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REDACTED
FOR PUBLIC INSPECTION

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

In the Matter of	)	
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Application of BellSouth Corporation,	)	
Pursuant to Section 271 of the	)	CC Docket No. 02-35
Telecommunications Act of 1934,	)	
To Provide In-Region, InterLATA Services	)	
In Georgia and Louisiana	)	

JOINT SUPPLEMENTAL DECLARATION

OF JAY M. BRADBURY

AND SHARON E. NORRIS

ON BEHALF OF AT&T CORP.

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OF JAY M. BRADBURY
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ON BEHALF OF AT&T CORP.

1. My name is Jay M. Bradbury. I am currently employed by AT&T Corp. as a District Manager in the Law and Government Affairs Organization.

2. My name is Sharon E. Norris. I currently serve as a consultant with SEN Consulting.

3. As part of AT&T's opening comments in CC Docket No. 01-277, we each filed a Declaration with the Commission on October 19, 2001.[1] In addition, Mr. Bradbury submitted a Reply Declaration on November 13, 2001, as part of AT&T's reply comments in the same proceeding.[2]

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[1] *See* Declaration of Jay M. Bradbury filed October 19, 2001, in CC Docket No. 01-277 ("Bradbury Opening Decl."); Declaration of Sharon E. Norris filed October 19, 2001 in CC Docket No. 01-277 ("Norris Decl."). These declarations describe our respective work histories, current responsibilities, and educational backgrounds.

[2] *See* Reply Declaration of Jay M. Bradbury filed November 13, 2001, in CC Docket No. 01-277 ("Bradbury Reply Decl."). Ms. Norris also submitted a Joint Declaration, and a Joint Reply Declaration, with Cheryl Bursh in CC Docket No. 01-277 on behalf of AT&T regarding BellSouth's performance measurements, performance data, and performance penalty plans.

I. PURPOSE AND SUMMARY OF DECLARATION

4. The purpose of this Joint Declaration is to assess whether BellSouth provides nondiscriminatory access to its operations support systems ("OSS"), as required by the Telecommunications Act of 1996 ("the 1996 Act"). Despite the claims that it makes in its latest application – particularly the joint supplemental affidavit that it submits on OSS[3] – BellSouth remains short of meeting its OSS obligations.

5. Last December, BellSouth withdrew its first Section 271 application for Georgia and Louisiana because the record was clear that BellSouth was not in compliance with its OSS obligations. At the time the application was withdrawn, Chairman Powell stated that "questions remain regarding whether BellSouth has satisfied the rigorous requirements of the statute and our precedents" regarding the adequacy of BellSouth's OSS, including "its change management process and related issues."[4]

6. BellSouth's latest application provides what BellSouth characterizes as an "enhanced showing" that focuses on "four discrete aspects" of its OSS about which the Commission Staff expressed concern – integration, service order accuracy, change control, and the lack of equivalent access to due dates (which BellSouth describes as the "double FOC" problem). Application at 1, 6. Contrary to BellSouth's assertion, however, the "additional materials" that it provides do not "establish beyond legitimate dispute that BellSouth currently is

[3] *See* Supplemental Brief in Support of Application by BellSouth For Provision of In-Region, InterLATA Services in Georgia and Louisiana, filed February 14, 2001, at 2-4, 6-33 ("Application"); Joint Supplemental Affidavit of William N. Stacy, Alphonso J. Varner and Ken L. Ainsworth (""Stacy/Varner/Ainsworth Aff.").

[4] *See* Statement of Chairman Michael Powell on Withdrawal of BellSouth 271 Application, released December 20, 2001.

providing nondiscriminatory access and that it will continue to do so in the future." Application at 6. In each of the areas for which it has chosen to provide "additional materials," BellSouth still fails to meet its OSS obligations. In other areas not discussed in its latest application, BellSouth continues to deny parity of access to its OSS.[5]

7. As described in Part II, BellSouth still fails to provide nondiscriminatory access to pre-ordering functions. BellSouth, for example, still does not provide the parsing functionality necessary to achieve successful, reliable, and efficient integration with a reasonable expenditure of CLEC programming resources. Although BellSouth implemented a parsing functionality for CLECs on January 5, 2002, that functionality – by BellSouth's own admission – still contains a number of flaws and omissions that deny CLECs the same parsing capability that BellSouth has in its own retail operations. BellSouth also has still not shown, after previous unsuccessful attempts to fix its flawed due date calculator, that it provides CLECs with equivalent automated capability for accessing due dates.

8. As described in Part III, BellSouth continues to deny CLECs parity of access to ordering and provisioning functions. As before, BellSouth continues to rely excessively on manual processing of CLEC orders, denying CLECs the same fully automated ordering capabilities as its own retail operations. More than 20 percent of electronically-submitted CLEC

[5] These additional areas, which were discussed in the declarations that we previously submitted in response to BellSouth's previous application, will be discussed here only to the extent that there have been new factual developments (including new data) relevant to those issues since the submission of our prior declarations. We will not discuss the deficiencies in BellSouth's OSS, previously discussed in our previous declarations, that require no further elaboration. The latter include, for example, BellSouth's failure to provide an integratable interface for maintenance and repair, and BellSouth's failure to provide billing completion notices. *See* Bradbury Opening Decl., ¶¶ 148-150, 157-166.

orders fall out for manual processing due to BellSouth's system design or to errors in BellSouth's systems. In addition, by BellSouth's own admission, an additional 6 percent of CLEC orders must be submitted (and processed) manually.[6] This high rate of manual processing adversely affects the CLECs' ability to compete by delaying the return of status notices and the provisioning of service to CLECs' customers, increasing the likelihood of errors in provisioning, and lengthening the times taken by BellSouth's Local Carrier Service Center ("LCSC") to respond to CLECs' status inquiries. These adverse consequences cause a substantial increase in CLECs' costs, while denying them the efficiencies that would otherwise result from their investment in electronic interfaces.

9. BellSouth also renders deficient performance in the areas of service order accuracy and provisioning accuracy. BellSouth's claim that its service order accuracy rates have improved is entitled to no weight, particularly since it has recently -- and unilaterally -- changed its methodology for calculating such rates. Indeed, in its handling of AT&T's UNE-P orders, BellSouth's LCSC continues to make substantial errors in "inputting" manually processed local service requests ("LSRs") into its systems. Similarly, both the KPMG test in Florida and AT&T's experience in submitting UNE platform orders demonstrate that BellSouth is inaccurately provisioning a high percentage of orders.

10. As discussed in Part IV, BellSouth still has not established, or followed, an adequate change control procedure. Although BellSouth now has implemented (or promises to

[6] *See* Stacy/Varner/Ainsworth Aff., ¶ 102. BellSouth reports that approximately 10 percent of CLEC orders are submitted manually and that approximately 40 percent of those orders "could be placed electronically." *Id.* The remaining 60 percent of manually-submitted orders (*i.e.*, 6 percent of all orders) thus cannot be submitted electronically regardless of whether the CLECs would prefer to do so.

implement) a number of modifications in the change control process, none of these modifications removes the fundamental deficiencies in the CCP, including BellSouth's total control over the implementation and prioritization of changes, an inadequate test environment, and BellSouth's frequent disregard of the process in practice. Nor will the modifications reduce the substantial existing backlog of charge requests.

11. As discussed in Part V, BellSouth also has failed to show that its OSS is operationally ready to provide nondiscriminatory access. In the third-party testing of the BellSouth OSS in Florida that it is conducting as part of Florida Public Service Commission proceedings (FPSC Docket Nos. 960786-B-TL and 981834-TP), KPMG continues to find deficiencies in the OSS that deny parity of access. Moreover, because it has been required to repeat its volume testing of BellSouth's systems for "normal" volumes, KPMG has only begun to conduct "peak volume" testing of BellSouth's electronic systems (which BellSouth recently failed), and has not yet performed stress testing. For BellSouth's manual systems, to date KPMG has not conducted *any* of the "peak volume" and stress testing that are necessary to any determination of the capacity of BellSouth's OSS.

II. BELLSOUTH STILL DOES NOT PROVIDE NONDISCRIMINATORY ACCESS TO PRE-ORDERING FUNCTIONS.

12. BellSouth still does not provide nondiscriminatory access to its pre-ordering systems. Although it has implemented new "parsing" functionality since the withdrawal of its previous application, that functionality still does not give CLECs the same ability to fully integrate pre-ordering and ordering functions which BellSouth has in its own retail operations. Similarly,

BellSouth has not shown that it gives equivalent access to due dates, even after the recent improvements it claims to have implemented to its automated due date functionality.

A. BellSouth Still Fails To Provide Equivalent Parsing Functionality To CLECs.

13. The ability to "parse" pre-ordering data is critical to a CLEC's ability to integrate pre-ordering and ordering functions fully and successfully. Without that ability, a CLEC cannot electronically transfer data into the local service request and its own OSS if the data are strung together as a "stream" or block of data – as has been the case for data in the customer service record ("CSR") that CLECs access on BellSouth's pre-ordering interfaces. Instead, the CLEC must re-enter the information from the CSR *manually* into the LSR and its own OSS – a process that is more time-consuming, costly, and error-prone than automated population of data.

14. Because BellSouth's retail operations have the functionality to parse all CSR data and electrically transfer it into an order without manual intervention, CLECs are denied parity if they are denied equivalent capabilities. Bradbury Opening Decl., ¶¶ 27-41. Thus, the Commission has stated that "successful parsing is . . . a necessary component of successful integration." *Texas 271 Order*, ¶ 138.

1. BellSouth's Newly-Implemented Parsing Functionality Does Not Provide Parity of Access To CLECs.

15. BellSouth implemented a new parsing capability for CLECs on January 5, 2002. Stacy/Varner/Ainsworth Aff., ¶ 59. That implementation, however, occurred more than three years since CLECs first requested such functionality, and nearly two years after BellSouth agree to provide it. Bradbury Opening Decl., ¶ 32. In fact, BellSouth ultimately implemented the

capability only after it was ordered to do so by the Georgia Public Service Commission ("GPSC") last October. Bradbury Opening Decl., ¶ 37.[7]

16. More importantly, BellSouth's new parsing functionality has not been shown to provide parity to CLECs. As described below, problems remain with BellSouth's implementation of CSR parsing, including lack of stability in implementation, inadequate "workarounds" for identified defects, and failure to provide a fully fielded parsed CSR.

17. In order to be able to code their systems to the new parsed CSR functionality, CLECs needed to receive new pre-ordering business rules from BellSouth. The provisions of its change control process required BellSouth to provide these rules at least five

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[7] BellSouth was originally ordered to provide parsing by the Florida Public Service Commission ("FPSC") in an order dated June 28, 2001. In that order, the FPSC stated:

> We agree with AT&T that data should be parsed and should be available to AT&T at the same level BellSouth provides itself. In the interim, in order to accomplish parsing themselves, field delimiters and the related rules to apply those delimiters must be provided to the ALEC upon request.
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> * * *
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> Reviewing the dates indicated above, it appears the implementation date for parsed CSRs has been delayed for reasons that are not adequately explained. As noted, the issue of parsing was first brought up in September 1998 and a year later was prioritized for implementation in 2000. In March 2000, the status of the parsing issue was significantly changed when it was changed from being targeted for actual implementation (April 20, 2000) to merely being studied (subteam being formed to perform planning and analysis). June 2000 saw parsing as the number one pre-ordering issue in the CCP, while in September and December 2000 the implementation dates were again moved back. We find these slippages are unreasonable.

See Order No. PSC-01-1402-FOF-TP, issued June 28, 2001, in FPSC Docket No. 00731-TP, *In re Petition by AT&T Communications of the Southern States for Arbitration of Certain Terms and Conditions of a Proposed Agreement With BellSouth Communications, Inc., Pursuant to 47 U.S.C. § 252*, pp. 117-119. BellSouth, however elected to ignore the FPSC's order (most likely because the order did not set a timetable for implementation).

weeks in advance of implementation of the CSR parsing functionality. Because the implementation was scheduled for January 5, 2002, BellSouth was required to provide the rules no later than December 1, 2001. However, BellSouth did not provide the rules until December 15, 2001. *See* Stacy/Varner/Ainsworth Aff., ¶ 74. Thus, CLECs had less than three weeks prior to actual implementation to code their systems and conduct testing of the new functionality to determine whether it was effective. Because of this delay, and the defects in the parsed CSR functionality acknowledged by BellSouth (discussed below), AT&T has not completed its development of the software needed to implement the new functionality.

18. BellSouth seeks to excuse the delay in the issuance of its pre-ordering rules by rationalizing that the "information included in the business rules issued on December 15 had already been provided to CLECs in earlier documentation," and that the new pre-ordering rules are largely a "restatement" of the BellSouth TAG/API Guide that BellSouth published on November 19, 2001. Stacy/Varner/Ainsworth Aff., ¶ 74. As BellSouth is well aware, these assertions are incorrect.

19. Prior to issuance of the pre-ordering rules on December 15, 2001, CLECs made clear to BellSouth – and BellSouth did not dispute – that the then-existing BellSouth documentation was inadequate to enable them to perform the necessary software coding. Thus, prior to December 15, CLECs repeatedly pressed BellSouth to advise them when the

documentation would be issued and submitted numerous questions to BellSouth about the new functionality.[8]

20. Furthermore, the TAG/API Guide published on November 19, 2001 did not contain the specifications that CLECs needed to code their systems to reflect the new parsed CSR functionality. As AT&T pointed out to BellSouth after receiving the Guide, the document did not even contain fields that BellSouth had previously defined as required, or define how various lists of information on the CSR (such as telephone numbers and listed names) were related.[9] Indeed, it would have been illogical for BellSouth to issue the December 15 pre-ordering rules *at all* if BellSouth truly believed that its existing documentation gave CLECs the information that they needed. Throughout this period, however, BellSouth never disputed the CLECs' need for such rules.

21. In any event, experience since the implementation of the new parsed CSR functionality shows that it is defective. In the first place, the implementation of the CSR parsing functionality has not been stable. BellSouth has published nearly two dozen "defect" change requests for the new functionality since it was implemented. Stacy/Varner/Ainsworth Aff., ¶ 74. Although BellSouth describes these defects as "low impact" (*id.*), in fact such defects severely

[8] *See, e.g.*, Stacy/Varner/Ainsworth Aff., Exh. SVA-74 at 2, 4 (minutes of December 10, 2001, CCP meeting); electronic mail message from BellSouth to Bernadette Seigler (AT&T), dated December 10, 2001 (attached hereto as Attachment 1) (responding to AT&T's inquiry as to when pre-ordering rules would be provided); "Parsed CSR Queries," dated December 13, 2001 (attached hereto as Attachment 2) (listing questions asked by CLECs about new parsing functionality through December 13, 2001).

[9] *See* electronic mail message from Bernadette Seigler (AT&T) to BellSouth Change Control Manager, dated November 20, 2001 (attached hereto as Attachment 3); electronic mail message from Bernadette Seigler to BellSouth Change Control Manager, dated November 19, 2001 (attached hereto as Attachment 4).

impair a CLEC's ability to use the parsed CSR information. The defects include incorrect information for key fields associated with the service address, directory listings, directory delivery, and services and features. Any LSRs using such information would be rejected. Moreover, as implemented, the parsed CSR functionality was unable to provide a response message to the CLEC that its query for parsed CSR data had been successful. Without these capabilities, CLECs could not achieve the same degree of efficiency and effectiveness in generating customer orders that is currently available to BellSouth.

22. BellSouth's own conduct belies its characterization of these defects as "low impact." Although BellSouth had up to 120 days to correct these defects under the Change Control Process because it had classified them as "low-impact," it claims to have already corrected 16 defects within weeks after they were discovered, and will purportedly correct the 7 remaining defects by March 24, 2002 – well before the end of the 120-day period. The fact that BellSouth implemented these corrections on an expedited basis – using resources that BellSouth could have otherwise devoted to fixing other, indisputably serious problems in its OSS – plainly reflects a recognition by BellSouth that the defects were not "minor" or "low-impact."

23. BellSouth also contends that the defects in the parsed CSR functionality "all have simple workarounds associated with them and should not have any impact on any CLEC actually desiring to use this capability." *Id.*, ¶ 67. That is incorrect. The workarounds for these supposedly "low impact" defects place a significant burden on CLECs. Each workaround requires the CLEC to manually determine whether the CSR it has retrieved is impacted by the defect (because, if the CLEC does not do so, its order may be rejected). If it determines that the CSR impacted by the defect, the CLEC must then manually determine the correct information and

input it (again, manually) into the LSR. A table describing the workarounds for the seven defects in the parsed CSR functionality that, by BellSouth's own admission, have not been implemented is attached hereto as Attachment 5. Requiring the CLECs to perform these burdensome workarounds is plainly a denial of parity, since BellSouth's retail operations are not required to perform them in order to auto-populate CSR information on an LSR.

24. BellSouth contends that it corrected 16 of the defects by February 4, 2002, and has scheduled implementation of corrections to the seven remaining defects for its March 24, 2002, release. Stacy/Varner/Ainsworth Aff., ¶ 67. It is premature; however, to assume that even the corrections to the 16 defects are in fact effective, since scarcely more than three weeks have passed since the last of them were implemented.

25. Moreover, the seven defects yet to be implemented all involve directory listings and directory delivery – which are critical information to a CLEC, notwithstanding BellSouth's characterization of them as "low impact defects." *Id.* CLEC orders for directory listings have historically experienced higher rejection rates than other types of orders, because BellSouth's rules for ordering such listings are complex and arcane. If a CLEC could simply parse the original directory listing in the CSR and auto-populate the information into the LSR, the likelihood of such rejections would be substantially reduced. Furthermore, BellSouth has advised the CLECs that they must use the information in its listed name field from the directory listings section (the subject of one of BellSouth's pending defect change requests) for the "End User Name" field on every LSR that they submit. Requiring the CLEC to manually populate this information into the LSR would increase the likelihood of order rejections.

26. Implementation of fixes for the seven defects to the parsed CSR acknowledged by BellSouth would also likely require updates or changes to the BellSouth specifications that accompany the software programming. Accurate and stable specifications are necessary in order for CLECs to develop the code required on their end to test and utilize BellSouth's CSR parsing functionality. Without a stable set of specifications to work from, CLECs such as AT&T cannot develop – and will not dedicate scarce resources to attempting to develop – the necessary software. Thus, it will be some time before it can be determined whether the defects acknowledged by BellSouth have been fixed.

27. Even leaving aside the BellSouth-acknowledged defects, the parsed CSR functionality implemented by BellSouth is defective because it does not fully implement the specifications for such functionality (which were based on the industry standard parsed CSR functionality) that had been developed in meetings between BellSouth and the CLECs in late 2000.[10] Contrary to BellSouth's assertion, the specifications document that it developed with the CLECs was not simply a "guide for the development of further requirements by BellSouth." Stacy/Varner/Ainsworth Aff., ¶ 78. BellSouth agreed to the specifications set forth in the document at the time of its meetings with the CLECs; in fact, BellSouth's published schedule at the time called for implementation of the functionality in May 2001. BellSouth simply reneged on its commitment later, and unilaterally published its own set of specifications. CLECs certainly would not have expended the considerable time and effort that they devoted to developing these specifications with BellSouth in late 2000 if they had regarded the agreed-to document as a mere

[10] *See* Bradbury Opening Decl., ¶ 33; Stacy/Varner/Ainsworth Aff., ¶ 78; Affidavit of William N. Stacy filed October 2, 2001, in CC Docket No. 01-277 ("Stacy Aff."), ¶ 222.

"guide" that BellSouth was free to disregard. They were negotiating specifications that, at the time, BellSouth had scheduled for implementation only a few months later.

28. BellSouth's explanations for its failure to parse and return all of the agreed-to specifications simply do not withstand scrutiny. *See* Stacy/Varner/Ainsworth Aff., ¶¶ 78-85. For example, BellSouth claims that it did not include 14 fields of information because "the related fields on the BellSouth CSR are not in LSOG 4 format, and, therefore, are not 'parsed' into a LSOG 4 format field." *Id.* ¶ 84. These fields are significant to the types of orders placed by AT&T and other CLECs. They involve, for example, hunting information, type of service, end user name, style code, type of account, and listing name placement. *Id.*

29. BellSouth's explanation that it did not include these fields because they are not in LSOG 4 format simply begs the question. Nothing prevents BellSouth from parsing these CSR data in such a way that they will be meaningful and useful to the CLECs, regardless of whether it is in LSOG format. Even if the information is not in an LSOG 4 format, the CLEC could convert the information to that format if it was necessary to do in order to use the information in an LSR.

30. BellSouth also asserts that it did not include the 14 fields because, "if the BellSouth CSR contains a piece(s) of information that cannot be matched to a field on the LSOG 4 pre-ordering field list, BellSouth has not parsed that field." *Id.* However, the table that appears after BellSouth's assertion, which lists the 14 LSOG 4 pre-ordering fields for this information,

acknowledges that the relevant information for 11 of the fields "may be obtained from the parsed and/or unparsed fields contained in the [BellSouth] CSR." *Id.*[11] Those fields are:

TOS – Type of Service

NAME – End User Name not for directory delivery

LST – Local Service Termination

DGOUT – DID Digits Out

HNTYP – Hunting Type

HTSEQ – Hunting Sequence

SGNL – Signaling

STYC – Style Code

TOA – Type of Account

LPNL – Listed Name Placement

BRO – Business/Residence Placement Override

Because the data for these fields are already in BellSouth's CSR, there is no reason why BellSouth cannot provide the data in the parsed CSR. In fact, Southwestern Bell, Ameritech, and Verizon already parse all or most of these fields. A matrix describing the specific fields parsed by these RBOCs is attached hereto as Attachment 6.

[11] In an affidavit that he filed with the Georgia Public Service Commission (in GPSC Docket No. 6863-U) on February 25, 2002, BellSouth's witness Stacy listed LTXNUM (List of Text Reference Number) as an additional LSOG 4 pre-ordering field for which the relevant information "may be obtained from the parsed and/or unparsed fields contained in the BellSouth CSR." *See* letter from Sean A. Lev to William Caton in CC Docket No. 02-35, dated February 27, 2002, Attachment A (Affidavit of William N. Stacy), ¶ 47. By contrast, BellSouth's February 14 application lists LTXNUM as a field "for which there are no corresponding fields on the BellSouth CSR." Stacy/Varner/Ainsworth Aff., ¶ 83.

31. Recent actions by BellSouth show that it can parse the 11 fields. On February 7, 2001, BellSouth filed two change requests (CR 0651 and CR 0652) for implementation of six of the 11 fields in question: (1) HNTYP; (2) HTSEQ; (3) DGOUT; (4) STYC; (5) TOA; and (6) BRO. These change requests (copies of which are attached hereto as Attachments 7 and 8) demonstrate that the BellSouth CSR contains information for these fields that matches the descriptions of the LSOG 4 field, even though the information is not fielded in this manner in the CSR.[12] Thus, BellSouth did not include this information in the original parsing functionality simply because it chose not to do so.

32. Finally, BellSouth's parsed CSR functionality is defective because it can only be used by CLECs using the machine-to-machine EDI or TAG interfaces for ordering – and only if such CLECs use TAG for pre-ordering. BellSouth's LENS and RoboTAG™ interfaces (which are GUIs) do not allow a CLEC to independently integrate anything from the CSR into the LSR. Thus, a CLEC submitting LSRs via the LENS or RoboTAG™ interface is still required to re-enter CSR data manually in an LSR.

33. BellSouth contends that testing by Telcordia Technologies and Exceleron verified that the parsed CSR functionality "functions as specified." Stacy/Varner/Ainsworth Aff., ¶ 60. The question, however, is not whether the functionality functions "as specified" by BellSouth, but whether it provides the same full parsing capability that BellSouth's retail operations have. Even a cursory review of the results of that testing shows that neither Telcordia nor Exceleron examined the latter issue. *See id.*, Exhs. SVA-19 – SVA-21.

[12] Consequently, the column in BellSouth's table marked "Field Retained as BST CSR" is misleading. Stacy/Varner/Ainsworth Aff., ¶ 74. Although BellSouth's CSR does not include the fields with the matching LSOG 4 field name, it does include the information that the field calls for.

34. Furthermore, BellSouth's "evidence" regarding the Telcordia test does not show that the test was reliable even within its limited objective. Telcordia's test cannot be considered truly independent, since it was retained by BellSouth. *Id.*, ¶ 61 & Exh. SVA-19. Section 1. Moreover, as the vendor of the Telecommunications Access Gateway ("TAG") being used to transport the test parsed CSR, Telcordia had a potential conflict of interest.[13] Telcordia also had a potential conflict because it supplies the ServiceGate Gateway that BellSouth uses in the processing of xDSL orders, and because it is affiliated with Science Application International Corporation ("SAIC"), the company that BellSouth has hired to provide "technical assistance" to CLECs. *See* Stacy/Varner/Ainsworth Aff., ¶ 23.

35. Even leaving aside its lack of impartiality, the testing by Telcordia proves little, if anything, about the adequacy of the parsed CSR functionality. Telcordia's report on its testing, for example, indicates that Telcordia parsed only 43 of 88 fields on the parsed CSR (less than 50 percent of the total) and electronically populated in an LSR only 13 of those fields (*i.e.*, only 15 percent of the total number of fields) into the LSR. *Id.*, Exh. SVA-19, Att. B, Section 5.1. An ideal reliable test, however, would determine whether *all* of the fields can be parsed, and (even if they can be parsed) whether *all* such fields can be populated onto an LSR.

36. Although ideal testing is often considered too expensive, common practice in the software industry generally considers testing of less than 85 percent of possible scenarios to be

[13] BellSouth's Application fails to note that Telcordia does not actually provide BellSouth's parsed CSR to the customers of its ExchangeLink Service – as one would expect if the parsed CSR functioned as well as BellSouth describes. *See* Stacy/Varner/Ainsworth Aff., ¶ 29 (describing "Telcordia's clearinghouse service, ExchangeLink"). As Telcordia admits in its test report, the TAG interface has not been upgraded to support TAG 7.7.0.1, which is the minimum level at which the parsed CSR can be supported. *Id.*, Exh. SVA-19 at 1 n.2.

inadequate. As Telcordia points out in its report, it did not perform auto-population of any directory listing data as the "trigger" for that operation, because the LTN field had not been provided by BellSouth's parsed CSR at the time of the test. *Id.*, Att. B, fn. 1. These data covered approximately 20 fields. *Id.*, Section 3 and Att. B, fn. 1. Significantly, many of the defects in the parsed CSR functionality subsequent to the January 5, 2001 implementation deal with information contained within the directory section of the CSR. Furthermore, aside from automatically populating Hunt Group ID data, Telcordia manually populated information related to Hunting into the LSR. *Id.*, Section 1 fn. 4.

37. The testing of the parsed CSR capability by Exceleron (a software vendor) also lends no support to BellSouth's position. Exceleron did not actually test the parsed CSR functionality implemented by BellSouth. The agreement between BellSouth and Exceleron makes clear that Exceleron only [**********
**********]. *See* Stacy/Varner/Ainsworth Aff., Exh. SVA-20 at 7. [**********
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**********]. [14]

[14] Even leaving aside the limited scope of the Exceleron test, the BellSouth-Exceleron test agreement and the Exceleron test summary provide no basis for concluding that BellSouth's parsed CSR functionality operates "as intended" by BellSouth. Neither document describes such critical information as the methodology used in the test, the number of test cases that were used, or the results of the test. *See id.*, Exhs. SVA-20 and SVA-21. The test summary states only that "Exceleron utilized BellSouth documentation and required no additional assistance with [the] development of parsed CSR." *Id.*, ¶ 64.

38. BellSouth also argues that Birch and BellSouth recently tested the parsed CSR as part of Birch's test of its upgraded TAG interface. *Id.*, ¶ 66. However, the specifications for Birch's test make clear that, like the Telcordia test, the Birch test [**********

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Id., Exh. SVA-22 at 2.

39. In short, the tests of Exceleron and Birch demonstrate only that [*********

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**********], their testing does not (and cannot) demonstrate that BellSouth can generate an accurate and complete parsed CSR from the parsed CSR functionality that BellSouth has actually implemented in its production OSS and transmit that CSR to a CLEC.

40. Evidently recognizing the flaws in its parsed CSR functionality and the testing of that functionality, BellSouth asserts that "The lack of a parsed CSR in the past would not have prevented any CLEC from submitting an LSR to BellSouth." *Id.*, ¶ 86. This argument is a red herring. Although the lack of a parsed CSR functionality may not preclude a CLEC from submitting an LSR *altogether*, it requires a CLEC to populate the CSR information into the LSR

manually. That process causes delay, increases the likelihood of errors (and order rejections), and increases a CLEC's costs – and is thus a denial of parity, because BellSouth's retail operations can parse CSR data and transfer it electronically into an LSR.[15]

41. Remarkably, BellSouth suggests that the parsed CSR functionality is of little value to CLECs because, in migrations of end-users from BellSouth to a CLEC, the information on a CSR (whether parsed or unparsed) "is only useful in discussing the options with the end user, since little or not [sic] information from the CSR is needed to complete the LSR." *Id.*, ¶ 89. BellSouth's argument, however, is misplaced, because it focuses only on two types of orders – "migrations as is" and "migrations as specified." *Id.* BellSouth totally ignores the CLECs' needs of parsed CSR information for additional business needs. Like BellSouth, CLECs need to store CSR data in their own systems and databases to maintain customer records and perform various services (such as billing and maintenance) for the customer after the customer's service is first installed. And, like BellSouth, CLECs must be able to electronically populate the data from the CSR into their own databases in order to be able to store it efficiently, even when the customer is acquired through a simple "migration as is" order. Without that ability, the CLEC could store the

[15] *See, e.g.*, *Second Louisiana 271 Order*, ¶ 96 (when CLECs must manually populate information on LSRs, rather than automatically populate the information like BellSouth's retail operations, "the additional costs, delays, and human errors likely to result from this lack of parity 'have a significant impact on a new entrant's ability to compete efficiently in the local exchange market and to serve its customers in a timely and efficient manner'") (quoting *South Carolina 271 Order*, ¶ 156); *New York 271 Order*, ¶ 137 ("[w]ithout an integrated system, a competing carrier would be forced to re-enter pre-ordering information manually into an ordering interface, which leads to additional costs and delays, as well as a greater risk of error"); *Texas 271 Order*, ¶ 152 (inability to integrate, including inability to parse, "may place competitors at a disadvantage and significantly impact a carrier's ability to serve its customers in a timely and efficient manner").

information only by entering it manually in the CLEC's systems – a task that would be extremely costly and time-consuming when the CLEC serves customers on a mass-market basis.

42. Furthermore, although BellSouth suggests that CSR information is "only" useful for discussions with customers, such information is critically important to a CLEC in determining a customer's needs and in developing proposals to the customer (particularly when the customer is a large business). The CSR is the only available source, for example, of information concerning the customer's services, equipment, and directory listing that is necessary to pre-qualify a customer for the CLEC's services. Without a parsed CSR, the CLEC has no choice but to populate such data manually into the LSR and its own databases.[16] Only if the CSR is electronically available in parsed format can the CLEC enjoy the same effectiveness and efficiency that BellSouth enjoys in dealing with its actual or prospective retail customers.

2. BellSouth's Alternative Argument That It Has Provided CLECs With the Ability To Develop Parsing Capability Independently Is Without Merit.

43. In addition to citing the recent implementation of its parsed CSR functionality, BellSouth argues that it has provided CLECs with the resources to "successfully integrate" pre-ordering and ordering functions. *See* Stacy/Varner/Ainsworth Aff., ¶¶ 8-38. The Georgia PSC clearly rejected this argument last October, when it ordered BellSouth to provide

[16] This situation is therefore different from in the parsing situation addressed in the Commission's *Texas 271 Order*. In that case, CLECs were unable to parse service address information from the pre-ordering address validation function in SWBT's pre-ordering interface. However, CLECs were able to obtain the address information electronically from the CSR and auto-populate it into their LSR to the extent that such information was required. *Texas 271 Order*, ¶ 155. By contrast, much of the information in the CSR cannot be obtained from other pre-ordering functions. Even leaving this fact aside, the *Texas 271 Order* only addressed the need for parsing in the ordering context, rather in the broader context of a CLEC's need for such data in the context of its internal business operations.

parsed CSR functionality by January 5, 2002 as a condition of its approval of BellSouth's previous application.[17] It is also plain that the Commission did not accept BellSouth's argument in CC Docket No. 01-277, since BellSouth describes "integration" as one of the concerns of the Commission Staff that led it to withdraw its previous application. Application at 1, 6.

44. Although BellSouth repeatedly describes the issue as one of "integration," "integration" is a broad term describing the general ability of CLECs to transfer pre-ordering data electronically into an LSR. The degree to which a CLEC will be able to populate pre-ordering information electronically into an LSR will depend on the extent to which BellSouth has given CLECs the ability to integrate.

45. BellSouth states that the process of integrating application-to-application interfaces "can only be accomplished by the CLECs themselves." Stacy/Varner/Ainsworth Aff., ¶ 24. This statement is, at best, highly misleading. If BellSouth has not given CLECs all of the resources (including documentation) necessary to integrate pre-ordering and ordering functionalities, they will be able to integrate these functions partially – or not at all. If BellSouth's resources enable CLECs only to auto-populate *some* fields on *some* LSRs, that does not constitute the *full* and *successful* integration that is required for parity of access to exist. Thus, the fact that a CLEC can achieve *some* integration does not mean that it can parse a CSR in a manner equal to that which exists in BellSouth's processes.

46. BellSouth clearly has not provided CLECs with the ability to independently develop their own CSR parsing functionality. Such independent development by a CLEC would

[17] The Florida PSC rejected BellSouth's argument even earlier, in its July 28, 2001, order. *See* fn. 7, *supra*.

be extremely difficult, if not impossible, under any circumstances. BellSouth itself has acknowledged the difficulty of developing parsing functionality. In explaining the long time that BellSouth took to implement its own CSR parsing functionality (notwithstanding the existence of industry standards for such functionality), BellSouth's witness Stacy testified that "The programming complexities and system interdependencies for this particular development preclude a simple implementation of industry standard parsing." Stacy Aff., ¶ 223. If the development of parsing functionality was difficult for BellSouth, it would be even more difficult for CLECs, who would be dependent on BellSouth to provide business rules and other assistance that CLECs would need even to attempt such development. Bradbury Opening Decl., ¶ 38 n.17.

47. The independent development of parsing functionality by a CLEC would also be extremely costly and inefficient. Even if a CLEC was able to develop such functionality, it would be required to perform reprogramming each and every time BellSouth made any changes in its systems. Absent such reprogramming, the likelihood of order rejections would increase. (By contrast, the parsed CSR functionality used by BellSouth's retail operations automatically reflects any changes made to its systems.)

48. Even leaving these facts aside, the various "resources" that BellSouth claims to have provided to CLECs do not give CLECs the ability to develop parsing functionality. *See* Stacy/Varner/Ainsworth Aff., ¶ 8. First, BellSouth cites the various documents that it has provided to CLECs. *Id.*, ¶¶ 10-19. These documents, however, consist of thousands and thousands of pages. Nowhere in its Application does (or can) BellSouth describe the specific pages or sections of these documents from which CLECs could derive the information that would enable them to parse CSR data independently. Moreover, some of these documents (such as the

CSR Job Aid and the Pre-Order to Firm Order Mapping Matrix) were promulgated on March 30, 2001 – nearly a year ago – and are therefore not current. *Id.*, ¶ 15.

49. Second, BellSouth cites letters submitted by four CLECs – Access Integrated, Exceleron/GoComm, ITC DeltaCom, and Momentum Business Solutions – as "evidence showing that they have successfully integrated the TAG pre-ordering interfaces with the TAG or EDI ordering interfaces." *Id.*, ¶ 21; *see also id.*, ¶¶ 25-28. None of these letters, however, supports BellSouth's position that it has provided CLECs with the ability to develop CSR parsing functionality on their own.

50. Access Integrated, for example, simply states in its January 29, 2002 letter – without further explanation -- that it "is able to parse the CSR received from BellSouth, enter it into its local database, and utilize that information to electronically populate the LSR." *Id.*, Exh. SVA-3. Access provides no indication of the extent to which it can parse CSR data. Moreover, the statements by Access Integrated were based on barely two months of commercial experience.[18] By contrast, in the Texas 271 proceeding, at least one of the CLECs upon which the Commission relied with respect to integration claimed ten months of experience. *See Texas 271 Order*, ¶ 155 & n.417.

51. Exceleron/Go Comm does not even claim that it has parsed CSR data, but simply makes the bald assertion that it has "integrated BellSouth's pre-order with [its] production ordering system" -- and only "for resale." Stacy/Varner/Ainsworth Aff., Exh. SVA-4. In fact, Exceleron/GoComm advised the Commission last December that GoComm had integrated the

[18] *See* Stacy/Varner/Ainsworth Aff., Exh. SVA-6 (stating that Access has used pre-ordering and ordering software "successfully in the commercial arena" since November 27, 2001).

TAG pre-ordering interface only with "a *limited* segment of TAG ordering interfaces," and that it was unable to integrate "complex business orders." *Id.*, Exh. SVA-7 (emphasis added). Moreover, according to data in BellSouth's Application, GoComm has submitted [********** ***] orders per month from September through December – and thus clearly has not had sufficient commercial experience to support its claim of integration. *Id.*, ¶ 30.

52. Although BellSouth also relies on ITC DeltaCom, that CLEC advised the Commission last December that it "has integrated pre-ordering and ordering functions for *one platform (TAG)* on a *limited basis*" and has been able to generate only "certain" resale and UNE-P orders "on an integrated basis." ITC DeltaCom confirmed that "it does not enjoy the same level of functionality through its proprietary, 'makeshift' interface, as that enjoyed by a BellSouth retail representative." *Id.*, Exh. SVA-8 at 1-2 (emphasis added). ITC DeltaCom was able to achieve even that limited degree of integration only after it hired an "employee who had retired from a thirty year career with BellSouth Telecommunications, Inc. [and who used] her knowledge and experience with BellSouth" to help ITC DeltaCom "develop its own proprietary software" to "'parse' pre-order information into English." *Id.* And even with an experienced former BellSouth employee, ITC DeltaCom was unable to "adapt [its] . . . software to be of use for facilities or complex products (*i.e.*, Centrex) orders," including products and services upon which CLECs necessarily rely in establishing a viable entry plan. *Id.* at 2. Indeed, in a presentation made before the Florida PSC on February 18, 2002, ITC DeltaCom reiterated its position that it had been able to integrate only on a limited basis, and stated that BellSouth's parsed CSR contained a defect (hunting) "critical" to DeltaCom.[19]

[19] A copy of DeltaCom's presentation is attached hereto as Attachment 9.

53. Finally, in its February 5, 2001 letter to Mr. Stacy, Momentum states only that it is able to "parse the CSR received from BellSouth, enter it into our local database, and utilize that information to auto-populate *parts of the LSR.*" *Id.*, Exh. SVA-5 (emphasis added). Momentum's letter thus indicates that Momentum has been able to successfully parse only some unspecified *parts* of the CSR.[20] Momentum confirmed that fact in an *ex parte* that it filed with the Commission last December, stating that it had only achieved "limited" integration and complaining that its attempts at integration had resulted in an "error rate which [Momentum] consider[s] unacceptable." *Id.*, Exh. SVA-9 at 1. If anything, Momentum's letters undermine, rather than support, BellSouth's claim that it is providing the required full integration necessary for nondiscriminatory access to the OSS.[21] Even Momentum's claim of limited integration/parsing is unsupported by sufficient commercial experience, since BellSouth's data

[20] The letters submitted by Access, Go Comm, and Momentum are striking in their similarity. For example, the letters submitted by Exceleron/GoComm and Momentum in December 2001 use remarkably similar phrasing, as if they were penned by the same hand. *Compare* Stacy/Varner/Ainsworth Aff., Exh. SVA-7 with *id.*, Exh. SVA-9. The February 2002 letters from Access Integrated and Momentum also use very similar language, except in one significant respect: although Access Integrated asserts that it uses parsed CSR information "to electronically auto-populate the LSR," Momentum used the phrase "to auto-populate parts of the LSR" instead. *Id.*, Exhs. SVA-3 and SVA-5.

[21] BellSouth cites Access Integrated's low rejection rates as proof of "successful" integration. *See* Application at 12; Stacy/Varner/Ainsworth Aff., ¶¶ 30-31. As BellSouth admits, however, rejection rates are much higher for other CLECs that it claims to have integrated successfully. *Id.*, ¶ 32. One of those CLECs, Momentum, advised the Commission last December that its rejection rate was "unacceptable." *Id.*, Exh. SVA-9. The variations in rejection rates show, at most, that CLECs differ from each other in their business plans, order mixes, employee training, and the degree to which they make mistakes on orders. In any event, BellSouth cannot consistently argue that each of these CLECs has "successfully integrated" and then point to variations in rejection rates among them as proof of integration.

indicate that Momentum has submitted [**********] LSRs per month between September and December. *Id.*, ¶ 30.[22]

54. Third, BellSouth relies on the "integration testing" performed by KPMG in Georgia. *Id.*, ¶¶ 35-38. However, the two letters from Michael Weeks of KPMG on which BellSouth relies do not support its claim that KPMG "tested CLECs' integration capabilities, and integrated its own pre-ordering and ordering functionality in order to submit orders in the functional part of the Georgia Third-Party Test." Application at 14; *See* Stacy/Varner/Ainsworth Aff., Exhs. SVA-12 and SVA-13.

55. As previously indicated, the critical issue for CSR parsing is whether the CLEC can mechanically parse the stream of actual CSR data sent by BellSouth through its interfaces and whether that parsed data can be mapped electronically to corresponding LSR fields for successful order processing. KPMG, however, did not test this. KPMG received a data dump of artificially created CSRs that it had requested from BellSouth, parsed it to some unknown degree in its own proprietary databases, and used data from its own database to populate an LSR. During its so-called "integration" testing, KMPG simply eye-balled the pre-ordering data to see if it could fit into the LSR ordering fields, without sending any pre-ordering queries. Even in this limited review, KPMG found that the pre-ordering data could not fit into LSR ordering fields in

[22] BellSouth's reliance on the use of ExchangeLink by Sprint is also no evidence that CLECs can develop parsing functionality independently. *See* Stacy/Varner/Ainsworth Aff., ¶ 29. The press releases issued by Telcordia, which implemented ExhchangeLink, do not claim that ExchangeLink provides parsing or integration capability to CLECs, but assert only that ExchangeLink acts as a "clearinghouse." *Id.*, Exhs. SVA-10 and SVA-11. In any event, the limited volumes of orders submitted by Sprint provide no basis for BellSouth's claim that "Sprint uses integrated interfaces." *Id.*, ¶ 30 (data showing that Sprint submitted [**********] per month between September and December 2001).

some unquantified number of instances. *See* Stacy/Varner/Ainsworth Aff., Exh. SVA-13 at 3. KPMG's functional testing Master Test Plan (page V-2) states that: "For a defined set of integrated transactions, information returned on the pre-order response will be used to populate fields in subsequent orders. This activity is undertaken to simulate the system-related activities of a CLEC wishing to integrate the pre-order and order functions." Nothing in KPMG's Master Test Plan or Final Test Report, or in the letters from Mr. Weeks, indicates that any of the "defined set of integrated transactions" involved the relevant functionality at issue here: the use of CSR data obtained through a BellSouth pre-ordering interface to automatically and directly populate an LSR.

56. Moreover, in his letter dated December 18, 2001, Mr. Weeks conceded that KPMG's parser "was not . . . designed to parse all possible fields from all possible types of CSRs." *Id.*, Exh. SVA-12, Att. at 2. Rather, KPMG's "CSR parser extracted only that information required to populate the LSRs *which [KPMG] submitted*" in its tests. *Id.* (emphasis added). And even limiting the test to only this unspecified subset of order types, KPMG's parser still did not obtain sufficient information to auto-populate the LSRs in KPMG's test; rather, KPMG had to combine the limited amount of parsed CSR data with data from its own "proprietary data bases" to *fully* populate the LSRs. *Id.*, Att. at 1. As such, the KPMG testing plainly provides no support for BellSouth's claim that full integration is possible. Mr. Weeks likewise conceded that the only other testing carried out by KPMG "moved data *manually* directly from Pre-Order Queries to Orders (LSRs)." *Id.* (emphasis added).

57. Mr. Weeks states in his December 18 letter, without explanation, that the KPMG parser "did not need to be" able to parse all of the fields that CLECs must parse to

integrate in the real world. *Id.*, Att. at 2; *See also id.*, Exh. SVA-13 at 3 (stating that KPMG "did not believe it necessary to actually construct software to filter Pre-Order data into an Order-ready format"). Although the KPMG parser did not need that functionality to serve its very limited purpose, without that capability it could not possibly support a finding that CLECs can, in fact, fully integrate. Furthermore, Mr. Weeks' suggestion that "mov[ing] data manually" "simulat[ed] the logic a computer program" would use to perform the parsing and autopopulation functionalities is illogical. *Id.*, Exh. SVA-12, Att. at 1. By that "logic," one could conclude that any untested OSS proffered by a BOC is adequate, because it is always theoretically possible to move data from one form to another, and to write code that will mechanize that manual operation. But if OSS proceedings before the states and the Commission have taught anything, it is that the devil is in the details. There is no question that it is theoretically *possible* that OSS could be designed to provide CLECs with sufficient integration functionality, but the fact remains that BellSouth has *not* provided the CLECs with the tools to do that themselves. As the Commission explained in the *Texas 271 Order* (¶ 152), the Commission "does not simply inquire whether it is possible to transfer information from pre-ordering to ordering interfaces . . . [rather it] assesses whether the BOC enables *successful* integration."

58. In fact, as Mr. Weeks admitted in his December 18 letter, even in its limited analysis KPMG identified one serious problem that would make it extremely difficult to write a program to fully integrate the pre-ordering/and ordering functionalities. As explained by Mr. Weeks, KPMG "discovered that differences in definitions existed between [BellSouth's pre-ordering and ordering] interfaces." *Id.*, Att. at 1. In response to this problem, BellSouth "created certain [but unidentified] Pre-Order to Order 'mapping' documents." *Id.* But Mr. Weeks

acknowledged that KPMG could not vouch for those "mapping" documents because they "have not been reviewed by KPMG Consulting." *Id.*[23]

59. Mr. Weeks' more recent letter to the Commission, dated February 2, 2002, does little more than reconfirm the limited scope of the KPMG test. *See id.*, Exh. SVA-13. Mr. Weeks confirms that KPMG "did not actually construct software to filter Pre-Order data into an Order-ready format," but instead "chose to simulate the behavior of such software through use of *manual retrieval*, transformation, and substitution." *Id.* at 3 (emphasis added). Furthermore, although he asserts that KPMG electronically parsed an "enormous" (but unspecified) amount of data from the database dump, he admits that "Creation of electronic parsers was not in the scope of the MTP," and that KPMG "did not attempt to build parsers that were capable of parsing all possible fields, for all possible types of accounts." *Id.* at 5-6. But the ability of CLECs to build such parsers is precisely the issue that BellSouth raises here. Even BellSouth concedes that, unlike Telcordia, KPMG did not purport to "automatically populate the order with the tested field of information in [its] formal test." *Id.*, ¶ 38.

60. At best, KPMG's test shows that CLECs may be able to parse *some* data, and electronically populate it into the CSR, on their own.[24] It certainly does not show that a

[23] BellSouth's suggestion that no CLEC has previously indicated in any proceeding "that it has seriously attempted integration using BellSouth's supporting document but was unsuccessful," or "seriously argued that CLECs could not integrate from unparsed pre-ordering data," is highly misleading. *See* Application at 13-14. AT&T, for one, has raised the issue before the GPSC in arbitration, as well as before state commissions in several other BellSouth states. *See, e.g.*, GPSC Order, *Petition of AT&T Communications of the Southern States, Inc., et al. for Arbitration of Certain Terms and Conditions of Proposed Agreement with BellSouth Telecommunications, Inc. Under the Telecommunications Act of 1996*, Docket 11853-U, at 14 (April 14 2001) (issue 42(a) is "Parsed CSR Records for Pre-Ordering"). *See also* Bradbury Opening Decl., ¶ 39 n.18.

CLEC can develop parsing functionality equivalent to that used by BellSouth's retail operations. In addition, KPMG's test fails to consider the substantial costs and inefficiencies that a CLEC would incur if it attempted to develop parsing capability independently.

61. BellSouth's offer of "assistance" to CLECs seeking to integrate confirms the inability of CLECs to integrate pre-ordering and ordering functionalities fully and successfully. *See* Application at 9-10; Stacy/Varner/Ainsworth Aff., ¶¶ 21-23. This "assistance" would be unnecessary if, as BellSouth has repeatedly contended in the past, it has already provided CLECs with all of the documentation and tools necessary for successful integration.

62. In any event, it appears that BellSouth did not even begin to offer most of the "assistance" it cites until very recently. For example, prior to the filing of BellSouth's new application, AT&T was not aware of the existence of an "E-Commerce Account Team" which, according to BellSouth, provides "assistance regarding the testing of BellSouth's interfaces." Application at 10; Stacy/Varner/Ainsworth Aff., ¶ 22. Although BellSouth's application is not entirely clear on the issue, it appears that the "E-Commerce Account Team" is part of the "CLEC Assistance Program for Systems Integration" that BellSouth first offered to the CLECs on February 13, 2002 – the day before its application was filed. *See* Stacy/Varner/Ainsworth Aff., Exh. SVA-65.

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[24] Even Mr. Weeks' most recent letter states only that KPMG found that it was possible for CLECs to "[e]lectronically parse most of the desired database from the query response" – and he did not describe what he meant by "most" or "desired." Stacy/Varner/Ainsworth Aff., Exh. SVA-13 at 8. In fact, he acknowledged that there are "certain types of accounts (e.g. large, complex businesses), and types of data (e.g. hunting information) that are not easily parsed, and require manual intervention on the part of a CLEC." *Id.* Those types of accounts and data, however, are significant to a CLEC.

63. Even if they are different programs, however, the "E-Commerce Account Team" and the "CLEC Assistance Program" plainly will give CLECs no meaningful assistance in integrating pre-ordering and ordering functionalities. BellSouth states that the E-Commerce Account Team "is available to provide assistance relating to the testing of BellSouth's interfaces." Application at 10. Assistance in *testing*, however, is of no value if the CLECs' problem is the inability to *integrate*. Moreover, BellSouth's February 13th letter suggests that the CLEC Assistance Program consists of "high-level consulting advice" – not the detailed assistance that CLECs would need in order to achieve full integration. Stacy/Varner/Ainsworth Aff., Exh. SVA-65. In any event, given their very recent inception, there is no basis for concluding that either of these mechanisms will give meaningful assistance to CLECs.

64. Like the "E-Commerce Account Team" and the "CLEC Assistance Program," the "third-party advice" offered by BellSouth appears to be a recent development. Although BellSouth contends that it has hired Science Application International Corporation ("SAIC") and Accenture to assist and support CLECs, it appears that BellSouth did so only shortly before it filed its new application. *See id.*, ¶¶ 22-23. For example, although BellSouth states that Accenture "has worked extensively with BellSouth wholesale interfaces," it does not contend that Accenture (or SAIC) has previously provided any of the assistance that it offers. *Id.*, ¶ 23.

3. BellSouth's Recent Implementation of "Telephone Number Migration" Does Not Remove the Need For Equivalent Parsing Functionality.

65. BellSouth suggests that its recent implementation of telephone number migration ("TN migration") can somehow compensate for its deficient parsing functionality and for the inability of CLECs to parse CSRs independently. *See* Application at 17 (stating that implementation of TN migration "bolsters the conclusion that CLECs can order products with minimal human intervention"). This is incorrect.

66. It is true that the implementation of an effective TN migration functionality would reduce the likelihood of errors, order rejections, and manual fall-out that would otherwise occur as a result of the BOC's failure to provide adequate parsing functionality or to enable CLECs to develop such functionality independently. TN migration would be particularly beneficial to CLECs who plan to provide local exchange service on a large-volume, mass-market basis. *Texas 271 Order*, ¶ 178.

67. However, as this Commission recognized in its *Texas 271 Order*, TN migration does not eliminate the need for CLECs to parse pre-ordering information. *Id.*, ¶ 160 n.435 (stating that TN migration "will not altogether eliminate the need for carriers to parse address information"). TN migration only eliminates the need for CLECs to populate the end user service address field on the LSR. Stacy/Varner/Ainsworth Aff., ¶ 40. That is why the Georgia PSC ordered BellSouth ordered BellSouth to provide *both* TN migration *and* CSR parsing functionality. *See id.*; Comments of Georgia PSC filed October 19, 2001, in CC Docket No. 01-277, at 10.

68. BellSouth claims that "TN migration has been a great success." *See* Application at 18. That claim, however, is an overstatement. For example, although BellSouth contends that more than 160,000 UNE-P orders "us[ed] TN migration" between November 17 and January 28 (*id.*), that figure appears to include all orders submitted on all of BellSouth's interfaces. However, the TN migration functionality only eliminates the edits for service address information for those orders submitted via the EDI or TAG ordering interfaces. Even after the implementation of TN migration, for example, UNE-P orders submitted via the LENS and RoboTAG™ interfaces have still been edited for address information before they can be released to BellSouth's front-end LEO and LESOG systems – even though TN migration "officially" applies to those interfaces as well. And even when orders are submitted via EDI or TAG, any address information that they *do* contain will be edited, notwithstanding the existence of TN migration. Thus, the number of orders that have actually been affected by TN migration is undoubtedly far less than 160,000.[25]

69. More fundamentally, the purported "success" of TN migration has occurred only after a history of noncooperation and inadequate implementation by BellSouth. Indeed, the history of the TN functionality demonstrates any claim by BellSouth that it has implemented a functionality should be greeted with considerable skepticism until commercial experience proves that it really works.

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[25] BellSouth's claim of the effect of TN migration on rejection rates is similarly overstated. *See* Application at 18; Stacy/Varner/Ainsworth Aff., ¶ 56. For example, although BellSouth's Application compares rejection rates for UNE Loop-Port combinations in September 2001 with the (lower) rate in December 2001, its affiants admit that the rate was already declining even before TN migration was implemented (from 19.38 percent in September to 17.78 percent in October). *Id.*

70. AT&T submitted a change request in December 1999 for implementation of a functionality permitting CLECs ordering the UNE platform to use only the customer's telephone number and street number information for validation purposes. Similarly, in August 2000 WorldCom submitted a change request requesting that CLECs only be required to submit the customer's name and telephone number on UNE-P migration orders, and not be required to supply the service address. *See* Bradbury Reply Decl., ¶ 10 & Atts. 3-4. BellSouth, however, took no action to implement these requests until after it was ordered by the Georgia PSC, in October 2001, to implement "migration of telephone number and name" by November 3, 2001. *See* Stacy/Varner/Ainsworth Aff., ¶ 40.

71. Moreover, when BellSouth purported to implement TN migration on November 3, the software for this functionality was seriously defective – and BellSouth knew it. In the Carrier Notification Letter that it sent to CLECs on the day before the implementation, BellSouth advised CLECs that, under the functionality it was about to implement, UNE-P migration orders lacking service address information would *still* be rejected if more than one address in BellSouth's Regional Address Service Guide ("RSAG") was associated with the telephone number on the LSR. As BellSouth acknowledged, this flaw in the functionality would cause approximately 30 percent of UNE-P LSRs to be rejected. *See id.*, ¶ 41; Bradbury Reply Decl., ¶ 13 & Att. 5.

72. Although BellSouth implemented a "fix" on November 17, 2001, to correct the problem, BellSouth admitted to the CLECs that it did not implement TN migration by name because, had it done so, the rejection rate would have increased to between 64 percent and 99.7 percent. *See* Stacy/Varner/Ainsworth Aff., ¶ 43 (admitting that implementing TN migration by

name "would actually cause reject rates to increase"). Instead, BellSouth decided (belatedly) to implement AT&T's December 1999 change request, which, as stated above, sought validations based on the telephone number and house number. *Id.*

73. Even after implementation of the new software implemented on November 17, however, serious operational deficiencies remained in the TN migration functionality. These problems included order rejections that resulted from improper data content in the RSAG database, and "mismatches" that occurred between RSAG and the CSR when BellSouth was performing a "secondary check" of the RSAG-validated address against the CSR. *See id.*, ¶¶ 48, 54. Because the rejections were erroneous, the rejected orders could only be corrected through manual intervention by BellSouth's Local Carrier Service Center ("LCSC"), whose personnel were inadequately trained for the task. In addition to these deficiencies, the TN migration functionality did not extend to resale or loop orders.

74. BellSouth now contends that on February 2, 2002, it implemented functionality that (1) removed the "secondary check" that caused order rejections when there was a "mismatch" between the RSAG-validated address and the CSR; and (2) expanded the scope of TN migration to include LSRs for resale (non-complex plus ISDN-BRI, and PBX) and loops (excluding xDSL). *Id.*, ¶¶ 48, 58. Because these changes are so recent, however, it would be premature to conclude that they are effective.

75. Even if the recently-implemented changes prove to be adequate, however, the fact remains that BellSouth implemented a functionality that it knew would cause the rejection of 30 percent of UNE-P orders. Furthermore, even after this problem was fixed, BellSouth's TN migration functionality continued to cause rejection of valid UNE-P orders for more than two

months. These results are all the more disturbing because, as BellSouth admits, the purpose of TN functionality is to *reduce* the occurrence of order rejections. *Id.*, ¶ 39.

76. In short, BellSouth's performance in the implementation of TN migration has been both unresponsive and irresponsible. It also demonstrates that any claim by BellSouth that a recently-implemented (such as the parsed CSR) is "successful" should not be taken at face value, because the purported "implementation" may be fraught with deficiencies that preclude CLECs from enjoying nondiscriminatory access.

B. BellSouth Still Fails To Provide CLECs With Equivalent Access To Due Dates.

77. BellSouth still has not shown that it provides CLECs with the same automated due date calculation capability that it has in its own retail operations. Although BellSouth seeks to define the issue as one of "double FOCs," the "double FOC" problem is simply the result of BellSouth's failure to provide equivalent due date capability. *See* Application at 31-33; Stacy/Varner/Ainsworth Aff., ¶¶ 145-150.

78. Customers expect CLECs to be able to tell them, while they are on the line, the date on which their service will be installed. The CLEC must also, at that stage, be able to request the due date with reasonable assurance that the date will not change during the interval between the submission of the order and BellSouth's return of the Firm Order Confirmation ("FOC"), which sets forth the actual due date. Should the date be changed during that interval, the CLEC will be required to report the change to the customer – leaving the customer both inconvenienced and dissatisfied with the CLEC.

79. Furthermore, nondiscriminatory access requires that the due dates for CLEC customers be the same as those for BellSouth retail customers who request the same services at the same time. Customers will have little confidence in a CLEC if their service cannot be installed within the same time frame that would be required to obtain the same service from BellSouth's retail operations.

80. In its *Second Louisiana Order*, the Commission found that BellSouth failed to provide nondiscriminatory access to due dates, for two reasons. First, because BellSouth failed to return FOCs with the actual due date on a timely basis, CLECs (unlike BellSouth's retail operations) could not tell their customers with certainty, while they were still on the line, the date on which their service could be installed. *Second Louisiana Order*, ¶¶ 104-105. As described below in Part II, due to BellSouth's excessive reliance on manual processing, that problem still exists today.

81. Second, the Commission found that BellSouth did not provide CLECs with an automatic due date calculation capability equivalent to that used by BellSouth's retail operations. *Id.*, ¶ 106. The Commission concluded that it would "closely examine BellSouth's automatic due date calculation capability in any future application." *Id.*

82. As Mr. Bradbury previously testified, although BellSouth installed an automated "due date calculator" after the Commission's *Second Louisiana Order*, the performance of that calculator has been inadequate to provide nondiscriminatory access to due dates. In numerous instances since the problem was first discovered in February 2001, the calculator assigned due dates for UNE-P orders that exceeded the standard intervals requested on UNE-P LSRs. *See* Bradbury Opening Decl., ¶ 44-46.

83. The deficiencies in the due date calculator persisted even after BellSouth implemented "fixes," as part of its July 28, 2001, and September 30, 2001 releases that were purportedly intended to correct them. *Id.*, ¶ 48. The July 28, 2001 release in response to the submission of Defect Change Request 0445 on July 12, 2001, by AT&T, whose UNE-P orders had been erroneously assigned due dates longer than the target interval or the best available date. *Id.*, ¶ 50. Because the calculator could not consistently calculate due dates accurately (causing lack of parity and unreasonable delays to CLECs to their customers), AT&T filed Change Request 0520 on October 12, 2001, again requesting correction of the problem. *Id.*, ¶ 49.

84. In response to AT&T's change request, BellSouth suggested that, pending implementation of the request, CLECs use a "workaround" that it had implemented in June 2001. Bradbury Reply Decl., ¶ 20. As described by BellSouth in its application, that "workaround" involves a review by BellSouth's systems four times per day for those LSRs that have a due date longer than one day and that have received a FOC. For each such LSR, BellSouth sends a second FOC to the CLEC (the "double FOC") that updates the due date to the current day. Stacy/Varner/Ainsworth Aff., ¶ 145.

85. BellSouth's "workaround," however, was an illogical solution to the problem. Even if the workaround has been as "mechanized" as BellSouth contends,[26] it made no sense for BellSouth to program its systems to check FOCs four times a day, rather than fixing the calculator itself. Bradbury Reply Decl., ¶ 26.

[26] BellSouth claims that it implemented a "mechanized" workaround process in June 2001. Stacy/Varner/Ainsworth Aff., ¶ 145. It is AT&T's understanding, however, that the workaround originally implemented last June involved manual correction of due dates by the LCSC when an order was assigned an erroneous due date – and after the CLEC had advised the LCSC of the error. Bradbury Reply Decl., ¶¶ 21-24.

86. Moreover, BellSouth's "workaround" does not eliminate the denial of parity caused by the inability of the automated due date calculator to assign correct due dates on UNE-P orders. Because BellSouth conducts its reviews of LSRs only at certain times of the day, it is unlikely that BellSouth's systems can detect incorrect due dates and re-issue a FOC in sufficient time to ensure that LSRs submitted before 3:00 p.m. (the deadline by which, under BellSouth's procedures, CLECs must submit an LSR in order for that LSR to be provisioned on the same day) will receive a same-day due date. For many of these orders, BellSouth will ultimately assign the following day as the due date, rather than the due date requested by the CLEC.[27] Moreover, it is likely that in many instances CLECs will discover the incorrect due date before BellSouth conducts its next review and will therefore contact BellSouth to ensure that the correction is made, expending time and resources on a task that would be unnecessary if the due date calculator worked properly.

87. Because of the inherent shortcomings in BellSouth's workaround, AT&T has used an alternative Line Level Activity Type Code on its UNE-P orders in order to avoid the assignment of extended or otherwise erroneous due dates by the BellSouth due date calculator. Under normal ordering procedures, AT&T would use Line Level Activity Type "V" (migration as is, with changes), which requires AT&T to list only the services or features ordered by the customer that differ from those that the customer has been receiving from BellSouth. AT&T

[27] BellSouth's "workaround" process appears to assume that an order assigned an extended due date will flow through its systems. However, if the order does not flow through, the due date that BellSouth assigns to the order will often be later than the due date it assigns for retail customers ordering the same service on the same day, because BellSouth takes an average of 18 hours to return a FOC on a partially mechanized order. The assignment of an erroneous due date only compounds that delay, since the CLEC would be required to contact BellSouth to correct the due date after receiving the FOC.

found, however, that when it used Line Level Activity Type "G" (migration as specified) on UNE-P LSRs, BellSouth did not return extended due dates on FOCs for UNE-P orders that requested standard intervals. As a result, AT&T has used Line Level Activity Type "G" on its UNE-P LSRs since December 2001.

88. Although it avoids the assignment of erroneous due dates by BellSouth's due date calculator, AT&T's use of a different Line Level Activity Type has required AT&T to incur considerable time and expense. Because it treats the orders as "migrations as specified," AT&T is required to insert on the LSR every feature and service that the customer has requested, regardless of whether the customer is already taking these features and services from BellSouth. Thus, AT&T's use of Line Level Activity Type "G" requires more time and effort to complete LSRs than would have been the case if the orders were treated as "migrations-as-is, with changes."

89. Regardless of whether they rely on BellSouth's workaround or (like AT&T) use an alternative Line Level Activity Type, CLECs are denied parity of access. In both cases, CLECs lack the same automated due date capability as BellSouth's retail operations. In the case of BellSouth's workaround, CLECs have no assurance that their customers will receive service on the same day as a BellSouth retail customer who orders the same service at the same time. Although a CLEC may receive correct due dates when it uses an alternative Activity Type, it does so only by incurring costs that BellSouth does not incur in its retail operations.

90. BellSouth asserts that its workaround (and the "double FOC" situation that it causes) applies only to "a small and declining number of orders." Application at 32; *see also* Stacy/Varner/Ainsworth Aff., ¶ 149. The data that BellSouth offers to support that assertion,

however, are inherently suspect. As shown in the table attached hereto as Attachment 10, the number of LSRs reported by BellSouth in its analysis of the "declining" percentage of "double FOCs" does not match the total volumes of LSRs that BellSouth reported in its monthly flow-through reports for September through December 2001. *Compare* Attachment 10 *with* Stacy/Varner/Ainsworth Aff., ¶ 149. Most notably, for some months the number of UNE-P requests that BellSouth describes in its "double FOC" analysis is *higher* than the total number of UNE LSRs reported in the monthly flow-through reports – even though precisely the opposite should be the case, since UNE-P orders are a subset of UNE orders.

91. Moreover, even if accurately calculated, BellSouth's data understate the nature of the problem caused by the deficiencies in its due date calculator. The percentages of LSRs receiving double FOCs described by BellSouth do not include those LSRs submitted by AT&T and any other CLEC that has avoided the assignment of erroneous due dates (and the issuances of double FOCs) by using Line Level Activity Type "G" or some other alternative procedure.[28] Nor would BellSouth's percentages include those LSRs that its HITTOPS program did not capture at all.

92. As an alternative response to the Commission Staff's concern regarding double FOCs, BellSouth states that it has corrected the problem through implementation of Release 10.3.1 on February 2, 2002, and concluding with Release 10.3.2 on February 9, 2002. Release 10.3.2 purportedly implements the corrections to the automated due date calculator

[28] According to the data provided by BellSouth – which, again, understate the true extent of the problem – BellSouth returned double FOCs on more than [*******] of AT&T's UNE-P orders during December 2001 (the month when AT&T began using a different Line Level Activity Type). *See* Stacy/Varner/Ainsworth Aff., Exh. SVA-62.

requested in AT&T's Change Release 0520. Stacy/Varner/Ainsworth Aff., ¶¶ 146-147. Because these changes were implemented only 3 weeks ago, it is too soon to determine whether the calculator finally provides the equivalent due date capability that the Commission required BellSouth to provide more than three years ago.[29]

III. BELLSOUTH STILL FAILS TO PROVIDE NONDISCRIMINATORY ACCESS TO ORDERING AND PROVISIONING FUNCTIONS.

93. BellSouth contends that; (1) its flow-through rates are "improving"; (2) it "has ensured that where manual handling is necessary, CLECs still have a meaningful opportunity to compete" and (3) its "concentrated efforts to improve service order accuracy" have "paid off." Application at 25-26. In reality, however, BellSouth's performance in these areas remains as deficient in these areas as it was when it filed its first 271 application last October.

94. As before, BellSouth's reliance on manual processing is excessive. Moreover, the high rate of manual processing continues to result in the denial of nondiscriminatory access, including the return of status notices in an untimely manner and an unacceptably low rate of service order accuracy. Finally, BellSouth still has not shown that it is capable of provisioning orders accurately.

[29] On February 25-26, 2002, AT&T conducted limited testing (involving three transactions) using the BellSouth one date calculator. Although the due dates returned were accurate, it would be premature to conclude that BellSouth's new corrections have fully eliminated the preexisting defects in the calculator, given the limited nature of the testing and the very recent implementation of the corrections. Even if the due date calculator consistently provides accurate due dates as a result of BellSouth's recent "fixes," the calculator will be useful to CLECs only if it is consistently operational. In its third-party test of the OSS in Florida, however, KPMG found that when it attempted to calculate due dates using the RoboTAG™ interface, it experienced server error that disabled the due date functionality. Rather than receive due dates, KPMG received a message from BellSouth stating that it could not calculate the due date and that the due date would be returned on the FOC. KPMG Observation 146, dated November 30, 2001 (attached hereto as Attachment 11). That observation is still open.

A. BellSouth Continues To Place Excessive Reliance on Manual Processing.

95. Flow-through is a critical issue for CLECs because the concept of flow-through applies to both CLECs and to BellSouth's own retail LSRs. BellSouth's retail operations submit electronic LSRs that are capable of flowing through up to 100 percent of the time for every service, product, or transaction used in its retail operations. For example, BellSouth's reported monthly flow-through rate for residential retail orders in October, November, and December 2001 was 94 percent or higher. Varner Supp. Aff., Exhs. PM-9 - PM-11.[30] Because that percentage includes service representative input errors, the actual flow-through capability of BellSouth's retail operations is nearly 100 percent.

96. Unless their orders flow through BellSouth's systems at the same nearly 100 percent rate as BellSouth's retail systems, CLECs do not have a meaningful opportunity to compete. Electronic LSRs that flow through are more likely to be processed more quickly, accurately, and at less cost by BellSouth than manually processed LSRs. As a result, flow-through provides benefits to consumers, including less time on the phone placing orders, earlier

[30] Although the Georgia PSC has required BellSouth to resume reporting of its flow-through rates for retail business orders (as it did before March 2000), BellSouth has failed to do so – thus concealing its performance from regulators and the industry. However, BellSouth's witnesses have repeatedly testified in State regulatory proceedings that its business retail orders have a flow-through capability of nearly 100 percent, and that 98 or 99 percent of BellSouth's retail products and services can be ordered electronically through BellSouth's RNS or ROS interfaces, which then transmit the requests electronically to SOCS (BellSouth's service order processor). When BellSouth did report flow-through data for retail business orders, such data demonstrated that the retail business flow-through rate then was more than 80 percent and the weighted residential/business retail result was over 90 percent. Since that time, BellSouth has replaced its retail business order input system to obtain greater operational efficiency. Both the business-specific and weighted BellSouth flow-through rates have undoubtedly improved – a fact that BellSouth is plainly attempting to withhold by disregarding the GPSC's order.

due dates, lower risk of inaccurate provisioning, and ultimately lower prices because of lower order processing costs.

97. By contrast, the manual processing of orders adversely affects CLECs and consumers in several important respects. First, because BellSouth takes approximately 18 hours, on average, to return a rejection notice or FOC for a manually processed order (as compared to an average of 15 minutes for an order that flows through), CLECs wishing to learn the status of their orders during this interval have been required to notify the LCSC – thus expending additional time and incurring additional costs.[31] Second, because of the lengthy time that BellSouth takes to return FOCs and rejection notices on electronically submitted but manually processed ("partially mechanized") LSRs, due dates for such LSRs are likely to be later than those for orders that flow through ("fully mechanized LSRs"). Third, partially mechanized orders face the risk that BellSouth representatives will make input errors during manual processing – and that customers will receive service different from that which they actually requested. Fourth, manually processed orders increase the costs of both BellSouth and of CLECs, which are denied the benefits of their substantial investment in electronic systems. *See* Bradbury Opening Decl., ¶¶ 61-72.

[31] On February 2, 2001, BellSouth implemented the first phase of the "Order Tracking" change request submitted by AT&T in 2000. This new capability provides status on orders that have not yet received a firm order confirmation via a web site. The effectiveness of this new tool, however, has yet to be determined. Moreover, the new capability will not provide status on all types of orders until the completion of additional phases, the last of which is not scheduled until November 2002. Although use of this tool is preferable to calling the LCSC to determine order status, it is not the same as having equal flow-through capability, particularly since it requires CLECs to take an additional step to determine order status that is not required of BellSouth's retail operations.

98. As previously noted, BellSouth contends that its flow-through rates have been "improving." *See* Application at 25; Stacy/Varner/Ainsworth Aff., ¶ 92. The reality, however, is quite different. BellSouth's portrayal of "improvement" results solely from its selective use of the flow-through rates for June 2001 as the basis for comparison. *Id.* As Mr. Bradbury has previously testified, BellSouth revised those rates downward *twice* as a result of alleged errors in the originally reported rates. *See id.*; Bradbury Reply Decl., ¶¶ 37-50 (describing effect of BellSouth's revisions on June 2001 rates and lack of merit in BellSouth's explanations for such revisions).

99. When all of the monthly rates for 2001 are examined, it is clear that the flow-through rates used by BellSouth for its comparison (the "CLEC Error Excluded Rates") have shown no, or little, improvement during the year. For residential resale orders, the CLEC flow-through rate in December (89.5 percent) was *lower* than that in January (91.35 percent). *See* Varner Supp. Aff., Exh. PM-7 (F.1.1.3). For UNE LSRs, the flow-through rate of 82.67 percent in December was only slightly higher than the January 2001 rate of 80.89 percent. *Id.* (F.1.1.5). For business resale orders, the December rate of 74.07 percent was lower than the November rate of 75.18 percent, and only a modest improvement over the 64.87 percent rate in January 2001. *Id.* (F.1.1.4). In addition, *none* of the December 2001 rates cited by BellSouth met the benchmarks set by the Georgia and Louisiana PSCs – 95 percent for residential resale orders, 90 percent for business resale orders, and 85 percent for UNE orders.[32]

[32] Similarly, the aggregate "CLEC Error Excluded Rate" of 87 percent in December 2001 was lower than the 88.57 percent rate for January 2001. *See* Varner Supp. Aff., Exh. PM-7 (F.1.1.1).

100. BellSouth's comparison is also misplaced because the "CLEC Error Excluded Rate" that it uses does not meet the Commission's requirement that flow-through be measured by considering only those manually processed orders that fall out only because of BellSouth's failure to design those orders to flow through or because of errors in BellSouth's system design. Only the "Achieved Flow-Through" rate, which includes such orders in the calculation while excluding all manual fall-out due to errors made by CLECs on their LSRs, meets that requirement. *See* Bradbury Opening Decl., ¶¶ 78-80.[33]

101. Like its CLEC Error Excluded Rates, however, BellSouth's Achieved Flow-Through Rates have not shown improvement during 2001. The aggregate Achieved Flow-through Rate was 76.29 percent in December 2001 – a decline from the rate of 79.54 percent in January. For resale residential orders, the December Achieved Flow-Through rate of 81.62 percent was lower than the January rate of 85.70 percent. For business resale orders, the December rate of 52.52 percent was higher than the January rate (45.48 percent), but lower than the highest monthly rate of 2001 (52.81 percent, for August). Finally, the Achieved Flow-Through Rate of 68.10 percent for UNEs in December, although slightly higher than the corresponding January rate (63.83 percent), but little different from the 68.96 percent rate reported for August. *See id.* (F.1.2.2 – F.1.2.5).[34]

[33] Because of the different methodologies used to calculate them, the CLEC Error Excluded Rate is higher than the Achieved Flow-Through Rate. The differences in the rates for Local Number Portability ("LNP") orders is particularly illustrative. For October, November, and December 2001, the CLEC Error Excluded Rates for LNP orders were 89%, 91%, and 88%, respectively. By contrast, the Achieved Flow-Through Rates for LNP orders for the same months were 51%, 55%, and 48%, respectively. *See* Varner Supp. Aff., Exhs. PM-9-PM-11.

[34] The charts attached hereto as Attachment 12 show that there has been no improvement in the CLEC Error Excluded Rate ("Flow Through"), or in the Achieved Flow-Through Rate, in 2001.

102. In short, the percentage of electronically submitted orders that fall out for manual processing by BellSouth has not improved during 2001. In December 2001, for example, 20 percent of electronically submitted orders (other than orders for local number portability), and 43 percent of electronically submitted LNP orders, fell out for manual processing due to BellSouth system design or to BellSouth system error. When combined, the total volume of manual fall-out caused by BellSouth design and system failure in December was 21 percent – which is the same rate as in January 2001. *See* Bradbury Opening Decl., ¶ 83. In fact, the December rate was either less than, or only equal to, the rates in January, March, April, May, August, September, October, and November 2001. *See* Attachment 13 hereto.[35]

103. The high rate of manual fall-out imposes an enormous burden on the LCSC, which must manually process such orders. As shown in the table attached hereto as Attachment 15, in December 2001 a total of 133,677 LSRs were manually processed by the LCSC. Of that amount, 92,673 LSRs (or 69 percent of the total fall-out) were electronically submitted. Moreover, BellSouth system design or system errors accounted for 78,241 (or 84 percent) of all electronically submitted LSRs that fell out for manual processing. During the last three months of 2001, the LCSC manually processed a total of 427,121 LSRs, of which 296,269 (69 percent) were electronically submitted; BellSouth system design or system error accounted for 244,585 (or 83 percent) of the electronically-submitted LSRs that fell out for manual processing.

[35] The charts attached hereto as Attachment 14 demonstrate that the rates of manual fall-out due to BellSouth system design or system error did not improve, and that the rate of manual fall-out due to "CLEC error" did not increase, during 2001.

104. These enormous volumes of manually processed orders would be disturbing in any event. However, the volumes are particularly significant because they demonstrate little change in the percentage of all LSRs submitted to BellSouth (whether electronically or manually) that flow through its systems. As shown in the "leaky pipe" charts attached hereto as Attachment 16, the percentage of all LSRs that were fully mechanized in December 2001 was only 57 percent – little improvement from the 55 percent rate in March 2000. BellSouth's own witness, Mr. Stacy, agreed in a deposition last September that "it is unlikely that there will be significant improvement in manual fallout by design in the foreseeable future." *See* Bradbury Reply Decl, ¶ 53 & n.22 (quoting transcript of September 28, 2001 deposition of William N. Stacy). Even more recently, BellSouth's Project Manager for its Flow-Through Improvement Task Force advised CLECs that they could expect even greater volumes of LSRs to fall out for manual processing as CLECs gain market share, and the volumes and mixes of orders change.

105. Thus, as CLECs ramp up for mass-market entry, the already-heavy workload of the LCSC will vastly increase. That will only worsen the already-poor performance of the LCSC in processing manual fall-out – resulting in even longer delays in the return of status notices, more errors by LCSC representatives in re-keying such orders, even slower responses of the LCSC to CLEC inquiries regarding the status of orders, greater costs to the CLECs and their customers, and more provisioning errors.

106. Notwithstanding these facts, BellSouth argues that its flow-through rates "are comparable to, or better than, those the Commission has seen in the past." Application at 25. Comparisons of BellSouth's rates to those of other RBOCs, however, are irrelevant. For

purposes of determining whether BellSouth is providing nondiscriminatory access, the only relevant comparison is between the flow-through rate for electronically submitted CLEC orders and the rate (nearly 100 percent) for orders that BellSouth submits in its own retail operations.

107. In addition, the comparison made by BellSouth is unreliable. BellSouth compares its Achieved Flow-through Rate (which, as previously stated, measures manual fall-out caused by BellSouth system design or system error) with flow-through rates of Verizon and SBC. Stacy/Varner/Ainsworth Aff., ¶¶ 93-97. However, the Verizon flow-through rates cited by BellSouth are total flow-through rates that include *all* electronically submitted orders in its analysis.[36] Thus, it is hardly surprising that Verizon's rates are lower than BellSouth's Achieved Flow-Through Rates, since the latter exclude CLEC-caused fall-out from the denominator used to calculate the rate.

108. Similarly, the SBC flow-through rates used by BellSouth in its analysis are not a proper basis for comparison. The SBC rate simply includes orders that SBC has designed to flow-through and orders that, although not designed to flow-through, would flow through if submitted by SBC's retail operations. Moreover, unlike the BellSouth Achieved Flow-Through

[36] *See Pennsylvania 271 Order*, ¶ 49; *Massachusetts 271 Order*, ¶ 78. It is precisely because Verizon's rate – the "total flow-through rate" *does* include "CLEC error" that Verizon has argued that these rates do not reflect the capacity of its systems to achieve even higher flow-through rates. *See, e.g., New York 271 Order*, ¶¶ 167-168.

rate, the SBC rate (PM 13) does *not* exclude manual fall-out due to "CLEC error."[37] In short, BellSouth's comparison is an "apples-to-oranges" comparison that proves nothing.

109. BellSouth also asserts that the variation in its Achieved Flow-Through Rates among individual CLECs shows that its "systems are capable of flowing through orders at even higher rates tha[n] are currently achievable." Stacy/Varner/Ainsworth Aff., ¶ 99. However, the underlying premise of BellSouth's argument – that CLEC errors are the source in the variation in rates – is erroneous. As previously stated, the Achieved Flow-Through rate *already excludes* manual fall-out caused by CLEC errors. It includes only manual fall-out due to BellSouth system design or system errors. Furthermore, the variation in rates among individual CLECs simply reflects the differences in the mixes of order types from CLEC to CLEC (and the discriminatory effect that BellSouth system design and system errors have on certain types of CLEC business plans and entry strategies).

110. BellSouth also asserts that a comparison of manual handling of CLEC orders in Georgia to that in Arkansas show that "Overall, the level of manual handling of CLEC orders in Georgia and Louisiana is low." Stacy/Varner/Ainsworth Aff., ¶¶ 100-101. Like its flow-through comparison, BellSouth's comparison of its "level of manual handling" with that of other RBOCs is irrelevant. For purposes of flow-through, the only proper comparison is between the level of manual handling for electronically-submitted CLEC orders and the same level for

[37] The SBC flow-through measurement cited by BellSouth is SBC's Performance Measurement 13 ("Order Process Percent Flow Through"), which includes not only all orders that SBC has designed to flow through ("MOG-eligible" orders), but also all CLEC orders that fall out by design but would flow through SBC's EASE system (which is used by SBC representatives to submit retail orders) if they were submitted by SBC as a retail order. *See* Stacy/Varner/Ainsworth Aff., ¶ 96; *Texas 271* Order, ¶ 180; *Kansas/Oklahoma 271 Order,* ¶¶ 145-146. A copy of SBC's business rule defining PM 13 is attached hereto as Attachment 17.

BellSouth's retail orders (which is virtually zero percent, given BellSouth's almost-100 percent retail flow-through rate).

111. In any case, BellSouth's comparison of the "levels of manual handling" of itself and SBC is of no value because the total volumes of FOCs in Arkansas used in BellSouth's analysis are small – barely 10 percent of those in Georgia. *Id.*, ¶ 100. Furthermore, the analysis includes FOCs even for manually submitted (non-mechanized) LSRs – not simply FOCs for electronically submitted orders. If the analysis is limited to the latter, the percentage of partially mechanized FOCs to all FOCs for electronically submitted orders (*i.e,* the rate of manual processing of electronically submitted orders) in Arkansas is, in fact, lower than BellSouth's. For example, according to SBC's performance report, in July 2001 SBC issued a total of 6,463 FOCs for electronically submitted LSRs in Arkansas, of which 1,526 were for orders that required manual intervention. Thus, SBC's rate of manual processing for that month was 23.6 percent. By contrast, according to BellSouth's performance reports, for July 2001 BellSouth reported a total of 74,685 FOCs, of which 53,548 were fully mechanized, 17,506 were partially mechanized, and 3,631 were non-mechanized. Of the 71,054 FOCs that were mechanized (fully or partially), 17,506 FOCs – or 24.6 percent – were partially mechanized. In short, BellSouth's attempt to portray its "level rate of manual handling" as substantially lower than SBC's is both flawed and highly misleading.

112. Finally, the inadequacy of BellSouth's flow-through performance continues to be confirmed by KPMG in its third-party testing in Florida. Mr. Bradbury described numerous exceptions and observations issued by KPMG in this area in his previous testimony. *See* Bradbury Opening Decl., ¶¶ 112-113; Bradbury Reply Decl., ¶ 65. Although a number of exceptions and

observations described in that testimony have since been closed by KPMG, numerous others still remain open – and KPMG has opened *additional* exceptions and observations finding deficiencies in BellSouth's performance.

113. For example, KPMG's Exception 86, which found that KPMG was not receiving *any* FOCs for 11 to 15 percent of LSRs that it submitted electronically, still remains open. *See* Bradbury Opening Decl., ¶ 112 & Att. 27. Even after retesting twice for purposes of this exception, KPMG found that the flow-through rate for residential transactions was 10 percentage points below the 95 percent benchmark.[38]

114. More recently, KPMG issued two exceptions after it found that approximately 40 to 50 percent of LSRs that it submitted fell out for manual intervention (and KPMG did not receive "flow-through FOCs" for these LSRs), even though all of the LSRs were purportedly designed to flow through.[39]

115. Little more than a week ago, KPMG issued an observation finding that BellSouth's flow-through documentation contains incomplete and inconsistent information regarding the product flow-through capabilities of BellSouth's OSS. These inconsistencies, KPMG found, "may lead to CLEC errors and inaccurate CLEC resource planning, which could increase end-to-end transaction processing time and lead to decreased CLEC customer satisfaction."[40]

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[38] KPMG Second Amended Exception 86, dated February 22, 2002 (attached hereto as Attachment 18).

[39] KPMG Exception 136, dated January 15, 2002 (attached hereto as Attachment 19); KPMG Exception 121, dated November 13, 2001 (attached hereto as Attachment 20).

[40] KPMG Observation 167, dated February 22, 2002 (attached hereto as Attachment 21).

116. KPMG has also issued two exceptions finding deficiencies in the flow-through information provided by BellSouth. In one exception, KPMG found that BellSouth had not provided KPMG with the flow-through classification information for DSL orders which CLECs are entitled to receive upon request; KPMG found that the lack of such information "could result in an increased order error rate, resulting in a CLECs's inability to identify ordering problems in a timely manner."[41] In another exception, KPMG found that KPMG could not replicate the number of "auto clarifications" set forth in BellSouth's Service Quality Measurement report.[42]

117. KPMG has also found, and continues to find, serious deficiencies in the performance and procedures of the LCSC. More than four months ago, for example, KPMG opened four separate exceptions finding that: (1) the LCSC did not return timely FOCS on orders that it had submitted by fax or by electronic mail – and did not return FOCS on a substantial

[41] KPMG Exception 122, dated November 13, 2001 (attached hereto as Attachment 22).

[42] KPMG Exception 124, dated December 5, 2001 (attached hereto as Attachment 23). KPMG issued Exception 124 because, after it replicated BellSouth's original June 2001 flow-through report, BellSouth re-posted the report, indicating to KPMG that coding changes had taken place. This measure remains in testing. Further, during a conference call regarding its Florida test on February 27, 2002, KPMG confirmed that it had not yet conducted its data integrity audit of BellSouth's reported flow-through data. KPMG also stated that it would conduct the audit only for flow-through data reported for future months, rather than for previous months, because: (1) KPMG had been unable to obtain from BellSouth the methodology that BellSouth used to report LNP flow-through rates: and (2) KPMG had been unable to perform an audit of non-LNP reported flow-through data in the existing version (version 2.6) of PMAP. For these reasons, KPMG decided to examine three months of data after PMAP 4.0 has been implemented in March 2002. In Georgia, KPMG's replication of the flow-through report started with August 2001 data and is in re-testing and the data integrity portion of the test is on "hold" waiting for business rules from BellSouth. *See* KPMG January 22, 2002 Interim Status Report – Data Integrity Status Summary and SQM Status Summary. Therefore, none of the flow-through data on which BellSouth has relied in its previous or current application to this Commission for Section 271 authority in Georgia and Louisiana have been successfully validated

percentage of the orders in a timely manner; (2) the LCSC did not have adequate guidelines for call tracking and call resolution by the LCSC; and (3) the LCSC did not provide accurate data on FOCs and rejection notices for LSRs that KPMG had manually submitted. *See* Bradbury Decl., ¶ 113 & Atts. 29, 31 (KPMG Exceptions 90 and 110); Bradbury Reply Decl, ¶ 65 n.29 & Att. 19 (KPMG Exception 116). Each of these exceptions remains open.

118. In January 2002, KPMG issued four additional exceptions finding that it was not receiving FOCs and rejection notices in a timely fashion for partially mechanized LSRs that it had submitted via the LENS, TAG, EDI, and RoboTAG™ interfaces. BellSouth failed to meet the applicable benchmark (return of the partially mechanized FOCs or rejection notices within 10 hours of submission of the LSR) for 47 percent of the LSRs that were submitted via LENs, 25 percent of the LSRs submitted via EDI, 13 percent of the LSRs submitted via RoboTAG™, and 5 percent of the orders submitted via TAG. As KPMG noted in each exception, receipt of these notices is a "critical factor in a CLEC's ability to process service requests and meet customer needs. Delays in receipt of [these notices] could negatively impact the timeliness of the ordering process, resulting in decreased CLEC customer satisfaction."[43]

B. BellSouth Has Not Shown That Its Performance With Respect To Service Order Accuracy Is Adequate.

119. When LSRs fall out for manual processing, the accurate re-entry of those orders into BellSouth's systems by its LCSC is critical to a CLEC's ability to compete.

[43] KPMG Exception 129, dated January 3, 2002 (attached hereto as Attachment 24); KPMG Amended Exception 131, dated January 15, 2002 (attached hereto as Attachment 25); KPMG Exception 134, dated January 7, 2002 (attached hereto as Attachment 26); KPMG Exception 140, dated January 28, 2002 (attached hereto as Attachment 27).

Inaccuracies in such manual re-entry can cause delays and errors in the provisioning of the LSR, resulting in customer dissatisfaction.

120. BellSouth acknowledges that service order accuracy was one of the Commission Staff's concerns regarding its prior application, but asserts that its service order accuracy performance has "continued to improve" as the result of its "significant commitment to service order accuracy." Application at 1, 4, 25. BellSouth, however, still has not shown that its rate of service order accuracy is adequate.

121. In claiming improved performance, BellSouth relies on its reported data for December 2001, which show that its service order accuracy rate exceeded the applicable 95 percent benchmark for all seven UNE service order accuracy sub-metrics and 8 of the 11 resale sub-metrics. Application at 26; Stacy/Varner/Ainsworth Aff., ¶¶ 159-160. A single month's performance, however, is not sufficient to demonstrate that BellSouth has permanently improved its previous poor performance. *See* Bradbury Opening Decl, ¶ 115 (describing low service order accuracy rates reported for August 2001). Indeed, in November 2001 BellSouth failed to meet four of the 11 resale sub-metrics and 2 of the 7 UNE sub-metrics. Only in December 2001 that BellSouth first met all of the benchmarks for the UNE sub-metrics. In fact, December marked the only month in which BellSouth met the metric for one such sub-metric (loops non-design/less than 10 circuits) for the entire year. Varner Supp. Aff., Exh. PM-7 (B.2.34.2.1.2).

122. Moreover, BellSouth's reported service order accuracy rates for December also cannot be regarded as reliable. BellSouth admits that it changed its method for calculating service order accuracy beginning with the November 2001 data. *See* Stacy/Varner/Ainsworth Aff., ¶ 158; Varner Supp. Aff., ¶¶ 68-69. BellSouth made this change unilaterally, without the

concurrence or knowledge of the CLECs. In fact, BellSouth's new application marked the first occasion on which BellSouth notified CLECs of this change in methodology.

123. In view of the recent unilateral change in its methodology, BellSouth's claim of "improved" performance rings hollow. For example, BellSouth has not presented data showing what the rates for months prior to November 2001 would have been if they had been calculated and reported under its new methodology. Thus, BellSouth has not provided the data necessary to determine whether its recent performance actually represents an improvement over previous months. Furthermore, as discussed in the Bursh/Norris Supplemental Declaration, and the Supplemental Declaration of Robert Bell, BellSouth's new methodology is flawed in several respects.

124. Indeed, BellSouth's reported December data are contrary to both testing results and AT&T's real-world experience. In its testing in Georgia, for example, BellSouth failed KPMG's test on the accuracy of partially mechanized orders. *See* Norris Decl., ¶ 35; Bradbury Opening Decl., ¶ 120; Stacy Aff., ¶ 445. Furthermore, as reported in the Supplemental Declaration of Bernadette Seigler, BellSouth representatives have made errors on a number of AT&T's UNE-P orders that have fallen out for manual processing, with resulting errors in provisioning. More disturbingly, despite its professed commitment to service order accuracy, BellSouth has responded to AT&T's complaints about these errors by asserting that BellSouth does not consider such errors to be a problem as long as any resulting errors in provisioning are fixed by 5:00 p.m. on the same day.

125. BellSouth cites certain measures that it has taken, such the establishment of "Quality Programs" and the inclusion of the service order accuracy measure in its SEEMS penalty

plans, as evidence that its service order accuracy rate will be adequate in the future. *See* Stacy/Varner/Ainsworth Aff., ¶¶ 155-161. It is premature, however, to assume that these measures will be effective, since many of them were established only recently. *E.g., id.*, ¶ 154 ("LCSC Service Order Quality Review Group" was established in September and October 2001 for the Birmingham and Atlanta LCSCs, respectively).

126. Moreover, based on BellSouth's testimony, it appears that two of the "Quality Control Groups" established by BellSouth review service orders for accuracy only *after* they have been released to SOCs by the BellSouth service representative. *Id.*, ¶¶ 153-154. An effective review program, however, would seek to prevent erroneous orders from being released in the first place – and that can only be achieved if the review is conducted before the service order is released. Finally, BellSouth's inclusion of a service order accuracy measure in SEEMS will not serve to encourage (much less ensure) adequate performance, for the reasons stated in the Bursh/Norris Supplemental Declaration.

C. BellSouth Has Not Returned Timely and Complete Status Notices.

127. BellSouth has not shown that it provides the timely and complete status notices that CLECs need to order to know, and to be able to tell their customers, the status of orders. Without such notices, a CLEC cannot provide the same level of service and information to their customers as BellSouth can provide to its retail customers. The Commission has thus recognized that timely and complete status notices are critical to a CLEC's ability to compete effectively. *Second Louisiana 271 Order*, ¶ 117; *New York 271 Order*, ¶ 187.

128. BellSouth still does not provide timely FOCs or rejection notices for electronically submitted LSRs that fall out for manual processing. As previously indicated, it

takes BellSouth 18 hours, on average, to return a FOC or rejection notice for partially mechanized orders.[44] By contrast, BellSouth takes an average of only 15 minutes to send a FOC or rejection notice when the LSR falls out and is processed electronically.

129. BellSouth asserts that, because it returns FOCs and rejection notices "mechanically" to a CLEC whenever an order is manually processed, a CLEC is "not necessarily" harmed. Stacy/Varner/Ainsworth Aff., ¶ 99. BellSouth, however, fails to consider the harm that a CLEC incurs due to the 18-hour delay in the return of these notices – including the need for the CLEC to contact the LCSC in order to ascertain the status of the LSR during this period. Moreover, if the LSR has been rejected, the 18-hour return time will delay the resubmission of the LSR and the actual provisioning of the order. As a result of these problems, the CLEC incurs additional costs that deny it the advantages of electronic ordering.

130. As previously stated, KPMG has issued numerous exceptions and observations finding that BellSouth was not returning FOCs and rejection notices on partially mechanized LSRs in a timely manner (¶¶ 112-113, *supra)*. Moreover, KPMG issued an observation last October finding that BellSouth was not providing *complete* FOCs or completion notices for xDSL LSRs submitted via the LENS interface. *See* Bradbury Reply Decl., ¶ 65 & Att. 21. That observation remains open. And only last Friday, KPMG issued a new observation finding that KPMG had not received timely completion notices ("CNs") submitted via the EDI and TAG interfaces. Delay in the return of CNs, KPMG found, "could prevent a CLEC from

[44] BellSouth's reported performance data do not reflect its actual performance in returning these notices, because BellSouth has unilaterally excluded any "non-business hours" (*i.e.*, hours outside of the LCSC's published hours of operation) from its calculation of the timeliness of FOCs and rejections notices. *See* Bradbury Opening Decl., ¶¶ 127-134.

effectively processing a customer's service request or responding to customer inquiries, resulting in a decrease in CLEC customer satisfaction."[45]

131. Finally, BellSouth still has failed to show that it provides jeopardy notices in a timely manner. As BellSouth acknowledges, the data on jeopardy notice intervals that it reports (which are as long as 400 hours) are "not meaningful," because they are not measured accurately. *See* Varner Supp. Aff., ¶ 76; Bradbury Opening Decl., ¶¶ 142-143. Because notice of order jeopardies is "critical" to a CLEC that has previously received a committed due date from BellSouth, BellSouth cannot show that it is providing nondiscriminatory access to its OSS. *See Second Louisiana 271 Order*, ¶¶ 131, 133.

D. BellSouth's Rate of Provisioning Accuracy Remains Poor.

132. Both AT&T's experience, and the KPMG third-party testing in Florida, show that BellSouth's rate of provisioning accuracy is poor. As described in the Supplemental Declaration of Bernadette Seigler, BellSouth has committed provisioning errors for a large number of AT&T's UNE-P orders, due to inputting errors by BellSouth representatives on manually processed orders and to errors in BellSouth's systems.

133. KPMG's testing confirms BellSouth's poor rate of provisioning accuracy. In its Exception 112, issued on October 1, 2001, KPMG concluded that "BellSouth's systems or representatives have not consistently provisioned service and features as specified in orders submitted by KPMG Consulting." Bradbury Opening Decl, ¶ 155 & Att. 42 at 1. KPMG found that BellSouth had correctly updated only 54 percent of CSRs accurately to reflect updated information in the LSR. In many of the remaining (and erroneously-updated) 46 percent of CSRs,

[45] KPMG Observation 169, issued March 1, 2002 (attached hereto as Attachment 28).

the products and features were inconsistent with the pre-completion CSR and/or the LSR submitted to BellSouth. *Id.* As KPMG noted, such "mishandling of customer requests will negatively impact a customer's view of a CLEC's service quality." *Id.*, Att. 42 at 12.

134. Exception 112 remains open today. Even after reviewing BellSouth's response to the exception, KPMG found that BellSouth updated only approximately 70 percent of the reviewed CSRs were updated accurately.[46] KPMG then conducted retesting and found that BellSouth had updated only 77 percent of the reviewed CSRs accurately.[47] Even this performance reflects poor provisioning accuracy. CLECs cannot hope to attract and retain customers if nearly 25 percent of their customers do not receive the services and features that they ordered, since the customer is likely to blame any errors on the CLEC.[48]

135. Two other KPMG exceptions regarding provisioning accuracy, which KPMG issued in late June and early July 2001, remain open. In Exception 76, KPMG found that in 27 percent of situations where lines were disconnected, BellSouth placed the wrong intercept message on the line. As a result, callers to the customer's former customer were told that (for example) the number had been changed to a non-published number or was being checked for trouble, rather than be told the new number (as the customer had expected). Norris Decl., ¶ 31. Exception 84 found that BellSouth failed to use the proper codes when provisioning switch

[46] KPMG Amended Exception 112, dated November 30, 2001 (attached hereto as Attachment 29).

[47] KPMG Second Amended Exception 112, dated January 28, 2002 (attached hereto as Attachment 30).

[48] In Observation 82, KPMG similarly found that BellSouth's systems or representatives did not update CSRs consistently following a change in the status of a customer's account. That observation remains open. *See* Amended Observation 82, dated November 13, 2001 (attached hereto as Attachment 31).

translations, which would mean that the services and features which the customer had requested to receive (or cancel) would not be accurately provisioned (or removed). KPMG found that this problem would "result in a decrease in customer satisfaction" and "negatively impact a customer's view of a CLEC's ability to provide quality service." *Id.* When KPMG conducted retesting for purposes of these exceptions, it found that BellSouth's rate of provisioning errors was even *worse* than that found in the original exceptions.[49]

136. These KPMG exceptions thus corroborated KPMG's finding in its separate third-party test in Georgia that serious problems existed with respect to provisioning accuracy. *See id.*, ¶¶ 32-38. KPMG, however, has issued an additional exception and observation in recent months finding further deficiencies in BellSouth's performance. In Exception 130, KPMG found that "BellSouth's systems or representatives did not consistently provision service in a timely manner for orders submitted by KPMG." In both its initial testing and re-testing, KPMG found that BellSouth was provisioning more than 11 percent of LSRs on a due date other than that specified on the FOC.[50]

137. In Observation 152, KPMG found that BellSouth failed to use the proper codes when provisioning Operator Services/Directory Assistance. KPMG again found that such mishandling of orders "will negatively impact a customer's perception concerning the CLEC's

[49] When KPMG conducted retesting for purposes of Exception 76, it found that BellSouth provisioned only 45 percent of the orders accurately – in contrast to the 73 percent rate determined in the original testing. *See* KPMG Amended Exception 76, dated February 5, 2002 (attached hereto as Attachment 32). Similarly, when KPMG conducted retesting for purposes of Exception 84, it found that BellSouth was not accurately provisioning features and services in the switch for 86 percent of the telephone numbers validated. This error rate (14 percent) was even *higher* than the 9.5 percent rate found in KPMG's original testing. *See* KPMG Amended Exception 84, dated November 15, 2001, at 1, 5 (attached hereto as Attachment 33).

ability to provide quality service."[51] Less than two weeks ago, KPMG changed this Observation to an Exception after it found that BellSouth was incorrectly provisioning more than *40 percent* of OS/DA services incorrectly – and was not even following its own procedures that required call-through tests to ensure proper provisioning.[52]

IV. BELLSOUTH STILL HAS NOT ESTABLISHED, OR ADHERED TO, AN ADEQUATE CHANGE CONTROL PROCESS.

138. BellSouth contends that, as a result of actions that it has recently taken (or promises to take), its change control process is now "an effective mechanism for CLECs to request improvements in BellSouth's OSS." Application at 27. That is incorrect. Although some of the actual or promised modifications to the CCP are welcome, they do not change the fundamental flaws in the CCP that deny CLECs a meaningful opportunity to compete.

139. BellSouth groups its actual or proposed changes to the CCP into five categories: (1) changes designed to make the CCP "more effective, more efficient and more 'user friendly' for the CLECs"; (2) modifications of the CCP "in response to CLECs' needs and to facilitate their ability to make use of BellSouth's OSS"; (3) implementation of additional performance measures to monitor BellSouth's CCP performance; (4) implementation of "the top priority change requests"; and (5) "implementing and expanding availability of the non-production CAVE environment." Stacy/Varner/Ainsworth Aff., ¶ 108. Many of the changes described by

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[50] KPMG Amended Exception 130, dated January 28, 2002 (attached hereto as Attachment 34).

[51] KPMG Observation 152, dated December 5, 2001 (attached hereto as Attachment 35).

[52] KPMG Exception 156, dated February 22, 2002 (attached hereto as Attachment 36).

BellSouth (such as provision of information regarding status of change orders and release capacity) will be of benefit to CLECs – assuming that BellSouth lives up to its commitments.[53]

140. Nonetheless, BellSouth's claims of improvements should be greeted with skepticism. Many of the modifications that BellSouth describes are, in fact, changes that CLECs have previously requested but that BellSouth failed to implement. For example:

- The "user-friendly" changes to Change Control Meetings described by BellSouth (Stacy/Varner/Ainsworth Aff., ¶ 110) have been requested by CLECs since 1998.

- Although BellSouth now promises to make representatives from its Technology Group and Customer Care organizations available at CCP meetings, it could have (and should have) done so long ago. *See id.*, ¶ 112. Furthermore, although BellSouth promises to make subject matter representatives available at CCP meetings "upon CLEC request and with two weeks' advance notice" when BellSouth has rejected a change request, that commitment is illusory, because this process was part of the CCP even before BellSouth filed its previous application last September. *Id.*, ¶ 113.[54] Although CLECs have continuously objected to the two-week advance notice requirement, BellSouth has refused to alter it.

[53] Some of the changes may actually hinder CLECs, depending on the circumstances. For example, although BellSouth's creation of special CCP subcommittees may serve as a useful vehicle for addressing certain issues (*see* Stacy/Varner/Ainsworth Aff., ¶ 111), BellSouth also has previously used such subcommittees on occasion to delay implementation of CLEC-requested changes through a "divide-and-conquer" strategy of creating disagreement among the participating CLECs. In addition, despite repeated requests by CLECs for coordination of the scheduling of the meetings of these special groups so that CLEC representatives can attend each group meeting, BellSouth continues to schedule meetings of some of these groups on the same day and at the same time. For example, BellSouth scheduled meetings of the Flow-Through Task Force and the UNE-P User Groups to occur at the same time on February 27, 2002.

[54] BellSouth's promise to reorganize the job responsibilities of its Operation Assistant Vice President to allow him to "focus his energies on Change Control" (Stacy/Varner/Ainsworth Aff., ¶ 114) will undoubtedly benefit CLECs, because the current OAVP acknowledged last September that he devoted – at most – "less than five percent" of his time to the Change Control Process. *See* Transcript of Deposition of Dennis L. Davis, dated September 19, 2001, at 6-7 (attached hereto as Attachment 37).

- Although BellSouth implemented a process to distribute the BellSouth Business Rules for Local Ordering earlier to CLECs (*id.*, ¶ 116), that implementation came only after years of requests by CLECs for longer lead times.

- Although BellSouth began providing CLECs in December 2001 with a coding matrix associated with each of its releases (*id.*, ¶ 117), CLECs have been requesting such a matrix since BellSouth changed the format of its business rules documentation more than two years ago. BellSouth originally agreed to provide the matrix beginning in February 2001 – ten months before it actually did so.

- CLECs have long requested release capacity and sizing information, but BellSouth did not even "propose" to provide it until November 2001. *See id.*, ¶ 126.

- Although BellSouth promises to provide a quarterly tracking report in an Excel format to allow the CLECs to manipulate the data (*id.*, ¶ 109), BellSouth previously provided such data in that format until approximately 18 months ago – when BellSouth unilaterally changed to a PDF format (which prevented CLECs from mechanically analyzing the data).

141. Furthermore, the timing of BellSouth's modifications is suspect. Some of the modifications were implemented shortly before BellSouth filed its previous Section 271 application in September. Others, such as BellSouth's "40 percent proposal" (discussed below), were made after the issue of change control was raised by a number of CLECs and the Department of Justice in response to that application.

142. Even leaving aside these factors, however, BellSouth's actual and proposed modifications are insufficient. They do not alter the defects in the CCP that deny CLECs a meaningful opportunity to compete. *See* Bradbury Opening Decl., ¶¶ 170-236. Even after implementation of the proposed changes, BellSouth continues to have a veto power over change requests; BellSouth makes the final decision regarding the prioritization of proposed changes; BellSouth continues to decide the scheduling of the implementation of changes; a

substantial backlog of change requests still exists; the testing environment that BellSouth provides remains inadequate; and BellSouth continues to violate the very change control process that it promises to improve. Thus, for example, although BellSouth's provision of information regarding the status of change requests is useful, it does not alter the fact that BellSouth alone determines what changes will be implemented, and when.

143. As shown below, despite the modifications that BellSouth describes in its new application, the CCP remains inadequate under the criteria established by the Commission to determine whether a change management process give an efficient competitor a meaningful opportunity to compete. *See* Bradbury Opening Decl., ¶ 171. First, CLECs are still denied meaningful input in the design and operation of the CCP. Second, BellSouth does not provide a stable testing environment that mirrors production. Third, the scope of the CCP remains inadequate. Fourth, BellSouth does not provide inadequate documentation. In addition, BellSouth has continued to fail to comply with the CCP, both before and after its modifications.[55]

A. CLECs Still Do Not Have Substantial Input In the Design and Operation of the Change Control Process.

144. Contrary to BellSouth's assertion, the various modifications that it proposes do not "ensure that its change control process provides CLECs with 'substantial input in the design and continued operation of the change management process.'" Application at 27 (quoting *Texas 271 Order*, ¶ 108). These modifications still leave BellSouth with the sole power

[55] The modifications implemented or proposed by BellSouth also do not provide a procedure for the timely resolution of change management disputes – thus failing another of the Commission's criteria. *See* Bradbury Opening Decl, ¶¶ 207-208.

to decide the changes that will be implemented, the priority in which any changes will be implemented, and the timing of the implementation of changes.

145. BellSouth's total control over these decisions is evidenced by the current status of change requests. First, a substantial backlog of change requests exists. As of February 20, 2002, for example, BellSouth has not implemented 93 change requests for features and 33 defect change requests. The status of the 93 pending feature requests is as follows:

- 29 of the requests are "New." Under the CCP, "new" request is a change request that has been received by the BellSouth Change Control Manager, but has not yet been validated. Although the interval for validation under the CCP is 10 business days, BellSouth did not meet that timetable for any of them. Three of the requests were filed in 2000 (one as long ago as August 2000), and 13 were filed during 2001.

- 17 of the requests are "Pending." A "pending" request is a change request that has been accepted by the BellSouth Change Control Manager and scheduled for change review and prioritization. Two of these requests were submitted in September 2000, and more than two-thirds of the requests were submitted more than six months ago.

- 32 of the requests are "Candidate Requests." A "Candidate Request" is a change request that has completed the change review and prioritization process and is ready to be scheduled to be implemented in a release. More than half of the requests were originally submitted in 1999 or 2000. Two of the requests were submitted in September 1999. All but one of the "Candidate Requests" have remained in this status since April 2001.

- 15 of the requests are "Scheduled." A "scheduled" request is a change request that has actually been scheduled for implementation through a BellSouth release. For all but one of these requests, the scheduled implementation date is more than 18 months (and as long as 32 months) since the date on which the request was originally filed. Two of the requests were originally submitted in August 1999; the majority of the remaining requests were submitted before September 2000.

Of these 93 pending feature requests, 56 are Type 5 (CLEC-initiated), 32 are Type 4 (BellSouth-initiated), and 5 are Type 2 (regulatory). Tables summarizing these change requests are attached hereto as Attachment 38.

146. BellSouth's published 2002 Release Schedule calls for implementation of only 24 Type 2-5 changes. At that rate of implementation, the 93 pending feature requests will not be completed until 2005. None of the BellSouth-proposed modifications to the CCP – even BellSouth's proposal to implement the "Top 15" requests in 2002 (discussed below) – suggests that this pace of implementation will increase.

147. The status of the 33 pending defect change requests is as follows:

- One defect change request is New.
- 18 of the defect change requests are Validated. A "validated" request is a change request on which BellSouth has performed an internal analysis and determined that the defect is a validated defect. Four of these requests were submitted at least 13 months ago (one in September 2000), and more than half were submitted more than six months ago.
- 14 of the defect change requests are Scheduled. For two of these requests, the scheduled implementation date will occur at least 120 days after the request was filed, even though the maximum possible period permitted by the CCP for implementation of defect change requests is 120 days from submission.[56] For all but two of the remaining 12 requests, the intervals between the submission and scheduled implementation dates are between 51 and 65 days.

Tables summarizing these defect change requests are attached hereto as Attachment 39.

148. Second, BellSouth has implemented only a limited number of CLEC-initiated change requests. Last November, Mr. Stacy testified that as of October 15, 2001, BellSouth had implemented 32 CLEC-initiated requests and 33 BellSouth-initiated requests since

the inception of the CCP since the inception of the change control process.[57] Moreover, the 32 implemented CLEC changes were out of a total of 153 such requests, while the 33 implemented BellSouth requests were out of a total of only 99 BellSouth requests.

149. This backlog of change requests, and BellSouth's failure to implement them, seriously impedes the CLECs' ability to compete. As the following examples illustrate, the delays in implementation of these requests result in increased costs for CLECs and their customers, delays in the provisioning of service, and customer dissatisfaction.

- Change Request 0135, which AT&T submitted on August 9, 2000, requests that BellSouth provide CLECs with the ability to submit a single mechanized order to combine a customer's telephone numbers or lines into a single account, or to change the customers' main listing, in the case of subsequent partial migrations.[58] Currently, CLECs must send multiple orders manually to do so. This procedure increases CLECs' costs and the likelihood of error. Although AT&T's change request was prioritized by the CLECs in April 2001, BellSouth has not scheduled it for implementation.

- Change Request 0215, submitted by AT&T on November 8, 2000, requests that BellSouth implement functionality that would enable CLECs to migrate customers "in bulk from UNE to UNE" on a single order – as, for example,

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[56] Under the CCP, BellSouth is required to implement a defect change request within 120 days when it is "low impact," within 90 days when it is "medium impact," and within 10 days when it is "high impact."

[57] *See* Reply Affidavit of William N. Stacy filed November 13, 2001, in CC Docket No. 01-277, ¶ 63 ("Stacy Reply Aff."). BellSouth calculated the number of implemented CLEC requests by looking as far back as June 1999; the BellSouth requests were implemented beginning in April 2000. In other words, BellSouth took approximately three years to implement roughly the same number of change requests for CLECs that it was able to implement for itself within two years. *See id.*, Exh. OSS-7.

[58] A partial migration occurs when a customer migrates some of its lines to a CLEC but retains BellSouth as its LEC for the remaining lines. A business customer, for example, might decide to "take a chance" on a CLEC by transferring some of its lines to the CLEC, while retaining BellSouth as its carrier for the remaining lines while it assesses the CLEC's performance. A "subsequent partial migration" occurs when a customer that has previously migrated some of its lines to the CLEC migrates the remainder to the CLEC.

when a CLEC currently providing customers with service through the UNE Platform wishes to provide them with the same service using UNE loops with Local Number Portability ("LNP") instead. Although prioritized, this request has not yet been scheduled for implementation. Under the proposed change, the CLEC would send a spreadsheet/bulk migration order listing these customers to BellSouth with the pertinent customer-specific information – a procedure that would reduce costs to CLECs. BellSouth already provides such a process for the bulk conversion of customers from resale to the UNE platform; the change request simply seeks implementation of the same process for conversions from UNE-P to UNE-L with LNP. By contrast, current procedures require that CLECs send a separate order for each such "UNE to UNE" customer, thereby increasing CLECs' costs.

- Change Request 0443, submitted by Birch on June 29, 2001, requested that BellSouth provide CLECs with billing completion notices ("BCN") which would notify CLECs that their orders have been completed through BellSouth's billing systems. Currently, if an LSR does not match the data in BellSouth' CRIS billing database, the LSR will be placed into a "hold line" for manual work. As a result, BellSouth might erroneously continue to bill the customer, causing double-billing of the same telephone numbers by BellSouth and the CLEC (a problem that the customer will likely blame on the CLEC) and causing the customer to receive BellSouth's branding for OS/DA. Without a billing completion notice, the CLEC also risks double billing the customer (or foregoing revenues) because it does not know when billing for the customer has been switched from BellSouth to the CLEC and, therefore, when it may properly begin billing the customer. BellSouth, however, initially refused to consider this change request on the ground that the request involved a billing issue that it regarded as outside the scope of the CCP. After CLECs protested BellSouth's position, BellSouth allowed the request to remain in the CCP but has taken no action on the request (claiming that an industry solution is needed).[59]

- Change Request 0461, submitted by BellSouth on August 16, 2001, seeks implementation of functionality enabling CLECs to perform a check on the availability of facilities for "hot cut" orders before the issuance of a FOC. Because of the current lack of such functionality, CLECs such as AT&T often do not receive notice that facilities are unavailable until they receive a jeopardy notices shortly before the scheduled "cut." As a result, the original due date must be rescheduled, causing inconvenience to the customer (with resulting customer dissatisfaction). In addition, last-minute cancellations can result in increased costs to customers, who often have their equipment vendors on-site

[59] Although BellSouth claims that an industry solution is necessary, Verizon has been providing billing completion notices in its region for at least two years. *New York 271 Order*, ¶ 188.

when "cuts" are scheduled. If the "cut" is cancelled at the last minute, the customer's vendor may charge the customer both for that site visit *and* for the additional site visit that will be necessary when the "cut" is rescheduled. By contrast, a "pre-FOC facilities check" would enable the CLEC to ensure – before any FOC is issued – that facilities are available and that service will be installed for the customer on the due date provided on the FOC.

- Change Request 0625, submitted by Birch, requests the implementation of functionality that would automatically remove the ADL 11 USOC from the CSRs of customers migrating from BellSouth to a CLEC. BellSouth currently rejects CLEC UNE-P orders for customers with an ADL 11 USOC on their CSRs and requires that the USOC be removed from the CSR before BellSouth will process the order. As described in the Supplemental Declaration of Bernadette Seigler, this removal procedure requires the CLEC to notify its customer, who must then advise its network service provider, who must then contact BellSouth. The current process is unmanageable and unrealistic, delays the provisioning of service, and increases costs for CLECs and their customers. It also discourages customers from signing up for a CLEC's UNE-P service. By contrast, automated removal of the ADL 11 USOC would ensure prompt provisioning, save costs, and increase customer satisfaction. There is no technical reason why BellSouth cannot promptly implement such a functionality. BellSouth itself submitted a Type 2 (regulatory) request on September 14, 2001, to remove a different ADL USOC from the CSR, and implemented it in November 2001.

150. BellSouth's failure to implement the 33 backlogged "defect" change requests also substantially hinders the CLECs' ability to compete. For example, 7 of these defect change requests involve the seven existing defects in the parsed CSR functionality acknowledged by BellSouth. *See* Attachment 39 hereto, at 3. As previously described, the manual "workarounds" that CLECs must use until these defects have been corrected impose a significant burden on CLECs. (¶ 23, *supra.*)

151. Third, even when it agrees to implement a change request, BellSouth is slow to do so. BellSouth stated last November that the *average* time from submission to implementation of a change request was 164 days for a CLEC change request – as opposed to 60

days for a change request initiated by BellSouth. Stacy Reply Aff., ¶¶ 67-68.[60] BellSouth's figures are, if anything, understated. For example, as Attachment 38 demonstrates, four pending Type 5 feature request changes were filed in August 1999 – two and one-half years ago – and two of those requests have not yet even been scheduled for implementation.

152. BellSouth's poor performance is further confirmed by the releases that BellSouth has implemented to date in 2002 – Release 10.3, which was implemented on January 5; Release 10.3.1, which was implemented on February 2; and Release 10.3.2, which was implemented on February 9. As will be seen in Attachment 40 hereto, some of the change requests that were implemented were originally submitted as long ago as 1999. Even some of the defect change requests included in these releases were submitted 120 to 140 days before their actual implementation. *See* Attachment 40.[61]

153. BellSouth asserts that it "is committed to implementing highly prioritized items on a timely basis consistent with available resources," and that it "has offered to commit to a process that would fairly allocate available resources toward implementing change requests." Stacy/Varner/Ainsworth Aff., ¶ 125. An effective change management process, however, does

[60] BellSouth has claimed that the average time for implementation of CLEC requests is longer because the data for its own requests do not include the time that BellSouth takes to prepare its requests. Stacy Reply Aff., ¶ 68. This explanation is illogical, because the figure for CLEC requests also does not include preparation time. In any event, the exclusion of preparation time can hardly explain a 104-day difference.

not involve "allocation of resources," but rather the timely implementation of changes according to their priority. This requires that CLEC change requests (Type 5) and BellSouth changes (Type 4) be considered together, with full knowledge of their size, scope, and difficulty, and scheduled for implementation according to their prioritization under a clearly defined period.

154. None of the various modifications or proposals made by BellSouth accomplish this result. Indeed, they leave BellSouth with the same exclusionary powers that it has exercised so often in the past.

155. **The 40% Solution.** As BellSouth states, in November 2001 BellSouth offered to "allocate 40% of its annual release capacity for implementing CLEC changes," and/or what BellSouth described as "CLEC-driven mandates," with the remaining 60 percent to be used for other purposes (including "25-30% for BellSouth features and change requests" and "approximately 25%" for defect and maintenance requests). *See* Application at 30; Stacy/Varner/Ainsworth Aff., ¶ 126. Although BellSouth professes to be "disappointed" that the CLECs rejected this proposal (Stacy/Varner/Ainsworth Aff., ¶ 133), the CLECs' position should come as no surprise to BellSouth.

156. The CLECs rejected this "40% solution" because it simply perpetuated the status quo. Although BellSouth proposed purported to set aside 40 percent of BellSouth's annual

[61] One of these defect change requests was Change Request 459, submitted on August 15, 2001, to correct the CLECs' inability to view Billed To Number data, Pending Service Order data, and Local Service Freeze indicators in the CSR. *See* Stacy/Varner/Ainsworth Aff., Exh. SVA-35. CLECs had previously been able to view these data until July 2001, when BellSouth implemented a release intended to improve the response times to CSR queries. *See* Bradbury Opening Decl., ¶¶ 52-54. BellSouth did not correct the problem, however, until it implemented Release 10.3.1 on February 2. Thus, BellSouth took 140 days to correct a problem for which it was solely responsible.

release capacity "CLEC changes" and "CLEC-driven mandates," it was clear that the determination of what changes would be included in that 40 percent would be determined exclusively by BellSouth.[62] Moreover, BellSouth acknowledged in an *ex parte* letter to the Commission on November 30, 2001, that it was *already* allocating 40 percent of its "software" to CLEC change requests.[63] Thus, it appeared that BellSouth was proposing to render the same performance that it had delivered in the past.

157. BellSouth's proposal also was deficient because BellSouth provided no basis for its suggestion that a 40 percent allocation was sufficient to meet the needs of CLECs. As previously indicated, changes should be implemented according to their importance, not according to an allocation formula. As KPMG recently stated in criticizing the 40% Solution, "predetermined capacity allocations may not be sufficient to address necessary changes to the BellSouth OSS (e.g., CLEC Driven mandates that comprise more than 40% of annual release capacity, Defect corrections that comprise more than 25 percent annual release capacity)."[64] The 40 percent allocation would limit the implementation of CLEC-requested changes even when the

[62] BellSouth's inclusion of "CLEC-driven mandates" in the 40 percent rendered its proposal even more unacceptable. Although BellSouth never defined the term, "CLEC-driven mandate" would appear to include any order issued by a regulatory agency requiring BellSouth to comply with its obligations under the 1996 Act when such enforcement was requested by a CLEC. Even if the requirement was not sought by a CLEC, BellSouth's proposal left it free to classify the requirement as "CLEC-driven" when it wished to do so.

[63] *See ex parte* letter from Sean A. Lev (counsel for BellSouth) to Magalie Roman Salas in CC Docket No. 01-277, dated November 30, 2001, Attachment at 16 ("Forty percent of software capacity (*i.e.*, total hours to develop, test, & implement system features) during 2001 was utilized to address CLEC requests submitted directly via the CCP prioritization process and as state/federal mandates").

[64] *See* KPMG Second Amended Exception 88, dated January 28, 2002, at 6 (attached hereto as Attachment 41).

changes were given such a high priority that additional resources were warranted. Conversely, the 25 to 30 percent allocation given to BellSouth's change requests overlooks the fact that CLECs may assign a high priority to a change even if it is formally proposed by BellSouth. Thus, BellSouth's proposal could operate to limit the implementation of changes desired by CLECs regardless of whether BellSouth or the CLECs filed a request for the change. As a result, the existing backlog of change requests (described below) would simply continue.

158. BellSouth asserts that, rather than continue discussions of its 40% proposal in the context of the CCP, the CLECs "instead decided to raise these issues in connection with the GPSC's review of the CCP process," where they filed written comments rejecting the proposal on January 30, 2002. Stacy/Varner/Ainsworth Aff., ¶¶ 130, 132-133. This assertion is untrue. The CLECs filed their comments – which included a red-lined version of the CCP that clearly rejected BellSouth'' proposal – pursuant to the request of the GPSC Staff during workshops conducted as part of the GPSC's six-month review of performance measurements on December 10, 2001. The Staff specifically requested that the CLECs submit a redlined version of the CCP document on January 30, 2002. BellSouth was fully aware of the GPSC Staff's request well before the CLECs made their filing.

159. Indeed, at the CCP committee meeting held on January 22, 2002, AT&T requested that BellSouth agree to include the CLECs' redlined version of the CCP document on the agenda for the next CCP meeting. AT&T pointed out that nothing in the GPSC Staff's request precluded BellSouth and the CLECs from discussing the red-lined version, and attempting

to reach agreement regarding changes in the CCP, through direct CCP meetings.[65] BellSouth, however, rejected AT&T's request. Instead, at 5:20 p.m. on February 11, 2002, BellSouth (in an obvious reaction to the CLECs' red-lined version) sent an e-mail to CLECs that expanded the agenda for the next CCP meeting – scheduled for the following day, February 12 – to include discussion of its "release capacity planning" proposal (the "50/50 proposal" discussed below).[66]

160. **The 50/50 Solution.** In response to the CLECs' rejection to its "40% Solution," BellSouth now proposes that, after Type 2, 3, and 6 features have been slotted for a release, "at least 50%" of the remaining capacity would be allocated for CLEC-initiated change requests on an annual basis – with the remainder to be used for BellSouth-initiated change requests. Stacy/Varner/Ainsworth Aff., ¶ 133.[67] This proposal, however, is as inadequate as its predecessor. As in the case of the "40% Solution," BellSouth alone would determine what CLEC-initiated change request would fall within the 50 percent allocation. Furthermore, like the 40 percent allocation, the 50 percent allocation would consider CLEC-initiated and BellSouth-initiated requests separately, rather than as part of a single prioritization process. Thus, the allocation could limit the implementation of the requests that CLECs desire.

161. This "50/50 Solution" could leave the CLECs in a worse position than would be the case under the 40 percent solution. In theory, at least, the 40 percent solution would allocate 40 percent of annual release capacity to CLEC change requests, with the

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[65] *See, e.g.*, electronic mail message from Jay Bradbury (AT&T) to BellSouth Change Control, dated January 30, 2002 (attached hereto as Attachment 42)

[66] *See* Stacy/Varner/Ainsworth Aff., ¶ 133; electronic mail message from BellSouth Change Control to CLECs, dated February 11, 2002, and response thereto from Jay M. Bradbury (AT&T), dated February 12, 2002 (attached hereto as Attachment 43).

remainder assigned to other types of change requests. Under the 50/50 proposal, however, CLEC-initiated requests would be allocated "at least 50 percent" only of the capacity remaining *after* Types 2, 3, and 6 features have been slotted for a release. Thus, for example, if implementation of Types 2, 3, and 6 changes consumed 40 percent of all release capacity, and BellSouth allocated the remainder equally between Type 4 and Type 5 change requests, CLEC-initiated requests would be allocated only 30 percent (50% of 60%) of the total capacity. In fact, based on the number and type of change requests set forth in BellSouth's 2002 Release Capacity Schedule, BellSouth has set aside only *13 percent* of that capacity for implementation of CLEC-initiated charges through its November 16, 2002, release.[68]

162. As part of its 50/50 Solution, BellSouth also proposes "implementing *as many of the CLEC top priority Types 4 and 5 features as possible* in that remaining capacity in 60 weeks." Stacy/Varner/Ainsworth Aff., ¶ 133 (emphasis added). As BellSouth acknowledges, this proposal is a counterproposal to the proposal made in January by the CLECs (which BellSouth rejected) that the implementation of Type 4 and Type 5 changes occur no later than 60 weeks from prioritization of the change. *See id.*, ¶¶ 132-133.

163. Although BellSouth's counterproposal is a step in the right direction, its inclusion of the phrase "as possible" renders it meaningless. The current CCP already leaves

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[67] Under the BellSouth CCP, regulatory changes are classified as Type 2, industry standard changes as Type 3, and defect changes (changes to correct defects) as Type 6.

[68] The February 22, 2002 version of BellSouth's Change Control 2002 Release Schedule calls for implementation of a total of 85 change requests during 2002 through BellSouth's Release 11.0, which is scheduled for implementation on November 16, 2002. Of the 85 change requests, 51 are Type 6 (Defect) requests and 13 are Type 2 and 3 requests. Only 11 of the requests (13 percent of the total) are Type 5 (CLEC-initiated); 10 of the requests (12 percent of the total) are Type 4 (BellSouth-initiated).

BellSouth with the power to decide – unilaterally -- whether implementation of change requests within a particular time period is "possible." BellSouth has used that power to delay implementation for unreasonably long periods of one or two years (or more), simply because it unilaterally determined that implementation at an earlier time was not "possible" from its standpoint. CLECs proposed an unequivocal 60-week deadline for implementation precisely to curb that power and ensure that BellSouth would implement Type 4 and 5 change requests in a timely manner. Under BellSouth's proposal, BellSouth would still be able to delay implementation of change requests beyond the 60-week period simply by declaring that additional implementation was not "possible."

164. Both the "40 Percent Solution" and the "50/50 Solution" would thus still leave BellSouth free to make the final decisions regarding prioritization, scheduling, and implementation through its internal processes – from which CLECs are entirely excluded. *See* Bradbury Decl., ¶ 183. KPMG, in its first Exception Report on the prioritization process, criticized BellSouth's internal prioritization process because it precludes CLECs from involvement in the final prioritization decisions and thus "inhibits one of the primary objectives of the CCP – 'to allow for mutual impact assessment and resource planning to manage and schedule changes.'" *See* KPMG Exception 88, dated July 19, 2001 (Attachment 44 to Bradbury Opening Decl.). Although KPMG issued two amendments to Exception 88 since last July, the exception remains open – and KPMG's concerns persist.[69]

[69] *See* KPMG Second Amended Exception 88, at 4 (Attachment 44 hereto) (expressing concern that, by restricting CLEC participation in the prioritization process to "CLEC affecting" decisions as it defines that term, BellSouth has precluded CLEC involvement in "issues that impact CLEC operations").

165. BellSouth recently made clear that, despite its modifications to the CCP, it is determined to exclude CLECs from its internal prioritization process. In a recent filing where it provided "green line" comments and changes in response to the CLECs' redlined version of the CCP, BellSouth rejected a CLEC proposal that "Designated CLEC Co-Moderators" participate in BellSouth's internal change management process meetings. BellSouth stated that it would not support the proposal "because it still needs to conduct internal meetings to run its business without CLEC participation."[70]

166. BellSouth has promised in its application to implement "the CLECs' current top 15 change requests" during 2002. *See* Stacy/Varner/Ainsworth Aff., ¶ 124; Application at 29. Although that promise, if kept, would certainly be welcomed by the CLECs, it does not alter BellSouth's total control over prioritization and implementation. To the contrary, BellSouth's promise reflects its total control to determine what change requests it is willing to implement, and when. Furthermore, BellSouth's promise does not address the implementation of change requests *after* 2002, or the extent to which BellSouth will implement change requests in 2002 that the CLECs prioritize lower than their "Top 15." Aside from its meaningless promise to implement as many Type 4 and 5 change requests "as possible" within 160 days of prioritization, BellSouth does not impose time limits for implementation of any requests except the "Top 15."

B. The Scope of the CCP Remains Inadequate.

167. None of the various modifications to the CCP proposed by BellSouth alters the inadequate scope of the CCP. *See* Bradbury Decl., ¶¶ 201-206. BellSouth continues to

[70] *See ex parte* letter from Kathleen B. Levitz (BellSouth) to Magalie Roman Salas, dated February 27, 2002 ("BellSouth February 27 *ex parte*"), Attachment at 17.

interpret the CCP to encompass only *interfaces* – and not, for example, LEO and LESOG (the editing and formatting systems on BellSouth's side of the gateway) and BellSouth's back-end legacy systems.[71] As a result, BellSouth is free to implement changes to its linkage and legacy systems without following the requirements of the CCP, even when changes to those systems could have a major impact on CLECs' operations. Similarly, BellSouth continues to take the position that neither the development of new interfaces nor the replacement of its OSS are within the scope of the CCP, notwithstanding the importance of these matters to effective CLEC operations. Bradbury Opening Decl., ¶¶ 203-204.

168. BellSouth further limits the scope of the CCP by taking the position that it does not regard billing within the scope of the CCP – even though the CCP document makes clear that the CCP encompasses billing. *See, e.g.*, Stacy/Varner/Ainsworth Aff., Exh. SVA-38 at 13. In the recent "green-line" version of the CCP that it sent to the CLECs, BellSouth stated that it would not support inclusion of billing within issues to the CCP, except to the extent that "certain ordering or pre-ordering requests to the CLEC interfaces may result in changes to the Billing system and testing." BellSouth February 27 *ex parte*, Attachment at 13-14. Changes to BellSouth's billing systems, however, are important to CLECs regardless of their cause.

[71] BellSouth, for example, states that it did not implement a change request for implementation of a single "C" order because " BellSouth's internal systems are not subject to the CCP." Stacy/Varner/Ainsworth Aff., ¶ 191. Indeed, in October 2000 BellSouth cancelled a change request (Change Request 087) filed by Sprint for the single "C" order process on the ground that the request was outside the scope of the CCP. BellSouth now promises to implement the single "C" process in Georgia, Louisiana, Florida, and Mississippi on April 6-7, 2002, with the implementation schedule for the remaining BellSouth states still "under advisement." *Id.* The fact that BellSouth is implementing the process in some states, but others, demonstrates the discretion that it can exercise in the absence of an effective CCP. The selective, State-by-State implementation also belies BellSouth's assertion that its OSS are regionwide. *See* Bradbury Opening Decl., ¶¶ 261-273.

169. Finally, BellSouth continues to limit the number of releases implementing change requests to three each year – a practice that unduly delays implementation of changes that CLECs need. The size and timing of releases should be driven by demand and CLEC need.

C. BellSouth's Test Environment Remains Inadequate.

170. Although BellSouth claims that it has made (or will make) modifications to expand the availability of its CAVE test environment, those modifications will not result in the adequate and stable test environment that CLECs need in order to have a meaningful opportunity to compete. *See* Application at 30; Stacy/Varner/Ainsworth Aff., ¶¶ 135-144. For example, BellSouth proposes no changes to its alternative, "original" test environment – which does not mirror the production environment (since it is not an "end-to-end" process) and can be used only for implementing a new interface (including a conversion from one industry standard version of an interface to another). *See* Bradbury Opening Decl, ¶¶ 211, 213.

171. Even BellSouth's actual and promised modifications to CAVE fail to remove most of the deficiencies in CAVE that have precluded CAVE from constituting an adequate and stable test environment. Most notably, CAVE does not mirror the actual production environment. BellSouth continues to insist that CLECs using CAVE submit order-using codes identifying the transactions as *BellSouth*-originated, not CLEC originated. BellSouth limits the number of CLECs that may use CAVE simultaneously, and the types of test scenarios that CLECs may test in CAVE. And BellSouth does not make CAVE available for all versions of EDI used in actual production. These arbitrary restrictions do not mirror the commercial production environment used by CLECs. *Id.*, ¶¶ 215-216.

172. BellSouth has eliminated two of the previous inadequacies in the CAVE testing environment. BellSouth now states that a functionality "will always be available in CAVE" once that functionality has been released and installed in CAVE. This new policy thus removes BellSouth's previous, arbitrary limitation on the use of CAVE to 30 days after implementation of a release. Stacy/Varner/Ainsworth Aff., ¶¶ 142-143; Bradbury Opening Decl., ¶ 217.[72]

173. Furthermore, BellSouth recently announced that it has added LENS to the CAVE environment. Stacy/Varner/Ainsworth Aff., ¶ 144; Bradbury Opening Decl, ¶ 219 (describing BellSouth's previous refusal to include LENS in CAVE). However, CLECs will not be able to begin using LENS in CAVE until March 25, 2002. Stacy/Varner/Ainsworth Aff., ¶ 144. Moreover, although BellSouth now is adding LENS to CAVE, it continues to exclude its RoboTAG™ interface from CAVE. That exclusion is highly improper. There is no basis for excluding RoboTAG™ from CAVE while, at the same time, including LENS – which, like RoboTAG™, is a human-to-machine interface programmed for the CLECs by BellSouth. Users of RoboTAG™ should not be forced to perform live testing on their customers' orders to find programming errors by BellSouth associated with new releases.

174. CLECs critically need an adequate and stable test environment to test changes in BellSouth's OSS. Even when such changes have been requested by CLECs, they will

[72] It is unclear whether BellSouth has altered its policy that CLECs may begin testing software in CAVE only beginning 30 days prior to the implementation of the release. *See* Bradbury Opening Decl., ¶ 216. In its third-party testing in Florida, KPMG issued an Observation criticizing this restriction because it "limits the CLEC testing window" and "may not allow CLECs the opportunity to adequately test their interface changes." KPMG Observation 147, dated November 30, 2001 (attached hereto as Attachment 45).

prove to be of no value to CLECs if they do not function properly. Only an adequate and stable test environment will enable the CLECs to determine before actual implementation whether the changes work as intended. If such an environment does not exist, CLECs will be required to expend valuable time and resources after implementation of the change to have the problems corrected, and their operations may be disrupted.

175. It is precisely because it has *not* provided an adequate and stable test environment that, on numerous occasions, BellSouth has implemented software with serious flaws. As previously discussed, the TN migration and parsed CSR functionality recently implemented by BellSouth proved to have serious deficiencies. Due to problems with BellSouth's July 2001 release, CLECs were unable for seven months to view certain data on the CSR (such as Pending Service Order information) to which they previously had access. In 2000, BellSouth's software for the ordering of operator services and directory assistance, and for queries for loop make-up information, was implemented with numerous flaws that had a negative impact on CLEC operations. In each such case, the unavailability of a suitable testing environment prevented these errors from being detected before the software was implemented. Such unavailability is compounded by the problem – confirmed by KPMG in an Exception issued today – of BellSouth's failure to conduct adequate *internal* testing of its own prior to implementing a release.[73]

[73] *See* KPMG Exception 157, dated March 4, 2002 (attached hereto as Attachment 61) (finding that "BellSouth does not follow its software testing and quality processes"). In its third-party testing in Florida, KPMG also found that BellSouth had not implemented system fixes for a particular defect in all of the versions of its TAG interfaces. That omission resulted in rejections of LSRs submitted by KPMG, which was using a version of TAG in which the fix had not been implemented. *See* KPMG's Observation 148, issued November 30, 2001.

D. BellSouth Continues To Provide Inadequate Documentation To CLECs.

176. CLECs can place orders successfully and efficiently only if BellSouth provides them with adequate, complete, and reliable OSS documentation. Even if a CLEC is able to build an interface using BellSouth's documentation, it may still experience order rejections or manual fall-out if BellSouth's documentation is flawed. Adequate documentation is also essential to enable CLECs to modify their systems to reflect any changes made by BellSouth without disruption to their operations or rejection of their orders.

177. As in its previous application, BellSouth provides no evidence that its documentation is adequate, but simply gives a brief description of various OSS documentation (some of which it attaches to its Application). *See, e.g.,* Stacy/Varner/Ainsworth Aff., ¶¶ 10-19. Nor is the adequacy of BellSouth's documentation shown by the third-party testing of KPMG in Georgia and Florida. In the Georgia test, KPMG did not conduct a comprehensive review of the substance or quality of BellSouth's documentation, and did not even evaluate the then-most current version of BellSouth's pre-ordering and ordering documentation. Bradbury Opening Decl., ¶¶ 225-226.

178. In its third-party test in Florida, KPMG has found numerous deficiencies in the BellSouth OSS documentation. Mr. Bradbury described the then-open KPMG exceptions and observations noting such deficiencies in his Opening Declaration last October in CC Docket No. 01-227. *Id.*, ¶ 227. Three of the KPMG exceptions and observations that he described still remain open. Since the filing of Mr. Bradbury's testimony, KPMG has opened additional exceptions and observations finding that BellSouth's documentation is inadequate. In the exceptions and observations that are still open, KPMG has determined that:

- Issue 9K of the BellSouth Business rules for Local Ordering ("BBR-LO") does not provide specific business rules on how to issue an order for the partial migration of an end user's account, forcing CLECs to go through a multi-step process. (KPMG Exception 16, dated March 5, 2001)

- The BBO-LO for Local Ordering, OSS '99, Issue 9L, fails to define a process for an unbundled loop (REQTYP A) migration from one CLEC to another. (KPMG Exception 49, dated April 24, 2001)

- BellSouth's error responses were inconsistent with the BBR-LO, OSS '99, Issue 9L, for conversion of accounts (retail, resale, and UNE-P) to line sharing accounts. (KPMG Exception 75, dated June 28, 2001)

- Although the BBR-LO state that the BellSouth Account Team has a role in numerous specified ordering scenarios, BellSouth's documentation does not describe that role in the context of the CLEC ordering process. (KPMG Exception 148, dated February 11, 2002)

- BellSouth's ordering documents do not provide adequate instructions on how to submit an order for Centrex service. (KPMG Observation 164, issued February 13, 2002)

- BellSouth's documentation regarding its Account Team/CLEC Care Team procedures is unclear. (KPMG Observation 165, issued February 18, 2002)

- BellSouth's User Guides contain incorrect references to Account Teams that could "delay a CLEC's ability to order local services properly and have issues resolved in a timely manner, leading to an increase in customer dissatisfaction." (KPMG Observation 166, issued February 13, 2002)

- BellSouth's flow-through documentation contains incomplete and incorrect information regarding the product capabilities of the BellSouth OSS. (KPMG Observation 167, issued February 22, 2002)

In each of these exceptions and observations, KPMG emphasized that BellSouth's inadequate documentation could impede the CLEC's ability to compete by causing errors and rejections, delays, an increase in CLECs' costs, and customer dissatisfaction.[74]

[74] KPMG Exception 148 and KPMG Observations 164 through 167 are attached hereto as Attachments 21 and 46. KPMG Exceptions 16, 49, and 75 were previously submitted by AT&T in Attachment 52 to Mr. Bradbury's Opening Declaration.

E. BellSouth Has Exhibited a Pattern of Noncompliance With the CCP.

179. Although it claims to be "committed to make the CCP work efficiently and effectively" (Stacy/Varner/Ainsworth Aff., ¶ 108), BellSouth's discussion of the change management issue does not address the extent to which it has actually complied with the CCP . The Commission, however, has stated that one of the factors that it considers in its analysis of a change management plan is "whether the BOC has demonstrated a pattern of compliance with this plan." *New York 271 Order,* ¶ 112; *Pennsylvania 271 Order,* App. C, ¶ 43.

180. BellSouth has good reason for failing to discuss this issue. BellSouth has continued to demonstrate the consistent pattern of *noncompliance* with the CCP that AT&T described in its response to BellSouth's previous application. *See* Bradbury Opening Decl., ¶¶ 228-235. The following examples of BellSouth's conduct since its last application demonstrate its persistent disregard of the CCP, to the detriment of its competitors.

181. **Failure to provide business rules and user requirements in accordance with the time intervals required by the CCP.** On numerous occasions, BellSouth has failed to provide its OSS documentation to the CLECs in accordance with the CCP's required time intervals. For example, the CCP requires that BellSouth provide CLECs with the business rules associated with minor releases at least five weeks prior to production. *See* Stacy/Varner/Ainsworth Aff., ¶ 116. Although BellSouth claims to have implemented this requirement in "the summer of 2001" (*id.*), it issued the business rules for the parsed CSR functionality to be implemented in Release 10.3 (which BellSouth classified as a minor release) only *three weeks* prior to implementation – and only after repeated complaints from CLECs. *See*

¶¶ 17-19, *supra*. This violation of the CCP clearly impaired the CLECs' ability to conduct adequate testing prior to the actual implementation date.

182. Similarly, BellSouth drafted user requirements for Release 10.4 features on December 13, 2001. BellSouth provided final user requirements for Release 10.4 on January 29, 2002. However, under the CCP, BellSouth was required to provide the draft user requirements on November 10, 2001, and the final user requirements on November 17, 2001. Thus, BellSouth issued the draft requirements more than a month late, and the final requirements more than two months late.

183. BellSouth also violated the CCP's interval requirements when it issued additional draft user requirements to Release 10.4 (for Change Request 0657 and 0651). Under the CCP, BellSouth was required to issue the draft user requirements by November 10, 2001, and the final user requirements by November 17, 2001. However, BellSouth did not even provide the *draft* user requirements until February 13-14, 2002 – *three months late.*

184. BellSouth also has announced plans to issue documentation on dates that are already past the deadlines established by the CCP. BellSouth has announced that its pre-order business rules, version 12B (associated with release 10.4) will be available to CLECs on March 8, 2002 (a one-week postponement from the date that BellSouth originally announced). However, under the CCP, BellSouth should have already issued these rules by February 16, 2002. In addition, BellSouth advised CLECs that it would provide business rules for Change Request 0657 on February 22, 2002 – which is 6 days later than the applicable deadline under the CCP.

185. In its third-party testing, KPMG expressly found that the late issuance of these rules violated the requirements of the CCP. Although KPMG initially issued an observation

limited to the late issuance of the rules regarding the parsed CSR, it recently changed the Observation to an Exception – a more serious problem – in view of the above-described additional violations of the CCP intervals. KPMG found that BellSouth's failure to abide by the intervals "delays CLECs' development, testing, and implementation of release features. Therefore, CLECs are unable to benefit from enhancements and corrections to the BellSouth OSS in a timely manner."[75]

186. **Issuance of "clarifications" to business rules without following CCP procedures.** In February 2002, BellSouth issued an "updated" version of Issue 10.3.1 – 10.4 of its BBR-LO. Many of the changes made by BellSouth, although classified as "clarifications," had a potential impact on CLECs' EDI coding or their methods and procedures for coding. 25 of the various "clarifications" had never been submitted through the CCP, which requires the submission of a defect change request (Type 6) when BellSouth wishes to revise its documentation. Moreover, 45 of the changes listed in the updated documents listed internal BellSouth change control numbers that did not correspond to the numbers of change requests submitted by BellSouth under the CCP – indicating that BellSouth had also made these changes without following CCP procedures.[76]

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[75] *See* KPMG Exception 155, issued February 19, 2002 (attached hereto as Attachment 47); KPMG Observation 154, issued December 12, 2001 (attached hereto as Attachment 48).

[76] *See* electronic mail message from Bernadette Seigler (AT&T) to BellSouth Change Control, dated February 11, 2002 (attached hereto as Attachment 49). BellSouth initially asserted that the "clarifications" were mere "format changes," not "content changes" subject to the CCP. However, BellSouth subsequently admitted that at least some of the "clarifications" were code-impacting changes that "probably" should have gone through the CCP. *See* electronic mail message from Bernadette Seigler to BellSouth Change Control Manager, dated March 1, 2002 (attached hereto as Attachment 50).

187. **Late publication of "workarounds" for defects in the parsed CSR functionality.** Stacy/Varner/Ainsworth Aff., ¶ 67. BellSouth did not follow the procedures of the CCP for informing CLECs of the workarounds that it has developed for the 7 "low impact" defects to its new parsed CSR functionality that have not yet been implemented. The CCP requires that BellSouth publish workarounds for defects that it classifies as "low impact" within three business days after publication of the change request. BellSouth filed defect change requests for these defects on January 31, 2002, but did not publish the workarounds for them until February 15, 2002 – fifteen calendar days later. As cumbersome as the workarounds are (*see* ¶ 23, *supra*), BellSouth's violation of the CCP denied CLECs, for more than a week, the information they needed to use them – and avoid the order rejections that the defects might cause.

188. **Abuse of the CCP in the submission of change requests regarding the parsed CSR.** On February 7, 2002, BellSouth filed two change requests (0651 and 0652) that proposed the implementation of additional fields in the parsed CSR functionality. In its requests, BellSouth classified the requests as Type 4 (BellSouth-initiated). However, on February 12, 2002, BellSouth reclassified these change requests as Type 2 (regulatory), claiming that the changes were being implemented pursuant to an order of the Florida Public Service Commission. Copies of the change requests, as resubmitted and revised on February 12, 2002, are attached hereto as Attachments 7 and 8.

189. On February 21, 2002, however, BellSouth advised the CLECs that it was again reclassifying these change requests as Type 5 – *CLEC*-initiated change requests – even

though they had been submitted by BellSouth.[77] On the following day, February 22, 2002, BellSouth sent the CLECs a letter asking them to *ballot* "on whether BST should proceed with the implementation of CR0651 in Release 10.4" on March 23, 2002. BellSouth further stated that it was not proceeding with the implementation of the two fields associated with CR0651.[78]

190. BellSouth's conduct constitutes a flagrant disregard of the CCP. First, BellSouth reclassified the requests *twice* after their initial submission, without providing an adequate basis for doing so. Second, BellSouth unilaterally classified change requests that it was submitting as CLEC-initiated requests -- which it has no right to do under the CCP.[79]

191. Third, after it classified the requests as Type 5, BellSouth called for balloting on the issue of their implementation – even though the CCP provides for balloting only for changes to the CCP itself, not for implementation of proposed changes. The "balloting" is also unnecessary because the fields in question were already included in the specifications for the parsed CSR that BellSouth previously agreed to implement pursuant to discussions with the CLECs in late 2000. *See* ¶ 27, *supra.* BellSouth's request for "balloting" is clearly an attempt to escape its commitment to the CLECs, any of whose unconditional participation in the balloting

[77] BellSouth also published a Change Control Log on February 21, 2002, that listed the new reclassification of the requests as Type 5. Copies of the relevant pages of the Log are attached hereto as Attachment 51.

[78] *See* electronic mail message from BellSouth Change Management Team to CLECs, dated February 22, 2002 (attached hereto as Attachment 52).

[79] BellSouth's previous classification of the change requests as Type 2 (regulatory) was also highly questionable. As its justification for classifying the changes as Type 2, BellSouth contended that the six fields must be parsed under regulatory mandate from the FPSC in an arbitration proceeding (FPSC Docket No. 000731). However, the Florida PSC's orders in that proceeding were issued in June and September 2001. Thus, parsing for these six fields should have been provided in BellSouth's January 5, 2002 release of its CSR parsing functionality..

could be cited by BellSouth as a concession that it had previously had no obligation to implement the fields in question. Finally, although the CCP requires that any Type 4 or Type 5 requests be prioritized *before* they are scheduled for implementation, BellSouth scheduled the change requests for implementation on March 23, 2002, before it even discussed them with the CLECs in change control meetings.[80]

192. In addition to these examples of noncompliance, KPMG has found in its Florida third-party testing that BellSouth does not adhere to the CCP.[81] In Observation 124, KPMG found that BellSouth failed to comply with the procedures required by the CCP for changing and correcting defects in CLEC-impacting documentation. Bradbury Reply Decl., ¶ 66 & Att. 23. That observation remains open. In fact, in its recent retesting of Observation 124, KPMG found that BellSouth was *still* failing to follow these requirements, and that this failure

[80] *See* electronic mail message from Bernadette Seigler (AT&T) to Dennis Davis (BellSouth) and BellSouth Change Control Manager, dated February 22, 2002 (attached hereto as Attachment 53). BellSouth similarly requested on February 22, 2002, that CLECs agree to implement one of its Type 4 requests even though the request had not yet been prioritized by the CLECs as required by the CCP. *Id.* In a letter to the CLECs dated February 27, 2002, BellSouth asserted that its previous reclassifications of the change requests as Type 4 and Type 2 had been "in error," and that it was now classifying them as Type 5 because they were part of the original user requirements spec sheet." Letter from BellSouth Change Management Team to Bernadette Siegler and CLECs, dated February 27, 2002 (attached hereto as Attachment 54). BellSouth's explanation borders on the frivolous. As previously stated, BellSouth has no right under the CCP to classify a change request that *it* submits as Type 5. Furthermore, although it states that it was "in error" in classifying the request as a Type 2 request, the inclusion of the fields in question was clearly part of the parsing required by the Florida and Georgia PSCs. *See* ¶ 15 & fn. 7, *supra.*

[81] BellSouth's disregard of the CCP is further reflected in its reported monthly performance data. BellSouth has frequently failed to meet the benchmarks for these metrics regarding the timeliness of releases and notices of releases. *See* Varner Supp. Aff., Exhs. PM-1 (performance measures CM-1 and CM-2), PM-2 (CM-3A and CM-4), and PM-3 (CM-3A and CM-4). Thus, BellSouth's agreement to implement new performance measurements regarding its CCP performance is of questionable value, particularly since it has not agreed to include them in its SEEMS penalty plans. *See* Stacy/Varner/Ainsworth Aff., ¶¶ 119-122 & Exh. SVA-37.

"may present a CLEC from properly developing an OSS to interconnect with BellSouth and, thereby, deter competition."[82]

193. In recent months, KPMG has issued additional exceptions and observations confirming BellSouth's constant lack of compliance with the CCP. As previously noted, in its Exception 155 KPMG found that BellSouth did not issue business rules for the CSR parsing functionality five weeks in advance of implementation, as required by the CCP. In Exception 123, KPMG found that BellSouth was improperly classifying change requests as features, rather than as defects – thereby avoiding the time deadlines imposed by the CCP for resolution of defects.[83]

F. Conclusion

194. BellSouth's CCP is so deficient that any modifications that operate to the CLECs' benefit are welcome. Some of the modifications that BellSouth has made, or proposes to make, will benefit the CLECs. However, as long as BellSouth retains its power to make the final, exclusive determination as to what change requests will be implemented, and when – a power that BellSouth's modifications does not alter – the CCP will not afford competitors a meaningful opportunity to compete. In order to meet it OSS obligations under the Act, BellSouth must make additional, substantial revisions in the CCP, including the following:

- Implementation targets for all types of changes should be included. This will ensure that the proper level of resources is committed to support the implementation of changes. Type 4 and Type 5 changes should be implemented no later than 60 weeks after their prioritization.
- A "go/no go vote" process should be implemented. This will ensure that a scheduled change will go forward only with the CLECs' consent and that

[82] KPMG Amended Observation 124, dated February 11, 2002 (attached hereto as Attachment 55).

[83] KPMG Exception 123, dated November 30, 2001 (attached hereto as Attachment 56).

CLECs can stop a planned change that may cause problems in the OSS, based on testing or on a review of documentation when testing is unavoidable. *See* Bradbury Opening Decl., ¶ 186.

- In sizing and sequencing change requests prioritized by the CLECs, BellSouth should begin with the top-priority items and continue down through the list until the capacity constraints have been reached for each future release. This will ensure that CLECs have a meaningful voice in prioritization, and that the priorities assigned by the CLECs will be implemented.

- A new position should be created within the CCP, the "Designated CLEC Co-Moderator." That person would function as a co-moderator in presenting and monitoring the progress of pending change requests and within the BellSouth internal process.

- CLECs should be given the opportunity to meet directly with the BellSouth managers who make the final decisions on implementation and prioritization of change requests, along with their subject matter experts ("SMEs"). This will ensure that CLECs can discuss change requests directly with the BellSouth personnel who actually make the final decisions on change requests and their SMEs, rather than merely with "go-betweens."

- BellSouth should be required to provide CLECs with a written explanation whenever it rejects a proposed change request. This will assist the CLECs in determining whether a valid basis exists for the rejection. In any case where BellSouth rejects a proposed change request, its explanation should not simply be that the change is "against policy" (an explanation that BellSouth has frequently given in the past). Instead, BellSouth should explain precisely why the change was rejected. In addition, BellSouth should be required to make "requests for additional information" about a change request only when it legitimately needs such information – and not to use such requests as a means of delaying or thwarting CLEC-initiated change requests.

- No arbitrary limitation should be placed on the number of BellSouth releases each year. This will ensure that changes are not unduly delayed by a limited number of releases, and that changes will be implemented more according to demand and CLEC need.

- BellSouth should not consider any internally generated change requests unique to the CLEC wholesale OSS within its internal process until after the request has been subject to prioritization by the CLECs. Thus, the scope of the CCP should be expanded to include: (1) the development of new interfaces; and (2) changes to linkage systems such as LEO and LESOG, and BellSouth's legacy

systems. This will ensure that the CCP encompasses all changes to the OSS that directly affect CLECs.

- The existing definition of "CLEC affecting changes" subject to the CCP should be amended to clarify that it is broad, rather than restrictive, in nature. The definition should make clear that the BellSouth linkage and legacy systems above are also "CLEC affecting." CLECs should be provided notice and an opportunity to test when these systems are changed.

- The CCP should be amended to make clear that it includes changes to BellSouth's billing systems. As previously stated, notwithstanding the language of the CCP document, BellSouth currently (and erroneously) maintains that billing is outside the scope of the CCP.

- The materials ("Change Review Package") that BellSouth is required to distribute before a change review meeting should include not only a schedule of releases, but a description of the capacity of each release. This will ensure that the CLECs will learn in advance of any capacity limitations of the release.

- Each quarter, BellSouth should provide a release capacity forecast covering the remainder of the current calendar year and the following calendar year, including descriptions of the items to be included in each future release. The quarterly report that BellSouth has agreed to provide, by contrast, would encompass only year-to-date capacity used for CLEC requests, and the next scheduled release – not other future releases. Stacy/Varner/Ainsworth Aff., ¶ 126.

- The CAVE testing environment should be upgraded to meet the CLECs' needs as stated in the original change request and subsequently determined to be required by use of CAVE as implemented. BellSouth should not require CLECs to use codes other than their own in the testing environment, or limit the number of participating CLECs or test scenarios used in that environment.[84]

Most importantly, before it can be found to be in compliance with its OSS obligations, BellSouth must demonstrate a pattern of compliance with the CCP.

[84] The CLECs' entire proposal for changes to the CCP is reflected in the red-lined version of the CCP document that they submitted to the GPSC on January 30, 2002. A copy of that document is attached hereto as Attachment 57.

V. BELLSOUTH HAS NOT SHOWN THAT ITS OSS ARE OPERATIONALLY READY TO PROVIDE NONDISCRIMINATORY ACCESS.

195. BellSouth's latest application does not, and cannot, demonstrate that its OSS is operationally ready to provide nondiscriminatory access. First, BellSouth cannot properly rely on its reported performance data to support a claim of operational readiness. As described in the Supplemental Bursh/Norris Declaration, such data continue to suffer from data integrity problems that preclude its use as an accurate measure of BellSouth's performance. BellSouth's unilateral modification of its method of calculating service order accuracy, its unilateral exclusion of "non-working hours" from its calculation of the timeliness of FOCs and rejection notices on partially mechanized orders, and its repeated changes to its reported flow-through data for June through August 2001 are but a few examples of BellSouth's attempts to manipulate its performance data to its benefit. *See* Bradbury Reply Decl., ¶¶ 36-46.

196. Furthermore, even as reported, BellSouth's performance data show that its OSS is not operationally ready. The data show, for example, that an unacceptably high percentage of electronically-submitted CLEC LSRs fall out for manual processing due to BellSouth system design and system errors. The data also show that BellSouth still takes an average of 18 hours to return FOCs and rejection notices.

197. The lack of operational readiness of the OSS is further confirmed by AT&T's own experience. The Supplemental Declaration of Bernadette Seigler describes numerous deficiencies in the OSS that have been revealed in AT&T's efforts to provide service through the UNE platform. These problems include disconnection of service, interface outages, provisioning errors, errors made by BellSouth's LCSC in re-entering partially mechanized LSRs

into BellSouth's systems, and delays in the processing of UNE-P orders for customers who have an ADSL USOC appearing on their customer service record.

198. BellSouth cannot compensate for the absence of supporting, reliable commercial data by relying on third-party testing of its OSS by KPMG. KPMG's third-party testing in Georgia was not sufficiently comprehensive or rigorous to serve as an accurate measure of whether BellSouth is providing nondiscriminatory access, particularly in comparison to the testing that KPMG has conducted in Florida. *See* Norris Decl., ¶¶ 55-78.

199. BellSouth itself has previously stated that if this Commission did not accept the Georgia test as sufficient proof, BellSouth would "back up and use Florida testing as its proof."[85] KPMG's Florida test, however, lends no support to BellSouth's claim that its OSS is operationally ready. KPMG has found numerous deficiencies in BellSouth's OSS in the course of the Florida testing. Our Declaration has previously described some of these problems in the context of pre-ordering, ordering, and provisioning. In addition, there is currently one open exception regarding daily usage files ("DUFs") and four open exceptions regarding the accuracy and timeliness of invoices sent to CLECs. Two observations and one exception that KPMG has issued regarding the adequacy of BellSouth's maintenance and repair systems also remain open.

200. Moreover, the Florida test is not yet complete. A table showing the status of the KPMG Florida test, based on KPMG's status report issued January 31, 2002 (the latest such report currently available), is attached hereto as Attachment 58. An enormous number of

[85] Intra-Agency Memorandum, In the Matter of Investigation Concerning the Propriety of Provision of InterLATA Services by BellSouth Telecommunications, Inc., Pursuant to the Telecommunications Act of 1996, Kentucky Public Service Commission Case No. 2001-105 (May 16, 2001), at 2.

deficiencies in the OSS found by KPMG in its Florida test have not been fixed or resolved. As of March 1, 2002, 53 Exceptions and 27 Observations remained open in the Florida test. Although KPMG had previously been scheduled to complete Phase I of its test (which includes pre-ordering, ordering, maintenance and repair, and portions of billing) and file a final report on Phase I on March 20, 2001, that schedule was recently revised to provide for publication of KPMG's report by June 21, 2002.[86] Even if KPMG completes all other aspects of its testing by June 21, it is not clear at this stage whether it will complete its testing of BellSouth's performance measures by that date..

201. Finally, KPMG's volume testing in Florida have not shown that its OSS have sufficient capacity to be operationally ready. KPMG has separately attempted to conduct volume testing of BellSouth's electronic and manual systems. Only recently, however, did KPMG complete even the two days scheduled for "normal volume" testing of the electronic systems. Those "normal volume" tests were completed only after KPMG retested "Day 1" of the test three times, and retested "Day 2" one time. Although KPMG conducted "peak" volume testing on the electronic systems last week, BellSouth's LENS interface failed to pass the test. Moreover, KPMG has not conducted the stress testing that it has scheduled for these systems.

202. KPMG's "normal volume" testing of BellSouth's manual systems has been equally problematic. KPMG retested Day 1 of testing for these processes four different times

[86] On February 27, 2002, the Florida PSC issued an order rescheduling the workshop for discussion of the Phase I report from April 17, 2002, to July 12, 2002, due to "delays in the testing schedule." FPSC Order No. PSC-02-0253-PCO-TP, issued February 27, 2002, in FPSC Docket Nos. 960786B-TL and 981834-TP, at 2. On the same day, the FPSC issued a Case Assignment and Scheduling Record that, in addition to rescheduling the workshop, provided for publication of the test report on June 21, 2002.

before it declared testing of that day to be completed. Day 2 of the "normal volume" testing of those processes has not yet begun. And KPMG has not yet conducted the peak volume testing or the stress testing that it has scheduled for the manual systems. For both the electronic and manual systems, KPMG's peak volume and stress testing tests will be critical to determining the capacity of BellSouth's systems to handle mass-market volumes of CLEC orders.

203. In view of these developments, it is hardly surprising that KPMG has issued exceptions and observations finding deficiencies in the OSS that call the capacity of the OSS into serious question. For example, Exception 116 found that on nearly 25 percent of the LSRs submitted manually, BellSouth issued erroneous or inconsistent responses. Bradbury Reply Decl., ¶ 65 & Att. 19. This exception is still open.

204. More recently, KPMG has issued two new observations which find deficiencies indicating capacity problems with BellSouth's electronic interfaces. In Observations 135 and 136, KPMG found that during its volume test it did not receive timely responses to pre-order queries submitted via the LENS and RoboTAG™ interfaces. Even when KPMG conducted additional volume testing, the average response times to some pre-ordering queries were as high as 10.18 seconds when it used LENS, and 47.25 seconds when it used RoboTAG™. When KPMG conducted further volume testing of LENS, it still found that certain pre-ordering response times on LENS, and all of the pre-ordering response times on RoboTAG™, still failed to meet parity standards.[87] Given the problems found by KPMG, it is premature to conclude that

[87] KPMG Second Amended Observation 135, dated February 18, 2002 (attached hereto as Attachment 59); KPMG Second Amended Observation 136, dated February 18, 2002 (attached hereto as Attachment 60).

BellSouth's OSS have sufficient capacity to process projected commercial volumes effectively and without a degradation of quality.

CONCLUSION

205. BellSouth's latest (and fifth) application once again fails to show that it is providing nondiscriminatory access to its OSS. BellSouth's performance remains deficient in a number of critical areas, including flow-through, manual processing, and provisioning accuracy. Although BellSouth recently implemented changes intended to correct its failure to provide equivalent parsing functionality and equivalent due date functionality, sufficient commercial experience with these functionalities will be required before it can be determined whether they are adequate to provide nondiscriminatory access. Finally, BellSouth's change control process continues to deny CLECs a meaningful opportunity to compete. The modifications made or promised by BellSouth to the CCP, while useful in some respects, do not remove the fundamental flaws in the process – including BellSouth's control of prioritization and implementation of change requests.

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

Executed on March __, 2002

Jay M. Bradbury

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

Executed on March 4, 2002

Sharon E. Norris