

b. *Order Rejection Notices:* For the reject intervals measure in the months of April and May, BellSouth exceeded all benchmarks for partially mechanized and manual UNE orders (14 of 14). In June, BellSouth met the benchmarks again for manual orders, but met 71.4% of the benchmarks for partially mechanized orders.

For orders submitted electronically, the benchmark is 97% within 1 hour. In April, 95% of the rejected service requests were delivered within 1 hour, which was very close to the benchmark. In May, however, performance dropped to 80%. BellSouth states that it is conducting a root cause analysis and that thus far it has determined that many of the LSRs that did not meet the 1-hour benchmark were issued between 11:00 p.m. and 4:30 a.m. BellSouth states that between these hours the system is unable to process LSRs because certain of the back-end legacy systems are not in service and that these LSRs should be excluded from the measure. Finally, BellSouth notes that it is currently reviewing the scheduled down time for all systems and how that down time affects the ordering capability of the CLECs. See Supplemental Exhibit AJV-2, p. 15.¹⁰ Staff will further consider performance in this area, along with any suggested modifications to the measure, in its 6-month review in Docket No. U-22252-C.

c. *FOC & Reject Response Completeness,* BellSouth met 12 of 18 benchmarks in April (See Supplemental Exhibit AJV-2, p. 25) (66.7%) (37 of 52) of the measurements in May (See Supplemental Exhibit AJV-2, p. 18) with CLEC activity (71.2%); and 63% (36 of 57) of the measurements in June. BellSouth has stated that the coding for these measures failed to include rejections that were classified as “auto clarifications,” and that this coding change is in the process of being rewritten. BellSouth states further that the change is projected for completion

¹⁰ Staff notes that BellSouth has submitted its analysis and action plan for this measure. Further, in June, 96% of the electronic rejected service requests were delivered within the one-hour time period. This demonstrates significant improvement.

with August data in late September and will impact all FOC & Reject Response completeness measures. See Supplemental Exhibit AJV-2, pp.22, August 23, 2001.

d. *Order Flow Through Rates:* Competing carriers' orders "flow-through" if they are submitted electronically and pass through a BOC's ordering OSS into its back office systems without manual intervention. See Kansas/Oklahoma Order, fn. 397. The FCC traditionally uses order "flow-through" as a potential indicator of a wide range of problems that it considers in determining whether a BOC provides nondiscriminatory access to its OSS. However, the FCC does not consider flow-through rates as the sole indicium of parity and thus has not limited its analysis of a BOC's ordering processes to a review of its flow-through performance data. Instead, the FCC has held that factors that are linked to order flow-through but are more directly indicative of a BOC's OSS performance, such as a BOC's overall ability to return timely order confirmation and rejection notices, accurately process manually handled orders, and scale its systems, are relevant and probative for analyzing a BOC's ability to provide access to its ordering functions in a nondiscriminatory manner. *Id.*

AT&T witness Bradbury contends, as he has in several dockets before this Commission in the past, that BellSouth's flow through rates are inadequate, and that BellSouth does not provide electronic interfaces for a wide variety of products and services. *Bradbury Affidavit*, pp. 32-43. The FCC has consistently rejected the notion that a BOC must provide electronic ordering capabilities for all products and services and, instead requires that a BOC provide such capabilities only insofar as it provides them to itself. This Commission has acknowledged that increased electronic flow through of orders would assist competitors and has a plan in place to assist in achieving that goal. See May 14, 2001 General Order (*requiring BellSouth to submit a plan in 3 mos.*)

e. *Performance.* Staff review of BellSouth's performance in this category indicates that it is meeting expectations in some categories, but not in others. The benchmark for residential flow through on the MSS Report is 95% (in Louisiana it is 90% for an interim 6 month period and then increases to 95%). Performance results for April, May and June were 90.71%, 90.16% and 92.21%, respectively. The benchmark for LNP in the MSS Report is 85% (in Louisiana it is 80% for an interim period of 6 months and then increases to 90%). Performance results for April, May and June are 85.47%, 90.65%, and 91.83% respectively. Staff believes that current performance in these areas is satisfactory.

Performance in the UNE category is close to meeting expectations, but performance in the business category needs improvements. The benchmark for business flow through is 90% (in Louisiana it is 80% for an interim period of 6 months and then increases to 90%). Performance results for April, May and June are 61.25%, 60.15% and 57.26%, respectively. The benchmark for UNE is 85% (in Louisiana it is 80% for an interim 6 month period and increases to 90% thereafter). Performance in this area for April, May and June was 79.25%, 74.87% and 78.33%, which is close to an 80% interim benchmark. Staff understands and acknowledges that business orders are more complex than residential orders and that there is therefore much greater room for problems in flow through. Nevertheless Staff remains concerned about the business flow through rates. Staff understands that its consultant will work with BellSouth and the CLECs on a plan to improve flow through in the next six months. Staff will closely monitor this data for improvement in the six-month review, and if necessary consider and recommend further action.

3. *Provisioning*

a. *Hot Cuts.* Staff commends BellSouth for its performance in this area. Relative to Hot Cuts (B.2.13.1 through B.2.15.4), BellSouth met or exceeded the benchmark for all six sub-

metrics with CLEC activity in April (100%) and for all seven in May (100%). BellSouth met 100% of the Hot Cut measurements in June.

b. Jeopardy Notices. BellSouth has advised Staff that the calculations for this measurement are incorrect and that the coding change necessary to fix this is scheduled for September 13, 2001. *See* Supplemental Exhibit AJV-2, August 23, 2001. Staff will examine this measurement and performance in this area during the six-month review.

c. Order Completion Notices. An analysis of the Average Completion notice Interval categories within UNE Provisioning indicates that BellSouth demonstrated poor performance by meeting 0% (0 of 3) measurements with CLEC activity in April, 33.3% (2 of 6) in May and 42.9% in June. BellSouth states that this measure was not being met due to a problem in the Work Management Center. BellSouth has further detailed a specific action plan that has been implemented. *See* BellSouth Comments, p. 16

d. Average Installation Intervals (or Order Completion Interval "OCI"). From a provisioning perspective, BellSouth met or exceeded approximately 71% and 79% of all UNE Order Completion Interval sub-metrics (B.2.1 through B.2.2) relative to the recommended analogue in April (p. 28) and May (p. 21), respectively. There were a total of 17 sub-metrics with CLEC activity in April and a total of 14 in May. BellSouth offers several reasons why its performance is not adequately reflected in the measurements. First, it says that a root cause analysis for OCI for Non-Dispatch orders revealed that it was offering a 0 to 2 day interval on retail non-dispatched POTS orders, but the UNE combination loop and port non-dispatched orders were receiving the same interval as "dispatched" orders. BellSouth says a permanent solution for this problem, a modification to the due date calculation process, was implemented on

June 2, 2001, and that this should correct the problem. *See* Supplemental Exhibit AJV-2, pp. 21-22. Staff awaits further performance reports to verify whether this has been corrected.

Additionally, BellSouth states that this measure is adversely affected by LSRs for which CLECs request intervals beyond the offered interval and do not enter an "L" code on the order. When a CLEC requests an interval beyond the interval offered by BellSouth, the CLEC is supposed to enter an "L" code on the LSR. "L" coded orders are excluded from the OCI metrics. BellSouth also filed the affidavit of Gustavo E. Bamberger addressing the effect of LSRs submitted with extended completion intervals and installation appointments missed due to end user reasons.

Finally, Staff observes that BellSouth demonstrated marked improvement in June data by meeting 90.5% (19 of 21) of the OCI (UNE/Provisioning) measures.

Staff recommends that the Commission give special attention to this measure in its 6-month review in Docket No. U-22252-C. Staff believes that BellSouth should focus its efforts on maintaining its improved performance in this area, whether by making necessary process fixes or by seeking reasonable amendments or clarifications to existing measures. In the interim and until this Commission orders otherwise, BellSouth will pay penalties if it fails to meet the applicable benchmarks/retail analogs in this area.

e. Missed Installation Appointment. Relative to UNE % Missed Installation Appointments (B2.18.1.1.1 through B2.18.19.2.2), BellSouth met the benchmark for all 27 sub-metrics with CLEC activity in April and for all 16 in May. In June, BellSouth met 95% (19 of 20) of all measurements with CLEC activity.

f. UNE % Provisioning Troubles within 30 Days. Relative to UNE % Provisioning Troubles within 30 Days (B.2.19.1.1.1 through B.2.19.19.2.2), BellSouth met the benchmark for

16 of 21 measurements with CLEC activity in April. The percentage of parity was improved from 76% to 85% in May when 17 of 20 measurements were met. The June results dropped slightly when BellSouth met 76.9% (10 of 13) of the measurements.

4. *Maintenance and Repair*

BellSouth offers CLECs electronic interfaces for trouble reporting, which provide CLECs with access to the maintenance and repair functions in substantially the same time and manner as BellSouth offers access for its retail customers. BellSouth offers such access through its Trouble Analysis Facilitation Interface (“CLEC TAFI”) and Electronic Communications Trouble Administration (“ECTA Local”). TAFI is the same system BellSouth uses for its retail units. In the *New York Order*, the FCC found that Bell Atlantic satisfied its checklist obligation despite the fact that it did not offer CLECs a machine-to-machine maintenance and repair interface. *New York Order*, ¶215.

Through TAFI and ECTA Local, BellSouth claims that it provides CLECs electronic access to its maintenance and repair OSS in a manner that far exceeds what Bell Atlantic provided to CLECs at the time of its 271 application.

BellSouth met the applicable standard for 88% and 81% of the overall UNE Maintenance and Repair measurements for April (p. 33) and May (p. 28), respectively. In June, BellSouth met 82.7% (62 of 75) of the measurements within UNE-Maintenance and Repair. Although Staff is a little concerned about the drop in performance in May, Staff is generally satisfied with performance in this area for purposes of a finding of checklist compliance.

AT&T witness Bradbury claims that BellSouth has failed to address the FCC’s concerns, and that BellSouth essentially provides CLECs with a “Hobson’s choice” – use TAFI which is

effective but not efficient, or ECTA Local which is efficient but not effective. *Bradbury Affidavit*, pp. 59-63.

In response, BellSouth represents and Staff agrees that it provides access to its OSS for the maintenance and repair in compliance with the FCC requirements. Apparently, AT&T is interested in the development of a specialized interface for maintenance and repair that is not industry standard. BellSouth has instructed AT&T to make a Bona Fide Request for the interface and pay for its development in advance. Staff believes that this approach represents the most reasonable alternative for resolving any dispute regarding the development of additional interfaces. See Stacy Reply Affidavit, ¶¶195-201.

5. Billing

BellSouth provides CLECs with usage data via three means – the Optional Daily Usage File (“ODUF”); the Access Daily Usage File (“ADUF”); and the Enhanced Optional Daily Usage File (“EODUF”). These daily usage files were designed to provide CLECs with usage records for billable call events that are recorded by BellSouth’s central offices. *Stacy Affidavit*, ¶ 296-304. BellSouth claims these interfaces allow a CLEC to process call records in its billing systems in substantially the same time and manner that BellSouth processes these types of records in its own systems.

BellSouth met the two measurements associated with UNE Billing (B.4.1 and B.4.2) in both April and May 2001. The same results were demonstrated in June. Staff is satisfied with performance in this area, and will continue to monitor the results.

Staff is unaware of any party contending that BellSouth is not providing non-discriminatory access to billing functions. Staff notes that SECCA’s concerns regarding the pricing of ODUF and ADUF are being addressed in Docket No. U-24714-A.

6. *Miscellaneous*

Xspedius makes several complaints regarding access to BellSouth's OSS and the processes surrounding same, including: 1) BellSouth will not accept a trouble ticket from a customer disconnected during migration until the CLEC has the BellSouth repair center double check the conversion date; 2) BellSouth representatives lack adequate training; 3) BellSouth does not note all order errors at once, requiring repeated clarification of the same order; 4) BellSouth does not reconnect customers' features after they switch to the CLEC's UNE platform; and 5) BellSouth continues to bill customers after they switch to the CLEC. *Goodly Affidavit*, ¶¶ 2-5. Regarding the first allegation, we believe BellSouth adequately addresses Xspedius' issue explaining the operational problems that occurred between BellSouth and Xspedius' regarding these certain instances. *Ainsworth Reply Affidavit*, ¶¶52-58.

Staff believes that the second and third issues, which were discussed in the CLEC collaboratives, involve appropriate training, both on the BellSouth and CLEC end. Staff notes in this regard that BellSouth has provided evidence that some CLECs have few rejected service requests, while others may have many. Staff encourages BellSouth to continue to train its service representative and urges CLECs to take advantage of the extensive training courses and material offered by BellSouth.¹¹

¹¹ BellSouth has also stated that in order to lower the rejection rate for individual CLECs, it has developed an action plan template to be used in conjunction with an analysis of the pre-order and order activity of a CLEC who is performing at less than 90% on flow-through on mechanically submitted orders and has a clarification rate of 20% or higher. So far, 7 CLECs have agreed to utilize this template. Five CLECs have had presentations concerning their individual results and are currently reviewing the proposals. Meetings are being scheduled with 2 additional CLECs and 22 others are either in the final stages of the action plan preparation or data analyzation. The initial results after implementation indicates a 5% overall reduction in clarifications and rejected requests. See Supplemental Exhibit AJV-2, p. 13. Staff commends this kind of collaboration and asks that BellSouth continue to keep Staff advised of the results of these efforts.

Finally, certain problems raised by Xpedius appear to involve the same premature disconnect issue that Staff discusses later in this recommendation in connection with the UNE-Platform issues. *See* text at pp. 58-59, *infra*.

In summary, Staff does not at this time believe that Xspedius' allegations reflect a systematic failure that would warrant a finding of checklist noncompliance. *See* Kansas/Oklahoma Order, ¶159.

7. Change Control Process ("CCP")

BellSouth can show that it provides the documentation and support necessary to provide competing carriers nondiscriminatory access to its OSS by showing that it has an adequate change management process in place in Louisiana and that BellSouth has adhered to its change management process over time. *Texas Order*, ¶105.

The FCC has recognized that competing carriers need information about, and specifications for, an incumbent's systems and interfaces to develop and modify their systems and procedures to access the incumbent's OSS functions. Thus, in order to demonstrate that it is providing nondiscriminatory access to its OSS, a BOC must first demonstrate that it has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and is adequately assisting competing carriers to understand how to implement and use all of the OSS functions available to them. By showing that it adequately assists competing carriers to use available OSS functions, a BOC provides evidence that it offers an efficient competitor a meaningful opportunity to compete. As part of this demonstration, the FCC will give substantial consideration to the existence of an adequate change management process and evidence that the BOC has adhered to this process over time. *Id.* at 106.

The change management process refers to the methods and procedures that the BOC employs to communicate with competing carriers regarding the performance of, and changes in, the BOC's OSS system. Such changes may include updates to existing functions that impact competing carrier interfaces upon a BOC's release of new interface software; technology changes that require competing carriers to meet new technical requirements upon a BOC's software release date; additional functionality changes that may be used at the competing carrier's option, on or after a BOC's release date for new interface software; and changes that may be mandated by regulatory authorities. Without a change management process in place, a BOC can impose substantial costs on competing carriers simply by making changes to its systems and interfaces without providing adequate testing opportunities and accurate and timely notice and documentation of the changes. Change management problems can impair a competing carrier's ability to obtain nondiscriminatory access to UNEs, and hence a BOC's compliance with section 271(2)(B)(ii). *Id.* at 107.

In evaluating whether a BOC's change management plan affords an efficient competitor a meaningful opportunity to compete, we first assess whether the plan is adequate. In making this determination, the FCC assesses whether the evidence demonstrates: 1) that information relating to the change management process is clearly organized and readily accessible to competing carriers; 2) that competing carriers had substantial input in the design and continued operation of the change management process; 3) that the change management plan defines a procedure for the timely resolution of change management disputes; 4) the availability of a stable testing environment that mirrors production; and 5) the efficacy of the documentation that the BOC makes available for the purpose of building an electronic gateway. After determining whether

the BOC's change management plan is adequate, the FCC evaluates whether the BOC has demonstrated a pattern of compliance with this plan. *Id.* at 108.

It appears that AT&T is the only commentator that contends that BellSouth's CCP is inadequate. AT&T witness Bradbury makes numerous allegations in this regard. Staff understands that AT&T has raised each of these contentions in its arbitrations around BellSouth's region, although it elected not to raise them in its pending arbitration in Louisiana. Staff takes administrative notice of the arbitration orders from Georgia, Florida, North Carolina and Kentucky dealing with issues concerning BellSouth's Change Control Process, and concurs with the findings of the Georgia Commission that to the extent competing carriers have a dispute concerning the process, such competitor should adhere to the escalation and dispute resolution process included in the CCP Document. Staff notes that this Commission is ready to resolve any disputes that arise between BellSouth and competitive carriers that are not resolved through the Change Control Process.

Further, Staff notes that BellSouth's Change Management Processes have been subjected to third party testing in Georgia and all exceptions noted to BellSouth's processes were resolved. *See Stacy Affidavit*, ¶76.

a. Adequacy of BellSouth's Change Control Plan: The Staff finds that BellSouth's Change Control Process is very similar to the process of SWBT in Texas that the FCC found acceptable. Like the Texas plan, BellSouth's Change Control Process, which is the result of a collaborative efforts between BellSouth and competing carriers, provides an efficient competitor a meaningful opportunity to compete. We note that BellSouth's change management documentation is clearly organized and readily accessible to competing carriers. The basic change management process is memorialized in a single document entitled the Change Control

Process. *See* Stacy Affidavit, Exh. OSS-39. This document describes in detail the types of changes that are handled, how change requests are classified, the escalation process, the dispute resolution process, and the testing environment. KPMG found that the CCP documents clearly defined change management process responsibilities. Stacy Affidavit, 92. In addition to the CCP document, BellSouth provides CLECs with a CCP website. BellSouth posts information about the processes, including documents, such as the CCP document and forms; status information, including the change control logs, submitted change requests, implemented change requests, and cancelled change requests; and meeting information, including minutes and notices. *Id.* at 93; *see also Texas Order*, ¶110.

Staff further notes that BellSouth's Change Control Process provides for substantial input from competing carriers. Indeed, from the inception of BellSouth's Change Control Process, BellSouth has actively sought and obtained the participation of competitive carriers. BellSouth's original Electronic Interface Change Control Process ("EICCP") was established because of BellSouth's need to secure input from the CLECs regarding future enhancements to existing electronic CLEC interfaces. BellSouth sought the participation of competitive carriers, held numerous meetings with interested carriers and established a steering committee to address issues related to interface enhancements. Since this time, BellSouth's Control Processes have functioned on a region-wide basis so that the CLECs in any of the nine states in BellSouth's region may participate. *See* Stacy Affidavit, ¶¶77-78.

In response to the FCC's *New York Order* and the independent third-party test in Georgia, the EICCP was enhanced through involvement of the steering committee. The EICCP was also renamed the Change Control Process ("CCP"). The newly revised processes included

the addition of monthly status update meetings that were open to all CLECs and a formalized escalation process.

b. Documentation Adequacy: Further, Staff believes that BellSouth makes available sufficiently detailed interface design specifications to enable competing carriers to modify or design their systems in a manner that will enable them to communicate with the BellSouth systems and any relevant interfaces.

c. Notification Adequacy and Timeliness: Further, it is critical that BellSouth provide timely, complete, and accurate notice of alterations to its systems and processes. Without timely notification and documentation, competing carriers are unable to modify their existing systems and procedures or develop new systems to maintain access to BellSouth's OSS. *Texas Order*, ¶126. In assessing BellSouth's performance regarding these requirements, the FCC will examine whether BellSouth has "established a pattern of compliance with the relevant notification and documentation intervals in its Change Agreement." *Id.*

The process by which a proposed change proceeds through the CCP is detailed in the CCP document. Changes are categorized by type and BellSouth has established notification intervals for each type of change. *Stacy Affidavit*, ¶¶ 98-100. Staff concludes that BellSouth has demonstrated a pattern of compliance with its documented change management processes and procedures, allowing an efficient competitor a meaningful opportunity to compete.

d. Testing Environment: As an additional requirement for ensuring a sufficient change management process, BellSouth must provide competing carriers with access to a stable testing environment to certify that their OSS will be capable of interacting smoothly and effectively with BellSouth's OSS. *Texas Order*, ¶132. A BOC must provide a testing

environment that mirrors the production environment in order for competing carriers to test new releases. *Id.*

According to BellSouth, it provides CLECs with an open and stable testing environment for the machine to machine EDI and TAG interfaces. *See* Stacy Affidavit, ¶119, Exh. OSS-39, p. 56. Three CLECs used the testing environment in 1999. As of the end of December 2000, 20 CLECs have used it to test EDI. As of December 2000, 27 CLECs used it to test TAG. Before making the release of an interface available to CLECs, BellSouth completes internal testing of the release using the same testing environment that the CLECs will use. Beta testing is offered to the CLECs that are interested in assisting BellSouth in validating a Telecommunications Industry Forum change to the affected interfaces. *Id.* at 62. New carrier testing is offered to CLECs that are shifting from a manual to an electronic environment. BellSouth also offers testing to CLECs that are changing from one OBF version of EDI or TAG to another. BellSouth has explained in detail the various types of testing available to competitive carriers. *Id.* at ¶¶124-136.

Staff concludes that BellSouth's test environment affords carriers an adequate opportunity to test BellSouth's OSS changes prior to implementation. We therefore find that the testing environment BellSouth makes available provides competing carriers with a meaningful opportunity to compete.

e. Training, Technical Assistance, and Help Desk Support: Staff has reviewed Mr. Stacy's affidavit filed April 20, 2001 (paras. 36-75) discussing in detail the support BellSouth offers to CLECs, including documentation, training for CLECs on Electronic interfaces, and help desk support. No party raises a substantial issue regarding the adequacy of this support.

8. *UNE Combinations*

In order to satisfy checklist Item 2, BellSouth must show that it provides non-discriminatory access to combinations of network elements, including the so-called UNE-Platform (UNE-P), in accordance with FCC rules, in particular the UNE Remand Order and the Supplemental Clarification Order. BellSouth has provided evidence that it has legally binding obligations to provide access to UNEs in a manner that allows CLECs to combine those elements, including collocation and assembly point arrangements. BellSouth Original Comments, at p. 39. Additionally, BellSouth has shown that it provides access to "preassembled" combinations, that is, that it will not separate requested network elements where such elements are physically combined and providing service to a particular location. *Id.* Staff is unaware of any party contending otherwise.

In Staff's Proposed Recommendation, Staff reiterated its position that BellSouth is legally obligated to provide only those combinations that are "in fact" combined, rather than "ordinarily combined." *See* Staff Proposed Recommendation, pp. 64-65. In response to Staff's Proposed Recommendation, numerous parties commented regarding the "currently combines" issue, including Access Integrated Networks, Inc. ("ACCESS"). Such comments have caused Staff to reconsider its position on this issue. Under the present situation in Louisiana, CLECs can obtain and use new UNE loop/port and loop/transport combinations by initially ordering such services as special access or resale and later obtain those combinations as UNE combinations at UNE prices. This cumbersome process does nothing more than complicate the ordering process and impedes competition.

For these reasons, Staff recommends that the Commission require BellSouth to provide combinations of ordinarily combined elements in a manner consistent with the Order issued by

the Georgia Public Service Commission in Docket No. 10692-U, dated February 1, 2000. Thus, the Staff recommends that the Commission find that "currently combines" means ordinarily combined within the BellSouth network, in the manner that they are typically combined. Thus, CLECs can order combinations of typically combined elements, even if the particular elements being ordered are not actually physically connected at the time the order is placed. Staff further recommends that the Commission find that loop/port and loop/transport combinations are ordinarily combined in BellSouth's network.

Staff recognizes the fact that requiring BellSouth to combine previously uncombined UNEs will minimize, if not eliminate, any capital investment required by CLECs to compete in Louisiana's local market. In the event that the United States Supreme Court upholds the Eighth Circuit Court of Appeals' determination that ILECs have no legal obligation to combine UNEs under the 1996 Act, the Staff may recommend to the Commission that it reevaluate its decision on this issue in order to ensure that CLECs have the proper incentive to invest in their own networks in Louisiana.

Staff recommends that the recurring rate for a new combination shall be the same as the recurring rate for an existing combination. The nonrecurring rate for a new loop/port combination shall be the sum of the nonrecurring rate for the loop and the nonrecurring rate for the port as established in Docket No. U-24714-A. The nonrecurring rate for a new loop/transport combination shall be the rate for such combination in the New Orleans MSA as modified in Docket No. U-24714-A. To the extent the Commission has not established nonrecurring rates for a particular new combination, the nonrecurring rate shall be the sum or the nonrecurring rates for the individual elements.

A number of parties raise concerns about BellSouth's provisioning of UNE-Ps. See Xspedius: *Goodly Affidavit*, ¶¶3-5; WorldCom: *Lichtenberg Affidavit*, ¶¶4-9, WorldCom Comments, p. 17; NewSouth Comments, pp. 16-23. Many of these problems appear to be historical. Indeed, NewSouth states that it has signed a new interconnection agreement with BellSouth designed to cure most of these problems. NewSouth Comments, p. 6. Staff believes that reviewing the data concerning provisioning of UNE-Ps is the best way in which to judge BellSouth's performance in this area.

a. *Performance.* An analysis of UNE-P (Loop + Port Combination) data across all UNE categories (Ordering, Provisioning and Maintenance and Repair) indicates that Bellsouth met 72.7% (24 of 33) of the measurements with CLEC activity in April. Improvement was demonstrated in May with 82.5% (33 of 40) of measurements being met. Within Maintenance and Repair, BellSouth demonstrated strong performance in both April and May with 88.9% (8 of 9) and 100% (10 of 10) items met respectively. Improvement was demonstrated in May with 75% (9 of 12) and 77.8% (14 of 18) of measurements met for Ordering and Provisioning respectively. In June, BellSouth's performance across all UNE categories for the Loop-Port Combination product dropped slightly to 78% (32 of 41). BellSouth continued strong performance within Maintenance and Repair by meeting 90% (9 of 10) of the measurements. Similar performance in Provisioning was demonstrated when BellSouth met 78.9% (15 of 19) of the measurements. However, ordering results decreased to 66.7% (8 of 12).

Staff believes that implementation of the Self-Executing Enforcement plan should provide incentive to BellSouth to continue to improve in this area. Although Staff concludes that this performance is adequate for purposes of this proceeding, Staff also recommends that performance in the following areas for UNE-P in particular be monitored closely in the six-

month review in Docket No. U-22252-C: Provisioning Troubles within 30 Days and Average Completion Notice Interval-Mechanized. Further, Staff invites Xspedius, WorldCom and NewSouth to participate in the six-month review of the performance plan at which time Staff will consider what if any changes need to be made in order to ensure that BellSouth provisions UNE-P in a timely fashion.

b. *“N” and “D” Order Conversion Process.* One category of service problems raised by a number of parties is of particular concern to Staff -- BellSouth’s practice of issuing two orders, a “N” order and a “D” order to provision UNE-P conversions. NewSouth raises this issue in connection with Checklist Item 2 (NewSouth Comments, pp. 16-18) as well as a host of other commentators. See KMC: *Braddock Affidavit*, ¶¶5-6; WorldCom: *Gibbs Affidavit*, ¶¶ 17-18, *Lichtenberg Affidavit*, ¶¶ 11; Xspedius: *Goodly Affidavit*, ¶¶ 1-2. BellSouth has responded to these complaints. *Ainsworth Affidavit*, ¶47. Staff notes that the FCC has concluded that a multiple-order conversion process is not in and of itself grounds for concern if it is working smoothly. Staff is concerned, however, about the number of complaints in this area and BellSouth’s apparent failure to address the improved “C” order process referenced by AT&T witness Seigler in his affidavit. *Seigler Affidavit*, p. 14. In its Proposed Recommendation, Staff solicited further input from BellSouth concerning the magnitude of this problem and suggested process improvements. In particular, Staff directed BellSouth to provide information concerning any “C” order process and how soon it can be implemented. Proposed Recommendation, p.66.

Upon review of BellSouth’s response to the Staff’s request for additional information and the comments of the parties to this proceeding, the Staff recommends that the Commission order BellSouth to replace the current process of having two separate orders to convert an end user from BellSouth to a CLEC. As described above, the current process requires a Disconnect Order

be processed followed by a New order. Because these two orders are frequently not properly coordinated by either BellSouth or the CLEC, the end user may lose dial tone during the conversion process. In order to prevent or reduce the frequency of occurrence of this situation, BellSouth should be required to replace the "D" and "N" order process with the single "C" order.

Staff further recommends that the Commission order BellSouth to implement the C-Order process no later than April 1, 2002. Further Staff recommends establishing a measurement to track any premature disconnects occurring due to the 2-order process. Such measurement should carry a Tier-1 and Tier-2 penalty to be instituted upon the FCC's approval of BellSouth's petition to provide interLATA service in Louisiana. Staff will address these issues during the six-month review to be held in Docket No. U-22252-C. Staff recommends that the Commission find that BellSouth has met the requirements of checklist item no. 2.

C. CHECKLIST ITEM 3: Poles, Ducts, Conduits and Rights-of-Way

Section 271(c)(2)(B)(iii) of the Act provides that a BOC must offer "[n]ondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by the [BOC] at just and reasonable rates in accordance with the requirements of Section 224." Section 224 of the Act outlines state and federal jurisdiction over regulation of access to poles, ducts, conduits and rights-of-way and describes the standard for just and reasonable rates for such access. Under Rule 1.1403, a utility shall provide any carrier with nondiscriminatory access to any pole, duct, conduit or right-of-way owned or controlled by the utility. Notwithstanding this obligation, a utility may deny any telecommunications carrier access to its poles, ducts, conduits or rights-of-way where there is insufficient capacity or for reasons of safety, reliability, and generally applicable engineering principles.

The LPSC has previously held that BellSouth complied with this checklist item. In addition, in the *Second Louisiana Order*, the FCC held that BellSouth demonstrated that it has established nondiscriminatory procedures for access to poles, ducts, conduits, and rights-of-way. *Second Louisiana Order*, at ¶¶ 171-183. In Section III of the SGAT, and in various negotiated interconnection agreements, BellSouth continues to offer nondiscriminatory access to poles, ducts, conduits, and rights-of-way in a timely fashion. BellSouth's actions and performance at this time are consistent with the showing previously made to the LPSC and the FCC upon which both regulatory agencies made the determination that the statutory requirements for checklist item 3 were met. See *Second Louisiana Order*, fn. 151 ("BellSouth may incorporate by reference its showing in this proceeding for...(iii) access to poles, ducts, conduits, and rights-of-way.").

No party has challenged BellSouth's compliance in this area.

D. CHECKLIST ITEM 4: Unbundled Local Loops

Section 271(c)(2)(B)(iv) of the Act requires that BellSouth offer "[l]ocal loop transmission from the central office to the customer's premises, unbundled from local switching or other services." The unbundled loop is "a transmission facility between a distribution frame, or its equivalent, in an incumbent LEC central office, and the network interface device at the customer premises." The definition includes different types of loops, for example, two-wire and four-wire analog voice grade loops that are conditioned to transmit the digital signals needed to provide services such as ISDN, ADSL, HDSL, and DS-1 level signals. *Id.* Staff finds that BellSouth complies fully with this checklist item, thereby enabling CLECs to provide local service without investing large amounts of capital in facilities that connect each customer premises to the public switched telephone network. As of February 28, 2001, BellSouth has

provisioned more than 13,000 loops for 20 CLECs in Louisiana, and over 340,553 unbundled loops region-wide. *Milner Affidavit*, ¶ 82.

1. Local Loops

The local loop is an unbundled network element that must be provided on a nondiscriminatory basis pursuant to section 251(c)(3). BellSouth allows CLECs to access unbundled loops at any technically feasible point. *Milner Affidavit*, ¶ 81. BellSouth makes the following loop types available to CLECs: SL1 voice grade loops; SL2 voice grade loops; 2-wire ISDN digital grade loops; 2-wire ADSL loops; 2-wire HDSL loops; 4-wire HDSL loops; 4-wire DS-1 digital grade loops; 56 or 64 kbps digital grade loops; UCL; and DS3 loops. *Milner Affidavit*, ¶ 80-81; see also *Interconnection Agreement Between BellSouth and NewSouth*, Att. 2. In addition, BellSouth provides CLECs with unbundled loops served by Integrated Digital Loop Carrier (IDLC). *Milner Affidavit*, ¶ 83. Finally, CLECs may purchase additional loop types through the bona fide request process. BellSouth offers local loop transmission of the same quality and same equipment and technical specifications used by BellSouth to serve its own customers. *Milner Affidavit*, ¶ 81.

In the *Second Louisiana Order*, the FCC found that the performance data BellSouth presented on the ordering and provisioning of unbundled local loops failed to demonstrate that the access it provides to such loops is sufficient to allow an efficient competitor a meaningful opportunity to compete. Furthermore, it stated that BellSouth did not show that it could provide loop cutovers based on reasonably foreseeable demand in a timely and reliable fashion. See *Second Louisiana Order* ¶ 192-199.

To address these issues, BellSouth has provided the Commission with performance data, disaggregated by loop type, which it says demonstrates that BellSouth is providing CLECs with

unbundled loops in a manner sufficient to provide them a meaningful opportunity to compete. As the FCC has stated, a BOC can demonstrate compliance with checklist item 4 by submitting performance data evidencing the time interval for providing unbundled loops and whether due dates are met. *New York Order*, ¶ 270 & 283 (“Bell Atlantic meets the confirmed due dates of the customers of competitive carriers in the same time and manner as it meets the confirmed due dates of its retail customers.”). BellSouth has provided performance data in the FCC format for March, April and May 2001 relating to its loop provisioning and maintenance and repair functions for CLECs, disaggregated by loop type, including voice loops and loops capable of supporting high speed data. *See Texas Order*, ¶ 249.

In addition, in this proceeding BellSouth demonstrates its ability to accomplish a hot cut in a timely, accurate manner. *See discussion at p. 52, supra*. Hot cuts involve the conversion of an existing BellSouth customer to the network of a competitor by transferring the customer’s in-service loop over to the CLEC’s network. *Milner Affidavit*, ¶ 100. BellSouth has implemented three hot cut processes, two involving order coordination and one that does not involve such coordination. *Id.* The two processes that include order coordination are a time-specific cutover, and a non-time-specific cutover. Both of these processes involve BellSouth and the CLEC working together to establish a time for the cutover. In the third option, the CLEC merely specifies the date on which the cut is to occur but leaves the time of the cutover to BellSouth’s discretion. *Milner Affidavit*, ¶¶ 101-103. These three options give the CLEC choices depending on its business plan and the needs of its end user. As the FCC noted, “[t]he ability of a BOC to provision working, trouble-free loops through hot cuts is critically important in light of the substantial risk that a defective hot cut will result in competing carrier customers experiencing service outages for more than a brief period.” *Texas Order*, ¶ 256. BellSouth contends that it

provides coordinated hot cuts in a timely manner, at an acceptable level of quality, with minimal service disruptions, and with a minimum number of troubles following installation. See Kansas/Oklahoma Order, ¶ 201.

AT&T Witness Berger cites numerous examples of problems with hot cuts (although she acknowledges that BellSouth and AT&T have recently on May 15, 2001 executed a Memorandum of Understanding concerning methods and procedures for “hot cuts” on a going-forward basis). Issues concerning hot-cuts were also discussed at great length in the CLEC collaboratives. As of the last meeting, none of the CLEC participants had any current problems with “hot cuts” and Staff and the parties agreed to monitor this item. Relative to Hot Cuts (B.2.13.1 through B.2.15.4), BellSouth met or exceeded the benchmark for all six sub-metrics with CLEC activity in April and for all seven in May.

AT&T also complains that BellSouth’s method for addressing erroneous disconnects is not comparable to BellSouth’s method for its own customers. *Berger Affidavit*, p. 12. In response, BellSouth points out the fact that AT&T has not performed any hot cuts in Louisiana. BellSouth also points out that it is AT&T who is in control of when the disconnect is completed by BellSouth in this instance. Service orders must be issued in order for BellSouth to reestablish service to the end user. This is the same process that occurs for an erroneous disconnect of a BellSouth end user and both situations are handled as a provisioning issue, rather than a maintenance issue. *Ainsworth Reply Affidavit*, ¶41.

AT&T also complains that if an erroneous disconnect occurs due to a CLEC error, BellSouth treats it like a new loop, rather than a maintenance issue, and the customer can be out of service for up to seven days. *Id.* at p. 14-15. BellSouth utilizes the same procedure when it erroneously disconnects its own end user. New service orders must be issued and are treated as a

provisioning matter, rather than a maintenance issue. Staff is unaware of any requirement that BellSouth is violating by not treating AT&T's mistakes any different from its own. It is Staff's opinion that AT&T should review its own processes to minimize or eliminate the instances in which it makes an erroneous request to BellSouth to disconnect its end user.

AT&T further objects to BellSouth's request for a four-hour window to start a conversion when a customer's service is provided over BellSouth's IDLC and that the parties disagree regarding the start and stop times. *Berger Affidavit*, pp. 12-14. Staff is not aware of any such request in this proceeding, but will address any such issues during the six-month review of the service quality measurements. AT&T also voices concern regarding the hot cut measures adopted by the Commission. Staff believes that the hot cut measures adopted by the Commission are appropriate.

KMC voices concern over the fact that BellSouth will mistakenly indicate that there are no facilities to complete an order for an unbundled loop when, in fact, there are such facilities. *Braddock Affidavit*, ¶3. Further, KMC complains that BellSouth will cancel a due date at the last minute due to a lack of facilities. *Dermint Affidavit*, ¶2. BellSouth responds to these complaints through the sworn testimony of Mr. Ainsworth. *See Ainsworth Reply Affidavit*, ¶¶ 23-25, 44. These issues were discussed at length during the collaborative workshops held by this Commission. Staff is convinced that BellSouth provisions UNE loops to CLECs in the same manner as it provisions loops to its own retail customers. The process that BellSouth goes through to determine whether facilities are available to complete a CLEC's order are the same as those that BellSouth uses to complete its own retail orders. Indeed, during the collaborative workshops, and in order to address this issue, Staff understood that the CLECs were to have submitted a Bona Fide Request to BellSouth to develop a method for provisioning loops in

which a CLEC could ascertain the availability of facilities prior to placing an order. Staff instructed the parties to comment in response to this proposed recommendation on the status of any such request. BellSouth responded that such request has been submitted as CR0461 to the Change Control Process and will be prioritized by the CLECs. *See* BellSouth Comments, p. 23.

KMC raises additional issues that were addressed in the collaborative workshops. KMC claims that BellSouth will often miss a due date for order coordinated, time-specific hot cuts to the point where KMC has stopped ordering them. *Chiasson Affidavit*, 2. BellSouth does not respond to trouble reports and refuses to act on a trouble claiming it is KMC's responsibility, only to acknowledge that it is BellSouth's problem one week later. *Id.* at 3. BellSouth responds to these allegations. *Ainsworth Reply Affidavit*, ¶¶ 48-49. These issues do not appear to indicate systemic problems that would warrant a finding of checklist non-compliance. *See* Kansas/Oklahoma Order, ¶159. Staff encourages BellSouth and KMC to resolve these issues informally or bring them to the attention of the Commission through its normal complaint process.

2. *Access to xDSL-capable Loops*

BellSouth must demonstrate that it offers CLECs nondiscriminatory access to xDSL-capable loops in Louisiana.¹² To compensate for differing parameters such as the end user's distance from his serving wire center, BellSouth offers CLECs a variety of unbundled loops that may support DSL services from the CLEC to its end user customers. These loop types are known as ADSL-capable loop; HDSL-capable loop; ISDN loop; Universal Digital Channel (UDC); Unbundled Copper Loop (UCL), Short and Long; and UCL-Nondesign (UCL-ND). *Latham Affidavit*, ¶3; *see also Interconnection Agreement Between BellSouth and COVAD*,

¹² The FCC has stated that it would "find it most persuasive if future applicants under 271...make a separate and comprehensive evidentiary showing with respect to the provision of xDSL-capable loops." *New York Order*, 330.

Amend. § 2.2.9. As of February 28, 2001, BellSouth had provisioned 1,301 two-wire ADSL loops; 66 two-wire HDSL loops; and one (1) four-wire HDSL loop to over 20 different CLECs in Louisiana. *Milner Affidavit*, ¶ 97.

Further, Staff is aware of the fact that in response to CLEC requests for an xDSL capable loop that is similar in price and provisioning practices to an SL1, BellSouth recently began offering a “nondesignated” unbundled copper loop (“UCL-ND”). Staff believes that the UCL-ND holds the promise of spurring the deployment of advanced services to end users in Louisiana, including those located in rural areas. Staff instructed BellSouth as well as the other parties to this proceeding to provide comments in response to the proposed recommendation concerning the UCL-ND, including the circumstances surrounding its development, whether CLECs participated in its development, the pricing of the product in relation to other xDSL capable loops, the manner that it is provisioned, the number of such loops purchased by CLECs within the state of Louisiana and any outstanding or unresolved issues surrounding this loop offering. In response, BellSouth as well as other parties provided further comments regarding the UCL-ND.

In its *Texas Order*, the FCC commended the Texas state commission for developing comprehensive measures to assess SWBT’s performance in provisioning xDSL-capable loops and related services in Texas. *See Texas Order*, ¶283. BellSouth has presented this Commission with comparable performance data, specific to xDSL loops, to demonstrate that it is providing CLECs with nondiscriminatory access to such loops. Based on this performance data, BellSouth claims that this Commission will be able to conclude, as did the FCC in the *Kansas/Oklahoma* decision, that the BOC “provisions xDSL-capable loops for competing carriers in substantially the same time and manner that it installs xDSL-capable loops for its own retail operations.” *Kansas/Oklahoma*, ¶ 185.

Staff notes the commentator Covad provided performance results from BellSouth's March 2001 MSS report and claims that the results demonstrate that BellSouth is not providing non-discriminatory access. See Covad Comments, pp. 15-22. Further, Covad filed comments to BellSouth's May performance data in the FCC format on July 23, 2001. Mr. Varner addressed Covad's initial performance criticisms in his reply affidavit at ¶¶135-155. Staff instructs BellSouth to respond to Covad and AT&T's criticisms in their comments to BellSouth's May performance data filed July 23, 2001.

In the interim, Staff makes the following comments with regard to BellSouth's performance in this area. A manual count of MSS data for April and May 2001 for all UNE measurements with CLEC activity indicates that BellSouth met 20 of 25 xDSL benchmarks in April and 19 of 27 in May. An analysis of xDSL product data across all UNE categories (Ordering, Provisioning and Maintenance & Repair) indicates that BellSouth met 80% (20 of 25) of the measures with CLEC activity in April. Results in May decreased to 70.4% (19 of 27) of all measurements being met. Within Provisioning, BellSouth demonstrated strong improvement in May with 87.5% (7 of 8) of measurements met as compared to April with 66.7% (4 of 6). Results in Ordering fell slightly from a level of 80% (8 of 10) of the measurements at parity in April to a level of 70% (7 of 10) in May. Also, results in Maintenance and Repair experienced a more serious drop from 88.9% (8 of 9) of the measurements in April to a level of 55.6% (5 of 9). Because there are only 9 submeasures in this category, Staff realizes that any miss can significantly impact the overall percentages. Staff also believes that implementation of the SEEMs will improve performance in this category. Staff believes in particular that BellSouth should pay particular attention (in addition to the FOC & Reject Completeness addressed under Checklist Item 2 generally) in the near future to its performance under the % Repeat Troubles

within 30 Days category. BellSouth improved results in June with respect to overall measurements of the xDSL product by meeting 81.5% (22 of 27) of all measurements. Within Provisioning, BellSouth demonstrated strong improvement in June by meeting 100% (9 of 9) of measurements. Within Maintenance and Repair, BellSouth demonstrated improvement by meeting 77.8% (7 of 9) measurements. Within Ordering, results fell slightly when BellSouth met 66.7% (6 of 9) measurements.

Staff intends to monitor performance in this area in the 6-month review, and will take whatever action is necessary to ensure sustained performance in this area.

3. Loop Conditioning

To further enable CLECs to provide high-speed data services to their end users, CLECs have the option of selecting the precise conditioning (i.e. loop modification) they desire on their loop. *Latham Affidavit*, ¶ 31; Access One Agmnt., Att 2, § 2.2. If a CLEC needs to have a loop conditioned, it can use BellSouth's Unbundled Loop Modification (ULM) process in order to modify any existing loop to be compatible with the CLEC's particular hardware requirements. *Latham Affidavit*, ¶ 31. The ULM process conditions the loop by the removal of any devices that may diminish the capability of the loop to deliver high-speed switched wireline capability, including xDSL service. The CLEC may select the level of conditioning it wants, and will only pay for the level of conditioning it selects. *Latham Affidavit*, ¶ 31. BellSouth will provide line conditioning upon request from a CLEC for an unbundled loop, regardless of whether or not BellSouth offers advanced services to the end-user customer on that loop. *Id.* Through January 2001, CLECs in Louisiana had made 1 request for loop conditioning. Region-wide, CLECs have made 52 requests. *Milner Affidavit*, ¶ 87.

Staff notes that the costs/rates for these ULM processes are pending in the generic UNE cost docket, Docket U-24714-A, in which Staff submitted testimony recommending rates for such processes that are dramatically lower than the rates proposed by BellSouth.

4. Access to Line Sharing on the Unbundled Loop

Line-sharing allows CLECs to provide high speed data service to BellSouth voice customers. BellSouth provides access to the high frequency portion of the loop as an unbundled network element. See Covad Agmnt., 4/25/00 Amendment; Interconnection Agreement between BellSouth and Access One, Att. 2, Exh. C. Like SWBT, BellSouth developed the line-sharing product in a collaborative with CLECs, and is continuing to work with CLECs on an ongoing basis to resolve issues as they arise. *Williams Affidavit*, ¶ 8. As of April 1, 2001, BellSouth shows that it has provisioned 267 line-sharing arrangements in Louisiana, and 2,542 arrangements region-wide. *Milner Affidavit*, ¶ 93. In its Proposed Recommendation, Staff instructed BellSouth, as well as the other parties to this proceeding, to provide further comment regarding the line sharing collaborative referenced by Mr. Williams, including the number of meetings held, the participants, the issues that were addressed and resolved and any other issues from the collaborative that remain unresolved. Staff notes with approval the fact that BellSouth hosted 73 Line Sharing Industry Collaborative meetings during 2000 and has hosted 38 Line Sharing and Line Splitting Collaborative meetings in 2001. Of 260 Action Items, only 9 remain open. BellSouth Comments, p.29.

In a line-sharing arrangement, the high frequency portion of the loop is the frequency range above the voice band on a copper loop facility that is being used to carry analog circuit switched voice band transmission. The data signal typically is split off from the voice signal by a splitter and then delivered to a digital subscriber line access multiplexer (DSLAM) located in

the CLEC's network at its collocation space. The DSLAM converts the data signal into packets for transmission over the CLEC's network. *Williams Affidavit*, ¶ 4. BellSouth claims that it provides line-sharing in accordance with the obligations set forth in the FCC's *Line-Sharing Order* and *Line-Sharing Reconsideration Order*.¹³ Specifically, line-sharing is available to a single requesting carrier, on loops that carry BellSouth's POTS, so long as the xDSL technology deployed by the requesting carrier does not interfere with the analog voice band transmissions. BellSouth allows line-sharing CLECs to deploy any version of xDSL that is presumed acceptable for shared-line deployment in accordance with FCC rules and will not significantly degrade analog voice service. *Williams Affidavit*, ¶ 6.

Further, BellSouth will facilitate line-splitting between CLECs using BellSouth's UNEs in full compliance with the FCC's rules. *Williams Affidavit*, ¶ 33; SGAT, II.A.9. Specifically, BellSouth facilitates line-splitting by CLECs by cross-connecting a loop and a port to the collocation space of either the voice CLEC or the data CLEC. The CLECs may then connect the loop and the port to a CLEC-owned splitter and split the line themselves. BellSouth offers the same arrangement to CLECs as that described by the FCC in the Texas 271 Order and the *Line-Sharing Reconsideration Order*. By allowing CLECs to engage in line-splitting, BellSouth's current offerings meet all FCC requirements for line splitting. *Texas Order*, ¶¶ 323-329.

AT&T witness Turner and WorldCom witness Darnell contend that for numerous reasons, BellSouth is not in compliance with the FCC's Advanced Services Order regarding line splitting and line sharing. Initially, Staff notes that neither AT&T nor WorldCom is engaged in the provision of any advanced services within the state of Louisiana.

¹³ *Deployment of Wireline Services Offering Advanced Telecommunications Capability and Implementation of Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order, CLEC Docket No. 98-147 and Fourth Report and Order, CLEC Docket No. 96-98, 14 FCC Rcd 20,912 (1999) ("Line-Sharing Order");

WorldCom contends that BellSouth refuses to permit line splitting when a customer wants to receive its voice service from a CLEC and its DSL (or data) service from BellSouth. *Darnell Affidavit*, ¶¶ 7-8; *Demint Affidavit*, 10. In other words, BellSouth will not provide a customer with its retail DSL service unless that customer also purchases its voice service from BellSouth as well. Although Staff finds BellSouth's position on this issue to be rather disturbing, Staff recognizes that BellSouth's position is not contrary to the FCC's rulings on this point. In its *Line Sharing Reconsideration Order*, the FCC stated, "We deny, however, AT&T's request that the Commission clarify that incumbent LECs must continue to provide xDSL service in the event customers choose to obtain service from a competing carrier on the same line because we find that the *Line Sharing Order* contained no such requirement." *Line Sharing Reconsideration Order*, ¶26. The FCC then expressly stated that its Line Sharing Order "does not require that [LECs] provide xDSL service when they are no longer the voice provider." *Id.*

Although BellSouth appears to be within its rights to refuse to provide its xDSL service in situations where it is not the voice provider, Staff would recommend that in those situations where an end user is currently receiving, or wishes to receive in the future, voice service from a CLEC, and that end user wishes to receive xDSL service from BellSouth utilizing the same lines as the CLEC provides voice service, BellSouth should be ordered to provide its xDSL service directly to the end user via the same UNE loop that the CLEC is utilizing to provide voice service to the end user. The CLEC shall be prevented from charging BellSouth for use of its UNE loop in accordance with the Staff's recommendation. In all other respects, BellSouth shall provide its ADSL service to end users over the high frequency portion of the same loop being used by a CLEC to provide voice service under the same terms and conditions that BellSouth

offers the high frequency portion of its loop to CLECs in line-sharing arrangements. Any issues regarding this recommendation should be referred to the regional line sharing collaborative for review and resolution. BellSouth may petition the Commission for a stay of this requirement upon presentation of evidence regarding substantial operational issues that must be resolved.

Further, AT&T makes several allegations regarding BellSouth's line sharing and line splitting offerings. See *Turner Affidavit*, pp. 18-32. AT&T claims that BellSouth does not provide line splitting in Louisiana and does not have methods and procedures for line splitting. It is rather difficult to square AT&T's allegations with the information provided by BellSouth regarding the line sharing arrangements provisioned in Louisiana and the testimony of BellSouth's product manager, Thomas G. Williams, who states that BellSouth presently offers line splitting and line sharing in Louisiana pursuant to procedures developed in a Line Splitting collaborative that included many CLECs, including AT&T. *Williams Reply Affidavit*, ¶6.

Staff instructed AT&T to file comments in response to the Proposed Recommendation that state whether AT&T has attempted to engage in line splitting or line sharing in Louisiana, how many orders it has submitted to BellSouth in Louisiana for such arrangements, and the status of those orders. AT&T responded that it has not attempted to engage in line splitting or line sharing in Louisiana due to BellSouth's practices. *AT&T Comments*, p. 36.

Further, AT&T claims that CLECs are precluded from offering both voice and data services to a customer because BellSouth will not provide the splitter. *Turner Affidavit*, pp. 18-29. It is Staff's understanding, however, that BellSouth is not obligated to provide the splitter in a line splitting arrangement:

We reject AT&T's argument that SWBT has a present obligation to furnish the splitter when AT&T engages in line splitting over the UNE-P. The Commission has never exercised its legislative rulemaking authority under section 251(d)(2) to

require incumbent LECs to provide access to the splitter, and *incumbent LECs therefore have no obligation to make the splitter available.*

Texas Order, 327 (emphasis added). A CLEC is free, however, to install its own splitter in its collocation space if it desires to offer both voice and data services over the same loop. *See Williams Reply Affidavit*, ¶¶ 7-9.

Contrary to AT&T's further contentions, BellSouth is not required to maintain a CLEC's UNE-P arrangement where the CLEC wants to engage in line splitting. The UNE-P arrangement consists of a combined loop and port arrangement in which a CLEC can provide voice service to an end user in competition with BellSouth without collocating any equipment in a BellSouth central office. If the CLEC wants to provide a data service to that same end user over that same loop, or wants to partner with another CLEC to engage in line splitting to provide a data service to that end user over that same loop, then the loop and port must be disconnected and both terminated to the data CLEC's collocation space with cross connections. By terminating the loop and port at the CLEC's collocation space, the line can be "split" to allow the voice traffic to proceed to one switch, while the data traffic is routed to the CLEC owned DSLAM. As Mr. Williams points out, the central office architecture for line splitting is vastly different from the relatively simple UNE-P architecture. *See Exhibits TGW-4, TGW-5 and TGW-6, attached to Williams Reply Affidavit.* BellSouth's practices in this regard appear to be in compliance with applicable FCC requirements:

For instance, if a competing carrier is providing voice service using the UNE-platform, it can order an unbundled xDSL-capable loop terminated to a collocated splitter and DSLAM equipment and unbundled switching combined with shared transport, to replace its existing UNE-platform arrangement with a configuration that allows provisioning of both data and voice services. As we described in the Texas 271 Order, in this situation, the incumbent must provide the loop that was part of the existing UNE-platform as the unbundled xDSL-capable loop, unless

the loop that was used for UNE-platform is not capable of providing xDSL service.”

FCC Line Sharing Reconsideration Order, ¶19.

In sum, none of the issues raised by AT&T appear to be required by FCC rule or regulation and do not affect whether BellSouth is in compliance with checklist item no. 4. In its Proposed Recommendation, Staff sought comments from the parties to this proceeding whether there are substantial unresolved issues surrounding line sharing and line splitting that would warrant this Commission’s opening a generic docket for their resolution. In response, no party requested opening a generic docket. In light of this fact and apparent success of the existing collaborative efforts, Staff does not believe any generic docket should be opened at this time.

The pre-ordering, ordering, provisioning and maintenance and repair processes for the line-sharing product are very similar to the processes for xDSL-capable loops. *Williams Affidavit*, ¶ 22-27. For loop makeup information, the process is the same whether the CLEC wishes to obtain an xDSL-capable loop, or the high frequency portion of the loop. *Williams Affidavit*, ¶ 22.

BellSouth has provided the Commission with performance data specific to line-sharing in the FCC data format to demonstrate with empirical evidence its compliance with checklist item 4. An analysis of Line Sharing product data across all UNE categories (Ordering, Provisioning and Maintenance and Repair) indicates that BellSouth demonstrated strong performance in both months by meeting 87.5% (14 of 16) of the measures with CLEC activity in April, and 100% (5 of 5) in May. Relative to Line Sharing across all categories indicates performance dropped in June when BellSouth met only 57.1% (8 of 14) measurements with CLEC activity. Of the six measures missed in June, an analysis shows that in half of the cases the CLEC volume was only between 1 and 7 activities. In the other half, where there was substantial activity, BellSouth

missed the 95% benchmark, but it did achieve results in excess of 91%. Although BellSouth's performance did not achieve the stringent benchmark, it was nevertheless at a high level.

E. CHECKLIST ITEM 5: Unbundled Local Transport

Section 271(c)(2)(B)(v) of the competitive checklist requires a BOC to provide "[l]ocal transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services." Interoffice transmission facilities include both dedicated transport and shared transport. *See* Second Louisiana Order, at ¶ 201. Dedicated transport is defined as "incumbent LEC transmission facilities dedicated to a particular customer or carrier that provide telecommunications between wire centers owned by incumbent LECs or requesting telecommunications carriers, or between switches owned by incumbent LECs or requesting telecommunications carriers." 47 U.S.C. 51.319(d)(1)(i). Shared transport is defined as "incumbent LEC transmission facilities shared by more than one carrier, including the incumbent LEC, between end office switches, between end office switches and tandem switches, and between tandem switches, in the incumbent LEC's network." 47 U.S.C. 51.319(d)(1)(ii).

In the *Second Louisiana Order*, the FCC concluded that, but for the deficiencies in the OSS systems noted earlier under checklist item 2 (access to unbundled network elements), BellSouth demonstrated that it provides unbundled local transport as required in Section 271. *See* Second Louisiana Order, ¶ 202. BellSouth continues to provide dedicated and shared transport between end offices, between tandems, and between tandems and end offices, and has procedures in place for the ordering, provisioning and maintenance of both dedicated and shared transport. *See* Milner Affidavit, ¶ 113; SGAT, VI; *Covad Agmnt.*, Att. 2, § 8.0. BellSouth offers both dedicated and shared transport at high levels of capacity, including DS3 and OCn levels.