing high-capacity loops when CLECs want them. During December, January and February, Verizon's missed appointment rate where facilities were available was 9.23 percent for DS-1 loops provided to CLECs in New York. During March and April, Verizon's missed appointment rate where facilities were available was 4.17 percent and 0.68 percent, respectively. In other words, Verizon met its appointments in March and April 95.83 percent and 99.32 percent of the time, respectively. *See* Attachment 13.

28. There are several reasons why the retail comparison reported on the Carrier-to-Carrier reports for missed appointments is not appropriate. First, the reported retail rate includes both non-designed and designed retail special services. As we explained above, the Carrier-to-Carrier Guidelines specify that only designed retail special services should be included in this measure. Given the differences in processes between retail and wholesale, however, Verizon has not yet excluded non-designed services from the missed appointment measures.

29. Second, Verizon does not set a due date for retail special services within a few days of receiving the customer's order. Rather, Verizon's retail sales personnel may not give the retail customer a due date until shortly before the service is installed. For example, where no facilities are available, the due date may not be set until facilities can be made available. By contrast, Verizon responds to a CLEC order for a high-capacity

loop by returning a confirmation within a few days of when Verizon receives the order. That confirmation sets a due date for the order and that due date is used for measurement purposes whether or not facilities are available. This fundamental difference between retail and wholesale orders makes it inappropriate to compare missed installation appointment rates.

30. Because Verizon has provided a relatively small number of high-capacity loops in New York, it has continued to receive a very limited number of I-Code trouble reports. During March and April, Verizon received only 48 and 41 I-Code trouble reports for high-capacity loops, respectively. *See* Attachment 2. As the Commission has noted, “a handful of trouble reports can cause seemingly large variations in the monthly trouble reports.” *Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions) and Verizon Global Networks Inc., for Authorization to Provide In-Region, InterLATA Services in Massachusetts*, Memorandum Opinion and Order, FCC 01-130, CC Docket 01-9, ¶ 93, fn. 296 (rel. Apr. 16, 2001) (“*Massachusetts Order*”). In fact, Verizon received seven fewer I-Code trouble reports in April than it received in March, but its reported I-Code rate in April was about 30 percent lower than in March. *See* Attachment 2.

31. Moreover, the I-Code rate is skewed by CLEC behavior. For example, at the time Verizon provisions a high-capacity loop, Verizon gives the CLEC the opportunity to test the loop. In order to do so, the CLEC may connect the loop to its equipment and ask Verizon’s technician to short circuit the loop. Once the testing is complete, the CLEC may wish to leave the loop connected to its equipment even though

it is not yet ready to provision service to its customer. If Verizon removes the short circuit while the loop is connected to the CLEC's equipment, the equipment will sound an alarm indicating that the loop has been cut. In order to prevent such alarms, some CLECs ask Verizon to leave the short circuit in place after installation and Verizon honors these requests. When those CLECs provision service to their customers, they need to have the short circuit removed from the loop. In order to have the short circuit removed, the CLEC submits an I-Code trouble report. Such behavior inappropriately increases the reported I-Code rate.

32. Furthermore, in April, Verizon changed the reporting of retail I-Code rates for special services to include only designed special services, in accordance with the retail comparison for missed appointments and intervals. In addition, the CLEC I-Code measurement was changed to include EELs in the denominator of the measurement, since I-Codes on EELs were already included in the numerator. During April 2001, the I-Code rate for CLECs was 10.17 and for retail special services was 10.22. *See Attachment 2.*

33. Finally, Verizon is maintaining high-capacity loops on a nondiscriminatory basis. As we explained in our declaration, during December, January and February, the trouble report rate on high-capacity loops provided to CLECs in New York was less than 3 percent. During March and April, the trouble report rate on high-capacity loops was likewise less than 3 percent. *See Attachment 2.* This is a very low trouble report rate and any difference between the CLEC trouble report rate and Verizon's retail rate is not competitively significant.

34. In addition, during December through April, the mean time to repair CLEC high-capacity loops was on average within about an hour of Verizon's retail

performance on special services. *See* Attachment 14. During the same period, Verizon had fewer repeat trouble reports on CLECs' high-capacity loops than on Verizon's retail special services. *See* Attachment 15.

d. DSL Loops.

35. As we demonstrated in our declaration, Verizon is more than capable of providing commercial volumes of DSL loops. In March and April, Verizon provided another 49 DSL loops in Connecticut – more than five times the number of DSL loops it provided in the preceding three months. And in New York, Verizon provided over 2,700 additional DSL loops during March and April.

36. In addition, we demonstrated that Verizon satisfied all checklist requirements for DSL loops, including pre-ordering, ordering, provisioning, and maintenance and repair. In March and April, Verizon's DSL loop performance continues to be excellent.

Pre-ordering.

37. In our declaration, we demonstrated that Verizon is providing access to the same pre-order loop qualification systems and functionalities that Verizon provides in Massachusetts, which the Commission found satisfies the checklist. *Massachusetts Order* ¶¶ 50-51, 60. Covad reiterates arguments about the access that Verizon provides to loop make-up information that it made in connection with Verizon's Massachusetts application. Covad Comments at 4-7. The Commission expressly rejected those arguments, and stated that the access provided by Verizon met the requirements of the *UNE Remand Order* and of Section 271. *Massachusetts Order* ¶¶ 61-67.

38. Covad also complains that the interim access provided by Verizon is not useful because Covad and Rhythms have submitted six requests and all have been returned as “loop makeup not available in LFACS.” Covad Comments at 6. As Attachment 16 shows, Verizon has received 16 requests for loop make-up information in the former Bell Atlantic footprint (seven in New York). Loop make-up information was returned for half of the requests and was not available for the others.

39. This merely reflects what Verizon has said all along – the percentage of terminals for which LFACS contains at least one loop make-up (not the percentage of loops for which LFACS contains loop make-up information nor the percentage of serving terminals that contain a complete loop make-up from the central office to the customer address) is only about 10 percent in New York and 13 percent for the two wire centers that serve Connecticut. The percentage of loops that have loop make-up information in LFACS is less than 10 percent. This is because the inventory of loops contained in LFACS are primarily expected to meet voice grade requirements while loop make-ups were prepared only for those loops that were designed as special circuits, which are only a small portion of the base. Verizon also explained that, at the terminal level, the loop make-up represents the make-up of a single loop and does not necessarily represent the characteristics of other loops in that terminal. Nevertheless, Verizon has made electronic access to the information in LFACS available, and the Commission has found that the interim loop qualification process is “largely automated,” provides “useful, detailed information,” and “competitors are generally receiving this information within 2 hours” of their query. *Massachusetts Order* ¶ 61; *see also id.* ¶ 64. Verizon provides the same access for CLECs operating in Connecticut and New York.

40. In our declaration, we also demonstrated that Verizon's performance for order processing timeliness for DSL loop orders (as with other orders) is excellent. Verizon's timeliness in returning order confirmations (LSRCs or FOCs) for December through February for all categories that include DSL orders was, on average, 96 percent on time in Connecticut and New York. During March and April, Verizon's timeliness in returning order confirmations was 95.59 percent on time in Connecticut and 97.91 percent in New York. *See* Attachment 17.

41. Verizon's timeliness in returning reject notices or queries for DSL loops for December through February has been, on average, 93.77 percent on time in Connecticut and 96.77 percent on time in New York. During March and April, Verizon's timeliness in returning reject notices or queries was 98.22 percent on time in Connecticut and 97.73 percent in New York. *See* Attachment 18.

42. Covad complains that Verizon is not flowing through "the vast majority of Covad's orders." Covad Comments at 6-7. Covad points to its Connecticut performance where Covad has very few orders. At such low volumes, the fluctuation shown in Covad's results is to be expected. (Covad suggests that the volumes reported by Verizon do not accurately reflect "the number of orders submitted by Covad." *Id.* at 7. But flow-through is measured on *valid* (*i.e.*, confirmed) orders; orders submitted by Covad that were rejected or queried are not counted in the measure. *See* Application, App. F, Tab 1, page 33.) In any event, as Verizon has demonstrated, and as Attachment 19 shows, individual CLECs' flow-through rates vary tremendously, and many carriers are able to achieve high flow-through rates.

Provisioning.

43. As we demonstrated in our declaration, Verizon is already provisioning DSL loops in commercial volumes in Connecticut and delivering them in a timely manner. No CLEC has challenged the timeliness of Verizon's provisioning performance and Verizon's performance during March and April continues to be excellent.

44. During January and February, Verizon completed 24 orders for DSL loops in Connecticut and only one of those orders had a missed appointment. In March and April, Verizon completed 49 orders for DSL loops in Connecticut and only five of those orders had a missed appointment. *See* Attachment 20.

45. Verizon's performance in provisioning DSL loops in New York also continues to be excellent. During January and February, the missed appointment rate on DSL loop dispatch orders for CLECs in New York was 6.41 percent and 4.33 percent, respectively. During March and April, Verizon's missed appointment rate on these same types of orders improved to 2.96 percent and 0.66 percent, respectively. *See* Attachment 2.

46. Another measure that the Commission has relied on to assess the timeliness of DSL loop provisioning – Average Completion Interval – Total Dispatch (PR-2-02) – shows that Verizon is installing loops in a timely manner. During January and February, only 6 orders were included in this performance measure for Connecticut and Verizon's average completion interval for those orders was 6.0 days. In March, Verizon's reported performance for this measure was 19.86 days, but this reported result was skewed by one order where Verizon failed to properly account for the CLEC's delay. When this error is corrected, Verizon's average completion interval for March was 6.67

days. *See* Attachment 21. In April, Verizon's average completion interval for DSL loops requiring a dispatch in Connecticut was 5.83 days, which is less than the standard interval. *See* Attachment 1.

47. Verizon's performance under this measure continues to be strong in New York. In March and April, Verizon's reported performance continued to improve under this measure and without any adjustment the results are 6.69 days and 5.58 days, respectively. *See* Attachment 2.

48. Only one commenter raises an issue regarding this performance measure. Covad asserts that "Verizon takes between nine and a half and ten days to finish loop delivery for CLECs." Covad Comments at 9. Covad does not provide any support for this assertion. In fact, we already demonstrated that Verizon's average completion interval in New York for DSL loops requiring a dispatch has generally been between 6 and 8 days, which is just slightly longer than the standard interval. And in April, Verizon's performance improved to 5.58 days, which is shorter than the standard interval.

49. One provisioning measure that the Commission has not relied on in prior applications is PR-3-10, which shows the percentage of DSL loop orders (1-5 lines) completed within 6 days. Although there is no reason for the Commission to consider this measure, Verizon's performance under this measure is excellent. During January and February, Verizon's rate for completing orders for DSL loops within 6 days in Connecticut was 100 percent in both months. In March and April, three orders in Connecticut were reported as not completed in 6 days, but one of these orders was actually delayed by the CLEC, rather than Verizon and, as explained above, Verizon

failed to properly account for the CLEC's delay. In April, Verizon completed 100 percent of DSL loop orders within 6 days. *See Attachment 1.*

50. Verizon's performance under this measure in New York has continued to improve. In February, Verizon's performance for PR-3-10 in New York was 91.32 percent. In March, Verizon's performance in New York was 92.33 percent and in April was 97.23 percent. *See Attachment 2.*

51. Only one commenter raises an issue regarding this performance measure. Covad claims that "in New York in February 2001, Verizon completed only 50% of CLEC DSL loop installations within 6 days." Covad Comments at 8-9. Again, Covad does not provide any data to support this assertion, but merely cites to the declaration of Ms. Canny and Ms. Abesamis. Nothing in that declaration or any other part of Verizon's application supports Covad's assertion. In fact, during February 2001, Verizon completed 91.32 percent of CLECs' DSL orders within six days in New York. During that same month, Verizon completed 100 percent of CLECs' DSL orders within six days in Connecticut.

52. Another performance measure that the Commission has not previously considered is PR-8-01, which shows the percentage of open DSL loop orders in a hold status for more than 30 days. Covad complains that this measure shows a disparity between Verizon's performance for CLECs and retail customers. Covad Comments at 10. As we explained in our declaration, this measure is significantly flawed – it counts orders that Verizon could not provision because Verizon lacked facilities, but were not cancelled by the CLECs within 30 days. There are no such retail orders because Verizon does not accept an order unless it has facilities to provision the order.

53. Of the 7 open orders reported in March and April for Connecticut, 6 orders could not be provisioned because Verizon lacked facilities. *See* Attachment 22. Likewise, of the 106 open orders reported in March and April for New York, 78 orders (73.5 percent) could not be provisioned because Verizon lacked facilities. *See* Attachment 23. As recalculated, the percentage of open orders for these months is extremely small – less than one half of one percent – and any difference between the CLEC rate and Verizon’s retail rate is not competitively significant.

Installation Quality.

54. Verizon is also providing unbundled DSL loops to CLECs with a high level of quality. As we explained in our declaration, there were only 9 I-Code trouble reports submitted by CLECs in Connecticut for DSL loops during December through February and as the Commission has noted, “a handful of trouble reports can cause seemingly large variations in the monthly trouble reports.” *See Massachusetts Order ¶ 93, fn. 296.* The same is true of March and April, during which only 2 I-Code trouble reports were submitted by CLECs in Connecticut. *See* Attachment 1.

55. In addition, we recalculated Verizon’s installation quality performance in New York under the new business rules agreed to by the Carrier-to-Carrier Working Group and the results demonstrated that Verizon’s installation quality performance is at parity. These new business rules include DSL loop I-Codes from all CLECs and compare them to Verizon’s I-Code rate on POTS dispatch orders because nearly all DSL loop orders require a dispatch.

56. Verizon’s performance in New York continues to be excellent as calculated under the new business rules. In December, the I-Code rate on Verizon’s retail

POTS orders that required a dispatch was 8.59, compared to 8.47 for CLECs. In January, the I-Code rate on Verizon's retail POTS orders that required a dispatch was 7.95, compared to 8.99 for CLECs. And in February, the I-Code rate on Verizon's retail POTS orders that required a dispatch was 8.91, compared to 8.55 for CLECs. In March, the I-Code rate on Verizon's retail POTS orders that required a dispatch was 8.23, compared to 5.61 for CLECs' DSL loops. And in April, the I-Code rate on Verizon's retail POTS orders that required a dispatch was 8.55, compared to 5.11 for CLECs. *See Attachment 24.*

57. Only one commenter – Covad – has challenged Verizon's installation quality performance on DSL loops. Covad claims that "CLECs suffer twice as many loop outages (trouble tickets within 30 days) as do Verizon's retail customers." Covad Comments at 9. Covad is simply citing to Verizon's reported installation quality performance under the old business rules that inappropriately compared DSL loop performance, which almost always requires a dispatch, to retail POTS performance, which predominantly do not require a dispatch. That is why the New York Carrier Working Group agreed to revise this performance measure. And as we reported above, Verizon's performance under the new business rules is in parity.

58. Covad also complains that the I-Code rate on Covad's DSL loops is too high. Covad Comments at 9. The fact of the matter is that there is substantial variation in Covad's I-Code rate from month to month. During December and January, Covad's I-Code rate was above the retail analogue of POTS dispatch I-Code rate, but in February, Covad's I-Code rate was below the POTS dispatch I-Code rate. *See Attachment 25.* During March and April, Covad's I-Code rate was **** percent and

**** **** percent, respectively, which was below the retail analogue under the POTS dispatch I-Code rate for each of those months. *See id.*

59. Covad also questions the 1,379 observations reported for the retail analogue on Verizon's Connecticut Carrier-to-Carrier performance report for PR-6-01 in February. Covad Comments at 8. The reason the reported number of observations is so high is because it includes all POTS orders. As we previously explained, this large group of orders is an inappropriate retail analogue and the New York Carrier Working Group has already agreed to replace it with a subset of POTS lines requiring a dispatch.

Maintenance and Repair.

60. Verizon performance in maintaining and repairing CLECs' DSL loops is also excellent. One measure of Verizon's performance is the percentage of repair appointments for DSL loops that Verizon fails to meet. As we demonstrated in our declaration, Verizon met all repair appointments for CLECs in Connecticut during December and February and missed only one repair appointment in January. In March, Verizon met all repair appointments in Connecticut and missed only one repair appointment in April. *See Attachment 1.*

61. Verizon's performance under this measure in New York continues to be excellent. During December through February, Verizon met between 83 and 90 percent of repair appointments for CLECs and in each month met a higher percentage of repair appointments for CLECs than for VADI's retail DSL customers. In March and April, Verizon met 90 percent of repair appointments for DSL loops in New York. *See Attachment 26.* In both March and April, Verizon met a higher percentage of repair appointments for CLECs than for VADI.

62. The overall reliability of unbundled DSL loops is excellent as reflected in Verizon's total trouble report rate on unbundled DSL loops. For the period December through February, the weighted average total trouble report rate for unbundled DSL loops was about 1.3 trouble reports per month for each 100 lines in service in Connecticut. In March and April, the average total trouble report rate was about 1.4 trouble reports per month for each 100 lines in service in Connecticut. *See* Attachment 27. In other words, over 98 percent of DSL loops experience no trouble in any given month.

63. Verizon's New York performance under this measure also continues to be excellent. For the period December through February, the weighted average total trouble report rate for unbundled DSL loops was about 2 trouble reports per month for each 100 lines in service in New York. During March and April, the average total trouble report rate was 1.57 trouble reports per month for each 100 lines in service in New York. *See* Attachment 28.

64. Another measure of Verizon's maintenance performance is the comparative intervals to complete repairs – Mean Time To Repair – Total (MR-4-01). Although Verizon had only a few trouble reports for DSL loops in Connecticut, Verizon's mean time to repair improved from 40.17 hours in December to 14.88 hours in February. Verizon's performance results for March were skewed by the fact that there were only two repair requests. One of those repair requests took an abnormally long time to resolve because the CLEC submitted the request on a Friday and did not accept a weekend appointment. In addition, the CLEC did not properly isolate the location of the trouble, which required Verizon to dispatch a second technician on Tuesday to clear the

trouble. Verizon's performance in April for CLECs was better than Verizon's performance for VADI. *See* Attachment 1.

65. Verizon's performance under this measure in New York has continued to be strong. As we explained, Verizon's performance for CLECs has been compared to Verizon's performance for VADI since January. During January and February, Verizon's total mean time to repair for CLECs was, on average, within about 2 hours of Verizon's performance for VADI. In March and April, Verizon's total mean time to repair for CLECs was, on average, 2.35 hours better than Verizon's performance for VADI. *See* Attachment 29.

66. Finally, Verizon repeat trouble report rate is in parity. During March and April, Verizon had only one repeat trouble report on a DSL loop in Connecticut. *See* Attachment 1. During March and April, Verizon's repeat trouble report rate was 31 for CLECs in New York and 44 percent for VADI. *See* Attachment 30.

d. Line Sharing.

67. As we demonstrated in our initial declaration, Verizon's overall line sharing performance has been excellent. Verizon's line sharing performance continues to be strong in March and April 2001. Through April 30, 2001, Verizon has completed close to ***** total line sharing orders in Connecticut but only three of those orders were submitted by CLECs. However, in New York, Verizon has provided approximately 260,000 total line sharing orders through April 30, 2001. During March and April 2001, in New York, Verizon completed more than 2,500 line shared loops for CLECs and over ***** such loops for its separate data affiliate VADI.

Pre-ordering

68. Verizon provides carriers with the same pre-ordering capability for line sharing that is available for unbundled DSL loops. No commenter raised any line sharing-specific pre-ordering complaints.

Ordering

69. CLECs and VADI have the same choice of electronic interfaces for submitting line sharing orders. Verizon's performance for processing line sharing orders is excellent. No commenter has challenged Verizon's line sharing ordering performance. As we explained in our initial declaration, during December and February 2001, in New York, Verizon's timeliness in returning firm order confirmations has been, on average, 96 percent on time and its timeliness in returning reject notices or queries has been, on average, 96.77 on time.

70. As discussed above in our unbundled DSL discussion, Verizon's ordering performance continues to be good in March and April. During these two months, Verizon's timeliness in returning firm order confirmations has been at or above 97.91 percent in New York. Similarly, during March and April, Verizon's timeliness in returning reject notices or queries has been at or above 97.73 percent. *See Attachments 17 and 18.*

71. The Carrier-to-Carrier Guidelines require Verizon to report separately its ordering performance for line sharing orders that are manually qualified. *See Lacouture/Ruesterholz Decl. ¶ 213.* In our initial declaration, we indicated that there were no line sharing orders that required manual loop qualification in New York or Connecticut in January or February 2001. As evidenced by the low number of manually

qualified orders in March and April 2001 (zero in Connecticut and two in New York), it is clear that carriers continue to qualify the bulk of their loops through Verizon's mechanized pre-ordering process. *See* Attachments 1 and 2.

Provisioning.

72. During March and April, Verizon completed one CLEC line sharing order in Connecticut and it completed that order on time. As noted above, while Connecticut line sharing order volumes are still developing, Verizon is providing commercial volumes of line sharing in New York. Verizon is providing line shared loops in New York in a timely fashion, as indicated by several measures that track Verizon's performance in provisioning line sharing.

73. The first measure is Percent Missed Appointments. Because most line sharing orders do not require a dispatch outside of the central office, the provisioning measures for the no-dispatch line sharing orders are the most significant. In New York, during January and February, the missed appointment rate for no-dispatch orders (PR-4-05) for CLECs was comparable to the no-dispatch missed appointment rate for VADI – less than three percent for CLECs compared to less than one percent for VADI.

74. Verizon's performance under this measure has continued to be strong. During March and April, the weighted average of the missed appointment rate on no-dispatch orders was 0.71 for CLECs and 0.60 for VADI. *See* Attachment 31. This means that on average Verizon completed 99 percent of CLEC and VADI line sharing orders on time during March and April.

75. Verizon reports another provisioning measure – percentage of loops completed within 3 business days (PR-3-03). Although the Commission has not relied on

similar measures in the past and need not do so here, Verizon's performance for this measure is nevertheless good. In our initial declaration, we showed that in New York, Verizon's ability to provision line sharing orders within 4 business days when that interval was requested, was consistently improving and was 96 percent for CLECs and 97 percent for VADI in February 2001. Verizon's ability to provision line sharing orders when CLECs want them continues to be good. During March and April, even though the standard provisioning interval was further reduced to 3 business days, Verizon's performance continues to be at or above 90 percent for CLECs. *See Attachment 2.*

Quality.

76. Verizon is providing line shared loops to CLECs with a high level of quality, as evidenced by their overall reliability. The number of CLEC line sharing troubles reported within 30 days of provisioning (*i.e.*, the line sharing I-Code rate – PR-6-01) in New York in January and February was less than one percent. Verizon has continued to provide quality line shared loops in New York. During March and April, the weighted average of the I-Code rate for both CLECs and VADI continues to be less than one percent. *See Attachment 32.* In Connecticut, there were no troubles reported within 30 days of installation for the only CLEC line sharing order provisioned in March. *See Attachment 1.*

Maintenance and Repair.

77. Verizon is also making its repair services available to CLECs on a nondiscriminatory basis. As in January and February, there continues to be very little CLEC maintenance and repair activity for line sharing in New York. In fact, in March and April 2001, CLECs submitted fewer than 45 measured line sharing trouble tickets in

New York. *See* Attachment 2. No commenter challenges Verizon's line sharing maintenance and repair performance. Because the overwhelming majority of line sharing troubles are found in the central office and do not require a dispatch outside the central office, we will focus our maintenance and repair comments on the central office troubles.

78. One of the best indicators of Verizon's line sharing maintenance and repair performance is its timeliness in meeting its repair appointments on troubles found in the central office (MR-3-02). Verizon's performance in meeting repair appointments is calculated as the inverse of the missed repair appointment measure. In New York during January and February, Verizon met 89 percent of both CLEC and VADI repair appointments on time. Verizon's performance for this measure continues to reflect parity. During March and April in New York, Verizon met 88 percent of CLEC and 83 percent of VADI repair appointments for central office troubles. *See* Attachment 33.

79. Verizon's mean time to repair for central office troubles (MR-4-03) also continues to be strong. In March and April, Verizon's mean time to repair performance is better for CLECs than it is for VADI. In New York, the weighted average of Verizon's mean time to repair no-dispatch troubles in March and April was 11 hours for CLECs and 17 hours for VADI. *See* Attachment 34.

80. The third significant measure of Verizon's line sharing maintenance and repair performance is the total trouble report rate. The sum of troubles found in the outside plant portion of the loop (MR-2-02) and in the central office (MR-2-03) provides a total picture of troubles with line shared loops. In New York, from January through February, the weighted average of the total trouble report rate was less than one percent for both CLECs and VADI. Verizon's performance for this measure has continued to be

excellent. During March and April, the weighted average of the total trouble report rate is again less than one percent. *See Attachment 35.*

81. The final significant maintenance and repair performance measure is the repeat trouble report rate (MR-5-01). The repeat trouble report rate tracks the number of trouble reports received within 30 days of an initial repair. The performance results for this measure demonstrate that the quality of Verizon's repairs for CLECs' line shared loops is better than that provided for VADI. In New York, during January through April, the weighted average of the repeat trouble report rate was 31 percent for the CLECs and 40 percent for VADI. The CLEC repeat rate is skewed upward due to a reporting problem. A repeat trouble for line sharing should be reported when two line sharing (or DSL) troubles have been reported on a line. However, Verizon's reporting systems improperly include voice troubles to score a repeat line sharing trouble. In April, ten of fifteen CLEC troubles were reported on the Carrier-to-Carrier report as line sharing repeats. However, five of these troubles were preceded by a voice trouble, not a line sharing trouble. When Verizon's line sharing repeat rate is recalculated to exclude these 5 improperly scored repeaters, Verizon's CLEC line sharing repeat rate is reduced by 50 percent. *See Attachment 36.*

82. Only one commenter, Covad, has questioned Verizon's ability to provision line sharing in Connecticut. Without putting any supporting evidence on the record, Covad complains that Verizon has slow-rolled the implementation of line sharing in Connecticut and notes that it was not able to "activate line sharing capability" in the Greenwich central office until May 4, 2001. Covad Comments at 4. Contrary to Covad's claims, Verizon has responded in a timely manner to Covad's line sharing collocation

application for the Greenwich central office as well as its line sharing orders for that office.

83. Verizon received Covad's completed line sharing collocation application for the Greenwich central office on January 10, 2001. Verizon completed the collocation work within the 76 business day interval. *See* Attachment 37. On May 15, 2001, Verizon and Covad conducted a joint meet of this line sharing collocation arrangement. During that meet, a Covad technician tested all 100 copper pairs in the collocation arrangement and certified that the collocation work was complete and accurate. Through May, Covad has only submitted **** line sharing orders for the Greenwich central office. Verizon has completed **** of those orders on-time and **** was queried back to Covad for a lack of facilities. *See* Attachment 38.

84. The Commission should also reject Covad's suggestion that it should reject Verizon's Connecticut 271 application due to the lack of significant line sharing performance data in the Greenwich central office. Covad Comments at 4. Verizon should not be penalized by the lack of CLECs' interest in pursuing line sharing in Connecticut. The Commission itself has found as much in its *Oklahoma/Kansas Order* where it stated that "we should not fault SWBT for the failure of competing carriers to deploy DSL service through line shared loops." *Joint Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance for Provision of In-Region, InterLATA Services in Kansas and Oklahoma*, Memorandum Opinion and Order, CC Docket No. 00-217, FCC 01-29, ¶ 215 (rel. Jan. 22, 2001) ("*Oklahoma/Kansas Order*").

85. Verizon has established that it uses the same methods and procedures for order processing, provisioning and maintenance and repair for line sharing in Connecticut and New York, and it demonstrated that its Connecticut line sharing operations are an extension of its operations in New York. Verizon has also established that it is capable of handling commercial volumes of CLEC line sharing orders in New York and that it provisions those orders in a nondiscriminatory manner. Consequently, the Commission has sufficient evidence to conclude that, if and when CLECs begin to submit commercial volumes of line sharing orders in Connecticut, Verizon is capable of handling such volumes in a nondiscriminatory manner. Covad has failed to present any evidence to prove otherwise.

III. Verizon Provides Other Checklist Items.

86. We demonstrated that Verizon provides all other checklist items in Connecticut and that Verizon's performance in both Connecticut and New York is excellent. With one exception, no commenter challenged Verizon's performance on these other checklist items. In this section of our reply declaration, we address the issues raised by Cablevision regarding interconnection negotiations. We also provide updated data showing that Verizon's performance continues to be strong.

a. Interconnection.

87. We demonstrated in our declaration that Verizon's interconnection service offerings, processes and procedures in Connecticut are the same as those in New York, which the New York PSC and the FCC found met the requirements of the 1996 Act. We also demonstrated that Verizon's performance in providing interconnection trunking is strong. During December, January and February, Verizon completed 100 percent of

CLEC trunk orders for CLECs in Connecticut on time and had no installation troubles reported within 30 days on interconnection trunks. During March and April, Verizon likewise completed all CLEC trunk orders in Connecticut on time and had no installation troubles on interconnection trunks. *See Attachment 1.*

88. Verizon's trunking performance in New York continues to be strong. During December, January and February, Verizon completed 97.3 percent of CLEC trunk orders on time, compared to 95.5 percent of interexchange carrier trunk orders, and the rate of installation troubles reported within 30 days on interconnection trunks was 0.01 percent for both CLECs and Verizon. During March and April, Verizon completed 98.5 percent of CLEC trunk orders on time, compared to 97.7 percent of interexchange carrier trunk orders. *See Attachment 39.* In addition, Verizon's installation trouble report rate on interconnection trunks in New York during March and April was one hundredth of one percent. *See Attachment 2.*

89. Only one commenter – Cablevision – raises an issue with respect to interconnection. Cablevision claims that it spent a year and a half in negotiations and arbitration for its new interconnection agreement and that the Connecticut DPUC issued an arbitration decision that found for Cablevision “on *every issue* before the arbitrator.” Cablevision Comments at 2.

90. The fact of the matter is that Verizon and Cablevision engaged in good faith negotiations and were able to resolve all but two disputed issues prior to the arbitration. Of the two issues that were decided in arbitration, one issue – compensation for Internet traffic – was resolved by the arbitrator in a manner that is inconsistent with the FCC's recent ruling.

91. Cablevision also suggests that it should have the unilateral right to renew its interconnection agreement unless Verizon demonstrates to the Connecticut DPUC that doing so would not be reasonable. Cablevision is simply trying to change the terms of its prior interconnection agreement. That agreement, dated August 6, 1998, provided that it would “expire on July 31, 2000.” *See* Application, App. E, Tab 2, Section 21. It also provided that Cablevision “(i) shall, at BA-NY’s request, or (ii) may, at its option, nine months prior to the expiration of the Term, make a request to BA-NY to renegotiate the terms of this Agreement pursuant to Section 251(c)(1) of the Act.” *Id.* Nothing in that agreement gave Cablevision a unilateral right to renew or extend the agreement.

92. Moreover, during the negotiations and arbitration of a new interconnection agreement, Cablevision’s prior interconnection agreement remained in full force and effect. Cablevision was therefore able to continue operating under the terms of its prior interconnection agreement for nearly a year beyond its expiration date. The negotiations and arbitration of a new interconnection agreement had no effect on Cablevision’s ability to compete in Connecticut.

b. Collocation.

93. Verizon’s collocation performance has continued to be strong in Connecticut. During December through February, Verizon completed every new collocation arrangement and collocation augment in Connecticut on time. During March and April, Verizon completed one collocation arrangement in Connecticut and that arrangement was completed on time. *See* Attachment 1.

94. Verizon’s collocation performance in New York has also continued to be strong. During December, January and February, Verizon completed 377 augments to

physical collocation arrangements in New York and over 97.3 percent of them were completed on time. In addition, during the same period, Verizon completed 127 new physical collocation arrangements in New York and over 93.7 percent of these collocation arrangements were completed on time.

95. During March and April, Verizon completed 43 new physical collocation arrangements in New York and all of these collocation arrangements were completed on time. *See* Attachment 2. In addition, during this same period, Verizon completed 146 augments to physical collocation arrangements in New York and over 95.2 percent of them were completed on time. *See* Attachment 2.

c. Unbundled Local and Tandem Switching.

96. Although Verizon has not provided any local switching network elements in Connecticut, Verizon's unbundled local switching performance in New York continues to be strong. During December, January and February, Verizon provided over 99 percent of unbundled local switching elements (as part of platforms) on time, where no dispatch was required, and over 92 percent of unbundled local switching elements (as part of platforms) on time, where a dispatch was required. In March and April, Verizon provided over 99.97 percent of unbundled local switching elements (as part of platforms) on time, where no dispatch was required, and over 92.49 percent of unbundled local switching elements (as part of platforms) on time, where a dispatch was required. *See* Attachment 40.

97. We also demonstrated that Verizon's performance in maintaining unbundled local switching elements is excellent. During December, January and February, the network trouble report rate for unbundled local switching elements (as part

of platforms) in New York was consistently less than 1.5 percent. In March and April, the network trouble report rate was less than 1.4 percent. *See* Attachment 2.

d. Unbundled Local Transport

98. We demonstrated that Verizon offers CLECs the same access to local transport unbundled from switching, including both dedicated and shared transport, using the same processes and procedures in both Connecticut and New York. Although Verizon has provided only 4 unbundled local transport circuits in Connecticut, Verizon has provided more than 2,900 unbundled local transport facilities in New York.

99. Verizon's performance on unbundled local transport in New York continues to be strong. During December, January and February, Verizon's on-time completion rate for CLECs' unbundled local transport orders for which facilities were available was on average 92 percent, as compared to 90 percent for Verizon's retail orders. In March and April, Verizon completed over 96 percent of unbundled local transport orders on time (where facilities were available), as compared to over 97 percent for Verizon's retail orders. *See* Attachment 41.

100. Moreover, as we explained above regarding high-capacity loops, the retail comparison reported on the Carrier-to-Carrier reports for missed appointments is not appropriate. Verizon does not set a due date for retail special services within a few days of receiving the customer's order. Rather, Verizon's retail sales personnel may not give the retail customer a due date until shortly before the service is installed. For example, where no facilities are available, the due date may not be set until facilities can be made available. By contrast, Verizon responds to a CLEC order for interoffice facilities by

returning a confirmation that sets a due date for the order and that due date is used for measurement purposes whether or not facilities are available.

101. We also showed that other performance measures in New York for unbundled local transport were likewise affected by orders that Verizon could not complete because of a lack of facilities. Again, once these orders are excluded, Verizon's performance improves. *See* Attachment 42.

e. Resale.

102. We demonstrated that Verizon makes its telecommunications services available for resale in the same manner and using the same processes and procedures in both Connecticut and New York. We also demonstrated that Verizon's resale performance is excellent. During December, January and February, Verizon missed only one installation appointment for CLECs in Connecticut, which is better than Verizon's retail performance during the same period. During March and April, Verizon again missed only one installation appointment, which is better than Verizon's retail performance. *See* Attachment 1.

103. Verizon's maintenance of Verizon's resale service in Connecticut is consistently comparable to its maintenance of its own retail services. During December, January and February, Verizon's maintenance performance results for resale orders, such as the trouble report rate, missed repair appointments and repeat trouble reports, were comparable to or better than the performance results for Verizon's retail orders in Connecticut. During March and April, Verizon's maintenance performance results for resale orders was likewise comparable to or better than Verizon's retail performance. *See* Attachment 1.

104. Verizon's resale performance in New York also continues to be strong. During December, January and February, Verizon met over 99.9 percent of all of its installation appointments for CLECs in New York where no dispatch was required. During March and April, Verizon again met over 99.9 percent of all of its installation appointments where no dispatch was required. *See* Attachment 2.

105. In addition, during December, January and February, Verizon met over 90 percent of all of its installation appointments for CLECs in New York where a dispatch was required. During March and April, Verizon's performance improved to meeting over 92 percent of all installation appointments where a dispatch was required. *See* Attachment 43. Verizon's performance for CLECs is consistently better than Verizon's performance on its retail orders.

106. Verizon's reported performance under two measures – PR-2-01 Business (Average Interval Completed – Total No Dispatch) and PR-2-01 Residential (Average Interval Completed – Total No Dispatch) – shows some disparity between CLEC and retail performance. These measures do not provide an accurate picture of Verizon's performance. They are skewed by the fact that CLECs themselves ask for longer intervals than Verizon's retail customers. As we previously explained, Lexecon has analyzed the results for these two measures and determined that the difference in reported performance is entirely explained by the fact that CLECs request longer intervals. *See* Gertner/Bamberger Decl.

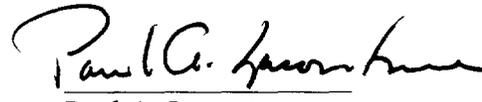
107. Verizon's maintenance of Verizon's resale service in New York is consistently comparable to its maintenance of its own retail services. During December through April, Verizon's maintenance performance results for resale orders, such as the

trouble report rate, missed repair appointments and repeat trouble reports, were comparable to or better than the performance results for Verizon's retail orders in New York. *See Attachment 44.*

108. ASCENT complains Verizon has not met its resale obligations under the Act because it does not offer its DSL service for resale over resold voice lines. ASCENT at 11-12. ASCENT is wrong. Verizon's advanced services affiliate (VADI) provides DSL service in Connecticut and New York by purchasing the same line sharing service from Verizon as other DSL providers do. The line sharing service offered by Verizon is available only where Verizon is the voice provider, consistent with the Commission's rules. This means that line sharing is not available where a carrier other than Verizon is providing the voice service on the line, such as where a reseller provides the voice service. As a result, because it uses line sharing to reach its customers, VADI does not provide DSL service to customers where voice service is provided by other carriers. Because VADI does not provide DSL at all on these lines (whether wholesale or retail), there is no DSL service to resell. Nevertheless, Verizon has had preliminary discussions with CLECs as part of the DSL Collaboratives in New York on this subject. Assuming that CLECs express interest in using this product and will work cooperatively with Verizon in the New York DSL Collaborative to address the operational issues associated with offering DSL over resold voice lines, Verizon will develop this new product offering for use in New York and Connecticut as well as in its other states.

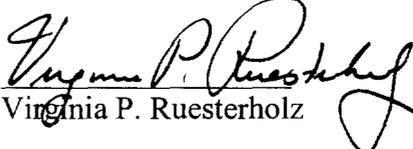
I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 6, 2001


Paul A. Lacouture

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 6, 2001


Virginia P. Ruesterholz