

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 THE BEARINGPOINT, INC. OSS EVALUATION PROJECT REPORT)

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”). In this Affidavit, I explain why Ameritech Michigan cannot demonstrate that it offers nondiscriminatory access to its OSS, and therefore cannot demonstrate that it has not met the requirements for Section 271 relief. CLECs have nondiscriminatory access to OSS when adequate documentation and support is available to support and assist their use of the OSS, and the OSS actually provides CLECs with service sufficient for them to compete in the marketplace. The BearingPoint Report reveals that Ameritech Michigan’s OSS possess neither characteristic. Further, this Commission has established a testing process on the basis of collaborative meetings and consensual decisions as the means to ascertain whether Ameritech Michigan’s OSS has the necessary attributes. However, as I thoroughly describe below, Ameritech Michigan has not engaged in that process sufficiently, leaving the OSS testing incomplete (and the portions that have been completed indicating significant failures). Accordingly, the Commission has no basis upon which to conclude that Ameritech Michigan’s OSS offer nondiscriminatory access and satisfy the Section 271 criteria.

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 BearingPoint, Inc. (“BearingPoint”) OSS Evaluation Project Report (BP Report), submitted to the Michigan Public Service Commission (“Commission”) on October 30, 2002. In a separate affidavit filed this same day, I address the document entitled “Ameritech Michigan’s Compliance Plan Proposals,” also submitted to the Commission on October 30, 2002.

8. More specifically, I explain that, as revealed in the BP Report, Ameritech Michigan's OSS fails to comply with the requirements of Checklist Item 2 of Section 271 of the federal Telecommunications Act of 1996, which requires that Ameritech Michigan provide nondiscriminatory access to its OSS in accordance with the requirements of sections 251(c)(3) and 252(d)(1). This failure is complete; Ameritech Michigan has utterly failed to meet not only the federal requirement to provide nondiscriminatory access to its OSS under Section 271 of the federal Communications Act of 1934, 47 U.S.C. § 151 *et seq.* (as amended) (the "FCA"), as interpreted by the Federal Communications Commission ("FCC") through its Local Competition Orders and rulings on specific Section 271 Applications, but also the requirements this Commission established by virtue of the Master Test Plan (particularly the "Global Exit Criteria" that Ameritech Michigan must fully meet before the test can be deemed complete), which was formulated pursuant to the Commission's Order of February 9, 2000.

9. I also explain that, even in those instances where the BP Report indicates Ameritech Michigan's apparent compliance with various items, the deficiencies in the design and administration of the OSS Test call those "compliance" findings into serious question, resulting, in many cases, in the undeniable – and ultimate – conclusion that Ameritech Michigan has failed to comply with its federal obligations and its state obligations – as codified by the Master Test Plan – to provide nondiscriminatory access to its OSS. Finally, I discuss the problems that led Ameritech Michigan to failure, and point to several reasons, all of which were entirely within Ameritech Michigan's control, as to why those problems have not yet been corrected.

10. The nondiscriminatory access standard with which Ameritech Michigan's OSS must comply *before* it is granted Section 271 relief is found in the FCA, which requires all

Section 271 applicants to demonstrate that they “offer[] interconnection and access to network elements on a nondiscriminatory basis.” Memorandum Opinion and Order, *In the Matter of Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York*, CC Dkt. No. 99-295, FCC 99-404 ¶ 44 (December 22, 1999) (“*New York 271 Order*”) (citing 47 U.S.C. § 271(c)(2)(B)(i), (ii)). That nondiscriminatory obligation specifically applies to access to the OSS of Ameritech Michigan under the Section 271 Competitive Checklist (*id.* ¶ 84), which is the subject of the BP Report.

I. AMERITECH MICHIGAN HAS NOT MET THE FCC-ESTABLISHED CHECKLIST ITEM 2 STANDARDS FOR NONDISCRIMINATORY ACCESS

11. The FCC has provided more specific guidance on what an ILEC must show in order to meet the statutory standard of demonstrating that it offers nondiscriminatory access to its OSS. For instance, the FCC requires that Ameritech Michigan demonstrate that it provides OSS services to CLECs in “substantially the same time and manner” with respect to quality, accuracy and timeliness as it provides those services to itself. *See Bell Atlantic 271 Order* ¶ 44. For services Ameritech Michigan must supply to CLECs that have no retail analogue, the FCC requires that such services be provided at a level affording CLECs a “meaningful opportunity to compete.” *Id.* The Michigan Commission’s Master Test Plan (discussed further below), like the testing process adopted by numerous other state commissions, created benchmark standards that represent the minimum level of performance that would support competition, *i.e.* that would afford Michigan CLECs a “meaningful opportunity to compete.”

12. Sprinkled throughout various orders, the FCC has made several rulings establishing standards for OSS testing. These rulings have resulted in a broadly applicable two-part test discussed in Part I.A below, and numerous other standards directed at a particular

system or process. I first address the two-part test immediately below in Part I.A., and I then turn to discuss select “other” standards in Part I.B.

A. Ameritech Michigan Has Not Satisfied The FCC’s Two-Part OSS Test.

13. The FCC has created a two-part, OSS-specific test that Ameritech Michigan must pass in order to demonstrate sufficiently that CLECs have nondiscriminatory access to its OSS. The first part obligates Ameritech Michigan to develop documentation, specifications and support sufficient to allow a CLEC to interoperate, effectively and efficiently, with Ameritech Michigan. The second part requires Ameritech Michigan to demonstrate that CLECs can actually access and use the OSS processes and equipment it created, *i.e.* Ameritech Michigan must prove that CLECs have nondiscriminatory access to the OSS “in the real world.” As I explain herein, Ameritech Michigan fails both prongs of that test.

1. Ameritech Michigan fails the first part of the FCC’s test because its OSS documentation systems are deficient.

14. An effective OSS requires extensive documentation to inform users fully about the capabilities, limitations and most efficient use of those systems. AT&T’s experience with Ameritech Michigan’s OSS documentation reveals it to be inconsistent and incomplete, and therefore insufficient. Further, the BearingPoint and HP testing, particularly with regard to LSOG 4 and LSOG 5, similarly revealed severe deficiencies in Ameritech Michigan’s OSS documentation. Finally, to date the Commission has not even been informed of the extent to which Ameritech Michigan’s OSS documentation is lacking because HP has not fulfilled its duty to issue Observations and Exceptions on this issue.

Ameritech Michigan’s PMR OSS Documentation Is Deficient

15. In the Commission’s collaborative meetings of October 14 to 18, AM offered to provide AT&T and other CLECs access to information about the ways in which its systems

collect the data and perform the calculations for the system of 149 performance measurements.

This narrow offer was in response to AT&T's request for access to the same information AM provided to BearingPoint to enable it to perform PMR1 testing for "Data Collection and Storage Verification and Validation Review". AM contended that the original request was overly broad, but indicated that it would provide access to certain very confidential information. As directed by the Commission's September 16th Order, Staff Director Mr. Lonergan presided over the dispute and determined that AT&T should be given access to two of the three classes of documents for each of the 149 performance measurements:

MR. LONERGAN: And whether there was an index available. I don't know if there's an answer to that, but Mr. Fioretti did provide me an example of, for one PM, of what those documents look like. And what I would like to suggest, there is actually three separate files that I think are responsive to those two requests, one of which is a flow diagram, one of which is sort of a high-level data map, one of which is a very intricate data map that in the wrong hands would provide very intricate information into the SBC Ameritech computer systems. I would suggest maybe the parties talk about the first two documents, and availability of those initially to see if that satisfies what you're looking for. And perhaps the third document might not be necessary. So I would suggest you guys talk about that and you can bring it back tomorrow for a final determination.

MR. CONNOLLY: Will we be able to take a look at document type 1 and document type 2 to form our opinion?

MR. LONERGAN: If KPMG or Ameritech's description is not sufficient later, I would suggest yes, that they show you an example as a possible way to go.

16. AM agreed to provide AT&T with copies of the two documents – excluding the “very intricate data map” -- and delivered printed copies to fulfill this requirement. The more than 1,000 pages of documentation included high level data maps which were, in many cases, impossible to read as they had been compacted to fit onto a single page with fonts so small as

to be undecipherable despite magnification. Additionally, AM failed to provide the high-level data map for more than 40 of the measures. While AM agreed several days later to replace the indecipherable paper documents with versions of the documents on CD-ROM (AM provided complete replacements of all the documents as it was apparently unable just to provide the documents that I specifically identified as unreadable), the missing high-level data maps were not provided. AM's explanation was that the data maps that were provided for all of the other measures contained a combination of the "high level" and the "very intricate" maps which could not be effectively separated. It is apparent to me that a fundamental problem that BearingPoint faced in attempting to gain insight into the data collection and storage methodologies of AM – the principle issues surrounding Exceptions 19 and 20 – was the ways in which AM documents the system processes and the specifics of data element controls within its systems. In my experience, when a company fails to have effective documentation that serves to provide explanations of how the OSS actually functions, its OSS is highly likely to pose significant problems for system users. The management functions for systems are made more effective by competent documentation that describes how the systems work, how data is processed within the systems, and the paths that transactions take under normal and exceptional circumstances. The weaknesses in this documentation – evidenced by AM's inability to provide it despite the fact that it represented to Staff and the collaborative meeting participants that it would -- tells a compelling story. These same documentation flaws are apparent when one reviews the BearingPoint correspondence relating to the various Exceptions and Observations.

Ameritech Michigan's Documentation Relating To The LSOG 4 and LSOG 5
Interfaces Is Inadequate

17. The Observation and Exception history of the BearingPoint and Hewlett Packard Company¹ (“HP”) testing revealed that the documentation Ameritech Michigan provided to CLECs to instruct and assist CLECs in building their LSOG 4 interfaces was wholly insufficient. Exhibit TMC 12, which I prepared on the basis of Exceptions and Observations reported in the test, indicates the significant problem experiences the Test CLEC had with establishing the electronic interfaces between it and Ameritech Michigan. 75 incidents are reported in which the Test CLEC could not rely on the Ameritech Michigan OSS documentation to

¹ HP was engaged to participate in the BearingPoint-managed OSS test as a “Test CLEC” and to construct the model OSS interface. In those roles, HP was to replicate the actions an actual CLEC would take with regard to interfacing with the Ameritech Michigan network and using the OSS. HP then issued a report “Michigan Report through August” detailing its experiences and was required to note Observations and Exceptions using the same standard BearingPoint used in reporting its Observations and Exceptions. As discussed in my companion affidavit discussing the findings of HP, it is readily apparent that HP failed to note Observations and Exceptions as required in its role as the Test CLEC, thereby seriously undermining HP’s conclusions.

develop and implement the interfaces, or when it relied on the documentation, the results were inconsistent or incorrect. These starkly illustrate the poor quality of such documentation.

18. Further, HP revealed that its attempts to obtain answers and clarification from Ameritech Michigan were either rebuffed entirely or met only after considerable delay. In Table 5-23, HP explains how long it was required to wait for Ameritech Michigan to answer its technical questions before it could finish building the OSS interfaces it was required to build as part of its testing responsibilities. Amazingly, 40% of its questions could not get answered within 60 days! In my experience in developing software systems for clients that need to get a product to market, or to enter a market, such delays by a supplier warrant the use of alternate suppliers. Unfortunately, CLECs don't have alternate suppliers. They, like HP in its Test CLEC role, are forced to wait for Ameritech Michigan to provide it with support sufficient to build the necessary interfaces. Ameritech Michigan fails its support obligation miserably.
19. Ameritech fails to provide documentation, specifications, and effective support for its OSS interfaces as overwhelming demonstrated by the test and as documented in the BP Report and the HP Report. Moreover, by HP consciously concealing many of the defects it observed, the Commission is denied the benefit of learning the true nature and extent of Ameritech Michigan's OSS problems. The Willard-Weber Affidavit expounds on many of the problems that exist in the Ameritech Michigan OSS interfaces.
20. Additionally, LSOG 4 is not even the latest generation interface and therefore, as discussed further below, the focus of BearingPoint's testing should not only be on LSOG 4, but rather should concentrate on the later interfaces; those built to correspond to LSOG 5. Unfortunately for Ameritech Michigan, this shift in focus does not improve its test

performance with respect to the first prong of the FCC's OSS test. As explained by the Willard-Webber Affidavit, the Ameritech Michigan documentation for LSOG 5 is also grossly insufficient. This is borne out by the near-total absence of CLECs in the Ameritech region with plans to build to the LSOG 5 platform (I am aware only of AT&T and one other).

HP's Failure To Issue Observations And Exceptions Obscures The Full Extent Of The Problems With Ameritech Michigan's Documentation

21. Moreover, the full extent of the problems encountered by BearingPoint and HP in attempting to use the LSOG 4 interface is obscured by HP's failure to issue Observations and Exceptions when it was confronted with deficiencies, despite the fact that it was obligated to do so under the Rules of Engagement governing HP's participation in the test. CLECs did not become aware of these problems until reviewing Chapter 5 of HP's Report, which illustrates the significant defects and deficiencies it found in Ameritech Michigan's OSS.
22. HP found Ameritech Michigan's OSS documentation to be inaccurate, incomplete, in conflict with other source materials, and irreconcilable with industry standards. Tables 5-4 through 5-22 detail the OSS and documentation problems that HP experienced; in nearly all cases, however, HP failed to submit the issue as an Observation or an Exception. The failure to report these defects according to the agreed-upon test standards is a serious one because it prevents the Commission from understanding the full extent to which Ameritech Michigan's OSS is inadequate. HP performed a distinct and unique role in the OSS testing; that is, HP's role and its experience were not co-extensive with those of BearingPoint. Thus, the Commission only has BearingPoint's side of the incomplete story.

2. Ameritech Michigan Also Fails The Second Prong Of The FCC's Test Because The BP Report and Actual CLEC Experience Demonstrate That CLECs Cannot Effectively Use Ameritech Michigan's OSS.

23. The BP Report contains numerous findings of OSS failure. These findings, which are based on the tests conducted by BearingPoint and HP, demonstrate that Ameritech Michigan's OSS simply do not function well. Supporting that conclusion is the actual experience of CLECs, a factor not tested by BearingPoint but directly relevant to the FCC's two-part test.²

OSS Failures Identified In The BP Report

24. The BP Report contains four principal sections: an Executive Summary, the Test Description and Methodology, Test Results, and Appendices. The test is comprised of three "families", namely the Performance Metrics Audit, the Processes and Procedures Review, and the Transaction Verification and Validation testing. (MTP at 13). For purposes of administration, the test is organized into functional "domains" of the OSS: Pre-Order, Order, and Provisioning (POP), Maintenance and Repair (M&R), Billing (BLG), and Relationship Management and Infrastructure (RM&I) (id. at 12). The result of the test demonstrates conclusively that CLECs, including the Test CLEC, have significant difficulty using the Ameritech Michigan OSS, and therefore Ameritech Michigan does not provide nondiscriminatory access to its OSS. The records of the test, which include 176 Exceptions and the 695 Observations – which, by the way, constitute substantially more defect findings than in any other OSS test conducted to date of which I am aware – show systems, processes and procedures that have been significantly rehabilitated by dint of the work contributed by Ameritech Michigan, CLECs, Staff, BearingPoint, and HP. However, the work is not complete until the test is complete, and the remaining work must be done in order for

² As I discuss in detail below, the fact that BearingPoint did not test a certain issue or the BP Report does not contain a finding on that issue does not mean that the issue is not relevant to the Commission's review of the OSS. As stated above, the second prong of the two-part FCC test involves an inquiry into whether CLECs can actually use the ILEC's OSS. The actual experience of CLECs is perhaps the information most relevant to that determination; therefore the Commission should consider it, even if the Master Test Plan does not call for it to be tested.

Ameritech Michigan to comply with the applicable state and federal standards necessary to qualify for Section 271 relief. The BP Report reveals the following failures that remain in each of the three key OSS testing areas:

- i. Processes and Procedures Review – involving Ameritech’s wholesale business processes and management practices.

Not Satisfied:

PPR 13-4	“The bill production process includes reasonability checks to catch errors not susceptible to pre-determined balancing procedures.”
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Indeterminate:

PPR 5-12-B	“Test Environments are subjected to version control and carriers are notified prior to changes in the carrier-to-carrier Test Environments.”
PPR 5-14-B	“On-call technical support is provided for production versions of interfaces.”
PPR 9-28	“SBC Ameritech Frame Due Time scheduling procedures (CHC and FDT) have been implemented and comply with any existing standards for Frame Due Time flags.”

- ii. Transaction Verification and Validation – involving transaction-based tests.

Not Satisfied:

TVV 1-4	“SBC Ameritech provides required order functionality.”
TVV 1-20	“SBC Ameritech systems provide timely responses to Provisioning Order Status Inquiries.”
TVV 1-22	“SBC Ameritech systems provide timely Mechanized Reject Messages in response to electronically submitted orders. “
TVV 1-23	“SBC Ameritech provides timely Non-Mechanized Reject Messages in response to electronically submitted orders.”
TVV 1-24	“SBC Ameritech provides timely Non-Mechanized Reject Messages in response to manually submitted orders.”
TVV 1-26	” SBC Ameritech provides timely Non-Mechanized Firm Order Confirmations (FOC) in response to electronically submitted orders.”

TVV 1-28	“SBC Ameritech provides timely Completion Notices.”
TVV 1-30	“SBC Ameritech provides clear, accurate, and complete Firm Order Confirmations (FOC).”
TVV 2-4	“SBC Ameritech systems provided timely responses to Customer Service Information Inquiries via EDI.”
TVV 2-5	“SBC Ameritech systems provided timely responses to Customer Service Information Plus Listing Inquiries via EDI.”
TVV 2-6	“SBC Ameritech systems provided timely responses to Loop Qualification Inquiries via EDI.”
TVV 2-9	“SBC Ameritech systems provided timely responses to Listing for Telephone Number Inquiries via EDI.”
TVV 2-10	“SBC Ameritech systems provided timely responses to Scheduling Inquiry/Availability – Due Date Inquiries via EDI.”
TVV 2-12	“SBC Ameritech systems provided appropriate responses to the pre-order inquiries submitted via GUI.”
TVV 2-15	“SBC Ameritech systems provided timely responses to Customer Service Information Inquiries via GUI.”
TVV 2-17	“SBC Ameritech systems provided timely responses to Loop Qualification Inquiries via GUI.”
TVV 2-26	“SBC Ameritech systems provided timely responses to Customer Service Information Inquiries via CORBA.”
TVV 2-27	“SBC Ameritech systems provided timely responses to Customer Service Information Plus Listing Inquiries via CORBA.”
TVV 2-37	“SBC Ameritech systems provided timely Reject Messages for orders submitted via EDI.”
TVV 4-1	“Directory listings were updated accurately.”
TVV 4-27	“Post-order CSRs were consistent with required field inputs from submitted pre-order CSRs.”
TVV 6-16	“The Trouble Ticket Test (MLT) transaction response time during peak volume testing for Plain Old Telephone Service (POTS) was consistent with benchmark data.”
TVV 7-7	“Resale end-to-end trouble reports contained closeout codes that accurately defined the trouble condition. “
TVV 7-12	“UNE-P/UNE-L end-to-end trouble reports contained closeout codes that accurately defined the trouble condition.”
TVV 7-14	“Specials Circuit end-to-end trouble reports contained closeout codes that accurately defined the trouble condition.”

Indeterminate:

TVV 4-19	“Unbundled Dark Fiber was provisioned by completing
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	documented M&P tasks.”
TVV 4-20	“Unbundled Dark Fiber circuits were provisioned on the due date.”
TVV 4-21	“Unbundled Dark Fiber circuits were provisioned accurately.”

- iii. Performance Metrics Audit – involving Ameritech’s service quality measurement data collection, calculation, and reporting functions.

25. The sheer number of failures reported by BearingPoint for the PMR testing group (136 Not Satisfied and 108 Indeterminate) – even without regard to the crucial substance of the failures -- renders impractical a summary similar to that provided above for the other groups. I therefore refer the Commission to pages 225 through 373 of the BP Report, where BearingPoint provides a complete, yet fairly succinct, explanation of these failures, remarkable both in terms of volume and in the degree and significance of noncompliance. A full review of the open and unresolved Exceptions and Observations identify each problem and chronicle the activities that attempt to achieve resolution and closure. Given the number and breadth of the failures exposed through the test and especially the ones that remain unresolved, the only conclusion the Commission can draw from the BP Report is that Ameritech Michigan fails to provide nondiscriminatory access to its OSS, and therefore does not meet Checklist Item 2.

CLEC “Real World” Experience With Ameritech Michigan’s OSS – LSOG

26. As I mentioned above, most CLECs in the Ameritech region are currently using interfaces based on LSOG 4, even though LSOG 5 is a more recent product. The reasons for this phenomenon provide compelling evidence of the inadequacy of Ameritech Michigan’s OSS as it actually functions (or, more appropriately, fails to function) in the marketplace.

27. First, I must note that CLECs have a powerful incentive to migrate from LSOG 4 to LSOG 5.

Not only is LSOG 5 newer than LSOG 4 and reported (albeit by Ameritech Michigan) to process greater numbers of order types more efficiently and to support a broader set of products and services, but this interface platform is SBC's purported answer to its FCC obligation to provide systems that support CLECs across all SBC territories and to operate under uniform business rules. Normally, these attributes would provide all CLECs with the incentive to readily switch from LSOG 4 to LSOG 5. That CLECs are choosing to stay with the older versions of these interfaces is a direct result of their legitimate fear that shifting to LSOG 5 would result in OSS interface problems that put their customers and their reputation at additional and unnecessary risk in the competitive marketplace. As I discuss below, this fear is not irrational; to the contrary, it is fully supported by past CLEC experiences with Ameritech Michigan's OSS.

28. The risk in transitioning from LSOG 4 to LSOG 5 arises from the CLEC's need to commit programming resources to build that interface and to introduce new service representative practices and procedures to work with the new order types and products. If that new interface doesn't work, a CLEC cannot easily revert to the previously installed system. The answer does not lie in building the new interface while maintaining the old one because most CLECs cannot afford the systems overhead necessary to operate two different interfaces for a protracted period of time while Ameritech Michigan goes through "bug-detection" activities (using the CLEC as a rhetorical "bug zapper").

29. Additionally, I discussed these issues with CLEC representatives across the Ameritech region, and learned that they also have grave concerns with the LSOG implementation process in general due to having been "burned" during implementation of the LSOG 4

interface. They reported suffering through problems not unlike those experienced by HP and BearingPoint. Consequently, they face significant challenges trying to convince senior management to increase the CLEC's investment in customer systems.

30. Ameritech Michigan does not concern itself with LSOG interface issues, however, because it does not use these same OSS interfaces to serve its own retail customers. This creates an incentive for Ameritech Michigan to build marginally adequate interface systems and documentation for purposes of obtaining Section 271 relief and, once such relief is granted, revert back to the model it announced in 1997 of making none of the OSS investments vital to sustainable competition, instead devoting those resources to the systems it uses to serve its own retail customers. The glaring reality is that Section 271 relief cannot be granted until Ameritech Michigan satisfies this Commission that based on the Commission's own criteria (i.e. the Master Test Plan), it provides CLECs with nondiscriminatory access to its OSS. No substitutes or future promises can suffice. The only appropriate and pro-competitive solution is for rigorous Commission oversight of Ameritech Michigan's OSS, beginning now with a refusal to give Ameritech Michigan a pass on the critical flaws that currently exist in its system.³

B. Ameritech Michigan Has Failed To Satisfy Numerous Additional FCC Requirements Not Addressed By BearingPoint's OSS Testing.

31. In addition to the two-part test discussed above, the FCC has developed several additional requirements regarding nondiscriminatory access that BearingPoint did not address in the course of its OSS testing. The BP Report does not provide adequate information to enable

³ Also necessary to minimize the risk are an adequate Change Management Process (discussed further below) and effective PMs that accurately measure the competitive characteristics of the OSS.

the Commission to determine whether, in fact, Ameritech Michigan has satisfied these requirements as a precondition to Section 271 relief. These requirements include: (1) instituting a proper “change management” process (*i.e.* the process through which an ILEC communicates to CLECs information regarding the performance of and changes to the OSS); (2) conducting OSS testing on the most current LSOG interface; (3) producing complete, accurate, and *auditable* wholesale bills; (4) creating an acceptable “joint test environment” to allow CLECs to test changes in their systems; and (5) ensuring that the pre-ordering interface between ILEC and CLEC can be integrated with the ordering interface using the same technology platform. I discuss each of these requirements below.

Change Management Process

32. An ILEC’s change management process contains the methods and procedures by which the ILEC conveys information to CLECs concerning the performance of and changes to its OSS. The FCC has established criteria for evaluating a change management plan.⁴ In applying those criteria in the recent *Second Georgia/Louisiana 271 Order*, the FCC stated:

. . . the Commission has explained that it must review the BOC’s change management procedures to determine whether these procedures afford an efficient competitor a meaningful opportunity to compete by providing sufficient access to the BOC’s OSS. In evaluating whether a BOC’s change management plan affords an efficient competitor a meaningful opportunity to compete, we first assess whether the plan is adequate by determining whether the evidence demonstrates: (1) that information relating to the change management process is clearly organized and readily accessible to competing carriers; (2) that competing carriers had substantial input in the design and continued operation of the change management process; (3) that the change management plan defines a procedure for the timely resolution of change management disputes; (4) the availability of a stable testing environment that mirrors production; and (5) the efficacy of the documentation the BOC makes available for the purpose of building an electronic

⁴ See, Memorandum Opinion and Order, *In the Matter of Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., And BellSouth Long Distance, Inc. for Provision of In-Region, InterLATA Services In Georgia and Louisiana*, CC Docket No. 02-35 ¶ 179 (May 15, 2002) (“*Second Georgia/Louisiana 271 Order*”).

gateway. After determining whether the BOC's change management plan is adequate, we evaluate whether the BOC has demonstrated a pattern of compliance with this plan. (footnotes omitted.)

33. Ameritech Michigan's change management plan is the SBC-Ameritech 13-State Change Management Plan ("13-State CMP") that was developed on a collaborative basis in the course of developing the SBC-Ameritech Plan of Record. The process outlined by the 13-State CMP, which is documented on the CLEC OnLine website, describes the ways in which a CLEC can request a change to Ameritech Michigan's OSS and the way in which changes to OSS interfaces are to be implemented. BearingPoint subjected the Ameritech Michigan CMP to testing, but not to the standard that the FCC has established and affirmed in recent orders.
34. I have learned, as has BearingPoint and anyone who reviews the BearingPoint Report in detail (see PPR 1 Test Results Pages 433 to 441), that the change management process Ameritech Michigan actually employs is *not* fully documented on the website, or anywhere else for that matter. The BP Report discloses an additional, disturbing and critical step in the process that Ameritech Michigan has apparently adopted in processing CLEC change requests. Specifically, CLEC change requests are submitted to a "review board" composed of unspecified Ameritech Michigan or SBC personnel who have the final say on the priority Ameritech Michigan assigns to a change request. Ameritech Michigan refers to this body as the "LSR Review Board." This fact was uncovered by the test and reported in Test Reference PPR 1-5, but BearingPoint did not conduct test PPR 1-1 to determine whether the full change management process is defined and documented. While I agree that the CMP is documented in part, the fact that the documentation is incomplete is of grave concern to

AT&T and should be of grave concern to this Commission and to all other CLECs desiring to use the CMP.

35. Not only is the role of the LSR Review Board in the change management process

undocumented, but the existence of an LSR Review Board and what role it would play in the CMP was never agreed upon or even negotiated with the CLECs. This newly created (and surprise) LSR Review Board and its apparent role completely undermines the collaborative prioritization process that lies at the heart of the 13-State CMP. The unilaterally-created LSR Review Board also introduces new factors into the prioritization process by assigning priority to CLEC change requests based on characteristics the CLECs never agreed to, such as the monetary and non-monetary benefits that Ameritech Michigan alone attributes to CLEC requests. This adjunct process also severely weakens or effectively eliminates the agreed upon dispute resolution process by establishing a higher authority that resides beyond the reach of a CLEC that wishes to escalate or dispute the decisions reached by Ameritech Michigan regarding CLEC change requests.

36. I learned of the LSR Review Board's existence from reading BearingPoint's analysis of the structure of the change management process employed by Ameritech Michigan. *See* BearingPoint Report at 439. The LSR role in the process was further illuminated by BearingPoint in the October 14-18 collaborative meetings:

MR. CONNOLLY: So when we're looking at the CLEC prioritized list of change requests, those go to the review board, and somewhere from the time that the CLECs prioritized them to the time that they get to the review board, some part of SBC Ameritech or SBC attributes to each one of those change requests factors such as monetary and non-monetary benefits, number of hours for that particular change request to be developed and implemented, and some identification of resource commitments that have already been made. Is that right?

MR. LEACH: Yes, generally that's correct. What I would call CCR, which is a CLEC change request, to distinguish it from CR that might be internal, would go to various organizations which would put some parameters around what they think it would take to do the job, and then it does go to the LSRB board for review.

The board is also made up of -- it's a council of SMEs essentially from different organizations inside SBC Ameritech or SBC. And they also have a certain amount of say or thought into how much it's going to take to do the work because they're subject matter experts.

MR. CONNOLLY: When a change request has been prioritized high by the CLECs in their prioritization process, when that goes to the LSR Review Board and for some reason it can't get implemented in this release that's being designed, I think you said it would go back for consideration for the following release. Is that right? Did I hear you correctly?

MR. LEACH: Yes. Any CCRs that don't make it into a specific release go back to the monthly meetings and are reprioritized. The reason for that is if during the period when -- in case additional CCRs come out and the CLECs may have new requests, they can reprioritize them in case something new has come out that's a higher priority.

MR. CONNOLLY: Are releases about two or three times a year?

MR. LEACH: Yeah, three or four. For pre-order and order.

MR. CONNOLLY: O.K. So for a request that got bumped, if you will, the earliest possible implementation for that would be the next release some three or four months later?

MR. LEACH: That's correct.

37. I emphasize again that the 13-State CMP is silent as to the existence of an LSR Review Board and its behind-the-scenes role in evaluating CLEC change requests. The 13-State CMP simply does not subject the prioritized list of CLEC Change Requests to another set of decision-making by this additional layer of "expertise." Thus, the very existence of the LSR violates the 13-State CMP pursuant to which Ameritech Michigan agreed to operate. To make matters even worse for CLECs and the customers they serve and hope to serve, the procedure employed by the LSR Review Board undercuts the negotiated balance of power by

allowing Ameritech Michigan's "expertise" to overturn CLEC priorities and subvert the dispute resolution process. While the 13-State CMP does allow for a final internal review of the prioritized CLEC change requests, nowhere is that review designed to result in requests being rejected and delayed for several months until they can be re-prioritized as part of the next release. Moreover, the application of subjective criteria to CLEC requests by Ameritech Michigan (e.g., the monetary and non-monetary benefits for the implementation of a request) clearly is not part of the agreed-upon 13-State CMP. In fact, until the BP Report was issued and the October collaboratives sessions were held, the CLECs had no knowledge that Ameritech Michigan was using such criteria. In fact, nowhere on the Change Request Form used by CLECs to submit their requests do the criteria appear, much less the fact that Ameritech Michigan intends to apply such criteria to CLEC requests.

38. In sum, Ameritech Michigan has altered, unilaterally, the change management process called for by the 13-State CMP in direct violation of the CMP and in blatant defiance of the spirit of cooperation and collaboration in which the CMP was created. Ameritech has changed the rules of the game, pure and simple. Ameritech Michigan does not practice the plan according to the documented practice and procedures; rather, it has wrested unwarranted control over the CLEC requests, thereby eliminating the collaborative nature of the plan and side-stepping the established dispute resolution procedure. [The BP Report makes no mention of this serious departure from the requirements of the FCC for an open, negotiated, and fair CMP.] At very best, then, the BP Report is incomplete and not comprehensive. A complete and accurate report would have and should have revealed the bitter truth: that Ameritech Michigan's change management practice fails the above-quoted FCC test. Finally, it is important to note that the Enforcement Division of the FCC's Common Carrier

Bureau (now Wireline) “approved” the 13-State CMP in connection with imposing the SBC-Ameritech OSS merger obligations. Thus, Ameritech Michigan’s conscious decision to ignore the strictures of the 13-State CMP is not only a failure to provide a Section 271 compliant CMP, but a clear violation of its merger obligations.

Testing The Most Current LSOG Interface

39. When testing the LSOG interface for Section 271 OSS purposes, that testing should be conducted on the most current version of that interface. Common sense dictates that the Commission insists on testing the most current interface because that ensures that its approval, to the greatest extent possible, is made on a “looking-forward” basis. It makes no sense, in making a 271 determination affecting the future of competition, to rely on a soon-to-be retired interface.
40. This case presents a paradigmatic example of that point. As explained above, BearingPoint conducted its EDI testing on the LSOG 4 interface, which is currently used by almost all EDI-user CLECs in the Ameritech region due to the practical fear of moving to the next generation, LSOG 5. However, according to the SBC 12-Month Development view revised by SBC on November 1, 2002, Ameritech Michigan will retire LSOG 4 in *June 2003*. (ATTACH EXH. TMC - _13_ (Page 6 of 9 where the Oldest LSOR available becomes LSOG 5.02). Ameritech Michigan therefore asks this Commission to attest to the ability of its OSS to support competition into the indefinite future based on the test results from an interface that will be supplanted by a newer one in only seven months. To best ensure that the gains seen in competition are irreversible, the Commission must not consider the OSS of the present, but instead the OSS of the near, and longer lasting, future.

Billing Auditability

41. The FCC concluded in the PA case that bills produced by ILECs for wholesale products and services must be auditable, a standard distinct from, but on equal footing with, the standards of bill correctness, completeness, and accuracy. *See*, Memorandum Opinion and Order, *In the Matter of Application Verizon Pennsylvania, Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks, Inc. and Verizon Select Services, Inc. for Authorization to Provide In-Region, InterLATA Services In Pennsylvania*, CC Docket No. 01-138, FCC 01-269 ¶ 22 (September 19, 2001). Ameritech Michigan's bills are not auditable, and BearingPoint made no finding that they are. Auditability can be demonstrated by being able to process the wholesale bill into a system that verifies the charges on the bills versus orders placed (new and change charges) against existing customer records (recurring charges) and against payments and adjustments from previous bills. Since BP did none of these, and there is no record by AM that its bills are auditable, the MPSC has no assurance that the auditability has been resolved.

Joint Testing Environment

42. The FCC has required ILECs to create a "joint testing environment," the purpose of which is to allow CLECs to test their systems and their ability to interface with the ILEC's OSS when the CLEC makes a change in its own system. The hallmarks of an acceptable joint test environment, as defined by the FCC, are: (a) that the test system must be "separate" from the production environment used to process live transactions; (b) that the test system must "mirror" the production environment so that the CLEC's test results will be a bellwether of the results it would achieve in the production environment; and (c) for new releases, the test environment must be "stable" such that the incumbent makes no substantive changes to the

test system for thirty (30) days before implementation of the new release into the production environment.

43. The BearingPoint Report contains positive findings on the Joint Test Environment (“JTE”) in its PPR 5 “OSS Interface Development Verification and Validation Review” tests. The test results, like those which considered, in part, HP information for development of the EID interfaces, fatally suffer from HP’s burying of its negative and difficult experiences in conducting joint testing with Ameritech Michigan. In Chapter 7 of its Report, HP details the most problematic aspect of joint testing – the incessant delays Ameritech Michigan caused, making it miss the planned exit from joint testing by 10 weeks. HP should have completed testing by May 28, 2001; instead, it was caught in the web of JTE problems until August 12. It lodged the 27 Observations to report and note defects, but made no Observation or Exception to the effect that it was in the JTE penalty box and therefore unable to process orders. The FCC requirement (according to Section 271 orders as described above) is complemented in Ameritech Michigan’s case by its Plan of Record, which the FCC has ordered Ameritech Michigan to implement. Because the criteria contained in the Plan of Record were not evaluated by BearingPoint, the Commission has no information to report to the FCC on whether those POR- imposed obligations have been developed and whether they are practiced in the JTE. Having said that, we know they are not.

Pre-Ordering Integration With Ordering

44. The FCC has held that an ILEC’s ability to integrate pre-ordering information into its ordering interface and the back-office systems of the CLEC is “fundamental to a BOC’s showing of nondiscriminatory access to OSS.” *New York 271 Order* ¶ 137. *see also* BellSouth GA/LA order approving at Para 119.] “The Commission has previously stated that

the inability to integrate may place competitors at a disadvantage and significantly impact a carrier's ability to serve its customers in a timely and efficient manner.⁵ In order to demonstrate compliance with checklist item two, the BOC must enable competing carriers to transfer pre-ordering information (such as customer's billing address or existing features) electronically into the carrier's own back office systems and back into the BOC's ordering interface. We do not simply inquire whether it is possible to transfer information from pre-ordering to ordering interfaces. Rather, we assess whether the BOC enables *successful* integration by determining if competing carriers may, or have been able to, automatically populate information supplied by the BOC's pre-ordering systems onto an order form (the LSR) that will not be rejected by the BOC's OSS systems.⁶ “

45. The issue of pre-ordering and ordering integration was discussed at the October 14 – 18 collaborative. Following is BearingPoint's response to AT&T/BE Question 370 on the subject of Ameritech Michigan's ability to integrate pre-order information into orders and process them (See Test Results for TVV 1-29 at 795):

AT&T/BE Question 370 “Please describe the methodology, other than manual processes, that were employed, if any, to populate orders based on information received from the pre-order query responses.”

...

MR. ERINGIS: It is a good question. We populated orders manually as opposed through electronic means. That is, we did not capture electronically all of the information from the preorder and then mechanically insert that into the LSR. But we were able to take the information directly from the preorder responses and populate orders with that information without special assistance from the company.

⁵ *SWBT Texas Order*, 15 FCC Rcd at 18428-29, para. 152.

⁶ *SWBT Texas Order*, 15 FCC Rcd at 18428, para. 152.

46. BearingPoint provides no finding on whether Ameritech Michigan's EDI or application-to-application pre-order interface can be integrated with the ordering interface operating on the same technology platform. BearingPoint provides no finding on whether Ameritech Michigan's EDI or application-to-application pre-order interface can be integrated with the ordering interface operating on the EDI system. The interfaces built by HP for the test did not incorporate pre-order to order integration processes. As the FCC has pointed out in its analyses of the effects of integration, the inability of a CLEC to populate local service requests from pre-order query information without translation or transformation of the data is a competitive disadvantage. It is especially salient here because the Ameritech Michigan retail ordering system as it has been explained to me over the past several years of interactions with SBC and Ameritech systems staff, there is a very high degree of integration in the retail ordering process. Ameritech Michigan service representatives are able to generate retail service orders through the system which "auto-populates" the information from internal databases, akin to the integration required by the FCC for wholesale ordering.

Ameritech Michigan clearly has failed to meet the FCC requirements above. Moreover, the BP Report fails to address any of these issues, at least not sufficiently. Accordingly, this Commission must conclude that Ameritech Michigan does not provide nondiscriminatory access to its OSS according to these identified FCC requirements, and the BP Report provides Ameritech Michigan and the Commission with no basis to conclude otherwise.

II. THE COMMISSION LACKS THE INFORMATION NECESSARY TO DETERMINE WHETHER AMERITECH MICHIGAN'S OSS COMPLIES WITH THE MASTER TEST PLAN, WHICH THIS COMMISSION HAS ALREADY DETERMINED IS A PRECONDITION TO SECTION 271 RELIEF

47. In addition to the FCC standards (which it clearly has not met), Ameritech Michigan must prove that it has met the testing standards established by this Commission as one

of the preconditions to granting Ameritech Michigan of the Section 271 relief it seeks. The primary source of the Commission's OSS requirements is the Master Test Plan, which was developed pursuant to the Commission's Order of February 9, 2000 and adopted by the Commission after the requisite collaborative planning process occurred. The ultimate goal of the Master Test Plan is to ensure that the Commission possesses the information necessary to undertake a meaningful review of Ameritech Michigan's OSS. As I explain herein, the Commission most certainly does not possess such relevant information. First, Ameritech Michigan has called for a review of the OSS testing before the test has been completed (*i.e.* the Master Test Plan's Global Exit Criteria have not been satisfied). Second, BearingPoint has refused to adhere strictly to the standards of the Master Test Plan, standards which this Commission itself has adopted. Third, in addition to calling for a premature review of the OSS testing, Ameritech Michigan has sought to subvert the requirements of the Master Test Plan by providing the Commission with reports prepared under unilaterally-imposed standards and by "auditors" of its own choosing (in lieu of the standards and auditors called for by the Commission in the Master Test Plan). These issues also highlight the urgent need to complete the BearingPoint testing of the Ameritech Michigan OSS before the Commission commits to a review of those systems.

48. Before elaborating on the reasons why the information required by the Master Test Plan has not found its way into the Commission's hands, I first discuss the background of the Master Test Plan.

A. Background And Development Of The Master Test Plan, As Governed By The Commission's February 9, 2000 Order

49. Following are the provisions of the Commission's February 9, 2000 Order relevant to developing the Master Test Plan and, thus, determining whether Ameritech Michigan's OSS testing meets the Commission's requirements (emphasis added):

5. Within 30 days of this order, Ameritech Michigan shall file in this docket an initial proposal with respect to third-party testing of its operations support systems (OSS). Ameritech Michigan shall serve copies of its proposal on all parties in Cases Nos. U-11104, U-12143, and U-11830. *The precise details of the OSS testing program shall be determined in collaboration with the Staff and the CLECs.* In the event that the parties are not able to resolve differences regarding the details of the OSS testing program in a timely manner, they shall jointly submit a petition to the Commission that sets forth all areas of agreement and that highlights all areas of disagreement. The joint petition shall include the positions of all parties regarding the areas of disagreement as well as the Staff's recommendation on each disputed issue. Following the filing of the joint petition, the Commission may without further proceedings issue an order resolving all disputes regarding details of the OSS testing program.

7. As a part of the collaborative process, Ameritech Michigan shall develop a comprehensive "customer-friendly" manual for all aspects of resale, interconnection, UNE provisioning, and OSS. Further, *Ameritech Michigan's provisioning and constant updating of such manual shall be subject to third-party OSS testing.*

8. As part of the approval process, *Ameritech Michigan must demonstrate parity for all OSS between CLECs and Ameritech Michigan.* Additionally, Ameritech Michigan must demonstrate nondiscriminatory access to all interconnection services delineated in Section 271's checklist provision.

9. In order to be successful, *third-party OSS testing must demonstrate the capability of Ameritech Michigan's OSS at commercial volumes. The methods by which Ameritech Michigan shall demonstrate OSS capability and commercial volumes shall be subject to definition in the collaborative process.*

50. One purpose for reciting the above provisions of the Master Test Plan is to make plain the Commission standards that must be satisfied as a result of BearingPoint's OSS test. Another equally important purpose is to establish firmly that Ameritech Michigan must use a third-party test (*i.e.* the BearingPoint testing) to demonstrate that it meets the Commission's

standards. Indeed, the results of the BearingPoint test will provide the majority of information that the Commission will consider in determining whether Ameritech Michigan's OSS meet the Commission-imposed standards. The Commission, in the Master Test Plan, very clearly delineated at the outset the testing methodologies and rules to be applied in the OSS test. Thus, the Commission is on solid and equitable ground in steadfastly adhering to the methodologies and rules set forth in the Master Test Plan, including the need to meet the Global Exit Criteria before Ameritech Michigan passes the test, and the Commission should demand Ameritech Michigan's strict adherence to them as well. This is neither the time nor the proceeding in which to find a compromise of such fundamental principles acceptable. There is simply too much at stake for the CLECs and for Michigan consumers.

51. Other than the testing being conducted by BearingPoint, the only representations regarding Ameritech Michigan's compliance with the Commission's standards are Ameritech Michigan's unverified and untested averments. Relying on such representations was not a reasonable way to approach this analysis when the Commission issued its February 9, 2000 Order and it certainly is no more reasonable now. The Commission must certainly be disappointed in Ameritech Michigan's failure to participate in the OSS testing in the manner explicitly ordered by this Commission. BearingPoint has been engaged to conduct the test and is competent to continue its work. Absolutely no legitimate reason exists to stop its progress now.

52. There is no doubt that Ameritech Michigan wants to avoid having the OSS test results pose an obstacle to its long-distance approval. This desire competes with the Commission's fundamental decision to embark on the testing in the first place, and succumbing to Ameritech Michigan's desire would deprive the Commission of its right to receive an answer to its reasonable questions about the quality of Ameritech Michigan's OSS. The Commission

has the extremely important duty to report to the FCC on the quality of the OSS Ameritech Michigan provides to its competitors, including the issue of whether Ameritech Michigan provides CLECs with nondiscriminatory access to its OSS. Ignoring the BP Report's negative findings is the equivalent of proceeding without a test report, which would force the Commission to rely upon other devices to inform itself about OSS quality. That path is impractical, inefficient, inadvisable and unacceptable. As I explain below and in two other Affidavits submitted in this proceeding, it is also directly contrary to the standards set by this Commission.

53. Per the Commission's February 9, 2000 Order, the Master Test Plan was developed through a collaborative, industry-wide effort. From April 2000 to September 2000 CLECs, Ameritech Michigan, other interested parties and Staff met on several occasions to determine and define the Master Test Plan in accordance with this Order. In these sessions, disputes were resolved, trade-offs made, and more than one consensus was reached on what to test, where to test, how to evaluate test results, what testing principles to follow, and similar matters. All of those efforts culminated in the currently effective Master Test Plan. Also, via the performance measure collaborative process, parties met to refine the system by which Ameritech Michigan measures its performance in meeting CLEC and competitive requirements – the 1st and 2nd six-month review processes exemplify these activities.

B. The Master Test Plan Does Not Allow Testing To Be Deemed Complete Until The Four Global Exit Criteria Described Therein Are Satisfied.

54. In the collaborative process leading to the Master Test Plan, the following fundamental question arose: given the fact that a completed OSS test is a necessary prerequisite to this Commission's consideration of whether nondiscriminatory access to OSS is being provided, what must be accomplished before the test process is deemed complete? The parties

agreed that the testing would not be complete until four "Global Exit Criteria" were met. I

discuss each criterion below, explaining what each requires and why each has not been met.

55. Global Exit Criterion No. 1:

For each test, all fact finding and analysis activities must be completed. All results and test methodologies have been documented. Any exceptions must be resolved or re-testing completed, unless specifically exempted by the MPSC.

56. This criterion requires that all test activities called for by the Master Test Plan be completed. Such completeness is of course fundamental to the military-style test approach adopted by the Master Test Plan because all of the test components are necessary to determine operational readiness and none of the test elements has a lesser importance than another. Thus, the Commission must provide equal weighting, and afford equal importance, to the evaluation of each individual test result.

57. Ameritech Michigan has not satisfied this first criterion because the test is continuing and the test activities are incomplete. Numerous aspects of the testing require more work: the requisite fact-finding continues; analysis work must be completed; results and test methodologies have not been fully documented; Exceptions have not been fully resolved; and re-testing is ongoing. Testing is incomplete in each of the three testing domains – PPR, TVV and, most of all, PMR.

58. Most importantly, the Commission has not exempted BearingPoint from the obligation to resolve all testing problems. The Master Test Plan provides specifically for the Commission alone to determine that an item is exempted from the "test until pass" requirement: "[BearingPoint] and MPSC will be responsible for determining when to close an Exception. If the issue raised by the Exception is not resolved, the cycle [of re-testing] will continue to iterate until closure is reached, no further action is warranted, or the *MPSC specifically exempts the*

Exception from further testing.” (Master Test Plan at 6 (emphasis added).) Further, in its Order of September 16, 2002, the Commission itself affirmed that testing is incomplete: “The Commission recognizes that Ameritech Michigan has not yet successfully completed the [BearingPoint] OSS test as required by the test plan approved by the Commission.” (September 16, 2002 Order at 2.)

59. Global Exit Criterion No. 2:

The results of test activities must be documented and reviewed for accuracy. Any results that require clarification or follow-up are confirmed.

60. This criterion is not satisfied until all change control, verification, and confirmation steps have been completed. In other words, all test administration and management responsibilities must be fully discharged, and the onus is on the test manager, Staff, and Ameritech Michigan to certify that all such tasks have been completed, including finalization of the OSS test report. While this may appear to be a monumental, highly detailed task, the sophisticated technology BearingPoint employs to test administration processes, coupled with the exceptional professionalism of its testing management staff, essentially reduce this endeavor to the relatively simple matter of “final analysis” and verification. Its importance, however, cannot be over-emphasized.

61. This criterion remains unsatisfied for two reasons. The first is the simple fact that Global Exit Criterion No. 1 must be satisfied before this one can be satisfied; No. 1 has not been satisfied. The second reason is because incomplete test results might influence BearingPoint’s determination of the success or failure of related test activities. A process may provide successful test results as it stands-alone, but when considered in the context of the way the particular process has been incorporated into the Ameritech Michigan OSS, that process may be inadequate, resulting in outright failure. Global Exit Criteria No. 2 cannot be satisfied until

BearingPoint is given the opportunity to complete the tests, collect the results, and evaluate the OSS against the Master Test Plan in the context of the entire test as a whole.

62. Global Exit Criterion No. 3

The test will not be considered complete until Ameritech has implemented a series of modifications and enhancements to its OSS (as described in the table below and in Appendix F), and those modifications and enhancements have been tested.

63. This third Global Exit Criteria represents the culmination of months of negotiations with Ameritech Michigan to arrive at a set of system and process improvements that CLECs needed implemented, and Ameritech Michigan agreed to implement them. The negotiations had two catalysts. One was the FCC's imposition of conditions on the SBC-Ameritech merger (Conditions 27 and 28). The other was the Illinois Commerce Commission's imposition of obligations to improve SBC-Ameritech's OSS as a condition of its approval of the SBC-Ameritech merger in Illinois (Condition 29 in the ICC's Order in ICC Docket No. 98-0555.) The FCC wanted to increase competition throughout the to-be-merged company territory since approving the merger would serve to reduce the number of viable competitors in the respective companies' operating areas. The FCC understood that upgraded OSS would create opportunities for competitors to enter the markets in light of the fact that the existing systems did not provide parity of access to OSS. The ICC knew from the Illinois Section 271 proceeding (conducted from 1998-1999) and from its own observation that CLECs were experiencing substandard service from Ameritech Michigan's OSS. From my vantage point, which I attained through my direct participation in the Michigan 271 case that proceeded to the FCC from the 1996-1997 time frame until the merger negotiations were underway, there was little to no improvement in the quality and capabilities in the Ameritech OSS. In fact, I believe that Ameritech undertook no effort to improve its OSS since the time of the FCC's Michigan 271

decision, which exposed Ameritech's OSS as not operating at parity and thus not providing CLECs with nondiscriminatory access. The ICC's merger order obligated SBC-Ameritech to participate in industry collaborative meetings to develop a plan for OSS improvement. This improvement plan was termed the "Plan of Record." I represented AT&T in these collaborative meetings and, later, presented several substantive CLEC requirements before the ICC for arbitration of OSS issues that did not get resolved through the collaborative process.

64. Ameritech Michigan indicated its willingness to have the CLECs identify specific system and process improvements they needed in its OSS, and through months of collaborations (apart from those that yielded the Master Test Plan and the performance measures) the parties devised the list of improvements now known as the A-AA list which earned its appellation from the way the list of improvements were tabulated -- the first issue was "A", the second "B", the third "C", and so on. BearingPoint subsequently recorded, in detail, the 27 basic agreed-upon items and adopted them as testing requirements. This resulted in more testing tasks because a given "improvement" to a process would be achieved by a system modification, an operations change, or one or both of a method or procedure change. The full scope of obligations assumed by Ameritech Michigan was reflected in the joint motions of all the collaborative parties filed in Case No. U-12320 that noted each item and process and procedure step within the items that Ameritech Michigan had agreed to implement. *See Joint Report of the Participants Regarding Resolved OSS Enhancements and Process Improvements*, Case No. U-12320 (filed Dec. 27, 2000); *Supplement to Joint Report of the Participants Regarding Resolved OSS Enhancements and Process Improvements*, Case No. U-12320 (filed March 27, 2002); and *Second Supplement to the Joint Report of the Participants Regarding Resolved OSS Enhancements and Process Improvements*, Case No. U-12320 (filed May 16, 2002).

65. This Global Exit Criterion requires BearingPoint to complete testing of all the negotiated modifications and enhancements which were designated as test subjects on the A-AA list. This criterion was agreed upon as a means to demonstrate Ameritech's successful implementation of the A-AA list, despite the then ongoing negotiations regarding resolution of the A-AA list. In other words, the precise manner in which Ameritech Michigan would resolve each particular A-AA item had not been determined, but the parties agreed that whatever resolution was reached on those issues would be defined and satisfactorily tested before the test would or could be considered complete. The concession made by the CLECs was that the A-AA list would be Exit Criteria and not Entrance Criteria. The Joint Motions in Case No. U-12320 allowed for resolution of the A-AA list items in one of three ways: (a) through the test; (b) by Staff; or (c) pursuant to Ameritech Michigan affidavit. One Joint Motion carried an attachment of the A-AA list in a matrix form that indicated the precise manner in which Ameritech Michigan could verify resolution of each item under each of those three methods.

66. At this point, the BP Report is silent on BearingPoint's testing of the A-AA list of items detailed in Table III-5 of the Master Test Plan and in Appendix F to the Master Test Plan. BearingPoint's silence on the A-AA list cannot – and should not – in any way be interpreted to mean the BearingPoint has ignored or retreated from A-AA testing. Indeed, BearingPoint acknowledges the significant commitment to this testing in the footnote on page 17 of the Master Test Plan, which addresses both Table III-5 and Appendix F: “Ameritech and the CLECs have agreed that these modifications and enhancements should be implemented, and they have further agreed that *the third-party test cannot be deemed complete until these modifications and enhancements have been tested.*” (emphasis added). I assume the reasons behind BearingPoint's

inability to complete this testing are the same as those holding up completion of the PPR, TVV and especially PMR testing and the requisite reporting activities necessary to fully reflect that testing – Ameritech Michigan’s dilatory approach to, or even effective refusal to participate in, the third-party OSS testing process.

67. BearingPoint’s final report presumably will give the Commission a comprehensive exposition on each of the A-AA items that are detailed in the Joint Motion Appendix (Case No. U-12320) but definitely will indicate those items with the notation “... within the scope of testing.” Absent that information, the BearingPoint Final Report cannot provide the Commission with any assurance that its orders in Case No. U-12320 have been implemented according to the required independent, third-party review.

68. Global Exit Criterion No. 4:

The set of performance measures to be used in the test has been negotiated between Ameritech and CLECs in collaborative work sessions conducted under the auspices of the MPSC and other state regulatory agencies. The parties have come to agreement on a set of baseline measures to be used to begin third-party testing. Those baseline measures were approved by the MPSC on July 17, 2000. The parties have also agreed to meet in a series of collaboratives to discuss modifications, deletions, and additions to that baseline set of measures. The test will not conclude until (1) Ameritech has implemented the modifications, deletions, and additions to the baseline measures resulting from the collaborative (either by agreement of the collaborative parties or as otherwise ordered by the MPSC) and (2) those modifications, deletions, and additions are encompassed as part of the third-party test and audited.

69. The final Global Exit Criterion represents an express agreement by Ameritech Michigan that the complete system of performance measures will be fully and successfully tested before the test will be deemed complete. The depth and breadth of the BearingPoint findings showing that the PMR test is far from complete and are sufficient, by themselves, to

overwhelmingly demonstrate to the Commission that this Global Exit Criterion is not yet satisfied. Of the more than 300-plus test references in the PMR domain, a mere 30 are satisfied.

70. If the preceding discussion of each of the four Global Exit Criteria did not make obvious the fact that the Global Exit Criteria are not satisfied, a plain reading of the BP Report Executive Summary (at pages 8-14) will remind the Commission of its own recent finding that the testing is not complete:

It should be noted that BearingPoint has been directed to continue its activities. The MPSC has indicated in its Order on September 16, 2002 (Case No. U-12320) that SBC Ameritech has not yet successfully completed the test as required by the Master Test Plan approved by the Commission. Furthermore, SBC Ameritech continues to engage in re-testing activities to address issues uncovered during this evaluation.

71. Additional information demonstrating the extent to which the test is incomplete and the Global Exit Criteria unsatisfied is reflected in Part B of the BP Report's Executive Summary, entitled "High Level Results," which contain the two charts that show nearly 40% of the tests are less than satisfied according to the agreed-upon test evaluation criteria. Further, the full body of the report shows in great detail that testing is incomplete, that re-testing is underway, and that test results show evaluation criteria are Not Satisfied – an evaluation that runs counter to the "test until pass" methodology that was demanded by Ameritech Michigan and is embraced within the Master Test Plan.

C. BearingPoint Has Ignored The Comments Procedure Called For By The Master Test Plan And Has Improperly Closed Several Exceptions Without Addressing AT&T's Comments.

72. In the course of its OSS test, BearingPoint made certain judgments on the closing of Exceptions that concerned AT&T. In response, AT&T prepared and submitted comments to the Staff asking for additional assessment as to whether the BearingPoint evaluation of the underlying problem and the test results merited additional, specific consideration. *See Master*

Test Plan at 5 (“CLECs will be able to view Exceptions on the MPSC web site as well as provide input about them to the MPSC”); Observation and Exception Process at 2 (“Carrier comments to Observation Reports and/or Exception Reports will be provided to the Commission Staffs as described in the individual state Master Test Plans. Specific processes for such input may vary per state”).

73. Consistent with this process, AT&T timely filed comments on the analysis and conclusions reached by BearingPoint for the Exceptions discussed below. I provide here a brief summary of AT&T’s concerns with the closing of each Exception upon which AT&T commented. The totality of these concerns should, at the very least, give the Commission considerable pause before accepting wholesale Ameritech Michigan’s contention that these matters have been completely resolved.

74. Exception 3: “Ameritech Michigan’s Outside Plant (OSP) Technicians are not performing a dB Loss Test on HDSL – DS1 circuits in accordance with Ameritech documented methods and procedures.” Summary of AT&T recommendation: Specifically, we believe that BearingPoint’s disposition report should better describe the activities and process changes Ameritech conducted to address the BearingPoint exception. As this test continues, and even after it is completely finished, it important for CLECs to know the steps that Ameritech took to “fix” the exceptions noted by BearingPoint.

75. Exception 21: “Under volume conditions simulating year-end 2002, the Ameritech Electronic Bonding Trouble Administration II (EBTA II) Graphical User Interface (GUI)-Web Application processed Mechanized Loop Test (MLT) transactions at a significantly degraded level of service for timeliness.” Summary of AT&T recommendation: BearingPoint has proposed disposition of Exception 21, which concerns the timeliness of Ameritech’s GUI

processing of Mechanized Loop Test (“MLT”) transactions. Because there is still significant reason to question the timeliness of Ameritech’s processing of MLT transactions, especially with the upcoming release of an upgraded GUI, AT&T urges the state commissions and their staffs to direct BearingPoint to retest the MLT performance with Ameritech’s March 2002 GUI based on the same statistical methodology BearingPoint initially used to raise this exception, *i.e.* a Fisher’s Exact Test with appropriate benchmarks.

76. Exception 26: “Ameritech restated performance measurement results without notifying CLECs and regulators in a consistent manner.” Summary of AT&T recommendation: BearingPoint’s Exception was raised on the basis of Ameritech’s practice of restating performance results without timely and consistent notification to regulators and CLECs. Its disposition report chronicles the many months of reviews, but the report does not address whether Ameritech makes disclosure of the restatements to CLECs in ways in which the *CLECs can determine the applicability of restated metrics*. BearingPoint should insist that Ameritech’s disclosures of the practices for restatement be comprehensive, complete, and understandable to CLECs. Moreover, Ameritech’s processes for disclosing to CLECs and the Commission information relating to restatements must be revamped so that useful information is provided. Until these disclosures and changes are made, Exception 26 should not be closed.

77. Exception 38: “Ameritech EDI systems returned late manually processed Firm Order Confirmations (FOC) for electronically submitted UNE-Loop orders.” Summary of AT&T recommendation: BearingPoint should not close Exception 38 without providing additional information about the untimely FOCs it has received. It has explained its rationale for closing the Exception, but that explanation raises other questions that warrant further

examination. At the very least, BearingPoint should provide answers to AT&T's questions prior to the closure of Exception 38.

78. Exception 49: "Ameritech's WebLEX GUI system returned late manually-processed Firm Order Confirmations (FOC) for electronically-submitted orders." Summary of AT&T recommendation: BearingPoint should not close Exception 49. BearingPoint should continue to re-test using the new WEB-Verigate interface. BearingPoint's testing expertise should be employed to evaluate the WEB-Verigate interface, specifically including an examination of whether the problems found in the WEB-LEX GUI have been corrected. AT&T also submitted Supplemental Comments on this Exception explaining, in summary form: Ameritech's processes that produce FOCs for LSRs submitted manually yield results that have been shown by BearingPoint to be sub-standard relative to established benchmarks across a variety of product lines. These include EDI UNE-Loop (Exception 38 and Observation 321), EDI Simple Residence and Business UNE-P (Exception 39), EDI xDSL capable loops (Observation 309), GUI UNE-Loop (Observation 322) and GUI orders in general (Exception 49).

79. Exception 51: "Ameritech CORBA systems returned late Service Appointment Scheduling Due Date pre-order responses." Summary of AT&T recommendation: BearingPoint should not close Exception 51. BP has explained its rationale for closing the Exception but that explanation raises questions and ignores pertinent facts that we outlined in our comments. At the very least, BearingPoint should provide answers to all of AT&T's questions prior to the closure of Exception 51.

80. Exception 74: "KPMG Consulting has observed instances where Ameritech has not provided Line Loss Notifications." Summary of AT&T recommendation: BearingPoint

should not close Exception 74. Several issues surrounding the system and process problems that cause line-loss notifiers not to be issued have not been investigated and those that cause late line-loss notifiers have not been sufficiently explained. The SBC Ameritech line-loss provisioning processes (PPR) have not been tested to determine whether the defects are remedied. There is no doubt that closing Exception 74 prematurely will be customer service-affecting.

81. Exception 76: “KPMG Consulting has observed instances where Ameritech did not properly disconnect accounts.” Summary of AT&T recommendation: BearingPoint should not close Exception 76. It has explained that its retest results are not sufficiently strong to conclude with confidence that the performance is *below* the 95 percent benchmark. BearingPoint should continue its testing until it has sufficient data to conclude with confidence that Ameritech’s performance exceeds the benchmark on a consistent basis.

82. Exception 159: “Ameritech’s Local Service center (LSC) did not answer calls from Test CLEC within the established benchmark.” Summary of AT&T recommendation: KPMG should not close Exception 159. It has explained its rationale for closing the Exception and that information prompts additional questions that AT&T requires be answered before the Exception is closed. To date, the information responsive to AT&T’s concerns has not been released.

83. AT&T made a considerable investment in the OSS test to ensure that the results, when final, are reliable and informative and form a sufficient basis upon which the Commission can make an informed recommendation to the FCC. AT&T expected problems to be addressed by Ameritech Michigan and the military-style follow-up practiced by BearingPoint. That AT&T had disagreements with the ways in which BearingPoint analyzed certain of the test results and reached certain of its conclusions is to be expected due to the complexity of the OSS systems and operations being tested. AT&T’s contribution in commenting on the Exceptions within the

required five-day period – and not waiting until the end of the test process to complain – reflects on the way AT&T wants the test to work. AT&T prefers that the test highlight the problems and shortcomings in the Ameritech Michigan OSS and then confirm that they have been fixed.

When testing finds defects in the systems, and those defects are remedied and the system re-tested through the Exceptions and Observations process, those same defects do not arise again in the marketplace, where customers suffer the consequences. It is disappointing to see Ameritech Michigan try to bring the test to a halt before those benefits have been brought to the Ameritech Michigan OSS and, consequently, Michigan consumers.

84. In other respects, AT&T submitted comments to the Staff on the nature of Exceptions. Citing the importance of thorough testing and analysis, AT&T indicated several Exceptions that warranted additional consideration due to the impact of such Exceptions on AT&T's interests. In particular, AT&T raised its concerns with Exception 66: "SBC Ameritech EDI systems did not provide responses for numerous orders during volume testing" and Exceptions 19 and 20, both of which deal with data collection, reliability, and integrity issues. AT&T posed questions on these issues, and strongly suggested that the problems underlying these Exceptions be fully portrayed on the OSSTesting.com website in order to allow all parties to monitor Ameritech Michigan's progress in resolving the discrepancies. Lastly, in the case of Exceptions 112 and 113 (Pre-Order and Order response times that do not meet the established performance measurement standards), Staff requested that CLECs provide information responsive to a series of questions it raised as it was analyzing the debate between Ameritech Michigan and BearingPoint on these Exceptions. AT&T provided its comments is requested.

D. Ameritech Michigan Has Attempted to Undermine The Commission's Standards By Not Cooperating With BearingPoint On Its Testing And Seeking A Short-Cut Around Its OSS Problems By Submitting "Audited" Reports That Do Not Comport With The Master Test Plan

85. It is apparent that Ameritech Michigan is fully aware that its OSS does not meet the FCC's standards or those of the Commission as embodied in the Master Test Plan. However, rather than improve its OSS, Ameritech Michigan evidently has adopted a two-part strategy. First, it has essentially halted its participation in the BearingPoint testing in several key areas. Then, to make up for the absence of a satisfactory test result from BearingPoint on those issues, it has enlisted its captive auditors – HP and Ernst & Young – to issue audit reports under standards considerably less demanding than those required by the Master Test Plan.

1. Ameritech Michigan Has Withdrawn From Key Parts Of The OSS Testing Process.

86. As I mentioned above, this Commission and the BP Report expressly acknowledge that the testing is incomplete: “The Commission recognizes that Ameritech Michigan has not yet successfully completed the [BearingPoint] OSS test as required by the test plan approved by the Commission” (September 16, 2002 Order at 2); and “it should be noted that BearingPoint has been directed to continue its activities. The MPSC has indicated in its Order on September 16, 2002 (Case No. U-12320) that SBC Ameritech has not yet successfully completed the test as required by the Commission-approved Master Test Plan. Furthermore, SBC Ameritech continues to engage in re-testing activities to address issues uncovered during this evaluation.” (BP Report at 4.)

87. The BearingPoint Report indisputably shows that 277 of the 772 applicable test criteria are unsuccessful. The gap between the results achieved and the standard for completion should be small. For example, in the Bell Atlantic (now Verizon) Massachusetts OSS test, which was similar in scope and substance to the Michigan test, the ILEC passed 800 of the 804 test criteria. Memorandum Opinion and Order, *In the Matter of Application of Verizon New England, Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long*

Distance Company (d/b/a Verizon Enterprise Solutions) and Verizon Global Networks inc., for Authorization To Provide In-Region, InterLATA Services in Massachusetts, CC Dkt. No. 01-9, FCC 01-130 ¶ 6 (April 16, 2001). Thus, success itself is not elusive, as other ILECs have demonstrated through other state OSS tests. Rather, Ameritech Michigan has chosen not to achieve it.

88. Under the military-style testing called for by the Master Test Plan, BearingPoint, as the test manager, is expected to receive notice from Ameritech Michigan that it has implemented solutions to the defects giving rise to the negative results. BearingPoint will then retest and, if satisfactory results are not achieved, the cycle will be repeated until a satisfactory grade is achieved. This principle that has been the cornerstone of OSS checklist compliance since the *New York 271 Order*.

89. Substantial evidence exists that BearingPoint has not conducted the full re-testing required by the Master Test Plan, most likely because Ameritech Michigan has not fulfilled its end of the bargain. The BP Report advises that 27 Exceptions remain unresolved and 76 Observations have failed to be addressed by Ameritech Michigan. Also, there were 3 Exceptions and 26 Observations closed without successful re-testing by BearingPoint. These latter Exceptions and Observations lead to “Not Satisfied” and “Indeterminate” conclusions, just as unresolved Exceptions and Observations do.

90. Thus, while Ameritech Michigan claims that it has satisfied the BearingPoint requirements for all but the open test issues, the reality is that several Exceptions and Observations have been closed without resolution of the underlying problem. The military-style test process required by the Master Test Plan properly records such “closed” Exceptions and Observations as “Not Satisfied.” Therefore, Ameritech Michigan grossly and misleadingly

understates the extent of its compliance with the BearingPoint requirements. Ameritech Michigan has elected to challenge the process rather than correct its systems and processes, and the result is a broken OSS that has not been fixed only because Ameritech Michigan chose not to put forth the necessary (yet previously agreed to) effort.

2. Supplanting The BearingPoint Testing With The Audits From HP and Ernst & Young Violates The Master Test Plan

91 The impropriety of abandoning the Master Test Plan in favor of the unilateral “audits” of HP and Ernst & Young have been discussed extensively in other affidavits I have submitted in this proceeding. Accordingly, I provide only a brief summary of that issue here. The Ernst & Young audit plan was developed unilaterally and not collaboratively. It was narrow in scope, focusing only on three aspects of the five MTP performance measures audit functions, doing so in a way that is disconnected from the other aspects of the BearingPoint test. And it provided no way for defects that were uncovered during the course of the audit to be corrected by Ameritech Michigan. The fact that Ernst & Young concluded that the Ameritech Michigan system is absent critical controls and that it has performance measurement process and procedural deficiencies goes to the veracity of the audit, but its value to the Commission as regards the compliance of Ameritech Michigan’s OSS is so limited to make it valueless.

The Ameritech Michigan Compliance Plan proposal to employ HP is far more narrow than the Ernst & Young role that Ameritech Michigan has advanced. HP would “audit” Ameritech’s implementation of process improvements for only two BearingPoint-reported Exceptions. All other problem areas that Ameritech admits in that Compliance Proposal – and it shirks many of the deficiencies noted by BearingPoint – are not for HP to audit, but are either subject to Ameritech-internal review processes, non-problems (per Ameritech Michigan), or within the ongoing test regime of BearingPoint.

III. RESPONSIBILITY FOR THE DEPLORABLE CONDITION OF AMERITECH MICHIGAN'S OSS, AND THE FAILURE TO COMPLETE THE BEARINGPOINT TESTING EXPEDITIOUSLY, LIES SOLELY WITH AMERITECH MICHIGAN.

92 As the Commission will recall, the Ameritech Michigan attempted to obtain Section 271 relief back in 1996. After the Ameritech Michigan application for relief was rejected, in large part based on the inadequacy of the OSS, Ameritech Michigan did not embark on a serious refurbishing project to move its OSS from unsatisfactory to satisfactory. Instead, it did essentially nothing to develop features known to be missing or to enhance features that had identified and specific defects.

93 In fact, Ameritech Michigan made no overt statements of an interest in modifying the OSS until the eve of the SBC-Ameritech merger. At that time, the FCC threatened not to approve the merger unless the to-be-merged companies took stock in the state of the OSS and arranged a schedule of improvements to those OSS. As I mentioned earlier in this affidavit, those negotiated improvements are reflected in the Plans of Record at the FCC and in Illinois and in the A-AA list here in Michigan and in other states. The commitments made by Ameritech Michigan to implement the A-AA system improvements remain unverified even today.

94 The shaky OSS foundation at the start of BearingPoint's testing has been complemented by a non-cooperative posture exhibited by Ameritech Michigan to correct detected problems in establishing the test framework and to respond to identified problems quickly and thoroughly. Building the OSS test bed (the resources upon which test transactions are processed and verified, including ordering functions, repair and maintenance, and billing data) was slated for several months of work in the initial BearingPoint project plans. Instead, Ameritech Michigan dragged those project steps out for additional months.

95 In that same vein, Ameritech Michigan did not establish a responsive pattern to Exceptions and Observations, choosing instead to argue with BearingPoint about the ways in which problems were found. This diverted Ameritech Michigan's attention from attacking the system and process defects. I have consistently witnessed a dilatory approach throughout the Exception and Observation conference calls that have been held on a weekly basis since the test began. It appeared to me that Staff was being frustrated by Ameritech Michigan's lack of progress in clearing the burgeoning inventory of Exceptions, as well. CLECs were not allowed to participate in the test management process, so I can't say for certain what actions were being taken to get Ameritech Michigan's attention to the problems, but not much progress was being made in key areas. Many of these remain unresolved today, with PMR testing issues being most prominent.

96 In short, Ameritech Michigan has known of its OSS problems for almost six years, but has never addressed them. Accordingly, Ameritech Michigan cannot be heard to complain that completing the BearingPoint testing will take too long because Ameritech Michigan itself has unnecessarily delayed the process.

IV. THE “BLIND SPOTS” IN THE BEARINGPOINT TESTING PRECLUDE THE COMMISSION FROM FINDING THAT AMERITECH MICHIGAN’S OSS MEETS THE APPLICABLE CRITERIA, EVEN IF THE OSS HAD “PASSED” THAT TESTING (AND IT HAS NOT)

97. Measuring the success of an ILEC’s OSS against identified requirements typically begs the question of the source of the standards used to determine pass or fail. BearingPoint recorded its test evaluation criteria pursuant to the collaboratively-developed Master Test Plan. These criteria are not very specific because they are intended to apply across a wide range of test types, families, and domains: “The evaluation criteria to be applied in the overall test effort are based largely on the legal and regulatory requirements for functionality and performance applicable to Ameritech’s OSS.” (Master Test Plan at 14.) The Master Test Plan showcases the “sources” of the evaluation criteria, which were noted at a level sufficiently high to avoid application of precise legal or regulatory requirements. Table III-3 of the Master Test Plan shows these:

Evaluation Criteria Source Types	Description
Legal and Regulatory Requirements	Requirements specified by statute and regulation, such as FCC orders, court orders, MPSC regulations, federal and state statutes, and other binding requirements such as interconnect agreements and others resulting from judicial or governmental proceedings. (State and federal proceedings that the Test Manager uses in evaluation of legal and regulatory requirements will be cited in the final report.)
Consensus Requirements	Norms, benchmarks and standards developed by formal consensus proceedings.
Good Management Practices (GMP)	Widely recognized standards and guidelines promulgated by sanctioned industry and governmental organizations and other bodies (e.g., Association for Telecommunications Industry Solutions (ATIS), Ordering and Billing Forum (OBF), Telecommunications Industry Forum (TCIF)); also includes benchmarks, performance goals, and guidelines derived from industry and topic area experts, Ameritech and CLEC performance targets, publications, academic journals and other sources.

98. BearingPoint's role of Test Manager requires it to apply the evaluation criteria consistently. Thus, BearingPoint does not contend that its OSS test is to comprehensively address all state and federal requirements – it simply states that it will use those standards to determine the test criteria and apply the criteria. Consequently, the OSS testing and the resulting BP Report leave certain regulatory requirements unaddressed and unproven. Put another way, passing the test is not the same as satisfying the FCC's or the MPSC's requirements. Those are separate decisions, which require the Commission to take full advantage of the body of information contained in the record of the test and in particular in the BP Report, and not just the results of the OSS Test.

99. Thus, BearingPoint cannot provide the Commission with all the information necessary to make its determination about Ameritech Michigan's OSS, despite the comprehensive nature of its current (and future) testing. Those necessary test conclusions must therefore be supplied by other means, most notably the actual experiences of CLECs. The Master Test Plan acknowledges the need for certain such additional information or results as "Limitations." (See Master Test Plan at II. H. at Page 7).

100. The BP Report has "blind-spots" for significant issues that cannot be rectified in a test administered under the Master Test Plan, even a test carried out as well as BearingPoint has carried out this one. The blind spots generally form in areas where information needed concerns the CLECs' "real world" experiences, such as those involving: processing of wholesale bills from Ameritech Michigan; experiences with the Ameritech Michigan Change Management Process; and repair and maintenance functions. The Master Test Plan or testing of other types

simply does not provide the means for measuring those critical CLEC experiences. I discuss the importance of each below.

A. Ameritech Michigan Wholesale Billing

101. BearingPoint did not develop a system in which to process wholesale bills received from Ameritech Michigan. It was not necessary to do so to test whether Ameritech Michigan wholesale bills are received on time, contain the types of charges that they should, and reflect rates that are as established in interconnection agreements. It can – and did – perform those types of tests by examining the bills, as received, and evaluating them according to the test criteria as specified in tests PPR 10 through 13 and TVV 8 and 9. CLECs, however, must process the wholesale bills into their systems to audit the contents, to check against internal controls, and to verify formats and data that correspond to the types of bills for the products and services purchased from Ameritech Michigan.

102. AT&T specifically requested that BearingPoint perform an analysis of Ameritech Michigan wholesale CABS bills to have it determine whether the CABS bills were formatted according to the industry standards as claimed by Ameritech Michigan. BearingPoint agreed that it did not have the capability to process the CABS bill into its own system as it has no bill processing system. It denied the AT&T request for testing CABS billing format for UNE-P bills, indicating such a test was out of its scope. The issue AT&T raised was occasioned by our determination that Ameritech Michigan's billing format indicated charges for UNE-P services as being intrastate-intraLATA and not local services. Our preference was to have BearingPoint conduct the test as I described in a written memorandum submitted to BearingPoint and all other test participants and find, as we did, that the CABS bills are incorrectly showing UNE-P charges as other than local services. A BearingPoint finding of errors – Exception or Observation – stood a more likely chance of getting corrected than has our complaints to the Ameritech

Michigan account manager on this issue. The AT&T internal billing system is unable to process UNE-P charges unless they are indicated as local and our bill processing operation has a number of manual tasks to perform each month for each incorrect CABS bill as a result. Because BearingPoint would not perform this test of CABS billing accuracy, AT&T submitted a change request to Ameritech Michigan seeking a correction to the process to correctly identify UNE-P recurring, non-recurring, and adjustment charges as local. Because Ameritech Michigan knows its systems are producing bills that are incorrect in this manner, the AT&T change has been accepted and will be scheduled for implementation – likely in 2003.

103. The lack of “end-to-end” billing tests by BearingPoint, including the processing of the wholesale bills for ledgering in a CLEC bill processing and accounting system, leaves a significant gap in the test results that CLEC actual experience must show for the Commission to determine whether Ameritech Michigan provides non-discriminatory access to billing.

B. Change Management Process

104. Change Management testing (See Relationship Management and PPR1 tests in the Master Test Plan and in the BP Report) has been conducted to the extent that BearingPoint is able to examine the Ameritech Michigan process and procedures, evaluate certain of the attributes of the process, monitor whether specified intervals are observed, and review that documents related to the introduction of changes are timely provided. BearingPoint makes no findings about the Change Management Process that are like those detailed in the Willard-Webber Affidavit; it did not submit requests to effect OSS changes for its user departments, it suffered from only one implementation of an unannounced change to the OSS interfaces (HP reported three other ones) while CLECs are experiencing the consequences of service interruptions as described in the Willard-Webber Affidavit, and it did not suffer through the inept and shoddy documentation processes that involved LSOG4 introduction but which CLECs were

forced to work through prior to the start of the PPR1 testing. Moreover, BearingPoint did not evaluate the LSOG5 EDI documentation that was foisted upon CLECs as Ameritech Michigan tried to meet its self-heralded implementation of its Uniform Business Rules interfaces because Staff waived-off the Master Test Plan requirements to test the “most current version of the interfaces.” (See Master Test Plan at 2) “The test will be conducted using the most current Ameritech pre-ordering, ordering, maintenance & repair, and billing interfaces in production.”

105. The MPSC must turn to the CLECs to find out about the *real* Change Management Process and how it fails to meet its stated purposes and because of Ameritech Michigan’s implementation of it, causes Ameritech Michigan to fall short of the FCC requirements as discussed further in my affidavit.

C. Maintenance And Repair

106. Maintenance and repair testing is an art-form that BearingPoint has developed to the best of any third-party tester that I have worked with – and I have worked with the tests run by BearingPoint across the country, with Cap Gemini, Ernst & Young, and other smaller concerns that performed third-party roles in technology tests, such as Hewlett Packard. As good as the BearingPoint effort is, it does not provide testing situations that CLECs have to face. The BearingPoint test does not consider nor opine on the results of missed repair appointments (See Performance Measurement 38 results); it does not comment on the extensive out of service intervals that CLECs have to explain to their end users (See Performance Measurement 39 results); it doesn’t have to offer explanations for trouble conditions recurring over and over again (See Performance Measurement 41).

107. BearingPoint’s task is to evaluate that the processes and procedures are documented, available to Ameritech Michigan technical staff and management, and to use simulated trouble conditions to verify that the processes and procedures work according to

design. When BearingPoint evaluates the performance for Maintenance and Repair, it is forced to compare wholesale service results to retail service results, because that is the design of the performance measures system. If parity is achieved, Ameritech Michigan passes the test. BearingPoint is not expected to look deeper than the results and likely, would be severely criticized if it chose to.

108. A more critical eye would look at the reported results of operations and see that the repair and maintenance system that is touted to be one of “parity by design” and would quickly see that wholesale repair and maintenance services are better than retail services consistently across the various products and consistently month after month. How can this be? How can a system that purportedly cannot distinguish between repairs for wholesale-served end users and retail end users nearly always give retail customers worse service? Yet that is what Ameritech Michigan’s own data show and those are the data that give Ameritech Michigan a passing grade. The OSS test is not designed to get to the bottom of that conundrum, but the Commission needs to know how and why the Ameritech Michigan systems operate the way they do and which produces results that defy logic. The Commission must turn to the CLECs for input that goes to answering those issues.

109. Part of the answer to the issue of the weakness in retail results contrasted with the relative strength in wholesale results comes in the following. In the October 14 – 18 collaborative meetings, Ernst & Young provided the industry with an explanation of the way in which Ameritech Michigan codes its orders to show which orders are retail and which are to implement wholesale services. Since receiving that insight, there has been insufficient time and opportunity to fully investigate how the order numbering scheme, which may result in systematic coding or wholesale and retail customers throughout the Ameritech Michigan system, works and

what the consequences are for provisioning, servicing, repairing, and tracking end user services that are designated within the Ameritech Michigan system as retail or wholesale for all Ameritech Michigan users to see. Ernst & Young prepared and provided a document explaining how Ameritech Michigan codes orders to indicate wholesale and retail separately:

MR. CONNOLLY: So there's a retail service order number that is distinguishable from a wholesale service order number?

MS. HARTKOPF: I believe so, yes.

MR. CONNOLLY: Do you know the characteristics of those opposing standards?

MS. HARTKOPF: No, I don't. I'm not aware of those.

MR. CONNOLLY: Maybe Megan does?

MS. LASK: We received some documentation from SBC that identifies what the characters in the service order number identify the order as. I can do some research and pull up my documentation on that and bring it back to you.

110. As a result of that exchange, Ernst & Young provided "Michigan PM 17 Service Order Issue" a copy of which I provide as Exhibit TMC 14. In the section on Page 1 headlined "Wholesale vs. Retail Service Orders," Ernst & Young reports on the activities of the Ameritech Michigan service representative:

Each service order number represents an 11-digit string (1 initial alphabetic character and 10 numeric characters). The initial three numeric characters represent the type of order: wholesale or retail and product type. The service representative enters the first four characters.

111. The service order number is contained in every document and is available on the computer terminal screens that service representatives, inside technicians, and dispatched technicians use to provision the services. Once provisioned, the records of the service reflect the service order number to establish the relationship between current services being used and the

transaction (service order) that initiated the end user service in the Ameritech Michigan systems. Because that service record, containing the service order number, is used as the basic record from which trouble reports are written, service appointments are made, service problems are repaired, the record is available for all Ameritech Michigan staff to see and to distinguish between retail and wholesale, the means to discriminate is the first four characters of the service order number. Ameritech Michigan can prioritize repair work for wholesale services to pump up results for a sufficient period of time to gain 271 relief, and it can use the exact same information to switch the priorities later on.

112. For these reasons, CLEC information is critical for the MPSC to use to supplement the information provided by BearingPoint for repair and maintenance.

Ameritech Michigan cannot demonstrate that its OSS meet the standards established by the FCC or this Commission for Section 271 relief. The BP Report grades Ameritech Michigan's OSS as a total failure, with the implication being that it does not provide CLECs with nondiscriminatory access. In addition, BearingPoint and this Commission recognize that the OSS testing has not been completed as required by the Commission, and the fault for this failure lays entirely with Ameritech Michigan. Completion of the testing is a prerequisite for Commission consideration of a request for Section 271 relief, and the Commission should not accept Ameritech Michigan's feeble substitutes for the requirements it established at the outset of this proceeding. The Commission should not accept Ameritech Michigan's claims that it has satisfied checklist requirements for its OSS now, nor at any time prior to the successful completion of BearingPoint's OSS testing.