

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on November 22, 2005

COMMISSIONERS PRESENT:

William M. Flynn, Chairman
Thomas J. Dunleavy
Leonard A. Weiss
Neal N. Galvin
Patricia L. Acampora

CASE 97-C-0139 - Proceeding on Motion of the Commission to
Review Service Quality Standards for Telephone
Companies.

ORDER ESTABLISHING MODIFICATIONS TO THE
INTER-CARRIER SERVICE QUALITY GUIDELINES

(Issued and Effective December 1, 2005)

BY THE COMMISSION:

BACKGROUND

The Inter-Carrier Service Quality Guidelines (C2C Guidelines) is a comprehensive document that establishes standards and metrics for the purpose of measuring and reporting inter-carrier service quality performance. Since the adoption of the C2C Guidelines, the Carrier Working Group (CWG or Group), whose membership includes Department staff and the major incumbent and competitive local exchange carriers (ILECs and CLECs, respectively) operating in New York State, has continued to work in a collaborative manner to propose modifications to the C2C Guidelines.¹

The proposed modifications to the C2C Guidelines addressed in this order are derived from both the consensus and

¹ Case 99-C-0139, Order Adopting Inter-Carrier Service Quality Guidelines, issued February 16, 1999.

non-consensus recommendations of the CWG. Prior to making a non-consensus proposal, the CWG endeavors to reach consensus to the extent possible, thereby, narrowing the areas of disagreement and the scope of issues requiring analysis. Our determination on disputed issues here considers the analysis and recommendations by Department staff and the comments submitted by the CWG parties.²

Notice of our intent to modify the C2C Guidelines were published in the State Register on July 27, 2005 (SAPAs 97C0139SA23 and 97C0139SA24), in conformance with the State Administrative Procedure Act. No comments in response to those SAPA notices were received.

ANALYSIS

In this instance the proposed modifications to the C2C Guidelines are derived from both the consensus and non-consensus recommendations of the CWG. The consensus modifications include: administrative edits; incorporation of audit results from other state C2C proceedings; and, modifications to the pre-ordering and ordering metrics. Parties also propose modifications to the C2C Guidelines that represent the non-consensus opinion of the Group. The non-consensus proposals include: modifications to the Guidelines pursuant to the Federal Communications Commission's (FCC) Triennial Review Order (TRO) and Triennial Review Remand Order (TRRO), that removes Unbundled Network Element Platform (UNE-P), line sharing, and line splitting products from certain metrics; changes to existing maintenance and repair metrics; and, replacement of the existing

² Comments on non-consensus issues were received from: AT&T Communications of New York, Inc. (AT&T), Covad Communications (Covad), Time Warner Telecom (TWTC), Verizon New York Inc. (Verizon), and jointly by Broadview Networks (Broadview), BridgeCom International (BridgeCom) and Metropolitan Telecommunications (MetTel).

statistical methodology for assessing parity standards with an alternative method.

Consensus Changes

The CWG submitted modifications to the C2C Guidelines that are the result of collaborative efforts by the CWG and represent the consensus recommendation of the group. The CWG parties have agreed that these changes are necessary and should be implemented. The consensus recommendations, included as Attachment 1, are classified into two categories: non-process changes of an administrative nature, and, changes that affect a C2C Guideline process.

Administrative modifications to the C2C Guidelines clarify or correct minor clerical errors within the C2C Guidelines and also incorporate recommendations of the CWG's Joint Subcommittee (JSC) on audit findings from other state C2C proceedings.³ The proposed administrative modifications are included in Section A of Attachment 1.

Also, as part of the consensus proposal submitted by the CWG for approval are recommendations to change certain C2C processes. These modifications include: the deletion of certain pre-ordering and ordering metrics with no activity in 12 months; a proposal to disaggregate OR-2-12: % On Time Trunk ASR Reject to resolve a JSC audit finding; and, modification of MR-1: Response Time OSS Maintenance Interface to implement the metric as intended in a previous C2C Guideline update. These consensus process modifications of the C2C Guidelines, are included in Section B of Attachment 1.

³ The CWG formed a Joint Subcommittee to make recommendations to the CWG on modifications that incorporate applicable audit results from proceedings by the Pennsylvania, New Jersey and Virginia Commissions. The JSC has met in numerous collaborative sessions since June 2004 to validate applicable findings and recommend their incorporation.

1. Determination

We adopt the consensus changes proposed by the CWG. These changes will enhance the C2C Guidelines in its ability to monitor wholesale telephone service quality performance.

Non-Consensus Changes

1. UNE-P, Line Sharing and Line Splitting Arrangements

a. Comments

Verizon proposes modifications to the C2C Guidelines that eliminate UNE-P, line sharing, and line splitting products from certain metrics.⁴ Verizon asserts that this proposal is consistent with the FCC's TRO and TRRO decisions, whereby, the FCC eliminated the requirements to provide these services.

According to Verizon, the TRRO decision eliminated its obligation to provide UNE-P services.⁵ Specifically, in most of New York State, the obligation to provide new UNE-P services ended on March 11, 2005, although it must maintain existing UNE-P lines until March 10, 2006. In other parts of New York State, designated as "Zone 2", Verizon claims its obligation to accept new UNE-P orders will expire on December 21, 2005.⁶ Verizon intends to convert those "Zone 2" UNE-P lines in service after March 10, 2006 to "UNE-P like services." Consequently, for line splitting, Verizon argues that because its obligation to offer

⁴ UNE-P is the combination of loop and switching elements necessary to provide Plain Old Telephone Service (POTS) service. Line sharing allows CLECs to access the high-frequency portion of Verizon retail voice copper loops for the provision of Digital Subscriber Line (DSL) services, and line splitting is the provision of CLEC DSL over a CLEC UNE-P line.

⁵ In the matter of Unbundled Access to Network Elements (WC Docket No. 04-313), Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (CC Docket No. 01-338), "TRRO", released February 4, 2005.

⁶ Zone 2 refers to wire centers located in less densely populated areas and are identified in Appendix A to P.S.C. No. 10 - Network Elements tariff.

UNE-P expired, its obligation to provide line splitting also expired.⁷

For line sharing arrangements, the FCC's TRO decision eliminated Verizon's obligation to provide new arrangements and ordered Verizon to maintain existing arrangements.⁸ Accordingly, Verizon argues that its obligation to report this product for C2C purposes should cease.

In addition to the applicable product deletions discussed above, Verizon also includes modifications to the exclusion section of other metrics to address grandfathered line sharing arrangements and Zone 2 UNE-Ps. These modifications exclude the following transactions:

- For OR-1 through OR-11 and PR-1 through PR-8
UNE Line Sharing ordered after October 1, 2003.
UNE Platform and Line Splitting: ordered after March 10, 2005. (Note NY Zone 2: After 12/21/2005.)
- For MR-2 through MR-5: UNE Line Sharing ordered after October 1, 2003

In place of the UNE services eliminated pursuant to the TRO (line sharing) and TRRO (UNE-P outside of Zone 2 and line splitting), and no longer available by tariff, Verizon now

⁷ Line splitting is the provision of CLEC-provided DSL over a UNE-P voice circuit. Therefore, it can only be offered in conjunction with UNE-P.

⁸ In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (CC Docket No. 01-338), Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 (CC Docket No.96-98), Deployment of Wireline Services Offering Advanced Telecommunications Capability (CC Docket No.96-98), "TRO", released August 21, 2003.

offers CLECs the ability to purchase similar services under commercial agreements.⁹

Only Covad and TWTC offer substantive comments on Verizon's proposal regarding UNE-P, line sharing and line splitting. Time Warner asserts that to ensure reporting integrity, C2C results should exclude reporting for products that are no longer an incumbent's obligation to provide. Additionally, it believes that new services substituted for those UNEs eliminated by the TRO and TRRO should not be included in Verizon's retail data.

Covad's comments focus on line sharing and line splitting arrangements. Covad believes that while the FCC's TRO decision changed an incumbent's obligations under Section 251 of the Telecommunications Act of 1996 (the Act), Verizon is still required to provide line sharing under Section 271. Covad further states that the broadband forbearance sought by Verizon here does not apply to copper loops. Further, Covad argues that line splitting was established as a UNE by this Commission and implies that the FCC's TRRO decision need not preempt our jurisdiction to require same.

In addressing Covad's arguments, Verizon submits that the authority to enforce Section 271 of the Act is vested with the FCC and not this Commission. Verizon further argues that this Commission, in approving tariff modifications to reflect Verizon's obligations regarding new and grandfathered line sharing arrangements, already considered and rejected similar claims being made by Covad.

i. Discussion

As it relates to Verizon's non-consensus proposal regarding UNE-P, line sharing and line splitting reporting in

⁹ Verizon reports that over 90% of former UNE-P lines and 98% of line sharing arrangements are now offered pursuant to commercial agreements.

the C2C Guidelines, the TRO and TRRO decisions eliminated or restricted an incumbent's obligation to provide UNE-P, line sharing, and line splitting as UNEs in New York. In addition, we approved various tariff filings that implemented the TRO¹⁰ and TRRO¹¹ changes that eliminated or restricted the offering of these UNEs. We addressed Verizon's obligation to provide such services in the tariff proceedings and there is no need to revisit those obligations here. Critically, since Verizon's obligation to provide UNE-P, line sharing and line splitting is, for the most part, eliminated, we find its obligation to measure and report performance in the C2C Guidelines should likewise cease. Accordingly, we approve Verizon's proposal to eliminate UNE-P, line sharing and line splitting from the C2C Guidelines. We also find that, at this time, the performance of UNE substitute services provided via commercial agreement should not be reported in the C2C Guideline results.

We acknowledge that there are limited circumstances where the provision or maintenance of UNEs eliminated by the TRO and TRRO still exist in New York. Indeed, as a result of the TRO decision, an incumbent's obligation to provide new line sharing arrangements was eliminated subject to a transition period, and, existing arrangements, in place at that time, were grandfathered. Subsequently, Verizon filed, and we approved, tariff modifications that defined the terms associated with those grandfathered arrangements. But, while those grandfathered line sharing arrangements could possibly remain as UNEs, the preponderance of those arrangements are now offered

¹⁰ Line sharing modifications pursuant to the TRO were addressed in Case 03-C-1442, Order Suspending Limited Portions of Tariff, issued January 29, 2004.

¹¹ UNE-P and line splitting modifications pursuant to the TRRO were addressed in Case 05-C-0230, Order Implementing TRRO Changes, issued March 16, 2005.

pursuant to commercial agreements. For the relatively small amount of arrangements that continue to be subject to C2C performance measurement and reporting - that is, those offered pursuant to P.S.C. No. 10 - only certain maintenance metrics would apply in any event. Therefore, we find that continuing the reporting requirement for grandfathered line sharing arrangements would be administratively burdensome and costly.

Similarly, despite the elimination of UNE-P and line splitting due to the TRRO, we approved tariff modifications that preserved Zone 2 UNE-P lines consistent with Verizon's Pre-Filing Statement (PFS) obligation in Case 97-C-0271. According to the PFS, new Zone 2 UNE-P orders will cease after December 21, 2005, yet existing Zone 2 lines could exist for an additional two years after that date. However, given the relatively small number of active Zone 2 UNE-P lines (that will likely decline over time), and the freeze on ordering going forward, we find little benefit in obligating Verizon to report on Zone 2 UNE-P performance after March 10, 2006. Consistent with our determination on grandfathered line sharing arrangements, a requirement to separately identify and report performance on such few UNE-P lines would likely be administratively burdensome and costly.

However, notwithstanding the foregoing, we do retain our authority to audit the performance results of all wholesale services, and the systems that support such services. Therefore, we require Verizon to continue to provide staff all data relevant to C2C Guideline performance results, including data on UNE substitute services or products if necessary to verify Verizon wholesale performance.

Finally, we believe that implementation of these modifications to the C2C Guidelines that remove UNE-P, line sharing, and line splitting products would be most efficient if

it coincides with the elimination of UNE-P service in March 2006.

2. Modifications to MR 2 - Trouble Report Rate

MR-2: Trouble Report Rate measures total initial network troubles reported per 100 lines, circuits or trunks in service. For this metric, a parity standard is used, that is, CLEC performance is measured against Verizon performance.

a. Comments

Verizon proposes modifications to MR-2 that would exclude installation (I-Codes) and repeat troubles (repeats) from both wholesale and retail trouble reporting.¹² Verizon claims that the inclusion of I-code and repeat troubles, already counted in PR-6 (Installation Quality) and MR-5 (Repeat Trouble Reports) respectively, is an inappropriate double-counting of problems that are not representative of network-related troubles.

Covad, Broadview and BridgeCom, MetTel and TWTC object to Verizon's proposal. AT&T states that it could support Verizon's proposal as long as the exclusions are applied to the reported retail trouble results. The objecting CLECs offer similar arguments on the importance that all troubles, including I-codes and repeats, continue to be reported in the MR-2 metric regardless of the reason. Covad further argues that it cannot support a change to the handling of repeat trouble tickets without a commitment by Verizon to cooperatively conduct testing prior to closing trouble reports, or to not charge for "not found" or misdirected troubles that are subsequently found on the circuit.

¹² An installation code (I-code) refers to the classification of closure of a trouble attributable to an incomplete or poor quality installation; repeat troubles (repeats) refer to previous troubles not repaired properly that require a second repair.

i. Discussion

There appears to be no argument that installation-related and repeat troubles currently included in MR-2 are also included in the other maintenance and provisioning metrics that specifically address troubles caused by installation or repeat problems. The question is whether their inclusion is appropriate in a metric designed to measure overall network performance. There is merit to the CLEC argument that the purpose of the MR-2 metric is to measure all troubles regardless of their origin. Poor quality installations and troubles that require additional repair should contribute to the diagnosis of the overall health of the network. The exclusions Verizon proposes address only their concern regarding double-counting and do not address an operational necessity or a functional deficiency with the existing metric that obviously has some value to the CLEC community. We therefore reject Verizon's proposal to exclude I-codes and repeat troubles from MR-2 Trouble Report Rate.

3. Modifications to MR-5: Repeat Trouble Report

MR-5: Repeat Trouble Report measures the percent of closed troubles that have an additional trouble closed within 30 days. For this metric, CLEC performance is also measured against Verizon performance.

a. Comments

Verizon proposes modifications to the existing metric to exclude those troubles where the initial report is closed as "no access to end-user."¹³ Verizon points to recent C2C data that shows that CLEC troubles have a higher rate of no access than that of Verizon retail troubles. Verizon believes it is

¹³ Troubles are closed to the "no access" disposition code when a technician is dispatched to a CLEC end-user location but cannot access the premise where the trouble exists.

unfairly charged with repeat troubles when the initial trouble was closed to the no access disposition code, as they don't have control in setting the access appointment with CLEC customers. Thus, Verizon must depend solely on the CLEC to provide accurate customer information to address the trouble in the prescribed appointment window. They claim a trouble closed to no access is not an indication of the quality of the repair, but, is rather, just an indication that the Verizon technician could not gain access to repair the trouble.

Covad's comments suggest that addressing the root cause of the no access condition should be the primary focus. It offers an alternative proposal that conditions Verizon's proposal to not exclude troubles closed as "no access other" and to require that technicians first contact the CLEC to address the no access condition.¹⁴ In support of its proposal, Covad points to an existing process in Verizon's provisioning operations that have reduced the frequency of no access situations. That process requires the Verizon technician to contact the CLEC when no access conditions exist. Covad also notes that the use of full day appointment windows contributes to no access conditions as it is difficult for the end-user to be available for the entire day. Covad claims that the use of more finite appointment windows, for instance, AM or PM, is not an attractive option for CLECs as it usually extends the interval for repair (in terms of days) and such repairs are excluded from metrics that specifically measure repair interval performance. Covad also argues that because CLECs can be billed

¹⁴ A trouble is closed to "no access-other" in situations where access by the technician is required to a location that is not at the end-user's premise, for instance, a terminal box that may be located at, or requires access through, another address.

for a misdirected dispatch associated with a no access situation, better management of the situation is warranted.

Broadview and BridgeCom do not support the Verizon proposal, citing too many variables associated with no access conditions and believe the alternative proposal be discussed further. MetTel does not support Verizon's proposal either, arguing that Verizon has consistently refused CLEC efforts to define the no access process to track and confirm Verizon to CLEC contact. AT&T and TWTC also support the alternative proposal.

Verizon claims that the processes proposed in the alternative CLEC proposal should be rejected as it would add unnecessary time and cost to repair the trouble.

i. Discussion

Verizon's proposal to preclude all troubles initially classified as "no access" from being counted as a repeat troubles replaces language that conditioned treatment of such troubles only when initial access was not available within an appointment window. Verizon's concern about being charged for a no access condition that they did not cause has merit, but we cannot support the Verizon modification which would preclude all no access troubles from being counted as a repeat regardless of origin, without first addressing the root cause of the no access condition. And while the alternative CLEC proposal also has merit, especially in instances when they or their customer may not have control over access, a fully developed process does not exist to establish communication between carriers to help avoid no access situations.

We therefore, reject Verizon's proposal to modify MR-5 at this time and recommend that Verizon and the CLECs collaboratively establish procedures to improve the efficiency of closing troubles to no access. That process should include a

method to communicate and verify the no access condition between the two carriers.

4. Modifications to Appendix K - Statistical Testing

Performance in C2C Guideline metrics is either measured against a benchmark standard, for example, 95%, 98.5%, 99% performance, etc., or against parity with Verizon performance where a comparable retail and wholesale process exist. Where parity standards are utilized, statistical testing, defined in Appendix K of the C2C Guidelines, is used to determine whether Verizon provides poorer service to CLEC customers than it does for its own retail customers. The current statistical testing methodology used in C2C Guidelines calculations is permutation testing, which basically measures differences in average performance.

a. Comments

A CLEC proposal would replace the existing methodology with a new testing method - the Kolmogorov-Smirnov (K-S) test. K-S testing basically looks for differences along the entire distribution of performance intervals as opposed to just the means.

MetTel and AT&T allege that the current test for determining parity, the permutation test, fails to detect discrimination in many instances. They contend that the K-S tests for the equality of distributions, it would provide a more correct test for parity. They argue that parity must be defined with respect to the equality of an entire probability distribution of time intervals, for example, installation intervals, repair intervals, etc., not with respect to merely the average time interval. They opine that the permutation test's results do not comport with the legal obligations imposed on Verizon pursuant to the Act. Also, by testing for equality of the entire interval distribution with one test, the parties contend that replacing the permutation test with the K-S test

would allow for a significant reduction in the number of metrics required for testing. In addition, they argue that the K-S test better captures the effects of extreme values, whereas the effects of those extreme values are masked if using a permutation test for differences in average (or mean) performance. They suggest that the K-S test would have the added benefit of being a diagnostic tool for exploratory data analysis. They also claim that the K-S test would help ensure that the C2C data are without measurement error, are like to like, and independent. Moreover, they content that the K-S test is easier to replicate than the permutation test, and as such, would be easy and inexpensive to implement.

Covad, which favors further examination of the possible uses of the K-S test, notes that the "K-S test demonstrated a deviation that the existing guidelines use several separate metrics to see. The test also revealed other anomalies that those existing metrics did not reflect."

Time Warner, favors further investigation of the K-S test before implementing. Time Warner suggests that the CWG would have to first disaggregate the data comparisons in order to sufficiently account for other variables that impact performance. Time Warner questions whether such a work effort is appropriate at this time, especially since the TRO and TRRO decisions and subsequent order activity by CLECs may include major changes to the populations of CLEC orders and repairs to be statistically tested. Time Warner states that it remains interested in the possible uses of the K-S test, but it does not believe it is appropriate to "flash cut" to the new test at this time.

Verizon disagrees with the CLEC assertions. Verizon argues that application of the K-S test to C2C data is inappropriate to evaluate parity and that application of the permutation test to the C2C data is the most reliable

determination of parity.¹⁵ Verizon also argues that the significance distribution associated with the K-S test is suspect if samples sizes are unbalanced - which is typically the case with C2C metric comparisons. Moreover, Verizon chides the CLEC parity testing proposal as being incomplete and flawed. It is Verizon's view that the permutation test satisfies the requirements of the Act, and that the permutation test provides clear guidance to its front line employees in managing their activities. In addition, Verizon also disagrees that the K-S test would allow for the elimination of metrics or that the K-S test is easier to replicate. Finally, Verizon contends that the K-S test would be difficult and expensive to implement.

i. Discussion

The CLEC arguments that support an evaluation of equality by more than just an analysis of mean performance have merit. Prior to the adoption of the permutation test, the C2C used the LCUG-t test.¹⁶ A beneficial feature of the previous method was that, although primarily testing for differences in average interval times, it also accounted for the equality of variances in performance intervals. The fact that the K-S test identifies differences in the equality of variances, as well as

¹⁵ Verizon contends that "the K-S test is overly sensitive to small differences and can mistake normal differences in the population for differences due to lack of parity. It is well known in the telecommunications industry that trouble reports and service orders vary due to a variety of factors. For example, time of day of receipt, geography, nature of the trouble, and class of service, all contribute to the length of time that it takes to fix a trouble. None of these differences are caused by discrimination, however, the K-S test would fail because of any of them."

¹⁶ See FCC 99-404, Appendix B for a description of the LCUG "modified" t test. The NYPSC subsequently replaced the LCUG test with the permutation test. The LCUG test accounted for differences in both the means, and the variances of performance intervals.

differences in all other aspects of the distribution of performance, is worth taking into consideration. Although AT&T notes that the Act requires that wholesale facilities must be provided to CLECs on a basis "that is at least equal in quality to that provided by the local exchange carrier to itself",¹⁷ it also allows for a broad range of options regarding the meaning of parity. The language in the Act is consistent with both the current test for equality in mean performance, and the proposed tests for equality along all points along the distribution of performance.

We are cognizant of Verizon's point that in order for incentive mechanisms to work, objective standards must be readily understood by front line managers and field employees. In this regard, the current test for equality of mean performance provides a meaningful performance target. We also agree with Verizon that aspects other than mean performance may already be accounted for. The current suite of metrics measures intervals at different points along the distribution.¹⁸ The following table illustrates this with respect to business repair intervals.

C2C Metrics Comparing The Same Bus Loop Trouble Duration Intervals	
MR-4-02-2110	Mean Time To Repair - Loop Trouble - Bus.
MR-4-04-2100	% Cleared (all troubles) within 24 Hours
MR-4-06-2110	% Out of Service > 4 Hours - POTS - Bus
MR-4-07-2110	% Out of Service > 12 Hours - POTS - Bus
MR-4-08-2110	% Out of Service > 24 Hours - Bus.
MR-3-01-2110	% Missed Repair Appointment - Loop Bus.

¹⁷ See 47 U.S.C. § 251(c)(2)(C).

¹⁸ For example, in MR-4: Trouble duration Intervals, Verizon and CLEC performance in the MR-4: Mean Time to Repair sub-metric might be similar, but a larger CLEC variance may show up in Verizon and CLEC differences in the MR-4: Out of Service Greater than 24 Hours sub-metric.

As suggested by some of the CLECs, both the current and proposed statistical testing methodologies have merit. We find that the K-S test is a useful exploratory data analysis tool with demonstrated value.¹⁹ A diagnostic analysis based on monthly reporting of K-S test results for interval measures could provide the CWG with more confidence in the use of the permutation test and also could possibly demonstrate that differences in aspects other than mean performance are less relevant.

We further agree that now is not the appropriate time to "flash cut" to a new statistical test. However, we are receptive to the important benefits that may be forthcoming upon further review of the K-S testing procedure. Therefore, we direct Verizon to provide the necessary underlying data for the CWG to evaluate and report, on a monthly basis, the results of a one sided K-S test for each interval metric that includes a parity comparison. This information should be not be included in the C2C report but rather as an informal report²⁰ as part of routine CWG activity. This data should allow parties to both replicate the K-S results and engage in appropriate root cause analyses. The CWG is directed to analyze these results for a minimum of one year, perform root cause investigations regarding significant differences, and make recommendations regarding further metric definition and measurement changes which might be so warranted. The CWG may further recommend the manner in which

¹⁹ We continue to hold that the statistical tests for parity must be performed upon retail and wholesale data sets that are reasonably like-to-like, made up of independent observations, and free from measurement error.

²⁰ These results shall include: the D statistic, that is, the maximum percentage difference in the cumulative ILEC and CLEC interval distributions; the time interval at which that maximum difference occurs; and, the p-value associated with the one sided K-S test.

the K-S test should be incorporated into the ongoing C2C reports, if at all.

Finally, we find merit in Verizon's argument that unbalanced sample sizes may not allow evaluation of the D statistic via a parametric significance distribution. We instruct the CWG to analyze whether a re-sampling method, for instance, the permutation method, should be efficiently utilized to evaluate the exact significance of the K-S results.

5. Proposal on Statistical Treatment of Clustering

The statistical models used to evaluate parity require that all underlying data (or observations) be independent, that is, performance for one customer is not tied to performance for another customer. According to Appendix K of the C2C Guidelines, "clustering" occurs when individual items (orders, troubles, etc.) are clustered together as one single event. A cut cable, for instance, would cause repair troubles to be clustered, resulting in the repair performance to all customers served by that cable being linked together. The repair times experienced by the customers associated with this event, therefore, would not be independent.

a. Comments

Verizon proposes modifications to Appendix K of the C2C Guidelines that remove the parenthetical "(more than 30%)" from the three Clustering event sections of Appendix K. Verizon argues the modification would merely address a current inconsistency in Appendix K. Verizon notes that current language requires that 30% of the CLEC activity (or observations) be involved in the clustering event before Verizon is allowed to file an exception to the performance result. They view this requirement as inconsistent with the statistical testing sample size requirements outlined in the initial sections of Appendix K. Since Appendix K requires parity tests to be performed on samples of independent observations, Verizon

does not find it reasonable to be limited to filing exceptions which challenge the independence of observations assumption only in instances where samples exceed the 30% threshold. Therefore, Verizon proposes that the "more than 30%" criteria be removed from the clustering event provisions.

AT&T is opposed to Verizon's proposal. According to AT&T, Verizon's proposal for a significant change to the clustering exceptions section of Appendix K is in reaction to a simple and limited ministerial correction that AT&T and MetTel had proposed for Appendix K. AT&T argues that Verizon had ample opportunities to develop, raise, present and defend such a proposed change to the clustering exception language in the past, but failed to do so. According to AT&T, allowing a late filed, undocumented, and unsupported proposal would be an abuse of the collaborative process. Furthermore, AT&T argues that Verizon will not be harmed by making its proposal to the full CWG at a later date, along with the customary level of supporting evidence, data, and genuine opportunity for collaboration.

Covad recommends that existing clustering requirements remain in effect until future recommendations to change measures, based upon the use of the K-S test, are generated by the CWG. Covad notes that the use of the K-S test will clearly demonstrate the existence of clustered events. At that time, Covad suggests that root cause investigations and subsequent actions can be appropriately determined on an event basis.

Time Warner supports the modification of Appendix K of the C2C Guidelines to remove requirements associated with exemptions due to clustering. According to TWTC, requirements associated with the Performance Assurance Plan (PAP) should be documented in the orders and procedures pertaining to that proceeding.

i. Discussion

The clustering section of Appendix K clearly acknowledges that "some comparisons may not meet the requirements for statistical testing," when clustering events interfere with the independence of the data points. However, as Verizon notes, Appendix K does not currently provide the opportunity to demonstrate these effects of clustering in all instances where the statistical comparison is performed. This inconsistency must be addressed.

Also, as commentors suggest, the C2C proceeding is not the place to address PAP related orders and procedures. Future CWG collaborations on this issue should pertain solely to the ramifications of clustering as it pertains to Appendix K. We expect that Verizon will provide such historical supporting evidence and data to the CWG in an effort to create a "genuine opportunity for collaboration."

Verizon's clustering proposal was raised extremely late in the C2C process and the CWG did not have the appropriate time to review the proposal. However, as Covad notes, the use of the K-S test will help identify the possible impacts of clustering upon independence of Verizon time intervals. Thus, the one year period over which the CWG analyzes the K-S test should shed light on the manner in which clustering is likely to impact statistical metric comparisons.

We find that the opportunity to demonstrate a clustering event should be available in each and every instance where there is a chance that clustering of the data unreasonably impacted a parity testing analysis. Thus, there should be no requirement that a minimum proportion of CLEC activity first be impacted before an event clustering exception can be filed. The methodology set forth in Appendix K should be made consistent. Therefore, we approve Verizon's proposed

modification to remove the "more than 30%" parenthetical from Appendix K.

CONCLUSION

Based on the foregoing, the consensus changes of the Carrier Working Group, as discussed herein and appended to this order, are adopted. We reject proposed modifications to the Inter-Carrier Service Quality Guidelines for certain maintenance metrics (MR-2 and MR-5). We approve modifications that remove UNE platform, line sharing, and line splitting products from the C2C Guidelines consistent with this order. We further approve the modification to Appendix K for the statistical treatment of clustering. We also order that Verizon provide data necessary for the Carrier Working Group to report, for diagnostic purposes only, the results of an alternative statistical testing methodology.

The Commission orders:

1. The revisions to the C2C Guidelines discussed in this Order and appended to it are adopted.
2. Within 15 days of the date this Order is issued, Verizon New York Inc. shall file with the Secretary (20 copies) and serve upon each party the corrections, changes and additions to the Inter-Carrier Service Quality Guidelines herein.
3. In its compliance filing, Verizon shall address its ability to implement modifications that remove UNE platform, line sharing, and line splitting products to coincide with the discontinuance of UNE platform services in March 2006 or demonstrate the necessity of an alternative timeframe.

4. This proceeding is continued.

By the Commission,

(SIGNED)

JACLYN A. BRILLING
Secretary

Section A – Administrative Changes to the C2C Guidelines

	Product Codes
--	----------------------

1. *Change Proposed:*

Eliminate product codes for Top 100 products (4100, 4110, 4120, 4200, and 4300) and Retail (9000 series).

Rationale:

Language clarification. The Top 100 products are not relevant to the Carrier-to-Carrier Guidelines. Retail service is not reported as a separate line item on the C2C reports, and therefore does not require unique product codes.

CWG STATUS: Consensus 7/14/05

	Global Exclusions
--	--------------------------

2. *Change Proposed:*

Add the following exclusion to the General Exclusions section of the Guidelines

“PARTS Orders

Orders for Packet at the Remote Terminal Switching are excluded from the OR-1 through OR-7 metrics.”

Rationale:

Language clarification. Resolves finding in paragraph 4 for issue #26 in MD, DC, and VA, as well as NJ issue #35, paragraph 1.

CWG STATUS: Consensus 8/18/05

OR-1	Order Confirmation Timeliness
-------------	--------------------------------------

3. *Change Proposed:*

Add the following language to the OR-1 metric definition under the heading, “Facility Checks.” Added language in red text below:

Facility Checks; Orders for UNE Specials DS1 and above are submitted via ASR. All of these ASR orders get facility checks through the REQNET system. Verizon does not require a facility check on ASR orders for specials if the order is for a disconnect.

Rationale:

Resolves finding in paragraph 6 for issue #26 in MD, DC, and VA, as well as NJ issue #35, paragraph 1. Consensus reached at February 25, 2005 JSC meeting.

CWG STATUS: Consensus 7/14/05

Section A – Administrative Changes to the C2C Guidelines

OR-1	Order Confirmation Timeliness (Cont'd)
-------------	---

4. *Change Proposed:*

Add the following footnote against the OR-1-12 sub-metric title:

For OR-1-12, Verizon measures the confirmation on the last ASR PON version received.

Rationale:

Language clarification. Resolves finding in paragraph #1 for issue #32 in MD, DC, and VA, as well as finding in paragraph #1 for issue #41 in NJ. Consensus reached at the February 25, 2005 JSC Meeting.

CWG STATUS: Consensus 7/14/05

5. *Change Proposed:*

Add the following note to the OR-1 metric definition:

"If the Specials product is not a DS0, DS1, or DS3, it is classified as Specials - Other and is reported under the product Specials (Non DS0, Non DS1 & Non DS3)."

Rationale:

Language clarification. Resolves finding in paragraph #5 for issue #26 in MD, DC, and VA, as well as NJ issue #35, paragraph 1. Consensus reached at the May 4, 2005 JSC Meeting.

CWG STATUS: Consensus 7/14/05

6. *Change Proposed:*

Add the following note to the OR-1 notes section:

"For OR-1-19, TGSRs received after 5 PM Eastern Time are counted as received the next business day"

Rationale:

Language clarification. Resolves issue #34 in MD, DC, and VA, as well as NJ issue #42. Consensus reached at the May 4, 2005 JSC Meeting.

CWG STATUS: Consensus 7/21/05

Section A – Administrative Changes to the C2C Guidelines

OR-2	Reject Timeliness
-------------	--------------------------

7. *Change Proposed:*

Add the following note to the OR-2 metric definition:

"If the Specials product is not a DS0, DS1, or DS3, it is classified as Specials - Other and is reported under the product Specials (Non DS0, Non DS1 & Non DS3)."

Rationale:

Language clarification. Resolves finding in paragraph 5 for issue #26 in MD, DC, and VA, as well as NJ issue #35, paragraph 1. Consensus reached at the May 4, 2005 JSC Meeting.

CWG STATUS: Consensus 7/14/05

8. *Change Proposed:*

Modify note 3 in the OR-2 definition to read as follows:

"For LSRs and non-trunk ASRs, all rejects are counted. For trunk ASRs, rejects are not counted for cancelled ASRs"

Rationale:

Language clarification. Resolves issue #36 in MD, DC, and VA. Consensus reached at the May 4, 2005 JSC Meeting.

CWG STATUS: Consensus 7/14/05

OR-3	Percent Rejects
-------------	------------------------

9. *Change Proposed:*

Add the following language to the OR-3 metric definition:

"Note: Edit Rejects (orders failing basic front-end edits) submitted via LSR are not placed in the NEWREC; therefore, they are not included in the calculation of OR-3-01."

Rationale:

Resolves issue #39 in MD, DC, and VA, as well as PA issue #12. Consensus reached at May 4, 2005 JSC meeting.

CWG STATUS: Consensus 7/14/05

Section A – Administrative Changes to the C2C Guidelines

OR-4	Timeliness of Completion Notification
-------------	--

10. Change Proposed:

Remove the following language from the OR-4 metric exclusions:

"orders received through the VAN EDI system."

Rationale:

Resolves issue #41 in MD, DC, and VA. Consensus reached at May 4, 2005 JSC meeting.

CWG STATUS: Consensus 7/14/05

OR-5	Percent Flow-Through
-------------	-----------------------------

11. Change Proposed:

Update the OR-5 products to read as follows.

UNE ~~POTS~~ Platform

UNE ~~POTS~~ Loop

UNE ~~POTS~~ Other

Rationale:

Language clarification. Ensures the guideline product descriptions read identical to those in the 12/16/04 NY PSC order. No calculation change.

CWG STATUS: Consensus 7/21/05

PR-9-03	% of Large Job Hot Cut Project Negotiations Completed
----------------	--

12. Change Proposed:

Renumber PR-9-03 to OR-13-01.

Rationale:

This sub-metric measures project negotiation, which is an ordering rather than a provisioning work step. Renumbering better aligns the metric with the proper domain. Metric calculation remains unchanged.

CWG STATUS: Consensus 7/14/05

Section A – Administrative Changes to the C2C Guidelines

PR-9-08	Average Duration of Hot Cut Installation Troubles
----------------	--

13. Change Proposed:

Update definition section for PR-9-08 as follows:

For sub-metric PR-9-08, troubles are counted in the month the trouble report is closed. This metric measures Average Duration of Hot Cut Installation Troubles where a reported trouble was found in the Verizon network within 7 days of order completion. Any additional trouble received after the initial I-code that is closed and is within the specified time period (7 days) is counted as a repeater.

Rationale:

Resolves MD issue #69, DC issue #70, and VA issue # 71. Consensus reached at March 24, 2005 JSC meeting.

CWG STATUS: Consensus 7/21/05

BI-9	Billing Completeness
-------------	-----------------------------

14. Change Proposed:

Add the following language as specified in red text below:

Definition Section:

This measure captures the completeness of the absolute value of the Verizon charges and credits shown on the Carrier bill of record (issued during the reporting month)...

BI-9-01 Numerator:

Current charges shown on the bill that accrued in the last twelve billing cycles

BI-9-01 Denominator:

Total current charges shown on the bill

Rationale:

Discussed at June, 2005 NY CWG meeting. Topic was BI-9 and metric treatment of previously billed balances that are carried forward.

CWG STATUS: Consensus 7/21/05

Section A – Administrative Changes to the C2C Guidelines

Glossary	Front End Close-Out	
-----------------	----------------------------	--

15. Change Proposed:

Update definition. Delete URL reference, refer reader to URL References section in the Guidelines.

Rationale:

Ensures consistency. All references to web sites in the Guidelines are found in the URL References section.

CWG STATUS: Consensus 7/14/05

All	Carrier-to-Carrier Appendices	
------------	--------------------------------------	--

16. Change Proposed:

Consolidate appendices into a single document

Rationale:

Makes the document easier to track and use.

CWG STATUS: Consensus 7/14/05

Appendix A	Specials and Trunk Maintenance Code Descriptions	
-------------------	---	--

17. Change Proposed:

Delete Appendix A. Add “Reserved for Future Use” placeholder in the Appendices. Move the following language from Appendix A to C2C Glossary, under the heading ‘Product Description’:

Special Services-

Criteria for inclusion (for line count and trouble tickets) is report category (rpt_cat) is "CR" indicating a Customer Reported trouble, circuit ID does not indicate (fourth character of circuit id for a length of 2) "TK","IB","DI","DO" because these are considered POTS, 7th character of circuit id does not indicate official Verizon line as defined by Bellcore standard practice, trouble code (TROUBLE_CD) is either "FAC" "CO" or "STN" indicating a network trouble, Maintenance center (MCTR) is not training or blank which excludes troubles entered for employee training purposes, Subsequent calls on the same trouble are not included in these metrics, Troubles/lines are excluded where circuit id (cktid character 4 for a length of 2) indicates non-UNE access circuit.

Rationale:

Most of Appendix A is longer relevant to the metric calculation since Verizon’s conversion to the Network Metrics Platform (NMP). The Verizon Fact Tables now accommodate the relevancy of each field.

CWG STATUS: Consensus 7/21/05

Section A – Administrative Changes to the C2C Guidelines

Appendix B	Provisioning Codes	
-------------------	---------------------------	--

- 18. Change Proposed:**
Change the word INTERGER to INTEGER

Rationale:

Corrects spelling
CWG STATUS: Consensus 7/14/05

- 19. Change Proposed:**
Change language under ‘Seller’ in SCM table as follows:

RSID, ~~or~~ AECN ~~in~~ or CCAR in ID ~~CCAR~~ section

Rationale:

Clarification
CWG STATUS: Consensus 7/14/05

- 20. Change Proposed:**
Add a reference to the SCM table under ATC in the value column as follows:

‘W’ OR ‘X’
See: Appointment Type Code (ATC)

Rationale:

Clarification
CWG STATUS: Consensus 7/14/05

- 21. Change Proposed:**
Move the word ‘company’ from the NMP Provisioning field column to the item column. Also, add ‘SC’ to the value column.

Rationale:

Clarification
CWG STATUS: Consensus 7/14/05

Section A – Administrative Changes to the C2C Guidelines

Appendix I	Trunk Forecasting Guide	
Appendix J	Collocation Forecasting Guide	

22. Change Proposed:

Remove Appendix I and J. Add the following note in the General Notes section of the Guidelines:

For OR-1-12, OR-2-12, and NP-2: Refer to industry letters on the Verizon Wholesale website for further details related to Trunk and Collocation forecasting.

Rationale:

The Trunk and Collocation Forecasting Guides are not necessary for the Carrier-to-Carrier Guidelines. These documents are posted on the Verizon Wholesale website.

CWG STATUS: Consensus 8/24/05

Section A – Administrative Changes to the C2C Guidelines

Appendix L	Example of C2C performance reports in ascii format	
-------------------	---	--

23. Change Proposed:

Delete example of performance reports currently included in Appendix L.
Include the following record layout file of the fields:

Field Name	Type	Description	Example
STATE	ALPHA	The state for which performance is being reported	NY
METRIC_MONTH	DATE	The month for which performance is being reported in MM/DD/YYYY format (DD is first day of reported month).	4/1/2004
CLEC_ID	ALPHANUMERIC	The identifier associated with a CLEC (AGGR for Aggregate reporting).	AGGR
METRIC_ID	ALPHANUMERIC	The metric ID for each reported measure in NN-RR-CC-TTTT format where: NN is the domain (Pre-Ordering, Ordering, etc.) RR is the metric number (1, 2, etc.) CC is the sub-metric number (01, 02, etc.) TTTT is the product code (2100, etc.)	PO-1-01-6020
GEOGRAPHY	ALPHA	The geography associated with the reporting ('Entire State' for state-level reporting.)	Entire State
METRIC_DESC	ALPHANUMERIC	The description associated with the performance measure.	Average Response Time - Customer Service Record (CSR)
PRODUCT_DESC	ALPHA	The description associated with the metric product code	EDI
STANDARD	ALPHANUMERIC	The performance standard for the sub-metric	Parity plus <= 4 Seconds
VZ_PERF	NUMERIC	The Verizon performance	
CLEC_PERF	NUMERIC	The CLEC performance	
VZ_DEN	NUMERIC	The Verizon denominator	
CLEC_DEN	NUMERIC	The CLEC denominator	
VZ_NUM	NUMERIC	The Verizon numerator	
CLEC_NUM	NUMERIC	The CLEC numerator	
DIFFERENCE	NUMERIC	The difference between Verizon and CLEC performance	
STANDARD_DEV	NUMERIC	The standard deviation	
Z_SCORE	NUMERIC	The Z-Score calculation	

Rationale:

Enables Appendix L to be converted from Excel to Word; facilitates integration to a Combined Appendices document.

CWG STATUS: Consensus 7/14/05

Section A – Administrative Changes to the C2C Guidelines

Appendix S	Projects Requiring Special Handling
-------------------	--

24. Change Proposed:

Add the following language to Appendix S. Added language in red text below:

Upon agreement from both Verizon and the CLEC that the work will be handled as a project the CLEC will transmit either electronically or in writing the following information:

1. A list of PONs to be associated with the project.
2. A unique PON identifier.
3. Start date
4. Approximate completion date
5. A definition of the special handling to be required by the project and the requested deviations from standard business practices due to the project.
6. The state(s) in which the special project PONs will apply.

Verizon will exclude such PONs from specific metrics as shown in Table A. Table B lists measurements that would only be excluded if circumstances warrant. The metrics and the circumstances for exclusion are identified below. Verizon will exclude special project PONs from the results for the month if it receives a letter from the CLEC before the 15th of the month. Otherwise, the exclusion will begin in the next reporting month.

Rationale:

Resolves issue #28 in MD, DC, and VA. Consensus reached at February, 2005 JSC meeting.

CWG STATUS: Consensus 7/14/05

OR-1	Order Confirmation Timeliness
OR-2	Reject Timeliness

25. Change Proposed:

Add the following to the Exclusions section for OR-1 and OR-2:

If a reject and a confirmation are sent on the exact same PON/Version, Verizon will not count the incorrect notifier.

Rationale:

Resolves issue #27 in MD, DC, and VA, as well as NJ issue #36. Also resolves issue #35 in MD, DC, and VA, as well as the finding in paragraph #2 for NJ issue # 43. Consensus reached at May 4, 2005 JSC meeting.

CWG STATUS: Consensus 7/21/05

Section A – Administrative Changes to the C2C Guidelines

OR-4	Timeliness of Completion Notification
OR-7	Order Confirmations/Rejects Sent Within Three (3) Business Days

26. Change Proposed:

Add the following to the metric definition:

OR-4:

If the Provisioning Completion Notifier / Billing Completion Notifier (PCN/BCN) is resent because the problem is at the CLEC end (e.g. CLEC systems could not receive transactions), the time stamp is the first time the PCN/BCN was sent.

OR-7:

If the confirmation/reject notifier is resent because the problem is at the CLEC end (e.g. CLEC systems could not receive transactions), the time stamp is the first time the confirmation/reject notifier was sent.

Rationale:

Resolves sub-finding #2 for issue #26 in MD, DC, and VA, as well as finding in paragraph 1 for NJ issue #35. Consensus reached at May 18, 2005 JSC meeting.
CWG STATUS: Consensus 7/21/05

Product Code Table

27. Change Proposed:

Add the following to the product code table:

6095 - TAXI.

Rationale:

Clarification. The NY PSC 4/15/05 order included new MR-1 sub-metrics to measure the TAXI system. These metrics will require a new product code.
CWG STATUS: Consensus 8/18/05

Section A – Administrative Changes to the C2C Guidelines

OR-11	Timeliness of Provider Notification Report
--------------	---

28. Change Proposed:

Change language in definition from “D information” and “N order” to “service orders with disconnect activity” and “order with new connect activity”.

Rationale:

Language clarification. Disconnect and new connect activity can occur on C (change) orders. It is more appropriate to refer to the service order activity than the service order type.

CWG Status: Consensus 8/24/05

29. Change Proposed:

Change references from FTP file server to Customer Wholesale Portal (CWP).

Rationale:

The FTP file server was retired in 2005, replaced by the Customer Wholesale Portal. The CLEC community was notified of this change via the change management process.

CWG Status: Consensus 8/24/05

30. Change Proposed:

Change language for PN process as follows: The PN process starts ~~at 6:00 PM~~ with collection of the previous calendar day's completed service orders

Rationale:

Clarification. The starting time of the PN process is not germane to the metric calculation. Verizon's Ordering gateway system runs a mechanized script the morning after to capture order activity from the prior calendar day. The service orders still carry the previous day's date for interval calculation purposes.

CWG Status: Consensus 8/24/05

Section B – Changes to the C2C Guidelines Requiring a Process Change

Pre-Ordering and Ordering Metrics
--

31. Change Proposed:

Delete the following metrics with no activity in the past 12 months from the Carrier-to-Carrier Guidelines:

PO-1-04-6030
OR-1-06-3340
OR-2-06-3340

Rationale:

Remove metrics from the Guidelines which do not provide useful information.

OR-2-12	% On Time Trunk ASR Reject
----------------	-----------------------------------

32. Change Proposed:

Disaggregate OR-2-12 into the following products:

- Interconnection Trunks (CLEC) (\leq 192 Forecasted Trunks)
- Interconnection Trunks (CLEC) ($>$ 192 and Unforecasted Trunks and Projects)

Rationale:

Resolves audit finding.

CWG Status: Consensus 07/2005

MR-1	Response Time OSS Maintenance Interface
-------------	--

33. Change Proposed:

Add sub-metrics MR-1-08 to MR-1-12 to measure EBTA and TAXI.

Rationale:

MR-1 TAXI and EBTA performance measures were ordered by the NY PSC on 4/15/05. The new EBTA and TAXI measures have a benchmark standard of 95% within 2 minutes. The existing MR-1-01 through MR-1-06 sub-metrics describe an average. In order to implement the new measures as intended, MR-1 must be updated with new sub-metrics to reflect percent on time.

CWG Status: Consensus 8/24/05