

CLP Testimony

(a) Interconnection Trunking

The CLPs offered no testimony regarding trunk blockage, but instead extensively cross-examined BellSouth regarding its interconnection trunking at the hearing. The CLPs challenge the new method of calculating the performance measures upon which BellSouth relies. An exhibit based on BellSouth's former method of reporting its trunk blocking data shows about 5% of BellSouth-administered CLP trunk groups experienced blocking over a measured blocking threshold of 3%. (Test. of Milner, Tr. Vol. 8, Pg. 194) BellSouth admits that its trunk blocking data pursuant to its former method of reporting shows that it exceeds the FCC's previous 271 Orders on this issue. (Test. of Milner, Tr. Vol. 8, Pg. 195) BellSouth further admits that the FCC has relied upon the former method of reporting trunk group blockage in previous 271 Orders. (Test. of Milner, Tr. Vol. 8, Pg. 202)

The CLPs also stress that, pursuant to the method of calculating trunk group blockage used by the FCC in the *Second Louisiana Order*, and in the most recent FCC 271 Order, the *Pennsylvania Order*, CLP trunks experienced 763% more blocking in July and 998% more in August. These disparities are far greater than the disparities that the FCC previously concluded were too great for checklist compliance. BellSouth further admits that the FCC has never employed its method of calculating trunk blockage. (Test. Milner, Tr. Vol. 8, Pgs. 213-215)

WorldCom questions BellSouth's policies regarding points of interconnection. Specifically, WorldCom describes two areas where BellSouth does not provide interconnection in accordance with the Act. First, BellSouth refuses to allow CLPs who desire to serve as providers of terminating access service to route access traffic to BellSouth end offices over the same trunk groups used to terminate local traffic, except when exchange access to being provided to a CLP local customer (tandem provider issue). Second, while BellSouth provisions two-way trunks at a CLP's request, it claims that it is not required to use two-way trunks for its own traffic (two-way trunking issue).

With regard to the tandem provider issue, WorldCom contends that the Act requires BellSouth to allow CLPs (that are not using local interconnection trunks solely for originating or terminating its interexchange traffic) to deliver access traffic directly to BellSouth's end offices via local interconnection trunks. This requirement applies regardless of whether switched access is being provided to the CLP's own local exchange customers. According to WorldCom, BellSouth's position prevents a CLP from providing a

competitive access service. If a CLP wanted to provide terminating access services to interexchange carriers (IXC), then the IXC could route its terminating traffic to a WorldCom tandem switch, from which WorldCom could terminate the call directly (if the called party were a WorldCom local customer). If the called party were a BellSouth local customer, however, WorldCom could deliver the call to BellSouth's end office switch for termination. BellSouth would then be entitled to bill the IXC for the end office switching component of access charges, and World Com would be entitled to bill the IXC for the tandem switching and transport components. If BellSouth does not permit WorldCom to route terminating access traffic directly to BellSouth end offices, but instead requires WorldCom to send such traffic to BellSouth's access tandem through switched access trunks, BellSouth will always perform the tandem switching and transport functions. Consequently, BellSouth will be entitled to bill the IXC for those services, thereby foreclosing WorldCom from providing competitive access service to the IXC. Therefore, until BellSouth allows the CLPs to deliver access traffic directly to BellSouth's end offices via local interconnection trunks, BellSouth fails to satisfy its obligations pursuant to Checklist Item 1. (Test. of Argenbright, Tr. Vol. 10, Pgs. 314-316)

WorldCom also contends that because BellSouth is not required to provide and to use two-way trunking upon request and without limitation, it fails to meet the requirements of this checklist item. MCI acknowledges that the Commission has previously decided this issue, but asserts the Commission's ruling was inappropriately limited to certain circumstances. The Commission ruled in the MCI/metro/BellSouth arbitration, however, that BellSouth is obligated to use two-way trunks upon request, but only where it is technically feasible and there is not sufficient traffic to justify one-way trunks. (Test. of Argenbright, Tr. Vol. 10, Pgs. 317-318)

(b) Collocation

The CLPs raise numerous concerns about BellSouth's provisioning of collocation. WorldCom notes that the Commission has not issued its decision in the generic collocation proceeding; thus, BellSouth lacks the Commission-determined intervals for provisioning and forward-looking collocation rates necessary for it to provide just, reasonable, and nondiscriminatory terms and conditions for collocation. (Test. of Bomer, Tr. Vol. 10, Pg. 294) WorldCom then criticizes BellSouth's compliance with the Act regarding collocation in four areas: provisioning intervals, provisioning of DC power to adjacent collocation, verification of entrance facilities, and security costs.

WorldCom acknowledges that BellSouth obtained a waiver of the FCC standards for provisioning collocation. WorldCom cautions, however, that BellSouth proposed longer intervals in the generic collocation docket. BellSouth proposed that it complete physical collocation within 90 calendar days *from the receipt of the firm order* from the CLP, rather than the application. The Commission's approval of BellSouth's position in that docket would result in provisioning intervals of 120 days or longer from receipt of the collocation application. According to WorldCom, BellSouth has failed to justify these longer intervals. Relying instead upon numerous FCC and state authorities, WorldCom contends that BellSouth should provision caged collocation no later than 90 calendar days after receipt of a collocation application, and cageless and virtual collocation 60 days after receipt of a collocation application. (Test. of Bomer, Tr. Vol. 10, Pgs. 295-299)

WorldCom also contends that BellSouth fails to comply with the checklist item because it does not provide DC power to the CLP's equipment collocated in adjacent collocation space. BellSouth provides AC power only. Moreover, WorldCom notes that BellSouth has offered to provide DC power to CLPs in the context of remote terminal collocation. Therefore, WorldCom alleges that BellSouth should similarly provide DC power to adjacent collocation space. Moreover, if BellSouth refuses to provide DC power to adjacent collocation space, the CLP must incur significant costs to accommodate AC power and then to convert that to DC power. WorldCom discounts BellSouth's purported safety concerns with providing DC power to adjacent collocation space by noting that BellSouth's alternative — CLPs using batteries in an enclosed space — is also a safety risk. (Test. of Bomer, Tr. Vol. 10, Pgs. 299-301)

WorldCom argues that it should be permitted to verify BellSouth's assertion that dual entrance facilities are not available and requests that BellSouth maintain a waiting list for entrance space and notify the CLP when space becomes available. WorldCom believes that BellSouth would be amenable to an inspection by the CLPs of the entrance facilities but does not agree that there should be a waiting list. (Test. of Bomer, Tr. Vol. 10, Pgs. 301-302)

WorldCom expresses confusion over BellSouth's position regarding security costs. In the generic docket, BellSouth proposed that carriers pay the same security charge regardless of the amount of space they occupy. This proposal means that BellSouth pays the same as a CLP. In this proceeding, however, BellSouth has advocated allocation of costs on a per square foot basis. BellSouth also refers to an interconnection agreement between it and Xspedius that states recovery is assessed on a per premises basis. (Test. of Bomer, Tr. Vol. 10, Pg. 302) If BellSouth is allowed to recover costs for security,

WorldCom supports recovery on a per square foot basis across all usable space in the premises.

Finally, WorldCom concludes that BellSouth should be required to follow the FCC's revisions to its rules contained in the *Collocation Remand Order*. According to WorldCom, BellSouth does not now comply with this order.

Sprint alleges that BellSouth fails to provide collocation consistently with the Act in their provision of Circuit Facility Assignments (CFA). Regarding CFAs, Sprint begins paying monthly recurring fees for collocation space *before* BellSouth has provided Sprint with the CFAs. The collocation space, however, is useless to Sprint until BellSouth provides the CFAs. Furthermore, Sprint disputes BellSouth's claim that it is committed to providing CFA information within 17 days of Sprint's acceptance of collocation space. Instead, Sprint states that BellSouth usually provides CFAs in intervals that exceed 17 days, specifically, 31 to 327 days. (Test of Broom, Tr. Vol. 10, Pgs. 473-474)

Broadslate likewise contends that BellSouth does not provide collocation in compliance with the Act. Specifically, Broadslate complains that BellSouth has twice refused to allow Broadslate technicians with proper identification access to central offices where it had collocated facilities. Under its agreements with BellSouth, Broadslate is entitled to access to BellSouth's central offices, 24 hours a day, seven days a week. In both instances, the Broadslate technician intended to address network outages affecting Broadslate's customer service. Neither instance occurred in North Carolina. (Test. of Whitaker, Tr. Vol. 10, Pgs. 365-367)

NewSouth Communications contends that BellSouth overcharges NewSouth for electricity provided for collocated equipment, thereby providing collocation on unreasonable terms and rates. BellSouth provides power to CLP collocation space by using a main power board that holds a fuse for each collocation space feed. It offers power to CLPs in increments of 10, 15, 30, 45, 60, and 225 fused amps. BellSouth bases its charges for power, however, on the fuse capacity provided to the CLPs collocation space. These fuse capacities do not represent the actual amount of usable power provided to the CLP, as the actual power drain of the equipment can be only approximately 2/3's of the fuse capacity. Consequently, the BellSouth capacities of 10, 15, 30, 45, 60, and 225 fuse amps represent 6.7, 10, 20, 30, 40, and 180 amp drains. NewSouth's power requirements are not compatible with BellSouth's capacities; therefore, NewSouth must order more power than it needs. As a result, BellSouth charges NewSouth for more power it does not use. According to NewSouth, other ILECs offer collocation power to CLPs in

increments of 20, 30, 50, and 100 and 200 amps of usable power or drain. (Test. of Jennings, Tr. Vol. 10, Pgs. 405-408)

(c) Technically Feasible Points of Interconnection

WorldCom describes the Point of Interconnection (POI) as the "'financial demarcation' - the point where the CLP's network ends and the ILEC's 'transport and termination' charges begin and vice versa." (Test. of Argenbright, Tr. Vol. 10, Pg. 309) According to WorldCom, BellSouth's provision of interconnection violates the Act because BellSouth imposes upon CLPs the financial responsibility for transporting BellSouth originating traffic within the LATA to the CLP's POI. MCI acknowledges that this Commission has determined this issue contrary to its position in previous arbitrations between BellSouth and AT&T (Docket Nos. P-140, Sub 73, and P-646, Sub 7) and between BellSouth and MCImetro Access Transmission Services (Docket No. P-474, Sub 10). Nevertheless, WorldCom contends that, pursuant to several FCC Orders and rules, BellSouth is required to bear the financial responsibility for delivering all of its traffic originating within the LATA to the CLP's single POI. (Test. of Argenbright, Tr. Vol. 10, Pgs. 309-314)

(d) Pricing of Interconnection

The CLPs contend that BellSouth's rates for UNEs are not cost-based. (Test. of Gillan, Tr. Vol. 9, Pgs. 147-152) The Commission will discuss this topic further in Checklist Item 2.

Several CLPs assert that BellSouth's "winback" policy is overly aggressive. According to KMC, BellSouth employees will frequently blame outages on KMC, while transferring the customer to the BellSouth "winback" department. (Test. of Withers, Tr. Vol. 10, Pgs. 391-392) Mpower raises the same complaint. (Test. of Sarem, Tr. Vol. 10, Pgs. 400-401) KMC also believes that BellSouth has brought in teams of marketers to attract former BellSouth customers that have switched to competitive providers by suggesting to these customers that KMC is not financially viable. (Test. of Swaim, Tr. Vol. 10, Pg. 398) Mpower further notes that, on numerous occasions, BellSouth has contacted customers that have recently switched to Mpower and offered these customers discounts to return to BellSouth. Finally, Mpower warns the Commission that in Florida, BellSouth has notified the CLPs that it would not release the applicable services freeze unless the customer contacts BellSouth and authorizes the release.

BellSouth would then use that contact to attempt to win back the customer. (Test. of Sarem, Tr. Vol. 10, Pg. 401)

Public Advocate Positions

(a) Interconnection Trunking

The Attorney General did not address this issue in his Brief.

The Public Staff contended that BellSouth provides CLPs with interconnection trunking that is equal in quality to the interconnection BellSouth provides to its own retail operations, and in terms and conditions that are just, reasonable, and nondiscriminatory. The Public Staff stated that BellSouth also provisions, maintains, and repairs interconnection trunks for CLPs at a quality equal to that in which it provisions trunks for its own retail units. The Public Staff stated, however, that the BellSouth performance measures demonstrate some facial disparity. The Public Staff recommended that the Commission continue to monitor BellSouth's performance data carefully with regard to interconnection and take any necessary action.

(b) Collocation

The Attorney General did not address this issue in his Brief.

The Public Staff stated that BellSouth's commercial usage and performance data demonstrate that BellSouth is now providing nondiscriminatory access to collocation. The Public Staff also stated that BellSouth has completed over 700 requests for physical and virtual collocation and its interconnection agreements, SGAT, and FCC tariff all provide CLPs legally binding terms and conditions for physical and virtual collocation that are just, reasonable, and nondiscriminatory.

(c) Technically Feasible Points of Interconnection

The Attorney General did not address this issue in his Brief.

The Public Staff stated that evidence in the record establishes that BellSouth provides equal-in-quality interconnection on terms and conditions that are just and reasonable in accordance with the requirements of Checklist Item 1. The Public Staff stated that in accordance with FCC Orders, BellSouth provides interconnection at any

technically feasible point in the network, including a single point of interconnection within a LATA.

(d) Pricing of Interconnection

The Attorney General did not address this issue in his Brief.

The Public Staff stated that rates for interconnection and collocation must be consistent with the requirements of Section 251(c)(2)(d) and Section 252(d)(1). The Public Staff stated that the evidence in the record demonstrates that BellSouth's proposed rates are a mixture of both permanent and interim rates set by this Commission. The Public Staff contended that the permanent rates have been found to be in compliance with the FCC's TELRIC rate guidelines. The Public Staff stated that the interim rates have been established using the same methodology that this Commission has found to comply with the FCC's TELRIC requirements.

The Public Staff stated that it believes that the CLPs' concerns about BellSouth's allegedly aggressive winback tactics can be addressed by ordering that BellSouth may not contact customers who switch their service to CLPs for seven days after the switch.

Discussion

(a) Interconnection Trunking

With regard to interconnection trunks, the FCC has stated that "[t]o implement the equal-in-quality requirement in section 251, the Commission's rules require an incumbent LEC to design and operate its interconnection facilities to meet the same technical criteria and service standards that are used for the interoffice trunks within the incumbent LEC's network."⁸ The FCC has identified trunk group blockage and transmission standards as indicators of an ILEC's technical criteria and service standards.⁹ "[T]he requirement to provide interconnection on terms and conditions that are just, reasonable, and nondiscriminatory means that an incumbent LEC must provide interconnection to a competitor in a manner no less efficient than the way in which the incumbent LEC provides the comparable function to its own retail operations."¹⁰ Typically, the FCC has looked at the ILEC's interconnection service, provisioning of two-way trunking, and repair time for troubles affecting interconnection trunks as indicators of whether the ILEC is providing interconnection under "terms and conditions that are no less favorable than the terms and conditions" the ILEC provides itself.¹¹

Based on the Commission's review of the record, we are persuaded that BellSouth provides competing carriers with interconnection trunking that is equal in quality to the interconnection BellSouth provides to its own retail operations, and on terms and conditions that are just, reasonable, and nondiscriminatory.

In addition, BellSouth's performance measures support this conclusion. Admittedly, the performance measures that the Commission analyzed to evaluate the quality of interconnection BellSouth provides to CLPs demonstrate some facial disparity. The Commission is troubled by this disparity and plans to continue to monitor BellSouth's performance data carefully with regard to interconnection and take any necessary action. The Commission's analysis, however, does not end there. "[P]arity and benchmark standards established by state commissions do not represent absolute maximum or minimum levels of performance necessary to satisfy the competitive checklist."¹² Thus, the Commission, guided by the FCC's previous 271 Orders, reviews the totality of the circumstances, not just bald numbers on a chart, to determine whether the disparity is competitively significant.¹³ The Commission examines "how many months a variation in performance has existed and what the recent trend has been."¹⁴ The Commission also examines the explanations, or lack thereof, that BellSouth and others provide about whether this data accurately depicts the quality of BellSouth's performance.¹⁵ Thus, the Commission finds that the disparities in the data do not compel a finding of noncompliance with Checklist Item 1 based on the circumstances discussed below.

(i) Trunk Blocking

In prior 271 applications, the FCC has relied greatly upon trunk blockage data to determine whether the quality of interconnection provided by the ILEC was equal to that it provided its own retail operations.¹⁶ Trunks carry calls from switch to switch within a network. CLPs may use trunks to interconnect with BellSouth networks. Trunk blockage occurs when the trunks are saturated by calls. When the customer seeks to complete a call, he instead receives either an announcement that all circuits are busy or a fast busy signal. (Test. of Milner, Tr. Vol. 8, Pg. 187) Trunk blockage performance data demonstrates whether CLP trunk groups experience a substantially greater percentage of blocked calls than BellSouth's own retail trunk groups.

BellSouth's performance data indicates that it met the standard benchmark for performance for July and September. In fact, BellSouth's data shows that BellSouth has missed the standard only once since April 2001, that being August 2001. The

Analogue/Benchmark for the Trunk Group Performance measure is any consecutive two-hour period in 24 hours where CLP blockage exceeds BellSouth blockage by more than 0.5%. Evidence in the record indicates that the disparity in August was CLP caused and should not have been included in the data. Evidence in the record also indicates that CLP customers have experienced blockage of more than 0.5% for two consecutive hours only about three times in the past year. Thus, CLP customers have enjoyed the same levels of trunk blockage or better than BellSouth's customers. (Test. of Milner, Tr. Vol. 8, Pg. 221)

The CLPs correctly note, however, that pursuant to the method of calculating trunk blockage disparities employed by the FCC in the *Second Louisiana Order* and other orders, the disparities between CLP trunk group blockage and BellSouth retail trunk group blockage are more pronounced. In the *Second Louisiana Order*, the FCC concluded that BellSouth had failed to provide equal-in-quality interconnection based on data showing that the CLPs experienced blockage a percentage difference of 69.2% more than BellSouth's local network for the time period of March 23, 1998, through April 24, 1998.¹⁷ (SECCA Milner Cross Exhibit 2) The FCC compared the CLP trunk group blockage for one month to the BellSouth retail trunk group blockage for the same month to derive a percentage point difference. The FCC then took that percentage difference and divided it by the BellSouth retail trunk groups blocked.¹⁸ Using that same method of calculation in this case reveals that CLPs experienced trunk blockage 868% more than BellSouth retail did for the months of July - August 2001. (Test. of Milner, Tr. Vol. 8, Pgs. 210-213; SECCA Milner Cross Exhibit 2)

In fact, in the *Second Louisiana Order*, the FCC required BellSouth to explain how it derives and calculates its performance data, including trunk blockage data, and to demonstrate that it meets the equal in quality and nondiscrimination requirements in its future 271 applications.¹⁹ The Commission believes that BellSouth has satisfactorily done so here. The Commission agrees that BellSouth's method properly accounts for the actual experience of the caller and the responsibility of the CLPs to assist in managing the trunk network. The state commissions that have recommended approval of BellSouth's 271 applications have accepted BellSouth's method. (Test. of Varner, Tr. Vol. 9, Pg. 108) BellSouth's method realistically reflects the evidence in the record that CLPs are partly responsible for trunk blockage on their trunks. (Test. of Milner, Tr. Vol. 8, Pgs. 197-198; Test. of Varner, Tr. Vol. 9, Pgs. 105-106) Trunk augmentation is not unilateral. CLPs may be unwilling or unable to augment trunk groups to handle increased traffic, hindering BellSouth's attempt to prevent trunk blockage. Moreover, CLPs may cause trunk blockage by bringing on large customers without providing sufficient notice to BellSouth to prepare

for the increase. (Test. of Milner, Tr. Vol. 8, Pgs. 196-199) Significantly, no CLP disputes this assertion. BellSouth attempts to work with CLPs to accurately forecast the amount of calls because without such forecasts, BellSouth cannot prevent trunk blockage. (Test. of Milner, Tr. Vol. 8, Pgs. 196-197) Thus, if the CLPs do not accurately forecast, or do not forecast at all, trunk blockage is likely to occur. While sympathetic to the CLPs' reasons for attempting to bring on customers quickly, the Commission nevertheless believes that BellSouth should not be held responsible for sudden increases in CLP traffic without proper notification. Compliance with the checklist should not require clairvoyance from BellSouth.

Most recently, the FCC has stated in its *GALA II Order* (Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc. and BellSouth Long Distance, Inc. for Provision of In-Region, InterLATA Services in Georgia and Louisiana, CC Docket No. 02-35, Memorandum Opinion and Order, Released May 15, 2002) approving BellSouth's Section 271 applications for Georgia and Louisiana

We find, based on the record, that BellSouth's performance for trunk blockage satisfies its statutory obligations. In particular, BellSouth met or exceeded all of its benchmarks for trunk blockage in Georgia and Louisiana and for the relevant months. Nonetheless, we note that some commenters still assert that BellSouth fails to provide trunks on a nondiscriminatory basis. Specifically, AT&T and Sprint argue that BellSouth's method of calculating trunk blockage, the Trunk Group Performance (TGP) report, is flawed. They contend that the TGP report dilutes the figures for competitive LEC blockage because it measures BellSouth traffic as traffic carried over trunks linking BellSouth end offices, while competitive LEC traffic is measured as traffic over several other categories of trunking, many of which predominately carry BellSouth traffic. Therefore, they argue, that the Commission should reject the new TGP report and utilize data from BellSouth's previous trunk blockage report, the Trunk Group Service Report (TGSR), instead. [¶202 with footnotes omitted]

We conclude that BellSouth's TGP report effectively assesses BellSouth's performance. We are persuaded by BellSouth's argument that competitive LEC blockage is not diluted in the TGP report because BellSouth separately tabulates blockage affecting competitive LEC customers from shared trunks and competitive LEC dedicated trunks and then adds the figures to determine the total blockage experienced by competitive LEC customers,

rather than mixing the results for smaller, dedicated trunks with larger, shared trunk groups. Moreover, the report appears to represent an improvement over its previous reporting methods for trunk blockage. . . [¶203 with footnotes omitted]

Finally, the Commission additionally notes that no party filed testimony denying any responsibility for causing trunk blockage. BellSouth provides sufficient information on its website for CLPs to perform their own analysis of the cause of the blocking, yet no CLP actually submitted any information showing that BellSouth's assertions were erroneous. If the rate of CLP trunks exceeding the blocking standard were competitively significant, the Commission would expect the parties to address the issue, particularly when the CLPs have been provided the information on the website to conduct their own analysis.²⁰ Instead, the CLPs merely assert that BellSouth's performance data was not based on the calculation method that the FCC had used in the past. Therefore, the performance data and the testimony in the record persuade the Commission that BellSouth provides interconnection equal in quality to that it provides itself.

(ii) Two-Way Trunking Issue

The Commission finds that BellSouth provides two-way trunks in compliance with the Act. The pertinent FCC rule, Rule 51.305(f), states that "[i]f technically feasible, an incumbent LEC shall provide two-way trunking upon request."²¹ The FCC interpreted this rule to mean that an ILEC must provide two-way trunks in those cases in which the CLP does not carry a sufficient amount of traffic to justify separate one-way trunks.²² The Commission has already determined this issue in accordance with the above-cited rule in the *MCI Arbitration Order*. In that Order, the Commission held that, "an ILEC must accommodate two-way trunking upon request where technically feasible. However, the FCC has not required that an ILEC allow two-way trunking when there is sufficient traffic to justify one-way trunking."²³ WorldCom presents no evidence or reason for this Commission to revisit this decision. Accordingly, this Commission finds that BellSouth is in compliance with Checklist Item 1 with regard to this sub-issue.

(iii) Tandem Provider Issue

The Commission finds that BellSouth is in compliance with Checklist Item 1 with regard to the Tandem Provider Issue raised by WorldCom. The Commission has already determined this issue in the *MCI Arbitration Order*, stating:

To the extent that MCI is not utilizing local interconnection trunks solely for originating or terminating its interexchange traffic, MCI may combine switched access and local traffic on interconnection trunks, provided that switched access is being provided to an MCI local exchange customer. However, MCI must provide adequate billing records to BellSouth to enable it to bill switched access to the appropriate IXCs.²⁴

WorldCom has presented no reason to compel this Commission to alter its original ruling on this matter. Therefore, WorldCom has failed to show that BellSouth is not compliant with Checklist Item 1 with regard to this sub-issue.

(b) Collocation

To show compliance with the collocation obligations contained in Checklist Item 1, BellSouth must have processes and procedures in place to ensure that collocation arrangements are available on terms and conditions that are "just, reasonable, and nondiscriminatory" in accordance with Section 251(c)(6) and the FCC rules implementing that Section.²⁵ To review whether BellSouth is providing collocation in compliance with the Act, the FCC relies upon data showing the quality of procedures for processing applications for collocation space, as well as the timeliness and efficiency of provisioning collocation space.²⁶

The Commission finds that BellSouth's commercial usage demonstrates that BellSouth is now providing nondiscriminatory access to collocation. BellSouth has completed over 700 requests for physical and virtual collocation. BellSouth's interconnection agreements, its SGAT, and FCC tariff all provide CLPs legally binding terms and conditions for physical and virtual collocation that are just, reasonable, and nondiscriminatory. (Test. of Milner, Tr. Vol. 8, Pgs. 39-41)

Both the FCC and this Commission, however, held otherwise on this issue when BellSouth previously sought 271 authority. In the *Second Louisiana Order*, the FCC found that BellSouth failed to provide CLPs with sufficiently definite terms and conditions for collocation in a legally binding document.²⁷ Additionally, the FCC specifically noted that BellSouth's reliance upon its SGAT, which referred to terms and conditions set forth in BellSouth's collocation handbook, failed to demonstrate legally binding provisioning intervals.²⁸ At the time of the *Second Louisiana Order*, BellSouth allowed itself 120 days from the receipt of the "complete and accurate" Bona Fide Firm Order to complete physical collocation under ordinary circumstances or within 180 days under extraordinary

circumstances.²⁹ Moreover, BellSouth defined "extraordinary" very broadly. Finally, BellSouth provided no intervals for the installation of virtual collocation arrangements.³⁰ This Commission also found that BellSouth was not compliant with Checklist Item 1 specifically because of collocation. At the time of the 1998 review, BellSouth had not actually provided physical collocation to local tandems, although BellSouth did have "paper promises" to do so. The Commission held that "paper promises" were insufficient to show compliance with the checklist. The Commission notes that since its 1998 *BellSouth Section 271 Order*, it has issued a comprehensive Order in its generic collocation docket. Motions for Reconsideration concerning certain issues, including terms and conditions and rates for collocation decided by the Commission in its *Order Addressing Collocation Issues*, are currently pending. Additionally, the Commission notes that Parties have filed (1) Supplemental Briefs on certain unresolved collocation rates; and (2) Briefs on certain disputed language in the Standard Offering which will be addressed by further orders of the Commission.

The Commission believes that BellSouth has remedied the concerns previously expressed by the FCC and this Commission.

Furthermore, the Commission finds that BellSouth has met the applicable benchmarks for every collocation measure in the months of April 2001 through August 2001. (Supp. Varner Exhibit AJV-2, August Update, Page 4 and Section E, Attachment 1, measures E.1.1.1 through E.1.3.3) Consistent with the FCC's opinions, this Commission believes that BellSouth's collocation performance data is compelling evidence that BellSouth is complying with the Act's interconnection requirements.³¹

The CLPs' complaints regarding BellSouth's provision of collocation do not compel a different finding. As an initial matter, the Commission finds this proceeding to be an improper forum to reargue or reconsider the generic collocation docket. The Commission expects BellSouth to comply with its Order in the generic docket. Any assertion that BellSouth will refuse to follow this Commission's Order is speculative at this point. WorldCom's argument fails for two reasons. First, as WorldCom concedes, BellSouth states that it will follow the default standards that the FCC put into place to control in the absence of state standards.³² While WorldCom contends that BellSouth could follow provisioning standards more advantageous to WorldCom, it does not credibly establish that BellSouth is not adhering to the present FCC standards or will not adhere to the permanent standards established by this Commission. Second, while this Commission has not yet established permanent rates for collocation, the Commission did set interim cost-based collocation rates in Docket P-100, Sub 133d, based upon the methodologies

previously found to be compliant with the FCC's TELRIC rules. These rates are subject to true-up once permanent cost-based rates are set in the collocation docket. BellSouth's SGAT reflects these rates. (Test. of Gray, Tr. Vol. 7, Pgs. 269-270)

As for the other issues raised by the CLPs regarding collocation, the Commission discussed these issues extensively in its generic collocation order and will not revisit the issues here.

The Commission also finds that the two incidents of Broadslate technicians being denied access to their collocation space in BellSouth's central facilities to be isolated incidents that do not implicate BellSouth's noncompliance with the Act.

Finally, the Commission notes that, most recently, the FCC has found in its *GALA II Order*

We conclude that BellSouth provides legally binding terms and conditions for collocation in its interconnection agreements and SGATs. In reaching this conclusion, we note that BellSouth states that it permits the collocation of equipment as required in the *Collocation Remand Order*. Furthermore, we find that BellSouth has met all of the applicable performance metrics for collocation for the relevant months in both Georgia and Louisiana. [¶205 with footnotes omitted]

Based on the evidence in the record, we find that BellSouth offers interconnection in Georgia and Louisiana to other telecommunications carriers at just, reasonable, and nondiscriminatory rates, in compliance with checklist item 1. Both the Georgia and Louisiana Commissions conclude that BellSouth currently provides collocation under approved interconnection agreements, SGATs, and tariffs, consistent with [the] Commission and their respective state commission orders. [¶211 with footnotes omitted]

(c) Technically Feasible Points of Interconnection

The Commission concludes that the evidence in the record establishes that BellSouth provides equal-in-quality interconnection on terms and conditions that are just and reasonable in accordance with the requirements of Checklist Item 1. In accordance with numerous FCC Orders, BellSouth provides interconnection at any technically feasible point in the network, including a single point of interconnection within a LATA.³³

WorldCom, however, raises the issue of whether BellSouth should bear the cost of transporting traffic originated on BellSouth's network to the competitor's point of interconnection, even when the interconnection point is not in the same local calling area as the BellSouth customer. First, the Commission has already resolved this issue and, in so doing, noted that "this issue has been one of the most exhaustively analyzed and briefed issues the Commission has ever dealt with in an arbitration proceeding."³⁴ Therefore, the Commission will revisit this issue only briefly here. In the AT&T arbitration, the Commission held that "if AT&T interconnects at points within the LATA but outside of BellSouth's local calling area from which traffic originates, AT&T should be required to compensate BellSouth for, or otherwise be responsible for, transport beyond the local calling area."³⁵ This Commission has acknowledged that the FCC has solicited comments on this issue in its Notice of Proposed Rulemaking in CC Docket, No. 01-92, issued April 27, 2001, indicating that the question remained unresolved.³⁶ The Commission has further concluded that its holding regarding this issue does not violate any FCC rules or case law, and that it is equitable and in the public interest.³⁷

WorldCom has offered this Commission no reason to change its previous ruling. In fact, the Commission's previous holding is fortified by the FCC's evaluation of this issue in the recent *Pennsylvania Order*, which distinguished between physical interconnection points and the allocation of transport costs. The FCC stated:

Verizon states that it does not restrict the ability of competitors to choose a single point of interconnection per LATA because it permits carriers to physically interconnect at a single POI. Verizon acknowledges that its policies distinguish between the physical POI and the point at which Verizon and an interconnecting competitive LEC are responsible for the cost of interconnection facilities. The issue on allocation of financial responsibility for interconnection facilities is an open issue in our Intercarrier Compensation NPRM. We find, therefore, that Verizon complies with the clear requirement of our rules, i.e., that incumbent LECs provide for a single physical point of interconnection per LATA. Because the issue is open in our Intercarrier Compensation NPRM, we cannot find that Verizon's policies in regard to the financial responsibility for interconnection facilities fail to comply with its obligations under the Act.³⁸

Similarly, this Commission cannot find, with regard to this sub-issue, that BellSouth fails to comply with the Act and the FCC's rules. (See also *GALA II*, ¶1208.)

(d) Pricing of Interconnection

Rates for interconnection and collocation must be consistent with the requirements of Section 251(c)(2) and Section 252(d)(1).³⁹ Section 251(c)(2) requires ILECs to provide interconnection on "rates, terms, and conditions that are just, reasonable, and nondiscriminatory."⁴⁰ Section 252(d)(1) requires state determinations regarding the rates, terms, and conditions of interconnection to be based on costs and to be nondiscriminatory, and allows the rates to include a reasonable profit.⁴¹

On May 1, 2002, the Commission issued an *Order Adopting Final Permanent Phase I and Phase II UNE Rates for BellSouth*.

This issue is discussed in greater detail in Checklist Item 2.

The Commission believes that the CLPs' concerns about BellSouth's allegedly aggressive winback tactics can be addressed by ordering that BellSouth adopt a similar winback policy which it has adopted in other states, specifically Louisiana. That policy shall include: BellSouth shall abstain from any marketing activities directed to a customer for seven days after the customer switches to another local telephone company; BellSouth's wholesale divisions are prohibited from sharing information concerning customer switches with its retail division; and BellSouth shall not include marketing information in the final bill sent to a customer that has switched providers.

Finally, the Commission notes that the FCC found in its *GALA II Order*

Based on the evidence in the record, we find that BellSouth offers interconnection in Georgia and Louisiana to other telecommunications carriers at just, reasonable, and nondiscriminatory rates, in compliance with checklist item 1. . . [¶211]

Conclusion

1. The Commission concludes that BellSouth is providing or generally offering interconnection in accordance with the requirements of Sections 251(c)(2) and 252(d)(1) and is in compliance with the requirements of Checklist Item 1.

1.a. The Commission concludes that with regard to potential anticompetitive marketing practices, BellSouth should abstain from any marketing activities directed to a

customer for seven days after the customer switches to another local telephone company. BellSouth's wholesale divisions are prohibited from sharing information concerning customer switches with its retail division; and BellSouth should not include marketing information in the final bill sent to a customer that has switched providers.

Checklist Item 2

Issue: Is BellSouth providing or generally offering nondiscriminatory access to network elements in accordance with the requirements of Sections 251(c)(3) and 252(d)(1) of the Act?

Overview

To comply with Checklist Item 2, BellSouth must provide "nondiscriminatory access to network elements" on an "unbundled basis at any technically feasible point" and at "rates, terms, and conditions that are just, reasonable, and nondiscriminatory." Section 251(c)(3) of the Act requires that BellSouth provide CLPs with access to unbundled network elements at any technically feasible point and allow CLPs to combine these elements to provide telecommunications services.

The FCC has consistently found that nondiscriminatory provision of access to OSS⁴² is a prerequisite to the development of meaningful local competition and required that Section 271 applicants demonstrate that they provide such access to OSS as a UNE. BellSouth must demonstrate that it provides nondiscriminatory access to the five OSS functions: (1) pre-ordering; (2) ordering; (3) provisioning; (4) maintenance and repair; and (5) billing.⁴³ BellSouth must also show that it has an adequate change management process in place to accommodate changes made to its systems.⁴⁴

BellSouth must provide CLPs with nondiscriminatory access to its OSS so that the CLPs may compose and place orders for network elements or resale services, install service to their customers, maintain and repair network facilities, and bill their customers.⁴⁵ OSS includes the systems, information, and personnel that support network elements or services offered for resale.⁴⁶ If there are BellSouth retail analogues for particular OSS functions, BellSouth must provide access that permits CLPs to perform functions in "substantially the same time and manner" as BellSouth's retail representatives.⁴⁷ For OSS functions that have no retail analogue, the functions must be "sufficient to allow an efficient competitor a meaningful opportunity to compete."⁴⁸ A "meaningful opportunity to compete" is assessed by a review of applicable performance standards.⁴⁹

The FCC has developed a legal standard to evaluate the sufficiency of a BOC's OSS. First, it determines whether the BOC has deployed the necessary systems and personnel to provide sufficient access to each necessary OSS function and whether the BOC is adequately assisting CLPs with their implementation and use of all of the OSS functions available to them. Next, it determines whether the OSS functions that the BOC has deployed are "operationally ready."⁵⁰

Under the first step, a BOC "must demonstrate that it has developed sufficient electronic (for functions that the BOC accesses electronically) and manual interfaces to allow competing carriers equivalent access to all of the necessary OSS functions."⁵¹ Evidence that this standard has been met includes the provision of specifications necessary for CLPs to build systems to communicate with the BOC's systems, disclosure of internal business rules and formatting information to ensure the CLP's orders are processed efficiently, and proof of sufficient capacity to accommodate both current demand and projected demand for competing carrier's access to OSS functions.⁵²

Under the second step of the test, the FCC examines performance measurements and other evidence of commercial readiness to ascertain whether the BOC's OSS are handling current demand and will be able to handle reasonably foreseeable future volumes. The FCC has stated that "[t]he most probative evidence that OSS functions are operationally ready is actual commercial usage."⁵³ In the absence of commercial usage, the FCC considers carrier-to-carrier testing, independent third-party testing, and internal testing to demonstrate commercial readiness.⁵⁴

Section 252(d)(1) of the Act requires that a state commission base its determination of the just and reasonable rates for network elements on the cost of providing the network elements. The rates must be nondiscriminatory, and may include a reasonable profit.⁵⁵ The FCC has determined that prices for UNEs must be based on the TELRIC of providing those elements.⁵⁶

Although the United States Court of Appeals for the Eighth Circuit stayed the FCC's pricing rules in 1996,⁵⁷ the Supreme Court restored the FCC's pricing authority on January 25, 1999, and remanded to the Eighth Circuit consideration of the merits of the challenged rules.⁵⁸ On remand from the Supreme Court, the Eighth Circuit concluded that while TELRIC is an acceptable method for determining costs, certain specific rules contained within the FCC's pricing rules were contrary to Congressional intent.⁵⁹ The Eighth Circuit stayed the issuance of its mandate pending review by the Supreme Court.⁶⁰

The Supreme Court on May 13, 2002, upheld the FCC's forward-looking pricing methodology for determining costs of UNEs and "reverse[d] the Eighth Circuit's judgment insofar as it invalidated TELRIC as a method for setting rates under the Act".⁶¹ Accordingly, the FCC's rules remain in effect.

In its December 10, 1998, Order in Docket No. P-100, Sub 133d, the Commission concluded that TELRIC plus a reasonable allocation of joint and common costs was appropriate for determining permanent prices for UNEs and interconnection, as well as for developing costs that support rates. The Commission further concluded that BellSouth's cost studies complied with the approved methodology. In a later Order issued August 18, 1999, in the same docket, the Commission again concluded that BellSouth's cost studies, with appropriate modifications and input adjustments, are in compliance with the FCC's TELRIC principles. The Commission established permanent rates for the initial list of elements in its March 13, 2000, Order issued in this same docket. Additionally, in the same docket, the Commission also issued an Order, on December 11, 2001, setting geographically deaveraged cost-based rates. Further, in the same docket, the Commission issued an *Order Addressing Exceptions Filed on Recommended Order Concerning All Phase I and Phase II Issues Excluding Geographic Deaveraging* on December 31, 2001, addressing exceptions which had been filed on its Recommended Order, issued June 7, 2001, wherein the Commission addressed UNE issues upon consideration of the FCC's *UNE Remand Order* and the FCC's *Line Sharing Order*. In this regard, on May 1, 2002, the Commission issued an Order, wherein final Phase I and Phase II UNE rates were adopted for BellSouth. Furthermore, in Docket No. P-100, Sub 133j, on December 28, 2001, the Commission issued an Order which addressed collocation issues. Motions for Reconsideration have been filed concerning that Order and the Commission's ruling is pending. Also, the Parties have filed (1) Supplemental Briefs on certain unresolved collocation rates; and (2) Briefs on certain disputed language in the Standard Offering which will be addressed by further orders of the Commission.

BellSouth Testimony

(a) Nondiscriminatory Access to OSS

BellSouth asserts that it provides CLPs with access to OSS in a nondiscriminatory manner. KPMG's third-party test found that BellSouth satisfied over 96% of the test criteria with results. For the criteria which KPMG found to be not satisfied, BellSouth believes that KPMG's interpretation is overstated and does not properly reflect the possible impact on a CLP customer. BellSouth points to its commercial usage data to substantiate this claim.

BellSouth also asserts that its OSS are regional. Finally, BellSouth encourages this Commission to rely on the third-party testing in Georgia in combination with evidence of actual commercial usage to determine that BellSouth provides nondiscriminatory access to its OSS region-wide. (Test. of Pate, Tr. Vol. 3, Pgs. 336-338)

BellSouth states that it provides nondiscriminatory access to its OSS for the functions of pre-ordering, ordering, provisioning, maintenance and repair, and billing. BellSouth's OSS process CLP requests and information through a combination of manual, partially mechanized, and electronic interfaces. To process manual and partially mechanized local service requests (LSR), BellSouth has six main CLP centers. The Local Carrier Service Center (LCSC) handles the pre-ordering and ordering portion of an LSR submitted manually or due to mechanized fallout, and transmits the information from the LSR to either the BellSouth Customer Wholesale Interconnection Network Service Center (CWINS) or the Data Customer Support Center (DCSC). The CWINS or DCSC handles the provisioning or maintenance portion of a local request. Some centers, such as the Complex Resale Support Group (CRSG), the Intelligent Network Service Center (INSC), the Local Interconnection Service Center (LISC) and the Data Customer Support Center, interface with a variety of centers to provide a particular type of service. Each of these centers uses the same methods and procedures and accesses the same databases, and its employees receive the same training in support of CLPs across the BellSouth region. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 90-98)

There are 948 employees in BellSouth's LCSC operations, which, for the year 2000, processed an average of 99,122 LSRs per month. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 90-98) BellSouth states that the Birmingham and Atlanta LCSCs have the exact same commitments for providing Firm Order Confirmations (FOCs) to the CLPs. The Fleming Island LCSC is a service center whose primary objective is customer service and not the processing of LSRs. Each of these three LCSCs has the same commitment to customer service. According to BellSouth witness Ainsworth, their performances are tracked internally for each separate center, however, the results are combined for regional results. Further, BellSouth's reports indicate that the LCSCs are meeting the FOC duration interval. (Test. of Ainsworth, Tr. Vol. 7, Pg. 170)

After the LCSC receives an LSR, a service representative enters the LSR into one of the service order generation systems, Service Order Negotiation System (SONGS) or Direct Order Entry (DOE) System; DOE is used in Florida, Georgia, North Carolina, and South Carolina, and SONGS is used in the other five states served by BellSouth. BellSouth's retail units no longer use DOE and SONGS because the server capacity was

insufficient to meet the requirements of their growing business needs. The LCSC continues to use DOE and SONGS because the server platforms supporting the systems that BellSouth's retail services use, Regional Negotiation System (RNS) and Regional Order System (ROS), cannot support all of the resold products ordered through the LCSC. BellSouth asserts that while the functionality differs between DOE and SONGS on the one hand, and ROS and RNS on the other, there is little or no variance in the time it takes to submit orders and all of these systems submit orders to BellSouth's downstream order processing systems in the same manner. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 112-113)

In response to AT&T's contention that the LCSC does not provide parity customer support as evidenced by the speed with which it answers calls, BellSouth asserts that the May, June, and July 2001 performance data indicate that the average speed of answer for the LCSC is at parity with the retail analogue. The data indicate that the BellSouth combined retail business and residence average answer time is over twice as long as the LCSC average answer time for the months in question, i.e., the BellSouth combined retail answer times compared to the LCSC answer times respectively are as follows: May - 121.54 seconds and 49.77 seconds, June - 134.12 seconds and 65.30 seconds, and July - 199.33 seconds and 59.15 seconds. The data also indicate that for May 2001, the average answer time for BellSouth's own business customers is 27.39 seconds, the average for CLPs calling the LCSC is 49.77 seconds, and the average for BellSouth's combined residential and business retail customers is 121.54 seconds. BellSouth disputes AT&T's claim that the only reasonable analogue for the LCSC answer times is the business center answer times by pointing out that the LCSC handles both residential and business orders. BellSouth also points out that it has an automated call management and routing system to handle incoming calls to the LCSC and has opened a new LCSC in Fleming Island to better meet CLP needs and reduce answer times. The Fleming Island LCSC in Jacksonville, Florida was placed on line in late January 2001 to operate as a call center, allowing the Atlanta and Birmingham LCSCs to concentrate on processing orders. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 170-171, 190, 378-381; Test. of Varner, Tr. Vol. 8, Pgs. 500-501)

In response to AT&T's criticism that a BellSouth retail customer has access to more order and status information than a CLP, BellSouth points out that it provides CLPs with interfaces for order entry, status information, completion notice information, and web-based reports. While a BellSouth retail customer may only call a BellSouth Service Center for information, a CLP may use these electronic options without contacting the LCSC. BellSouth agrees with AT&T that it does not accept orders by telephone. BellSouth asserts, however, that this is a slow and inefficient way of transmitting a service

request, that no audit is possible, that the process would have a high probability of errors, and that it would be impossible to document the process. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 170-172)

BellSouth also does not allow CLPs to submit orders, LSRs, clarifications, jeopardy notices, etc. via e-mail, rather than by facsimile, because it does not have the systems in place to accommodate the process. Moreover, BellSouth asserts that it is trying to move away from manual processes. Further, BellSouth states that time stamping an e-mail LSR would be significantly more challenging than time stamping a facsimile LSR which is a relatively straightforward proposition. (Test. of Ainsworth, Tr. Vol. 7, Pg. 191)

BellSouth no longer requires LSR clarifications to be referred back to the LCSC representative who initially requested that the LSR be clarified. Instead, the LCSC representative who answers a CLP's call now handles the clarification. However, this representative on occasion may need to consult with the representative who originated the clarification. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 190-191)

BellSouth asserts that its web-based reports are adequate for providing CLPs with service request status information. An order will have a pending status between the time of receipt of the LSR and a FOC, Reject, Jeopardy, or Clarification. This is the same information available to a customer service representative making a manual inquiry for status information. If facilities are pending, i.e., Pending Facilities status, but not presently available to fulfill an order, the report provides the Estimated Completion Date (ECD)/Estimated Service Date (ESD) once it becomes available in the Service Order Communication System (SOCS) database. No additional status information is available until the facilities are available. (Test. of Ainsworth, Test. Vol. 7, Pgs. 172-174)

BellSouth provides a variety of electronic interfaces to access BellSouth's OSS. (Test. of Pate, Tr. Vol. 3, Pg. 158) According to BellSouth, CLPs electronically submitted approximately 109,000 non-LNP LSRs in June 2001. (Test. of McElroy, Tr. Vol. 5, Pg. 111) There are 37 CLPs/Operating Company Numbers (OCNs) using Electronic Data Interchange (EDI) and 71 CLPs/OCNs using the Telecommunications Access Gateway (TAG). (Test. of McElroy, Tr. Vol. 5, Pg. 110) BellSouth believes that six CLPs have integrated the TAG pre-ordering interface with the EDI interface and that 43 CLPs have integrated the TAG pre-ordering interface with the TAG ordering interface. (Test. of Pate, Tr. Vol. 3, Pg. 176)

When a CLP orders service electronically, it uses one of the gateways available, TAG, EDI, or Local Exchange Navigation System (LENS). If the order is not a Local Number Portability (LNP) order or xDSL (Digital Subscriber Line) order, it goes to the Local Exchange Ordering (LEO) System where the first level edits are performed. If it passes that edit check, the LSR proceeds to the Local Exchange Service Order Generation (LESOG) System for further editing and reformatting so that SOCS can accept the order, i.e., the LSR is converted to a service order. In contrast, the BellSouth retail systems submit service orders. In particular, BellSouth's retail service orders utilize the RNS for residential retail orders and the ROS for business retail orders as the initial gateway and then proceed to SOCS. With ROS, orders can proceed to SOCS with no human intervention, though some of the orders are entered manually by a BellSouth representative, but once the order is entered it goes to SOCS without human intervention. With RNS, 98% to 99% of orders can proceed to SOCS without human intervention. (Test. of Pate, Tr. Vol. 4, Pgs. 92-100) BellSouth asserts that while the CLPs' ordering processes may require a little more time than BellSouth's ordering systems, it is not a meaningful difference, there are stringent standards and performance measures to ensure parity, and the CLPs' opportunity to compete should not be impeded. (Test. of Pate, Tr. Vol. 5, Pgs. 70-72)

BellSouth maintains that it has shown the operational readiness of its OSS through commercial usage, carrier-to-carrier testing, and third-party testing. Six CLPs participated in successful carrier-to-carrier testing of a beta version of LENS Release 6.0 in September of 1999. BellSouth and AT&T also conducted non-LNP and LNP beta tests of the OSS'99 EDI interface during late 1999 and early 2000. BellSouth further asserts that the operational readiness of its OSS was confirmed by the third-party OSS test conducted in Georgia by KPMG. (Test. of Pate, Tr. Vol. 3, Pgs. 155-157)

BellSouth offers a variety of types of documentation to assist CLPs with their access to BellSouth's OSS. BellSouth provides CLPs offering service through resale or their own facilities with information to provide a general overview of the requirements to activate an account and to work with BellSouth in its *BellSouth Start-Up Guide*. The *BellSouth Pre-Ordering and Ordering Overview Guide* gives CLPs a more detailed explanation of the pre-ordering and ordering process with both manual and electronic options for submitting pre-ordering and ordering transactions. The business rules for pre-ordering are contained in the *BellSouth Pre-Order Business Rules*, the *BellSouth Pre-Order Business Rules Appendix*, and the *BellSouth Pre-Order Business Rules Data Dictionary*. BellSouth's business rules for placing electronic and manual LSRs are contained in the *BellSouth Business Rules for Local Ordering* (BFR Document) or the *Local Exchange Ordering*

Implementation Guide (LEO Guide), depending on which software release a CLP is using. Specifications for EDI are contained in a set of documents called the BellSouth EDI Specifications. According to BellSouth, it also has made the Universal Service Ordering Codes (USOCs) and Field Identifiers (FIDs) available in the *USOC Manual* in several formats which are available on BellSouth's interconnection website, (<http://www.interconnection.bellsouth.com>), including a format that allows CLPs to download and import the manual into commonly used database programs. The *BellSouth FID Glossary for CLPs* contains an alphabetized listing of FIDs and their descriptions. BellSouth offers a *Local Service Request Error Messages* document with a listing of error codes and associated messages that are returned to the CLPs when an LSR contains a CLP error. On its interconnection website, BellSouth also provides the *LENS User Guide*, the *CLP TAFI End-User Training Manual*, the *CLP TAFI User Guide*, the *Products and Services Interval Guide*, and the *LNP Reference Guide*. On its CLP "OSS Information Center" web page at the interconnection website, BellSouth provides access to information on the Change Control Process (CCP), the Performance Measures website, and a password-protected link to documentation for TAG. (Test. of Pate, Tr. Vol. 3, Pgs. 168-174)

BellSouth provides CLPs with information about LNP through its *LNP Reference Guide*. At the CLP Service Order Tracking System (CSOTS) website and the interconnection website, BellSouth provides the *CLP Service Order Tracking System User's Guide*. Information about BellSouth's retail promotions is available via tariffs filed with the Commission, the BellSouth website, and direct notification from a CLP's BellSouth account team. If specified in an interconnection agreement, BellSouth will provide such information by e-mail as well. (Test. of Pate, Tr. Vol. 3, Pgs. 174-176)

BellSouth offers a variety of training classes for CLPs and at the time of our hearings BellSouth had conducted over 300 training classes since 1998, both at BellSouth and CLP facilities. For the year 2000, BellSouth offered over 100 training classes. Information about training opportunities is available at BellSouth's interconnection website. (Test. of Pate, Tr. Vol. 3, Pgs. 176-177) BellSouth encourages CLP training by offering rebates for satisfactory attendance at selected classes, as well as free workshops. Periodically, BellSouth hosts conferences for CLPs to keep them updated about changes and new offerings. For the year 2000, the overall average rating of the effectiveness and efficiency of BellSouth's training classes by CLP representatives was 4.6 using a scale of 1 to 5, with 5 being the highest. (Test. of Pate, Tr. Vol. 3, Pgs 176-182)

In response to criticism by Covad about the documentation for obtaining loop makeup information and ordering xDSL loops, particularly for LENS, BellSouth states that Covad has not sent any employees to LENS training since April 1999. The LENS training classes use the *LENS User Guide* and the *BellSouth Business Rules*. BellSouth asserts that Covad has not availed itself of any of the recently offered training and instead has developed its own training manuals and step-by-step processes. With the information and documentation available, BellSouth finds it difficult to understand why Covad has difficulty ordering xDSL loops via LENS. (Test. of Pate, Tr. Vol. 3, Pgs. 342-344)

BellSouth also provides help desk capability to CLPs. For technical problems with electronic interfaces, CLPs may call the Electronic Communications Support (ECS) Group during regular working hours and CLPs may contact it using a toll-free number. BellSouth also provides a toll-free pager number for help during nights, weekends, and holidays. (Test. of Pate, Tr. Vol. 3, Pg. 182)

[COMMISSION NOTE: Additionally, as stated in the FCC's May 15, 2002 *GALA II Order* concerning BellSouth's Georgia and Louisiana 271 applications in ¶125, the FCC points out that "BellSouth has engaged two companies, Accenture for the EDI interface and SAIC [Science Application International Corporation] for the TAG interface, to provide technical assistance related to integration, free of charge, to competing carriers seeking to integrate their electronic pre-ordering and ordering functions."]

(i) Pre-Ordering Functions

Pre-ordering is the exchange of information between BellSouth's systems and a CLP to assist the CLP in interacting with its end-user customer. While there is no clear line of demarcation between pre-ordering and ordering, pre-ordering generally includes the gathering and verification of the information necessary to formulate an accurate and complete order for a customer. It includes the following functions: (1) street address validation, (2) telephone number selection, (3) information about availability of services and features, (4) due-date information, (5) customer service record information, and (6) loop makeup information. According to BellSouth, in the Georgia test, KPMG tested all of these pre-ordering functions except for loop makeup information and found all of the test criteria satisfied. Additionally, KPMG performed functional testing on manual loop makeup and found the test criteria satisfied. (Test. of Pate, Tr. Vol. 3, Pgs. 216-217)

BellSouth currently offers CLPs three choices of electronic interfaces – TAG, RoboTAG™, and LENS – which provide CLPs with real-time access to the same

pre-ordering databases used by BellSouth's retail representatives. TAG meets industry standards and is a machine-to-machine interface. RoboTAG™ has the same functionality as TAG. LENS is a human-to-machine interface available for CLPs that have not integrated their own internal OSS with BellSouth's OSS. LENS is a graphical user interface to TAG; it uses TAG's architecture and gateway and thus has almost the same pre-ordering functionality for resale services and UNEs as TAG. In January and February 2001, CLPs used TAG for submitting 933,308 pre-ordering transactions and LENS for submitting 688,930 pre-ordering transactions. (Test. of Pate, Tr. Vol. 3, Pgs. 217-218 and 227)

BellSouth's pre-ordering interfaces allow CLPs to validate a customer's address, obtain information on the availability of switch-based features and services, determine a due date for installation of service, and obtain customer service records (CSR). CLPs may parse information on the CSR using the TAG pre-ordering interface. The FCC has required a BOC to allow CLPs to transfer pre-ordering information electronically to either the BOC's ordering interface or the CLP's own OSS, and this may require the parsing of pre-ordering information⁶² into identifiable fields. According to BellSouth, at the time of our hearings, the FCC did not require a BOC to provide parsing on its side of the pre-ordering interface.⁶³ BellSouth asserts that it meets the parsing requirement by providing a fully parsed address through the Regional Street Address Guide (RSAG) database when a CLP has integrated TAG pre-ordering with TAG ordering or EDI ordering. ["To Parse" is to break down the information contained in the CSR into certain fields from a stream of data received from BellSouth.] (Test. of Pate, Tr. Vol. 3, Pgs. 218-226) Nevertheless, BellSouth states that it will implement CSR parsing by January 5, 2002, pursuant to an Order by the Georgia Public Service Commission (GPSC). (Test. of Pate, Tr. Vol. 3, Pg. 377) In regard to particular specifications for parsed CSRs, BellSouth states that of the 107 BellSouth-issued draft user requirements, 88 will be implemented when the parsing functionality becomes available. The remaining 19 requirements that will not be included are for information that BellSouth does not have on the CSR. (Test. of Pate, Tr. Vol. 4, Pgs. 47-55) According to BellSouth, it provides the same CSR data to CLPs that it provides to its retail operations. That being the case, BellSouth asserts that it complies with the FCC's requirements. (Test. of Pate, Tr. Vol. 3, Pg. 378) **[COMMISSION NOTE: As provided in the GALA II Order in ¶126, BellSouth began making a parsed CSR available to the CLPs on January 5, 2002.]**

BellSouth also asserts that it provides a Due-Date Calculator for resale services in LENS. This calculator has subsequently been modified to correct defects and upgraded, with a system change relating to TAG users issuing supplemental requests for

UNE-Platform (UNE-P) services scheduled for January 5, 2002. BellSouth states that in the few cases where a due date cannot be automatically calculated, it provides information and support for obtaining due dates in its *Product and Service Interval Guide* available at the BellSouth interconnection website. (Test. of Pate, Tr. Vol. 3, Pgs. 380-386)

In response to AT&T's complaints about pre-ordering OSS response times for CSRs transmitted through the LENS interface, BellSouth states that this problem was resolved on July 27, 2001, when it implemented a new information retrieval architecture. Subsequently, BellSouth has met the benchmark set by the GPSC for this function. (Test. of Pate, Tr. Vol. 3, Pgs. 386-387)

BellSouth admits in response to criticism by Covad and AT&T that there have been outages in the LENS interface, but states that all interfaces have outages. LENS was available 96.45% of the time in June 2001, 96.34% of the time in July 2001, and 98.46% of the time in August 2001. BellSouth points out that it posts notice of these outages on its website in order to alert all CLPs that the problem has been reported and that it is actively under investigation by BellSouth. (Test. of Pate, Tr. Vol. 3, Pgs. 454-458)

During pre-ordering, BellSouth also must provide CLPs with nondiscriminatory access to the same detailed loop makeup information that is available to its retail units either electronically or manually.⁶⁴ BellSouth provides this information electronically through the industry-standard, machine-to-machine TAG interface and the human-to-machine LENS interface. CLPs can electronically access the information contained in the Loop Facility Assignment and Control System (LFACS). CLPs may use this information to qualify loops for high speed services such as Asymmetrical Digital Subscriber Lines (ADSL), High-bit-rate Digital Subscriber Lines (HDSL), and line sharing. Through TAG or LENS, CLPs can request loop makeup information on existing facilities that are owned by them or BellSouth or on new or spare facilities owned by BellSouth, or they can create and cancel reservations for new or spare facilities owned by BellSouth. (Test. of Pate, Tr. Vol. 3, Pgs. 227-228) BellSouth asserts that it successfully beta-tested electronic access to loop makeup information with four CLPs before its general release to the industry in November 2000. In December 2000, CLPs in the BellSouth region made 1,368 queries for electronic loop makeup information; in January 2001, CLPs made 2,572 such queries; and in February 2001, CLPs made 4,556 such inquiries. BellSouth completed over 99% of those inquiries within 5 minutes. (Test. of Pate, Tr. Vol. 3, Pgs. 229-230)

Besides the electronic information available through LFACS, BellSouth also offers its Loop Qualification System (LQS) to network service providers so that they may determine if Plain Old Telephone Service (POTS) lines will carry BellSouth's wholesale service. Electronic access to LQS informs CLPs whether an existing telephone number is served by a loop that will support ADSL service. Upon written request to BellSouth, a registered CLP will be provided access to LQS. CLPs may access LQS data either in bulk, through a web interface request, or through a real-time Common Object Request Broker Architecture) interface. (Test. of Pate, Tr. Vol. 3, Pgs. 230-232)

A CLP may also manually obtain loop makeup information by submitting a request to its account team or the CRSG; the request is then forwarded to the appropriate Service Advocacy Center (SAC) depending upon the end-user's address. The SAC physically looks up the central office (CO) records to obtain the loop makeup information. The information is sent from the SAC to the account team or the CRSG; it is then returned to the CLP, who is then in a position to determine whether, and what type of xDSL services it can offer over the available facilities. If the CLP needs to have the loop conditioned, it uses the Unbundled Loop Modification (ULM) process to modify the loop so that it is compatible with the CLP's hardware requirements. BellSouth asserts that it provides loop makeup information through a manual service inquiry process in substantially the same time and manner to CLPs as to its wholesale customers, network service providers. (Test. of Pate, Tr. Vol. 3, Pgs. 230-232; Test. of Latham, Tr. Vol. 7, Pgs. 32-33)

BellSouth agrees with Covad that it did not pass the third-party test for pre-order loop makeup service inquiries sent by e-mail, but asserts that it has made a number of procedural and documentation changes in the CRSG and the LCSCs to address this deficiency. While BellSouth disagreed with KPMG's finding on certain of the loop makeup service inquiries identified, it has clarified the procedures that the CRSG has documented in its process flow. On September 11, 2000, the CRSG began acknowledging all loop makeup service inquiries sent via facsimile and e-mail. (Test. of McElroy, Tr. Vol. 10, Pgs. 36-37)

In response to Covad's contention that 68% of loop makeup requests were rejected or returned for further clarification, BellSouth points out that the purpose of this particular test was to examine the intervals for pre-order rejections and clarifications, not the functionality or accuracy, i.e., this was a timeliness issue. After a retest, all of the loop makeup service inquiries received rejection notices or clarification notices within the prescribed seven-day interval. Moreover, KPMG also tested the clarity, completeness, and

accuracy of the clarification responses and determined that BellSouth met the evaluation criteria during the initial test. (Test. of McElroy, Tr. Vol. 10, Pgs. 37-38)

BellSouth denies Covad's allegation that it has inadequate processes to acknowledge the submission of loop makeup orders, explaining that BellSouth's electronic mailbox sends an acknowledgment to the CLP when it receives a loop makeup request. BellSouth also sends a Purchase Order Number (PON) status report to CLPs each morning listing the PONs and their status. BellSouth's CRSG sends a loop makeup FOC to the CLP when its billing order is faxed to the LCSC. Thus, BellSouth asserts that these automated processes allow the CLPs to see the status of their requests in essentially the same time and manner as BellSouth's retail operations. (Test. of Latham, Tr. Vol. 7, Pgs. 40-41)

In response to Sprint's request that BellSouth be ordered to provide access to the Corporate Facilities Database (CFD), plats containing schematics of the loop, and CD-ROMs, or other electronic media, (Test. of Felton, Tr. Vol. 10, Pgs. 462-464 and 468), BellSouth asserts that the information contained therein is not required for loop qualification. Rather, the assignment information necessary for loop qualification is contained in LFACS. Further, the CFD and plats contain proprietary network information and information about end users that BellSouth believes should not be disclosed due to security concerns, including state and national security information. BellSouth asserts that it already provides all necessary loop qualification data on a nondiscriminatory basis. BellSouth disagrees with the June 7, 2001, Order in Docket No. P-100, Sub 133d,⁶⁵ wherein the Commission found that BellSouth did not provide nondiscriminatory access to loop qualification information and ordered BellSouth to allow CLPs to have direct access to the CFD. Instead, BellSouth has offered to make LFACS and LQS, or a functionally equivalent electronic system, available to CLPs on a permanent basis. [**COMMISSION NOTE:** On December 31, 2001, in Docket No. P-100, Sub 133d, the Commission issued its *Order Addressing Exceptions Filed on Recommended Order Concerning all Phase I and Phase II Issues Excluding Geographic Deaveraging*. Upon reconsideration, the Commission found that its decision should be amended such that "it concludes that BellSouth personnel should be required to provide necessary loop makeup information in the CFD when it is not available from the LFACS manually, rather than provide direct access to the CFD itself and that after BellSouth's planned enhancement, BellSouth should then provide the ability for loop qualification data from the CFD to be obtained automatically via an electronic query when all information is not contained in the LFACS database."] BellSouth has recently modified its systems so that they compile relevant loop makeup data from the CFD for automatic update to the LFACS database. Further, when a

CLP queries LFACS electronically for loop qualification information, and some of the necessary information is not resident in LFACS, an electronic query will be automatically made to the CFD to retrieve any required additional information and the additional information is thereafter retained in LFACS. (Test. of Pate, Tr. Vol. 3, Pgs. 426-430) LFACS is not currently available to CLPs prior to their submission of orders, but BellSouth is working to provide that functionality. (Test. of Milner, Tr. Vol. 8, Pgs. 181-183) This functionality would allow CLPs to check the availability of facility assignments before they submit an order to BellSouth, but this will not eliminate the case where the database itself is wrong or the case where the facility turns out to be defective.

In response to Sprint's questioning of the amount of loop makeup information actually contained in LFACS, BellSouth admits that in North Carolina, loop makeup information is populated in LFACS on 55% of the total cable pairs and it is 57% in the 82 wire centers in North Carolina with collocation. Each time a manual service inquiry is made for loop makeup information, the resulting loop makeup information is loaded into LFACS for future use. Thus, BellSouth contends that LFACS will continue to improve on a daily basis as more information is loaded. (Test. of Pate, Tr. Vol. 3, Pgs. 430-431)

In defense of its requirement that CLPs use LFACS and obtain a Facility Reservation Number (FRN), BellSouth points out that there are several options for ordering xDSL-compatible loops without LFACS. These options are as follows:

- First, the CLP may submit a firm order for the UCL-ND. Because it is nondesigned, this product does not require advance qualification of the loop by either the CLP or BellSouth. However, the CLP may still choose to perform a loop makeup query and reserve a pair in advance of placing the firm order for the UCL-ND;
- Second, the CLP may submit a Service Inquiry in conjunction with a firm-order LSR. It is not necessary to perform loop qualification prior to the issuance of the firm order. In this scenario, a BellSouth engineer will search its LFACS database and find a compatible facility, if available;
- Third, the CLP may use BellSouth's LQS to qualify a working facility. BellSouth utilizes this system for its own internal ADSL services. This system provides both internal and external codes specifying that the existing loop is or is not qualified for BellSouth's version of ADSL.

The CLP may use this as a stand-alone loop qualification process, or in conjunction with the next option;

- Fourth, the CLP may utilize BellSouth's Loop Makeup (LMU) process, either manual or mechanized, to obtain detailed loop makeup information about a loop. Using this process, the CLP may query working loops at an address or it may enter a query for up to 10 spare facilities per request at an address (3 spare facilities per request for the manual process).

BellSouth does require that a FRN be obtained whether the CLP or BellSouth designs a loop. (Test. of Pate, Tr. Vol. 3, Pgs. 433-435)

In regard to AT&T's request for direct access to LFACS to check its connecting facility assignments (CFAs), BellSouth points out that this request is being handled in the CCP. However, BellSouth is unsure when it will be able to implement this request, although it had been previously targeted to be available in January 2002. In the interim, BellSouth produces a report updated daily to the website showing the status of each CFA between BellSouth and AT&T's collocation arrangements. BellSouth is also willing to waive some Order Coordination Time Specific charges associated with CFAs until it provides CFA LFACS access to AT&T if AT&T uses the CFA report. BellSouth asserts that if AT&T uses said report that AT&T's problems with erroneous CFAs on AT&T's LSRs would be significantly reduced, if not completely eliminated. (Test. of Pate, Tr. Vol. 3, Pgs. 435-437) **[COMMISSION NOTE: The FCC in the *GALA // Order* in ¶116, found that:**

BellSouth currently provides competitive LECs with access to competitive carrier specific assignments on an Internet site that is updated daily. At the present time, we conclude that this solution affords competitive carriers an adequate opportunity to verify connecting facilities assignments, and do not find any evidence in the record to suggest that this process is discriminatory. Accordingly, we do not find any evidence in the record that Sprint's claim warrants a finding of checklist noncompliance. Moreover, we are encouraged that BellSouth has agreed to provide competitive carriers access to LFACS to verify connecting facility assignments in a future update to its system. [Footnotes omitted]]

BellSouth defends its practice of requiring some loop makeup information requests to be made manually on the basis that it provides such information to itself in substantially

the same way. BellSouth also asserts that it is not handling manual loop makeup information requests too slowly and points out that, as of the time of filing of witness Pate's testimony, of the 111 manual loop makeup information inquiries submitted since June 1, 2001, 70% of these inquiries have been returned within one day. (Test. of Pate, Tr. Vol. 3, Pgs. 431-432)

In response to Covad's claim that BellSouth does not provide parity in regard to loop makeup information because CLPs do not have access to mechanized loop makeup information in LQS, BellSouth asserts that since September 2000, LQS has been available to any CLP with the appropriate contract language. Additionally, mechanized loop makeup information has been available to CLPs since November 18, 2000. (Test. of McElroy, Tr. Vol. 10, Pgs. 39-40)

CLPs may electronically pre-order a loop-port combination referred to as the UNE-P. This offering combines a two-wire voice-grade (measured) port, switching functionality, shared interoffice transport, tandem switching, and a voice-grade loop (designed or nondesigned) to create an end-user-to-end-user transmission path that provides basic local exchange service. If the CLP orders UNE-P for an end-user customer with existing service, the only pre-ordering step required is address validation. If service does not exist at the end-user customer's location to be served by the CLP, the CLP must both validate the address and reserve a telephone number. (Test. of Pate, Tr. Vol. 3, Pg. 237)

In response to AT&T's claim that BellSouth does not measure the proper interval for pre-ordering OSS Response Time, BellSouth admits that for performance results prior to July 2001, two seconds should be deducted from its response times for the OSS Pre-Ordering Average Response Time in order to make a valid comparison with the TAG pre-ordering response times. For the OSS Pre-Ordering Average Response Interval, CLP aggregate performance is compared with the retail response times achieved via the RNS and ROS Systems. In accordance with a January 2001 Order issued by the GPSC, BellSouth added two seconds to the retail analogs in order to account for the machine-to-machine message translations and security processing required for wholesale CLP transactions. The start/stop timestamps for the TAG server were subsequently moved from the back-end of the system to the front-end (CLP-facing side) of the system beginning with the publication of the July results. Consequently, the two second adjustment (deduction) was required. Additionally, the LENS CSR query response time performance deficiency was corrected on July 27, 2001, with the implementation of a new information retrieval architecture. The information flow no longer relies on the outdated HAL or

BOCRIS Systems to process and return the requested CSR information via the LENS interface. Instead, there is now a direct feed to and from the Customer Record Inquiry System (CRIS). The results of this system change are reflected in the August 2001 results. (Test. of Varner, Tr. Vol. 8, Pgs. 481-482 and 498- 499)

(ii) Ordering Functions

Ordering is the exchange of information between BellSouth and a CLP about customer products and services or UNEs.⁶⁶ BellSouth states that it provides three nondiscriminatory electronic ordering interfaces, EDI, an industry-standard electronic ordering interface, as well as TAG (including RoboTAG™), and LENS. In 2000, CLPs sent 2,886,673 LSRs to BellSouth electronically. In February 2001, BellSouth received over 255,000 LSRs through electronic interfaces. As of February 2001, 36 CLPs were using EDI; 65 were using TAG; and 287 were using LENS. (Test. of Pate, Tr. Vol. 3, Pgs. 232-234)

As required by the FCC, BellSouth points out that it has given CLPs the ability to process orders for partial migrations in such a way as to provide an efficient competitor a meaningful opportunity to compete.⁶⁷ CLPs can order both initial and subsequent partial migrations electronically. Initial partial migrations, occasionally called split accounts, occur when an end-user customer chooses a CLP to provide service for some of its lines, while keeping BellSouth as the carrier for other lines. Subsequent partial migrations occur when the end-user customer later decides to transfer more or all of its lines to its existing CLP carrier. CLPs have been able to send LSRs for resale or UNE initial partial migrations since BellSouth implemented EDI in December 1996. CLPs have been able to send LSRs for partial migrations through TAG since its release on November 1, 1998. In March 1999, as a result of requests made in the CCP, BellSouth enhanced the capabilities of EDI, TAG, and LENS to assist CLPs with electronic ordering of initial and subsequent partial migrations. (Test. of Pate, Tr. Vol. 3, Pgs. 235-236)

CLPs may order combinations such as the UNE-P electronically. This functionality was implemented in February 1999 with electronic ordering and flow-through for the EDI, TAG, and LENS interfaces. (Test. of Pate, Tr. Vol. 3, Pgs. 236-237)

BellSouth also provides electronic ordering for xDSL and line-sharing. According to BellSouth, the processes for ordering unbundled xDSL-compatible loops and line-sharing are analogous to those for ordering unbundled loops. CLPs may use the standard LSR in either EDI or TAG. After conducting carrier-to-carrier testing with four CLPs and correcting

the defects uncovered in that testing, BellSouth released the electronic ordering capability for unbundled two-wire ADSL-compatible loops, unbundled two-wire and four-wire HDSL-compatible loops, and unbundled copper loops into production for all CLPs on February 12, 2001. Between February 12, 2001 and March 31, 2001, CLPs submitted 533 LSRs for these loops. BellSouth also offers manual ordering of xDSL loops. In the Georgia test, KPMG found that BellSouth provided adequate core ordering functionality in support of manual xDSL orders. (Test. of Pate, Tr. Vol. 3, Pgs. 238-240)

BellSouth offers CLPs the capability to order the high frequency portion of two-wire copper loops for xDSL services (line sharing) electronically. If a CLP orders either line sharing that is central-office based with a CLP-owned splitter or remote terminal line sharing, the CLP must submit a manual LSR to the LCSC. BellSouth is developing the mechanization of remote terminal line sharing. BellSouth offered beta testing of line sharing to all CLPs participating in the line-sharing collaborative, but only one CLP tested this capability with BellSouth. (Test. of Pate, Tr. Vol. 3, Pg. 241)

In response to testimony by Covad regarding problems occurring when ordering xDSL loops in LENS, BellSouth admits that CLPs were unable to supplement LSRs for xDSL loops in missed appointment status, but states that it implemented an interim fix on August 18, 2001. However, the LSR will fall out for manual handling. BellSouth is developing a long-term solution that will permit the full flow through of the supplemental orders. For problems involving the PON status report, BellSouth resolved the problem on August 4, 2001. BellSouth states that it is unaware of any other obstacles to placing orders for line sharing or xDSL loops through LENS. If Covad has problems with LENS, it will be supported by its BellSouth Account Team representatives and, if necessary, a BellSouth Customer Support Manager or LENS specialist. (Test. of Pate, Tr. Vol. 3, Pgs. 345-347) BellSouth asserts that none of the line sharing ordering problems described by Covad are due to LENS system problems, but rather are due to input and loop qualification errors by Covad. However, BellSouth admits that a documentation defect was discovered in its business rules and would be corrected in its next update scheduled for November 9, 2001. In a review of pending Covad orders for line sharing, submitted between July 19, 2001 and August 6, 2001, BellSouth found that 18% of the 57 circuits that were pending contained Covad-caused errors. Upon review of all Covad's line sharing orders during this period, BellSouth contends that it caused only 2% of the errors. (Test. of Pate, Tr. Vol. 3, Pgs. 420-423)

BellSouth offers mechanization for the ordering of two-wire ADSL, two- and four-wire HDSL, two- and four-wire UCL-Short (S) and two- and four-wire UCL-Long (L).

BellSouth admits that it does not include electronic ordering for Integrated Digital Subscriber Line/Unbundled Digital Channel (IDSL/UDC) loops in its provision of electronic ordering of xDSL loops. However, BellSouth states that this functionality does not exist because no CLP has requested it either before the implementation of mechanized ordering for xDSL loops or subsequently through the CCP. When BellSouth requested input from CLPs as to what UNE services should be offered electronically, only ADSL and HDSL compatible loops and unbundled copper loop (UCL) were requested. BellSouth is working on the mechanization of the ordering of UDC loops. However, it is not possible to order an ADSL loop electronically when the loop must be conditioned first. On the other hand, BellSouth retail operations can order ADSL and Integrated Services Digital Network (ISDN) electronically. While Covad must submit its DSL orders via facsimile, BellSouth uses a "fancy e-mail system" to submit this type of order. When BellSouth rolled out its retail xDSL product, Fast Access, the ordering was accomplished electronically. While BellSouth decided to offer its retail DSL product with mechanization, it relies on CLPs to request mechanization of the wholesale DSL products through the CCP. Covad requested the mechanization of the UDIDSL through the CCP on August 27, 2001. Nonetheless, BellSouth asserts that it provides nondiscriminatory access to this functionality. (Test. of Pate, Tr. Vol. 3, Pgs. 418-420; Tr. Vol. 4, Pgs. 149-170; and Test. of Latham, Tr. Vol. 7, Pgs. 57-59) **[COMMISSION NOTE: The FCC in the *GALA II Order* in ¶149, points out that "BellSouth also states that electronic ordering via all interfaces for Unbundled Digital Channels/ISDN Digital Subscriber Line (UDC/IDSL) loops was implemented on February 2, 2002, and in May 2002, a second process will be developed to provide electronic ordering and full flow-through."]**

BellSouth maintains that Covad has been trying to use ISDN lines to provide IDSL service despite the fact some Digital Loop Carrier (DLC) systems will support ISDN but not IDSL. When Covad orders ISDN loops for its IDSL service, BellSouth provisioned and inventoried the loops as ISDN. BellSouth disputes Covad's claim that reinventorying these loops as UDC/IDSL loops is only a simple records change and should be carried out at no charge to Covad. BellSouth has informed Covad that its customers may have trouble if Covad did not pay the charge to rearrange the ISDN loops to IDSL loops. BellSouth offered Covad two scenarios to correct this problem: the first was an automated approach that provided the lowest cost but had a higher risk of outages, and the second was a manual "handholding" approach with less chance of outages but had a higher cost. (Test. of Latham, Tr. Vol. 7, Pgs. 41-43)

In response to complaints from Covad concerning problems with BellSouth's provisioning of UDC/IDSL-compatible loops, BellSouth plans to reduce installation

intervals and repeat troubles on UDC/IDSL-compatible loops by developing a corrective action plan to address the problems. In reviewing the service orders on the loops, BellSouth determined that some of the trouble reports were due to equipment problems involving broken or missing wiring and defective heat coils or vendor issues, and others were due to problems with the Digital Loop Carrier Remote Terminal or Central Office Terminal channel units. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 193-194)

BellSouth asserts that it adequately processes orders for LNP in a mechanized manner. However, supplemental LNP LSRs, for other than due date changes on port-out only (Requisition Type C) LNP LSRs, may be submitted electronically, but are processed by the LCSC on a planned manual fallout basis. BellSouth pledges to work with CLPs to implement further LNP mechanization if requested and if technically feasible. (Test. of Pate, Tr. Vol. 3, Pgs. 423-424)

BellSouth admits that it does not provide electronic OSS for CLP line splitting but states that it will currently accept manual line splitting service requests. As of September 19, 2001, BellSouth had not received any CLP line splitting orders. Moreover, the GPSC has ordered BellSouth to develop a mechanized ordering capability by January 5, 2002. (Test. of Pate, Tr. Vol. 3, Pg. 424) [COMMISSION NOTE: The FCC in the *GALA II Order* in ¶243, states that "BellSouth implemented permanent OSS for line splitting on January 5, 2002, and competitive LECs have raised no complaints about this new process."]

BellSouth has refused to implement WorldCom's request for real-time ordering using what is known as the interactive agent because it has been assigned a low priority in the CCP. The members of the CCP prioritized it 21st out of 36 change requests in the April 25, 2001, ranking tally. (Test. of Pate, Tr. Vol. 3, Pgs. 460-461) However, BellSouth admits that the interactive agent would allow WorldCom to send LSRs individually rather than in batches. The interactive agent is used in every other BOC region where WorldCom operates and is the industry standard of the Ordering and Billing Forum (OBF). (Test. of Pate, Tr. Vol. 4, Pgs. 81-85)

BellSouth is executing several changes in its ordering systems in response to an Order of the GPSC. In response to WorldCom's complaints about the current "D" and "N" service order process for UNE-P, BellSouth points out that it plans to implement a "single C" order process in April, 2002, though the GPSC ordered it to occur by January 5, 2002, a date which BellSouth states it could not meet due to the extensiveness of the design work, code development, and testing required. (Test. of Pate, Tr. Vol. 3, Pgs. 459-461; Tr. Vol.

4, Pgs. 71-72) However, BellSouth contends that the "D" and "N" order process is used by its retail units to convert CLP customers back to BellSouth and does not create a lack of coordination. (Test. of Ainsworth, Tr. Vol. 7, Pg. 178) BellSouth asserts that the Georgia, Louisiana, and Mississippi commissions and the FCC have confirmed that a single "C" process is not a requirement of Section 271. Furthermore, BellSouth states that it currently has a process in place that provides nondiscriminatory access to the UNE-P product. (Test. of Ainsworth, Tr. Vol. 7, Pg. 180) **[COMMISSION NOTE: The FCC in the *GALA II Order* in ¶167 and Footnote 623, states that BellSouth implemented single "C" ordering on March 23, 2002, to replace the two-order process. The FCC also states that:**

Although competing competitive LECs complain that there is not enough time to properly evaluate BellSouth's implementation of single 'C' ordering, BellSouth has also agreed, in the interim, to implement a performance measure to report the percentage of premature disconnection of UNE-P conversions associated with the two-order conversion process that will include a benchmark of 1 percent. Similarly, we expect BellSouth to take the necessary steps to cure any problems associated [with] the implementation of single 'C' ordering. We, therefore, are confident that this issue is resolved.]

On November 3, 2001, BellSouth was planning to implement ordering based on the customer's name and telephone number without requiring the address. (Test. of Pate, Tr. Vol. 3, Pgs. 459-461 and Test. of Lichtenburg, Tr. Vol. 10, Pg. 189) **[COMMISSION NOTE: The FCC in the *GALA II Order* in ¶122, states "BellSouth now provides telephone number (TN) migration to enable competing carriers to order migrations to UNE-P using only the telephone number (and house number for verification) in order to substantially reduce rejected orders."]** However, BellSouth may not cross-check the telephone number against the customer name on the LSR, thus potentially migrating the wrong customer if the CLP makes a typographical error in the telephone number. (Test. of Pate, Tr. Vol. 4, Pgs. 60-64) Finally, BellSouth was also required to increase its reject correction time limit from 10 days to 30 days and has implemented this change. Prior to this implementation, BellSouth's policy was to cancel rejected LSRs not resubmitted within 10 days. (Test. of Pate, Tr. Vol. 3, Pgs. 459-461; Tr. Vol. 4, Pgs. 64-68)

A competing carrier's LSRs "flow through" if they are transmitted electronically through the gateway and accepted into BellSouth's back office ordering systems without manual intervention.⁶⁸ According to BellSouth, flow-through is achieved if a CLP or BellSouth representative takes information from a customer, inputs the information into an

electronic ordering interface without changing the information, and sends the complete and correct request downstream for mechanized service order generation. Between March 2000 and February 2001, BellSouth's CLP aggregate flow-through percentages ranged from 86.11% in February 2001 to 92.03% in March 2000. Because some CLPs have not upgraded their EDI and TAG interfaces to later releases, these CLPs do not receive the benefit of enhancements to flow-through made in those new releases. (Test. of Pate, Tr. Vol. 3, Pgs. 242-245)

While some LSRs for certain complex resale services and UNEs may be sent electronically via EDI or TAG, they are designed to fallout for manual handling. These LSRs may be submitted via EDI and TAG, but they then are handled like orders that were faxed or mailed to the LCSC. BellSouth excludes these orders from its flow-through statistics because they are designed to fallout for manual handling. BellSouth calculates its flow-through by dividing the total number of issued service orders for CLPs by the total number of mechanized LSRs, not including those designed to fallout for manual handling, (total manual fallout), those rejected and returned automatically to CLPs (autoclarification), and those with CLP errors (CLP-caused fallout errors). BellSouth also does not include LSRs for complex services in its calculation of flow-through because they require significant manual handling. BellSouth asserts that while the amount of manual handling varies between requests for complex services, it is the same for CLP and BellSouth retail orders. (Test. of Pate, Tr. Vol. 3, Pgs. 245-248) BellSouth argues that changes in CLPs' OSS and personnel affect BellSouth's flow-through rates. It also points out that flow-through for CLPs' business LSRs is lower than that for residential LSRs because most business LSRs are for complex services that fallout. The flow-through for UNEs is also lower than the flow-through for residential services because BellSouth has less experience with the ordering of UNEs as opposed to resale and retail. BellSouth has submitted several change requests to the CCP to improve flow-through. (Test. of Pate, Tr. Vol. 3, Pgs. 254-256)

BellSouth asserts that the FCC does not require that all service requests be submitted electronically in order to find that a BOC provides nondiscriminatory access to its OSS.⁶⁹ Instead, BellSouth maintains that submission of service requests by CLPs and BellSouth's retail services should occur in substantially the same time and manner, and that its flow-through methodology has been upheld time after time. BellSouth also states that there is no requirement that its ordering processes for CLPs be identical to those for its retail services. (Test. of Pate, Tr. Vol. 3, Pgs. 387-388) BellSouth bases its calculation of flow-through on an FCC letter to BellSouth from FCC Carrier Bureau Chief Lawrence Strickling in February 1999. BellSouth's concludes that said letter allows it to exclude

manually handled complex orders from flow-through calculations as long as BellSouth's process was nondiscriminatory. (Test. of Pate, Tr. Vol. 3, Pgs. 392-394) Thus, in May 2001, of the orders that did not flow-through, BellSouth finds it appropriate that 14% of CLP orders in May 2001 fell out due to CLP errors, with the remaining 86% of orders falling out due to either designed fallout or BellSouth errors since over half were complex orders. (Test. of Pate, Tr. Vol. 4, Pgs. 107-111)

BellSouth states that the Act does not require that every process be automated in order to achieve nondiscriminatory access. BellSouth asserts that total mechanization of all types of requests is impossible due to either technical or practical reasons. (Test. of Pate, Tr. Vol. 3, Pg. 409) For instance, mechanized ordering for the UCL-ND has not been developed because no CLP has submitted a change request for this capability. BellSouth could implement this if either it had a regulatory obligation to offer this functionality, the volumes of orders suggested that mechanization would lead to labor savings, or CLPs requested this capability in the CCP and the request was given a high priority. The UCL-ND was first offered in March 2001. As of July 2001, there were only 97 of these loops ordered regionally, with 13 in North Carolina. (Test. of Pate, Tr. Vol. 3, Pgs. 417-418) **[COMMISSION NOTE: The FCC in the *GALA II Order* in Footnote 532, points out that "BellSouth states that electronic ordering with flow through for the UCL-ND product is targeted for July 2002. BellSouth explains that a change control request was not submitted until November 5, 2002 (sic)."]**

BellSouth acknowledges that Broadslate had numerous problems with its ordering of the UCL-ND. Of 12 LSRs for the UCL-ND discussed by Broadslate, nine contained an invalid PON or no PON. Due to a lack of information, BellSouth was unable to fully discuss Broadslate's claims of lost or canceled LSRs, but BellSouth stated that it appears that some were canceled due to no response to a missed appointment, a clarification, or a jeopardy notice due to CLP errors. In regard to questions about the testing of the UCL-ND circuits, BellSouth states that it tests the product to ensure continuity between the CFA in the BellSouth central office and the network interface device (NID) at the end-user location. If a CLP desires additional testing, the CLP may order it from BellSouth. The Broadslate orders for the UCL-ND product were the first BellSouth received for this product, and BellSouth encountered a problem that took three days to resolve. Ultimately, all but two of the orders were worked by the date Broadslate needed to avoid interruption of service to end users. BellSouth's account team requested that Broadslate notify it before it ordered this product so that it could monitor the progress of the order, but Broadslate did not notify the account team. BellSouth contends that it can now process

orders for the UCL-ND product to completion. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 186-189)

Despite the fact that BellSouth agreed to offer the UCL-ND product by March 31, 2001, Covad was still experiencing problems with the product as of October 31, 2001. It appears that representatives from the CWINS Center were confused about the proper handling of orders for the UCL-ND product. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 228- 233)

BellSouth denies AT&T's claim that it intentionally causes some types of orders to fallout for manual processing in an effort to impede CLPs' market entry or growth. To put this topic into perspective, BellSouth states that designed manual fallout affects only 8% to 9% of electronically submitted LSRs, and that total manual processing from BellSouth's system errors only affects 11% to 13% of all electronic LSRs. BellSouth asserts that the issue is not whether electronic processing handles greater volumes or is more responsive than manual handling, particularly for services highlighted by AT&T such as the UNE-P, but whether CLPs have a meaningful opportunity to compete. BellSouth points out that of the manually handled UNE-P orders in July 2001, 6,641 UNE-P LSRs were processed in North Carolina and 63,185 were processed region-wide. (Test. of Pate, Tr. Vol. 3, Pgs. 396-397)

In response to WorldCom's complaints about the number of its orders that fallout for manual handling, BellSouth points out that 16.78% of the orders had to be returned to WorldCom for autoclarification and 20.3% of them had to be corrected by the LCSC. In June 2001, WorldCom called the LCSC 65 times to dispute the validity of clarifications, and BellSouth was at fault in only five of the disputed clarifications. BellSouth calculates that 99.82% of the clarifications were due to WorldCom's errors. The numbers for July 2001 are similar. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 181-182) BellSouth asserts that its service representatives have received training to give clear and distinct reasons for rejection and clarification of orders. (Test. of Ainsworth, Tr. Vol. 7, Pg. 186)

In August 2001, WorldCom submitted 30,957 fully mechanized LSRs and 5,067 of those were autoclarified or returned to WorldCom due to errors. WorldCom sent 8,695 orders in this same month to the LCSC and 2,583 of those were rejected, for a reject rate of 29.71%. Thus, the reject rate for manually processed orders was approximately twice as high as for orders submitted electronically. The overall reject rate in August 2001 was 19.29%. (Test. of Pate, Tr. Vol. 3, Pgs. 482-485)

BellSouth admits that there have been a number of problems with orders from WorldCom, but points out that it has resolved some of the issues. BellSouth had incorrectly categorized 2,745 LSRs as having fallen out for manual handling by design when its due-date calculator was enhanced on June 2, 2001. BellSouth states that 2,738 of these orders fell out due to WorldCom's failure to obtain a valid address. The LCSC corrected 2,200 of these errors, and the remaining 538 were returned to WorldCom. (Test. of Pate, Tr. Vol. 3, Pgs. 408-415)

Another problem affecting flow-through is that when a BellSouth customer with voice mail or call forwarding and Memory Call migrates to WorldCom and does not retain the voice mail or call forwarding, the LSR falls out for manual handling. This problem is characterized as a BellSouth error on the flow-through reports. BellSouth implemented an edit on April 6, 2001, to prevent mailboxes from going down upon conversion. Since the fix, BellSouth has received no further complaints. (Test. of Pate, Tr. Vol. 4, Pgs. 44-46; Test. of Ainsworth, Tr. Vol. 7, Pg. 177)

When a stand-alone DSL order for products such as ADSL and HDSL is placed, it is sent electronically to the Corporate Gateway (COG). BellSouth has recently discovered that flow-through for orders made through the COG were not being reported. It determined that it had not developed the system feeds to capture the data. However, this problem should be corrected beginning with the September 2001 flow-through numbers, such that the flow-through data on DSL orders is lumped in with the UNE data on flow-through. Nonetheless, nothing filed previous to the September flow-through numbers would indicate whether mechanized DSL orders were flowing through. (Test. of Pate, Tr. Vol. 5, Pgs. 9-12)

BellSouth states that in August 2001, its business flow-through was 80.72%, its residential flow-through was 93.6%, its CLP flow-through was 91.2%, and its UNE flow-through was 93.13%. (Test. of Pate, Tr. Vol. 3, Pgs. 401-402) BellSouth admits that its business flow-through rate is well below the standard objective, but that its residential, UNE, and LNP measures are near or above their associated benchmarks. BellSouth contends that its flow-through will continue to improve due to its internal vigilance and the joint BellSouth/CLP Flow-Through Improvement Task Force. BellSouth points out that CLPs are achieving greater flow-through for resale orders in the BellSouth region than the flow-through the FCC found to be adequate for Verizon's application for Section 271 relief in Massachusetts and are achieving comparable flow-through for UNEs. (Test. of Pate, Tr. Vol. 3, Pgs. 407-408)

In response to AT&T's allegations that BellSouth's flow-through performance in the KPMG third-party test in Georgia is not reliable because it is obsolete and not robust, BellSouth asserts that the flow-through measurements that KPMG tested are the same today as when KPMG conducted its evaluation. The method of producing reports is also the same, though the measurements have been enhanced by the addition of new information. BellSouth admits that there was a script change in March 2001 to correct the autoclarification count beginning with the April run of March data. The flow-through reports for June, July, and August were refiled after a feature implemented in June mischaracterized certain partially mechanized transactions as "planned manual fallout". This problem was corrected beginning with the September data. Finally, two enhancements were implemented in June and July. BellSouth concludes that its flow-through exceeds the level the FCC found sufficient for Verizon. (Test. of Varner, Tr. Vol. 8, Pgs. 535-537)

In response to NuVox's complaints about problems obtaining keys to their flow-through reports and viewing all of the company's information, BellSouth states the problems were caused by the fact that NuVox had reports under several different names and OCNs and did not request the keys for each of these OCNs. At this time, NuVox should be able to review the data for each of its OCNs on the Performance Measure and Analysis Platform (PMAP). (Test. of Varner, Tr. Vol. 8, Pgs. 517-527)

For complex resold services for which manual interfaces must be used, BellSouth asserts that the manual processes are accomplished in substantially the same time and manner as those for BellSouth's complex retail services. BellSouth concludes that since the same processes are used for both CLP and BellSouth retail orders, they are nondiscriminatory and competitively neutral. (Test. of Pate, Tr. Vol. 3, Pgs. 256-257)

BellSouth disputes AT&T's contention that BellSouth's performance data indicate that it is not providing timely FOC notifications or reject notifications for electronic LSRs that fallout for manual handling. BellSouth asserts that the fact that partially mechanized orders take longer to process than mechanized orders does not indicate that BellSouth does not provide timely FOCs or reject notifications. In July 2001 the FOC Timeliness and Reject Intervals for partially mechanized orders were in parity for all resale and UNE products. (Test. of Varner, Tr. Vol. 8, Pgs. 502- 503)

BellSouth admits that it was not in parity for Order Completion Interval for the Line Sharing <6 Circuits Non-Dispatch in June 2001, but points out that there were only ten orders. In July, the difference in BellSouth and CLP performance was .58 of a day. In

April and May 2001, BellSouth was in parity for Order Completion Interval for Line Sharing <6 circuits for Non-Dispatch. BellSouth asserts that overall, it is providing nondiscriminatory access for this item. (Test. of Varner, Tr. Vol. 8, Pg. 512)

In response to Covad's contention that CLP orders are placed in jeopardy status more often than BellSouth orders, BellSouth asserts that this does not reduce a CLP's ability to compete. BellSouth explains that a jeopardy notice indicates that a facility problem has been identified that could affect the timeliness of the order completion. However, it does indicate whether the installation date will indeed be missed. BellSouth states that most of the jeopardies are cleared before the installation date so that the due date is met. BellSouth's performance on installation appointments is captured by the Percent Missed Installation Appointments measure for xDSL and UNE ISDN. In June and July 2001, BellSouth met the retail analogue for Percent Missed Installation Appointments in North Carolina. (Test. of Varner, Tr. Vol. 8, Pgs. 512- 513)

(iii) Provisioning Functions

Provisioning involves the exchange of information between telecommunications carriers where one executes a request for a set of products and services, UNEs, or a combination thereof from the other with acknowledgments and status reports.⁷⁰ BellSouth states that it provides CLPs with access to the same information in substantially the same time and manner as it does for its retail customers. (Test. of Pate, Tr. Vol. 3, Pgs. 261-262)

BellSouth provides electronic notifications for both customer and company-caused jeopardies through the EDI, TAG, and LENS interfaces. A jeopardy occurs when the established due date for the order may not or will not be met. In the Georgia third-party test, KPMG found that BellSouth met the test criteria for EDI and TAG electronic jeopardy notifications. (Test. of Pate, Tr. Vol. 3, Pgs. 262-263)

CLPs also receive electronic notification of order completion through the same interface by which the order was submitted. When SOCS is notified by downstream systems that an order has been completed, SOCS returns the completion notice to LEO. LEO then sends the completion notice electronically to the CLP through EDI, TAG, or LENS. *While there are no separate provisioning interfaces, BellSouth provides CLPs with jeopardy notifications, order completions, and other order status information.* In the Georgia test, KPMG found that BellSouth satisfied all test criteria for EDI and TAG electronic jeopardy notifications. The test criteria were satisfied for electronic notification

of order completion for EDI and TAG for which KPMG had results. (Test. of Pate, Tr. Vol. 3, Pgs. 263-264)

On November 8, 1999, BellSouth introduced its CSOTS, a web-based electronic interface that allows CLPs to view their service orders online, track the orders, and determine the status of orders submitted both electronically and manually. Information about order status is available through all three of the ordering interfaces, i.e., LENS, TAG, and EDI. CLPs need only Internet access, a web browser, and a password to access CSOTS. KPMG's test of the accuracy of response and clarity information for CSOTS for orders placed via EDI or TAG found the system to be satisfactory. Before CSOTS was introduced, BellSouth performed internal user acceptance testing and carrier-to-carrier beta testing. BellSouth also provides order status information with a PON Status Report for all manually submitted LSRs which is posted on the BellSouth website. BellSouth provides CLPs with notifications of competitive disconnects through a password-protected, electronic, Internet-based Loss Notification Web Report. (Test. of Pate, Tr. Vol. 3, Pgs. 264-267)

BellSouth is in the process of replacing its Computer System Mainframe Operations (COSMOS) with SWITCH, both being systems that inventory and assign central office equipment and related facilities. SWITCH allows BellSouth to do number pooling and to manage the network in thousand-number groups, which COSMOS does not provide. These systems have already been replaced in North Carolina and at least four other states. These systems are involved in the assignment of equipment to addresses with the execution of "N" (connect service) and "D" (disconnect service) orders. (Test. of Heartley, Tr. Vol. 8, Pgs. 271-279)

BellSouth explains that WorldCom did not receive some FOCs and completion notifications (CNs) because files containing these items were occasionally overwritten due to an internal BellSouth problem that was fixed on September 29, 2001. (Test. of Pate, Tr. Vol. 3, Pgs. 408-415) However, it appears that this problem is continuing despite the fix implemented. BellSouth states that it is working extensively with WorldCom to address the issue and find its cause. (Test. of Pate, Tr. Vol. 4, Pgs. 73-80) BellSouth points out that WorldCom could also check the CSOTS system to determine the status of a service order and obtain CNs and FOCs. In response to WorldCom's complaints about not receiving line loss notifications, BellSouth asserts that it posted the data correctly and in a timely manner on the web-based Line Loss Notification Report. The line loss notification for a specific telephone number remains on the report for only seven days after its original posting. (Test. of Pate, Tr. Vol. 3, Pgs. 408-415)

BellSouth's retail operations, like those of the CLPs, do not have a single source of data for service orders. BellSouth must review several databases to ascertain the status of a retail order as it goes through the ordering and provisioning process. Prior to receipt of a FOC, a CLP can review the PON status report, which is available either electronically or manually. After the issuance of a FOC, the CLP can access CSOTS, which provides the status of all orders for UNEs, including line sharing, both for billing and provisioning purposes. In North Carolina, BellSouth also provides Covad with a SWITCH report which allows it to check the CFA of every line sharing order. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 192-193)

In response to AT&T's comments regarding BellSouth's processing of erroneous disconnects due to AT&T errors, BellSouth points out that it processes the LSRs per the request of AT&T. To reconnect service, AT&T must issue a new service order. This is the same process that occurs for an erroneous disconnect of a BellSouth end-user. BellSouth considers this to be a provisioning rather than a maintenance and repair issue. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 195-196)

BellSouth disputes Covad's claim that the Average Completion Notice Interval for xDSL<10 Circuits/Dispatch was 61.36 hours or over seven business days. BellSouth explains that this measure is calculated on a 24-hour clock with no exclusions for weekends or nonbusiness hours. Thus, the 61.36 hours is approximately two and a half days. (Test. of Varner, Tr. Vol. 8, Pgs. 514-515)

(iv) Maintenance and Repair Functions

The FCC rules define maintenance and repair as involving the exchange of information between carriers where one requests maintenance and repair of products and services, or UNEs, or combinations thereof with acknowledgments and status reports.⁷¹ BellSouth asserts that it offers CLPs electronic interfaces for trouble reporting, which provide them with access to the maintenance and repair functions in substantially the same time and manner as BellSouth offers its retail customers. (Test. of Pate, Tr. Vol. 3, Pgs. 267-268)

The FCC held that while Bell Atlantic did not offer an application-to-application maintenance and repair interface, it satisfied its checklist obligation because it offered competitors the same means of accessing these functions as Bell Atlantic's retail operations.⁷² According to BellSouth, the Trouble Analysis Facilitation Interface (TAFI)

and the Electronic Communication Trouble Administration (ECTA) gateway provide CLPs electronic access to maintenance and repair OSS in a manner that far exceeds what Bell Atlantic provided to CLPs at the time of its Section 271 application. The FCC affirmed this in its *Texas Order* where it said that "a BOC is not required, for the purpose of satisfying checklist item 2, to implement an application-to-application interface for maintenance and repair functions - provided it demonstrates that it provides equivalent access to its maintenance and repair functions in another manner."⁷³ (Test. of Pate, Tr. Vol. 3, Pg. 269)

In response to AT&T's request for the combination of the functionality of the nonintegratable human-to-machine TAFI interface with the integratable machine-to-machine ECTA interface, BellSouth states that AT&T is requesting a functionality that BellSouth does not provide to itself and no other CLP has requested. When AT&T requested this change through the CCP, BellSouth responded that AT&T would have to submit a Bona Fide Request (BFR) and would have to pay for this development in advance. BellSouth touts the FCC Common Carrier Bureau Chief Strickling's "letter as evidence that the FCC did not believe that TAFI's lack of integration constituted nondiscriminatory access and that BellSouth's maintenance and repair access was within FCC requirements." (Test. of Pate, Tr. Vol. 3, Pgs. 437-441)

BellSouth offers access to its maintenance and repair functions through TAFI and ECTA. TAFI, a human-to-machine interface, is the same system BellSouth uses for its retail and business units, with the extra step of a security screening step. TAFI is not an industry standard interface, but rather offers superior functionality. TAFI is not a machine-to-machine or integratable interface for BellSouth. The full range of TAFI functionality is unavailable for trouble reports on complex services involving exchange services such as Centrex® service or PBX trunks. In the Georgia test, KPMG found that BellSouth met the requirements for functional testing and capacity management evaluation of TAFI. (Test. of Pate, Tr. Vol. 3, Pgs. 270-277)

ECTA gives CLPs access to the Work Force Administration system which handles trouble reporting for designed services. This interface is based on the industry standard. KPMG found that BellSouth met the requirements for functional testing and capacity management evaluation of ECTA. (Test. of Pate, Tr. Vol. 3, Pgs. 277-281)

BellSouth asserts that repeat troubles are primarily due to an intermittent trouble condition that may or may not allow immediate identification and problem resolution. The trouble condition may exist in BellSouth's or the CLP's network or the customer provided equipment. BellSouth points out in response to complaints by KMC and NuVox that if the

CLP has not isolated the trouble to the BellSouth network, it is difficult to immediately resolve the issue. Prior to closing the trouble ticket, BellSouth should give a CLP the opportunity to perform circuit acceptance testing to avoid repeat troubles. One cause of a DS-1 circuit requiring issuance of a trouble ticket immediately after it is turned up is the CLP's failure to test the circuit. Further, a CLP is supposed to notify the CWINS Center that it accepts the circuit or that there is a problem. BellSouth also has a group in place to analyze and test for these intermediate trouble situations. BellSouth and KMC have been holding monthly meetings to resolve operational problems. BellSouth disputes NuVox's claim that it prematurely closes trouble reports before problems are resolved. The CWINS Center is available to assist NuVox at all hours and the reports are not closed unless NuVox has contacted BellSouth. If NuVox believes BellSouth improperly assessed a maintenance charge, it can appeal it to the BellSouth Billing Resolution Group. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 206-213; 333-336)

(v) Billing Functions

The FCC defines billing as the provision of appropriate usage data by one carrier to another to facilitate customer billing with attendant acknowledgments and status reports. It also includes the sharing of information to process claims and adjustments.⁷⁴ BellSouth asserts that the systems it uses to provide bills to CLPs, Customer Records Information System (CRIS) and Carrier Access Billing System (CABS), have no meaningful differences from those used to provide bills to BellSouth's retail customers. If a CLP orders a service for resale, the service request is channeled to CRIS to maintain a record for the CLP of the services that BellSouth has provided. Likewise, usage events (toll calls, local calls, etc.) associated with the resold services are also sent through CRIS. For facilities-based CLPs, CRIS is used to maintain a record of service requests and resulting billing transactions for unbundled switch ports and unbundled loops (service level 1 loops). Service requests for all other UNEs and interconnection services are channeled through CABS. Therefore, all of the billing transactions related to all other UNEs and interconnection services are accumulated in CABS for preparing bills to the CLP. BellSouth provides CLPs with usage data by the Optional Daily Usage File (ODUF), the Access Daily Usage File (ADUF), and the Enhanced Optional Daily Usage File (EODUF). BellSouth states that these interfaces allow CLPs to process call records in its billing system in substantially the same time and manner as BellSouth processes these records in its systems. In the Georgia test, KPMG found that ADUF and ODUF satisfied all test criteria. Thus, BellSouth asserts that it provides CLPs with billable call detail records in a nondiscriminatory manner. In its nine-state region, based on our record of evidence, BellSouth produces approximately 4,400 bills per month for approximately 350 CLPs, and in North Carolina it produces

515 monthly bills for approximately 78 CLPs. (Test. of Pate, Tr. Vol. 3, Pgs. 281-286; Test. of Scollard, Tr. Vol. 8, Pgs. 317-318, 328)

Between the provisioning of an order and the updating of the customer service record, the billing system detects errors that would prevent the order from being updated to the databases that support billing. If errors are detected, the order is sent to a hold file and appropriate corrections are made. During this process, BellSouth continues to bill the end-user while the CLP also bills the end-user, resulting in double billing. Most of the errors are corrected in two to three days so the end-user is minimally affected. BellSouth holds the usage records until the errors are corrected. If the customer is billed during this process, the customer is later issued a credit for the period while the order was in hold status. In North Carolina, 1.1% of WorldCom's orders have gone into the hold file process. BellSouth states that this is the approximate same proportion of its own orders that would require correction. Thus, BellSouth states that it processes service orders for CLPs in the same manner as it does for itself. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 183-185; Test. of Scollard, Tr. Vol. 8, Pgs. 346-349)

BellSouth responds to AT&T's and WorldCom's complaints about duplicate billing of their customers after they have switched carriers by pointing out that these problems can be due to either the CLPs or BellSouth. The CLP can be at fault if it does not transfer all of the end-user's services or does not properly complete the porting of all telephone numbers associated with its LSR. BellSouth states that when duplicate bills occur, a CLP should contact its Billing Resolution Group to resolve the matter. (Test. of Ainsworth, Tr. Vol. 7, Pgs. 198-199; Test. of Scollard, Tr. Vol. 8, Pgs. 346-348)

BellSouth answers WorldCom's CCP request for a billing completion notice that could prevent this double billing problem by stating that the OBF is the proper place to make the request since it would be applicable to all ILECs. However, Verizon does provide such a notice. If WorldCom were to take an issue to the OBF and start the discussions on developing what a billing completion notice is, then BellSouth will take that issue and work to implement it along with the rest of the industry. (Test. of Scollard, Tr. Vol. 8, Pgs. 361- 363, 376)

BellSouth disputes WorldCom's assertion that its invoices incorrectly mix resale charges on bills intended for unbundled services by stating that WorldCom misunderstands what services will be placed on the switch port bills. In response to WorldCom's claim that BellSouth's Daily Usage Feed (DUF) records contain format and syntax errors due to a software problem, BellSouth asserts that the software problem was

corrected and BellSouth retransmitted corrected records to requesting CLPs. (Test. of Scollard, Tr. Vol. 8, Pgs. 346, 349-350)

BellSouth has met with Broadslate regarding its complaints about the Aging Report and all but one software issue has been resolved. In the interim, BellSouth agrees to provide CLPs such as Broadslate with any data it needs to track billing. [The Aging Report shows the CLPs the age of past due charges and details the amounts disputed by the CLPs.] (Test. of Scollard, Tr. Vol. 8, Pg. 350)

(b) Third-Party Test

The FCC has recognized that a state reviewing an application for Section 271 authority may build on the work of other state commissions to avoid overwhelming regulatory resources.⁷⁵ Thus, BellSouth encourages this Commission to build on the work already done in Georgia. (Test. of Cox, Tr. Vol. 2, Pg. 111) The GPSC approved a Master Test Plan (MTP) on May 29, 1999, which focused on UNE analog loops (with and without INP and LNP), UNE switch ports, and UNE loop/port combinations. The test would analyze the efficacy of the pre-ordering, ordering, provisioning, maintenance and repair, and billing functions for these delivery methods. Normal and peak-volume testing of the OSS interfaces (except billing) supporting these methods for resale and UNEs would also be conducted. Finally, BellSouth's Percent Flow-Through Service Request Report would be reviewed. BellSouth asked that its CCP be evaluated as part of the MTP. Subsequently, the GPSC approved a Supplemental Test Plan (STP) which would evaluate the CCP in relation to OSS'99; pre-ordering, ordering and provisioning of xDSL-capable loops; the various functions of resale services; and the processes and procedures supporting the collection and calculation of performance data. (Test. of Pate, Tr. Vol. 3, Pgs. 287-290)

According to BellSouth, the GPSC determined that commercial usage should be the primary factor in evaluating nondiscriminatory access and so structured the test as a "focused, supervised audit" of BellSouth's OSS in recognition of the commercial usage of the OSS. (Test. of McElroy, Tr. Vol. 10, Pgs. 14-15) The Georgia third-party test did not test mechanized ordering of xDSL loops or line sharing ordering because those functions were not in place when the test was constructed. (Test. of Pate, Tr. Vol. 5, Pgs. 13-14) Hewlett-Packard initially served as the test manager, with KPMG serving as the test auditor. Later, KPMG took over the role as test manager. (Test. of Pate, Tr. Vol. 3, Pg. 290) The MTP ordered and approved by the GPSC was executed and administered by KPMG, an independent tester. BellSouth contends that CLPs had ample opportunity to

participate in the design and execution of the Georgia test. (Test. of McElroy, Tr. Vol. 5, Pg. 106)

In response to AT&T's claim that KPMG was not independent, BellSouth notes that it was ordered by the GPSC to hire a credible and reputable firm to conduct the testing and that KPMG had conducted the third-party tests in New York and Massachusetts. Although KPMG's contract was with BellSouth, KPMG made it clear that it was working for the GPSC as well as BellSouth. BellSouth disputes AT&T's contention that BellSouth's direct payments to KPMG tainted the testing. BellSouth points out that as stated by Michael Weeks of KPMG in his June 15, 2001, letter to the Louisiana Public Service Commission absolute blindness cannot be achieved in an OSS Test. Further, there is no evidence that BellSouth purposely programmed its systems to process orders from the pseudo-CLP that KPMG created correctly and other CLP orders incorrectly. (Test. of McElroy, Tr. Vol. 5, Pgs. 119-120) Witness McElroy thinks that KPMG would conclusively tell the Commission that BellSouth could not control or influence the outcome of the test in Georgia. KPMG took orders from the GPSC, executed the test plan, and did not close an open observation or exception unless it had the permission of the GPSC Staff and Commissioners. (Test. of McElroy, Tr. Vol. 5, Pgs. 220-222)

The Florida Public Service Commission declined to adopt the Georgia third-party test because it had concerns about the independence of the testing process. It distinguished between the Georgia test and the third-party test conducted in New York. The Florida Commission pointed out that in New York, the state commission independently selected the third-party tester and was itself the client rather than the BOC. The Florida Commission also noted that the New York Commission and the tester jointly developed the master test plan, and the Commission's staff played a strong role in monitoring and controlling the test which it believes is vital to ensure independence and objectivity of the test. The Florida Commission concluded that in Georgia, BellSouth selected the tester, was the client, and developed or guided the development of the MTP. (Test. of McElroy, Tr. Vol. 5, Pgs. 149-153)

BellSouth, however, asserts that the FCC has rejected a "cookie cutter" approach to third-party testing.⁷⁶ According to BellSouth, the Georgia test was designed to differ from other third-party tests and this should not detract from the usefulness of the test. Moreover, BellSouth asserts that the Georgia test is comparable in scope to the third-party tests conducted in New York and Texas. For instance, like the Texas and New York tests, the Georgia test reviewed the functionality of OSS business processes; assessed OSS scalability; tested normal and peak volumes; evaluated all documentation for maintenance,

updates, and communication; assessed change management, release versioning policy, defect management process, and OSS interface development; tested pre-ordering and ordering; provisioned orders; evaluated provisioning processes; and tested the performance of specific provisioning measures. Like the New York test, the Georgia test evaluated basic maintenance and repair functions and the parity of the maintenance and repair process. Unlike the New York test, the Georgia test included manual ordering for xDSL loops. Finally, the Georgia test evaluated performance metrics more extensively than the tests in New York and Texas. (Test. of McElroy, Tr. Vol. 10, Pgs. 15-17)

According to BellSouth, CLPs had ample opportunity to participate in the testing process in Georgia. The GPSC considered input it received from CLPs at a 1997 OSS workshop and the third-party testing was commenced in response to a petition filed by a coalition of CLPs. CLPs provided input for the development of the MTP and the STP and filed comments on the two test plans, as well as on KPMG's status reports. CLPs were given the opportunity to file written responses to each of KPMG's interim status reports, participate in weekly conference calls, be interviewed by KPMG, and review exceptions and meeting minutes on a website. CLPs also supplied test scenarios and submitted selected orders for KPMG (e.g., LNP and xDSL). CLPs were also allowed by the GPSC to obtain discovery from KPMG and cross-examine KPMG's principal witnesses. (Test. of McElroy, Tr. Vol. 5, Pgs. 121-123; Tr. Vol. 10, Pgs. 13-14, 49-50)

KPMG used both operational and transaction-based testing in Georgia. BellSouth was required to establish and provision a "test bed" of initial accounts that represented accounts that would be switched to KPMG's pseudo-CLP. KPMG employed a military-style test philosophy, where an item is tested until it passes. The results of the testing were compared with a set of performance standards adopted by the GPSC on June 6, 2000, and modified on January 16, 2001. If there was not a standard adopted for a particular test, results were evaluated using criteria established based upon the professional judgement of KPMG. If a criterion was unsatisfied and had a significant impact in KPMG's view on CLPs, KPMG would issue an exception. KPMG issued a favorable opinion letter on the third-party testing in Georgia. (Test. of Pate, Tr. Vol. 3, Pgs. 292-300)

According to BellSouth, the FCC evaluates parity by comparing a BOC's wholesale performance results against its retail analogues. BellSouth asserts that the Georgia test has the most comprehensive performance metrics evaluation of any test performed so far by any state, with 430 evaluation criteria as opposed to 48 in New York and 126 in Massachusetts. Further, BellSouth's performance measures plan reports on over

2,200 submetrics. Thus, there is an enormous amount of actual commercial data for the Commission to determine if parity exists. (Test. of McElroy, Tr. Vol. 5, Pgs. 107-108)

KPMG evaluated BellSouth's OSS based upon 1,173 evaluation criteria, concluding that there were no deficiencies which would create potentially material adverse impacts on existing competition in the categories of pre-ordering, billing, maintenance and repair, capacity management, change management, and flow-through. Further, in the ordering and provisioning categories, KPMG noted in its opinion letter that all evaluation criteria have been satisfied except in the areas of: (1) timeliness of responses to fully mechanized orders; (2) timeliness and accuracy of clarifications to partially mechanized orders; and (3) accuracy of translation from CLP to BellSouth service orders resulting in switch translations and directory listing errors. For those three areas, KPMG noted that the GPSC could monitor these issues on an ongoing basis through its performance measures and penalty plans. KPMG also noted that its testing of some metrics was still ongoing, but that inaccuracies in metrics reporting would not in and of themselves have a materially adverse impact on competition. (Test. of Pate, Tr. Vol. 3, Pgs. 300-301; Test. of McElroy, Tr. Vol. 10, Pgs. 18-19)

BellSouth disputes AT&T's claim that KPMG did not really conduct 1,175 tests, but instead developed several different test points from a single set of test data. BellSouth asserts that a test point is identical to a test and that BellSouth passed over 1,100 tests. (Test. of Varner, Tr. Vol. 8, Pg. 540)

BellSouth explains that it established its test beds per KPMG's specifications in four BellSouth central offices. It asserts that these test beds reflect the experience of customers served in the four locations. Further, KPMG used actual CLP end-user addresses for pre-ordering to obtain actual loop characteristics. (Test. of McElroy, Tr. Vol. 10, Pgs. 38-39)

BellSouth agrees with AT&T that the Georgia test did not test relationship management practices because the test was originally designed to focus on BellSouth's OSS. However, this area was tested in New York and is the subject of testing in Florida. The Florida test, like the New York test, is also reviewing the help desk, work center support, and CLP training. These areas were not tested in Georgia. BellSouth notes that *it has 400 CLPs doing business with it region-wide and contends that this demonstrates sufficient commercial usage.* While AT&T asserts that the Georgia third-party testing did not review OSS'99, BellSouth points out that OSS'99 was not being used when the Georgia test was developed and that it did test the OSS'99 change management as part of

the STP. However, the Florida third-party test is utilizing OSS'99. The GPSC did not require testing of the LENS interface because it found that there was sufficient commercial usage for LENS at the time the test began in May 1999. RoboTAG™ was not tested because it was not available at the time the Georgia test was developed. However, the Florida third-party test is testing both LENS and RoboTAG™. (Test. of McElroy, Tr. Vol. 5, Pgs. 108-114, 153-167) BellSouth points out that third-party testing is a snapshot in time. (Test. of McElroy, Tr. Vol. 5, Pgs. 217- 218)

Although in Georgia KPMG did not evaluate the ability of CLPs to build interfaces, it did this implicitly by building with Hewlett Packard both the TAG and EDI interfaces and using those interfaces to submit requests during the test. However, KPMG did not explicitly test this area due to the significant commercial usage in Georgia of BellSouth's CLP interfaces. The ability of CLPs to build interfaces with BellSouth's OSS is the subject of testing in Florida. KPMG also did not explicitly test account management, i.e., the ability of a CLP to initiate the interconnection agreement process with BellSouth, due to sufficient commercial usage as well. BellSouth states that such testing is unnecessary because a number of CLPs have already gone through the account management process, are using the help desk, have been through training classes, and are submitting LSRs. However, the Florida third-party test is examining account management. (Test. of McElroy, Tr. Vol. 5, Pgs. 108-114, 153-164, 168-170, and 215)

While the Georgia test did not focus on manual processes, it did test BellSouth's performance on partially mechanized orders for timeliness and accuracy, as well as an evaluation for xDSL manual loop makeup in the STP. The test also reviewed the xDSL Manual Point of Presence processing and the xDSL Work Center and Capacity Management evaluations. Thus, BellSouth disagrees with AT&T's contention that there was a failure to evaluate BellSouth's manual support systems and that any such failure is a critical flaw in the test. In response to AT&T's allegation that the third-party test in Florida has revealed that BellSouth's documentation is inconsistent and inaccurate, BellSouth asserts that the Florida test is reviewing products unavailable at the time of the test in Georgia. If a CLP finds problems with BellSouth's documentation, it may submit a change request through the CCP. (Test. of McElroy, Tr. Vol. 5, Pgs. 111-114)

BellSouth disagrees with Covad's claim that KPMG should have monitored more xDSL installations in the field and in the UNE center to properly test xDSL provisioning. BellSouth points out that KPMG developed and executed its test plan and scenarios as required by the STP and monitored the number of transactions it believed were necessary to evaluate the criteria. BellSouth also disputes Covad's contention that there must be

third-party testing of electronic OSS for xDSL to show that BellSouth provides nondiscriminatory access to its OSS. BellSouth asserts that KPMG's xDSL process parity evaluation reviewed the processes and systems providing pre-ordering, ordering, and provisioning of xDSL. The Georgia test did not cover mechanized ordering of xDSL-capable loops, since this functionality was unavailable during the Georgia test. However, BellSouth avers that it conducted pre-order and carrier-to-carrier testing of the system before the pre-ordering and ordering functionalities became available. (Test. of McElroy, Tr. Vol. 10, Pgs. 40-42)

BellSouth disagrees with AT&T's complaints that the Georgia third-party testing failed to evaluate a number of issues correctly. AT&T criticizes the Georgia third-party testing of the change management processes and compares it to the Florida testing. BellSouth asserts that the scope of the two tests was different and that the change management process continues to evolve. In response to AT&T's contention that some closed exceptions in Georgia connected with change management are now open in Florida, BellSouth states that while the exceptions are in the same test domain, they address different issues.

BellSouth asserts that in the Georgia test, KPMG evaluated its system availability properly. After KPMG issued an exception on system availability, BellSouth modified the associated SQM and both KPMG and the GPSC closed the exception as satisfied. (Test. of McElroy, Tr. Vol. 5, Pgs. 112-117)

BellSouth asserts that the methods that KPMG used to evaluate the Georgia test were appropriate. BellSouth states that KPMG's exercise of its professional judgement in the Georgia test was consistent with the process KPMG used in the third-party tests it conducted in other states which were subsequently approved by the FCC. The standards for the test targets and evaluation criteria which were the basis for KPMG's test were established by the GPSC. If a standard did not exist, KPMG used its professional judgement. KPMG also used its professional judgement with respect to passing or failing when its judgement was different from the performance standard. KPMG did not believe that every disaggregation needed to be subject to statistical analysis. In determining the proper sample sizes, KPMG consulted systems engineers and the status team and considered the number of scenarios specified in the MTP, the level of disaggregation, and the threshold of transactions to allow it to report the results with a certain degree of accuracy. (Test. of McElroy, Tr. Vol. 5, Pgs. 123-126)

Countering AT&T's criticism of the volume testing in the Georgia third-party test, BellSouth explains that the volume testing included UNE-P as well as other UNE and resale products. However, the volume testing did not test volume manual ordering of xDSL loops. BellSouth passed all five volume tests. BellSouth asserts that its current performance shows no sign of capacity limitations. Further, BellSouth's internal volume testing in preparation for volume testing conducted for the Florida third-party test shows that its OSS have sufficient capacity and can handle a substantial number of UNE-P orders. However, the Florida third-party volume testing has resulted in two open exceptions caused by some orders unexpectedly dropping out for manual handling. BellSouth states that it has fixed those problems. The GPSC did not order BellSouth to conduct stress testing, but rather ordered the third-party test to examine the systems at both normal and peak volumes. (Test. of McElroy, Tr. Vol. 5, Pgs. 126-129, and 171-174) In response to WorldCom's contention that BellSouth cannot handle WorldCom's commercial volume, BellSouth points to the high level of commercial usage of its OSS in North Carolina. It further asserts that in Georgia, KPMG fully tested the capability of BellSouth's OSS to handle various levels of commercial volumes and the OSS met all criteria. (Test. of Pate, Tr. Vol. 3, Pgs. 458-459)

In response to AT&T's claims that the testing in Georgia revealed that BellSouth failed to return CNs to CLPs, BellSouth explains that KPMG determined that the exception had been satisfied and closed the exception with the approval of the GPSC. KPMG opened an exception on the issue of untimely or erroneous CNs, and BellSouth implemented a software change to correct the problem. The defect also generated two change control requests. KPMG was unable to retest these areas. However, BellSouth offers CSOTS as an alternative means of checking service order status, including the completion date. In examining CSOTS, KPMG determined that less than 3% of transactions contained CN discrepancies, which KPMG concluded was not sufficiently significant to affect the overall evaluation of the test criterion. Thus, with the approval of the GPSC, KPMG marked the exception as "satisfied" and closed it. (Test. of McElroy, Tr. Vol. 5, Pgs. 117-118; Tr. Vol. 10, Pg. 48)

The Georgia third-party testing of billing evaluated the processes and procedures of BellSouth's CRIS and CABS billing systems and other related systems to assemble, route, and process billable messages, and the metrics measuring the billing performance. KPMG placed over 4,000 test calls and reviewed the end-to-end billing process. BellSouth disputes AT&T's claim that KPMG closed an exception with an outstanding software revision in progress, thereby jeopardizing the validity of the billing test. BellSouth points out that the issue involved only one service, Operator Verify/ Interrupt, and applies only to

CLPs whose contracts call for billing on a per-minute basis rather than a per-call basis. BellSouth asserts that it complied with the OBF in designing the invoices to show charges in bulk rather than usage details. Another problem that arose during the testing of the billing system occurred during a conversion where a customer was switching to a CLP via unbundled switch ports. Some usage was left unidentified when a service order was delayed for error correction purposes, or some other reason, and in most cases the delay was about one or two days. BellSouth implemented a system change that was tested by KPMG, which then closed the issue. Subsequently, BellSouth enhanced its billing system to further prevent this problem. KPMG also found some problems with the consistency of billing documentation but determined that these issues had little impact on CLPs. Further, BellSouth retail customers successfully use these documents daily. Via the Internet, BellSouth provides two documents, *The BellSouth CLEC [CLP] Billing Guide* and *Understanding Your Bill*, to answer the issues raised by KPMG on billing documentation. (Test. of McElroy, Tr. Vol. 5, Pgs. 129-133)

The 16 tests that KPMG found to be "not satisfied" involve ten exceptions related to partially mechanized orders and six exceptions related to fully mechanized orders (Test. of Pate, Tr. Vol. 3, Pg. 301) The partially mechanized orders involve orders for certain complex resale services and UNEs that can be submitted electronically via TAG or EDI but then are designed to fall out for manual processing. To improve the timeliness and accuracy of partially mechanized orders, BellSouth increased the number of employees in the LCSC who handle manual and partially mechanized orders by 130% between December 1998 and November 2000. In response to the exceptions related to the fully mechanized orders, BellSouth has upgraded the infrastructure for EDI, addressed EDI routing and mapping problems, and made changes to LEO. (Test. of Pate, Tr. Vol. 3, Pgs. 301-303; Test. of Varner, Tr. Vol. 8, Pgs. 386-394)

BellSouth insists that it has recognized the need to improve the accuracy and timeliness of its handling of partially mechanized orders. In response, BellSouth has established the Quality and Accuracy Team, which is comprised of approximately 35 people. The purpose of the team is to support the LCSC in achieving higher levels of accuracy to lead to increased efficiency, improved flow through, increased customer satisfaction, and fewer complaints, expedites, and escalations. According to BellSouth, the team monitors LSR fallout to help the LCSC improve the handling of LSRs that drop out for manual handling due to errors. BellSouth notes that, from September 1, 2000, when the Quality and Accuracy Team began its work, to March 28, 2001, the number of LSRs requiring monitoring by the team was reduced by 92%. (Test. of Pate, Tr. Vol. 3, Pgs. 303-304)

BellSouth notes that increasing the number of LSRs that flow through, rather than fall out for manual handling, will improve the accuracy and timeliness for partially mechanized orders. In response to an Order by the GPSC, BellSouth and the CLPs formed a cooperative Flow-Through Improvement Task Force. The objective of the task force is to enhance the flow through of electronic orders, document those enhancements, and develop a schedule for implementing the enhancements. The task force is operating as a subcommittee of the CCP. (Test. of Pate, Tr. Vol. 3, Pgs. 304-305)

BellSouth also points out that if it does not complete orders in an accurate and timely manner, this failure would result in inaccurate billing, which should be captured by the invoice accuracy performance measure. According to the performance measurements results for the invoice accuracy measure, these problems with partially mechanized orders do not have a disproportionate impact on CLP customers. In fact, the invoice accuracy rate for resale orders and UNEs for February 2001 exceeded the rate for BellSouth retail. BellSouth insists that it has taken KPMG's issuance of the "not satisfied" criteria seriously and has conducted an extensive analysis of each such criterion. The results of this analysis are set forth in detail in the testimony of BellSouth witnesses Pate and Varner. (Test. of Pate, Tr. Vol. 3, Pgs. 305-325; Test. of Varner, Tr. Vol. 8, Pgs. 385-400)

During PricewaterhouseCoopers' (PwC's) review of the regionality of BellSouth's OSS, PwC discovered that BellSouth was assigning a higher priority to, or diverting to a special group of LCSC employees, the processing of partially mechanized or manual LSRs for KPMG's pseudo-CLP during the Georgia and Florida tests. (Test. of McElroy, Tr. Vol. 5, Pgs. 198-200) KPMG had completed its testing in Georgia, and there were no transactions going through BellSouth's OSS as part of the Georgia test when PwC was conducting its regionality assessment. (Test of McElroy, Tr. Vol. 5, Pg. 199) KPMG concluded that this preferential treatment could have a limited impact on the values observed in evaluating the timeliness of responses to partially mechanized and manual requests. BellSouth asserts that during and after the third-party test, it experienced significant commercial usage in these areas and that it is meeting the current performance benchmarks in these areas. (Test. of McElroy, Tr. Vol. 10, Pgs. 20-30)

In its report on the Georgia test, KPMG pointed out that it found exceptions in the testing of service order accuracy, but that this could be monitored by the GPSC on an ongoing basis with the performance measures and/or penalty plan. However, BellSouth acknowledges that while there is a performance measure in the Georgia SQM plan that addresses service order accuracy, the measure is not part of the penalty plan. There is

neither a performance measure nor a penalty for the accuracy of order clarifications. (Test. of McElroy, Tr. Vol. 5, Pgs. 178-182) [**COMMISSION NOTE:** On March 20, 2002, in the Commission's generic performance measurements docket - Docket No. P-100, Sub 133k, BellSouth filed a letter with the Commission stating that it will voluntarily agree to include the Service Order Accuracy measure in the permanent performance measures plan as well as the SEEM plan proposed by BellSouth in the docket. When BellSouth's North Carolina performance measurement plan and remedy plan go into effect, the Service Order Accuracy measure should be part of the performance measure plan and the remedy plan.]

In response to Sprint's contention that the volume tests conducted in Georgia do not correlate to real life experience, BellSouth points out that KPMG conducted normal and peak volume tests in RSIMMS, a volume test environment developed by BellSouth to support the transaction volumes of the third-party test. KPMG was directed by the MTP to compare the RSIMMS environment with BellSouth's actual production environment, ENCORE. KPMG determined that except for preauthorized changes to RSIMMS to support the requirements of the volume tests, the applications implemented in RSIMMS mirrored those in the ENCORE system. Specific changes were made to RSIMMS to support the business volumes required in the volume test, but KPMG opined that the same changes could be made to the production environment to support the same volumes. The hardware used for RSIMMS and ENCORE differed to some extent, but BellSouth states that a production environment consists not only of the hardware but also of the software applications that run on the hardware. The hardware used in the two production environments had copies of the same software applications. Since the conclusion of the Georgia volume test, BellSouth has added more capacity to its ENCORE production environment. (Test. of McElroy, Tr. Vol. 10, Pgs. 30-36)

The incomplete part of the Georgia third-party test is a portion of the metric testing. KPMG is having difficulty matching up data KPMG collected on its performance with the data BellSouth produced. KPMG is also auditing June 2001 performance measures data and performance at the request of the GPSC. BellSouth urges this Commission to rely on the North Carolina monthly data and to the extent there are holes in that North Carolina data, the Commission should look to the Georgia third-party test. (Test. of McElroy, Tr. Vol. 5, Pgs. 184-193)

BellSouth contests AT&T's assertion that this Commission cannot be assured that BellSouth has properly addressed deficiencies until the exceptions in the Florida third-party test are closed. BellSouth requests that the Commission rely on Georgia's

third-party test, which BellSouth states is at least as comprehensive as other states' tests. BellSouth also points to the fact that there is an ongoing audit in Georgia of performance measures, and there will be continuous audits for at least the next couple of years. (Test. of Varner, Tr. Vol. 8, Pgs. 468-469)

In summary, BellSouth asserts that the Commission can rely on commercial usage data along with the Georgia third-party test to assess BellSouth's compliance with Checklist Item 2. The Georgia test meets all of the criteria established by the FCC in the New York and the Texas Section 271 applications. Specifically, KPMG was an independent tester, it conducted a military-style test, it positioned itself as an actual market entrant, it maintained blindness where possible, and the test included a significant opportunity for CLPs to provide input. The Georgia test focused on areas of BellSouth's OSS where there was not significant commercial usage and tested the core OSS processes of pre-ordering, ordering, provisioning, maintenance and repair, and billing; the electronic interfaces to the OSS; capacity management; change management; various product types; and included an audit of BellSouth's flow-through. Finally, KPMG deemed less than 2% of the test criteria "not satisfied." (Test. of McElroy, Tr. Vol. 5, Pgs. 97-100; Tr. Vol. 10, Pgs. 17-18)

(c) Regionality of OSS

BellSouth asks this Commission to find that its OSS operate on a region-wide basis so that the results of the Georgia third-party test will be applicable in North Carolina. BellSouth asserts that it provides one regional set of electronic and manual interfaces that CLPs use to request resale and UNE services and that these interfaces give competitors nondiscriminatory access to BellSouth's OSS. In North Carolina, a CLP uses the same interfaces as any CLP in the BellSouth region. The OSS used regionally by CLPs are TAG, RoboTAG™, EDI, LENS, TAFI, ECTA, ODUF, EODUF, and ADUF. While separate servers may be used to process requests from CLPs using these interfaces, the servers use the same programming code, are designed to operate in an indistinguishable manner, and employ the same type of hardware running identical software. If LSRs are submitted via fax machine, BellSouth uses the national industry standard OBF guidelines and business rules. (Test. of Pate, Tr. Vol. 3, Pgs. 325-326)

Similarly, BellSouth uses a single version of each application handling the systems for provisioning, maintenance, and repair throughout its region. Although two mainframes are used to serve different areas, they use the same software and receive updates within days of each other. For provisioning, and maintenance and repair, BellSouth has a single

management structure, centralized training, and common methods and procedures. While the work groups reside in various physical locations, they operate in the same manner.⁷⁷ BellSouth asserts that its provisioning and maintenance and repair interfaces are designed to behave the same way in different states.⁷⁸ (Test. of Heartley, Tr. Vol. 8, Pgs. 253-256)

BellSouth also maintains that it uses the same physical software to process transactions and create invoices for billing in North Carolina that it uses regionally. A central staff for the entire region handles control functions, methods, procedures, and maintenance for billing functions. However, customer accounts are segregated into separate sets of databases by state (regional account offices) to manage the massive amount of data processing required and two data centers split the data into two processing streams. The only differences among invoices provided to customers in the entire region are due to variances by state in rates for products, tax rules, tariffs, and CLP-specific differences in product rates or resale discounts. Thus, BellSouth asserts that it would be redundant to conduct third-party testing on billing systems in North Carolina when the Georgia test examined the same systems. (Test. of Scollard, Tr. Vol. 8, Pgs. 336-338; and 344-345)

The guides, procedures, information, and job aids BellSouth provides to CLPs are the same throughout the region. BellSouth also offers regional training for CLPs. If a CLP builds an interface in one state with BellSouth's OSS, the interface should work in all states in the BellSouth region. BellSouth uses a single set of USOCs for its entire region, though there may be some state-specific USOCs or FIDs due to regulatory differences. Similarly, there may be some difference in billing codes and products between states. BellSouth produces one regional set of User Guides. Further, BellSouth manages its OSS volume and system utilization on a regional basis for capacity planning. (Test. of Pate, Tr. Vol. 3, Pgs. 328-336, 340-342, and 461B-461C)

BellSouth engaged PwC to complete a regional attestation so that this Commission may rely on the North Carolina commercial usage data supplemented by the Georgia third-party test. BellSouth modeled its attestation on the one filed by Southwestern Bell Telephone Company (SBC) with the FCC as its Five State Regional OSS Attestation examination. PwC, an independent third party, filed an affidavit on May 15, 2001, attesting that BellSouth's OSS were regional in nature. BellSouth also asked PwC to investigate the *functionality of DOE and SONGS*. PwC found that there was no material difference between the functionality and performance of BellSouth's DOE and SONGS systems. BellSouth also requested that PwC conduct an attestation on the comparability of DOE and SONGS. Again, PwC found that there was no material difference in the two systems and