BEFORE THE COMMONWEALTH OF KENTUCKY

PUBLIC SERVICE COMMISSION

REBUTTAL TESTIMONY OF JAY M. BRADBURY

ON BEHALF OF

AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, INC.

AND TCG OHIO, INC.

CASE NO. 2001-105

JULY 9, 2001

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Jay M. Bradbury. My business address is 1200 Peachtree Street, Suite 8100, Atlanta, Georgia 30309.

Q. PLEASE DESCRIBE YOUR CURRENT POSITION AND RESPONSIBILITIES.

A. I am a District Manager in the AT&T Law and Government Affairs organization, and I provide consulting support to AT&T's business units and other internal organizations. Specifically, I am involved in the negotiation and implementation of interfaces for operational support systems ("OSS") necessary to support AT&T's entry into the local telecommunications market.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I graduated with a Bachelor of Arts degree in History from The Citadel in 1966. I have taken additional undergraduate and graduate courses at the University of South Carolina and North Carolina State University in Business and Economics. In 1987 and 1988, I participated in Advanced Management Programs at Rutgers University and the University of Houston. I earned a Masters Certificate in Project Management from Stevens Institute of Technology in 2000.

I began my AT&T career in 1970 as a Chief Operator with Southern Bell's Operator Services Department in Raleigh, North Carolina. From 1972 through 1987, I held various positions within Southern Bell's (1972 - 1984) and AT&T's (1984 - 1987) Operator Services Departments where I was responsible for the planning, engineering, implementation and administration of personnel, processes and network equipment used to provide local and toll operator services and directory assistance services in North Carolina, South Carolina, Kentucky, Tennessee and Mississippi.

In 1987, I transferred to AT&T's External Affairs Department in Atlanta, Georgia where I was responsible for managing AT&T's needs for access network interfaces with South Central Bell, including the resolution of operational performance, financial and policy issues. From 1989 through November 1992, I was responsible for AT&T's relationships (including the negotiation and

administration of billing and marketing contracts, card honoring contracts, facility contracts, and the support of sales of Network Systems products) with Independent Telephone Companies within the South Central Bell States and Florida. From November 1992 through April 1993, I was a Regulatory Affairs Manager in the Law and Government Affairs Division and was responsible for the analysis of industry proposals before regulatory bodies in the South Central States to determine their impact on AT&T's ability to meet its customers' needs with services that are competitively priced and profitable.

In April of 1993, I transferred to the Access Management Organization within AT&T's Network Services Division as a Manager - Access Provisioning and Maintenance with responsibilities for on-going management of processes and structures in place with Southwestern Bell to assure that their access provisioning and maintenance performance met the needs of AT&T's Strategic Business Units. In August 1995, I became responsible for the negotiation and implementation of interfaces for operational support systems ("OSS") necessary to support AT&T's entry into the local telecommunications market in the BellSouth states. I assumed my current position in June 1998.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to demonstrate that BellSouth does not provide CLECs with nondiscriminatory access to its operational support systems and functions as required by the FCC and this Commission. In rejecting BellSouth's

three prior 271 applications (and most notably its rejection of the Second Louisiana Application), the FCC identified many deficiencies in BellSouth's OSS and set forth its expectations regarding corrective action.[1] Now, more than two years later, many of the same deficiencies still exist. This is a familiar pattern; BellSouth's Second Louisiana Application filed in 1998 included many of the same deficiencies identified by the FCC in its rejection of the South Carolina Application that BellSouth filed in 1997. These deficiencies include:

Lack of Equivalent Access to Pre-Ordering (including Integration and Parsed Customer Service Records) -- BellSouth does not provide CLECs with equivalent access to parsed customer service records to facilitate integration of pre-ordering and ordering functions whereas BellSouth's retail operations have such integrated access.

Lack of Equivalent Access to Due Dates – BellSouth does not provide CLECs with nondiscriminatory access to due dates because CLECs do not have access to a reliable automatic due date calculation capability for all products and services, and BellSouth's excessive reliance on manual processing for CLEC orders result in longer due date intervals.

[1] Exhibit JMB-1 provides a compilation of language excerpted from the FCC's Second Louisiana Order related to each of the deficiencies listed herein.

Order Flow Through -- BellSouth relies excessively on manual processes to handle CLEC orders, particularly for UNEs, UNE Combinations, Number Portability, and xDSL. BellSouth does not provide CLECs with electronic ordering capability for many services and transactions. Even where electronic ordering is available, an inordinately high percentage of electronic CLEC orders fall out for manual processing because of BellSouth system design or errors. In contrast, all of BellSouth's retail orders can be processed electronically and nearly all are processed electronically without any human intervention.

Ordering & Provisioning Notices (Order Rejections, Firm Order Confirmations, Order Jeopardy) – BellSouth's ordering and provisioning notifications continue to contain inaccuracies and are not delivered in a consistently timely manner.

Capacity -- BellSouth's production OSS (computer systems and manual processes) do not have demonstrated capacity to handle projected wholesale volumes.

Total Service Order Cycle Time -- BellSouth's own performance data indicates that it takes approximately twice as long on average to complete CLEC orders than similar BellSouth retail orders.

Human-to-Machine Interface for Maintenance & Repair -- BellSouth does not provide CLECs with an interface for maintenance and repair functions that provides an equivalent level of integration and functionality as that provided to BellSouth's retail operations.

Customized Routing to OS/DA -- BellSouth does not provide an efficient means by which CLECs can order customized routing to OS/DA. These differences and others have caused numerous problems for AT&T's market entry.

In addition to discussing deficiencies that have roots going all the way back to BellSouth's very first 271 South Carolina application, my testimony also discusses BellSouth's deficiencies in areas that have been addressed in more recent FCC orders and guidance:

Regionality – BellSouth argues that its OSS (which includes computer systems, databases, methods and procedures, and manual processes implemented geographically) are the same across all states and that any differences in performance that occur are caused by factors beyond BellSouth's control. My testimony demonstrates that this argument is flawed both on its facts and on a policy basis.

Change Control Process -- BellSouth routinely fails to follow its published change control process, which is inadequate to begin with. Effective change

control (a.k.a. Change Management) is fundamental to the elimination of the OSS deficiencies identified by the FCC.

General Support to CLECs – While BellSouth describes the various documents, centers, and processes it uses to support CLECS, BellSouth does notinclude any quantitative evidence to demonstrate that what is being provided is complete, accurate, provided in a timely manner, or meets the CLEC's needs.

Third Party Testing -- BellSouth erroneously claims that the third party test in Georgia has all of the qualities of the New York third-party test. The testimony of Mrs. Sharon Norris filed today addresses the Georgia test in detail. My testimony also addresses portions of the test associated with specific issues being discussed and responds to BellSouth's assertion that the Commission may and should defer to performance data from other states.

I have attached to my testimony the affidavits of Bernadette Seigler (Exhibit JMB-2) and Edward Gibbs (Exhibit JMB-3). These affidavits highlight specific OSS deficiencies identified in AT&T's market entry efforts for UNE-P business and UNE-P consumer. My testimony also responds to testimony filed by BellSouth witnesses: Ronald Pate, Ken Ainsworth, Keith Milner, Al Varner, and Al Heartley.

In addition to my testimony, the testimony filed today by Mr. John Coleman addresses the adverse impact that particular deficiencies in BellSouth's OSS has had on AT&T's cable-based market entry in Kentucky.

Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?

A. I have arranged my discussion into nine major sections:

- Operations Support Systems Obligations Under the Act
- Regionality
- Pre-ordering
- Ordering and Provisioning
- Maintenance and Repair
- Change Management
- General Support to CLECs
- Customized Routing to OS/DA
- Conclusion

Q. HAS BELLSOUTH PROVIDED CLECS WITH OSS AS REQUIRED BY THE TELECOMMUNICATIONS ACT OF 1996 AND APPLICABLE FCC ORDERS?

A. No. Despite the passage of more than 2 years since receiving clear direction from the FCC in the Second Louisiana Order, BellSouth has not taken the actions necessary to provide CLECs with the access to its OSS as required by law. Instead of taking the steps necessary to improve its OSS, BellSouth has waited in hopes that such improvement will no longer be required. Accordingly, the Commission should not recommend approval of a Section 271 application by BellSouth unless and until its performance satisfies the standards of the Act, as

construed by the FCC, the U.S. Department of Justice, and this Commission. My testimony discusses, in detail, the reasons for this conclusion.

OPERATIONS SUPPORT SYSTEMS OBLIGATIONS UNDER THE ACT

Q. WHAT ARE OPERATIONS SUPPORT SYSTEMS ("OSS")?

A. OSS are the computer-based systems, information, databases and personnel that telecommunications carriers use to perform essential customer and business support functions, including pre-ordering, ordering, provisioning, maintenance and repair, and billing. OSS includes the automated and manual processes required to make resale services and unbundled elements meaningfully available to competitors. Computer-based OSS enable telecommunications carriers to transmit data electronically between different systems, thereby maximizing efficiency and effectiveness in the performance of these essential support functions. In addition to computer-based systems, information and databases, OSS also includes any necessary manual processes performed by personnel located in various types of "centers" when computer-based processes have not been provided or are not available. In short, good computer-based processes are not enough – BellSouth also is obligated to provide, on a nondiscriminatory basis, the manual processes involved in operating essential support functions.

Q. WHY DOES YOUR TESTIMONY DISCUSS BELLSOUTH'S MANUAL PROCESSES AND MANUAL WORK CENTERS?

A. Not all of BellSouth's OSS are computer-based systems. The word "system" is synonymous with neither computers nor electronic interfaces. BellSouth's work centers and the manual procedures used by service representatives also are "systems." Although BellSouth has an obligation to develop, implement and deploy electronic interfaces for all OSS functions equal to those it uses itself, it has not yet happened and may not happen for some considerable time. Moreover, BellSouth must provide nondiscriminatory operations support processes for pre-ordering, ordering, provisioning, maintenance and repair, and billing, regardless of whether or not electronic interfaces have been implemented. As long as BellSouth uses manual processes as well as computer-based processes for these functions, this Commission should ensure all such processes are provided to competitors on a nondiscriminatory basis.

Q. HAS THE FEDERAL COMMUNICATIONS COMMISSION ("FCC") ADDRESSED ACCESS TO OSS UNDER THE ACT?

A. Yes. The FCC "conclude[d] that OSS and the information they contain fall squarely within the definition of 'network element' and must be unbundled upon request under section 251(c)(3). ..."[2] The FCC reiterated this important requirement in various proceedings conducted pursuant to Section 271 of the Act.[3]

[2] First Report and Order, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, 11 FCC Rcd. 15499 at ¶ 516 (1996), aff'd in part and vacated in part by Iowa Utils. Bd. v. FCC, 120 F.3d 753 (8th Cir. 1997), aff'd in part and rev'd in part by AT&T Corp. v. Iowa Utils. Bd., 119 S. Ct. 721 (1999), hereinafter "FCC Local Competition Order".

[3] Memorandum Opinion and Order, Application of BellSouth Corp., et al. Pursuant to Section 271 to Provide In-Region, InterLATA Services in South Carolina, 13 FCC Rcd. 539 (1997), hereinafter "FCC South Carolina Order" and Memorandum Opinion and Order, Application of BellSouth Corporation, et al.

In addition, the FCC concluded that OSS functions are subject to the duty imposed by Section 251(c)(3) on incumbent local exchange carriers ("LEC") to provide nondiscriminatory access to network elements, and the duty imposed by Section 251(c)(4) to provide resale services under just, reasonable, and nondiscriminatory conditions.[4] The FCC recognized that a "competing carrier that lacks access to operations support systems equivalent to those the incumbent LEC provides to itself, its affiliates, or its customers, 'will be severely disadvantaged, if not precluded altogether, from fairly competing.'"[5] The FCC reiterated these principles in its recent reviews of the Bell Atlantic and Southwestern Bell applications to enter the interLATA long distance market.[6]

In its Ameritech and South Carolina orders, the FCC stated that a BOC's provision of OSS functionality necessarily includes several components beginning with (1) a point of interface (or gateway); (2) any electronic or manual processing links (transmission links) between that interface and the BOC's internal operations support systems (including all necessary back office systems and

for Provision of In-Region, InterLATA Services in Louisiana, 13 FCC Rcd. 20599 (1998), hereinafter "FCC Louisiana II Order".

[4] FCC Local Competition Order ¶ 517; FCC South Carolina Order ¶ 83; and FCC Louisiana II Order ¶ 84.

[5] FCC South Carolina Order ¶ 82; see also FCC Local Competition Order ¶ 518; FCC Louisiana II Order ¶ 80.

[6] Memorandum Opinion and Order, Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York, CC Dkt. No. 99-295, FCC 99-404 at ¶ 83, 1999 WL 1243135 (rel. Dec. 22, 1999), hereinafter "FCC BA-NY Order"; Memorandum Opinion and Order, Application by SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance, CC Dkt. 00-65, FCC 00-238 at ¶ 92, ,hereinafter "FCC Texas SWBT Order".

personnel); and (3) all of the internal operations support systems (or "legacy systems") that a BOC uses in providing network elements and resale services to a competing carrier.[7]

Q. HAS THE FCC EXPLAINED WHAT CONSTITUTES NONDISCRIMINATORY ACCESS?

A. Yes. In its Interconnection Order, the FCC found that nondiscriminatory access "necessarily includes access to the functionality of any internal gateway systems the incumbent employs in performing [pre-ordering, ordering, provisioning, maintenance and repair, and billing] functions for its own customers."[8] The FCC defined "internal gateway system" as "any electronic interface the incumbent LEC has created for its own use in accessing support systems for providing pre-ordering, ordering, provisioning, repair and maintenance, and billing."[9] Examples of internal gateway systems that BellSouth uses in are the Regional Negotiation System ("RNS"), the Regional Ordering System ("ROS"), and the Trouble Analysis Facilitation Interface ("TAFI"). Accordingly, BellSouth must provide AT&T with nondiscriminatory access to the functional capabilities of RNS, ROS, TAFI, and other internal gateway systems.

[7] Memorandum Opinion and Order, Application of Ameritech Michigan Pursuant to Section 271 to Provide In-Region, InterLATA Services in Michigan, 12 FCC Rcd. 20543 at ¶ 134 (1997), (hereinafter "FCC Ameritech Order"). FCC South Carolina Order ¶ 111, Note 337.
[8] FCC Local Competition Order ¶ 523 .
[9] FCC Local Competition Order ¶ 523, n. 1274.

The FCC discussed in greater detail the incumbent LEC's obligation to provide nondiscriminatory access to OSS functions in its various orders on Section 271 applications from BellSouth and other Regional Bell Operating Companies ("RBOCs"). The FCC explained that incumbent LECs must provide access to OSS functions that sufficiently support each of the three modes of competitive entry strategies established by the Act (interconnection, unbundled network elements, and services offered for resale) and must not favor one strategy over another.[10]

The FCC found that "[f]or those OSS functions that are analogous to OSS functions that an incumbent LEC provides to itself -- including pre-ordering, ordering and provisioning for resale services -- a BOC must offer access to competing carriers equivalent to the access the BOC provides itself."[11] According to the FCC, "access to OSS functions must be offered such that competing carriers are able to perform OSS functions in 'substantially the same time and manner' as the BOC."[12] "[F]or those OSS functions that have no retail analogue, such as ordering and provisioning of unbundled network elements, a BOC must offer access sufficient to allow an efficient competitor a meaningful opportunity to compete."[13]

[10] FCC Ameritech Order ¶ 133.
[11] FCC South Carolina Order ¶ 98; see also FCC Ameritech Order ¶ 139.
[12] FCC South Carolina Order ¶ 98; see also FCC Louisiana II Order ¶ 87.
[13] FCC South Carolina Order ¶ 98; see also FCC Ameritech Order ¶ 141; FCC Louisiana II Order ¶ 87; FCC BA-NY Order ¶ 83, and FCC Texas SWBT Order ¶ 95.

The FCC also found "that excessive reliance on manual processing, especially for routine transactions, impedes the BOC's ability to provide equivalent access."[14] Manual processing by BellSouth results in delay and increased error in the fulfillment of customer's orders which negatively impacts AT&T's ability to compete with BellSouth in providing service to its customers in substantially the same time and manner as BellSouth.

The FCC follows a two-step approach to determine if the BOC has met the non-discrimination standard for each OSS function. First, the FCC will determine "whether the BOC has deployed necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and whether the BOC is adequately assisting competing carries to understand how to implement and use all of the OSS functions available to them." Next, the FCC will determine "whether the OSS functions that the BOC has deployed are operationally ready, as a practical matter." This includes an examination of "performance measurements and other evidence of commercial readiness."[15]

Q. WHAT ARE THE CHARACTERISTICS OF AN INTERFACE THAT PROVIDES NONDISCRIMINATORY ACCESS TO AN INCUMBENT LEC'S OSS?

[14] FCC Louisiana II Order ¶ 110.
[15] FCC Louisiana 2 Order, ¶ 85.

A. The FCC consistently has indicated that an interface with the following characteristics of nondiscrimination will minimize differences in OSS functional capabilities between the incumbent LEC and the CLEC. Accordingly, BellSouth must present appropriate operational data and performance measurements to establish that the proposed OSS interfaces meet these five characteristics:[16]

Electronic -- The interface must be a machine-to-machine interface (computer application program to computer application program) that provides fully electronic interaction between the incumbent LEC's OSS and the CLEC's OSS.[17] A machine-to-machine interface decreases the time, reduces the cost, and improves the accuracy of an CLEC's performance of OSS functions,[18] while failure to deploy an application-to-application interface denies competing carriers equivalent access to pre-ordering OSS functions.[19]

Functionality -- The interface must provide all CLECs with the capability to perform the same OSS functions with at least the same level of quality, efficiency, and effectiveness that the incumbent provides to itself.[20] For those functions that do not have a retail analogue, the incumbent LEC must offer access to such OSS

[16] See FCC Ameritech Order ¶ ¶ 138, 141-42, 204-213; FCC BA-NY Order ¶ 89.
[17] FCC South Carolina Order ¶ ¶ 152-66.
[18] FCC Louisiana II Order ¶ 96, n. 291.
[19] FCC South Carolina Order ¶ 166; FCC BA-NY Order ¶ 137.
[20] FCC Local Competition Order ¶ 523; FCC South Carolina Order ¶ 98; FCC Ameritech Order ¶ 139; and FCC Louisiana II Order ¶ 87.

functions sufficient to allow an efficient competitor a meaningful opportunity to compete.[21]

Documented -- The interface must be documented accurately, adequately and sufficiently in advance to allow CLECs a reasonable opportunity to develop and deploy their own necessary systems, work processes, and employee training to use the interface.[22] Properly documented interfaces will facilitate completion of those necessary tasks in a manner that provides CLECs a meaningful opportunity to compete.

Capacity -- The interface must have the capacity to meet combined market volumes of all CLECs with response times that are equivalent to those the incumbent LEC provides itself.[23] Sufficient capacity will ensure that OSS interfaces do not become a bottleneck that impedes a CLEC's ability to compete.

Standards -- The interface must comply with existing telecommunications industry standards or ease the transition to evolving standards regarding:

- What is to be communicated (message protocol component);
- Specific information to be communicated (data elements); and

[21] FCC South Carolina Order ¶ 98; FCC Louisiana II Order ¶ 87; FCC BA-NY Order ¶ 129 and FCC Texas SWBT Order ¶ 148.
[22] FCC South Carolina Order ¶ 111; FCC Ameritech Order ¶¶ 137, 215; FCC Louisiana II Order ¶ 85; FCC BA-NY Order ¶ 88; and FCC Texas SWBT Order ¶ 97.
[23] FCC Ameritech Order ¶¶ 137, 194; FCC Louisiana II Order ¶¶ 139-40; FCC BA-NY Order ¶ 88; and FCC Texas SWBT Order ¶ 97.

- Language and rules for communication (communication protocols).

Although the use of industry standards can meet the needs of a competitive local exchange market,[24] lack of industry standards does not excuse an incumbent LEC from meeting its obligation to provide nondiscriminatory access to OSS functions.[25] Similarly, deploying an interface that merely adheres to industry standards is not sufficient to demonstrate nondiscriminatory access. A BOC must provide nondiscriminatory access to its OSS functions irrespective of the existence of, or whether it complies with, industry standards.[26]

In short, the FCC continues to apply the same standards for evaluating compliance with the Act's OSS requirements as it did when it rejected BellSouth's three earlier 271 applications. BellSouth must provide CLECs with access to OSS functions in terms of quality, timeliness, and accuracy that is equivalent to the access BellSouth provides for its own retail operations. In the absence of a retail analog, BellSouth must provide access that is sufficient to allow an efficient competitor a meaningful opportunity to compete. The most probative evidence for this analysis is performance data from commercial operations, to the extent that reliable data is available.[27]

[24] FCC Ameritech Order ¶ 217; FCC BA-NY Order ¶ 88.
[25] FCC South Carolina Order ¶ 121, n. 362.
[26] FCC Louisiana II Order ¶ 137.

Q. ON PAGE 5 OF HIS TESTIMONY, MR. PATE STATES THAT "AS A PRACTICAL MATTER, THE LEVEL OF COMMERCIAL USAGE ALONE CLEARLY DEMONSTRATES THE OPERATIONAL READINESS OF THESE INTERFACES." IS HE CORRECT?

A. Of course not. BellSouth is attempting to equate access with non-discriminatory access. For example, the fact that CLECs sent 2,888,673 local service requests via BellSouth's electronic interfaces in 2000 (as Mr. Pate claims) tells you nothing about the relative efficiency and effectiveness of BellSouth's processing of CLEC orders in comparison with its processing of BellSouth retail orders, the volumes of which were undoubtedly much higher than CLEC volumes.. Similarly, the fact that CLECs are serving any number of customers with any number of services using resale, UNEs or interconnection does not tell you whether the services were installed on time, or accurately, or function properly in comparison to the experiences of BellSouth's retail customers. Numbers such as these say nothing about timeliness, accuracy, functionality, reliability, or customer satisfaction. Standing alone, these numbers only indicate the determination of CLECs to enter the market regardless of how hard BellSouth makes the process.

Mr. Pate and BellSouth's other witnesses misconstrue the FCC's statement that "the most probative commercial evidence that OSS functions are operationally

[27] The testimony of Sharon E. Norris filed in this docket describes numerous deficiencies in BellSouth's self-reported data on commercial operations.

ready is actual commercial usage"[28] to mean that its 271 obligations can be met simply by counting the number of transactions that occur. The FCC, however, clearly envisioned a review and analysis of the quality of performance experienced by CLECs that are using the OSS functions in their business operations. For example, in its South Carolina 271 Order, the FCC stated that it would "examine performance measurements and other evidence of commercial readiness". The FCC confirmed the need for data relating to quality of performance in its Kansas/Oklahoma 271 Order:

> Absent sufficient and reliable data on commercial usage in that state, the Commission will consider the results of carrier-to-carrier testing, independent third-party testing, and internal testing in assessing the commercial readiness of a BOC's OSS.[29]

Thus, "evidence of commercial usage" cannot be provided simply by counting transactions. Instead, it requires careful analysis of the manner in which BellSouth performs those transactions – analysis BellSouth completely fails to provide. Operational data is necessary to the conduct of that analysis. I have made use of operational data at various points in my testimony to demonstrate that today's OSS still discriminate against CLECs attempting to enter the market in Kentucky. The attached affidavits of Ms. Seigler and Mr. Gibbs illustrate how AT&T's experience has been consistent with that data.

[28] FCC Kansas/Oklahoma 271 Order at 110.
[29] FCC Kansas/Oklahoma 271 Order at 110.

REGIONALITY

Q. WHAT IS YOUR UNDERSTANDING OF BELLSOUTH'S CLAIMS REGARDING REGIONALITY?

A. BellSouth claims that evidence from other states can and should be relied upon to evaluate BellSouth's compliance with Section 271 checklist items in Kentucky. BellSouth alleges that it uses the same OSS systems and processes throughout its nine-state region, and urges this Commission to rely upon commercial usage information and third-party testing from Georgia to evaluate compliance with the section 271 checklist. This argument is flawed from both a factual standpoint and as a matter of regulatory policy.

Additionally, BellSouth apparently wants this Commission to adopt, at face value and in its entirety, KPMG's Final Test Report for the Georgia third party test as conclusive evidence that BellSouth provides CLECs with nondiscriminatory access to its OSS. The Commission should refuse to do so. Not only is the information itself insufficient to allow this Commission to reach the conclusion urged by BellSouth, but neither the Georgia PSC nor the FCC has relied upon that information in making a determination regarding BellSouth's OSS.

Q. WHAT IS THE FCC'S POSITION ON THE USE OF EVIDENCE FROM STATES OTHER THAN THE FORUM STATE?

A. In its Kansas/Oklahoma Order, the FCC provided a clear explanation of the weight it will give to various types of evidence when evaluating the quality of a BOC's access to OSS:

> The most probative evidence that OSS functions are operationally ready is actual commercial usage in the state for which the BOC seeks 271 authorization. Absent sufficient and reliable data on commercial usage in that state, the Commission will consider the results of carrier-to-carrier testing, independent third-party testing, and internal testing in assessing the commercial readiness of a BOC's OSS. Finally, where, as here, the BOC proves that many of the OSS functions in the state for which it seeks 271 authorization are the same as in a state for which we have already granted such authorization, we will look to performance in the latter state as additional evidence with which to make our determination.

SWBT Kansas Oklahoma Order ¶ 105. Significantly, the FCC stated that it would rely on performance in a different state in which the BOC has been granted 271 authorization only "in certain instances," and then only to supplement other state-specific evidence. SWBT Kansas Oklahoma Order ¶ 107.

The FCC also stated that "unless an applicant seeks to establish only that certain discrete components of its OSS are the same, a general assertion of OSS sameness should be supported by evidence relating to all aspects of its OSS – including those OSS functions performed by BOC personnel." SWBT Kansas Oklahoma Order, ¶ 112, emphasis in original.

Q. ARE THE CIRCUMSTANCES HERE THE SAME AS WERE PRESENT IN THE FCC'S SWBT KANSAS OKLAHOMA ORDER?

A. No. In that Order, the FCC relied in part upon commercial usage information from Texas to approve the SWBT application for section 271 approval in Kansas and Oklahoma. The circumstances of the Kansas/Oklahoma proceeding, however, were much different than the circumstances present here. The FCC relied upon data from a state that had completed its section 271 review and where the application had been approved by both the Texas Public Utility Commission and the FCC. That approval in Texas was the result of a lengthy and robust review of all aspects of SWBT's section 271 compliance by the Texas Commission.

In this case, neither the Georgia Public Service Commission nor the FCC has verified Georgia data, or determined that the Georgia data demonstrates compliance with section 271. The third party test review of BellSouth's metrics is not yet complete. KPMG's review of BellSouth's compliance with the Georgia Commission's January 2001 performance measurements order is not yet complete. The Georgia Commission's review of BellSouth's section 271 compliance, therefore, is not yet complete. . Thus, unlike the Kansas/Oklahoma situation, BellSouth is not asking the Kentucky Commission to rely on data that has already been verified through a rigorous and complete section 271 process to support a particular factual assertion for which state-specific data may be lacking. Rather, BellSouth is urging the Kentucky Commission to determine up-front that BellSouth's OSS is the "same" regionally without reference to any particular data or factual assertion. .

Q. DOES BELLSOUTH'S CONCEPT OF REGIONALITY OVERLOOK THE ROLE OF INDIVIDUAL STATE COMMISSIONS?

A. Yes. State commissions play an important role in the 271 process and excessive reliance on data and findings from other states would diminish that role. Obviously, each state in the BellSouth region is different. Consumers in each state have different needs and priorities. The competitive environment in each state is different. As a result, each state commission has a responsibility to its constituents to ensure that BellSouth is meeting the requirements of the Act in the unique context of their state.

The Act recognizes that the state commissions are uniquely positioned to evaluate whether an incumbent LEC is meeting the requirements of the Act in its own state. Accordingly, the Act requests that state commission provide a recommendation to the FCC as to whether it should grant a section 271 application for that state, and requires the FCC to give such recommendations due consideration. If the Act contemplated that one state would defer to the findings of another state or the FCC, there would be no need for recommendations from state commissions.

Simply put, each state commission uses its best judgment to set standards and evaluate performance in a manner that promotes the unique interests of that state. Accordingly, each state should conduct a thorough investigation of all available

evidence, and particularly state-specific performance data. That is not to say that evidence from other states (including third party tests) is never relevant. But the each state commission must know the underlying basis of that evidence in determining whether it is relevant to its state, and the weight to give such evidence.

Q. IS BELLSOUTH'S OSS THE SAME FROM STATE TO STATE?

A. While BellSouth may use a number of similar systems and processes throughout its nine-state region, BellSouth's OSS is not as "regional" as BellSouth would have this Commission believe. There are numerous features of BellSouth's OSS that vary from state to state .

The FCC's reliance in its Kansas/Oklahoma Order on certain findings in its earlier Texas Order was based on the premise that similar processes will result in similar performance. SWBT Kansas Oklahoma Order ¶ 107. That premise, however, is not always correct. For example, BellSouth's Mr. Heartley concedes in his testimony that BellSouth's performance will differ between states:

> Although BellSouth has standardized operations through its nine-state region, as discussed above, this does not mean that performance will be, or reasonably could be expected to be, identical or substantially the same between the states. Actual performance is affected by many variables beyond BellSouth's control.

Heartley Testimony page 17.

There are two possible conclusions one can draw from Mr. Heartley's admission. First, one may conclude that it is irrelevant whether BellSouth's OSS is the same between states because BellSouth's OSS performance differs between states (to the point where it may not even be "substantially" the same). Alternatively, one could conclude that the OSS cannot possibly be "the same" as envisioned by the FCC in the Kansas/Oklahoma Order, because it produces wildly divergent results. In either event, this Commission should not blindly rely upon information and data from another state.

Mr. Heartley attempts to brush aside performance differences as being caused by "many variables beyond BellSouth's control," but makes no attempt to isolate such variables and demonstrate that these matters truly are outside of BellSouth's control. A more reasonable conclusion is that BellSouth's internal manual processes, which vary from state to state, are likely to cause differences in performance.[30] To the extent that some variables are outside of BellSouth's control, how BellSouth responds to those variables is not. The Act requires non-discriminatory access. Thus, BellSouth is required to adjust its processes if such adjustments are necessary to provide non-discriminatory access to its OSS.

Q. COULD YOU DESCRIBE SOME OF THE AREAS IN WHICH BELLSOUTH'S OSS DIFFERS FROM STATE TO STATE?

[30] OSS functions that are particularly dependent upon manual processes (and therefore are very likely to cause differences in performance levels) are provisioning and maintenance and repair.

A. Certainly. Provided below is a brief description of the differences in the areas of Account Establishment and Management, Pre-Ordering, Ordering, Provisioning and Maintenance & Repair, and Billing:

Account Establishment and Management

CLECs entering the market must provide information to BellSouth concerning their desired business arrangements so that BellSouth can make the proper initial entries in all of the databases required to allow the CLEC to conduct business. Entries are required in the multiple databases associated with each of the five OSS functions discussed below – Pre-Ordering, Ordering, Provisioning, Maintenance and Repair, and Billing[31]. BellSouth must also provide the CLEC with the account codes, login codes, passwords, and other information the CLEC will need to identify and place its transactions with BellSouth. CLECs entering the market using Unbundled Network Elements and their own facilities must also obtain from BellSouth interconnection facilities, collocation facilities[32], and the installation of a coordinated network design. While a CLEC will typically deal with one account team regardless of the number of states in which it does business, the required information is input to or received from work groups that perform these functions on a geographic basis.

[31] Exception 67 filed in the Florida third Party Test by KPMG on June 7, 2001, cites BellSouth for not having defined processes or documentation related to the management of CLEC billing issues and activities. The Exception may be found at: www2.sci.net/psc/industry/telecomm/oss/pdf/except67.pdf.
[32] Exception 65 filed in the Florida Third Party Test by KPMG on May 31, 2001, cites BellSouth for not having documented procedures associated with the implementation of collocation arrangements available

After market entry these same work groups must implement any changes required in support of the CLEC's on-going business plans accurately and in a timely manner whether they are initiated by the CLEC or by BellSouth. The account team must ensure that such efforts are coordinated to avoid service disruptions.

Pre-Ordering

The pre-ordering process for simple services is centralized, and pre-ordering inquiries for information in any state are sent using one or both of the two systems BellSouth offers (TAG or LENS). But pre-ordering performance may not be the same from state to state because BellSouth's legacy systems, and the quality of the information contained therein, differ from state to state. The legacy systems are the operational support systems that existed before the Telecommunications Act required opening the local markets to competitors. The data for all nine states is not contained in a single centrally positioned database. Because the data for one state may reside in a different system from the data for another state, both the access to that data and its quality may differ. Maintenance of the physical hardware, its connectivity to the network, and of the data contained within each of these separate systems may cause differences in access time and the accuracy of the data.

The pre-ordering process for complex services also varies from state to state. Complex services are those that require a service inquiry prior to ordering. These

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to its account team. This exception may be found at:

services are dependent upon manual processes, work groups and information that are organized state by state. A CLEC may request pre-ordering information from its account team or the LCSC simultaneously for the installation of the same complex service in Georgia for one customer, and in Kentucky for the same or different customer, and receive responses that are vastly different in timeliness and accuracy. The account team and LCSC, and therefore the CLEC, are captive to the performance of other personnel in various work groups to respond to these requests.

Ordering

Ordering uses one or more of the three centralized systems EDI, TAG and LENS, which will accept requests for service in any state. But as with pre-ordering, ordering performance is not the same from state to state because the legacy systems, and the information contained therein, needed to accept orders is unique to each state. Additionally, requests for services that cannot be handled by one of these systems are handled by one of three manual Local Carrier Service Centers (LCSC). These centers also handle requests that are submitted electronically but subsequently handled manually by BellSouth. The input systems used by the BellSouth personnel in the LCSC's differ between the former Southern Bell and South Central Bell states. Georgia is a former Southern Bell state and Kentucky is a former South Central Bell state..

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www2.sci.net/psc/industry/telecomm/oss/pdf/except65.pdf.

Provisioning, Maintenance and Repair

BellSouth uses work groups that are organized on a geographic basis to perform (1) the provisioning processes necessary to install requested services and (2) maintenance and repair of existing services. Some work groups are organized into separate units state by state or into multiple units within a single state called "Turfs." Some of the work groups organized by state, or by "Turf", include the Address and Facility Inventory Group (AFIG), the Circuit Provisioning Group (CPG), the Recent Change and Memory Administration Center (RCMAC), the Work Management Center (WMC) and Installation Field Forces (IFF). Because the organization of these groups is divided state by state or Turf by Turf, performance data from one state is not an accurate measure of performance in another state.

Billing

Billing derives from call data collected in BellSouth Data Centers from each local switch and tandem. The Data Centers process bills using the call data and send them to the relevant CLEC. BellSouth has eleven Data Centers, each of which serves a particular geographic area in the nine BellSouth states. There is no reason to accept blindly that performance of one Data Center is comparable to performance in a Data Center in a different state.

In sum, this Commission should not rely on performance data from other states within the BellSouth region. The variations in OSS from state to state render such

data too unreliable to support the Commission's independent responsibility to evaluate performance in Kentucky.

Q. PLEASE COMMENT ON THE REPORT FROM PRICE WATERHOUSE THAT BELLSOUTH HAS FILED IN SUPPORT ITS REGIONALITY ARGUMENT.

A. The Commission should refuse to rely upon the Price Waterhouse Report on the Region-Wide Comparability of BellSouth's Pre-Order and Order Operational Support Systems as of May 3, 2001 ("Price Waterhouse Report") proffered by BellSouth as "proof" that its systems are the same throughout the region.[33] The Price Waterhouse Report does not address the key issue of performance. Instead, it simply states that the physical hardware making up the CLEC-specific OSS gateway interfaces and linkages[34] is the same for all nine BellSouth states and that the same programming code is running in each active system. It makes no attempt to address whether the performance of that hardware and software is the same between states when operated using the state-specific information contained in the legacy systems. Price Waterhouse did not review the state-specific information in the legacy systems and did not review the operation of the systems by BellSouth personnel in the various centers and workgroups other than the LCSC.

[33] BellSouth filed this report in this docket as Exhibit OSS-74.

[34] The legacy systems to which the linkages connected and upon which the successful, accurate and timely operation of the overall OSS transaction depends were outside the scope of the PWC review. See Pre-Ordering Systems Diagram at page 12 of the report.

Even when professing to be concerned with performance differences, Price Waterhouse stopped short of collecting and investigating all relevant data. The Kentucky PSC Staff discovered this shortcoming during an Informal Conference held on May 10, 2001, during which Price Waterhouse presented an overview of its work:

> The PWC audit did not compare the success rate of DOE and SONGs, according to the firm's representatives. The auditors observed that errors could occur down the line, after initial acceptance by SOCS; however, no success for failure rate was calculated.

Exhibit JMB-4 (May 16, 2001 Memorandum of Informal Conference at page 2, Case No. 2001-105).

Thus, there is far less substance to the Price Waterhouse Report than BellSouth would have this Commission believe, and it cannot form the basis for the conclusion urged by BellSouth.

Q. PLEASE DESCRIBE OTHER LIMITATIONS OF THE PRICE WATERHOUSE REPORT THIS COMMISSION SHOULD BE AWARE OF IN ITS DELIBERATIONS.

A. It is important that the Commission keep clear in its mind what the PWC Report is and what it is not. The opinion of the Independent Account, which significantly

is only page one of the document included as Mr. Pate's Exhibit OSS-74, looked only at two assertions made by BellSouth. These assertions were:

(1) "BellSouth Telecommunications (BST) utilizes the same Pre-order and Order operational support systems (OSS) throughout BST's nine-state region to support wholesale competing local exchange carrier (CLEC) activity";

(2) "BST's DOE and SONGS systems have no material differences in the functionality or performance for service order entry by the Local Carrier Service Centers (LCSC)."

In looking at these two very limited assertions PWC used only evaluation criteria that were supplied by BellSouth. Thus, the PWC Report does not concern itself at all with Provisioning, Maintenance and Repair, Billing, or General Support to CLEC operations, and as PWC is careful to point out its examination "was not directed toward establishing whether compliance with the aforementioned criteria would constitute legal compliance with Federal Communications Commission or any state Public Service Commission order or regulations and, accordingly, we express no such opinion."

As I discussed above, PWC did not significantly concern itself with the key issue of performance. BellSouth did not include any meaningful performance comparison criteria in its assertion letter. Additionally, PWC's actual

observations were limited in number. They "traced" only 759 automated transactions in their examination of BellSouth's first assertion, and observed only 79 manual transactions (49 DOE and 30 SONGS) in their examination of BellSouth's second assertion.

Q. THE PWC REPORT CONTAINS 16 PAGES, GIVEN THAT THE OPINION OF PWC IS PRESENTED ON PAGE ONE, WHAT ARE ALL THE OTHER PAGES ABOUT?

A. Pages 3 through 4 are BellSouth's assertions and the criteria BellSouth provided to PWC to use. Pages 5-16 contain supplementary information produced by BellSouth.

Q. WHAT IS THE BEST EVIDENCE OF BELLSOUTH'S COMPLIANCE WITH THE 271 CHECKLIST?

A. Appropriate state-specific performance data continues to be the most probative evidence of compliance with the Act requirements. Other evidence, such as third party testing and findings from related FCC orders, should be used only to fill in gaps where, for good reason, state-specific performance data either does not exist or is somehow unreliable because of the particular circumstances of that state. If BellSouth wishes prove that it is generally permissible also to rely upon commercial usage information from another state such as Georgia, it must demonstrate that all facets of its OSS are the same in Georgia as in Kentucky.

Q. DO YOU HAVE ANY RECOMMENDATIONS AS TO HOW THIS COMMISSION SHOULD EVALUATE THE REGIONALITY OF BELLSOUTH'S OSS.?

A. Yes. I recommend that the Kentucky Commission consider one of three possible courses of action to obtain the information it needs to make an informed decision. Each recommendation is based upon the use of the Florida Third Party Test as a starting point and leveraging activity already underway in the neighboring state of Tennessee[35] that, unlike Florida and Georgia, shares a more common suite of CLEC OSS with Kentucky. The TRA has determined to:

> "retain an independent third party to analyze the existing data and test results from other states and to determine whether that data demonstrates compliance with the standard performance measurements and whether the test results are applicable to Tennessee. If the data is insufficient to establish compliance, the data does not show compliance, or the process involves a function that cannot be measured using testing from other states, and independent third party shall be engaged to conduct any required testing." (TRA Order page 8)

The Kentucky Commission could (1) undertake its own independent audit mirroring the Tennessee effort; (2) join with the TRA in the implementation of the TRA's audit; or (3) simply wait for the TRA audit to complete before rendering any decision on BellSouth's Kentucky 271 application.

Q. WITH RESPECT TO THIRD PARTY TESTING, ARE ALL THIRD PARTY TEST THE SAME?

A. No. Significant differences can and do exist between third party tests, even when the "tester" is the same. The differences between the third party tests in Georgia and Florida are a prime example that should concern this Commission. Ms. Norris' testimony filed today provides detailed information on the Georgia and Florida third-party tests.

PREORDERING

Q. WHAT IS "PREORDERING"?

A. The FCC defines "Pre-Ordering" and "Ordering" together. Under the FCC Rules, pre-ordering and ordering "includes the exchange of information between telecommunications carriers about current or proposed customer products and services or unbundled elements or some combination thereof." 47 C.F.R. § 51.5. In other words, pre-ordering is the exchange of information necessary to prepare an order, whereas ordering is the actual transmission of the order, along with attendant acknowledgments, notices, and status reports. Pre-ordering ordinarily takes place while the customer is on the telephone. Pre-ordering functions include: (1) determining the customer's existing services; (2) determining the services and features available to that customer; (3) validating the customer's address; (4) assigning a telephone number; (5) scheduling appointments for required site visits and establishing due dates for the commencement of services.

[35] Order Consolidating Docket Nos. 99-00374 and 00-00392 into Docket No. 01-00193 and Opening Docket No. 01-00362. May 15, 2001.

Q. HOW DO BELLSOUTH'S PRE-ORDERING PROCESSES AFFECT CLECS' ABILITY TO COMPETE WITH BELLSOUTH?

A. CLECs collect the pre-ordering information necessary to prepare and submit an accurate order for services or elements from its customer, its own databases, and from various BellSouth databases. The speed and accuracy with which this can be done is dependent upon (1) integration (i.e., the ability of CLEC and BellSouth computer systems to exchange and manipulate information directly, with little or no human intervention and (2) response times (i.e., the time it takes to receive information from BellSouth's databases in response to a query). Integration and quick response times enable CLECs to provide consumers with fast and accurate customer service, and reduces the costs of providing such service. Thus, integration and quick response times directly impact the CLECs ability to compete successfully with BellSouth on the basis of both service and price.

Q. WHAT PRE-ORDERING DEFICIENCIES DO YOU DISCUSS IN YOUR TESTIMONY?

A. I discuss four pre-ordering areas in which BellSouth discriminates against CLECs: (1) failure to provide parsed customer service records ("CSRs") at parity; (2) deficiencies in BellSouth's provision of pre-order due date calculations; (3) excessive OSS response times; and (4) excessive LCSC answer times.

(1) PARSED CUSTOMER SERVICE RECORDS

Q. WHAT IS THE ISSUE REGARDING PARSED CUSTOMER SERVICE RECORDS?

A. The issue is one of parity. BellSouth is not providing CLECs with access to parsing functionality at parity with the parsing functionality it provides itself. In its retail operations, BellSouth has extensive capability to populate its service requests electronically with information contained in the customer service record ("CSR") because of the parsing functionality of its OSS. This extensive capability minimizes the extent to which BellSouth's retail representatives must manually input data into its internal OSS gateway systems -- such its Regional Negotiation System (RNS) or Regional Ordering System (ROS) -- which in turn minimizes the time, cost, and risk of error in generating retail service requests.

In contrast, CLECs only have a very limited capability to populate its local service requests (LSRs) electronically with CSR data. CLECs have been seeking equivalent parsing capability since 1998, but it does not appear that BellSouth will provide such parity until January 2002 at the earliest.

Q. WHAT IS "PARSED" INFORMATION?

A. CLECs obtain pre-ordering information from a number of BellSouth databases. Some of this information is "parsed." Parsed pre-ordering information is electronic data that is divided into fields that can be electronically transferred into other fields utilized in the pre-ordering and ordering process. For example,

addresses obtained from the Regional Street Address Guide (RSAG) are parsed and can be transferred electronically into the address fields of the LSR used by CLECs to order wholesale services and products.

Q. IS BELLSOUTH REQUIRED TO PROVIDE CLECS WITH THE FUNCTIONALITY TO POPULATE LSRs WITH CSR DATA?

A. Yes. BellSouth's OSS are network elements and BellSouth must provide CLECs with access to the functions of its OSS. The FCC, moreover, has stated that "the BOC must enable competing carriers to transfer pre-ordering information electronically to the BOC's ordering interface or to the carrier's own back office systems, which may require 'parsing' pre-ordering information into identifiable fields."[36] Because BellSouth provides its retail service representatives with the capability to populate its service orders electronically with parsed CSR data, BellSouth must provide equivalent functionality to CLECs to satisfy its statutory obligation to provide non-discriminatory access.

Q. HAS BELLSOUTH MET ITS STATUTORY OBLIGATION?

A. Not yet. BellSouth's retail OSS still provides superior parsing functionality compared to BellSouth's wholesale OSS. BellSouth's retail OSS, moreover, will continue to have superior functionality until at least January 2002, which is almost two years after the original target implementation date for improving the parsing

[36] FCC BA-NY Order ¶ 137.

functionality available to CLECs. While it is encouraging that BellSouth is once again scheduled to provide CLECs with additional parsing functionality, as the brief chronology below illustrates, BellSouth is long overdue in providing that critical functionality. Indeed, parsing rules for CSRs have been included in industry standards since the publication of the LSOG3/TCIF9 guidelines July, 1998:

September, 1998 -- CLECs request CSR parsing functionality as part of OSS 99 upgrade, but BellSouth does not include functionality in that upgrade.

September, 1999 -- AT&T resubmits request for CSR parsing functionality via the change control process.

September 18, 1999 -- TAG users vote to give CSR parsing functionality its top priority among 10 pending change requests.

September 28, 1999 -- CSR parsing functionality targeted for implementation on April 20, 2000.

March 29, 2000 -- Three weeks prior to the target date for implementation, BellSouth unilaterally downgrades the change request for CSR parsing functionality to "Subteam being formed to perform planning and analysis during 2000."

September 18, 2000 -- During Release Package Meeting, BellSouth again downgrades and delays the implementation of this change stating: "Parsed CSR could possibly be implemented with Release 10.0 in May 2001."

December 5, 2000 -- BellSouth published its proposed schedule, showing a planned implementation date of December 31, 2001, for CSR parsing functionality.

Current Status -- BellSouth previously has stated in testimony that the implementation date for CSR parsing functionality is "summer 2001 timeframe." BellSouth, however, now states that parsed CSRs will not be available until January 14, 2002. (Exhibit JMB-5).

Q. HOW DOES THE LACK OF CSR PARSING FUNCTIONALITY IMPACT CLECS AND THEIR CUSTOMERS?

A. The lack of CSR parsing functionality significantly reduces the level and reliability of integration that CLECs can achieve, and integration is critical to minimizing the manual input necessary to generate LSRs. Minimizing manual input increases the CLECs efficiency and effectiveness in generating LSRs, which translates into better customer service. CLECs, therefore, need CSR parsing functionality to be able to achieve the same degree of efficiency and effectiveness

in generating customer orders as is now available to BellSouth for generating retail orders.

Q. ON PAGE 82 OF HIS REBUTTAL TESTIMONY, MR. PATE OF BELLSOUTH STATES THAT CLECS HAVE THE ABILITY TO PARSE INFORMATION ON THE CSR. IS THAT TRUE?

A. As I stated above, CLECs have a very limited capability to populate LSRs with parsed CSR information, whereas BellSouth retail representatives have an extensive capability. CLECs, therefore, have sought equivalent functionality through the change control process. Since BellSouth has already developed this kind of functionality for itself, and had agreed to provide this functionality to CLECs nearly two years ago, it did not make sense for each CLEC to attempt to independently develop CSR parsing functionality. CLECs, moreover, faced certain technical obstacles. BellSouth had not provided CLECs with CSR data that contains delimiters or the business rules by which BellSouth applies its delimiters.[37] In addition, the size and format of certain fields in the CLEC ordering interfaces that BellSouth has designed are not compatible with the size and format of the data obtained from customer service records. For example, BellSouth provides CLECs with the customer's listed name as one data field in the CSR. To order a directory listing for that customer, however, BellSouth

[37] In February of this year, BellSouth published two documents that provided additional information with respect to parsing CSR data -- the "Pre-Order to Firm Order Mapping Matrix" and "CSR Job Aid." It appears that BellSouth developed these documents in connection with developing a solution for the pending change request for parsed CSRs.

requires the CLEC to enter the customer's name in at least two data fields in the LSR instead of one. Consequently, CLECs cannot electronically populate the LSR using the CSR data and must manually "parse" and input the data. This incompatibility between pre-ordering and ordering data requirements was identified during third party testing in Georgia.[38]

Q. PLEASE SUMMARIZE THE PROBLEMS WITH BELLSOUTH'S FAILURE TO PROVIDE PARSED CSRS.

A. BellSouth is not providing CLECs with nondiscriminatory access to CSR data. BellSouth has fully integrated the receipt and transmission of CSR data within its own retail pre-ordering and ordering operations. In contrast, BellSouth has not provided CLECs with equivalent integration. As a result, CLECs cannot complete pre-ordering and ordering functions at an equivalent level of efficiency or effectiveness as BellSouth's retail operations.

(2) PRE-ORDER DUE DATE CALCULATION

Q. HAS THE FCC ADDRESSED PROBLEMS WITH BELLSOUTH'S PRE-ORDER DUE DATE CALCULATION?

A. Yes. In its Second Louisiana Order, the FCC voiced its concern about the inequality of due dates between BellSouth retail and CLEC orders. The FCC specifically criticized: (1) the lack of a parity due date calculation in the pre-ordering interface; and (2) the delays caused by BellSouth's extensive reliance

[38] MTP Final Report, pages V-A-28 through V-A-31.

upon manual processing. The FCC indicated that, in future applications, it would be examining the impact of the automatic due date calculation capability that the Georgia Commission had previously ordered Bellsouth to implement.[39]

Q. HOW DO THE DEFICIENCIES IN BELLSOUTH'S DUE DATE CALCULATOR IMPACT CLECS?

A. In some instances, the due date calculator provides the wrong date. Moreover, for certain products or services BellSouth's systems simply do not calculate due dates. When BellSouth's pre-ordering interface fails to provide a calculated due date (a due date which takes into consideration the work load in the BellSouth central offices and field installation groups) CLECs must default to using the "targeted" interval in BellSouth's interval guide. If the due date determined in this manner falls on a date where workload precludes providing service, the longer due date will be returned to the CLEC on the FOC, at which point the CLEC must contact their customer to inform them of the delay. This of course undermines the credibility of the CLEC in the eyes of its customer.

Often, as a result of the deficiencies with BellSouth's due date calculator, CLEC orders fall out for manual processing. When LSRs fall out for manual processing, they lose their place in queue for being assigned due dates. Due dates are assigned on a "first-come, first-served" basis. Thus, an electronic CLEC LSR that falls out for manual processing may be assigned a later due date than it would

[39] FCC Louisiana II Order ¶ 106.

have been assigned if it had flowed through electronically. Since all of BellSouth's retail LSRs are electronic and nearly always flow through, BellSouth's retail LSRs will be placed in queue for due date assignment earlier than a similar CLEC LSR submitted at the same time that subsequently falls out for manual processing. BellSouth, therefore, has superior access to due dates than CLECs and that is discriminatory.

Q. HAS BELLSOUTH CORRECTED THESE DEFICIENCIES?

A. No. CLECs still experience a lack of parity and unreasonable delays. During the Georgia third party test, KPMG Consulting, Inc. ("KMPG") found the pre-order due date calculator to be deficient for certain products and services and opened Exception 116. KPMG closed Exception 116 following the implementation of a "workaround" and the promise of the future implementation of Change Request CR0237. CR0237 was cancelled on March 3, 2001, in favor of change request CR0313 that was reported as being implemented on February 25, 2001.[40] KPMG has not re-tested BellSouth's current OSS to ascertain whether CR0313, as implemented, has corrected the deficiency due date calculator deficiencies identified by KPMG.

Additionally, recent experience has demonstrated that defects in the programming of OSS linkages seemingly unrelated to due date calculation can and do cause

CLECs to be provided incorrect due dates by BellSouth's systems. AT&T's UNE-P orders being placed in Georgia and Florida using the LENS system have been given incorrect (longer than the target interval or than the best available date) during periods of time when the LNP Gateway has been experiencing Type I System Outages.

Q. PLEASE SUMMARIZE THE PROBLEMS WITH BELLSOUTH'S PRE-ORDER DUE DATE CALCULATION.

A. BellSouth has not satisfied the FCC's stated concerns with its pre-order due date calculation. CLECs still experience lack of a parity. BellSouth's extensive reliance upon manual processing continues to cause delays in CLEC pre-ordering processes that are not experienced by BellSouth.

(3) OSS RESPONSE TIME

Q. WHAT IS PRE-ORDERING RESPONSE TIME AND WHY IS IT IMPORTANT?

A. Pre-ordering response time is the period of time from BellSouth's receipt of pre-ordering inquiry until it transmits a response back to the CLEC (i.e., the time during which BellSouth has "control" of the transaction). This time is important because in most cases, the CLEC's customer is on the line while the CLEC is obtaining the preorder information from BellSouth. If the process takes too long,

[40] CR0313 was identified by an e-mail sent to the CCP Distribution list as an "Expedited Feature" to reduce the interval for certain UNE products and indicated that other reductions would occur in the June time

the prospective CLEC customer will perceive the CLEC as being slow and inefficient, and may terminate the request for service.

Q. HAS BELLSOUTH PROVIDED RELIABLE PERFORMANCE DATA REGARDING ITS PRE-ORDERING OSS RESPONSE TIME?

A. No, BellSouth currently does not provide reliable performance data to evaluate pre-ordering response times. First, BellSouth does not appear to be measuring the proper interval. Instead of measuring all of the time during which BellSouth has control of the pre-ordering inquiry, BellSouth is measuring only the time it takes its back-end legacy systems to process the inquiry and does not measure the TAG or LENS processing time.

Second, BellSouth's performance data for pre-ordering response times is incomplete. For example, although BellSouth has been reporting data on pre-order response time to the Commission and CLECs, BellSouth had not been collecting any LENS response time data for pre-ordering inquiries submitted via OSS-99 programming, which was implemented in January 2000. BellSouth started providing LENS data for March, 2001. The integrity of that data, however, is questionable. For example, the number of reported calls to particular legacy systems (e.g., RSAG, ATLAS, DSAP) for both LENS and TAG do not reasonably correlate to the number of submitted LSRs via these interfaces. In March 2001, BellSouth reported only 8,616 "calls" from LENS to DSAP in

frame. The posting and handling of CR0313 does not comply with existing CCP requirements.

March 2001 even though BellSouth reported that CLECs submitted 200,929 LSRs through LENS. In contrast, BellSouth reported 443,965 "calls" from TAG to DSAP in March 2001 even though BellSouth reported that CLECs submitted 60,466 LSRs through TAG. Thus, while LENS had a DSAP call to LSR ratio of approximately 1:25, TAG had a 7:1 ratio. That just does not make sense.[41]

In short, there are no recent, reliable data upon which to evaluate BellSouth's performance in responding to pre-ordering inquiries.

Q. DOES BELLSOUTH CURRENTLY PROVIDE ACCEPTABLE OSS PRE-ORDERING RESPONSE TIMES TO CLECS?

A. No. BellSouth is not providing the nondiscriminatory access required by the Act. Indeed, even BellSouth's reported data indicates that at least some pre-ordering response times will continue to be excessive. For example, BellSouth reported that its LENS and TAG response time for obtaining CSR data was an average of 12.32 and 25.80 seconds, respectively. CLECs frequently transmit CSR inquiries during the pre-ordering process. Waiting at least 12 seconds to receive a response will unreasonably delay and disrupt an efficient pre-ordering process.

(4) LCSC CALL ANSWER TIMES

Q. WHY IS LCSC CALL ANSWER TIME IMPORTANT TO CLECS?

[41] There were 51,560 EDI LSRs submitted in March. EDI users perform their pre-ordering using either LENS or TAG. If we add the EDI and TAG orders together and assume that all EDI orders used TAG for

A. One measure of parity in customer support is the time it takes BellSouth to answer calls at its various service centers. When BellSouth's retail customers want to place a new order or have a question about a pending order, they call BellSouth's Residence Service Center ("RSC") or its Business Service Center ("BSC"). When BellSouth's wholesale customers (i.e., CLECs) have a question about a pending order (BellSouth does not accept telephonic orders from CLECs), the CLEC calls the LCSC. One measure of parity in customer support is the time it takes BellSouth to answer calls at its various service centers. BellSouth includes this data in its monthly performance reports.

Q. DOES BELLSOUTH'S REPORTED DATA SHOW THAT IT PROVIDES PARITY CUSTOMER SUPPORT?

A. No. BellSouth's reported data indicates on its face that BellSouth provides CLECs with second-class customer support.[42] Provided below is a summary of BellSouth's answer times for the first four months of 2001.

Speed of Answer in Ordering Centers			
Month	**LCSC**	**RSC**	**BSC**
January	398 seconds	154 seconds	84 seconds
February	179 seconds	110 seconds	42 seconds

pre-ordering the EDI/TAG ratio is 4:1 which is still illogical .

[42] As outlined in the testimony of Sharon E. Norris filed today, BellSouth's self-reported performance data is incomplete and inaccurate. Even if this issue is laid aside, however, BellSouth's reported performance data does not present a picture of compliance with the Act's requirements.

March	148 seconds	139 seconds	57 seconds
April	96 seconds	128 seconds	28 seconds

CLECs are among BellSouth's biggest customers. Nevertheless, the answer times have consistently been at least three times longer than what BellSouth provides its retail business customers. Why would BellSouth provide second-class service to its biggest customers? Because those customers happen to be the competition, and BellSouth has consistently relegated its competing wholesale customers to second-class status behind its retail customers. That is precisely what the Act's requirements for nondiscriminatory access to OSS functions were intended to prevent.

ORDERING AND PROVISIONING

Q. DOES BELLSOUTH PROVIDE CLECS WITH PARITY IN ORDERING AND PROVISIONING FUNCTIONS?

A. No. In my testimony below, I will demonstrate that BellSouth's ordering and provisioning OSS suffers from the following four deficiencies, all of which are essential to CLECs' ability to compete: (1) insufficient order flow through; (2) inadequate ordering and provisioning notices, including firm order confirmations ("FOCs"), rejection notices, jeopardy notices, and completion notices; (3) excessive total service order cycling time; and (4) inadequate ordering capacity. I will discuss each deficiency in turn.

(1) INSUFFICIENT ORDER FLOW THROUGH

Q. HAS BELLSOUTH PROVIDED CLECS WITH ADEQUATE FLOW THROUGH CAPABILITY?

A. No. As I discuss in more detail below, BellSouth's retail operations have the capability to submit electronic orders for all products, services, and transactions, and BellSouth's OSS process such electronic orders automatically without any manual processing. In contrast, CLECs cannot submit electronic orders for all products, services, and transactions. Moreover, a high percentage of electronic CLEC orders fall out for manual processing (from 10 to 76 percent depending on the interface and product type) because of BellSouth system design or system errors. BellSouth's excessive use of manual processing to handle CLEC orders is discriminatory and adversely impacts competition.

Q. WHAT IS ORDER FLOW THROUGH?

A. An order is a transaction by which a customer obtains a service or product, or changes the existing service or product that it is receiving. In BellSouth parlance, such CLEC originated transactions are called Local Service Requests ("LSRs"). BellSouth receives electronic LSRs from CLECs over the LENS, TAG (including RoboTAG), and EDI interfaces. When accepted by BellSouth's Service Order Control System ("SOCS"), the LSR becomes a service order. BellSouth's retail transactions are called "service requests" prior to their acceptance by SOCS, at which time they become service orders. BellSouth's own Service Requests

("SRs") are initiated by inputs to the RNS and ROS sales and marketing interfaces. For the sake of simplicity, BellSouth's terminology for CLEC originated transactions – LSR - will be used in this discussion for both CLEC and BellSouth retail transactions.

In simple terms, order flow-through is the ability of a service provider (be it a CLEC or BellSouth) to transmit its own electronic LSR and have that LSR successfully processed into a service order without manual intervention. In the context of CLEC LSRs, the FCC explained in paragraph 107 of the Second Louisiana Order: "A competing carrier's orders 'flow through' if they are transmitted electronically through the gateway and accepted into BellSouth's back office ordering systems without manual intervention."[43]

Q. ON PAGE 100 OF HIS TESTIMONY, MR. PATE QUOTES FROM THE FCC'S SECOND LOUISIANA ORDER AND DEFINES FLOW THROUGH. IS MR. PATE'S DEFINITION CONSISTENT WITH THE FCC'S LANGUAGE?

A. No. Mr. Pate inappropriately broadens the FCC's definition by adding pre-ordering activities, which have nothing to do with flow through. His own definition is:

> ***Therefore, flow-through occurs when a CLEC or BellSouth representative*** takes information from an end user customer, inputs it directly into an electronic ordering

[43] Second Louisiana Order ¶ 107.

interface without making any changes or manipulating the customer's information, and ***sends the complete and correct request downstream for mechanized service order generation.***

Pate Testimony at 102 (emphasis added). Only the bolded italicized language corresponds to the above FCC definition of flow through. The remainder of Mr. Pate's definition relates to preordering activities. Flow-through begins with the submission of an order, whereas the pre-ordering process of gathering information from customers occurs before the point at which flow through begins. Mr. Pate's testimony, however, attempts to blur the distinction between pre-ordering activities and ordering activities, as well as integration and flow-through.

Q. HOW DOES FLOW THROUGH RELATE TO SYSTEM INTEGRATION?

A. Flow through is sometimes confused with the integration of pre-ordering and ordering systems, but it is different. Integration involves the ability to create LSRs electronically using data (e.g., addresses, telephone numbers, due dates) obtained from BellSouth's pre-ordering systems. In other words, integration involves the automation of activities before the service representative hits the "send" button to transmit the LSR, and flow-through involves the automation of activities after the service representative hits the "send" button.

Exhibit JMB-6 illustrates the distinction between integration and flow through. Integration is represented in the double-headed arrow on the right hand side of the Exhibit. Flow-through is represented in the double-headed arrow in the left hand

side of the Exhibit. Manual ordering and manual fall out processing is represented by the arrows passing through the center of the Exhibit.

It is impossible to completely automate the pre-ordering process. At a minimum, a service representative will have to speak to the customer and input certain data into the LSR. For certain products or features, service representatives may have to obtain information that they cannot access electronically. In contrast, the ordering process can be and has been fully automated. After the service representative hits the "send" button, the LSR can be processed without any further manual intervention. That is flow through.

Q. WHAT IS THE FCC'S POSITION ON FLOW THROUGH?

A. The FCC gives "substantial consideration" to order flow-through rates because it believes that flow-through rates "demonstrate whether a BOC is able to process competing carriers' orders, at reasonably foreseeable commercial volumes, in a nondiscriminatory manner."[44] Indeed, the FCC found that substantial disparity between flow through rates of BOC errors and those of competing carriers, on its face, demonstrates a lack of parity. [45] In more recent orders, the FCC has confirmed that flow through rates are a useful indicator that deficiencies may exist

[44] Second Louisiana Order ¶ 108.
[45] Second Louisiana Order ¶ 107.

in the BOC's OSS, such as a lack of integration and an inability to provision orders or provide order status notifications in a timely manner.[46]

Q. WHAT EFFECT DOES ORDER FLOW THROUGH HAVE ON CLECS AND THEIR CUSTOMERS?

A. Order flow through is critical because it impacts consumers and CLECs in several important respects. First, BellSouth does not provide timely order status notices when CLEC LSRs do not flow through and instead fall out for manual processing. Depending on the service or product, it takes BellSouth approximately 12 hours on average to provide a rejection notice and approximately 18 hours to provide a firm order confirmation ("FOC") for electronic LSRs that fall out for manual processing, whereas it takes less than 15 minutes on average to send either notice when the LSR flows through and is processed electronically.

Second, electronic LSRs that fall out for manual processing are subject to later due dates because due dates are not confirmed until BellSouth's OSS generates a FOC. At the time the system generates a FOC, the due date is assigned on a "first-come, first-served" basis. Because FOCs for electronic LSRs that fall out for manual processing take approximately 18 hours longer on average to generate than FOCs for LSRs that flow through, manually-processed electronic LSRs are placed in queue much later than electronically-processed LSRs that are submitted

[46] FCC BA-NY Order ¶ 162.

at the same time. Ms. Seigler and Mr. Gibbs both discuss this problem in their affidavits.

Third, electronic LSRs that flow through do not face the risk of input errors during manual processing that could lead to a different service being "ordered" than was actually requested by the CLEC.

Finally, electronic LSRs that flow through are less costly for both CLECs and BellSouth (whose costs ultimately are passed on to CLECs through its charges) to generate, track, and process than are paper LSRs or electronic LSRs that fall out to manual processing. In a competitive environment, lower costs lead to lower prices for consumers.

Q. ON PAGES 108 TO 115 OF HIS TESTIMONY, MR. PATE DISCUSSES THE "MECHANIZED SERVICE ORDER GENERATION OF LSRS." PLEASE COMMENT.

A. From my long experience with this issue and knowledge of the suite of hardware and software BellSouth has deployed, it is clear that BellSouth has chosen an unnecessarily complex way of linking its OSS interface gateways, thus increasing the likelihood of fallout thru no fault of the CLEC.

In Exhibit JMB-7, I provide a three-page depiction of the evolution of the linkage systems between BellSouth's OSS interface gateways and SOCS from 1996 to the

present. Initially there was only LEO/LESOG. In September 1998 the LSRR, the LNP Gateway and LAUTO were added to process LNP orders. Recently, in early 2001, the Corporate Order Gateway and its associated SOG were added to process xDSL orders. (Mr. Pate's current testimony identifies these components as the ServiceGate Gateway (TM) ("SGG") and Wholesale Service Manager-Service Order Generator ("WSM-SOG"). It is clear from my Exhibit that BellSouth's CLEC OSS has certainly become more complex. My testimony demonstrates that the performance of BellSouth's OSS unfortunately has not improved.

Q. ON PAGE 101 OF HIS TESTIMONY AND IN HIS EXHIBIT OSS-48, MR. PATE DESCRIBES BELLSOUTH'S METHOD FOR CALCULATING FLOW-THROUGH. ON PAGE 108 OF HIS TESTIMONY, HE PROVIDES A TABLE OF REPORTED FLOW-THROUGH PERCENTAGES FOR NON-LNP ORDERS. DO MR. PATE'S DESCRIPTION AND TABLE ACCURATELY PORTRAY INTERFACE PERFORMANCE?

A. No. BellSouth's method of calculating what it calls the "CLEC Error Excluded Calculation" masks the actual performance of the interfaces because it fails to account for orders that fall out by design, thus making it appear that the flow through rate for CLEC orders is far higher than is the case. Orders that fall out by design fall out because BellSouth made interface design decisions resulting in what is known as "designed manual fall out." Designed manual fall out is totally and solely within BellSouth's control.

A more appropriate method of capturing interface performance is through the "Achieved Flow-Through" metric adopted by the Georgia PSC, which BellSouth is required to report by Order issued in Docket No. 7892-U. This metric also excludes CLEC-caused errors, but it includes the impact of BellSouth's design decisions that cause fall out. The following table compares the data provided by Mr. Pate with the Achieved Flow-Through data as reported by BellSouth, and shows that the actual flow through achieved by CLECs for January – April 2001 is much lower than the flow through rates reported by Mr. Pate. Thus, one can clearly see that BellSouth's design decisions have a detrimental and discriminatory affect on CLEC flow through.

Month	Issued Non-LNP CLEC Service Orders	CLEC Error Excluded Flow-through	Achieved Flow-through	LNP Issued CLEC Service Orders	LNP CLEC Error Excluded Flow-through	LNP Achieved Flow-through
January	184,956	89%	80%	4727	40%	34%
February	167,700	86%	77%	3442	31%	21%
March	190,931	88%	77%	11045	86%	56%
April	164,463	88%	79%	7,907	85%	52%

Mr. Pate's data table also masks the significant differences in performance among interfaces and across product lines. In an earlier order in the same Performance Measures Docket discussed above, the Georgia PSC required BellSouth to report flow-through on a disaggregated basis among the interfaces (LENS, TAG, and

EDI) and across product lines (LNP, UNE, Business Resale, Residence Resale). Despite the fact that BellSouth has been reporting flow-through data on a disaggregated basis since January 2000, Mr. Pate has elected to provide only aggregate data for the non-LNP orders.

Q. WAS FLOW THROUGH EVALUATED IN THE GEORGIA THIRD PARTY TEST?

A. Not completely. In response to CLEC concerns, the Georgia Commission ordered, as part of the third party test proceedings, that a reputable third party conduct "a full audit (for the latest three months data) of the underlying BellSouth Percent Flow-Through Service Requests report submitted by BellSouth in its monthly filing in Docket 7892-U in order to ensure that the results reflected therein are accurate." KPMG, however, failed to satisfy this Order in several key respects, and thus its report should not be used by this Commission as a basis for determining whether BellSouth's monthly flow through reports are accurate.

Q. HOW DID KPMG FAIL TO SATISFY THE GEORGIA ORDER?

A. First, KPMG states that it did not conduct an audit to determine if the BellSouth Percent Flow-Through Service Requests reports are accurate. Pate Exhibit OSS-66 at 3. KPMG, moreover, states that "[c]ertain information and assumptions (oral and written) have been provided to KCI [KPMG] by the management of BellSouth and other third parties. KCI has relied on this information in our analysis and in the preparation of the report, and has not independently verified

the accuracy or completeness of the information provided; accordingly, KCI expresses no opinion on such data." (Id. at 2.) In other words, KPMG relied on information provided by BellSouth without independently verifying the accuracy and completeness of the data. (See Exhibit JMB-8; Tr. at 171:6-8.)

Second, KPMG did not conduct its analysis on the latest three months of data or on BellSouth's current process to collect and report flow-through data. KPMG's analysis relied on data from September, October and November 1999 with limited "re-testing" of aggregate data from February and October 2000. In January 2000, BellSouth revised its flow-through reporting to include disaggregation between Residence, Business and UNE and initiated the reporting of flow-through data for LNP. KPMG however, performed no analysis of this disaggregated data (See id. at 177:10-13 and 183: 17-22.)

Third, even without validating the accuracy of BellSouth's raw data, KPMG's evaluation revealed that the Service Request totals reported by BellSouth did not equal the raw data totals. (See Exhibit JMB-9: Hearing on May 8, 2001, AT&T Georgia Hearing Ex. 2) KPMG, moreover, apparently did not base its evaluation on the data actually reported in BellSouth's monthly submission. For example, AT&T's Georgia Hearing Exhibit 2 as originally proffered included KPMG's "October 2000 Flow Through Evaluation," and the flow-through data BellSouth reported to the Commission. (See Exhibit JMB-8: Tr. at 175:2-176:15) The portion of proffered AT&T Georgia Hearing Exhibit 2 that represented flow-

through data BellSouth reported to the Commission was not admitted because KPMG witness Larry Strickland, the individual responsible for the Georgia Flow-Through evaluation testified that he had not seen the document before and did not use it in his analysis. (See Exhibit JMB-8: Tr. at 178:12-22.)

Finally, KPMG did not evaluate the accuracy of BellSouth's "retail" flow-through rate that is part of the monthly BellSouth Percent Flow-Through Service Requests report. Evaluating the accuracy of BellSouth's self-reported "retail" flow-through rate is critical to determining whether BellSouth is providing CLECs with non-discriminatory access to ordering functions. (See Pate OSS-66: Final Report, at 4.) Indeed, KPMG acknowledges the purpose of its evaluation was to assist the Commission in considering whether BellSouth provides non-discriminatory access to CLECs, and that flow-through was a "key aspect" of BellSouth's readiness to support CLEC entry into the local market. *Id.* KPMG, however, did not even attempt to evaluate the accuracy of the retail analog to CLEC flow through that was set forth in the monthly BellSouth Percent Flow-Through Service Requests report. Indeed, KPMG's Mr. Weeks testified that he "did not believe there was a retail analog" for CLEC flow-through. See Exhibit JMB-8: Tr. at 170:1-5.) This statement simply confirms KPMG's lack of understanding of BellSouth Percent Flow-Through Service Requests report that it was supposed to audit and confirms the inadvisability of relying upon the KPMG evaluation to support BellSouth's 271 petition.

Q. SHOULD THIS COMMISSION RELY ON THE GEORGIA THIRD PARTY FLOW THROUGH EVALUATION?

A. No. KPMG's flow-through evaluation did not accomplish the Georgia Commission's objective in mandating the test, and this Commission should not rely upon it in making its determination. KPMG did not independently verify the accuracy of BellSouth's raw data underlying its monthly flow-through reports or whether such data supports reported results. KPMG, moreover, did not even attempt to evaluate the accuracy of "retail" flow-through rates contained in the monthly BellSouth Percent Flow-Through Service Requests report because KPMG apparently used its "professional judgment" to conclude that no retail analog exists. Thus, KPMG's evaluation does not provide a reasonable basis for determining whether BellSouth accurately reports its resale and retail flow-through performance, and can provide no support for BellSouth's 271 petition.

Q. PLEASE DISCUSS HOW BELLSOUTH'S FLOW THROUGH REPORTING MASKS DIFFERENCES IN PERFORMANCE AMONG INTERFACES AND ACROSS PRODUCT LINES.

A. An analysis of BellSouth's reported flow through data for April 2001, which is representative of its recent reported performance, demonstrates that nineteen percent (19%) of CLEC LSRs fall out to manual processing by design or as the result of BellSouth system errors.[47] As the matrix below illustrates, the fall out

[47] In January 2000, BellSouth began reporting the data necessary to quantify the extent of Manual Fall Out and BellSouth-Caused System Failure experienced by CLECs. BellSouth has disaggregated this data by

rate is higher (24% and 21%) for LSRs submitted via BellSouth's "machine-to-machine" interfaces (TAG and EDI). The fall out rate is even higher for TAG and EDI when the CLEC submits LSRs for LNP (76% and 37% respectively), UNE (36% and 34% respectively), or business resale (57% and 53% respectively). Exhibit JMB-10 provides the supporting data associated with this matrix and for January, February, and March 2001.

April 2001
Percentage of Total Mechanized LSRs Encountering BellSouth Caused Manual Processing
(Designed Manual Fallout and BellSouth System Error)

Interface	LENS	TAG	EDI	All Interfaces
LNP	NA	76%	37%	43%
UNE	25%	36%	34%	30%
Bus Resale	49%	57%	53%	49%
Res Resale	14%	12%	10%	13%
Total	18%	24%	21%	19%

Q. WHAT EFFECT DO THESE HIGH FALL OUT RATES HAVE ON CLECS?

A. What these high manual fall out rates mean is that CLECS using TAG or EDI (the systems generally used by CLECs capable of full-scale market entry) and employing particular market entry strategies – UNEs, LNP, and business resale – will be significantly constrained by BellSouth's imposition of manual processing.

interface (LENS, TAG and EDI) as well as by service/product type (i.e., LNP, UNEs, Business Resale, and Residence Resale). Since it began reporting this data, BellSouth's flow-through performance has been relatively flat overall. Thus, BellSouth's reported data for April 2001 is representative of its current performance.

Manual processing simply cannot handle volumes or provide the responsiveness of electronic processing.

Q. DOES BELLSOUTH PROVIDE CLECS WITH FLOW THROUGH THAT IS EQIVALENT TO THAT WHICH IT PROVIDES TO ITSELF?

A. No. The concept of flow-through applies to BellSouth's retail LSRs as well as CLEC LSRs.[48] BellSouth's retail LSRs flow through when a BellSouth service representative submits an LSR via one of its front-end retail ordering systems (ROS or RNS) and that retail LSR ultimately is accepted by BellSouth's SOCS without any manual processing. Similarly, a CLEC LSR flows through when a CLEC service representative submits an LSR via one of the front-end ordering interfaces offered by BellSouth (i.e., EDI, TAG or LENS) and that CLEC LSR is ultimately accepted by SOCS without any manual processing. Exhibits JMB-11 and JMB-12 depict the methods by which BellSouth processes its own retail and CLEC LSRs respectively.

BellSouth's own data establishes that it is not providing CLECs with flow-through capabilities equivalent to that provided to its own retail operations. Using its front-end retail ordering systems (RNS or ROS), BellSouth can submit electronic LSRs that can flow through up to 100 percent of the time for every service,

[48] In its Order dated January 16, 2001, in the Performance Measures Docket (No. 7892-U), the Georgia Commission recognized, among other things, the existence of BellSouth retail flow-through by rejecting BellSouth's argument that retail business LSRs do not have flow-through and ordering BellSouth to resume reporting retail flow-through data for business LSRs.

product, or transaction used in its retail operations. BellSouth has repeatedly confirmed this fact in various regulatory proceedings. Except for residential resale, electronic CLEC LSRs submitted via TAG or EDI fallout to manual processing approximately 34 to 76 percent of the time, depending on the requested service. CLECs, moreover, cannot submit electronic LSRs for all available wholesale services, products, or transactions.

BellSouth's flow-through performance is significantly below parity and the benchmarks established by the Georgia Public Service Commission. Indeed, the Georgia Commission has ordered the creation of an Improvement Task Force to expand the scope of CLEC electronic ordering and eliminate BellSouth system errors and designed manual fallout. (Exhibit JMB-13). Moreover, the progress of the Improvement Task Force thus far has been disappointing, primarily because BellSouth does not appear to be committed to the long-term success of the Task Force.

Q. WHY DO YOU DESCRIBE THE IMPROVEMENT TASK FORCE'S PROGRESS AS "DISAPPOINTING"?

A. Despite the Georgia PSC's guidance to BellSouth in orders issued in the Georgia Performance Measures and AT&T Arbitration proceedings (Dockets 7892-U and 11853-U), BellSouth has gone out of its way to delay and impede the effectiveness of this task force, even to the extent of denying that the Commission's order in the AT&T Arbitration had any relationship to the goals of

the task force. BellSouth, moreover, denied the CLECs any opportunity for input to the task force's status report to the Georgia Commission despite instructions to the contrary in the Georgia Commission's order. BellSouth's minutes of the meetings have been inaccurate, and the BellSouth Project Manager has neither made himself directly available to CLECs nor provided them with a way to communicate with him except through e-mail.

In the six months since the Georgia Commission ordered its creation, the task force has met only three times and has made no real progress. Indeed, the last meeting (June 26, 2001), simply postponed any substantive items to the next meeting on July 18, 2001. The minutes to these meetings, which are attached as Exhibit JMB-14, reveals BellSouth's lack of dedication to eliminating defective programming and designed manual fallout.

Q. WHY IS THE MANUAL PROCESSING CAUSED BY FALL OUT A CONCERN FOR CLECS?

A. Manual processing takes much longer than automated processing. For example, BellSouth's April 2001 monthly performance measurement report states that, over 95 percent of the time, it can process (i.e., return a firm order confirmation) CLEC LSRs for business resale in less than 15 minutes if that LSR flows through. If such CLEC LSRs do not flow through, it takes BellSouth an average of approximately 18 hours or longer (depending on the service/product) to process

the LSR. This adds delay to the process that is not experienced by BellSouth or its customers.

Q. HOW LONG DOES IT TAKE BELLSOUTH TO MANUALLY PROCESS ORDERS THAT FALL OUT?

A. Depending on the service or product, it takes BellSouth approximately 18 hours on average to process an LSR (i.e., return a firm order confirmation or rejection notice) that falls out to manual processing. According to BellSouth's testimony during the recent hearing before the Alabama Commission, less than one hour of that time consists of actual work (i.e., the time an LCSC representative is actively working on the LSR). For the remaining time -- approximately 17 hours -- the LSR simply sits in the LCSC waiting to be processed. This "wait time" is consistent with data that BellSouth provides to AT&T in its monthly CLEC LSR report.

BellSouth has long claimed that CLEC LSRs that fall out to manual processing (by design or system error) are immediately routed to the LCSC for handling and that such LSRs receive some sort of priority handling. However, the data that BellSouth provides individual CLECs in its monthly CLEC LSR Report, as well as monthly SQM reports contradicts BellSouth's claim. LSRs that fall out to manual processing sit in the LCSC for an inordinate amount of time before BellSouth even begins to work on processing the LSR. BellSouth's retail orders are not subject to these delays. Additionally, delays of this length increase the

likelihood that the CLEC's requested due date will not be met, the CLEC will incur additional administrative costs to track LSR status, and customers will perceive the CLEC's service as inferior.

Q. WHY DO ORDERS FALL OUT FOR MANUAL PROCESSING?

A. Orders fall out for several reasons. To flow through, an electronic LSR must be in a format that can be read by SOCS. Accordingly, BellSouth designed its retail (internal) ordering OSS to convert all retail LSRs into a SOCS readable format. BellSouth, however, did not design its wholesale (CLEC) ordering OSS to convert all CLEC LSRs into a SOCS readable format. By design, some CLEC electronically ordered products and services are not permitted to flow through. BellSouth's wholesale ordering OSS routes those CLEC LSRs that it has not been programmed to convert into SOCS readable format to BellSouth's LSCS for manual processing. In addition, BellSouth's wholesale ordering OSS frequently experience system errors that route CLEC LSRs that can be converted into a SOCS readable format to the LCSC for manual processing. Such LSRs are categorized as "BellSouth caused errors" in BellSouth's monthly flow through performance reports.

Q. WHAT HAPPENS TO THE ORDERS AFTER THEY FALL OUT?

A. After the orders fall out, they are eventually "claimed" by an LCSC service representative after some period of time, as described above. The LCSC service representative manually inputs the same information from the CLEC LSR into

one of BellSouth's front-end retail ordering systems (e.g. DOE, SONGS[49]) as if it were a retail LSR. Generally, the LCSC representative does not add any information to the CLEC LSR. The exception to this general rule is where a LCSC representative must review a related pending order to ensure that new CLEC LSR and the pending order are compatible.

The fact that the LCSC representatives do not add any information reveals that BellSouth has the technology to create SOCS readable LSRs for all products, services, and transactions so that such LSRs can flow through. BellSouth simply has not transferred that technology from its retail ordering OSS to its wholesale ordering OSS. Instead of a one-time transfer of technology, BellSouth has decided to use LCSC personnel as a manual work around for the approximately 70,000 LSRs that currently fall out to manual processing every month.

Q. WHAT TYPES OF ORDERS FALL OUT, AND WHY DO THEY FALL OUT?

A. BellSouth has identified 13 categories of LSRs that fall out to manual processing by design. This listing, however, may not be complete. An exception was opened under the Florida Third-Party Test because the orders that should fall out based on the business rules do not match the orders on the list. In any event, BellSouth has attempted to excuse its designed fallout with summary assertions that such LSRs

[49] DOE and SONGS were replaced in BellSouth's retail operations with the new Regional Ordering System ("ROS") during 1999, but retained in the wholesale LCSC. BellSouth has stated that it has no plans to

are for "complex" products, are unique to CLECs, or do not have sufficient volume to justify the expense. As explained below, these assertions have no substance:

Complexity -- BellSouth already has the technology to process so-called complex services without human intervention through its retail front-end systems. Thus, "complexity" does not preclude flow through.

Uniqueness -- Most if not all of the 13 categories of CLEC LSRs that fall out to manual processing by design have retail analogs that flow through when submitted via BellSouth's front-end retail systems. To the extent that a given category is truly unique to CLECs, it is puzzling that BellSouth added the technology to process CLEC-unique products to its retail ordering OSS (DOE and SONGS) rather than to its wholesale ordering OSS interfaces.

Low Volumes -- More than 70,000 CLEC LSRs fall out for manual processing every month. Thus, there are sufficient volumes to justify more robust flow through capability. BellSouth, moreover, has not presented any kind of cost/benefit analysis that compares the estimated costs of manually processing particular categories of LSRs against the estimated costs and benefits of providing flow through capability. Assuming the nominal cost of $25 for manually processing each CLEC LSR that falls out, consumers bear an additional cost

implement ROS in the LCSC.

burden of approximately $1,750,000 each month ($21,000,000 per year) on manual fall out. Clearly, it is in the best interest of consumers (who ultimately foot the bill) to reduce or eliminate these costs through automation, while at the same time improving customer service.

Q. ON PAGE 103 MR. PATE IMPLIES THAT BECAUSE CLECS MIGHT NOT CHOOSE TO UPGRADE THEIR INTERFACES THAT THE CLEC IS SOMEHOW RESPONSIBLE FOR DESIGNED MANUAL FALL OUT. IS HE CORRECT?

A. Of course not. When CLECs submit complete and accurate LSRs for services that BellSouth has designed to fall out, the only thing preventing that LSR from flowing through is BellSouth's design decision related to the handling of that LSR. The problem is in what the FCC has called the linkage between the OSS gateway interface (LENS, TAG, or EDI) and the legacy processing system (SOCS). These linkage systems are totally BellSouth's creations[50] so all that is needed for a complete and accurate electronically submitted CLEC LSR to be processed through the linkages is for BellSouth to program them to do so.

It is important to understand that the programming of LESOG is totally at BellSouth's discretion and is not limited by any industry standards or other external guidelines - it is simply BellSouth's, and BellSouth's alone, decision as

[50] BellSouth's linkage systems include the LSRR, LEO, LESOG, the LNP Gateway, and the Corporate Order Gateway ("COG"). The COG is also referred to as the ServiceGate ™ Gateway (SGG).

to what programming to install in LESOG. BellSouth's Ms. Terri Hudson, speaking at the November 1, 2000, meeting made this point clear when she stated that there were many things BellSouth could do to improve "flow-through" for CLECs without the CLECs needing to perform any coding or take any other action. Ms. Hudson's words were paraphrased in the minutes of the meeting as part of an action item appearing on page 8 :

> BellSouth will provide a report of internal changes that have a positive impact and improve performance for CLECs, but do not require coding. These changes improve "flow-through" in BellSouth and would require no vote by the CLECs.

(See Exhibit JMB-15.)

Q. ON PAGES 106 AND 107 OF HIS TESTIMONY, MR. PATE OFFERS A NUMBER OF EXCUSES AS TO WHY FLOW-THROUGH RATES FOR RESALE BUSINESS SERVICES AND UNES ARE LOWER THAN THE AGGREGATE RATE. ON PAGES 114 AND 115 OF HIS TESTIMONY, HE ATTEMPTS TO EXPAND THIS LIST OF EXCUSES TO INCLUDE "CHANGES IN THE CLEC INDUSTRY." DO ANY OF THE SITUATIONS HE DISCUSSES HAVE ANY IMPACT ON THE "CLEC ERROR EXCLUDED" FLOW-THROUGH RATES AS REPORTED BY BELLSOUTH?

A. No, this argument is a red herring. CLEC input errors, manual fallout and Z status orders have no impact on the reported flow-through. As Mr. Pate knows, and as even a casual reader might suspect from the name of the "CLEC Error

Excluded" measure, CLEC errors are excluded and therefore have no impact on reported flow through rates.

As defined and calculated, the only variable that has any impact on BellSouth's CLEC Error Excluded result is the interface failure (that is, the failure of the interface or linkages to perform as designed when processing a complete and error free LSR that the interface and linkage were specifically programmed to process). Thus, regardless of how many designed manual fallouts occur, how many auto-clarifications occur, how many Z status orders occur, or how many CLEC-caused errors occur, if there are no BellSouth System Errors reported for a CLEC, interface, or product, then flow-through is reported at 100%.

The simple fact is that BellSouth's interfaces and linkages do not perform as designed more often when processing business orders, UNE orders, and LNP orders when compared to residential orders or orders in the aggregate, Mr. Pate's excuses notwithstanding.

Q. WHAT IMPACT DOES FALL OUT HAVE ON CONSUMERS AND COMPETITION?

A. Flow through is critical to competing effectively against incumbent LECs like BellSouth. In comparison to manual LSRs, CLECs can create electronic LSRs more quickly, more accurately, and less costly. Electronic LSRs that flow through, moreover, can be processed more quickly, more accurately, and for less

cost by BellSouth. As a result, electronic LSRs that flow through provide real benefits to consumers -- less time on the phone placing orders, early service due dates, lower risk of inaccurate provisioning, and ultimately lower prices because of lower order processing costs.

Q. DOES BELLSOUTH RETAIL OPERATION EXPERIENCE SIMILAR FALL OUT RATES?

A. No. BellSouth's retail operations have flow through capability that is far superior to that provided to CLECs. BellSouth's retail operations have flow through capability for all offered services and products, whereas CLECs do not. More than 70,000 CLEC LSRs fall out for manual processing every month. On average, it takes BellSouth approximately 18 hours to claim and then manually process these LSRs, compared to the 15 minutes it takes to automatically process a CLEC LSR that flows through. In addition to inordinate delays, manual processing undoubtedly increases ordering costs that are ultimately borne by consumers through the rates that they pay. This serious difference in fall out rates establishes that BellSouth does not provide CLECs with nondiscriminatory access to the ordering functionality of its OSS.

(3) INADEQUATE ORDERING & PROVISIONING NOTICES

Q. WHAT ARE ORDERING AND PROVISIONING NOTICES?

A. Ordering and provisioning notices are the means by which BellSouth advises CLECs of certain events in the ordering and provisioning process. These notices

include firm order confirmations ("FOCs"), rejection notices, jeopardy notices, and completion notices. FOCs advise CLECs that BellSouth has accepted a service order and provides CLECs with a committed due date. Reject notices/error notices advise CLECs that a particular order is defective and must be corrected. Jeopardy notices advise CLECs that BellSouth cannot meet a confirmed due date. Completion notices advise CLECs that the ordered service has been provisioned. The FCC has consistently held that providing all of these notices on a timely basis is critical to a CLECs ability to provide the same level of service and information to their customers that an incumbent LEC can provide to its retail customers. According to the FCC, "The timeliness of these notices, including order completion intervals, is crucial to the ability of new entrants to compete effectively."[51]

Q. DOES BELLSOUTH PROVIDE RELIABLE DATA ON ITS ORDERING AND PROVISIONING NOTICE INTERVALS?

A. No. BellSouth measures the intervals for providing FOCs, rejection notices, jeopardy notices, and completion notices, but has not proven that its reported performance data is reliable. This issue is addressed in detail in the testimony of AT&T's Ms. Norris. The reliability of BellSouth's performance data must be established before an informed determination can be made regarding whether

[51] FCC South Carolina Order ¶ 117, 122, 130; see FCC Order No. 99-404 ¶ 159.

BellSouth provides CLECs with ordering and provisioning notices at parity with its retail operations.

Q. CAN YOU GIVE AN EXAMPLE OF A PROBLEM WITH BELLSOUTH'S DATA?

A. Yes. One particular way in which BellSouth's reported data masks its actual performance is its recent exclusion of "non-business" hours in calculating its partially mechanized FOC and rejection notice intervals for most product/service types. Prior to March 2001, BellSouth apparently calculated these notice intervals from the actual time it received an electronic CLEC LSR until the actual time it sent the notice (FOC, reject or completion) back to the CLEC. For example, if BellSouth received an electronic CLEC LSR at 3 pm, but did not send a FOC back until 10 am the next day, the FOC interval for that LSR would be 19 hours. Beginning in March 2001, however, BellSouth stopped reporting the actual interval and began reporting the "business hour" interval for partially mechanized LSRs. Specifically, BellSouth stopped the clock during hours outside of the LCSC's published hours of operation. Thus, for the example above, BellSouth now would calculate the FOC interval for that LSR as being 7 hours (assuming business hours of 7 a.m. to 7 p.m.) As explained by Ms. Norris in her testimony, this practice is contrary to order of the Georgia Commission, which only authorized the exclusion of non-business hours in calculating timeliness intervals for non-mechanized LSRs, and not partially mechanized LSRs.

Q. DOES BELLSOUTH'S NEW CALCULATION ACCURATELY REFLECT CLEC EXPERIENCE?

A. No. Excluding non-business hours masks BellSouth's actual performance and fails to promote competition. First, it masks BellSouth's actual performance by precluding an apples-to-apples comparison of FOC intervals between fully mechanized LSR orders (i.e., flow through for both CLECs and BellSouth) and partially mechanized orders (i.e., LSRs that fall out to manual processing) to ascertain the actual impact of manual processing. Electronic LSRs that flow through are not subject to the hours of operations of BellSouth's retail or wholesale service centers. Indeed, that is one of the major advantages of flow through. Electronic LSRs that fall out for manual processing, however, would be subject to a different methodology for calculating notice intervals. Thus, a comparison of the notice intervals for electronic CLEC LSRs that fall out for manual processing with BellSouth's retail performance or electronic LSRs that flow through would not be a valid, apples-to-apples comparison.

Second, BellSouth's new methodology also precludes an apples-to-apples comparison of the reported interval to existing benchmarks. These benchmarks were established or negotiated based on actual hours. Unless these benchmarks are reduced to reflect "business hours," BellSouth's methodology effectively increases the benchmarks by 12 or more hours. For example, under its new methodology, BellSouth would meet a 24 hour benchmark for FOCs if it received

an electronic LSR at 3 p.m. on Monday and returned a FOC 48 hours later at 3 p.m. on Wednesday.

Third, BellSouth's new methodology removes any incentive for BellSouth to expand the LCSC's hours of operation to improve its wholesale performance. Any expansion or contraction of operating hours would not impact the notice intervals reported by BellSouth.

Finally, BellSouth's new methodology does not reflect the business environment in which CLECs operate. CLECs and their customers are concerned about actual response times and not how those times correspond to BellSouth's hours of operations. For all of these reasons, BellSouth's partially mechanized notice interval data since March 2001 does not accurately depict BellSouth's actual performance.

Q. DOES BELLSOUTH PROVIDE TIMELY FOC NOTICES?

A. No. Even if one takes BellSouth's monthly performance data at face value, BellSouth's report indicates that it is not providing timely FOC notifications for electronic LSRs that fall out for manual processing. As shown in the table below, BellSouth generally takes an average of 18 actual hours or longer to provide FOCs for such non-flow through LSRs. In comparison, CLECs generally received FOCs on LSRs that flow through in 15 minutes or less. Thus, BellSouth's excessive manual fall out rates have a significant impact on the CLEC

receipt of a timely FOC because BellSouth has been unable to provide such notices within reasonable intervals.

Regional CLEC Aggregate Partially Mechanized Firm Order Confirmation Intervals (hours)				
	January (actual hours)	February (actual hours)	March (business hours)	April (business hours)
Resale Residence	18.2	18.0	5.3	3.6
Resale Business	18.5	18.7	5.0	3.4
Resale Special	51.6	66.7	20.2	19.2
UNE	26.4	25.4	6.0	6.5
Other	17.8	24.5	5.5	4.3
Combinations	19.7	17.3	4.3	4.3
UNE Loop w/ LNP	35.7	28.1	27.2	25.4
Stand Alone LNP	11.8	22.9	22.6	30.0

Based on current performance trends, BellSouth is not improving the time it takes to return FOCs to CLECs. This is not surprising given BellSouth's testimony in the recent hearing before the Alabama Commission. In that hearing, BellSouth acknowledged that it manages the LCSC workload to process partially mechanized LSRs in 18 hours rather than to process such LSRs as quickly as possible. Indeed, there does not appear to be any significant barrier to BellSouth being able to process partially mechanized LSRs in 3 hours or less.

Q. DOES BELLSOUTH PROVIDE TIMELY REJECTION NOTICES?

A. No. BellSouth's reported performance data also indicates that BellSouth is not providing timely rejection notifications for electronic LSRs that fall out for manual processing. On average, BellSouth takes 12 actual hours or longer to

provide rejection notices for such LSRs. In comparison, CLECs generally receive reject notices on LSRs that flow through in less than 8 minutes over 90 percent of the time. Thus, BellSouth's excessive manual fall out rates also have a significant impact on CLEC's receiving timely rejection notices because BellSouth has been unable to provide such notices within reasonable intervals.

Regional CLEC Aggregate Partially Mechanized Reject Intervals (hours)				
	January (actual hours)	**February (actual hours)**	**March (business hours)**	**April (business hours)**
Resale Residence	12.3	14.4	5.0	3.0
Resale Business	14.8	19.7	4.3	2.9
Resale Special	45.1	63.4	18.6	14.5
UNE	30.7	34.0	7.5	8.2
Other	21.6	40.0	6.4	5.6
Combinations	14.1	16.3	4.1	2.1
UNE Loop with LNP	36.4	30.8	33.9	27.4
Stand Alone LNP	14.6	22.5	17.6	28.1

Based on current performance trends, BellSouth also is not improving its timely provision of rejection notices. Again, there does not appear to be any significant barrier to BellSouth being able to process partially mechanized LSRs in 3 hours or less.Moreover, as described in the affidavit of Ms. Seigler, BellSouth often issues rejections in error.

Q. DOES BELLSOUTH PROVIDE TIMELY JEOPARDY NOTICES?

A. No. With respect to BellSouth's reported Jeopardy Notice Interval for April 2001, the accuracy of the data is suspect. BellSouth is reporting average jeopardy notice intervals of between 8 and 32 days! These intervals exceed the target provisioning intervals for most services and products. That does not make sense. If the reported data are correct, then BellSouth would appear to be providing unrealistic confirmed due dates (i.e., confirmed due dates that do not reflect the existing facility problems that are causing the jeopardies).

Regional CLEC Aggregate Jeopardy Notice Intervals –April 2001		
Service	**Average Jeopardy Notice Interval**	
	CLECs	**BellSouth**
Residence	223 hours	445 hours
Business	326 hours	375 hours
Design	774 hours	554 hours
UNE Non-Design	174 hours	--
UNE Design	258 hours	--

Nonetheless, taken at face value, BellSouth's reported data indicates that BellSouth is providing its retail operations between 3 to 7 days more advance notice than it is providing to CLECs. This disparity is yet another instance where BellSouth provides superior support to its retail operations in comparison with the support it provides to its wholesale customer.

Q. ON PAGES 123 AND 124 OF HIS TESTIMONY, MR. PATE DISCUSSES BELLSOUTH'S PROVISIONING OF COMPLETION NOTICES ("CNS") TO CLECS. DOES BELLSOUTH PROVIDE COMPLETE, ACCURATE AND TIMELY COMPLETION NOTICES TO CLECS?

A. No, there are a number of problems associated with BellSouth's delivery of completion notices. Completion notices ("CNs") are the efficient means by which a CLEC is notified that BellSouth has completed its order for service, and that billing of the CLEC's end-user can begin. Receipt of mechanized completion notices allows a CLEC's own OSS to process this status notice in a flow-through manner, also critical to effective order management and customer care activities, especially in a mass market consumer environment. In addition, the BellSouth process that generates completion notices also reports the completion of orders to the 911 database, the 411 database, the white pages listing database, the Line Information Database ("LIDB"), and databases associated with maintenance and repair, all of which are vital to customer service and public safety. Receipt of correct and timely CNs therefore is essential to CLECs' ability to compete with BellSouth.

BellSouth routinely fails to provide completion notices to CLECs.[52] Additionally, the CNs that are provided can and do contain the wrong completion date.[53] BellSouth has not provided a scheduled date for correction of this

[52] In the Georgia Third Party Test, KPMG found that BellSouth failed to provide CNs on approximately 14% of its orders, which resulted in a "not satisfied" finding in this test area.

[53] See Exception 125 of the Georgia Third Party Test. KPMG closed this exception based on the theory that complete information could be found in CSOTs, another BellSouth system. This justification ignores the critical impact lack of mechanized status notices has on CLEC costs, and the gross inefficiencies created by this process, especially in high volume market situations. It simply is unrealistic and discriminatory to require CLECs to seek out information that should have been provided to them automatically. Please also note that if the CLEC using electronic interfaces has not received a CN, there is a probability that CSOTS would not reflect the order as having been completed, because both systems are dependent upon SOCS to indicate the order as being in CP status. Further, if the CN has the incorrect date, CSOTS will likely have that very same incorrect data because SOCS is the source for CSOTS dates, just as it is for CN dates.

problem. In the Georgia Third Party Test, KPMG's findings revealed that 14% of its completion notices were missing, that even when they were provided, they contained critical incorrect information, and that 14% of the time the CNS were received at least more than a business day after the work was done (and frequently longer).

BellSouth's multiple failings in this area can cause CLECs using completion notices to commence billing on the wrong date, and require CLECS to make unnecessary extraordinary efforts to obtain completion information, adding to CLEC costs and potentially affecting timely billing of its customers. Additionally, the CLEC's customer may be misidentified in the 911 Emergency Answering Center, be incorrectly listed in Directory Assistance and White Pages, be unable to make or receive certain types of calls, or be unable to efficiently report troubles with their service, all of which are discriminatory and prevent CLECs from effective and meaningful competition.

Additionally, Mr. Pate is misinformed as to when completion notices are delivered to CLECs. On page 127 of his direct testimony he states that this occurs when the CLEC's order has reached either "CPX" or "PCX" status. In fact, the completion notice to CLEC's is generated when the order reaches "CP" or "PC" status. The status Mr. Pate cites is not obtained until after the billing systems have also received and validated the "CP" status orders as described in Mr. Scollard's testimony. "CPX" or "PCX" may not be obtained for a considerable

period of time after "CP" or "PC". This delay between "CP" and "CPX" is totally outside the CLEC's control, yet negatively impacts CLEC operations. For example, since the Customer Service Record ("CSR") is not updated until the order reaches "CPX" status any subsequent CLEC orders to change the customer's service will be rejected and some features such as custom branding of OS/DA using OLNS will not be available to the customer.

(3) EXCESSIVE TOTAL SERVICE ORDER CYCLE TIME

Q. WHAT IS TOTAL SERVICE ORDER CYCLE TIME, AND WHY IS IT IMPORTANT?

A. Total Service Order Cycle time is the interval from when a CLEC submits an LSR to BellSouth until BellSouth notifies the CLEC that the resulting service order has been completed. In its order rejecting BellSouth's Section 271 application for South Carolina, the FCC concluded that "a meaningful measure of parity is one that measures the interval from when BellSouth first receives an order to when service is installed."[54] The FCC reiterated that position in its order rejecting BellSouth's second 271 application for Louisiana, stating that such performance "data are fundamental to a BOC's demonstration of nondiscriminatory access."[55]

Q. DOES BELLSOUTH PROVIDE TOTAL SERVICE ORDER CYCLE TIME TO CLECS AT PARITY WITH ITS OWN RETAIL PROCESSES?

[54] FCC South Carolina Order ¶ 137.
[55] FCC Second Order ¶ 125.

A. No. As the matrix below illustrates, based on BellSouth's reported data for March and April 2001, BellSouth generally completes its own electronic orders significantly faster than its takes BellSouth to complete CLEC electronic orders.

Regional CLEC Aggregate Total Service Order Cycle Time March 2001		
Service Description	**BellSouth**	**CLECs**
Residence Service (Dispatch -- <10 Ckts)	6.77 days	6.47 days
Residence Service (No Dispatch -- <10 Ckts)	.93 days	2.10 days
Business Service (Dispatch -- <10 Ckts)	3.33 days	5.70 days
Business Service (No Dispatch -- <10 Ckts)	1.56 days	3.36 days

Regional CLEC Aggregate Total Service Order Cycle Time April 2001		
Service Description	**BellSouth**	**CLECs**
Residence Service (Dispatch -- <10 Ckts)	6.21 days	6.29 days
Residence Service (No Dispatch -- <10 Ckts)	1.04 days	1.63 days
Business Service (Dispatch -- <10 Ckts)	4.12 days	4.48 days
Business Service (No Dispatch -- <10 Ckts)	1.59 days	2.34 days

Once again, BellSouth's own data shows that it provides first class support for its retail operations, and second-class support for its wholesale service. This disparity impacts consumers and competition in at least two respects. First,

CLECs are not able to provide consumers with competitive service start dates, and customers therefore will perceive CLEC service as inferior. Second, CLECs lose potential revenue while its orders are pending, and may lose some customers entirely.

(4) INADEQUATE ORDERING CAPACITY

Q. WHY IS ORDERING CAPACITY IMPORTANT TO CLECS?

A. Sufficient and stable volume capacity is critical to supporting CLECs' entry into the local exchange market. CLECs are dependent on BellSouth's OSS for pre-ordering information, ordering and provisioning, billing, and maintenance and repair. Inadequate OSS capacity would place CLECs at a competitive disadvantage because they will not be able to assure their customers that the CLECs' service will be at least as accurate, dependable, and fast as service provided by BellSouth. Inadequate OSS capacity also impacts the consumers. If BellSouth's OSS are not sufficient to handle the volume of CLEC transactions, customer service will not be timely and accurately provisioned, bills may be late and inaccurate, and maintenance and repair issues may be unaddressed.

Q. DOES BELLSOUTH PROVIDE SUFFICIENT CLEC ORDERING CAPACITY?

A. No. BellSouth's suite of CLEC OSS ("ENCORE") does not provide sufficient production capacity to process projected order volumes. Indeed, BellSouth told KPMG Consulting Inc. ("KPMG"), the entity that conducted the third-party test in

Georgia, that BellSouth's "production environment did not have the computing capacity in the production environment to sustain the workloads 18 months to two years hence."[56] Exhibit JMB-16

BellSouth's suite of pre-ordering and ordering interfaces for CLECs which includes LENS, TAG, and EDI had an installed capacity in August 2000, equal to only half the forecast CLEC demand at year end 2001. BellSouth's efforts to increase its installed capacity to meet forecast neds and the requirements of the Florida Third Party Test also appear to have increased the instability of the systems. There have been over 259 outages of these interfaces since August 2000 as reported by BellSouth. Exhibit JMB-17.

BellSouth's lack of sufficient capacity is further demonstrated by modifications to BellSouth's ENCORE production environment since the conclusion of the Georgia volume tests. In December 2000, BellSouth upgraded a server associated with LENS and TAG after those interfaces suffered numerous outages and CLECs endured degraded performance for a number of months. BellSouth's Carrier Notification Letter SN91082158 dated January 11, 2001, explained the need for this upgrade and apologized for the inconvenience.[57] (Exhibit JMB-18) The Seigler Affidavit attached to my testimony discusses the current instability of the LENS interface and the impact it has on AT&T's ability to compete.

[56] Transcript of Georgia Third- Party Test Hearing.

Since late April 2001, the EDI interface has experienced outages on over 20 occasions during the migration of the EDI users to new hardware and software BellSouth is installing to meet increasing demand. BellSouth has taken threehighly unusual, but as yet unsuccessful, steps in its attempts to resolve these outages. On May 2, 2001, BellSouth implemented an administrative freeze on the use of the EDI interface. On May 19, 2001, BellSouth performed an Emergency Maintenance Software upgrade. Most recently, on June 11, 2001, BellSouth announced that "Effective immediately, BellSouth is suspending Phase Two of the CLEC EDI migration activities...due to unforeseen technical issues." Despite these efforts, the EDI interface continues to suffer outages and delay the processing of CLEC orders.[58]

In sum, BellSouth has not established that its ordering OSS has sufficient capacity to process projected order volumes. Indeed, CLECs experience outages and delays at current volumes. Additional future volumes will only make the outages more frequent and severe.

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[57] This Carrier Notification Letter may be found at www.interconnection.bellsouth.com/notifications/carrier/carrier_pdf/91082158.pdf

[58] EDI Outage Reports may be found at: http://www.interconnection.bellsouth.com/markets/lec/ccp/ccp_so_edi.html. The Carrier Notification Letter (SN91082399, dated May 18, 2001) announcing the Emergency Maintenance Upgrade may be found at: //www.interconnection.bellsouth.com/notifications/carrier/carrier_pdf/91082399.pdf. The Carrier Notification Letter (SN91082007, dated June 11, 2001) announcing the immediate suspension of Phase Two of the CLEC EDI migration may be found at: //www.interconnection.bellsouth.com/notifications/carrier/carrier_pdf/91082007.pdf.

Q. ON PAGE 91 OF MR. PATE'S TESTIMONY, HE PRESENTS A CHART SHOWING A NUMBER OF CLEC OCNS BEING USED ON THE ORDERING INTERFACES. IS THIS INFORMATION USEFUL?

A. No. The information presented is misleading. Once again BellSouth is attempting to substitute quantity reporting for quality evaluation. The data reported is the number of Operating Company Numbers ("OCNs") included on orders submitted via the interfaces. Many companies, if not most, use multiple OCN in submitting orders for a number of valid business reasons. For example, AT&T currently submits orders using seven OCNs. BellSouth has often encouraged CLECs to use multiple OCNs to separate and identify transactions on a state basis. No meaningful conclusions regarding the performance of the ordering interfaces can be drawn from Mr. Pate's data.

Q. ON THE BOTTOM OF PAGE 92, MR. PATE REFERS THE READER TO HIS EXHIBIT OSS-45, AND PRESENTS VOLUME INFORMATION ASSOCIATED WITH THE ORDERING INTERFACES FROM APRIL 2000, THROUGH MARCH 2001. PLEASE COMMENT.

A. Mr. Pate appears to be attempting to demonstrate that, because an increasing number of CLEC LSRs are being submitted electronically, CLEC order processing has benefited significantly. Once again, the focus on a limited set of quantity information provides an incomplete and inaccurate analysis.

Exhibit JMB-19 demonstrates that between March 2000, and March 2001 the percentage of total CLEC LSR's submitted (manual plus electronic) that resulted in the issuance of a service order without human intervention remained virtually unchanged – 55% in March 2000, and 56% in March 2001. Manually submitted orders declined by approximately 19,000, but designed manual fallout and BellSouth system errors increased by over 33,000. BellSouth's actual processing of CLEC LSRs remained equally dependent upon manual processing, only the entry point changed.

Exhibit JMB-20 demonstrates that the processing of electronically submitted LSRs likewise has not shown significant improvement over time. In March 1999, only 61% of electronically submitted LSRs flowed through without human intervention. In March 2001, only 65% of electronically submitted LSRs flowed through without human intervention, a mere 4-point increase in two years. BellSouth designed fall out plus system error was 22% in March 2000 and 21% in March 2001. As discussed above, flow-through for the more attractive products, business resale, UNEs, and LNP is even lower.

Rather than make the one time programming changes to the CLEC interfaces and linkages to accept and process CLEC LSRs electronically, in the same manner that it processes its own service requests, BellSouth continually elects to direct 380,000 electronically submitted CLEC LSRs a year to service representatives in the LCSC. This subjects each order to unnecessary delay and human input error.

Additionally another 380,000 complete, accurate and valid electronic CLEC LSRs a year are directed to this same center because the CLEC interface linkages do not operate as designed.

MAINTENANCE AND REPAIR

Q. WHAT ELECTRONIC TROUBLE REPORTING OPTIONS HAS BELLSOUTH PROVIDED TO CLECS?

A. BellSouth provides two options for electronic trouble reporting. For many (but not all) services associated with a telephone number, BellSouth offers access to its proprietary Trouble Analysis Facilitation Interface ("TAFI"). For both telephone number-associated exchange services and individually designed services, BellSouth provides electronic trouble reporting through an electronic communications gateway which BellSouth calls the Electronic Communication Trouble Administration ("ECTA") gateway. This interface also is referred to as the Electronic Bonding Interface ("EBI"), particularly in AT&T internal communications.

Q. PLEASE COMPARE THE CAPABILITIES OF TAFI AND ECTA.

A. TAFI has more extensive functionality that ECTA. TAFI, however, is a human-to-machine interface, which means CLECs cannot integrate their own internal OSS with TAFI. Consequently, a CLEC using TAFI must manually input trouble reports twice -- once into TAFI and then again into its own internal OSS. TAFI, moreover, does not cover services that are not associated with a telephone

number. CLECs, therefore, would have to submit those trouble reports manually or through ECTA

In contrast, ECTA is a machine-to-machine interface that covers all types of services. ECTA, therefore, allows CLECs to input all trouble reports once into a single system. ECTA, however, has significantly less functionality than TAFI.

BellSouth essentially provides CLECs with a Hobson's choice with respect to maintenance and repair. A CLEC can choose TAFI, which is effective but not efficient. Or a CLEC can choose ECTA, which is efficient but not as effective. Such a choice is inconsistent with the requirements of the Act, the interests of consumers, and the needs of CLECs.

Q. HAS THE FCC TAKEN A POSITION ON THE RELATIVE FUNCTIONALITIES OF TAFI AND ECTA?

A. Yes. The FCC examined TAFI and ECTA in BellSouth's last 271 application, and concluded that neither provides competitors with OSS functionalities equivalent to BellSouth's own capabilities.[59]

Regarding TAFI, the FCC concluded that TAFI does not provide nondiscriminatory access because it cannot be used for all types of orders and because TAFI is a "human to machine interface," meaning that new entrants

cannot integrate it with the new entrant's own back office systems.[60] Consequently, TAFI users must take information from the TAFI system and manually re-enter it into their own computer systems and vice versa.[61]

Regarding ECTA, the FCC concluded that ECTA as provided by BellSouth does not provide parity to competitors. The FCC noted that BellSouth had acknowledged that TAFI had superior functionality.[62] The FCC also noted that BellSouth conceded its superior ability to utilize TAFI functions:

> We also note that BellSouth concedes that it derives superior integration capabilities from TAFI than the capabilities offered to competitors. BellSouth states that TAFI is a 'human to machine interface' meaning that new entrants using TAFI cannot integrate it with the new entrant's own back office systems.... BellSouth, on the other hand, is able to take advantage of its own TAFI system's capability of 'automatically interacting with other systems as appropriate' and its customer service representatives need not duplicate their efforts in the same way. In other words, TAFI is integrated with BellSouth's other back office systems.[63]

In February 1999, the FCC Staff again addressed the TAFI/ECTA issue in a letter to BellSouth (Exhibit JMB-21, Page 2), restating the findings of the FCC in the Louisiana II Order that, "We do not here conclude that TAFI's lack of integration per se fails to constitute nondiscriminatory access, although we do believe BellSouth would provide a more complete opportunity to compete if it offered

[59] FCC Louisiana II Order ¶ 148.
[60] FCC Louisiana II Order ¶¶ 149-52.
[61] FCC Louisiana II Order ¶152.
[62] FCC Louisiana II Order ¶ 157.
[63] FCC Second Louisiana Order, ¶ 151, emphasis added.

competitive LECs an integrated system with the same functionalities available to BellSouth's own service representatives."[64] Additionally, the Staff provided a list of information that BellSouth would be required to submit with its next application if it were to attempt to demonstrate that it was providing nondiscriminatory maintenance and repair without a machine-to-machine interface.

The FCC Staff also advised BellSouth that it would seek additional information to assess the competitive impact resulting from the lack of a machine-to-machine interface. AT&T participated in such an information-gathering meeting with the Staff on February 17, 1999. Exhibit JMB-22 is AT&T's Ex Parte letter associated with that meeting and includes the handouts from AT&T's presentation.

Q. DO TAFI AND ECTA PROVIDE CLECS WITH A MEANINGFUL OPPORTUNITY TO COMPETE AGAINST BELLSOUTH?

A. No. To compete successfully with BellSouth, CLECs must provide equal or better customer service and lower prices. CLECs cannot provide equal or better customer service at lower prices unless it can efficiently and effectively access and transfer all relevant data necessary to address the needs of its customers.

A full function, machine-to-machine interface for maintenance and repair is essential because it eliminates dual entry and the use of multiple interfaces to

[64] FCC Louisiana II Order ¶ 152.

perform a single task. Both dual entry and the use of multiple interfaces causes inefficiencies in terms of time and costs, and are less effective because it increases the risk of errors.

Q. HAS AT&T REQUESTED THAT BELLSOUTH PROVIDE CLECS WITH NON-DISCRIMINATORY ACCESS TO TAFI FUNCTIONALITY?

A. Yes. Since April 1996, AT&T consistently has requested BellSouth to provide access to TAFI functionality through a machine-to-machine interface like ECTA. Provided below is an abbreviated chronology.

June 21, 1996 -- In response to AT&T's request, BellSouth stated in a preliminary report to the Georgia PSC on OSS interfaces that it "has investigated the possibility of adding to the existing [EBI] gateway a system called . . . TAFI."

July 2, 1996 -- In response to BellSouth's preliminary report, the Georgia PSC ordered BellSouth to complete "the TAFI enhancements to allow full operation of the required access by March 31, 1997."[65] Despite the Georgia PSC's order, BellSouth has never provided those enhancements.

December 23, 1998 -- After the FCC's Second Louisiana Order, BellSouth's Mr. Stacy advises the FCC Staff that BellSouth could provide initial TAFI

[65] Georgia PSC Order, Docket No. 6352-U (July 2, 1996).

functionality via the ECTA interface in 13 months and complete functionality in 18 months.

April 18, 2000 -- After nearly four years of BellSouth inaction, AT&T submits a formal change request through the Interim Change Control Process on April 18, 2000, asking for TAFI functionality via the ECTA interface.

As explained above, the FCC has previously found that BellSouth was not providing nondiscriminatory access to maintenance and repair functions because, unlike BellSouth, CLECs did not have integrated access to TAFI functionality. Despite AT&T's continuous requests since 1996 for TAFI functionality via the ECTA interface -- an arrangement that BellSouth concedes is technically feasible and worth pursuing -- BellSouth has not made any progress in providing that capability. In short, nothing has changed and BellSouth still is not providing nondiscriminatory access to maintenance and repair functions.

CHANGE MANAGEMENT

Q. WHAT HAS THE FCC STATED WITH REGARD TO CHANGE MANAGEMENT?

A. In its Bell Atlantic – New York 271 order, the FCC announced that it would give "substantial consideration to the existence of an adequate change management

process and evidence that the BOC has adhered to this process over time."[66] The FCC also recognized that unmediated change to a BOC's OSS can be a powerful anticompetitive tool:

> Without a change management process in place, a BOC can impose substantial costs on competing carriers simply by making changes to its systems and interfaces without providing adequate testing opportunities and accurate and timely notice and documentation of the changes.[67]

A BOC can just as easily impose substantial costs and hardship on competing CLECs by failing to adhere to its change management process.

Q. DOES BELLSOUTH PROVIDE A CHANGE MANAGEMENT PROCESS THAT MEETS THE FCC'S REQUIREMENTS?

A. No. BellSouth currently maintains a Change Control Process (the "CCP") that operates to BellSouth's advantage and to the disadvantage of CLECs. Moreover, BellSouth fails to adhere to this process. In my testimony, I discuss the following problems with BellSouth's CCP: (1) BellSouth retains veto power over the process; (2) BellSouth does not comply with the requirements of the CCP; (3) The CCP does not meet stated CLEC needs, including the need for a go/no go decision point prior to implementing new software releases, parsed CSRs, provision of draft and final requirements for software releases, an opportunity to meet with BellSouth decision-makers, and a testing environment with adequate testing opportunity, among other things; (4) the Florida third-party OSS test has

[66] FCC New York Order at ¶ 103; see also FCC Texas Order at ¶ 106; FCC Kansas-Oklahoma Order at ¶ 166.

identified serious problems with BellSouth's Change Control Process; (5) the Georgia third-party OSS test related to the Change Control Process was incomplete; and (6) BellSouth's assertion that it does not have a change management process for its retail units. Each of these issues will be discussed separately, below.

These serious problems illustrate the fact that BellSouth's Change Control Process fails to provide CLECs with a known and knowable process upon which they can plan their use of BellSouth's OSS and thus gain a meaningful opportunity to compete against BellSouth.

Q. THE ORIGINAL CHANGE MANAGEMENT DOCUMENT AND PROCESSES WERE KNOWN AS THE ELECTRONIC INTERFACE CHANGE CONTROL PROCESS ("EICCP") AND BECAME EFFECTIVE IN MAY 1998. DID THEY EVOLVE OVER TIME?

A. No. BellSouth ignored repeated requests for changes to the EICCP by AT&T and the other CLECs between May 1998 and January 2000. As Mr. Pate admits on page 43 of his testimony, it was not until after the FCC's order in the Bell Atlantic 271 proceeding and the issuance of exceptions in the Georgia Third Party test that BellSouth became receptive to the need to update the EICCP. Despite BellSouth's newfound interest in updating the EICCP, the present document and process

[67] FCC New York Order at ¶ 103; FCC Texas Order at ¶ 106.

known simply as the Change Control Process ("CCP"), remains deficient in a number of ways as will be discussed below.

(1) BELLSOUTH RETAINS VETO POWER OVER THE CCP

Q. IS THERE ANYTHING IN THE CHANGE CONTROL PROCESS THAT REQUIRES BELLSOUTH TO COMPLY WITH IT OR TO COMPLY WITH CLEC REQUESTS?

A. No. Although BellSouth maintains a CCP, produces a written Change Control Document, and allows CLECs to provide "input" to the document and the process, it need not comply with any CLEC request. Instead, it retains absolute veto power over the process and the document. There is no provision in the Change Control Document that requires BellSouth to comply with changes or improvements requested by CLECs, even if such requests are reasonable, unanimous, and necessary to avoid discrimination. Thus, the Change Control Process is not an effective tool by which CLECs can bring about changes to BellSouth's OSS that are necessary in order to obtain a meaningful opportunity to compete.

Q. HAS BELLSOUTH EVER EXERCISED VETO POWER OVER CLEC VOTES?

A. Yes, BellSouth has exercised its veto power to thwart CLEC participation in the process. For example, AT&T filed a Change Request on September 9, 2000, requesting amendments to the Change Control Process. Other CLECs concurred

with the request on October 27, 2000, and after a four-month series of meetings, BellSouth agreed to allow a ballot on the requested changes – so long as BellSouth could veto any result with which it did not agree. The CLECs and BellSouth each submitted proposed language. The ballot that ultimately was distributed included 34 issues, seven of which were the subject of disagreement between BellSouth and CLECs. Both BellSouth and the CLECs submitted their desired language on each of the seven issues, and all parties, including BellSouth, were invited to vote. Despite the fact that no CLEC voted in favor of BellSouth's position on these seven issues, BellSouth vetoed the CLEC vote and included its own language in the next version of the Change Control document. It should be noted that many of these issues were simply policy issues that did not require BellSouth to make any changes to its systems or processes.

BellSouth's veto of these seven issues has had a permanent chilling effect on the subsequent balloting and CLEC voting process. There were no further "contested consensus" items included in subsequent ballots 2, 3, or 4. Further, despite its claim that these items would to be reflected as "open" in the CCP Working Document, BellSouth did not continue to publish the CLEC's language for several of the items, including specifically the CLECs dispute resolution language.[68]

[68] This Commission should not ignore the burden placed on CLECs who must expend excessive amounts of resources to play "watchdog" to BellSouth's continued manipulation of the CCP. BellSouth has succeeded in forcing many CLECs to cease active participation in the process, simply by its refusal to play by the rules.

BellSouth additionally exercises its veto power by overriding CLEC prioritizations. Further, despite the fact that BellSouth's internal processes associated with prioritization and release management were being revised and would require revision of the CCP, BellSouth has not proactively provided CLECs with information on the changes to its internal processes or sought CLEC input for use in developing its new processes.

(2) BELLSOUTH DOES NOT COMPLY WITH THE REQUIREMENTS OF THE PROCESS

Q. PLEASE EXPLAIN YOUR STATEMENT THAT BELLSOUTH DOES NOT COMPLY WITH THE REQUIREMENTS OF THE CHANGE CONTROL PROCESS.

A. As explained above, AT&T and other CLECs repeatedly have submitted change requests in compliance with the CCP, yet BellSouth does not treat these requests in compliance with the CCP. Additionally, BellSouth continues to make changes to its OSS without following the CCP, causing additional expense and operational problems for CLECS.

Despite the requirement that requests for changes to the CCP itself be submitted as change requests (Section 9 of CCP Version 2.0 published August 23, 2000), BellSouth has yet to submit any such change request. Instead, using its unique ability to ignore the provisions of the CCP BellSouth has introduced the changes it wants by simply including them in the "working document," by including them

in the agenda notices for various meetings, or by surprise presentations during various meetings held under the umbrella of the CCP.

Because of BellSouth's pervasive veto power over the development and operation of the process the CLECs' only means of obtaining relief from BellSouth's unilateral actions is to seek the intervention of one or more state regulatory bodies. This is a costly and lengthy process and one that carries with it no certainty that any state regulatory body will even consent to hear such a complaint. No state commission in BellSouth states has taken official recognition of the CCP or established any unique mechanism for handing disputes arising from the CCP.

Q. CAN YOU PROVIDE SPECIFIC EXAMPLES OF INSTANCES IN WHICH BELLSOUTH HAS FAILED TO COMPLY WITH THE CCP?

A. Yes. The following six examples show that BellSouth has a pattern of failing to comply with the CCP, to the detriment of its competitors:

Improper change to planned electronic OS/DA ordering capability: After more than two years of having its requests for electronic flow through OS/DA ordering ignored, AT&T placed a formal change request with BellSouth for the capability in February 2000. BellSouth accepted the request, committed resources to the project and announced to the CLEC community that the capability for electronic ordering of one custom routing option (to BellSouth's platform

unbranded) would be provided in Software Release 8 on November 18, 2000. BellSouth repeatedly reaffirmed this schedule in industry meetings up to and including a meeting on September 29, 2000. However, in October, 2000, BellSouth made the unilateral decision to remove this change from the Release. Neither BellSouth's decision to drop the functionality nor its subsequent decision to introduce a severely limited substitute was made or communicated in accordance with the Change Control Process.

Improper implementation of business rules: In August, 2000, BellSouth implemented Issue 9G of its Business Rules for Local Ordering without providing the required notice and opportunity for discussion through the CCP. Because BellSouth circumvented the CCP, CLECs were unable to make the required coding and process changes by the proposed October 2, 2000, implementation date. BellSouth nevertheless refused to withdraw these unapproved changes and implemented the software changes on October 2, 2000. In addition to rejecting the previously valid CLEC orders impacted by these unilaterally imposed changes, BellSouth's software release also contained coding errors that caused the rejection of other types of CLEC orders.

Unilateral changes to ordering software: At the November 13, 2000, Release 9 User Requirements Meeting, BellSouth announced that three features based on CLEC change requests and previously scheduled for Release 9 would not be included in the scope of the release, that it was probable not all of them would be

in Release 10, and that Release 11 was yet to be scheduled. Further, BellSouth revealed that its implementation of UNE-to-UNE migrations (per its self-initiated Change Request No. 0030) would include only the capability to migrate from UNE-P to a UNE loop without number portability, the scenario least likely to be used. BellSouth stated that if any other capability were desired, a new change request would have to be submitted. The resulting release included no CLEC-initiated change request implementations, and the UNE-to-UNE capability that was provided has little practical value to CLECs.

A number of Observations and Exceptions published in the Florida Third Party test demonstrate that the improper implementation of business rules is still a problem. These include Observations 48, 56, 58, 79, and Exceptions 16, 32, 40, 41, 42, 45, 46, 50, 55, and 64. High level descriptions of these Observations and Exceptions can be found in Exhibit JMB-23.

Preferential treatment of BellSouth-initiated change requests: BellSouth submitted four "Type 4" (BellSouth initiated) change requests on November 13, 2000. BellSouth targeted these changes for implementation in November 2000, in violation of the Change Control Process. None of the requests were scheduled for or subject to a prioritization review, as is required for all non-defect change requests. Various CCP log entries reflect that BellSouth change requests 216, 218, and 219 were implemented as of December 20, 2000, and there is no record whatsoever of BellSouth change request 217. Only fixes for defects are entitled to

this "fast track" treatment, yet BellSouth treated its own change requests in this preferential fashion.

This is not an isolated incident. In 2000, after submitting no change requests in 1998 or 1999, BellSouth became the largest initiator of change requests. Although BellSouth submitted only 41% of all requests, while the 100 participating CLECs submitted the remaining 59%, BellSouth change requests constituted 53% of all implemented requests in 2000. Additionally, 67% of all BellSouth-submitted change requests in 2000 were implemented, scheduled for implementation, or reached pending status, while only 46% of the CLEC-submitted requests received similar treatment.

Not only did BellSouth's change requests receive preferential implementation treatment, but BellSouth failed to submit the majority of them (87% of the BellSouth change requests implemented) to the CLECs for prioritization. Instead, BellSouth submitted 64% as defects and at least another 13% were implemented outside the existing process. This information is detailed in Exhibit JMB–24, BellSouth Change Control Process Compliance.

Unilateral decision to implement new process: In September, 2000, AT&T requested consideration of specific changes to the Change Control Process, in accordance with procedures specified by the Process. According to the CCP, this request should have been discussed during Monthly Status Meetings. BellSouth

refused to do so, however, and instead established a separate series of CCP Process Improvement meetings for discussing the request, thus delaying action on the request for several months.

Failure to utilize CCP for new interfaces: New interfaces brought online by BellSouth since the initiation of the CCP, including TAG, the LNP Gateway, and the xDSL Corporate Gateway, have not been included in the Change Control Process. Instead, BellSouth formed ad hoc groups regarding these interfaces. In each case the functionality delivered has not met CLEC needs and vital process measurement data for the new interface/process has not been available.

Q. ON PAGES 59 AND 60 OF HIS TESTIMONY MR. PATE MAKES A DISTINCTION BETWEEN "INTRODUCTION" AND "DEVELOPMENT" OF NEW INTERFACES. DOES THE CCP INCLUDE ANY SUCH DISTINCTION?

A. No. Mr. Pate states that the "introduction" of new interfaces is subject to the CCP but "development" of those interfaces is not. This distinction is not supported by the CCP itself, which is designed to include development within the concept of introduction.

BellSouth makes this distinction because it wants to exclude development of new interfaces and processes from the CCP (as did the old EICCP). BellSouth's continued exclusion of the development of new interfaces and processes from the

CCP guarantees repeated deployment of interfaces and processes that do not meet the needs of the CLECs and are wasteful of the industry's limited resources.

In the past Mr. Pate has attempted to justify BellSouth's actions using excuses that are both flimsy and downright paranoid:

> BellSouth must have flexibility to develop interfaces to meet industry standards and regulatory requirements.
>
> [N]ew development is too critical to risk being stymied in the process by CLEC disagreement.
>
> [T]he nature of the CCP is such that if developing interfaces were included in the CCP, CLECs with no intention of using such interfaces could game the process by voting for additional features and functionality that would increase the time and cost to BellSouth and rival CLECs to implement them.

Pate Direct Testimony, KY PSC Docket No. 2000-465, filed February 2, 2001.

This Commission should turn a deaf ear to such excuses, for which BellSouth has provided no basis in fact. CLECs – the customers of BellSouth and the ultimate beneficiaries of the Change Control Process – must be accorded an opportunity to participate in the development of interfaces and processes that will serve them.

(3) THE CCP DOES NOT MEET STATED CLEC NEEDS

Q. DOES BELLSOUTH'S CCP PROVIDE CLECS WITH A MEANINGFUL OPPORTUNITY TO COMPETE?

A. No. According to the FCC, a change management process is an important tool in providing CLECs with a meaningful opportunity to compete.[69] In order to provide a meaningful opportunity to compete, however, the change management process must allow CLECs a method of obtaining those changes to a BOC's OSS that will enable them to provide service at parity with the BOC. BellSouth's CCP fails to do so. In fact, BellSouth has a pattern of failing to implement highly prioritized CLEC Change Requests.

Q. CAN YOU PROVIDE SPECIFIC AREAS IN WHICH THE CCP FAILS TO MEET STATED CLEC NEEDS?

A. Yes, I describe them below.

Go/NoGo Decision Point: Importantly, the BellSouth CCP does not include a "go/no go" decision point prior to the implementation of new software releases, to ensure that CLECs are not forced prematurely to cut over to a new release. This process, which was cited with approval in the FCC Staff letter to U.S. West, dated September 27, 1999, would allow delay of the new release if a majority of affected CLECs vote to do so.

Parsed CSRs: As discussed above in the Ordering section, BellSouth now plans to provide parsed CSRs to CLECs more than four years after they were first requested – despite the fact that this functionality has been available to BellSouth retail customer service representatives the entire time.

[69] FCC New York Order at ¶ 102, 111.

Pending change requests: At the end of the first quarter 2001, there were 24 change requests submitted in 2000 that remained in "new" status. A majority of those (71%) were submitted by CLECs, while only 29% were initiated by BellSouth. At least two requests (parsed CSRs and an electronic process for correcting dropped 411 listings) were submitted and prioritized in September 1999, but have yet to be implemented. Five other 1999 CLEC requests will not be implemented until after June 30, 2001.

BellSouth has failed to address a total of 14 issues submitted by AT&T through the CCP dating back to August of 1999, and at the end of the first quarter 2001, there were a total of 45 unaddressed change requests pending. Examples of unaddressed issues include: the ability to correct listings dropped from 411 records; parsed CSRs, mentioned above; the ability to change the main account telephone number; the ability to describe the handling of services remaining with BellSouth on a partial migration; the ability to perform certain types of partial migrations; the ability to combine existing accounts; the ability to obtain connecting facility information and information on existing loops in pre-ordering; the ability to create related multiple orders for a single customer; the ability to order enhanced extended loops ("EELs"); the ability to create new listings in LENS; flow-through for specific types of orders; the ability to edit a LENS LSR to remove a telephone number; the ability to request specific status notifications from BellSouth; the ability to change the number of directories to be delivered to

a customer in LENS; correction of programming that returns errors incorrectly; and correction and clarification of documentation errors. In Exhibit JMB-24 (BellSouth Change Control Process Compliance) I have provided details of BellSouth's failure to implement pending change requests. BellSouth is able to perform each of these transactions, but CLECs cannot. The CCP has failed to provide a method for obtaining functionalities. Accordingly, the existence of the CCP does not support BellSouth claim that it provides CLECs with nondiscriminatory functionality.

Lack of draft/final requirements for software releases: Whenever BellSouth makes changes to its OSS interfaces, CLECs need draft specifications in order to start developing their own software coding. Thereafter, CLECs require final specifications in sufficient time before the software is released, so they can complete the process. Without appropriate documentation from BellSouth, the importance of which has been recognized by the FCC,[70] CLECs are unable to prepare for upcoming changes to BellSouth's OSS. These specifications must be in existence, or BellSouth would not be able to prepare its software release or modification, yet BellSouth fails to provide them to CLECs in a timely fashion. On page 55 of his testimony, Mr. Pate admits that Bellsouth does not yet meet CLEC needs in this area when he states that "As part of the CCP 'process

[70] In its recent order addressing Southwestern Bell's (SWBT's) long distance application for Texas, the FCC noted with approval that SWBT had committed to distribute draft specifications or business rules, review competitors' comments on the documentation, and distribute final documentation based on the consensus of the parties. (FCC Texas 271 Order at 111).

improvement,' BellSouth and the CLECs have continued to discuss the deadlines for the distribution of requirements and documentation related to releases of the interfaces."

No opportunity to meet with BellSouth decision-makers: Additionally, the BellSouth CCP fails to provide CLECs with an opportunity to discuss Change Requests with the BellSouth personnel who decide whether to implement them. Instead, CLECs must present their requests to a BellSouth "go-between" who then meets with the BellSouth personnel in charge of accepting or rejecting the request, thus further limiting the effectiveness of the CCP and reducing its value to CLECs seeking a meaningful opportunity to compete.

Lack of testing environment/inadequate opportunity to test OSS: BellSouth currently employs a test support process, but there is no organized method for negotiating changes to this process. Additionally, BellSouth fails to provide an adequate and stable testing environment and adequate opportunity to test OSS changes prior to implementation, causing documented problems for AT&T's customers.

Software Point Releases: The lack of a test environment had a negative impact on CLEC operations with the implementation of several software point releases during 2000. Immediate defect correction was necessary following the implementation of releases 7.1, 8.0, and 9.0, and some defects are still open

following the implementation of 8.0 and 9.0. The electronic ordering functionality for OS/DA supposedly implemented in 8.0 is still not available, and enhancements to Loop Make-up Inquiry responses supposedly implemented in 9.0 are only available in selected areas.

Q. ON PAGE 63 OF HIS TESTIMONY, MR. PATE INDICATES THAT "BELLSOUTH PROVIDES AN OPEN AND STABLE TESTING ENVIRONMENT FOR CLECS" AND THEN PROCEEDS TO DISCUSS "BELLSOUTH'S CURRENT TESTING ENVIRONMENT FOR CLECS" AND "BELLSOUTH'S NEW TESTING ENVIRONMENT FOR CLECS." ARE THESE DESCRIPTIONS ACCURATE?

A. No. The discussion of the current testing environment implies more than has been actually available and the discussion of the new testing is pure speculation because it has never been used in association with an actual software upgrade. Accordingly, it is not at all like the separate test environment the FCC found acceptable in the Bell Atlantic New York Order. For example, the current testing environment for EDI is not segregated from the existing production environment and therefore cannot be used for new release beta testing without placing normal CLEC transactions in jeopardy. Because the current environment handles test transactions and production transactions together, a catastrophic failure of a test transaction can result in the interruption of production processing.

Further, Mr. Pate incorrectly implies that new releases are internally tested by BellSouth and that CLECs may test in the same non-production testing environment. The only time BellSouth allowed CLECs to do so was in connection with the OSS99 upgrade.

Mr. Pate also refers to a new testing environment called the CLEC Application Verification Environment ("CAVE"). CAVE has been designed to be a separate test environment for use in pre-release testing. It will not be used for new carrier testing and, as Mr. Pate admits, may not be used for testing "minor" releases. Although BellSouth announced on April 23, 2001, that CAVE was generally available, it has never been used in association with pre-release testing of any BellSouth software release, and the TAG portion of CAVE has been beta tested by only one user. AT&T attempted to perform an EDI beta test, but in the process, learned for the first time that BellSouth had designed CAVE using a communications strategy that did not match that which was used in the production environment. CAVE was not tested in the Georgia third-party test, and has been the subject of observations and exceptions in the ongoing Florida test.

Q. ON PAGE 71 OF HIS TESTIMONY, MR. PATE STATES THAT BECAUSE BELLSOUTH PERFORMS ALL THE PROGRAMMING FOR

LENS AND ROBOTAG[71] THAT THEY ARE PROPERLY EXCLUDED FROM THE CAVE TESTING ARRANGEMENT. DO YOU AGREE?

A. No. Neither the fact that LENS and RoboTAG are "human-to-machine" interfaces or the fact that they are totally programmed for the CLECs by BellSouth justifies their exclusion from the CAVE testing arrangement. BellSouth's programming has never been demonstrated to be error-free and there is simply no reason that CLECs using these interfaces should be forced to perform live testing on their customers orders to find BellSouth's programming errors associated with new releases. The exclusion of LENS is particularly inappropriate, since LENS presently carries almost two thirds of all CLEC requests for service.

The exclusion of RoboTAG is particularly inappropriate because RoboTAG is not simply a human-to-machine interface: it is integrateable and was designed by BellSouth specifically to be integratable. See Mr. Pate's testimony at page 20: "This server allows the CLEC to integrate the information obtained through TAG with its own internal OSS, and eliminates the need for CLECs to perform dual entry of information." Thus, an error in BellSouth's programming of a new release in RoboTAG has the potential of driving a CLEC's operations back to a fully manual environment - a risk BellSouth should not be allowed to impose on its competitors.

[71] Please note that RoboTAG is a trademarked product.

BellSouth's deliberate exclusion of these two interfaces from CAVE is highly discriminatory and was protested by CLECs during the few opportunities for input to the CAVE development process permitted by BellSouth. Exhibit JMB 25.

Q. ON PAGES 13 AND 14 OF HIS TESTIMONY, MR. PATE DISCUSSES CARRIER-TO-CARRIER TESTING, DESCRIBING "BETA" TESTING THAT WAS CONDUCTED FOR LENS RELEASE 6.0 AND THE NON-LNP PORTIONS OF OSS99. PLEASE COMMENT.

A. It is illuminating that Mr. Pate elects to discuss two beta tests conducted over 15 months ago. Beta testing involves the testing of new software or software/hardware combinations before their release for general use. The participants in the beta test are aware of the increased risk involved and the software being tested is typically provided in an environment that is separate from that used by non-beta test participants. Since the implementation of OSS99, BellSouth has not provided a test environment in which beta testing of new releases could be conducted. BellSouth has placed a number of post-OSS99 software releases into production without beta testing, including Releases 7, 8, and 9, which have contained defects that negatively affected CLEC operations and required immediate corrective action by BellSouth. Release 9, for example, contained changes to the electronic pre-order function associated with Loop Make-Up queries that when implemented did not function properly and additionally disrupted the operation of previously functional queries. Exhibit

JMB-26 contains the defect change requests BellSouth issued associated with this problem and reflects that correction of the defects took weeks.

Q. ARE THERE OTHER TYPES OF CARRIER-TO-CARRIER TESTING BETWEEN BELLSOUTH AND VARIOUS CLECS?

A. Yes, and it is curious that BellSouth has elected not to mention them in this filing. While I am aware of a number of such efforts, I will only mention two that AT&T has conducted with BellSouth.

AT&T and BellSouth have been engaged in the testing of UNE-P ordering and provisioning in Georgia throughout 2000. This effort is called the Georgia 1000 Test and is discussed in detail in the attached Affidavit of Edward Gibbs.

In another effort, AT&T and BellSouth conducted a reconciliation of data associated with the ordering and provisioning of UNE Loops. Mrs. Berger discusses this effort and the current status of UNE Loop Hot Cut Provisioning in her testimony filed today.

The operational data collected in these tests and in the carrier-to-carrier testing conducted between BellSouth and other CLECs disprove BellSouth's assertions and provide valuable input to this Commission in its deliberations.

(4) CHANGE CONTROL PROBLEMS REVEALED BY FLORIDA THIRD-PARTY TEST

The KPMG Florida third-party OSS test, which still is in progress, already has revealed problems with BellSouth's Change Control Process. To date, KPMG has issued four exceptions related to the Change Control Process, three of which remain open. A copy of the applicable exception reports and BellSouth responses is attached as Exhibit JMB-27:

> **Exception 12: BellSouth does not adhere to the procedures for System Outages (Type 1) established in the BellSouth change control process (PPR1).**

KPMG has tested and retested BellSouth's performance in regard to this issue. During a retest period, KPMG determined that BellSouth did not provide notification of all system outages that occurred during the retest period, failed to meet the required system outage notification standard for 58% of the outages, and failed to meet the system outage notification standard for at least 95% of the outages reviewed.

As KPMG concluded, CLECs can be adversely affected by BellSouth's failure to adhere to this requirement of the Change Control Process:

> Without proper notification of System Outages, CLECs may not be aware of the potential problems that may arise from the outage. CLECs may be unable to assess and resolve the situation resulting in potentially increased costs, decreased revenue and/or reduced customer service.[72]

[72] KPMG Exception Report, Amended Exception 12.

Additionally, BellSouth failed to post a Final Resolution Notice in 8% of the outages reviewed that had been posted to the BellSouth web site, although such notice is required by the Change Control Process and necessary to allow CLECs to determine when the outage has been resolved.

> **Exception 23: The distribution of Carrier Notification information associated with the BellSouth Change Control Process is not adequate. Furthermore, in BellSouth's implementation of the process, significant information is not included in the Carrier Notifications (PPR1).**

KPMG identified problems with the BellSouth process as well as BellSouth's implementation of that process, and concluded as follows:

> Process—The review of the Carrier Notifications process and related documentation has identified inconsistencies or deficiencies in the change notification process.
>
> 1. The BellSouth Change Control Process (CCP) document does not clearly define when CLECs are to receive notification of documentation updates, or when they are to receive the actual documentation for system and non-system affecting changes.
>
> 2. A unique Carrier Notification is not issued for each instance of documentation updates.
>
> 3. Original Carrier Notifications do not remain on the BellSouth Interconnection Web site after revisions have been made.
>
> Implementation—Review of Carrier Notifications revealed that significant information is not included in the Carrier Notifications.
>
> 4. Carrier Notifications do not reference Change Request numbers for tracking purposes.

> 5. Carrier Notifications of documentation updates do not state whether the documentation changes will be system or non-system affecting. [73]

KPMG further concluded that CLECs could be adversely affected by BellSouth's inadequate process and insufficient application of the process:

> BellSouth alerts the CLEC community of documentation releases through the use of Carrier Notifications. A lack of clarity in the process and the absence of significant information from Carrier Notifications might hamper the ability of CLECs to provide service to their customers and conduct business with BellSouth.

AT&T notes that problems with BellSouth's process and performance in this area are both serious and long-standing: this issue was first identified as Observation 21 by KPMG on December 13, 2000, yet BellSouth has failed to remedy the issue.

> **Exception 26: BellSouth does not have a clearly defined process for addressing the expedited release of BellSouth documentation defects. (PPR1).**

This Exception relates to BellSouth's handling of "Type 6 – CLEC Impacting Defects" and "Type 6 – CLEC Impacting Expedites." Type 6 changes are grouped into one of three Impact Levels based upon the initial categorization of the type of change (defects or expedited feature), the impact of the change (Low, Medium, and High Impact) on critical system functions, and the availability of a workaround solution. All expedited feature changes are considered to be High Impact.

[73] KPMG Exception Report, Exception 23, footnotes omitted.

KPMG identified the following problems with the current process:

> There is a lack of clarity for the process of issuing documentation in cases where a documentation defect has been identified, validated and requires expedited release. Specifically, clarification is required for the following issues:
>
> The circumstances that would require an expedited release of documentation. The process for issuing emergency changes to documentation, which may include both Type-I and non Type-I changes, lacks definition.
> The timeline for release of corrected documentation, including when the carrier notifications for future documentation corrections will be issued, when the corrected documentation will be made available, and when the corrected documentation will become effective.
>
> The definition and criteria for inclusion of documentation changes as they relate to Low, Medium and high impact failures.

Again, KPMG concluded that BellSouth's process was inadequate, to the detriment of CLECs:

> It is important to the CLEC community to receive updates to documentation as soon as possible and to understand the guidelines associated with those changes. A lack of clarity in the current documentation process might unnecessarily delay the timely release of documentation and documentation changes to CLECs, potentially hindering the ability of CLECs to provide service to their customers and conduct business with BellSouth.[74]

As with Exception 23, this Exception originally was identified as an Observation (Observation 26, opened January 9, 2001), yet BellSouth still has failed to remedy

[74] KPMG Exception Report, Exception 26.

this issue. Version 2.3 of the CCP document now includes language that addresses this issue, but BellSouth's compliance remains uncertain.

KPMG's Florida exceptions confirm what CLECs have known for years: not only is BellSouth's Change Control Process seriously flawed, not only does it fail to provide CLECs with a meaningful opportunity to compete against BellSouth, but BellSouth will only attempt to remedy deficiencies in the process if forced to do so under the pressure of a public third-party test.

(5) THE KPMG GEORGIA EVALUATION OF BELLSOUTH'S CHANGE CONTROL PROCESS

Q. WAS THE KPMG GEORGIA EVALUATION OF BELLSOUTH'S CHANGE CONTROL PROCESS THOROUGH AND COMPLETE?

A. No, and that evaluation of BellSouth's Change Control Process cannot reasonably be taken as a "clean bill of health." KPMG focused on the existence of documentation describing the process, rather than substance of the underlying process or BellSouth's performance at implementing the process (i.e., the progression of change requests from new to implemented).[75]

Q. WHAT WAS THE ORIGINAL OBJECTIVE OF THE TEST?

[75] AT&T notes that although the processes covered in Florida Exceptions 12, 23 and 26 were well within the scope of the Georgia 3rd Party Test, the Georgia Test failed to produce similar exceptions.

A. The objective established in the Georgia Master Test Plan ("MTP") for the change control test was "to assess the adequacy and completeness of procedures for developing, publicizing, conducting, and monitoring change management."[76] According to the MTP, the functions to be tested were:

- Developing change proposals.
- Evaluating change proposals.
- Implementing change.
- Intervals.
- Documentation.
- Tracking change proposals.

The evaluation criteria established by KPMG after the creation of the MTP at the function level preserved the intent of the objectives, including "conducting" change management, which would have focused the analysis on the consistent processing of change requests from new to implemented. (MTP Final Report, Table VIII-1.1, page VIII-A-3).

Q. DID KPMG CONDUCT ITS TEST IN A MANNER CONSISTENT WITH THE ORIGINAL OBJECTIVE?

A. No. In establishing evaluation criteria at the individual test level, (Test Cross-Reference CM-1-1-1 through CM-1-1-8) the focus on the actual processing of change requests was replaced with a focus on the simple presence of process documentation. For example, for the function "Implementing Change" in Table VIII-1.1 the Evaluation Criteria is "Completeness and consistency of change implementation process," but the Evaluation Criteria for the associated Test

[76] MTP Page VIII-2, emphasis added.

Cross-Reference (CM-1-1-7) shifts to "Procedures and systems are in place to track information such as description of proposed changes, key notification dates, and change status." Critically, the implementation of change (or the failure to implement change) is not addressed.

Q. DID KPMG COMPLETE ITS EVALUATION OF THE CHANGE CONTROL PROCESS?

A. KPMG concluded its evaluation, but it did not truly complete it. KPMG has exercised its "professional judgement" to attach "Satisfied" ratings to three of the eight Test Cross-References that from the associated Comments should have been rated "Not Complete" or "No Determination Reached". These include:

- CM-1-1-2 concluding with a discussion of a notification process change by BellSouth that has not be subject to re-testing.
- CM-1-2-3 "KCI's [KPMG's] change management evaluation concluded prior to CLEC-BLS voting on these balloted items."[77]
- CM-1-1-5 "As this draft process was not implemented at the time of this report, no observation of its use was possible during KCI's [KPMG's] evaluation."

Additionally, KPMG terminated its Georgia evaluation prematurely and attached "Satisfied" ratings to tests where it knew that essential processes were not in place. For example, both CM-1-1-3 and CM-1-1-8 are concerned with "prioritization" and "release management". These are issues that were known to

[77] In fact, the ballot results were published on March 15, 2001, five days prior to the termination of KPMG's testing.

KPMG's Georgia Change Control Process evaluator to be unresolved by virtue of his attendance at the February 21, 2001, CCP Process Improvement Meeting. (MTP Report page VII-A-19) Despite this knowledge of the problem, the evaluator did not attend the March 14, 2001, Release 9.4 Package Meeting where these issues were discussed and again remained unresolved. The CCP Document in effect at the end of KPMG's evaluation did not contain an agreed-upon Release Management Process or prioritization process based on sizing estimates from BellSouth as required by the document.

Q. DID KPMG INTERVIEW ANY CLECS AS PART OF ITS EVALUATION OF THE CHANGE CONTROL PROCESS?

A. No. Despite the importance to CLECs of the Change Control Process, KPMG used no interviews with CLECs during its evaluation under CM-1[78] and conducted no interviews with CLECs during its evaluation of the implementation of OSS99 under CM-2[79] of the Supplemental Test Plan. This failure to interview the customer of the process is curious to say the least.

6 BELLSOUTH'S ASSERTION THAT IT DOES NOT HAVE A CHANGE MANAGEMENT PROCESS FOR ITS RETAIL UNITS

[78] An AT&T employee was interviewed regarding CCP in the fall of 1999, but that interview is not reflected in KPMG's Data Sources Table VIII-1.2 and AT&T therefore assumes it was not utilized by KPMG. No other CLEC interviews are listed in the table.

[79] AT&T requested the opportunity to be interviewed by KPMG in regard to the implementation of OSS99 but was told that KPMG would not be interviewing any CLEC in conjunction with the OSS99 evaluation CM-2. BellSouth's failure to implement OSS99 on its original schedule and announced to the industry only three days prior to the planned start of Beta Testing is not mentioned in KPMG report.

Q. ON PAGE 10 OF HIS SUPPLEMENTAL TESTIMONY FILED IN SOUTH CAROLINA DOCKET NO. 2001-209-C ON JUNE 18 , 2001, MR. VARNER STATES "BECAUSE BELLSOUTH DOES NOT PROVIDE A CHANGE MANAGEMENT PROCESS TO ITS RETAIL UNITS, THESE MEASURES ARE EVALUATED AGAINST BENCHMARKS RATHER THAN RETAIL ANALOGUES." IS THIS STATEMENT ACCURATE.

A. No. It is correct in that benchmarks are used for the CCP measurements in the SQM, it is incorrect because BellSouth does indeed provide a change management process to its retail units. This Commission should consider this fact carefully in its evaluation of the CCP provided to CLECs and seek information from BellSouth as to the performance of its internal change control processes. The change management process for ROS was described in significant detail by BellSouth employee Melaine Hardwick, Director for the ROS Application, in a deposition taken on July 18, 2000, in North Carolina Docket Nos. P-140, Sub 73, and P-646, Sub 7 (The AT&T-BellSouth Arbitration). Exhibit JMB-28. In pages 11-39 of the deposition, Ms. Hardwick describes a process that includes separate processes for enhancements and defects, user request forms, user training, a ROS Governance Board, prioritization processes, classification by types (defect correction, major release, minor release), estimates, funding, release management, and release notification to ROS users. Ms. Hardwick's deposition is consistent with my 14 years experience at Southern Bell and with my discussions of change management with BellSouth employees associated with RNS, TAFI and ECTA. Mr. Varner is incorrect BellSouth does provide change management processes to

its retail units. While the Georgia PSC has established benchmarks for its CCP measures, as an expedient, this Commission should seek information on the operation of BellSouth's internal processes to reach an informed determination regarding the process being provided to CLECs.

GENERAL SUPPORT FOR CLEC OPERATIONS

Q. ON PAGES 25-41 OF HIS TESTIMONY MR. PATE DESCRIBES "SUPPORT FOR CLECS" INCLUDING "DOCUMENTATION," "TRAINING," "HELP DESKS," AND A CATEGORY CALLED "OTHER" IN WHICH HE REFERS TO THE TESTIMONY OF KEN AINSWORTH. PLEASE COMMENT.

A. Here again we see application of the faulty concept by BellSouth: because something exists, it must be adequate. Nowhere in Mr. Pate's or Mr. Ainsworth's discussion does BellSouth offer any evidence that what BellSouth is providing to the CLECs is complete, accurate, provided in a timely manner, or meets the CLECs' business needs. The descriptions of various documents, centers and processes is informative and valuable background, but they do not provide any evidence to support BellSouth's claims that it meets its obligations under the Act. I discuss five issues associated with BellSouth's general support to CLEC operations: (1) The scope of review in the Georgia Third Party Test; (2) the manual complex ordering process; (3) the Local Carrier Service Center; (4) the continued use of DOE and SONGS; and, (5) Web based status reports.

(1) THE SCOPE OF REVIEW IN THE GEORGIA THIRD PARTY TEST

Q. DID THE GEORGIA THIRD PARTY TEST THOROUGHLY EVALUATE BELLSOUTH'S GENERAL SUPPORT FOR CLEC OPERATIONS?

A. No. KPMG concedes that it did not conduct a comprehensive review of the substance or quality of BellSouth's general support of CLEC operations. With respect to EDI Documentation, for example, KPMG notes in the MTP Final Report on page V-H-1:

> This test was a high-level review to determine the degree to which documentation prepared and distributed by BellSouth was subject to acceptable management and business practices, as defined in the evaluation criteria. The evaluation was not a comprehensive review of the content accuracy of all BellSouth OSS-related documentation. Rather, it focused primarily on the ordering business rules. The Georgia Public Service Commission's (GPSC) May 20, 1999 Order authorizing third-party testing did not call for development of an EDI order interface; therefore, documentation pertaining to interface development (e.g., Local Exchange Ordering [LEO] Guide 4) was not formally reviewed.

Similar language occurs in the other relevant sections of the MTP Final Report.

Q. DID THE GEORGIA THIRD PARTY TEST EVALUATE ALL OSS FUNCTIONS AND INTERFACES?

A. No. It is important to understand that the Georgia test did not evaluate the pre-ordering and ordering functionality and documentation for the most current version of its interfaces -- OSS99 -- that went into production in January, 2000. Moreover, the Georgia test did not evaluate Account Management, Training, or Help Desk functions conducted in Georgia. For example, KPMG either did not

review the following documents, or reviewed the documents only as they relate to the pre-OSS99 interfaces:

BellSouth Start-Up Guide (1)
BellSouth Pre-Ordering and Ordering Overview Guide (2)
BellSouth Pre-Order Business Rules (2)
BellSouth Pre-Order Business Rules Appendix (2)
BellSouth Pre-Order Business Rules Data Dictionary (2)
BellSouth Business Rules for Local Ordering (1)
BellSouth EDI Specifications (1)
LENS User Guide (1)
Local Exchange Ordering Guide Volume 4 (1)
Local Service Request Error Messages (2)
TAG API Reference Guide (1)

The testimony of Mrs. Berger filed today, and the affidavits of Mrs. Seigler and Mr. Gibbs, which are attached to my testimony, provide numerous examples of the inadequacy of the documentation, training, help desks and other support BellSouth provides to CLECs. Further, the open Observations and Exceptions related to these areas in the on-going Florida third-party test demonstrate that one cannot correlate simple existence of a document or process with adequacy. Instead, a detailed review of the quality of the document or process is required. Exhibit JMB-23 provides a listing of these open Observations and Exceptions each of which may be viewed in detail on the Florida Public Service Commission's web site.

(2) THE MANUAL COMPLEX ORDERING PROCESS

Q. ON PAGES 115 TO 120 OF HIS TESTIMONY AND IN EXHIBITS OSS-49 AND OSS-50, MR. PATE DISCUSSES "PRE-ORDERING ('SERVICE

INQUIRY') AND ORDERING FOR COMPLEX SERVICES" AND CONCLUDES THAT "BELLSOUTH PROVIDES TO CLECS THE ABILITY TO ORDER COMPLEX SERVICES IN SUBSTANTIALLY THE SAME TIME AND MANNER AS IT PROVIDES THIS ABILITY TO ITS RETAIL CUSTOMERS AND RETAIL SERVICE REPRESENTATIVES." IS HIS CONCLUSION ACCURATE?

A. No. Mr. Pate attempts to convince the Commission that BellSouth is treating CLECs the same as it treats itself. However, a careful reading of his testimony reveals the lack of candor in BellSouth's position. Much of the "manual processing" and "manual handling" of BellSouth orders discussed by Mr.Pate occur in the pre-ordering process, not in the ordering process. Mr. Pate would have this Commission believe that because the manual pre-ordering processes are substantially the same for both retail and CLEC orders, BellSouth is providing an equivalent ordering process. This is absolutely incorrect. The fact remains that BellSouth can submit such orders electronically, while CLECs cannot.

AT&T agrees that all requests for complex services – CLEC requests as well as BellSouth's -- involve some level of manual collection of information and order preparation before input into each company's respective ordering systems. But after an order is prepared, BellSouth has the ability – which CLECs do not -- to input that order into its ordering system. BellSouth continues to refuse to provide this non-discriminatory capability.

Lack of electronic ordering increases the possibility of errors, extends intervals, and increases costs for CLECs. Electronic ordering allows a CLEC to populate its own databases simultaneously with providing an order to BellSouth. A manual process, however, requires two steps: an order must be provided to BellSouth, and the appropriate ordering information then must be separately input into the CLEC's internal OSS. As Mr. Pate's testimony indicates, BellSouth submits both its own electronic order and the CLEC's order, thereby denying CLECs the advantages of electronic order submission as described above.

(3) THE LOCAL CARRIER SERVICE CENTER

Q. ON PAGES 6-9 OF HIS TESTIMONY, MR. AINSWORTH DISCUSSES BELLSOUTH'S USE OF A "FORCE MODEL" TO ENSURE THAT THE VARIOUS CENTERS ARE ADEQUATELY STAFFED. HE ALSO DESCRIBES THE THREE LOCAL CARRIER SERVICE CENTERS ("LCSCS") AND PROVIDES INFORMATION ABOUT THEIR GROWTH AND HOW THEY ARE MANAGED. PLEASE COMMENT.

A. Until the first quarter of this year there were only two LCSCs, located in Atlanta and Birmingham, and all CLEC contacts were handled by one of these two centers. A third center opened in Jacksonville, Florida, in early 2001, which functions only as an answering point.

Mr. Ainsworth argues that the Jacksonville call center will handle calls "quicker and more effectively" because it works "strictly as a call center," and that it

"[w]ill enable that Atlanta and Birmingham centers to concentrate solely on processing orders thereby reducing order-processing time and improve accuracy." However, Mr. Ainsworth also makes the conflicting claims that the Jacksonville center can "operate as an overflow center handling spikes in the load for pre-ordering and ordering functions which may occur in the other two centers" and that "BellSouth has the ability to move the workload between the three LCSCs as an immediate response to high volumes."

These concepts are clearly at cross-purposes to each other. Passing work that has totally different characteristics (call answering/problem resolution vs. actual order processing) between centers is highly disruptive to the use and performance of force models, thus casting great doubt on the usefulness of BellSouth's force model. BellSouth's force management of the LCSCs even before this shift in concept has been less than adequate. For example, last fall BellSouth transferred the processing of MediaOne's orders from Birmingham to Atlanta but did not adjust the staffing of the two centers appropriately and apparently also simultaneously experienced a spike in the processing of certain types of orders. Combined, these events were highly disruptive to CLEC operations for several weeks (Exhibit JMB-29); If BellSouth's "force model" had worked as Mr. Ainsworth suggests, it should have prevented such disruptions.

LCSC answering times have been reduced since the opening of the Jacksonville LCSC, but there is no publicly available data demonstrating that the overall

service provided to CLECs has improved. Under the previous operational concept, when a CLEC called its LCSC, it was connected to the group that handled the orders the CLEC was calling to discuss. In contrast, under the current answering point concept, the LCSC group that answers the CLEC's call has had nothing to do with the order prior to receiving the CLEC's call, and has had (and will continue to have) less experience on average processing orders than personnel in the Atlanta or Birmingham LCSCs. Thus, while the call might be answered more quickly, BellSouth has made no showing that this process will result in more efficient or effective resolution of the problem that caused the call in the first place.

(4) THE CONTINUED USE OF DOE AND SONGS

Q. ON PAGE 28 MR. AINSWORTH OFFERS AN EXPLANATION AS TO WHY THE LCSC CONTINUES TO USE DOE AND SONGS INSTEAD OF THE ROS INTERFACE THAT BELLSOUTH IMPLEMENTED TO REPLACE DOE AND SONGS IN ITS RETAIL OPERATIONS IN 1999. IS HIS EXPLANATION REASONABLE?

A. No. Mr. Ainsworth's description of the "limited capabilities" of the new ROS system are at odds with the capabilities described for the system in BellSouth's internal materials. ROS provides a free-form entry mode (suggested workflow) that will accept any combination of universal service order codes ("USOCs") and field identifier ("FIDS") such as are required for ordering of the UNE products, loops and combinations he provides as examples of products that are not

supported by ROS. Mr. Pate and other BellSouth witnesses have testified that DOE and SONGS (the systems BellSouth replaced with ROS) did not require any modifications to be able to handle UNE orders for CLECs. It would be illogical to introduce a new system with fewer capabilities than the systems it replaced.

(5) WEB BASED STATUS REPORTS

Q. ON PAGES 30-32 OF HIS TESTIMONY, MR. AINSWORTH DISCUSSES THREE REPORTS THAT HE ALLEGES PROVIDE "TIMELY STATUS INFORMATION TO CLECS." ARE THESE REPORTS SUFFICIENT TO PROVIDE TIMELY STATUS INFORMATION?

A. No. Although the three reports Mr. Ainsworth discusses (the PON Status Report for manual orders, the Pending Facilities ("PF") Report, and the CLEC Service Order Tracking System ("CSOTS") Report) all provide valuable information, even when combined they fail to cover a significant portion of the process. Specifically, the three reports provide no information regarding the period of time between order submission (either electronic or manual) and the time a FOC or a reject is received by the CLEC. Thus, there is no way for CLECs to ascertain the status of their orders until they receive either a FOC or a reject notice. Because this interval can stretch over a number of business days CLECs are forced to expend additional resources to contact the LCSC by telephone to obtain status information.

AT&T submitted a Change Request (CR0040) in May 2000 to address this and other deficiencies in the various tracking reports BellSouth was producing. Exhibit JMB-30. Although the Change Request was accepted and prioritized on June 28, 2000, BellSouth has never set an implementation schedule and no development ever occurred. On April 25, 2001, the CLECs re-prioritized all outstanding change requests and designated the implementation of the Order Tracking system called for in CR0040 as their highest priority because of the continued inability to determine the status of their orders using BellSouth's ad hoc collection of reports. Exhibit JMB-31.

Mr. Ainsworth's testimony regarding the PF Report is self-contradictory. He states both that the report is "compiled daily from a SOCS database "snapshot" taken at approximately 2 a.m." and that it is "updated five times a day, roughly every three hours during business hours Monday through Saturday." If the report truly is compiled daily from a SOCS "snapshot" that is taken once a day, then it is difficult to understand how it could be updated five times a day.

Q. ARE CLECS ABLE TO DETERMINE STATUS INFORMATION FOR THEIR ORDERS AS COMPLETELY AS CAN BELLSOUTH FOR ITS OWN ORDERS?

A. No. BellSouth's retail operations have access to information that BellSouth does not provide to CLECs: BellSouth's retail operations can view a conflicting

pending order (which could cause delay or cancellation of one or both orders) while CLECs cannot.

CLEC pending order conflicts can cause both fallout and order rejection. In fact, pending order conflicts caused 38% of all manual fallout in March 2001, and 27% in April. Because BellSouth's retail representative can view the conflicting pending order, BellSouth is able to resolve the underlying conflict immediately. CLECs, on the other hand, cannot view the pending order and are forced to wait until the LCSC reviews the order (if the LSR has fallen out for manual processing), or must call the LCSC (if the LSR has been rejected back to the CLEC). This introduces cost and delay into the CLEC process that is not present in BellSouth's internal process.

The ability to view pending orders also is useful in determining the status of orders in other situations. For example, the ability to view a pending disconnect order associated with LNP would allow a CLEC to determine whether the disconnect order had been published and whether it contained the correct due date, thus eliminating a cause of premature customer disconnects. Over the years, CLECs have initiated a number of change requests to obtain the capability to view pending LSRs. The most recent CR0416 issued by NuVox Communications on May 29, 2001, deals with this last situation. Exhibit JMB-32.

CUSTOMIZED OPERATOR SERVICES AND DIRECTORY ASSISTANCE ("OS/DA") ROUTING

Q. WHAT IS CUSTOMIZED OPERATOR SERVICES AND DIRECTORY ASSISTANCE ("OS/DA") ROUTING, AND WHAT OSS IS NECESSARY TO SUPPPORT IT?

A. Customized OS/DA routing provides CLECs the ability to obtain Operator Services and Directory Assistance services from suppliers other than the incumbent LEC, BellSouth in this case. Central office software, trunking arrangements, and a customer-specific ordering process are required for customized OS/DA routing. BellSouth has proposed two technologies for providing customized routing: Advanced Intelligent Network ("AIN") and Line Class Codes ("LCCs"). These technologies may also be used to route calls to BellSouth's own OS/DA platform. In my testimony, I explain that BellSouth does not provide the OSS necessary to order customized OS/DA routing for a specific customer efficiently and effectively.

Q. WHAT MUST BELLSOUTH DEMONSTRATE IN ORDER TO PROVE THAT IT "PROVIDES" CUSTOMIZED OS/DA ROUTING AND SUPPORTING OSS?

A. The FCC contemplated that a BOC would have to do much more than tell competitive providers to contact an account team in order to "provide" a checklist item. The FCC previously has discussed what it means for a Bell Operating Company ("BOC") to "provide" a checklist item. In its Ameritech-Michigan 271

order, the FCC concluded that a BOC provides an item if it "actually furnishes" the item, but if no competitor is actually using the item, the BOC will be considered to provide the item if it "makes the checklist item available as both a legal and a practical matter." The FCC further noted that "the mere fact that a BOC has 'offered' to provide checklist items will not suffice" to establish compliance, instead, the "BOC must have a concrete and specific legal obligation to furnish the item upon request pursuant to state-approved interconnection agreements that set forth prices and other terms and conditions for each checklist item."[80]

Q. USING THE FCC'S STANDARD, HAS BELLSOUTH PROVIDED CUSTOMIZED OS/DA ORDERING AND ITS SUPPORTING OSS?

A. No. Specific, verifiable terms and conditions for ordering and provisioning customized routing, including business rules and an electronic ordering process (or even a documented manual ordering process) for applying customized routing to specific customers simply do not exist. BellSouth has not demonstrated that CLECs can order and obtain customized OS/DA routing as a practical matter.

Q. HAS THE FCC ADDRESSED THE ISSUE OF OS/DA ORDERING?

A. Yes. The FCC has determined that ILECs, including BellSouth, must provide customized routing as part of the switching function, unless they can prove that

[80] Ameritech-Michigan 271 order, pg. 110.

customized routing in a particular switch is not technically feasible.[81] The FCC, moreover, anticipated that CLECs may have more than one OS/DA routing option, and has previously instructed BellSouth to simplify its ordering processes accordingly:

> We agree with BellSouth that a competitive LEC must tell BellSouth how to route its customers' calls. If a competitive LEC wants all of its customers' calls routed in the same way, it should be able to inform BellSouth, and BellSouth should be able to build the corresponding routing instructions into its systems just as BellSouth has done for its own customers. (Footnote 705) If, however, a competitive LEC has more than one set of routing instructions for its customers, it seems reasonable and necessary for BellSouth to require the competitive LEC to include in its order an indicator that will inform BellSouth which selective routing pattern to use. (Footnote 706) BellSouth should not require the competitive LEC to provide the actual line class codes, which may differ from switch to switch, if BellSouth is capable of accepting a single code region-wide. (FCC Second Louisiana Order at ¶ 224, emphasis added.)[82]

[81] FCC Local Competition First Report and Order, 11 FCC Rcd at 15709.

[82] The footnotes are equally instructive: Footnote 705 discusses the possibility that AT&T might want all its customers' calls routed in a single fashion:

> For example, if AT&T wants all of its customers' calls routed to AT&T's operator services and directory assistance, AT&T should be able to tell this to BellSouth once, by letter for instance, and BellSouth should be able to route the calls without requiring AT&T to indicate this information on every order.

Footnote 706, on the other hand, discusses the possibility that AT&T may desire more than one OS/DA routing option:

> For example, if AT&T wants some of its operator services and directory assistance calls routed to its operator services and directory assistance platform, but it wants other operator service and directory assistance calls directed to BellSouth's platform, BellSouth does not know whether to route AT&T's customers' calls to AT&T's platform or its own unless AT&T tells BellSouth which option it is choosing.

Thus, according to the FCC, CLECs are free to select more than one OS/DA routing option, and BellSouth may not require the CLEC to provide actual line class codes in order to obtain any OS/DA routing option if BellSouth is capable of accepting a single code, or indicator, on a region-wide basis. BellSouth witnesses have testified that BellSouth is, indeed, quite capable of accepting a single region-wide code, or indicator, for each of the OS/DA routings that may be requested by a CLEC.[83] Exhibit JMB-33.

Q. PLEASE DESCRIBE BELLSOUTH'S POSITION ON PROVIDING ELECTRONIC ORDERING FOR CUSTOMIZED OS/DA ROUTING.

A. Apparently, BellSouth is willing to route OS/DA calls for all of the CLEC's customers to one "default" option per state, based on the CLEC's "footprint" order. However, if CLECs want to route the OS/DA calls of some customers to one platform and other customers to a different platform, BellSouth's position is that the CLEC's LSR must identify a yet-to-be-determined line class code for the particular central office servicing that customer. LSRs that contained such an identifier would fall out to manual processing by LCSC because BellSouth's SOCS evidently cannot process line class codes. Thus, an LSR for customized routings must go through two manual translations -- the CLEC representative must translate the customer request into a line class code, and then the LCSC representative must translate the line class code into a SOCS-compatible format.

[83] BellSouth has never even attempted to demonstrate that does not have this capability.

In contrast, AT&T has requested that BellSouth assign a single digit "indicator" for a particular routing option that CLECs could identify on the LSR. In other words, AT&T has requested that BellSouth automate the process. Instead of having two manual translations, BellSouth would program its OSS to translate the single digit indicator into a SOCS compatible format.

Q. GIVEN BELLSOUTH"S POSITION, HOW DO CLECS SUBMIT ORDERS FOR CUSTOMIZED OS/DA ROUTING FOR PARTICULAR CUSTOMERS?

A. It is not clear. BellSouth has never provided the methods and procedures necessary to order customized routing for specific customers. On May 17, 2001, BellSouth published a CLEC Information Package entitled "Selective Call Routing Using Line Class Codes." Exhibit JMB-34. This document provides to CLECs formal instructions for the establishment of the footprint order and is based on work BellSouth's witness Keith Milner and I conducted as a part of the AT&T arbitration. BellSouth included in this document two "Ordering Information" paragraphs beginning on the bottom of page 8 that were not a part of the effort in which I participated. In addition to being in conflict with the testimony of Mr. Pate and Mr. Milner filed in this docket, the instructions offered are confusing, inadequate, and impossible to implement. On June 12, 2001, KPMG cited these same instructions when it filed Exception 69 in the third party test for Florida. Exception 69 states "BellSouth does not provide an accurate method for assigning the Universal Service Order Code (USOC) to request

BellSouth's Operator Services & Directory Assistance (OS/DA) Branding feature." Exhibit JMB-35.

CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. BellSouth still does not provide CLECs with nondiscriminatory access to its OSS. Many of the same deficiencies exist today that were identified by the FCC in its orders rejecting BellSouth's three prior applications under Section 271. BellSouth still does not provided adequate integration between pre-ordering and ordering OSS because it does not provided parsed CSR data. BellSouth still relies excessively on manual processing to handle CLEC orders, which continues to cause delays, errors, and additional costs. BellSouth still does not provide access to a full function, machine-to-machine interface for maintenance and repair. BellSouth still provides CLECs with second class support in many other OSS areas, such as OSS response times, call answer times, due date availability, jeopardy notices, total service order cycle time, ordering and ordering capacity. BellSouth has known about these deficiencies for years, but has failed to take corrective actions necessary to meet the Act's requirements for nondiscriminatory access.

BellSouth's CCP should be a major tool to correct these deficiencies and provide CLECs with the "meaningful opportunity to compete" envisioned by the Act. Instead, the CCP fails to provide CLECs with a known and knowable process and

imposes additional costs and burdens upon them. The CCP fails to meet CLEC needs and indeed actively discriminates against them. BellSouth retains and exercises veto power; fails to implement highly prioritized CLEC change requests and overrides CLEC prioritizations; fails to provide CLECs with a stable testing environment or adequate opportunity to test OSS changes prior to implementation; and provides preferential treatment for changes desired by BellSouth while allowing CLEC requests to languish. Additionally, BellSouth simply fails to adhere to the CCP. BellSouth fails to provide CLECs with information regarding changes to internal processes even though they will impact CLEC operations; makes unilateral and last minute changes to planned implementations; unilaterally implements unplanned changes to software and business rules; fails to submit Change Requests as required by the process; and fails to utilize the process to implement new interfaces.

In sum, BellSouth has not demonstrated that it provides CLECs with non-discriminatory access to its OSS. Rather, BellSouth attempts to pass off the existence of OSS infrastructure and a comparatively low level of commercial usage as proof of non-discriminatory access. In so doing, BellSouth ignores the relative quality of the OSS access it provides to CLECs in comparison with the quality of OSS access it provides for its retail operations. Indeed, BellSouth attempts to avoid a full review of its relative performance in Kentucky by urging the Commission to determine that its OSS is "regional" and adopt KPMG's flawed findings in the Georgia third party test. The Kentucky Commission should reject

BellSouth's proposed approach and find that the relevant evidence does not demonstrate that BellSouth provides CLECs with non-discriminatory access to its OSS. That concludes my testimony.