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March 25, 2005

Ex Parte

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th H Street, SW, Portals
Washington, DC 20554

Re: CC Docket No. 02-53, Presubscribed Inter-exchange Carrier Charges

Dear Ms. Dortch:

On Thursday, March 24, Matthew Bouffard (by phone), Joseph Dibella, Richard Ellis, Shawn Harms, Nathan McCoy, Christine Pickel and of Verizon met with Jennifer McKee, Judy Nitsche, Gene Gold, Steve Morris, Richard Kwiatkowski and R. L. Smith of the Commission to discuss Verizon's concerns with the timeline contained in the Commission's recent PIC Change Charge Order.

In the meeting, Verizon noted that because the billing changes related to this Order are structural changes, they cannot be implemented merely by changing the levels of PIC change charges in rate tables. They will require extensive programming changes to the software in at least nine different service order entry systems in Verizon East and in two in Verizon West, as well as in three billing systems throughout the Verizon footprint.

We noted that the process for making these types of billing software changes is as follows: First, detailed requirements must be defined for each system that must be modified to meet the requirements in the Order, including describing all impacts on existing Uniform Service Order Codes (USOCs), developing new USOCs, writing bill messages, defining bill displays, identifying exclusions and/or exemptions, identifying tax rules in each state, and identifying editing restrictions and developing testing criteria. The requirements include changes to the universal service charges to bill the correct amount for each type of PIC change charge and the business rules/logic to identify the type of change to ensure the correct application of the appropriate non-recurring USOC. Once the requirements are defined, the project is handed off to the Information Technology ("IT") department for requirements analysis, general and detailed application design, coding and testing of the affected software programs. This includes both

algorithmic and table-driven changes. IT schedules a limited number of software releases for changes in service order and billing systems each year, and the project must be fit into a planned release. Verizon implements six major system enhancement releases each year during the “even” months (Feb., Apr., Jun., Aug, Oct., and Dec.). A release cycle totals approximately 200 calendar days. The first 80 days of the release cycle is dedicated to Requirements Analysis and General Design functions. This phase includes Joint Application Requirements Review (JARR) and Joint Application Design (JAD) sessions, system requirements definitions, requirements and design issues identification and resolution, general design documentation and levels of effort at the application level. Releases are “packaged and closed” 120 calendar days prior to the release implementation date to lock down the scope of the release to allow for the creation of integrated detail designs and system dependency management. After package and closure of the release, about 15 calendar days are dedicated to application detailed design, about 60 days for coding and stand-alone application module testing, and about 45 days for integration, traceability, user acceptance, stress/volume, security and Sarbanes-Oxley compliance testing and overall release certification.

Robust and stringent testing methodologies are employed to ensure that all IT releases meet strict reliability and performance objectives to ensure Verizon’s ability to continue customer operations without interruption. The system changes required as a result of the Report and Order will be included in a release which will include hundreds of system changes and enhancements impacting hundreds of applications, interfaces and tables. Verizon cannot file tariffs to implement the rate changes until it has confirmed that the software changes are functioning properly (both independently and in conjunction with all other changes) and that the company is capable of billing the charges correctly for each type of order.

In addition, this change will also require training of approximately 18,000 customer service representatives; developing training materials and completing the actual training is a process which normally takes 60 days.

Verizon suggested a phased-in approach for implementation of the order, with final completion of all aspects anticipated late in the fourth quarter of this year.

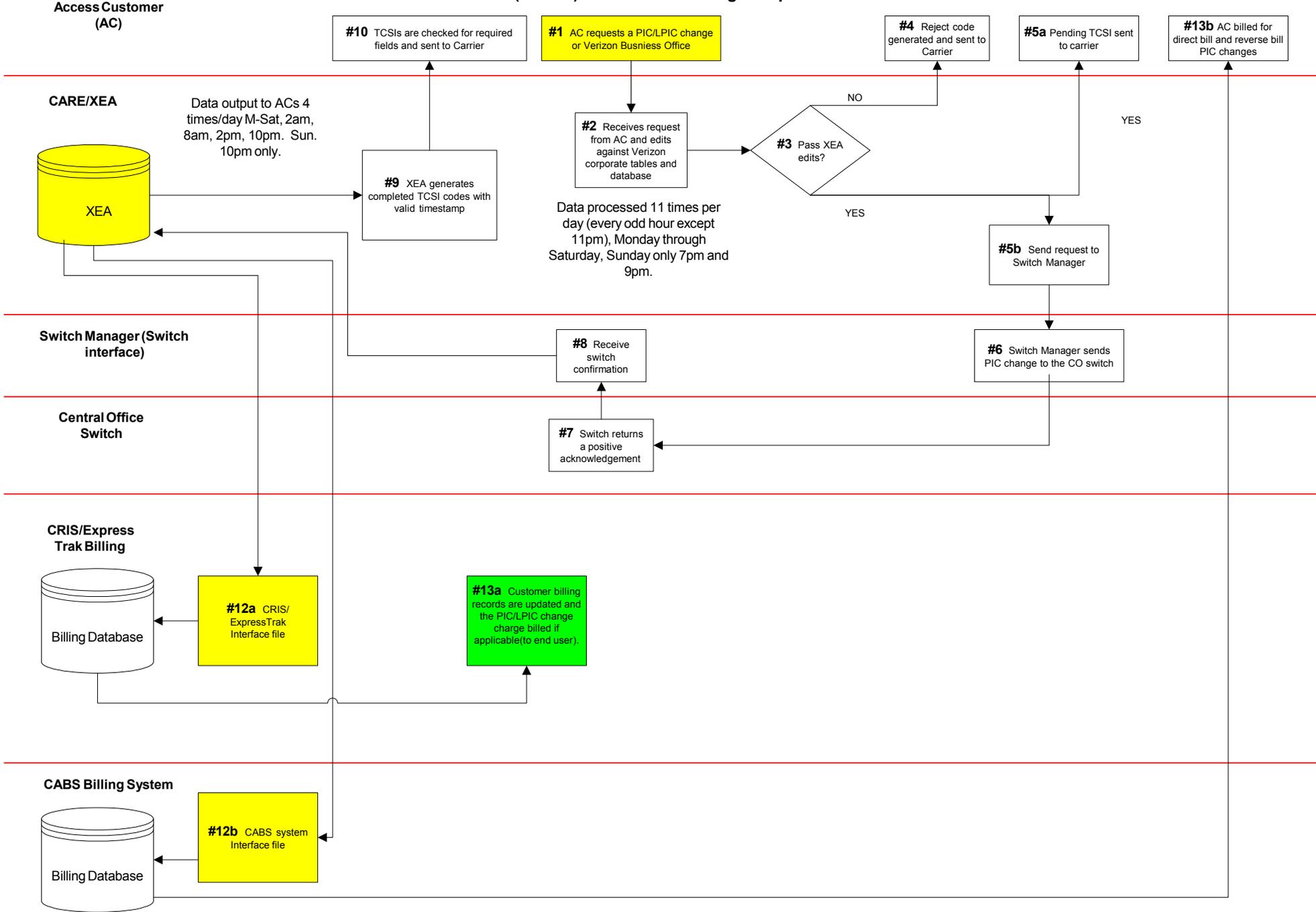
A process flowchart distributed at the meeting is being included with this filing.

Sincerely,

A handwritten signature in black ink that reads "Richard Telli". The signature is written in a cursive style with a large, prominent "R" and "T".

Cc: Jennifer McKee
Judy Nitsche
Gene Gold
Steve Morris
Richard Kwiatkowski
R. L. Smith

Access Customer (Carrier) Initiated PIC Change Requests - Verizon East



Access Customer (Carrier) Initiated PIC Change Requests - Verizon East (XEA)

1. Access Customer (AC) enters a PIC change request directly into XEA via the on-line screen, by paper through the Equal Access Point of Contact (EAPOC) center or by a batch file, which is validated and loaded for processing.

Changes: XEA needs to be able to distinguish between Manual (Verizon business offices submitting PIC changes on behalf of large end users) and Mechanical (electronic AC requests) and differentiate between individual LPIC and PIC changes versus simultaneous LPIC/PIC changes in order to properly rate LPIC/PIC changes correctly for end user billing or CABS (AC) billing.

2. Processing begins with each request being edited by XEA (Xpress Electronic Access), which is the Verizon CARE system. The edits check for validity of the Billing Telephone Number, Working Telephone Number, ACNA/CIC, restrictions, duplicates and freeze conditions by referencing Verizon corporate tables and database.
3. A determination is made by XEA whether or not the request passes the edits and is either rejected back to the AC or sent to the Switch for the PIC/LPIC change.
4. If the request fails, it is rejected back to the Carrier with the appropriate 21xx or 31xx reject code.
- 5a. If the request passes the edits, a pending PIC change TCSI record is sent to the AC.
- 5b. If the request passes the edits, it is sent to Switch Manager for the PIC/LPIC change.
6. Switch Manager sends the request to the Switch for the physical change to take place.
7. The Switch returns a positive acknowledgement with a completed date and timestamp to Switch Manager.
8. Switch Manager passes that confirmation back to XEA.
9. XEA generates a completed notification record to the Carriers involved (20xx code to the gaining AC and 22xx code to the losing AC).

Changes: XEA needs to be able to identify manual/mechanical and simultaneous or individual LPIC/PIC changes for downstream data flow and requirements.

10. A Quality Check Program reviews the record to verify all “required” fields are populated. If it passes, the records are sorted according to Carrier and transmission type and then sent to the Carrier.
11. Once the Carrier has been notified, internal records must be updated and the PIC/LPIC change charge billed, if applicable.

12a. XEA sends the completed PIC/LPIC change record on an interface file to ExpressTRAK, Local EAMI, DOELV5 or NY CRIS.

Changes: XEA needs to be able to establish a way to provide the end user billing interface data in a way the end user can be billed for an individual PIC/LPIC change, manual or mechanical or simultaneous PIC/LPIC change, manual or mechanical.

12b. XEA sends an interface file to CABS to bill the AC when so designated by the AC.

Changes: XEA needs to be able to establish a way to provide the CABS billing system interface data in a way the AC can be billed for an individual PIC/LPIC change, manual (reverse bill) or mechanical (direct bill), or simultaneous PIC/LPIC change, manual or mechanical. XEA reports that provide backup detail for CABS billing must include breakout of mechanical/manual and individual/simultaneous PIC/LPIC changes for use in verifying CABS bills.

13a. Completed orders are generated and sent to update the CRIS or ExpressTRAK database or a direct update is entered in the database. End user is billed for PIC change unless the AC has arranged to be billed for the charge whether it's submitted manually or mechanically.

Change: New Non-Recurring Cost (NRC) for a carrier requested change will need to be hard-coded and passed to the CRIS billing system to ensure the correct NRC is billed.

Change: New Non-Recurring Cost (NRC) for a carrier requested change will need to be hard-coded and passed to the ExpressTrak billing system to ensure the correct NRC is billed.

Change: CRIS billing system will need to amend bill messages to reflect the mechanized change charge on the end users bill.

Change: ExpressTRAK billing system will need to amend bill messages to reflect the mechanized change charge on the end users bill.

13b. Access Customer is billed PIC changes that were generated via mechanical means (AC submitted) or manual means, depending on the agreement with the respective AC.