

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)
to consider Ameritech Michigan's compliance)
with the competitive checklist in Section 271 of)
the federal Telecommunications Act of 1996.)
_____)

Case No. U-12320

AFFIDAVIT OF TIMOTHY M. CONNOLLY
(REGARDING AMERITECH MICHIGAN'S COMPLIANCE PLAN PROPOSALS)
ON BEHALF OF
AT&T COMMUNICATIONS OF MICHIGAN, INC. AND TCG DETROIT

November 15, 2002

1. I, Timothy M. Connolly, submit this Affidavit on behalf of AT&T Communications of Michigan, Inc. and TCG Detroit (“AT&T”).

Professional Background

2. My business address is 2005 Arbor Avenue in Belmont, California.

3. I am a business systems analyst. Currently, I operate the consulting firm of C2 Technology Analysts (“C2TA”). In my current capacity as a business systems analyst, I serve as a consultant to AT&T Corp. and its subsidiaries concerning OSS, third-party testing of the OSS of incumbent local exchange carriers (“ILECs”), ILEC Change Management Processes (“CMP”), incumbent-to-competitor testing procedures, and performance measurement systems. I have consulted with AT&T and its subsidiaries on OSS matters for more than six years.

4. Prior to starting C2TA, I worked for technical consulting companies and partnerships that were engaged to evaluate and recommend technology platforms for communications carriers, including incumbent OSS offerings. Several of these consulting assignments involved the OSS obligations of ILECs under the Telecommunications Act of 1996 and, in particular, state and federal regulatory commission requirements for the operational readiness of OSS to meet Section 271 checklist requirements. Prior to becoming a consultant, I worked for AT&T Corp. for fourteen years in a variety of capacities, including management of an international systems integration business unit that developed software packages of business and network support systems for domestic and overseas customers of AT&T.

5. I have degrees from Creighton University in Omaha, Nebraska, and from the University of Illinois at Chicago.

6. I have testified on the OSS capabilities of incumbent carriers across the country in state and federal proceedings, including the proceedings before the Federal Communications

Commission (“FCC”) involving Bell Atlantic’s Section 271 application for New York, Southwestern Bell’s Section 271 application for Texas and the three Qwest multi-state Section 271 applications.

Topics Addressed By This Affidavit

7. In this Affidavit, I address the October 30, 2002 submission entitled “Ameritech Michigan’s Compliance Plan Proposals” (“Ameritech Michigan Proposal”), including the two proposed compliance audit plans described therein (“Compliance Plans”). SBC Ameritech Michigan (“Ameritech Michigan”) submitted its proposals to the Michigan Public Service Commission (“Commission”) pursuant to the Commission’s Order of September 16, 2002. In a separate Affidavit provided to the Commission this same day, I address the BearingPoint, Inc. (“BearingPoint”) OSS Evaluation Project Report (“BearingPoint Report”), also submitted to the Commission on October 30, 2002.

8. More specifically, in this Affidavit I explain why the Commission should not agree to accept the proposed Compliance Plans, with Ameritech Michigan’s performance under those plans audited by Hewlett-Packard Company (“HP”), as a substitute for completion of the testing being conducted by BearingPoint. In stark contrast to the Commission’s Master Test Plan that governs the BearingPoint testing, the proposed Compliance Plans were not created through a collaborative process involving Ameritech Michigan, the Commission, and interested Competitive Local Exchange Carriers (“CLECs”). The proposed Compliance Plans therefore are not informed by the “real-world” experiences of CLECs, and consequently do not adequately address important CLEC concerns.

9. Further, I do not believe it is appropriate (nor will it be efficacious) to shift the responsibility for monitoring Ameritech Michigan’s compliance from BearingPoint to HP. I am

aware of irregularities concerning HP's work that arose in connection with Southwestern Bell Telephone Co.'s ("SWBT") Section 271 Compliance Monitoring in Texas and similar issues that have arisen here in this proceeding. As I discuss below, there were irregularities in HP's performance involving its failure to follow established procedures and the appearance of allowing its audit subject (SWBT) to influence its findings, as well as concerns here regarding its admission, and subsequent attempt to explain away, that it had failed to issue observations that should have been issued. I therefore have strong reservations about HP auditing Ameritech Michigan's compliance, especially because CLECs to date have been denied any opportunity to participate, and apparently will not participate, in the audit process.

10. Additionally, I also explain that, even if the Commission were to accept the notion of employing after-the-fact Compliance Plans in lieu of completing the BearingPoint testing, the proposed plans contain serious defects and, quite simply, will not ensure Ameritech Michigan's compliance with the Commission's established standards. Further, the proposed Compliance Plans are incomplete because, as revealed in the Ameritech Michigan Proposal, they fail to address numerous Exceptions found by BearingPoint and *none* of the Observations, all of which denote significant problems.

Background

11. On September 5, 2002, Ameritech Michigan filed a document entitled "Request For Commission to Direct [BearingPoint] to Issue a Draft Report and to Schedule the Review Process of Such Report" ("September 5th Letter"). On September 16, 2002 and in response to that submission, the Commission, among other things, ordered BearingPoint to issue a draft report and set a deadline for Ameritech Michigan to file any compliance plans it desired. The

Ameritech Michigan Proposal and related Compliance Plans were filed pursuant to the September 16, 2002 Order.

12. The Ameritech Michigan Proposal seeks to address a difficulty often encountered by ILECs near the end of State Commission Section 271 proceedings – the need to resolve a discrete set of testing issues that remain open (*i.e.* unresolved) despite months of testing. As indicated in the BearingPoint Report, 17 Exceptions – which are instances where Ameritech Michigan has failed to meet required performance standards established under the Master Test Plan – were open as of October 30, 2002. Under the Master Test Plan, when an Exception is noted Ameritech Michigan must make corrections to the subject processes and systems, and then BearingPoint must re-test the performance, with the process repeated until the standard is met. The Ameritech Michigan Proposal stops well short of that approach. It dispenses with the re-tests and replaces them with Compliance Plans (proposed to be audited by HP) and “internal improvement plans” (unaudited). For instances in which Ameritech Michigan believes its performance is satisfactory despite BearingPoint's findings, it does not replace the BearingPoint test at all, but rather unilaterally concludes that nothing more need be done.

I. THE TESTING BEING CONDUCTED BY BEARINGPOINT SHOULD NOT BE REPLACED WITH A CLOSED “AUDIT” OF “COMPLIANCE PLANS” BY HP

13. Compelling reasons militate against allowing Ameritech Michigan to supplant the completion of the BearingPoint testing with “compliance plans” of any sort, let alone with the flawed Compliance Plans proposed by Ameritech Michigan (flaws that I address in Part II of this Affidavit). First, this Commission has conducted this proceeding to date employing a collaborative approach, in which AT&T and the other CLECs have played a significant role and invested substantial resources. This approach has allowed CLECs access to the information and processes vital to measuring the performance of the Ameritech Michigan systems CLECs must

rely on to compete effectively in the local telephone market. Substituting the unilateral approach suggested by Ameritech Michigan would not only undercut the purposes served by the Commission's approach, and the results it has obtained to date, it would also increase the chances of an inefficient and unsatisfactory resolution of the outstanding testing issues.

14. Second, I do not believe that HP should audit Ameritech Michigan's Compliance Plans, especially in a non-collaborative setting. During both its audit work on SWBT's Section 271 Compliance Monitoring in Texas and in the Michigan Test, HP has demonstrated a lack of fidelity to established procedures, and has created the appearance of allowing SWBT to influence its findings in the Texas proceeding.

A. The Commission Should Not Abandon The Collaborative Approach To Testing.

Collaboration Is Called For By The Master Test Plan And Has Worked Well To This Point

15. Since the beginning stages of work on the OSS Test in Michigan – dating back to early 2000 – AT&T has been a consistent and active participant in, and contributor to, the collaborative test process. I have been a key player for AT&T in helping to develop the Master Test Plan, providing insights that I have after having directly participated in OSS tests in New York, other Verizon states, SBC states, the ROC states and Arizona Qwest tests, and more. AT&T has participated in the weekly Observation and Exception conference calls. Each of the meetings involving Commission Staff, BearingPoint, and the CLECs has been attended by one or more AT&T personnel, and I personally attended nearly all of these meetings representing AT&T. As evidence of AT&T's intensive participation in the testing process, AT&T is the only CLEC that issued requests for change to the Master Test Plan – not even Ameritech Michigan made such proposals. While AT&T's positions have not always been accepted, they have been clearly defined and presented for consideration in what I believe to be a professional manner.

AT&T's investment in the test and in the testing process has been and continues to be considerable.

16. From the outset, AT&T subscribed to the theory that the independent third-party test was the most efficient way to have the Commission determine whether Ameritech Michigan's OSS were adequate and nondiscriminatory. AT&T believed that the Master Test Plan – as written and executed – would serve to demonstrate what parts of the Ameritech Michigan OSS were adequate and, where they were not, the military-style (*i.e.* “test until pass”) testing would ensure that Ameritech Michigan implemented permanent, meaningful improvements to its systems and processes that it otherwise would not have.

17. When AT&T began to formulate its business plans, it intended to limit its use of Ameritech Michigan's OSS to the types of products, services, customers and markets required for those plans. I advised AT&T managers that the traditional SBC-type resolution approach – which consisted of account manager referrals, submitting OSS change requests, and prioritizing requests via industry-wide meetings – would not adequately address the OSS problems that had arisen. That is why I recommended the BearingPoint approach. However, no one could have forecast the number and types of problems that BearingPoint has detected or, perhaps even more importantly, Ameritech Michigan's reluctance to attend to those problems expeditiously. Certainly, the progress that has been made in getting Ameritech Michigan's attention to resolve process, procedure, operations, and systems issues would not have occurred without the BearingPoint test.

18. Ameritech Michigan's unilateral announcement of its Compliance Plans concept (September 5th Letter at VI) is an abrupt and unjustifiable departure from the collaborative approach ordered by the Commission and followed by the industry throughout this test.

Ameritech Michigan gave no indication that it was intending to abandon the Master Test Plan requirements to satisfy the Global Exit Criteria (*i.e.* the tasks that must be completed before testing can be deemed complete), which are critical components of the agreed-upon Master Test Plan. Unilateral action like this is highly objectionable because it completely abrogates the collaborative and consensual process that has been fruitful in resolving numerous issues. If all parties can agree on the details of the means through which the test should be carried to completion – assuming there is good reason to go outside the Master Test Plan provisions – the activities required to do so would become a matter of efficient work allocated according to expertise and not something argued about constantly among the parties. Since the Ameritech Michigan people have not, to my knowledge, worked on any successful OSS tests that have been submitted to any state or federal regulators, the fact that others involved in this proceeding have that experience imposes logical obligations to take advantage of the expertise available.

19. In addition to denying, for the first time, collaboration on a key part of the testing process, Ameritech Michigan's approach also denies CLECs information about the work Ameritech Michigan and HP will conduct. This is unprecedented. Ameritech Michigan attempts no justification for this denial, and I can think of no valid one.

20. This abandonment of collaboration means that *Ameritech Michigan alone controls the final testing process*. As revealed by the plain language of the Ameritech Michigan Proposal, the Ameritech Michigan proposal is to tell HP what to do and how to do it. (Ameritech Michigan Proposal at 3.) It allows HP to document its work plan and then have Ameritech Michigan (not HP) review it with the Commission or Staff. It calls for Ameritech Michigan to implement any corrections to systems, operations, processes, and procedures and for HP merely to “verify the implementation.”

21. Critically, the proposal does not require Ameritech Michigan actually to correct the original problem found by BearingPoint in an underlying Exception or to correct any new or additional problems found by HP in its “audit.” Indeed, in its Compliance Plans, Ameritech Michigan goes no further than the commitment signaled in the September 5th letter addressing this very point. That letter promises that “the results of this audit are used to validate SBC’s assertions related to the resolution of the selected exceptions and observations.” The Compliance Plans purport to provide a more detailed presentation of Ameritech Michigan’s proposed plan, but in fact Ameritech Michigan offers nothing more than an echo of the same promise. Each target Exception needs to be tied to specific action plans (or “assertions” as denoted in the Ameritech Michigan Proposal) designed to cure the deficiency in the Ameritech Michigan systems, operations, processes and procedures at a level of precision sufficient to remove all doubt about the effectiveness of those plans. As discussed below, Ameritech Michigan totally fails to do so.

22. Further, no specific information is required of HP – it is obligated only to issue a “compliance audit report.” Before asking the Commission to endorse this end-run around the Master Test Plan process, Ameritech Michigan should, at the very least, detail the nature of the findings HP has been engaged to present. In the absence of such detail, HP could issue an entirely cursory and conclusory report on its evaluation of the Ameritech Michigan assertions. Indeed, as the proposal stands, Ameritech Michigan does not commit HP to addressing all – or indeed any – of its assertions. Nor does it obligate HP to verify that the implementation of the assertions would actually resolve the problem originally recorded by BearingPoint. Given the collective deficiencies of the proposal, HP conceivably could satisfy Ameritech Michigan’s proposed plan with a report that says nothing more than “Ameritech Michigan is in compliance

with the assertions it made” or, worse, “Ameritech Michigan is not in compliance with the assertions it made.” The proposal simply does not require sufficiently detailed findings and opinions regarding the believed impact of the proposed assertions.

23. Lastly, the proposal establishes no standards for the conduct of the audit. This stands in clear contrast to the Master Test Plan, which requires BearingPoint to conduct its performance measures audit per “Yellow Book”¹ standards: “The performance metrics audit test will be conducted using the United States General Accounting Office Government Auditing Standards related to issues of performance audits as applicable to public utilities, as determined by [BearingPoint] in the exercise of its reasonable professional judgement(sic) in consultation with MPSC staff.” (Master Test Plan at 21.) In short, the audit of the proposed Compliance Plans falls woefully short of the rigors required by the Master Test Plan.

24. In contrast, the BearingPoint testing is adequate to discharge the remaining open testing items, in particular those where testing and re-testing are underway. The following table summarizes the Master Test Plan’s Exit Criteria (Master Test Plan at 19):

Table III-6: Global Exit Criteria

Criteria	Responsible Party
All required test activities must be completed.	Test Manager
All change control, verification, release management and confirmation steps have been completed.	Test Manager
All negotiated modifications and enhancements are tested.	Test Manager, Ameritech, MPSC staff
All negotiated performance measures are tested.	Test Manager, Ameritech, MPSC staff

¹ The Yellow Book is the “Government Auditing Standards of the United States General Accounting Office (GAO)” published by the Comptroller General of the United States. The Yellow Book contains standards for audits of government organizations, programs, activities, and functions, and of government assistance received by contractors, nonprofit organizations, and other non-government organizations. These standards, often referred to as generally accepted government auditing standards, are to be followed by auditors and audit organizations when required by law, regulation, agreement, contract, or policy. These standards pertain to auditors' professional qualifications, the quality of audit effort, and the characteristics of professional and meaningful audit reports.

25. Ameritech Michigan offers no way to link the results of the test and the results, in whatever manner they are produced, of HP's audit of the Compliance Plans. Because the HP work has been assigned without specific required outputs (at least none that are known about), it is impossible to determine whether HP will present BearingPoint with information sufficient to fulfill its responsibilities under the Master Test Plan. None of the criteria (as we understand them) have been met at this time. The proper way to satisfy the Global Exit Criteria is to continue on the path started in April 2000 – proceeding according to the testing the Commission required through its approval of the Master Test Plan.

My Experience With Similar Tests Illustrates The Effectiveness And Efficiencies Of Using A Collaborative Approach To The Formulation Of A Plan To Resolve The Final Remaining Issues And Satisfaction Of The Global Exit Criteria

26. During the closing stages of testing in the New York proceeding in which I took part, the Staff of the New York Public Service Commission, Bell Atlantic-New York, and participating CLECs collaborated to determine the best way to resolve open test items that remained unsatisfied. Industry participation – not unilateral demands by Bell Atlantic-New York – was sought and adopted to ensure an orderly and rational approach to completion of the testing requirements. Similarly, in other tests in which I have been directly involved, the best way to get from “unresolved” to “resolved” is through cooperatively finding solutions that can stand as consensus approaches to completing the tests. I strongly suggest that the Ameritech Michigan Compliance Plan approach be rejected now and a Commission Staff-managed, industry-wide collaborative be instituted instead. The goal of the collaboratives would be to develop closing scripts that would allow BearingPoint to finish the work it started and, indeed, has nearly completed. These scripts should take the form of a set of steps for each test issue and impasse item that BearingPoint can execute and, upon its satisfactory review of test results, close out the issues one-by-one.

27. There should be little concern that such a process would unnecessarily delay completion of the testing, because CLECs and Ameritech Michigan have sufficient, albeit somewhat competing, incentives to move the test along. Ameritech Michigan wants the test over so it can proceed with its Section 271 application. CLECs want the test over so that system and process problems that they experience, like those documented as Observations and Exceptions by BearingPoint, are efficiently resolved to allow them to compete more effectively.

28. The Commission Staff should take the lead to convene the test-ending collaboratives, working with BearingPoint to identify the unfinished tests with the known and documented problems in Ameritech Michigan's systems, operations, processes, and procedures. CLECs would recommend industry priorities and test protocols that could be deployed using their expertise, systems and, as needed, facilities, testing resources and personnel. Ameritech Michigan would contribute similarly to ensure that the tests are scheduled for completion and that re-tests are scheduled to follow the implementation of necessary corrections that fix the defects originally found by BearingPoint. The combination of industry experience in operations, testing experience from BearingPoint and other industry participants, and appropriate discipline to test and verify the outcomes would allow plans and expectations to develop quickly. Using that approach, a composite plan would emerge that would provide a framework for efficient completion of the test and attainment of the Global Exit Criteria.

B. HP Should Not Serve As A Compliance Auditor.

29. HP is not a good candidate to serve in the audit role proposed by Ameritech Michigan (should the Commission decide to adopt, in some form, a compliance plan approach). HP has a history of failing to follow the rules governing its audit work and, in connection with its work on the Texas 271 Compliance proceeding, apparently allowed its findings to be influenced by its audit subject – SWBT.

30. In the SWBT Texas Section 271 Compliance Monitoring proceeding, the Texas Commission expressly directed HP to provide CLECs with equal access to its audit process, and HP made express representations to the same effect. Those rules and commitments obligated HP, as the audit progressed, to share data with and provide copies of all work papers to the CLECs, and also to provide advance notice of any on-site work. Nevertheless, directly contrary to those representations and obligations, HP effectively shut the CLECs out of the process until a draft report was issued, and HP *never* provided CLECs with prior notice of an on-site visit. Thus, HP ignored the rules and made several promises it never kept.

31. An even more disturbing issue developed in connection with an interim report HP issued in that proceeding. Prior to circulating the interim report to CLECs, HP provided a draft of that report to SWBT while HP's PM 13 team was meeting with SWBT personnel. When the CLECs later obtained a copy of the draft report that had been provided to SWBT, a comparison with the version circulated to all parties revealed two troubling issues. First, the changes made uniformly favored SWBT. Second, all of the substantive changes related to PM 13 – the exact subject of the meetings between HP and SWBT when the improper draft was provided.² The unavoidable conclusion is that HP allowed SWBT, which has the same parent company as Ameritech Michigan, to influence the findings in the report. I need not explain the fairness implications of such actions.

32. HP evidently has not changed its ways, as it has evidenced a tendency not to follow the Commission's rules in this proceeding as well. An exchange at the October 15, 2002 Technical Conference provides one example of HP choosing not to follow the established rules. For the exchange to illustrate the point in a meaningful way, I first must provide some

² SWBT representatives also demanded that HP delete all "non-current" versions of the report after the changes to the interim report had been made.

background. As part of its engagement to function as a “Test CLEC,” HP was obligated to issue Observations and Exceptions in the same manner and under the same “ground rules” as BearingPoint. (See HP Response to AT&T Question 56.) Indeed, the “Rules of Engagement” that govern HP’s role in the testing require HP to issue Observations and Exceptions when problems are found. At several places in Chapter 5 of its Michigan Report through August 31, 2002, which “documents HP’s experience while developing and supporting the EDI Gateway and establishing a business relationship with [Ameritech Michigan],” HP noted defects that seemed to merit an Observation, but it did not issue one. The following excerpt indicates that HP does in fact know that the defects it found should be observations:

MR. CONNOLLY: How about HP, AT&T's question to HP 44.

MS. PRYOR: On HP's response for HP 44 through HP 52, it is the same as the questions, as I read them, are the same with, but slightly different referring to the different issues that are listed.

MR. CONNOLLY: Well, correct. As we go through each of the tables there it shows **significant issues that did not get reported as observations.** And, you know, I first wanted to understand what the reason was that they weren't observations, but then I'd also like to come back and ask you about these in terms of the materiality of not getting accessible letters and why is it that you put that on the observation side versus the exception side, and I'll also ask that about the other categories of documents that you did not get or that conflicted. So let's first go through the 84 LSPOR inconsistencies.

...

MR. CONNOLLY: Why were these not recorded as observations? Why did you use this question issue mechanism and not observations?

MS. PRYOR: The question, the question log is a tool used by a test CLEC, and they interact with SBC Ameritech as a CLEC, so a CLEC can open an observation, and that was their mechanism to exchange the issues that they had identified. As I said, some, many of those were opened and closed prior to the observation process being starting, because it started I believe the first part of April.

MR. REIDY: April 2001.

MS. PRYOR: Yeah, yeah. And, however, I will say that there are some of these issues that we should have issued observations on and we did not.

MR. CONNOLLY: Would that also go for our questions on 45, 46, 47, 48, 49, 50, 51, 52?

MS. PRYOR: Yes, it would.

MR. CONNOLLY: Well, that was my question. If you could go through AT&T 44 through 52 and identify for us which of the issues referenced in the various tables in your Section 5 of the report or Chapter 5, which of those items remain unresolved as far as the process that you've joined in to get them resolved, and which, if any, of those would, do you plan to issue as observations? And you don't have to tell us what the observation proposed number is, but which ones have crystallized for you sufficiently that they pass your definition of what an observation is. And the third part would be, which, if any, of those have crystallized sufficiently to have you write an exception?

MS. PRYOR: We can take away and identify which items within the report have not been resolved within those sections, within those questions; and we should be able to identify which of those will become observations and/or exceptions.

MR. KERN: Hollie, do you know about how much time you're going to need to prepare these responses?

MS. PRYOR: We should be able to provide the responses next week. I don't know. I mean are you asking if it can be done this week?

MR. KERN: I'm asking for a date certain that's not too far into the future that gives you enough time to complete the analysis.

MS. PRYOR: We should be able to have it done by the middle of next week, by close of business Wednesday. Is that too late?

MR. KERN: 23rd?

MS. PRYOR: By that, we can identify all the ones that are still open, and we should be able to have the analysis complete, whether they will become an observation or an exception; if there are any hiccoughs in the road, we'll identify that; and if it can be done earlier than that we'll certainly do that as well.

MR. KERN: No later than October 23rd. Thank you.

MR. CONNOLLY: Well, at what point -- where is the cutoff in this list of where waiting for an issue to be resolved is painful enough to cause an observation to be issued on the fact that you don't get answers to questions? You don't get issues resolved?

MS. PRYOR: Some of these issues are minor issues, and we don't believe they deserve or qualify for an observation.

However, we probably should have issued more observations on timeliness resolution to issues that have been raised by the test CLEC.

33. In the responses to AT&T's questions it promised for October 23rd (and in fact received on October 24th), HP contradicted itself and said that it should not issue Observations for those issues. That response provided in pertinent part (HP Response to AT&T Questions 44, 47, 51 and 52 at 14, 17, 21 and 22 (respectively)):

A status of Pending Closure indicates that the Test CLEC has received written or verbal clarification, but for which a clarifying update/change to SBC Ameritech published requirements was expected, but has not occurred. It is HP's professional judgment that these open items do not rise to the level of an Observation or Exception.

34. Thus, having first admitted that it had been negligent, HP subsequently hid behind "professional judgement" in an effort to explain away why it had not issued Observations or Exceptions with respect to the deficiencies of Ameritech Michigan it found and reported in Chapter 5 of its report – which happens to be the precise purpose of that part of HP's report. In other words, HP knows that it should have issued Observations under the standards it agreed to use, but chose to ignore those rules and did not do so. This performance on the part of HP should disqualify it from playing any role as "auditor" of a compliance plan in this proceeding.

II. IF THE COMMISSION CHOOSES TO ACCEPT THE AMERITECH MICHIGAN PROPOSAL AND USE COMPLIANCE PLANS IN LIEU OF THE BEARINGPOINT TESTING, IT SHOULD NOT RELY ON THE COMPLIANCE PLANS PROPOSED BY AMERITECH MICHIGAN, WHICH ARE POORLY DESIGNED AND SIGNIFICANTLY FLAWED

35. For my discussion of the Ameritech Michigan Proposal, I first convey some general concerns I have with regard to both of the Compliance Plans, and then address the specific defects of each Compliance Plan.

A. General Concerns Regarding The Proposed Compliance Plans

36. Before discussing the defects specific to each of the two Compliance Plans, I provide a brief overview of the manner in which Ameritech Michigan intends to execute the plans and express some general concerns about the effectiveness of the Compliance Plans.

37. The Compliance Plans are directed to two Exceptions noted by BearingPoint: Exception 33, which is “[BearingPoint] has observed instances where Ameritech has failed to accurately update the Customer Service Inquiry (CSI) records;” and Exception 52, which is “[BearingPoint] has observed instances of incorrect updates to Ameritech’s directory assistance database.”

38. Ameritech Michigan lays out the following procedure for its Compliance Plans. Ameritech Michigan will outline a several-step plan to address the problems identified in each Exception, describing each step of such plans in an “assertion statement” formulated by Ameritech Michigan management, which it will deliver to HP and Commission Staff. HP will then describe its plan to audit the assertion statements, ostensibly to determine whether the assertion statements will effectively remedy the problems identified by BearingPoint. (Ameritech Michigan Proposal at 2-3.) Ameritech Michigan would then implement its plan, possibly altered from the original proposal in light of any comments by HP or the Commission Staff, but Ameritech Michigan does not say that it would so alter it. Finally, HP would audit the

implemented process improvement. I presume HP will use the assertion statements that make up the plan as a standard, and seek to determine whether the actions taken conform to those steps, all of which is based on the assumption that the steps will effectively solve the problems identified by BearingPoint. The steps outlined in the Ameritech Michigan Proposal are referred to as proposed assertions or proposed assertion statements.

39. Perhaps the most fundamental flaw in the Compliance Plans is the absence of a commitment by Ameritech Michigan to resolve any deficiencies revealed by HP's post-implementation audit. In other words, if HP were to find that Ameritech Michigan's "fix" as implemented does not resolve the problem identified by BearingPoint, the Compliance Plans do not appear to obligate Ameritech Michigan to undertake further efforts to correct the original problem identified by BearingPoint or, for that matter, any other defects found by the HP audit. Thus, it seems that the Compliance Plans would allow Ameritech Michigan to say "we tried," and that is good enough. Clearly, such a standard does not ensure compliance at all, and the Commission should therefore reject the Compliance Plans on that basis alone.

40. Further, there are several unanswered questions concerning important aspects of the Compliance Plans. For instance, what precisely is HP's role, and what authority does it bring to the process of effecting the proposed improvements to Ameritech Michigan's processes? Also, if Ameritech Michigan represents that it will fix the original, BearingPoint-identified problem and any other problems uncovered by the HP audit, what is the scope and nature of that commitment? The Ameritech Michigan proposal is silent on these critical questions.

B. Specific Defects Contained In The Compliance Plans

Compliance Plan for Exception 33

41. I now turn to addressing the specific defects in each of the Compliance Plans, beginning with the plan for Exception 33, which concerns the accuracy of Ameritech Michigan's Customer Service Records (CSRs).³

42. As an initial matter, I must note that BearingPoint opened Exception 33 in January 2002 and it remains open today. Thus, Ameritech Michigan has been committing errors in CSRs for actual (*i.e.* non-test) CLEC customers for at least the last eleven months. The extensive period during which errors were made is significant because nothing in the assertion statements indicates that Ameritech Michigan will correct CLEC customer CSRs that contain errors prior to fixing the systems and processes that caused the errors, meaning the errors already made will remain and continue to impact CLEC service. The lengthy delay in implementing the corrective measures has only exacerbated that problem, and likely means the number of such errors is quite large.

43. The first proposed assertion (or step) in what Ameritech Michigan terms its "CSR Accuracy Plan" states that Ameritech Michigan "will develop a Service Order Quality informational package" and "share" it with "its Local Service Center ("LSC") Service Representatives by the end of this year." (Ameritech Michigan Proposal at 4.) What exactly this will achieve (if anything), or even is intended to achieve, cannot be divined from Ameritech Michigan's description. Nowhere does Ameritech Michigan discuss the content of this "informational package," or indicate how a Service Representative's work functions will change in light of Ameritech Michigan's action. Consequently, the audit HP would perform on this

³ CSRs are the general term used for reports generated by the Ameritech Customer Information System ("ACIS") upon receipt of a Customer Service Inquiry ("CSI"). Thus, those three terms are discussed, where appropriate,

assertion would be essentially worthless – confirming only that Ameritech Michigan “created” an “information package” and “shared” it with its LSC Service Representatives. In short, without additional information, I can only assume that this assertion does virtually nothing to correct the CSR problem.

44. Relatedly, Ameritech Michigan’s next proposed assertion states that “[b]eginning in January 2003, all Service Representatives will receive training via review of this information package.” (Ameritech Michigan Proposal at 4.) While Ameritech Michigan claims that it will begin “training” its LSC Service Representatives soon, it does not identify a date by which this training will be *completed*; thus, Ameritech Michigan makes no time commitment within which it will address this issue. Additionally, given the complete absence of detail with respect to the contents of the information package or the manner in which the training will be conducted, it is impossible to know whether the training will be effective in resolving the problems, and thus the worth of the HP audit again approaches zero.

45. Ameritech Michigan includes an assertion that it “will design and implement a quality review process for validating the accuracy of the Ameritech Customer Information System (“ACIS”)” and CSI record updates,” but limits the test to UNE-P and resale orders. (Ameritech Michigan Proposal at 4.) Like the first two assertions, this assertion lacks the specificity and concreteness necessary to determine whether this assertion will lead to a meaningful improvement in performance. Ameritech Michigan nowhere defines what it means by “accuracy” of the CSRs. Thus, Ameritech Michigan does not identify which parts of the CSR will be evaluated and which will not be evaluated, nor does it establish a standard against which the degree of accuracy will be measured.

interchangeably because the accuracy of the ACIS CSI systems and processes determine the accuracy of the CSRs.

46. Further, Ameritech Michigan states that it will sample transactions to conduct the test, but fails to identify how it will determine the samples, the size of the samples, and the frequency of sampling. For instance, perhaps Ameritech Michigan intends to take daily samples of “n” orders and conduct its quality review process such that it ensures that 100% of the sampled orders have all of the correct USOC entries and have each field identifier (“FID”) properly formatted for each of the USOCs and other ordering instructions, contain service address entries that match the service requests, and have order processing dates that exactly correspond to the confirmation and completion notices sent to the CLEC. Then again, perhaps that is not what Ameritech Michigan intends – in which case the review would be inadequate. The crucial point is that the Commission cannot assume from the proposed assertion that Ameritech Michigan will perform a meaningful review.

47. For its fourth proposed assertion, Ameritech Michigan states that it will “identify the root cause(s) of errors determined by the quality review process.” (Ameritech Michigan Proposal at 4.) However, BearingPoint has performed that task already, and found that the problems with CSR accuracy have their roots in LSC manual processing. Ameritech Michigan implicitly acknowledges that BearingPoint has already found the problem by asserting that it has “coached” Service Representatives about ignoring mistakes in the future. *See, e.g.*, SBC Ameritech Response to Exception 33, Version 2 at 4-5 (“the documentation has now been updated and the LSC has been advised. Additional LSC *coaching* was performed); *id.* at 5 (“The Rep created the manual order incorrectly. The Rep received individual *coaching* on July 26, 2002”).

48. Further, although Ameritech Michigan states that it will follow-up on the findings of the quality review process to find root causes, albeit without a commitment to do so promptly

or by a date certain, it limits its commitment to the pursuit of root causes that produce “frequent and significant” errors. Ameritech Michigan’s view of a frequent (or significant) error is likely different than that of a CLEC impacted by such an error, especially because the CLEC’s customer, and not Ameritech Michigan’s customer, will be affected. Nowhere in the Compliance Plan does Ameritech Michigan provide the slightest indication of the parameters of the quality review, but it expects the Commission to accept its sufficiency anyway. Thus, Ameritech Michigan appears to be intentionally nondescript and has not committed to take any corrective actions on the basis of its undefined “quality review process.”

49. For its final assertion, Ameritech Michigan contends that, “[u]pon completion of the above actions, the accuracy of ACIS CSI record updates will be improved (as compared to BearingPoint’s test results) based upon a sampling of CLEC production UNE-P and resale orders to be selected and reviewed by HP.” (Ameritech Michigan Proposal at 4.) While the process certainly needs to be improved, I am not certain at all that the improvement could be made on the basis of sampling and HP review of sample orders. Process improvement requires actionable steps in processes or designed changes to systems that will prevent the errors and ensure accurate CSRs. Checking the work after it is complete, which is all that Ameritech Michigan proposes, cannot prevent the errors from occurring. At best, it may provide an additional opportunity to correct the errors after they are input into the system, but the proposed review is not sufficiently comprehensive to prevent such input errors from occurring.

50. Additionally, I can think of no good reason not to verify the accuracy of all pertinent products and order types, as opposed to just those for UNE-P and resale. Ameritech Michigan processes CLEC-originated orders for UNE-L, local number portability (“LNP”), line-sharing, interconnection trunks, and more. All such orders result in CSRs, and all can be

affected by errors in the same processes that impact UNE-P and resale orders. It therefore appears that Ameritech Michigan is attempting to minimize the scope of the quality review process to a limited set of products and then to certain order types. However, Exception 33, which this review putatively addresses, points out a fundamental processing defect that is not so limited, and therefore a proposed solution cannot be so limited either.

51. Instead of verifying accuracy through this sampling method, I believe a superior approach to be the immediate implementation of a new performance measure by Ameritech Michigan that would compare orders to CSRs (post-order completion), and then report the results. Ideally, this would be a parity-based performance measure, with sample retail service orders compared to retail CSRs in addition to CLEC local service requests (“LSRs”) to CLEC CSRs. Remedies should also be attached for failure to meet the performance measure. Other ILECs such as Verizon and Qwest have similar performance measures in place.

52. Finally, as indicated above in my discussion of the general concerns with the Compliance Plans, I think it is imperative that Ameritech Michigan undertakes a retroactive analysis of its records to identify and correct all errors contained in Ameritech Michigan’s databases with respect to CLEC customer CSRs. The failure to do so will guarantee that numerous, preventable problems will continue to occur, unnecessarily, in the future. In its assessment of the critical problem underlying Exception 33, BearingPoint states: “Inaccurate updates to the Post-Activity CSIs will cause CLECs to have incorrect customer information, resulting in a decrease in CLEC customer satisfaction.”

Compliance Plan for Exception 52

53. The target of Ameritech Michigan’s other Compliance Plan is Exception 52, which concerns incorrect updates to Ameritech Michigan’s directory assistance database where the end user name and address information provided in the Test CLEC LSR is not what was

provisioned into the directory assistance database. The name and address information from the service order created from the LSR is also processed into other Ameritech Michigan databases and downstream systems.

54. BearingPoint issued Exception 52 on March 21, 2002. Therefore, as is the case for Exception 33, the extensive delay in failing to implement the necessary process improvements has almost certainly resulted in a large of number of errors for which Ameritech Michigan has made no commitment to remedy retroactively. Further, BearingPoint did not test for accuracy of name and address information in other database(s) that are updated with the same order information, because this specific test was limited to evaluation of the listing database. I understand that Ameritech Michigan updates E911 and other databases from the service orders based, in part, on name and address information. Therefore, errors in the service order names, such as those found by BearingPoint, will have direct, negative, downstream effects on the E911 database – and of course the need for accuracy in that database cannot be overemphasized.

55. Ameritech Michigan also attempts to diminish the importance of this Exception by contending that “[m]any of the listing errors identified would not impact the ability of a directory user to obtain the listing” (Ameritech Michigan Proposal at 5.) Ameritech Michigan offers no support or explanation for this statement, which defies common sense. These listings are for directory assistance, white pages listings and other databases. If the listed name is incorrect, the impact on the ability of everyone to obtain the listing is significant. This is readily illustrated by the following error identified in the BearingPoint Report: “The Last Name should be ‘Hoffner’s’ instead of ‘Sokana,’ and the First Name should be ‘Counter Spy Shop’ instead of ‘Sokana.’” (BearingPoint Exception 52 Item 1.) Because the listing contains neither part of the name, a directory assistance representative would be incapable of locating the listing for

“Hoffner’s Counter Spy Shop,” or to confirm the listing even for a person who knew the address. Similar difficulties arise from errors with incorrect address listings. (*Id.* (“the Street Name should be ‘Virtual’ instead of ‘Laurelwood’ and the Thoro should be ‘Rd’ instead of ‘Square.’”)) Thus, contrary to Ameritech Michigan’s claim, the errors in the database most certainly impact the ability of a directory user to obtain the listing information.

56. Ameritech Michigan also contends, once again without explanation or support, that its listing accuracy errors are “consistent with errors found in Retail.” (Ameritech Michigan Proposal at 5.) Refuting that statement is the Ameritech Michigan and BearingPoint correspondence on Exception 52, which indicates that the cause of the problems stems from LSC representatives – notably, the LSC does not process Retail orders. If the errors for Retail have a wholly different source than those for Wholesale, they are unlikely to be “consistent.” Further, Ameritech Michigan does not indicate whether its claim of equivalence is based on the type of error, the volume of errors, the content of the error (name, address, title, etc.) or type of listing. Accordingly, Ameritech Michigan provides no basis for drawing conclusions as to a comparison of the errors experienced by CLECs with those occurring at Retail.

57. Ameritech Michigan makes two categories of proposed assertions with respect to the Exception 52 Compliance Plan – system and quality assurance. Ameritech Michigan’s first system assertion states that it will install “vendor software updates” to its systems by December 31, 2002. (Ameritech Michigan Proposal at 5.) Ameritech Michigan fails to explain, however, exactly how those updates will halt (or help to halt) the occurrence of listing errors. This assertion also claims the installation of the updates will occur by December 31, 2002, but Ameritech Michigan does not indicate whether the updates have been ordered, or from where they will come.

58. Ameritech Michigan also proposes an assertion that it will implement an interim manual work process to resolve the problems reflected in the undefined and non-referenced “Skipped Section Report.” It claims that those problems will be resolved in three business days, but provides no indication of its present practice regarding that report, and thus there is no basis on which to measure performance, and any change in performance.

59. Additionally, Ameritech Michigan endeavors to implement a “long-term mechanism to route orders identified by the ‘Skipped Section Report’” into the established process – but this addresses only one of the several error types BearingPoint identified in this Exception. Therefore, this proposed assertion is at best an incomplete effort to remedy the problem, and at worst is completely useless.

60. Ameritech Michigan’s quality assurance assertions are identical to the assertions made for the CSR errors under Exception 33, and I have the same reservations regarding them for this Exception. There is, however, an additional flaw in the Ameritech Michigan approach for these listing accuracy issues. Ameritech Michigan’s third assertion says that it will sample UNE-P and resale orders for Ameritech Michigan, but BearingPoint has identified errors in orders for UNE-Loop as well. (BearingPoint Report Exception 52.) There is no justification for neglecting UNE-Loop orders or, indeed, any other order types that contain errors.

61. As with Exception 33, I believe Ameritech Michigan should propose and implement a new performance measure that would compare orders to listings (post-order completion), and then report the results. Ideally, this would be a parity-based performance measure, with wholesale orders compared to wholesale listings and Retail service orders compared to Retail listings. A parity-based measure is especially appropriate because Ameritech

Michigan claims that listing errors also afflict Retail. Remedies should again be attached for failure to meet the performance measure.

62. Finally, and equally important as in the case of Exception 33, Ameritech Michigan should conduct a retroactive analysis of its records and correct all currently-existing errors in CLEC customer listings, so as to forestall the certain occurrence of future problems for CLEC customers given the number of errors already in the databases. Such analysis will also identify the downstream databases that have been incorrectly updated and the Ameritech Michigan database correction plan should address these as well. The listing errors have consequences according to BearingPoint in its assessment of the discrepancies reported in this Exception:

Directory listings that are incorrectly provisioned will result in omitted or incorrect population of CLEC customers' information in the directory listing database. This can cause CLEC customers to perceive the CLEC's service as unsatisfactory, thereby damaging the relationship between customer and CLEC.

III. THE EXCEPTIONS FOR WHICH AMERITECH MICHIGAN DOES NOT PROPOSE A COMPLIANCE PLAN REQUIRE SIGNIFICANT REMEDIAL ATTENTION BEFORE THEY CAN BE CONSIDERED RESOLVED

63. In this Part of my Affidavit, I discuss the need to address the Exceptions *not* covered by Ameritech Michigan's two Compliance Plans. Ameritech Michigan acknowledges that BearingPoint identified fourteen additional Exceptions regarding the TVV and PPR testing groups, and thirteen additional Exceptions regarding the PMR testing group, but for various reasons did not feel that compliance plans were necessary to address them. Ameritech Michigan grouped the explanations for its decision not to create compliance plans for those remaining Exceptions into four categories: (1) BearingPoint has nearly completed its testing and Ameritech Michigan anticipates a favorable result (Exceptions 119, 122, 160 and 171); (2) Ameritech

Michigan believes that its performance is satisfactory, but it could improve performance and plans to do so through “internal improvement plans” (Exceptions 74, 112 (both closed) and 131 (open)); (3) Ameritech Michigan’s Responses to the open issues during the normal testing process obviate the need for further testing or improvement plans (Exceptions 29, 30, 44, 48, 49, 97 and 116); and (4) for the PMR testing, “significant progress” has been made and Ameritech Michigan is “working with BearingPoint” to arrive at a “clear schedule” to conclude PMR testing. Before discussing each category individually below, I note generally here that Ameritech Michigan has not described the issues in the subject Exceptions accurately and it has focused only on those parts that it has (or believes to have) addressed.

A. Exceptions Ameritech Michigan Believes Will Close In The Normal Manner

64. Ameritech Michigan states that BearingPoint is re-testing open Exceptions 119, 122, 160 and 171, and claims that the results of the re-tests will demonstrate success. (Ameritech Michigan Proposal at 7.) Whether those Exceptions will close as Ameritech Michigan hopes is a matter of considerable doubt because of the number of issues BearingPoint found for each Exception in addition to the ones discussed in the Ameritech Michigan Proposal.

65. Exception 119. This Exception concerns the accuracy of the CABS bills that are generated and the absence of appropriate process controls detected by BearingPoint. The “Additional Information” on this Exception, reported by BearingPoint on October 4, 2002, demonstrates that the problems uncovered are considerably more complicated than the mere two issues identified by Ameritech Michigan, *i.e.* Carrier Access Billing System (CABS) verification of bills prior to distribution to CLECs and verification of the proper bill format. I quote below the full extent of the issues identified by BearingPoint:

- ◆ It appears that **only rates are reviewed for CABS, not other elements such as calculations**. More specifically, the mechanized USOC/rate validation process only compares the billed rate against the CABS Rate Control Table, according to information provided by SBC

Ameritech. The calculation of bill components such as fractional and non-recurring charges is not part of the mechanized USOC/rate validation process for CABS.

- ◆ It is unclear how SBC Ameritech selects the sample of USOCs reviewed. Also, it is not clear whether there is a process to **update the sample of USOCs** selected for review to reflect current commercial activity, as the USOCs reviewed have not changed since June 2001. SBC Ameritech stated **that Universal Service Order Code/Class of Service combinations for the UNE-P and Collocation products are not included in the sample** developed for (and thus not evaluated as part of) the mechanized USOC/rate validation process. Therefore, this sample does not include products introduced in CABS since June 2001.
- ◆ The rates implemented in the CABS Rate Table, which is used to generate CABS bills, are supposed to be updated to reflect interconnection agreements. **It is unclear if the Rate Control Table, which is used to validate changes to the CABS Rate Table**, is updated on a timely and consistent basis with interconnection agreement changes. Since June 2001, updates to CLEC Interconnection Agreements have not been used to update the Rate Control Table.
- ◆ There does not appear to be a post-bill production process to validate that CABS Billing Output Specifications Billing Data Tape (BOS BDT) bills are properly formatted.

66. The highlighted portions of the BearingPoint excerpt denote process deficiencies that must be addressed in addition to those specifically mentioned by Ameritech Michigan. CLECs lack access to information indicating whether BearingPoint reached any satisfactory conclusions about sub-parts of Exceptions for which Ameritech Michigan implemented a process or system modification to resolve those sub-issues. Also, BearingPoint has no known practice for formally closing part of an Exception and keeping unresolved portions open for continued re-testing. I expect that BearingPoint requires all of the aspects of an Exception to be resolved before it decides to close the Exception. Additionally, where Ameritech Michigan indicates confidence in its implementation of a pre-release bill verification process, it does not indicate whether this process has been documented and sufficiently explained to BearingPoint such that its concerns are resolved.

67. Ameritech Michigan also fails to indicate whether it has documented a process whereby CABS bill formats are checked to ensure they contain no errors. Lastly, the scope of

the “format” error detection process is not clear. Ameritech Michigan has not revealed the types of errors that its review would detect. It has failed to indicate whether all CABS bills will be reviewed for format errors. It does not state that in the event format errors are detected, they will be corrected and result in revised bills that are prepared and rendered expeditiously. In the case the format error review detects widespread errors in CABS bills, the process should call for notice to CLECs that bills will be delayed, if necessary, and payment due dates adjusted to compensate for late delivery of the bills. I would expect these described parameters of the process to be verified by BearingPoint.

68. Exception 122. This Exception states that “[Ameritech Michigan] does not have a documented timeline for updating contract rates into the Carrier Access Billing System (CABS) Rate Tables.” BearingPoint issued this Exception when it became aware of the absence of this process. In the Exception, BearingPoint states that the following consequences flow from the process gap: “A CLEC’s expectation is to have its negotiated contract rates on the bills generated by [Ameritech Michigan] immediately following their effective contract date. The absence of a process for uploading rates in a timely manner may lead CLECs to file claims and engage in unplanned bill reconciliation to validate adjustments. These unplanned efforts would affect a CLEC’s operating costs.”

69. I am surprised that BearingPoint closed this exception for two reasons. First, BearingPoint relies upon Ameritech Michigan to make good on its promise to provide the CABS rate table update on the CLEC website at a *future* date. This is uncharacteristic of BearingPoint, which typically waits to determine that a future commitment is actually satisfied (as opposed to relying on a promised change) before closing an Exception.

70. The second, less obvious, reason is that BearingPoint, which served as the Test CLEC, did not observe the practice of this newly developed process. Since the process documentation was made available to BearingPoint on October 6, 2002, no changes were made to the Test CLEC's contract rates to determine whether the Ameritech Michigan process is practiced. Instead of effecting a change to its own rates to determine whether they are timely updated for CABS, I expected BearingPoint to observe whether another CLEC's CABS bills reflect new rates when issued, and conform to the timeline that serves to address the original problem. To my knowledge, BearingPoint made no request to CLECs to determine if any had upcoming contract rate changes that would have served as a basis for concluding that this new Ameritech Michigan process actually works and whether Ameritech Michigan routinely applies it.

71. Exception 171. Ameritech Michigan's response to this issue is an attempt to downplay the importance of the late Order Status-Provisioning Query ("POSQ") responses produced by its EDI pre-order and CORBA pre-order systems by asserting that the POSQ queries are "not used by commercial CLECs." (Ameritech Michigan Proposal at 8.) AT&T indeed does use the POSQ function through the GUI system. BearingPoint performed no testing of pre-ordering or provisioning queries through the GUI for purposes of evaluating the timeliness of the responses. The provisioning order status query is a necessary and useful tool to CLECs and one upon which poor performance should not be excused. The fact that AT&T uses this function counters Ameritech Michigan's excuse for failure and is yet another example of Ameritech Michigan "spinning" the facts to blunt bad test results.

B. Exceptions For Which Ameritech Michigan Has Developed “Internal Improvement Plans”

72. For the Exceptions in this category, Ameritech Michigan claims that its performance is satisfactory (despite the Exception), and therefore has declined to have the “process enhancements” described here re-tested by BearingPoint. Despite its self-graded satisfactory performance, Ameritech Michigan states that it “is committed to *attempting* to further improve performance” by adopting “internal improvement plans” (Ameritech Michigan Proposal at 9 (emphasis added).) I first note that, as with the general point I made above concerning the Compliance Plans, this merely commits Ameritech Michigan to *try* to improve its systems, not *actually* to improve them. Further, Ameritech Michigan does not explain why it sought to rectify the performance trouble uncovered by these particular Exceptions and not those discussed in the next section, for which Ameritech Michigan makes no effort (or even promise) to address.

73. Exception 74. This Exception concerns Line Loss Notifications – the notices sent to CLECs that they have lost a customer – the principal purpose of which is preventing customers from being double-billed. Ameritech Michigan’s “internal improvement plan” proposes that, for any future breakdown in the process for generating and distributing line loss notices, Ameritech Michigan will provide CLECs with available information via an “Accessible Letter,” seek to determine the CLECs specifically affected by the breakdown, and later provide those affected CLECs with information stating the specifics of the interruption, including the cause, impact and intended corrective action. (Ameritech Michigan Proposal at 10.)

74. Further, the proposed improvement does not indicate what exactly Ameritech Michigan would consider or review with respect to the Line Loss Notification system, prompting the following questions: (1) How often would the process be reviewed?; (2) Over what period of

time would each review take place?; (3) What notice will Ameritech Michigan provide the CLECs that “all is well” or “the problem has been found”?; (4) How much time will elapse between the review of the systems and the issuance of the notice? The answer to each of these questions is critical to developing and implementing an effective plan, and the Ameritech Michigan Proposal does not provide them.

75. Further, Ameritech Michigan hedges its plan by stating that it will execute the plan only upon the occurrence of “an interruption of significance.” (Ameritech Michigan Proposal at 10.) This provides Ameritech Michigan an unfettered leeway to decide which outages will be reported and which will not. Further, the plan does not specifically call for the notices to be sent to the “losing” or “gaining” CLEC (or both) in the event of an outage – it simply uses the term “affected CLEC.” In the effort to prevent double billing, notifying the “gaining” CLEC may be as important as identifying the “losing” CLEC because double billing is a customer service issue that will certainly impact the “gaining” CLEC and may even allow the “gaining” CLEC to take preventative measures, at least from a customer service or customer information standpoint.

76. Exception 112. This Exception concerns the timeliness with which Ameritech Michigan responds in its pre-ordering and ordering functions under different levels of ordering volume. BearingPoint has ceased all data gathering and testing on this Exception due to an impasse reached over the proper implementation of PM 2.⁴ According to Ameritech Michigan, if its interpretation of PM 2 is used, it satisfies the applicable benchmarks.

⁴ The PM 2 dispute is essentially as follows: Ameritech Michigan believes that the start time for its response interval should begin after its systems conduct a protocol translation of an incoming electronic request, whereas BearingPoint maintains that the proper start time is receipt of an incoming request by Ameritech Michigan’s systems.

77. Despite the belief in both its compliant performance and the absence of a “significant need for improvement to EDI pre-order timeliness,” Ameritech Michigan offers to make three EDI enhancements, each a software enhancement, that it thinks will decrease response intervals. Each of those fixes begs several questions concerning their relevance and their ability to deliver on what is promised. First, the BearingPoint-Ameritech Michigan dispute over Exception 112 has been waged over the nine months that have elapsed since the test failures were first found. While Exception 112 was issued in September, 2002 it uses the results of tests that were run as early as February, 2002 as the basis for determining that query and order responses are untimely. It has made unwavering statements that its reading of the business rules and BearingPoint’s reading are the reasons for its failing to meet the benchmarks, noting that no system issues were involved, only the way that transaction times are calculated. Now, Ameritech Michigan begins the process of announcing that it has determined technical enhancements that will improve the EDI translation process that it heretofore claimed to be the appropriate mechanism through which it sends and receives transactions. Why the change of position and more importantly, why the change now and not months ago? Additionally, Ameritech Michigan’s commitment to this plan must be questioned, because it cannot be determined that the decreased translator processing time (first step) has been placed into production; the 2003 upgrade (second step) is not explained as being compatible with all other software within the translator configuration and lastly, I cannot determine whether Ameritech Michigan even has ordered the software upgrade it promises in the third step of this “internal improvement plan.”

78. Exception 131. Ameritech Michigan’s wholly unsatisfactory performance in placing the correct “Cause Code” on CLEC trouble tickets led BearingPoint to issue this

Exception: In July, Ameritech Michigan properly coded the Cause Code only 91.4% of the time for Resale, 82.4% for UNE and 69.7% for Special Circuits, all against a benchmark of 95%. Ameritech Michigan “disputes” these findings and claims that current performance is much better (although only one item, Special Circuits, meets the benchmark even under Ameritech Michigan’s own calculations). (Ameritech Michigan Proposal at 11.)

79. Ameritech Michigan notes that the same technicians who handle the wholesale trouble reports also handle Retail trouble reports, implying that this is a Retail problem as well. Aside from the basic impropriety of attempting to excuse bad performance for wholesale customer by pointing to poorer retail performance in comparison, this performance is measured on a benchmark, not a parity basis, and Ameritech Michigan has not met the benchmark.

80. Further, BearingPoint found (and Ameritech Michigan did not mention) that incorrectly coding trouble ticket closures results in incorrect records. BearingPoint sizes this up with its assessment of the issue: “Inaccurate close out codes could affect business decisions for the ILEC and/or the CLEC.” What neither Ameritech nor BearingPoint mention is the critical point that incorrect closure codes, such as “no trouble found” or “trouble found in customer premise equipment,” among others, may result in the exclusion from the performance calculation of the very errors for which the trouble tickets were submitted. Such exclusions may in turn improve, artificially and mistakenly, Ameritech Michigan’s reported performance. Moreover, the closure codes are used by Ameritech Michigan as the basis to bill CLECs for dispatched technicians in the case the service problem is found to not be in the Ameritech network. Thus, a genuine Ameritech network service problem on a CLEC end user line that has the trouble ticket incorrectly coded as not Ameritech Michigan’s responsibility causes the trouble ticket not to be

measured for the amount of time the end user is out of service and will result in the CLEC being billed for the technician actually fixing the problem that is Ameritech's to fix.

81. Ameritech Michigan's Special Services systems and processes remain in re-test by BearingPoint. In the meantime, Ameritech Michigan should not hold hostage planned process improvements for retail and wholesale Special Services, a tactic it employs here by including the proposed improvements in an "internal improvement plan." The Commission should demand that Ameritech Michigan proceed to institute the "new initiatives" it outlines for this function.

82. With regard to the specific initiatives, Ameritech Michigan must explain how the planned updates to its "monthly quality reviews" will help. I fail to understand how such a review can check for coding accuracy or completeness, because the original source information is not available in such a review, and because such reviews do not address the coding process, but rather just the end result being the trouble ticket disposition. Accuracy and completeness can only be confirmed through the use of test cases.

83. Finally, Ameritech Michigan's endeavor to "conduct new Awareness Sessions" with all technicians regarding the need for "complete closure narratives" omits the need to stress accuracy. Accuracy is equally important as completeness.

C. Exceptions Ameritech Michigan Contends It Need Not Address Because Its Performance Is Satisfactory

84. Ameritech Michigan claims that no further testing is required for Exceptions 29, 30, 44, 48, 49, 97 and 116 because its commercial performance in the subject areas is satisfactory. (Ameritech Michigan Proposal at 13.)

85. I must note at the outset that, for three of those Exceptions (Exceptions 44, 48 and 116), Ameritech Michigan argues that a different performance standard that has not been adopted

will resolve the testing defect. Accordingly, Ameritech Michigan’s claims of satisfactory performance are based on standards it desires, not standards adopted by the Commission. The Master Test Plan states that “[t]he performance measures outlined in MSPC Docket No. U-11830 and amended by the MSPC on July 17, 2000 will be used as a baseline for the purposes of this test. Any new performance measures or further modification to existing measures that occur during the course of the test will also be evaluated.” (Master Test Plan at 3.) The performance measures in effect pursuant to the Master Test Plan have not been satisfied, and because BearingPoint must use those measures to report performance results, it must report failure. Ameritech Michigan thus improperly asks the Commission to abandon the Master Test Plan and evaluate its performance based on proposed, rather than existing standards.

86. Exception 29. This Exception concerns PM 7.1 – which measures the timeliness with which Service Order Completions (“SOCs”) are returned to the CLECs. Ameritech Michigan rests its claim of compliance on its attainment of the benchmark for UNE-P orders (one submeasure of PM 7.1) in each of the last four months and the 90% of total CLEC order volume represented by UNE-P. While accurate, Ameritech Michigan’s representations cannot alter the fact that it failed the performance measure (95.6% FOCs timely returned against a benchmark of 97%). Overall, the June to August results for PM 7.1 are mixed, with Ameritech Michigan missing the benchmark in August for UNEs and badly failing the LNP submeasure in each month:

Measure	June	July	August
7.1-01 Resale	99.41%	99.06%	99.31%
7.1-02 UNEs	98.61%	98.57%	95.50%
7.1-03 UNE-P	99.76%	99.77%	99.75%
7.1-04 LNP	78.46%	70.54%	78.00%

87. Ameritech Michigan's performance and failure to resolve Exception 29 caused BearingPoint to issue a "not satisfied" evaluation on Test TVV 1-28. Thus, contrary to its claim, Ameritech Michigan has not displayed commercially adequate performance with regard to the timely return of FOCs.

88. Exception 30. This Exception concerns the timeliness of Mechanized Reject Responses under PM 10.1, which requires such responses to be returned within one hour. Ameritech Michigan correctly states that the parties engaged in the six-month review process have agreed to change the time frame to two hours⁵ (while maintaining the benchmark performance rate of 97%). The new standard has not been formally adopted, and therefore Ameritech Michigan has calculated its performance under the new proposed standard because BearingPoint cannot do so consistent with the Master Test Plan. This prevents any verification of the accuracy of Ameritech Michigan's results, however, because Ameritech Michigan, but not the CLECs, can access test records, like this one, that are not included in the Exception report. As a result, I cannot determine whether Ameritech Michigan has correctly stated its test performance against the proposed standard. Test Reference TVV 1-22 maintains a Not Satisfied rating from BearingPoint due to this Exception remaining open.

89. Exceptions 44, 48 and 116. These are the Exceptions that Ameritech Michigan proposes to fix by changing the standard. As I mentioned above, Ameritech Michigan has forced the Commission to choose whether performance will be evaluated against the current or the proposed standards, and I remind the Commission that the Master Test Plan requires the use of current standards. Unless and until Ameritech Michigan's proposed standards are (at least)

⁵ This agreement to change through the six-month review process does not mean that a new standard has been in fact adopted, as the Commission has not officially acted. However, the CLECs agreement to the change distinguishes Ameritech's handling of this Exception from those discussed below, as any resistance from CLEC's concerning Ameritech Michigan's reliance upon the agreed-to change may be viewed as unfair.

agreed upon in the six-month review process and adopted by the Commission, Ameritech Michigan fails Test References TVV 1-23 (Exceptions 44 and 48) and TVV 1-24 (Exception 116).

90. Exceptions 49 and 97. For these two Exceptions, which concern timeliness of FOC processing, Ameritech Michigan simply claims that BearingPoint is wrong and that, per its own tests, it has met the performance standards. (Ameritech Michigan Proposal at 14.) On that basis, Ameritech Michigan has declined further testing. BearingPoint’s Disposition Report on Exception 49 is revealing:

Based on the Test CLEC experience, Ameritech is not meeting the benchmark for WebLEX GUI timeliness. Using results as of April 10, 2002, 105 out of the 126 (83.3 percent) manually-processed, electronically submitted responses were received by Ameritech’s WebLEX GUI systems within the above benchmarks. However, given that Ameritech has indicated that it is not engaging in a re-test, KPMG Consulting has no further action planned for this Exception Report.

91. The consequence of this Disposition Report is a Not Satisfactory evaluation for Test Reference TVV 1-26.

D. Exceptions Ameritech Michigan Contends Need Not Be Addressed Because “Testing Continues” (PMR Testing)

92. Ameritech Michigan bluntly acknowledges that it has not proposed any Compliance Plans or any other remediation efforts for the 13 Exceptions BearingPoint found that relate to Performance Metric Review (“PMR”) testing, stating that no such action is necessary because the testing continues. (Ameritech Michigan Proposal at 14.)

93. BearingPoint, however, has documented failings that permeate the Ameritech Michigan performance measurements system and, contrary to the claim in the Ameritech Michigan Proposal, BearingPoint has considerable work to do before that testing can be considered complete. I do not dispute Ameritech Michigan’s claim that progress has been made

towards resolving the myriad systems, processes, and procedure deficiencies. (Ameritech Michigan Proposal at 14.) But, exactly how close the process is to completion is not a matter of factual record because BearingPoint's opinion on that issue relative to Ameritech Michigan's claim is not known. All along the course of the test BearingPoint has not made scheduling data available to CLECs except at a highly summarized and imprecise level. Logically, Ameritech Michigan knows the extent to which it has resolved BearingPoint-detected issues, and Staff is kept aware of progress on a regular basis. Thus, it is my disagreement with Ameritech Michigan's portrayal of all the other types of open Exceptions featured in its Compliance Plan that forms the basis of my reservations about the status of PMR testing claimed by Ameritech Michigan.

94. Specifically, Ameritech Michigan claims that PMR 1 testing is largely done and that it has delivered "all of the documentation and information that BearingPoint requested." (Ameritech Michigan Proposal at 14.) Ameritech Michigan correctly describes the work steps that BearingPoint has identified (*id.* at 14 and 15) as necessary to resolve the three open PMR 1 Exceptions (i.e., 19, 20 and 47), but it might not be correct on the "end of January 2003" schedule to complete PMR 1 testing. One thing that is very clear is that Ameritech Michigan makes a self-serving claim that has yet to be found true:

SBC's performance measurement data retention architecture now clearly meets regulatory requirements and, therefore, no compliance plans are anticipated.

95. Ameritech Michigan's claims are simply incorrect unless and until BearingPoint completes its work in evaluating Ameritech Michigan's response to Exceptions 19 ("Ameritech's data retention policies regarding source data do not enable thorough and complete audits to be conducted or facilitate the resolution of potential disputes which may arise between the CLECs, Ameritech and the regulatory agencies regarding the correct reporting of performance

measurement results”), 20 (“The procedures and controls Ameritech has in place for performance measurement calculation and reporting are inadequate”), and 47 (“Several Ameritech Performance Measurement reporting systems lack the controls and edits to ensure that data is received and successfully loaded into these Performance Measurement reporting systems”). The failure of Ameritech Michigan’s data retention architecture to meet regulatory requirements is clearly and convincingly evidenced by the BearingPoint Report, which contains “Not Satisfied” or “Indeterminate” (which is also a “fail”) results in Test References PMR 1-6-A through PMR 1-6-R. Test PMR 1-6 has the Evaluation Criteria “Data in the [metric-specific] Group have been retained in compliance with regulatory requirements.” For every one of the 18 Performance Measurement Groups, the Result is the same: “Not Satisfied (in Retest).” It is too early for Ameritech Michigan to claim victory for PMR 1 testing.

96. Rounding out the other PMR 1 evaluation criteria (none of which have been found satisfactory by BearingPoint), there are six other Criteria for each of the 18 Performance Measurement Groups that are being evaluated by BearingPoint. Ameritech Michigan makes no mention of them in its conclusory paragraphs on the status of PMR 1, which serves as yet another example of the pattern I pointed out earlier -- Ameritech Michigan only reports on its closeness to resolving a problem when it chooses to and fails to mention other aspects of the problem being worked on by BearingPoint.

97. The following three Exceptions remain to be resolved with respect to PMR 3 testing: 41 (“Ameritech’s metrics change management process does not require the identification of changes to source data systems that impact metrics and the communication of those changes to relevant parties”); 133 (“SBC Ameritech does not have adequately defined procedures or tools to test changes to calculation programs, processes and systems involved in the production and

reporting of performance metrics”); and 157 (“SBC Ameritech did not update the Metrics Business Rules on a timely basis from September 2001 through February 2002.”). This demonstrates the minimum work that BearingPoint must perform even to evaluate the “documentation and enhancements” Ameritech Michigan proposed as resolutions for the specific PMR 3 issues. Accordingly, I disagree with Ameritech Michigan’s representation that it “has addressed all of the current issues relative to PMR 3.” (Ameritech Michigan Proposal at 15.)

98. Indeed, BearingPoint noted that seven of the 16 evaluation criteria for PMR 3 remain Not Satisfied. (BearingPoint Report at 285 - 297.) Considering that BearingPoint designated nearly half of the PMR 3 criteria as Not Satisfied, and of those seven BearingPoint is retesting just three, I assume that BearingPoint will find the remaining criteria still have not been met. The following table correctly illustrates the status of PMR 3 problem resolution for Test References listed as “Not Satisfied”:

Test Reference	Evaluation Criteria
PMR3-3	Metrics changes are approved by the appropriate authorities at each stage of the metrics change management process. Exception 129#
PMR3-4	The metrics change management process provides for logging and tracking of changes. Exception 129#
PMR3-5 *	The metrics change management process provides for the notification of external parties impacted, as required. Exception 108
PMR3-6 *	The metrics change management process provides for the monitoring of source systems for changes that impact metrics reporting. Exception 41
PMR3-7	SBC Ameritech complies with intervals for implementing changes to metrics business rules. Exception 157
PMR3-12	The metrics change implementation process requires thorough testing of changes. Exception 133

PMR3-16 * Known changes follow the documented metrics change management process. **Exceptions 41 and 129#**

* BearingPoint is conducting retesting for this Evaluation Criterion

BearingPoint closed Exceptions 108 and 129 on November 5, 2002.

99. It may be clear to Ameritech Michigan that it is close to passing BearingPoint's PMR 3 tests, but it is very unclear to me how much work remains for BearingPoint to do, and in the case of the Exceptions that are not being retested, what event(s) would serve to change BearingPoint's Not Satisfied result. If Ameritech Michigan is not intending to effectively resolve the problems that are brought to light in Exceptions 133 and 157, it appears to me that these would slide into the same category of Ameritech Michigan's "Actual Performance Does Not Justify Further Retesting" as I discuss above. If Ameritech Michigan is taking that tack, but not admitting that it has no intention of resolving the issues in these Exceptions, its actual position on PMR 3 is not as it represents, i.e., that "SBC has addressed all of the current issues relative to PMR 3." (Ameritech Michigan Proposal at 15)

100. With regard to PMR 4 testing, Ameritech Michigan advises that it has begun to develop a "[project] plan to address each of the activities required to complete PMR 4." (Ameritech Michigan Plan at 15.) It notes also that the completion date will hinge on BearingPoint's review and the completion of the project plan. The Exceptions that relate to PMR 4 are: 134 ("SBC Ameritech incorrectly populated the product name field in the Regulatory Reporting System (RRS). The product name is populated as 'UNKNOWN' for as many as 29,662 records in the January 2002 RRS 'install_hicap_subrate_detail' table. This table supports the reporting of 29⁶ performance measures, all of which may have been affected by this error"); 169 ("SBC Ameritech appears to be missing at least 11 percent of transactions needed to

⁶ Performance measures affected: 43, 44, 45, 46, 47, 48, 49, 50, 55, 55.1, 55.2, 55.3, 56, 56.1, 58, 59, 60, 61, 62, 63, 92, 96, 97,

validate the data integrity of 11 Ordering Performance Measurements”); 174 (“SBC Ameritech is using incorrect data in the calculation of Performance Measurement MI 11 (Average Interface Outage Notification”); 175 (“SBC Ameritech is using incorrect data in its calculation of Performance Measurements 114 (Percentage of Premature Disconnects (Coordinated Cutovers) and 115 (Percentage of Ameritech Caused Delayed Coordinated Cutovers) for the months of January through June 2002”); and 176 (“SBC Ameritech’s March 2002 performance measurement data is missing daily usage feed (DUF) records used in the calculation of Performance Measure 19 (Daily Usage Feed Timeliness”).

101. To date, PMR 4 (“Metrics Data Integrity Verification and Validation Review”) testing has resulted in no Satisfied criteria, although I will note that rather than across the board Not Satisfied or Indeterminate results for all 72 criteria, there are 29 Not Applicable results. BearingPoint has not progressed very far in resolving PMR 4 issues for reasons closely connected to the issues involved in PMR 1. For instance, a necessary and obvious component of testing for data integrity is a test to determine whether that data is collected and stored properly. The BearingPoint Report of October 30, 2002 does not identify the linkage between the test references and the unresolved Exceptions and Observations; therefore I cannot demonstrate which data integrity tests are Not Satisfied for specific measure groups as a result of an issue that is not resolved due to Exceptions 19 or 20 that deal with PMR 1 requirements.

102. In any event, I cannot determine whether a process similar to the one Ameritech Michigan and BearingPoint used to find common ground on PMR 1 issues has been initiated for PMR 4 testing. Ameritech Michigan and BearingPoint provided CLECs with notice of their joint PMR 1 work through the weekly Observation and Exception process, but no such notice has been provided regarding PMR 4. Attached as Exhibit TMC-06 is a copy of the November 5

Exception Status report for Exceptions 19 and 20, in which the entries for February through June of this year highlight the extensive work done to close the gap between the documentation that BearingPoint required to conduct PMR 1 testing and the availability and usability of the Ameritech Michigan documentation on those target subjects. In Exhibit TMC-07, which is also a selection of pages from the November 5 Exceptions Status report showing the status of the open PMR 4 Exceptions, I nowhere see an Ameritech Michigan and BearingPoint engagement to accomplish the type of results that appear to be the product of the PMR 1 work. If the discussions are underway, I am surprised that no mention of these would be made in the weekly Observation and Exception Conference Calls, which I regularly attend. I can be sure that no such discussions took place because, even if I missed one or two recent conference calls, the records of all those calls constitute the information reflected in the Exception Status reports I reference here. Thus, while Ameritech Michigan may intend at some future time to engage BearingPoint in discussions on the steps necessary to close the PMR 4 gap, no evidence suggests that that work is underway.

103. The PMR 5 test issues to be resolved are expressed in the 57 Observations that remain open. The recently announced plan to abandon the January data month as the basis of the replication effort does nothing to close those Observations, in fact, BearingPoint noticed the parties on the November 12 Observation and Exception conference call that it would report back on November 26 and change in the status of 19 of the Observations raised on the basis of January replication problems.

104. Ameritech Michigan asserts that the PMR 5 standard, ostensibly for accuracy in replication, has been set at a 95% threshold value for each Measurement Group. I find this a curious interpretation of the Master Test Plan, which is silent on the extent to which replication

is to be attained. My understanding of the testing requirements, as evidenced in the Exceptions and Observations issued on PMR 5, is that BearingPoint sets a 100% standard for its evaluation of whether replication is reached. In fact, I have witnessed discussions in which SBC-Ameritech executives have complained that the replication standard should be lowered because it is not reasonable, in their opinion, to require 100% accuracy. I have seen no requests by Ameritech Michigan to change the standard to 95%.

IV. THE AMERITECH MICHIGAN PROPOSAL IS INCOMPLETE BECAUSE IT DOES NOT ADDRESS THE NUMEROUS AND SIGNIFICANT PROBLEMS IDENTIFIED AS OBSERVATIONS

105. Ameritech Michigan wholly omits discussion of all Observations that remain open under the BearingPoint testing. Like Exceptions, Observations identify problems that must be addressed in order to have full confidence in the reliability of Ameritech Michigan's systems. Accordingly, the absence of any initiatives to address the BearingPoint Observations renders the Ameritech Michigan Proposal incomplete.

106. Non-PMR Observations. Ameritech Michigan did not mention 9 open BearingPoint Observations that concern issues other than the Performance Metric Review ("PMR").⁷ A full list of these Observations and the issues uncovered by them is attached as Exhibit TMC-08.

107. PMR Observations. Ameritech Michigan declined to address 57 open PMR Observations. A full list of these Observations and the issues uncovered by them is attached as Exhibit TMC-09.

108. The failure to address the large number of Observations identified above and in the attached charts renders the Ameritech Michigan Proposal wholly insufficient. An

⁷ Ameritech Michigan did not address PMR issues generally because BearingPoint testing continues.

Observation, while unlike an exception because it is not a certain indication that a test criterion will not be met, is a clear indication of an issue that must be addressed. This is especially true here, where the noting of Observations has grown to exclusively indicate problems, and several issues initially flagged as Observations have evolved into Exceptions.

109. Early in this test, BearingPoint and HP issued some Observations as a means to identify OSS testing questions for which no answer had been received. The practice has since shifted, and for many months the Observations issued have not been in the nature of questions, but rather have uniformly served to highlight problems in systems, processes and operations that need to be addressed.

110. Further, Observations may be indications of more severe problems, for which the full impact is not realized until Ameritech Michigan attempt to resolve the problem. In the course of the test to date, over 27 issues initially identified as Observations were, upon further analysis, closed as Observations and re-issued as Exceptions. While it is unlikely that all of the currently unresolved Observations will escalate to Exceptions, Ameritech Michigan, and the Commission, cannot ignore the presence of 68 “potential” Exceptions that “reveal[] one of Ameritech’s practices, policies, or system characteristics is not expected to satisfy one or more of the evaluation criteria defined for the test.”

Explanation of Graphical Summaries Of Information Presented Herein

111. I have compiled the information that I present in this Affidavit in Exhibit TMC-10 to display the Compliance Plan alongside the Test References in the BearingPoint Report. In this Exhibit, I identify the Test References that have a correlation with the Compliance Plan for which it indicates it will have HP audit its implementation of the assertions with a Green check. The two Green checks in the entire Exhibit relate to Test References TVV 4-21 (Unbundled

Dark Fiber Circuits were provisioned on the due date) and TVV 4-27 (Post-order CSRs were consistent with the required field inputs from submitted pre-order CSRs). These are found on pages four and five respectively. This means that for all of the work that BearingPoint shows remaining and that Ameritech Michigan needs to have corrected to satisfy the Global Exit Criteria, Ameritech Michigan proposes to use HP as its auditor to solve a mere two open issues: Exceptions 33 and 52. In the next area of this Exhibit, I provide a Yellow check for those test references where Ameritech Michigan either predicts BearingPoint's continued testing will result in satisfactory results or where Ameritech Michigan proposes an internal compliance plan for deficiencies that it wants to further demonstrate its resolve to improve performance. These are areas where I caution that Ameritech Michigan is promising that the issue is within its grasp, but it does not intend to have an audit of those system or process corrections. There are 30 areas of the unresolved OSS testing that have Yellow checks assigned.

112. The final set of checks, the Red ones, alert the Commission that Ameritech is not intending to correct the identified defects (5 items) and four more that are involved in unresolved tests for TVV 1, 6, and 7. The third element of the No Plan Proposed category of Red checks are in the Performance Metrics Audit, for which Ameritech Michigan has seemingly proposed that BearingPoint continue to conduct testing according to the Master Test Plan and the military-style approach embodied within. It contends for the 124 test references that are unresolved, it "has committed to continuing the PMR sections of the BearingPoint OSS Test, subject to future direction from the Commission or Commission Staff and, therefore, additional compliance plans are unnecessary." (Ameritech Michigan Proposal at 16.) I recall Ameritech Michigan making a similar commitment to start the OSS test back in 2000. Accordingly, I do not, and the Commission should not, place any weight on those promises.

113. In Exhibit TMC-11, I have charted the checks and display the categories one against the other. This chart serves three purposes. First, it points out the minimum commitment Ameritech Michigan makes to have its Compliance Plans subject to audit. Second, it indicates the extent to which Ameritech Michigan wants to avoid third party oversight and operate on its own internal compliance basis. Third, and most significantly, it emphasizes the extent to which Ameritech Michigan makes no plan to correct its systems, other than simply to continue BearingPoint's test of systems already shown to be ineffective without remedial efforts. The defects noted in this chart render Ameritech Michigan unable to sustain its burden of proof that its OSS provides nondiscriminatory access for CLECs.