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FOR PUBLIC INSPECTION

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Application of SBC Communications, Inc. Pursuant to Section 271 of the Telecommunications Act of 1996 To Provide In-Region, InterLATA Services in California	))))))	WC Docket No. 02-306

DECLARATION OF

WALTER W. WILLARD

ON BEHALF OF AT&T CORP.

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DECLARATION OF WALTER W. WILLARD
ON BEHALF OF AT&T CORP.

1. My name is Walter W. Willard. I am District Manager – Local Services for AT&T's SBC (All Regions) Local Services and Access Management Organization. In this position, I have responsibility for the business relationship with SBC Communications ("SBC") to support AT&T's plans for local service market entry and for negotiations with Pacific Bell ("Pacific"), Southwestern Bell ("SWBT"), Ameritech ("AIT"), and Southern New England Telephone ("SNET") to facilitate such market entry. Among the matters I have personally focused on are Operations Support Systems ("OSS"), and operational production support issues.

2. In that capacity, I am actively involved with various Pacific teams that are responsible for working with AT&T as a local service provider. Among the teams or organizations at Pacific with which I, and members of my organization, have frequent – sometimes daily – contact are:

- Pacific's AT&T Account Team;
- Systems representatives;
- Pacific's Local Service Centers (Resale Local Service Center ("RLSC") and Facilities Local Service Center ("FLSC"));

- Pacific's Mechanized Customer Production Support Center ("MCPSC");
- The Local Operations Center ("LOC"); and
- Project teams implementing various system, operational and engineering changes at Pacific.

Through Pacific's AT&T Account Team, I am also in frequent contact with policymakers at Pacific's parent corporation, SBC, regarding a multitude of local issues that bear on activities in our region. In addition to these responsibilities, I have represented AT&T as a primary member of the California OSS Third Party Test – Test Advisory Board.

3. I am a graduate of the University of San Francisco, where I received a Bachelor of Science degree in Business Administration. I also received a Master of Science degree in Telecommunications from Golden Gate University in San Francisco. I have been employed by AT&T since 1981. In the course of my employment at AT&T, I have held various positions in the Engineering, Operations, OSS Research and Development, International, and Outsourcing areas. I have previously testified on behalf of AT&T in various regulatory proceedings, including the proceedings before this Commission involving SBC's applications for Section 271 authority in Missouri and Arkansas. I have also testified in Section 271 proceedings before State commissions in California, Missouri, Arkansas, Oklahoma, Illinois and Kansas.

I. PURPOSE AND SUMMARY OF DECLARATION

4. The purpose of this Declaration is to address whether, as Pacific claims in its application: (1) Pacific is meeting its obligation of providing nondiscriminatory access to its operations support systems ("OSS"), in accordance with the Telecommunications Act of 1996 ("the 1996 Act") and the Commission's requirements; and (2) Pacific is providing local number

portability in compliance with Item 11 of the competitive checklist in Section 271.[1] For the reasons stated below, Pacific has met neither of these obligations.

5. First, as discussed in Part II, Pacific does not provide nondiscriminatory access to its OSS. Pacific fails to provide CLECs with interfaces that afford access to its OSS equivalent to that which Pacific enjoys in its own retail operations. For example, CLECs experience order rejections due to their lack of access to complete information regarding alternative community names ("prestige names") that Pacific has included in the directory listings of certain retail customers.

6. Pacific also has not provided CLECs with the assistance necessary for proper implementation and use of its OSS interfaces. Pacific has not provided CLECs with a test environment that mirrors production. Furthermore, Pacific has transferred much of the responsibility for providing technical support to CLECs from the Local Service Center ("LSC"), which is covered by performance monitoring and penalty requirements, to its Mechanized Customer Production Support Center ("MCPSC") which is not. In so doing, Pacific has not only blurred the distinction between the roles of the two centers and thereby created confusion among CLECs as to which center they are supposed to contact for assistance with day-to-day problems and questions, but has effectively removed critical CLEC support functions from effective regulatory oversight. As a result, CLECs have no effective remedy for the MCPSC's poor performance, including slow and ineffective responses to CLEC inquiries, and no protection against further degradation of service.

[1] *See, e.g.*, Brief in Support of Application by SBC for Provision of In-Region, InterLATA Services in California, at 34-50, 74-76 ("Application"); Joint Affidavit of Stephen E. Huston and Beth Lawson, ¶¶ 5, 7 ("Huston/Lawson Aff."); Affidavit of Eric D. Smith, ¶ 3 ("E. Smith Aff.").

7. In addition, Pacific cannot show that its OSS are operationally ready. Pacific has not produced sufficient commercial data regarding the performance of the OSS in handling orders for the UNE platform submitted through the EDI ordering interface that CLECs will use to submit orders on a mass-market basis. Nor can Pacific establish operational readiness through the third-party test, where only a relative handful of UNE-P orders were tested using EDI. It is also premature to declare Pacific's maintenance and repair functionality to be operationally ready, because the commercial data are both inadequate and not verifiably accurate.

8. Second, as discussed in Part III, Pacific has not shown that its local number portability procedures satisfy the requirements of the competitive checklist. Because of deficiencies in Pacific's systems, an unacceptably high number of AT&T's end-user customers have experienced an unexpected loss of dial tone when AT&T has attempted to place stand-alone orders for local number portability with Pacific. This loss of dial tone reflects negatively on AT&T as a new entrant in the marketplace and interferes with AT&T's ability to operate as an efficient competitor.

9. Although AT&T has attempted to work with Pacific for two years to improve its number portability process, only on September 30, 2002, did Pacific implement the "mechanized NPAC check" that it has long promised. Pacific has not shown – and cannot show – that a functionality implemented only nine days ago is effective. As the CPUC recently recognized, until the adequacy of the new functionality can be verified by sufficient commercial experience, Pacific cannot be found to be in compliance with Checklist Item 11.

II. PACIFIC DOES NOT PROVIDE NONDISCRIMINATORY ACCESS TO ITS OPERATIONS SUPPORT SYSTEMS.

10. The Commission recently reiterated its longstanding, two-part test for determining whether a BOC has met its OSS obligations under the competitive checklist:

> The Commission analyzes whether a BOC has met the nondiscrimination standard for each OSS function using a two-step approach. First, the Commission determines "whether the BOC has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and whether the BOC is adequately assisting competing carriers to understand how to implement and use all of the OSS functions available to them." The Commission next assesses "whether the OSS functions that the BOC has deployed are operationally ready, as a practical matter."[2]

As discussed below, Pacific satisfies neither prong of the Commission's test. First, Pacific has not provided CLECs with interfaces that allow equivalent access to OSS functions, or the assistance necessary to use those interfaces. Second, Pacific has not shown – and cannot show – that its OSS are operationally ready.

A. Pacific's Interfaces Do Not Provide Equivalent Access To OSS Functions.

11. CLECs using Pacific's electronic interfaces are denied parity of access, because Pacific does not provide the CLECs with the same access to alternative community names as that enjoyed by Pacific's retail operations.

12. Customers who live outside, but close to, large communities (or part of communities with more than one name) sometimes request that a particular community other than that listed in their mailing or service address be listed as their community in the telephone directory. Thus, for example, a customer living in Daly City (outside of San Francisco) might

[2] *See New Hampshire/Delaware 271 Order*, Att. F, ¶ 29 (quoting *New York 271 Order*, ¶¶ 86-87, and *Michigan 271 Order*, ¶ 136). *See also Alabama 271 Order*, App. H, ¶ 29.

request that the directory list San Francisco as his or her community. A customer living in West Los Angeles might similarly prefer that Beverly Hills be listed as his or her community name in the directory.

13. When alternative community names ("prestige community names") are published in the directory, it is critical that CLECs have access to this information. Pacific's systems will edit an order for accuracy based on the community name in the actual directory listing. When a customer with an alternative community name migrates to a CLEC, Pacific's systems will reject the CLEC's migration order for that customer if the community name on the LSR does not match that in the current directory listing.

14. CLECs, however, do not have access to Pacific's information concerning alternative community names. When preparing an LSR, CLECs obtain a customer's community name from the customer service record or the address validation functionality of the OSS. By contrast, Pacific maintains information on "prestige" community names in a separate database, which the CLECs cannot access. Thus, CLECs cannot use the current pre-ordering capabilities made available by Pacific to avoid rejections of orders for "invalid community names." By contrast, Pacific's retail operations have direct, real-time access to information concerning "prestige" community names. This is clearly a denial of parity.

15. AT&T's lack of access to alternative community names has resulted in rejections of a substantial number of its UNE-P orders since it first began offering residential service through the UNE platform on August 12, 2002. Of the ****** UNE-P orders submitted by AT&T to Pacific in August, 5.9 percent – or nearly ***** LSRs – were rejected for "invalid community names."

16. When AT&T brought this problem to Pacific's attention, Pacific simply replied that CLECs may obtain alternative community names from one of its directory listings help desks. This procedure, however, is both time-consuming and unreasonable. An LSR rejected for an invalid community name can require up to two hours of manual labor before the alternative community name can be obtained, and the LSR resubmitted. In addition, although CLECs may use a toll-free number to call other Pacific help desks, Pacific does not provide toll-free numbers to its directory listings help desks. In the case of ***** rejected LSRs, these procedures can result in thousands of additional hours of labor, and thousands of dollars in additional expenses, to a CLEC. With increasing volumes of orders, the costs and labor hours expended will be enormously greater even if the rejection rate does not increase beyond 5.9 percent.

17. In response to AT&T's criticism of its requirement that CLECs contact the directory listings help desks to obtain alternative community names, Pacific provided AT&T with a "flat file" of alternative community names on September 11, 2002. Pacific also posted the "flat file" on its website on September 13, 2002. The "flat file," however, is inadequate to resolve the problem, because it simply correlates particular communities to their particular "prestige" community name.[3] The flat file does not provide information that would enable CLECs to determine whether a particular customer *currently* uses a "prestige" community name in its directory listing. Furthermore, rather than set forth the full alternative community names, the flat

[3] A copy of the flat file is attached hereto as Attachment 1. It is AT&T's understanding that Pacific displays on its web site directory listing information from which CLECs could determine whether a particular customer uses an alternative community name. Such a procedure, however, is clearly a denial of parity, because it requires CLECs to access the web site *and* use Pacific's electronic interfaces in order to obtain the accurate ordering information necessary to avoid order rejections. This procedure is clearly more burdensome than that used by Pacific's retail operations, which can use a single interface to obtain all such information, including information regarding a customer's use of a "prestige" community name.

file simply provides abbreviations, which may not be readily identifiable to the AT&T service representative (particularly if the AT&T service representative handling the order is not a California resident). Thus, even with the "flat files," AT&T would still experience order rejections for invalid community names, and would incur additional time and expense in resolving the problems with Pacific.

18. Since receiving the "flat file," AT&T has repeatedly advised Pacific of the inadequacy of the file as a solution and of the need for a satisfactory workaround that would avoid rejections until Pacific can implement a mechanized solution. As an interim "workaround," AT&T suggested that Pacific program its systems so that orders with "invalid" community names would fall out for manual processing by Pacific, at no additional charge to the CLECs. This solution would shift the costs and time incurred to resolve the problem from the CLECs to Pacific, which caused the problem and has access to the necessary information regarding community names. Yet even this workaround is not a sufficient permanent solution, because the manual processing of these orders carries an inherent risk that the order will be delayed or handled inaccurately. Pacific, however, has refused to implement such a workaround, claiming that its listings process does not allow for manual intervention.

19. On September 25, 2002, SBC advised AT&T that it would implement a change request that would allow AT&T to receive alternative community names in response to queries using its pre-ordering interfaces. SBC advised AT&T that it planned to implement this functionality "by the end of October."[4] On September 30, SBC advised AT&T that the "fix"

[4] *See* electronic mail message from Paul Monti (Ameritech) to Walter W. Willard (AT&T), dated September 25, 2002 (attached hereto as Attachment 2).

would be implemented on October 15, 2002. However, based on a description of the "fix" that SBC discussed with AT&T on October 8, 2002, it is apparent that SBC's proposed "fix" will not even address the problem that AT&T is actually experiencing. Specifically, SBC personnel have repeatedly indicated that SBC is designing its "fix" on the assumption that CLECs are using alternative community names on LSRs, and that orders containing such names are being rejected because SBC's systems edit orders for postal community names. Thus, according to SBC, the new functionality will correct its systems to ensure that only postal community names are returned on the address validation function. AT&T's problem, however, is that orders are rejected because of the directory listing. AT&T designates a postal community name that does not match the alternative community name in Pacific's database. Thus, AT&T's problem is precisely the opposite of that apparently assumed by SBC, and the "fix" will not reduce the number of order rejections that AT&T is currently experiencing.

20. In addition to its failure to provide CLECs with access to the alternative community names taken by current end-users, Pacific denies parity to CLECs by failing to provide adequate instructions and guidelines regarding the use of such names in the ordering of new accounts. Given the frequent rejections of AT&T's orders for "invalid" community names, it is apparent to AT&T that the use of "prestige" community names is popular among end-users – and a service that AT&T must be prepared to provide in order to be competitive with Pacific. However, the OSS documentation provided by Pacific provides virtually no guidance regarding the areas where alternative community names are available. Pacific's White Page Listing User Guide provides only one, brief example (involving West Hollywood and Los Angeles), and appears to assume that the CLECs are familiar with the availability of such names. A search by

AT&T found no other documentation that discusses the use of these names on Pacific's web site for CLECs.

21. The lack of adequate documentation regarding the availability of alternative community names puts CLECs at a distinct competitive disadvantage. In addition to experiencing rejection of orders due to the lack of access to existing "prestige" community names, CLECs lack the information necessary to offer such names as an option to their customers. For these reasons, on September 27, 2002, AT&T requested that Pacific prepare, and distribute to CLECs, more complete information concerning the use of these names. To date, however, Pacific has provided no response.

B. Pacific Has Not Provided CLECs With The Assistance Necessary For Proper Implementation Of Its Interfaces.

22. Even if, as designed, Pacific's OSS would provide nondiscriminatory access to CLECs, Pacific has not provided CLECs with the assistance necessary to use the OSS successfully. First, Pacific's Mechanized Customer Production Support Center fails to provide sufficient support to CLECs experiencing problems with the OSS. Second, Pacific has not provided CLECs with a test environment that mirrors actual production.

1. Pacific Does Not Provide CLECs With Adequate Technical Assistance and Help Desk Support.

23. As part of its OSS obligation to "adequately assist competing carriers to use available OSS functions," Pacific must provide sufficient technical assistance and help desk support to assist CLECs in using the OSS, resolving problems, and answering inquiries from CLECs as they occur.[5] Pacific, however, has not done so. To the contrary, it has taken steps that

[5] *See Texas 271 Order*, ¶ 144; *New York 271 Order*, ¶ 26 & n.61.

simultaneously make it more difficult for CLECs to obtain the assistance they need, and impossible for regulators to track Pacific's degraded performance.

24. Pacific originally designated its Local Service Center ("LSC") as the CLECs' primary support entity. The performance of the LSC in providing such support to CLECs is subject to reporting requirements and performance measurements. And, according to Pacific's Application, it is still the LSC that "is responsible for providing pre-ordering, ordering, provisioning, maintenance, and repair services to CLECs in support of their provisioning of telecommunications services."[6]

25. Nevertheless, beginning in late 2000 and early 2001, Pacific began to shift many of the functions of the LSC to a new center, the Mechanized Customer Production Support Center ("MCPSC"). Pacific has never clearly delineated the division of responsibilities, however, between the MCPSC and the LSC. For example, an Accessible Letter disseminated in September 2000 by Pacific stated that CLECs with "inquiries regarding pre-ordering and/or ordering activity via an OSS" should contact the MCPSC through a toll-free number.[7] A draft Accessible Letter that SBC distributed to the CLECs in August 2001 described the function of the MCPSC as "handl[ing] issues related to systems in production," including solving "problems getting orders through."[8] Pacific's application continues the confusion. Pacific broadly defines the function of

[6] *See* Henry Aff., ¶ 4. *See also* Huston/Lawson Aff., ¶ 83 (describing LSC as "a point of contact for CLECs for pre-ordering, ordering, provisioning, and billing").

[7] *See* Accessible Letter No. CLECCSOO-158, dated September 15, 2000 (attached hereto as Attachment 3).

[8] Draft Accessible Letter No. CLEC01-XXX from Southwestern Bell to CLECs, dated August 13, 2001, Attachment at 1 (attached hereto as Attachment 4). The final version of this Accessible Letter (which Pacific issued in February 2002) used similar language. *See* Accessible Letter No. CLECC02-068, dated February 26, 2002, Attachment at 1 (attached hereto as Attachment 5)

the MCPSC as "a CLEC's primary point of contact for clarifying business processes and rules for pre-ordering and ordering transactions for CLECs using SBC's OSS."[9] Pacific further states that the function of the MCPSC "is to support competing carriers by assisting with day-to-day questions and issues raised by the CLECs."[10]

26. SBC has therefore created substantial confusion among CLECs as to whether they should contact the MCPSC, or the LSC, to resolve particular problems. AT&T's experience illustrates the confusion. When AT&T began providing local exchange service on a limited basis in California, the MCPSC advised AT&T that it should always contact the LSC – not the MCPSC – for the resolution of any problems that AT&T experienced in submitting LSRs. However, in a meeting held with AT&T in July 2002, a representative of the MCPSC stated that the MCPSC's previous statement to AT&T had been incorrect – and that CLECs should contact the MCPSC for assistance with ordering problems. According to the MCPSC representative, only in those instances when a CLEC's orders are manually rejected should a CLEC contact the LSC, rather than the MCPSC, for assistance. As recently as August 1, 2002, SBC verbally reiterated to AT&T that CLECs must use the MCPSC for most issues related to pre-ordering and ordering transactions.

27. In addition to the confusion that SBC has created concerning the respective roles of the LSC and MCPSC, the MCPSC's performance often has been inadequate in those

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(stating that the MCPSC "handles questions related to systems and business processes in production," and again stating that the MCPSC's functions include solving "problems getting orders through").

[9] Huston/Lawson Aff., ¶ 83.

[10] *Id.*, ¶ 94.

instances when AT&T has sought its assistance in resolving various OSS-related problems. Since the fall of 2001, the MCPSC has been inadequately staffed, insufficiently knowledgeable, and slow to respond.

28. Part of the problem has been with difficulties just getting through to a representative at the MCPSC. Through June 2002, AT&T experienced extraordinarily long "hold" times – *i.e.*, longer than 1 hour – when calling the MCPSC for assistance regarding a single rejected order. These delays apparently were the result of insufficient staffing at the MCPSC to handle the volume of calls that it receives from the CLECs. For example, in November 2001, after AT&T complained about the MCPSC's poor performance, Pacific acknowledged in a face-to-face meeting with AT&T that there were "staffing and training problems" at the MCPSC. Although Pacific portrays lengthy call hold times at the MCPSC as a one-time phenomenon that occurred in April and May, AT&T experienced such hold times for more than six months prior to that time. The call hold times were even worse during April and May than in previous months, but remained long during June 2002.

29. There is another source of delay at the MCPSC, however, beyond long hold times that also serves to obstruct a CLEC's ability promptly to resolve OSS problems and drive up its costs. For example, the MCPSC representative who answers the phone often lacks the knowledge and experience to resolve the issues raised by AT&T in an efficient and adequate manner. AT&T must then wait until the issue is finally referred to a sufficiently knowledgeable MCPSC representative before the issue can be resolved. Although Pacific describes its MCPSC personnel as "thoroughly trained managers that are expert in business rules and process"

(Huston/Lawson Aff., ¶ 94), AT&T's experience is that they all too frequently lack the training and expertise to deal with the specific OSS problems that AT&T has raised.

30. Because AT&T has experienced the above-described problems with the MCPSC even in connection with the relatively modest volumes of orders that it has submitted to date, AT&T is concerned that the deficiencies in the MCPSC will become greater impediments to AT&T's market entry as the workload of the MCPSC increases. The volumes and types of problems that AT&T will raise with the MCPSC are likely to increase substantially in the future, in view of the increasing volumes of orders that AT&T has been submitting since August, and AT&T's forthcoming migration to LSOG 5. The resulting increase in the MCPSC's workload is likely to delay even further the resolution of issues by the MCPSC, and the provisioning of service to AT&T's customers. As a result, AT&T's reputation for quality service will be harmed, as customers blame AT&T for delays in installing their service.

31. Claiming that AT&T's complaints about the MCPSC are "unwarranted," Pacific contends that: (1) staffing at the MCPSC is adequate; and (2) aside from extended hold times occurring in April and May 2002 following U&E POR implementation, call hold times at the MCPSC have typically ranged from 2 to 7 minutes over the last 9 months, depending on CLEC call volumes and the complexity of the issues presented by callers.[11] As noted above, Pacific's assertions are completely inconsistent with AT&T's experience. Moreover, despite its current claim that the MCPSC is now adequately staffed, Pacific provides no data to show that this is the case. Indeed, no scalability analysis has ever been performed on the MCPSC – in contrast to the LSC. Pacific also has not demonstrated that the MCPSC staff is sufficiently

[11] *Id.*

knowledgeable to handle CLEC inquiries expeditiously. Indeed, AT&T's experience has been that the staff of the MCPSC is generally less knowledgeable than at the LSC.

32. The most troubling aspect of the MCPSC's historically poor performance and Pacific's recent promises to fix the problems, is that all of this is happening outside of the regulatory oversight system that should monitor and govern this crucial aspect of Pacific's performance. As noted above, the MCPSC's performance, unlike that of the LSC, is neither captured by any existing performance measurements nor subject to payments under Pacific's PIP. By choosing to define the MCPSC's responsibilities to overlap those of the LSC, Pacific has effectively eliminated the incentives it would otherwise have to provide prompt and effective support to CLECs. Pacific's insistence that CLECs use a center (the MCPSC) that is not subject to regulatory oversight thus subverts the very regulatory structure on which CLECs must place their confidence that the incumbent monopolist will in fact continue to comply with its obligations to provide nondiscriminatory access to OSS. For example, while AT&T's experience is that hold times have improved at the MCPSC since June 2002, Pacific faces no constraint in returning hold times to the intolerably long intervals that previously characterized the MCPSC. Indeed, Pacific will do so in all likelihood as soon as its section 271 application is granted. Pacific's evasion of its LSC-reporting requirements and refusal to provide CLECs with an enforceable commitment to prompt and effective technical support denies CLECs nondiscriminatory access to its OSS.

2. Pacific Does Not Provide an Adequate Test Environment.

33. The Commission has held that "A stable testing environment that mirrors the production environment and is physically separate from it is a fundamental part of a change management process ensuring that competing carriers are capable of interacting smoothly and

effectively with a BOC's OSS, especially in adapting to interface upgrades."[12] Thus, "prior to issuing a new software release or upgrade, the BOC must provide a test environment that mirrors the production environment," so that CLECs can adequately test the new release.[13] The absence of such a "mirror-image" environment "can result in competing carriers' transactions succeeding in the testing environment but failing in production."[14]

34. The test environment offered by Pacific in California does not mirror the production environment, for two reasons. First, the test environment allows CLECs to perform mechanized testing only for accounts in *Northern* California. Pacific has designated certain wholesale billing account numbers ("BANs") for Northern California, and certain other wholesale BANs for Southern California. Any CLEC operating throughout California will have two BANs – one for the Northern region, and a separate BAN for the Southern region.

35. Whenever AT&T submits an order to Pacific, it must include its correct wholesale BAN on the order. However, some of the LATAs in California are partially in the Northern region and partially in the Southern region. In those LATAs, the BANs that should be used for orders will differ, depending on the particular NPA/NXX involved. Thus, in a LATA that includes parts of both regions, orders for customers with certain NPA/NXXs must use AT&T's Northern California BAN, and orders for customers with other NPA/NXXs must use the BAN assigned to AT&T for Southern California, in order to avoid being rejected. Attachment 6 hereto is a list of NPA/NXXs from such overlapping LATAs.

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[12] *Georgia/Louisiana 271 Order*, ¶ 187.

[13] *New York 271 Order*, ¶ 109.

[14] *Texas 271 Order*, ¶ 132.

36. AT&T has developed tables in its systems that attempt to correlate each particular NPA/NXX with the corresponding BAN that should be used, in order that the BAN information can be electronically populated into the order. However, because some LATAs in California are in both the Northern and Southern regions, AT&T needs to use the test environment to determine whether its data for NPA/NXXs in those LATAs are correct. Because AT&T submits orders electronically in actual production, it can only test its orders for the accuracy of the data in its tables in a similarly electronic test environment.

37. However, the unavailability of the current test environment for mechanized testing of accounts in *Southern* California precludes AT&T from determining whether its BAN information is correct in those LATAs that are located in both the Northern and Southern regions. Instead, any testing of accounts in these LATAs would be primarily manual. Although AT&T would submit the order electronically, SBC would manually analyze the order to determine whether the correct BAN had been populated and would then advise AT&T. This procedure is clearly insufficient, because it provides no indication of whether BANs for particular customers in LATAs overlapping both regions are correct and, thus, whether the orders would be rejected as incorrect by Pacific's electronic systems, in commercial production. This is a significant impediment to AT&T, because the BAN/NPA-NXX relationships required by Pacific are poorly documented. AT&T needs the ability to determine whether the BANS are discerned as correct in the test environment in a manner that mirrors production, so that AT&T can validate that it – and Pacific's electronic systems – are both using the same logic. A manual review addresses only one aspect of this problem, leaving the door open for the possibility that SBC/Pacific Bell's systems may be not be able to correctly discern the BAN.

38. The unavailability of the test environment to conduct fully mechanized testing impairs AT&T in the production environment in a number of respects. For example, because SBC poorly documents the BAN/NPA-NXX relationships and because the table of BANs that are split between the Northern and Southern regions is not easily obtained from SBC, AT&T needs to conduct testing whenever SBC updates or modifies its NPA/NXXs to ensure that SBC has properly advised the CLECs as to which type of BAN (North or South) they should use with the NPA/NXXs. Similarly, when SBC implements a new systems release (as it does about four times each year), AT&T needs to conduct regression testing to ensure that SBC's changes have not corrupted SBC's tables or the underlying logic on SBC's side of the gateway. And, when AT&T itself issues a new, internal release that modifies its systems (as AT&T does about ten times each year), AT&T must be able to perform regression and release testing to ensure that the changes it makes do not corrupt AT&T's tables or underlying logic. Yet, because of the limitations of the current test environment, AT&T will not be able to make these determinations until it uses the OSS in actual production – where its orders may be rejected.

39. Pacific asserts that its test environment reflects the production environment for both Northern and Southern California because "the EDI mapping for formatting an LSR, the system edits, and the business rules for populating an LSR are the same for Pacific's Northern and Southern California operating areas."[15] Pacific therefore concludes that testing the same order scenario for both regions would be "duplicative."[16]

[15] Application at 50 n.47; *see also* Huston/Lawson Aff., ¶ 244.

[16] Application at 50 n.47; Huston/Lawson Aff., ¶ 245.

40. Pacific, however, misses the point. One of the primary purposes of using the test environment is to determine whether a CLEC's interpretation of Pacific's business rules – including account information and the particular BANs designated by Pacific – is correct for a particular order scenario. Without the ability to determine whether it is using the correct BAN for NPA/NXXs in LATAs that overlap both the Northern and Southern regions, a CLEC has no means of determining how an electronically submitted order for service in Southern California will perform in actual production.

41. Second, the test environment does not reflect the production environment that will exist when AT&T converts to LSOG 5. Currently, AT&T is operating under LSOG 3.06. However, AT&T plans to commence testing LSOG 5 with Pacific in December 2002, and to make the actual conversation to LSOG 5 in February 2003. Under Pacific's versioning policy, after the conversion to LSOG 5 occurs AT&T will no longer be able to use LSOG 3.06 to submit orders but will receive responses to orders sent under LSOG 3.06 prior to the conversion.

42. Because it expects to be receiving such responses after the conversion from LSOG 3.06 to LSOG 5, AT&T wishes to ensure that the upgrade of its systems to LSOG 5 will not impede its ability to receive responses under LSOG 3.06. Thus, AT&T will seek to test post-conversion transactions in Pacific's test environment. SBC has refused to allow such testing, saying that in its 13-state test environment a CLEC can be on only one version. Without the ability to conduct such testing, AT&T has no means of determining whether, after the conversion, it will receive proper responses to pre-conversion orders in actual production.

C. Pacific's OSS Are Not Operationally Ready.

43. Even leaving aside the above-described deficiencies in its interfaces and its failure to provide adequate technical assistance to CLECs, Pacific cannot make the necessary showing that its OSS are "operationally ready, as a practical matter." *See Michigan 271 Order*, ¶ 136. Contrary to Pacific's contention (Application at 35-36), neither actual commercial usage data nor the results of the third-party test of its OSS are sufficient to support its claim of operational readiness.

1. Pacific's Support For UNE-P EDI Orders Is Not Operationally Ready.

44. As Pacific states, the Commission has repeatedly held that the most probative evidence that a BOC's OSS are operationally ready is actual commercial usage in the State for which the BOC seeks Section 271 authority.[17] Pacific, however, has not shown that sufficient commercial data exists to evaluate the performance of the OSS in handling UNE platform orders submitted via the EDI ordering interface.

45. The use of the UNE platform is essential to the ability of CLECs to provide local exchange service – particularly to residential customers – in California. Moreover, the experience of local market entry in States such as New York and Pennsylvania shows that EDI is, and must be, the primary ordering interface for CLECs which (like AT&T) seek to provide residential service through the UNE-P on a mass-market basis. Graphical user interfaces ("GUIs"), such as Pacific's "Web LEX" ordering interface, are adequate only for CLECs that are submitting limited volumes of orders. By contrast, EDI is an application-to-application interface

[17] *See* Application at 35; *Delaware/New Hampshire 271 Order*, App. F, ¶ 31; *Alabama 271 Order*, ¶ 129; *Georgia/Louisiana 271 Order*, App. D, ¶ 31; *Kansas/Oklahoma 271 Order*, ¶ 105; *Michigan 271 Order*, ¶ 138.

that (unlike the "Web LEX" interface) can be integrated with pre-ordering functions, thereby enabling CLECs to submit thousands of orders each day. It is undoubtedly because of EDI's advantages that – according to the data in Pacific's application – almost 85 percent of the LSRs currently submitted via Pacific's EDI and LEX interfaces are submitted via EDI.[18]

46. Thus, the operational readiness of Pacific's OSS cannot meaningfully be determined without an assessment of the performance of the OSS in handling substantial volumes of UNE-P orders submitted via EDI. Pacific's application, however, does not provide the data that would be required to make such an assessment. For example, the application does not specify the volumes of UNE-P orders that CLECs have submitted via EDI (as opposed to "Web LEX"), or even the number of CLECs that are currently submitting UNE-P orders via EDI. Instead, Pacific has simply provided data describing the combined volumes of *all* types of orders submitted via EDI (including, but not limited to, UNE-P orders), and the combined volumes of UNE-P orders submitted via both EDI *and* the "Web LEX" interface.[19]

47. Furthermore, and of even greater significance, Pacific's application fails to present any data regarding either the extent to which CLECs are using Pacific's LSOG 5 release to submit UNE-P orders via EDI, or the performance of the OSS in handling those orders. Pacific originally implemented LSOG 5 in April 2002 as part of SBC's OSS Uniform Interface Plan of Record release (pursuant to the conditions set forth in the Commission's *SBC-Ameritech Merger Order*), which implemented uniform interfaces throughout the SBC region. As Pacific states, the

[18] *See* Huston/Lawson Decl., ¶¶ 160-161, 164 & Attachments D-E (showing that in July 2002, CLECs originated approximately 349,000 service orders via Pacific's EDI gateway, and 64,000 service orders via LEX).

[19] *See, e.g.*, Huston/Lawson Aff., Att. D (total usage of EDI, by month) & Att. X-1 (describing total volume of UNE-P orders submitted by CLECs in flow-through analysis).

LSPOR/LSOR 5.00 release was "unprecedented" in size and scope, and affects "nearly all aspects of system design and development."[20]

48. LSOG 5 is thus the release that implements SBC's uniform interface obligation, and is the most advanced release available to CLECs and the one that SBC's most substantial potential competitors may be expected to use. Accordingly, the most telling evidence of the operational readiness of Pacific's OSS would be data regarding UNE-P orders submitted via EDI under LSOG 5. Pacific, however, has presented no data in support of its application that specifically addresses Pacific's performance with EDI under LSOG 5.[21]

49. There is no reason to assume that such data, if they were presented, would demonstrate that Pacific's OSS are operationally ready with respect to UNE-P over EDI. For example, LSOG 5, as implemented in the former Ameritech region served by SBC, has already proven to be seriously defective. When McLeod began testing LSOG 5 in that region in January 2002, it encountered so many problems with the new release that it required 8 months (until September 2002) to submit a total of 37 test EDI cases successfully. If LSOG 5, as implemented in California, contains similar defects, they will not be apparent until after CLECs have converted to the new release. Because Pacific has provided no evidence that CLECs in California have submitted significant volumes of UNE-P orders via the EDI interface using LSOG 5, there is no

[20] *See* Huston/Lawson Aff., ¶¶ 256, 258.

[21] Pacific admits in its application that, despite "extensive" pre-implementation testing with CLECs, CLECs in the SBC region experienced problems with LSOG 5 in using the "Web-LEX" ordering interface, the Enhanced Verigate pre-ordering interface, and the EBTA-GUI maintenance and repair interface. *See* Application at 34-35; Huston/Lawson Aff., ¶¶ 258-264. Nowhere in this discussion, however, does SBC describe its experience with EDI in connection with its LSOG 5 release.

evidentiary basis on which the Commission could find that Pacific's OSS are operationally ready in this critical respect.

50. AT&T's experience does not provide sufficient commercial data for any conclusion that the OSS are operationally ready to provide nondiscriminatory access to CLECs submitting UNE-P orders via the EDI interface under LSOG 5. AT&T only began offering residential service in California on a mass-market basis through the UNE-P (using the EDI interface, LSOG version 3.06, for submitting orders) in August 12, 2002. AT&T is not scheduled to make the transition to LSOG 5 until February 2003. Thus, AT&T's commercial experience to date provides no assurance that the problems that have plagued other CLECs in attempting to use LSOG 5 will not also obstruct AT&T's use of LSOG 5.

51. Finally, Pacific cannot demonstrate that its OSS are operationally ready on the basis of the third-party testing of its OSS by Cap Gemini and GXS. None of that testing involved the LSOG 5 version that is part of SBC's uniform interface and that most CLECs may be expected to rely. Moreover, the third-party testing did not adequately determine the ability of the OSS to handle UNE-P orders submitted through any version of the EDI ordering interface. During the California OSS testing, the vast majority of orders for test products other than the UNE-P were submitted through the EDI interface, rather than through Pacific's "Web-LEX" interface. That, however, was not the case with respect to UNE-P orders. Although the Test Generator submitted 1,021 UNE-P orders, the TG's report indicates that only 62 of those orders – or 6 percent of the total – were mechanized orders. Moreover, the Test Administrator's report states that only 83 UNE-P orders (or approximately 8 percent of the total) were sent via EDI. All of the remaining UNE-P orders were submitted via LEX. Even Pacific acknowledges that only "a

relatively small percentage" of the UNE-P orders submitted during the functionality test "were processed via EDI."[22]

52. The CPUC correctly found that "the lack of comprehensive UNE-P over EDI interface testing during the functionality phase of the OSS was a shortcoming in the test."[23] In fact, this was a *major* failure that precluded the test from serving as a reliable indicator of the performance of the OSS. Although nearly 1,000 UNE-P orders were submitted via the LEX interface during the test, LEX is an interface that was developed solely by Pacific. The EDI interface, by contrast, is developed by both Pacific and the CLEC – and therefore requires comprehensive testing to ensure that the two systems will interact successfully.[24] The need for comprehensive testing of EDI is all the more important because, as above, EDI is the interface used to submit UNE-P orders on a mass-market basis. Thus, in order to be reliable, any third-party testing of the OSS must include a comprehensive evaluation of the ability of the OSS to

[22] *Id.*, ¶ 65.

[23] *See Rulemaking on the Commission's Own Motion to Govern Open Access to Bottleneck Services and Establish a Framework for Network Architecture Development of Dominant Carrier Networks*, Decision 02-09-050, dated September 19, 2002, in CPUC Dockets R.93-04-003, I.93-04-002, R.95-04-043, and I.95-04-044 ("*CPUC Decision*"), at 83.

[24] Pacific suggests that the use of LEX for the submission of most of the UNE-P test orders did not affect the reliability of the test, because "once the LSR is received and accepted by Pacific, the order creation process and provisioning process is identical, regardless of the interface used to initiate the request." Huston/Lawson Aff., ¶ 65. This argument ignores the substantial difference between the interfaces. LEX is an interface developed solely by Pacific. By contrast, the EDI interface is developed by both Pacific and the CLEC, each of which must build its own respective EDI gateway and front-end systems to interface with the gateway. Consequently, comprehensive testing of UNE-P orders on EDI is necessary to determine whether the interaction of Pacific's systems with those of the CLEC is adequate to enable CLECs to submit orders through that interface successfully.

handle orders submitted via EDI. Because it failed to do so, the California OSS test provides no basis for Pacific's claim that the OSS are operationally ready.[25]

2. Pacific's Maintenance and Repair Support Is Not Operationally Ready.

53. AT&T's recent commercial experience also does not provide a sufficient basis on which to conclude that Pacific's maintenance and repair functionality are operationally ready. It is in the area of maintenance and repair that AT&T has encountered the most performance problems by SBC. It is AT&T's experience that many troubles do not occur until a few months after UNE-P service is provisioned. Given AT&T's recent market entry in California, it is too early to use AT&T's commercial experience to evaluate whether Pacific's maintenance and repair functionality is operationally ready.

54. AT&T's concern is amplified, moreover, by the lack of any assurance as to the reliability of the aggregate data on maintenance and repair that Pacific has reported. As discussed in the Declaration of Diane P. Toomey, Susan M. Walker, and Michael Kalb, the audit of Pacific's performance data by PriceWaterhouse Coopers was so flawed that it provides no indication of whether Pacific's reported data are accurate.

55. Cap Gemini's evaluation of maintenance and repair data in its third-party OSS was similarly inadequate. For example, Cap Gemini simply assumed that Pacific was properly excluding certain trouble reports from its reported data in accordance with the applicable performance measurement business rules. Subsequent events, however, have shown the error of making such an assumption. During the recent data reconciliation that it has been conducting

[25]The Commission has stated that where, as here, the third-party test is insufficient in scope or depth, "the Commission will give it minimal weight." *Alabama 271 Order*, App. H, ¶ 31.

with SWBT in Texas, AT&T learned that SWBT was excluding a large number of AT&T's trouble tickets from its reported performance data under a code which SWBT had unilaterally created, and which is not listed as a proper exclusion under the Texas business rules.[26] As a result, SWBT is excluding more orders – and its Texas performance appears to be better than is actually the case. SBC's practices in Texas undermine the reliability of its application of the business rules in California, and preclude a finding that its maintenance and repair functionality is operationally ready.

III. PACIFIC HAS NOT SHOWN THAT IT PROVIDES NUMBER PORTABILITY IN ACCORDANCE WITH CHECKLIST ITEM 11.

56. Number portability is the ability of users of telecommunications services "to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another."[27] In its initial order on number portability, the Commission noted that number portability is essential to meaningful competition in the provision of local exchange services.[28] As the Commission stated:

> [A] lack of number portability likely would deter entry by competitive providers of local service because of the value customers place on retaining their telephone numbers. Business customers, in particular, may be reluctant to incur the administrative, marketing, and goodwill costs associated with changing telephone numbers. As indicated above, several studies show that customers are reluctant to switch carriers if they are

[26] SWBT's improper exclusions of trouble tickets under this code is discussed in greater detail in the accompanying Toomey/Walker/Kalb Declaration.

[27] 47 U.S.C. § 153(30).

[28] *In the Matter of Telephone Number Portability,* First Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 95-116, FCC 96-286, ¶ 28 (released July 2, 1996) (*"First Number Portability Order"*).

> required to change telephone numbers. To the extent that customers are reluctant to change service providers due to the absence of number portability, demand for services provided by new entrants will be depressed. This could well discourage entry by new service providers and thereby frustrate the procompetitive goals of the 1996 Act.[29]

57. Item 11 of the checklist requires a BOC to comply with the number portability regulations adopted by the FCC pursuant to Section 251 of the 1996 Act.[30] Section 251(b)(2) requires all LECs "to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the Commission."[31]

58. Pursuant to these statutory provisions, the Commission requires the RBOCs provide number portability in a manner that allows users to retain existing telephone numbers "without impairment of quality, reliability, or convenience."[32] Pacific's existing number porting process, however, does not currently meet that requirement, because it causes a loss of dial tone for a significant number of AT&T's customers.

59. AT&T relies on Pacific's processing of stand-alone number portability orders for two local service products – AT&T Broadband and AT&T Digital Link. AT&T Broadband is a local voice telephone service offered entirely over AT&T-owned cable facilities in the San Francisco Bay Area and in parts of Los Angeles and surrounding communities in Southern California. AT&T Broadband has been offering this service since the fourth quarter of 1998. AT&T Digital Link service uses AT&T's existing long-distance switches to provide both

[29] *Id.* ¶ 31 (citations omitted).

[30] 47 U.S.C. § 271 (c)(2)(B)(xii).

[31] *Id.*, § 251(b)(2).

[32] *See, e.g.*, 47 C.F.R. § 52.21(k); *Alabama 271 Order*, App. H, ¶ 63; *BellSouth Second Louisiana 271 Order*, ¶ 276.

local and long-distance service to business customers who have a PBX with dedicated local facilities (a T1.5 facility).

60. Customers expect, and indeed, demand, that they retain their existing local telephone number when they switch to either AT&T Broadband or AT&T Digital Link. Their existing telephone number has been given to innumerable family, friends, and customers, is generally listed in the telephone directory, and is often included on the customer's stationery. Given the transaction costs that customers incur without the ability to "port" their existing telephone number from their existing carrier to the new carrier, it is doubtful – absent number portability -- that the customer would be willing to switch services, even for a lower price. Thus, AT&T has spent considerable time and effort to ensure that its part of the number porting process works smoothly by taking into account the needs and requirements of its customers. However, AT&T represents only one half of the equation. Pacific must ensure that its part of the process works equally smoothly, and is similarly designed to deal with the realities of how residential customers behave.

61. When any part of Pacific's systems or processes fails during the number porting process, one of two results occurs. First, if the failure is systemwide, AT&T will be unable to port numbers or to add local service customers.[33] Second, even if the Pacific failure is limited to a single customer, that customer could lose dial tone and thus have no access to local telephone service. Even an individual incident of loss of service can have a substantial negative

[33] For example, in mid-June 2001, one of Pacific's systems used in the porting process (a system known as NetPilot) went down early in the business day. Pacific either had no effective back-up to this system or refused to switch to the back-up. As a result, hundreds of AT&T's orders for number porting were in limbo, and no porting was possible.

effect on AT&T's reputation and ability to win new local customers. Obviously, neither of these scenarios is acceptable in a competitive environment.

62. Both AT&T Broadband and AT&T Digital Link local service require the installation of equipment at the customer's home or premises. Thus, a high degree of coordination is required between the AT&T installation forces and the customer to ensure that a responsible person will be available in the customer's home or facilities at the time of the installation. To schedule these installation appointments at times as convenient to the customer as possible, AT&T offers appointment times beginning as early as 8:00 a.m. and as late as 3:00 p.m. Monday through Friday. On Saturdays, AT&T has offered appointment times from 8:00 a.m. to 5:00 p.m. since SBC agreed to extend Saturday LSC/LOC coverage (at AT&T's expense). Once the customer and AT&T have agreed on an installation appointment time, it is confirmed via written letter and reconfirmed by telephone call one day prior to the scheduled installation.

63. Despite the efforts made by AT&T to agree with the customer on an installation date and time, customers often cancel their appointment, and request rescheduling, on the day of the scheduled installation. In the case of AT&T Broadband, for example, approximately 30 percent of customers reschedule or cancel on the day of installation – often not until the installer shows up at the customer's premises. Similarly, business customers using AT&T Digital Link often decide to cancel a scheduled appointment at the last minute because it proved to be inconvenient to them. Yet, because Pacific's end of the LNP process is highly mechanized and structured, disconnections can be prevented in such circumstances only if Pacific makes equally efficient processes available for this purpose.

64. Unfortunately, Pacific's number portability processes and procedures, described in detail below, have not accounted for this volume of last-minute cancellations and reschedules. Instead, Pacific has provided only a manually intensive process for preventing scheduled disconnections – a process that is often ineffective. As a result, some customers who are switching their service from Pacific to AT&T Broadband and AT&T Digital Link have lost dial tone each month. In some months, between 3 and 5 percent of customers have lost dial tone during the migration.

A. Pacific's Manual Number Portability Process Is Inadequate.

65. The particular procedure used by AT&T, and currently required by Pacific, for ordering number portability varies according to whether: (1) the order is provisioned on the scheduled installation date, without cancellation or rescheduling by the customer; (2) the customer cancels or reschedules the appointment before 1:00 p.m. on the scheduled installation date; or (3) the customer cancels or reschedules after 1:00 p.m. on the scheduled installation date.

66. **Routine Number Portability Orders.** In those instances when a stand-alone local number portability ("LNP") order is provisioned as originally scheduled, AT&T initiates its service request by sending Pacific a Local Service Request ("LSR") via either the LEX or EDI ordering interface. The standard due date interval is 3 business days (with only Monday through Friday counting as "business" days). Because stand-alone LNP orders flow through Pacific's systems, Pacific automatically returns a firm order confirmation ("FOC"). AT&T uses the Frame Due Time process for its stand-alone LNP orders for both AT&T Broadband and AT&T Digital Link. On the LSR, AT&T can either request a specific time for the order to be complete on the due date (for example, 5:00 p.m.) or can allow the order to be completed at the

default time specified by Pacific. Where AT&T does not request a specific FDT, the default time is 10:00 p.m. Monday through Friday, and 5:00 p.m. for those orders with a Saturday due date. *See* E. Smith Aff., ¶ 15. Because AT&T Broadband prefers the cut to occur at a time when the customer is least likely to be inconvenienced, AT&T uses the default time – and, therefore, rarely populates this field in the LSR.[34] Because of the coordination required with business customers using the AT&T Digital Link service, a particular Frame Due Time is often specified.

67. Upon receiving the LSR, Pacific automatically sends a "create" notification to the Number Portability Administration Center ("NPAC"), which is the neutral third party database that administers local number portability throughout the United States. Within 18 hours after Pacific sends its "create" order to the NPAC, AT&T sends its half of the required NPAC transaction request. Once received, the order is "set" in the NPAC and can be activated by the CLEC when its customer installation work is complete.

68. On the date of the scheduled installation, AT&T dispatches a technician to the customer's home, where the necessary equipment is installed and tested. Once the equipment has been satisfactorily installed, AT&T sends an authorization request to the NPAC to activate the number port. At the default time of 10:00 p.m. that evening (or at the FDT specified on the order), Pacific completes its portion of the number port by stripping the customer's telephone

[34] Pacific suggests that the loss of dial tone is a matter of the CLECs' own making, because "CLECs choose the time for their LNP conversions." E. Smith Aff., ¶ 16. This suggestion, however, ignores the critical need of AT&T and other CLECs for the conversion to be as transparent as possible to the customer. Because the conversion will be the customer's first experience with the CLEC's service, loss of dial tone during the service will be perceived by the customer as an inability by the CLEC to render satisfactory performance. That will be particularly the case if the disruption occurs while the customer is actually on the phone. AT&T chose the 10:00 p.m. default time because that is the time when the customer is least likely to be using the phone – and thus least likely to be inconvenienced.

number from its switch. As a result of the combination of the activation of the number with the NPAC and Pacific's stripping of the translation from its switches, inbound calls to the customer's telephone number and outbound calls made from the customer's premise will be routed through AT&T's switch, rather than through Pacific's switch. Once the activation is complete, dial tone to the customer is provided by AT&T, rather than Pacific.

69. When the process works as described above, the porting process is virtually transparent to the end-user, because the customer does not lose dial tone. On the other hand, if Pacific strips the translation from its switches prematurely – that is, before AT&T has activated the number with the NPAC – the customer loses dial tone and will be unable to make or receive telephone calls.

70. **Cancellations and Rescheduling Before 1:00 p.m. on the Date of Installation.** If AT&T determines that it needs to cancel or reschedule a LNP order (driven, as described above, by a customer's request) prior to 1:00 p.m. on the day of the scheduled installation, Pacific's processes require that AT&T send a supplemental LSR noting its "new" requested installation date. Theoretically, if sent to Pacific no less than 4 hours prior to the close of business (5:00 p.m.), this supplemental LSR will allow Pacific to create the necessary internal orders to pull that particular number from the lists of numbers scheduled to port that evening at 10:00 p.m. and to create the necessary new internal orders to have the port process occur on the rescheduled date.

71. In practice, however, this process has not worked efficiently. Supplemental LSRs do not flow through and therefore "fall out" for manual processing. If any delay occurs in the manual processing of the supplemental order, Pacific's systems will proceed

with the previously scheduled process of stripping the translation at 10:00 p.m. that night. In such circumstances the customer loses dial tone, because AT&T has not completed the necessary installation activities and has not "activated" the number with the NPAC. Indeed, because of the significant risks of lost dial tone associated with the manual processing of the supplemental order, Pacific Bell LSC and LOC representatives have advised AT&T against relying on this procedure. AT&T therefore, rarely, if ever, uses this process to cancel/reschedule LNP orders, even when the customer cancels and reschedules an appointment prior to 1:00 p.m. on the due date. Instead, AT&T uses the process (described below) that it must follow when the need to cancel or reschedule arises after 1:00 p.m.

72. **Cancellations and Rescheduling After 1:00 p.m. on the Date of Installation.** Pacific's CLEC Handbook describes several different scenarios that CLECs should use to cancel or reschedule an LNP order on the due date when the request to cancel is made after 1:00 p.m. In general, AT&T follows the process described in Scenario 2, modified slightly as mutually agreed between AT&T and Pacific. *See generally* CLEC Handbook, Number Portability, Section 3.7, Scenario 2.

73. The process used by AT&T is known within AT&T and Pacific Bell as "MAC-open." MAC refers to Pacific's Recent Change Machine Administration Center, which is the organization within Pacific that is responsible for switch translations. Using the MAC-open process, AT&T notifies Pacific of the need to cancel or reschedule a port on the scheduled due date as soon as the need to do so becomes apparent, but no later than 7:00 p.m. from Monday through Friday, and no later than 9:00 p.m. on Saturdays. Notification is made in two ways. First, AT&T calls the Local Operations Center ("LOC") and requests that Pacific stop the port.

In making this verbal request, AT&T identifies the specific telephone number, order number, and PON for the LSR in question. Second, AT&T sends a follow-up fax to the LOC that contains the same information.

74. Upon receipt of AT&T's request, the Pacific LOC is supposed to fax the request to stop the port to the Recent Change Machine Administration Center ("RCMAC"). The RCMAC, in turn, does the necessary work to stop the disconnect from occurring at 10:00 p.m., and creates a jeopardy notice for the order, using the designation of "CNR" (Customer Not Ready). The next business day, AT&T must send a supplemental LSR to reschedule the number port if the rescheduled date is within 30 days of the original due date. For dates more than 30 days from the original due date, AT&T cancels the original LSR and sends a new LSR.

75. However, when Pacific's LOC has been slow to send the fax request to the RCMAC, or if the RCMAC has not promptly done the necessary work to stop the disconnect, the end-user's telephone number has still been disconnected from Pacific's switches at 10:00 p.m. that evening. Because AT&T had not "activated" the number in the NPAC and completed all of the installation work required, the end-user loses dial tone. Generally, the end-user does not discover the problem until the next day, requiring Pacific to "build back" the customer's service – for which Pacific often has charged the end-user. If the outage is not discovered until after noon on the day following the due date, the customer is required to contact Pacific through the "win-back" process and request restoration of dial tone, and may be without dial tone for several days. This is often the case, since the dial tone will not be lost until 10:00 p.m. or later. Many end-users may leave their homes early in the morning and will not discover the problem until the evening of the day following the due date.

76. When it discovers a dial tone outage, the end-user is justifiably upset and irate. In some cases, the customer will cancel the order that it had placed with AT&T for local phone service. At such an early stage in the end-user's business relationship with AT&T, negative experiences are especially damaging. The end-user perceives AT&T to have caused its dial tone outage, when, in fact, the outage is the result of deficient processes that Pacific employs for number portability. Thus, when a dissatisfied end-user migrates back to Pacific, Pacific is benefiting from its own failure to provide adequate processes. Indeed, the end-user will have a negative impression of AT&T specifically and CLECs in general, and may be discouraged from ever attempting to move to any other carrier.

B. Pacific Has Not Established That It Has Implemented the Improvements Necessary To Prevent the Outages Resulting From Its Current Deficient Processes.

77. Since mid-2000, AT&T has repeatedly requested that Pacific make changes to its LNP ordering and provisioning process to minimize, if not eliminate, the unexpected dial tone outages which were occurring.[35] Despite AT&T's requests, and despite constant promises by Pacific that it would implement such changes, Pacific did so only nine days ago.

78. Specifically, AT&T first requested in August 2000 that Pacific implement a mechanized process that would prevent disconnections of a telephone number if the CLEC had not yet activated the number in the NPAC. At that time, Pacific rejected AT&T's request, and claimed that any problems were the responsibility of AT&T for failing to adequately confirm and

[35]Pacific claims that it was "surprised" when, during the April 2001 proceedings before the CPUC, AT&T raised the issue of dial tone outages due to Pacific's inability to process the cancellation of LNP orders on the due date. E. Smith Aff., ¶ 15. Pacific's claim is implausible, since AT&T had first begun raising the issue with Pacific nearly a year earlier. Pacific itself

reconfirm appointment times with the customer. In fact, this was untrue. As described earlier, AT&T makes extensive efforts to ensure customer understanding of and agreement to the scheduled appointment times. *See* ¶ 62, *supra*.

79. In a meeting held with AT&T on April 3, 2001, Pacific finally agreed that its number porting process could be improved by adding a mechanized process that, before disconnecting a number, would "check" with the NPAC to ensure that NPAC had received an activation message from the CLEC. However, Pacific was slow to proceed with the development and implementation of a mechanized NPAC check. For example, Pacific did not provide specific design parameters or any implementation timetable until AT&T demanded that Pacific do so. Pacific then advised AT&T that implementation of the mechanized NPAC check would take 12 to 18 months. AT&T found this timetable unacceptable, because the system changes required to institute a mechanized NPAC check appeared to be relatively simple – particularly since Pacific's ordering and provisioning systems already interacted with its system that receives NPAC activation messages.

80. Despite AT&T's objections to Pacific's proposed timetable, Pacific advised AT&T by letter in October 2001 that implementation of the mechanized NPAC check would be completed in September 2002 – 17 months after Pacific begrudgingly agreed to implement the process. As the CPUC found, Pacific has never satisfactorily explained "why implementation of a mechanized enhancement to the NPAC check should take almost a year," since "a NPAC feed to its system already exists." *CPUC Decision* at 206, 296 (Finding of Fact 252).

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acknowledges that at the time of the CPUC proceedings, AT&T and Pacific were in negotiations "concerning system enhancements to address this specific issue." *Id.*

81. On July 17, 2002, after negotiations with the CLECs, SBC presented to the CLECs a proposal for implementation of a mechanized NPAC check throughout its 13-State region, including California, for POTS and stand-alone LNP orders. Under this functionality, as described by SBC, SBC's systems will automatically delay the disconnect of the number from Pacific's switch for up to 6 days if Pacific's systems have not received the "activate" message from the NPAC by 9:00 p.m. on the due date. E. Smith Aff., ¶ 15. As described by SBC, this functionality – once successfully implemented – generally should be adequate to resolve the problems in its existing systems.[36]

82. Nevertheless, because of the defects in its preexisting processes, which could not ensure that Pacific would not disconnect end-users before a CLEC has completed its installation check, Pacific cannot show that it provides number portability so that "users of telecommunications services [can] retain, at the same location, existing telecommunications numbers *without impairment of quality, reliability, or convenience* when switching from one

[36] As described by SBC in July, however, the new functionality contained one serious flaw. SBC indicated that some jeopardy notices will be returned through Pacific's web site for CLECs, rather than through the LEX or EDI ordering interfaces. The use of the web site for the return of jeopardy notices would impose an unreasonable burden on CLECs, because it would require CLECs to monitor the web site periodically for new jeopardy notices, thereby incurring additional time, effort,, and cost. In addition, Pacific's performance in posting jeopardy notices on its web site could not be captured in the performance measurements, since the current performance measures do not apply to the web site. This is yet another example of Pacific's (and SBC's) attempts to escape regulatory oversight by moving functionality away from systems subject to performance measures and penalties. *See* ¶ 25, *supra* (discussing transfer of responsibilities from the LSC to the MCPSC).

In its Application, SBC now asserts that the mechanized NPAC check will not involve jeopardy notices at all, but simply the provision of "additional status information" on stand-alone LNP orders on its web site, along with the implementation (in March 2003) of "new jeopardy codes and messages to further assist CLECs in identifying their provisioning gaps for LNP activation." E. Smith Aff., ¶ 15 n.16. Whether SBC's assertion is accurate can only be determined through sufficient experience with the newly-implemented NPAC check.

telecommunications carrier to another."[37] Thus, the CPUC properly found that until Pacific shows that it has successfully implemented an adequate, mechanized NPAC check, it cannot be found to be in compliance with Item 11 of the checklist:

> *Mechanization of the NPAC check is crucial.* This enhancement will mechanically delay a Pacific disconnect if the activation of the NPAC porting request has not been completed by the due date. . . . At present, the CLECs do not have certain knowledge of when Pacific will disconnect certain customers, and cannot maintain the integrity of these end-users' dial tones. *The continuing delay of this process presents a critical barrier to entry for the CLECs.*[38]

83. SBC appears finally to have implemented the mechanized NPAC check on September 30, 2002. Because the implementation occurred only nine days ago, however, it is too soon to determine whether the functionality is effective in preventing the types of outages that AT&T's customers have experienced in the past. While AT&T hopes that this mechanized NPAC check will finally put to rest the outage problems that Pacific's manual processes previously caused, , the implementation is so recent that it would be premature to conclude that the new functionality is adequate, or that Pacific has satisfied Item 11 of the checklist. Neither the CLECs, nor the Commission, will be able to make such a determination until the new mechanized NPAC check has been in operation for at least several months.[39]

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[37] *Second Louisiana Order*, ¶ 276 (quoting 47 C.F.R. § 52.21(k)) (emphasis in original).

[38] *CPUC Decision* at 205-206 (emphasis added). *See also id.* at 296 (Findings of Fact 250-253), 314 (Conclusions of Law 84-86).

[39] The CPUC required that, to verify implementation of the mechanized NPAC check, Pacific provide the CPUC with at least 30 days of operational data. *CPUC Decision* at 207, 318. The CPUC's requirement reflects its recognition that mere implementation of the mechanized NPAC

check, without sufficient commercial experience proving the effectiveness, of that functionality, is insufficient to establish compliance with the checklist.

I hereby declare under penalty of perjury that the foregoing is true and accurate to the best of my knowledge and belief.

Executed on October 9, 2002

Walter W. Willard