

AT&T Response to KPMG's Proposed Disposition of Exception 21

KPMG Consulting ("KPMG") 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 KPMG to retest the MLT performance with Ameritech's March 2002 GUI based on the same statistical methodology KPMG initially used to raise this exception, i.e., a Fisher's Exact Test with appropriate benchmarks.¹

By Exception 21, KPMG found that Ameritech's processing of MLT transactions via its GUI demonstrated a "significantly degraded level of service for timeliness." See KPMG Consulting Exception 21 (January 22, 2002). KPMG came to this conclusion by comparing (through a Fisher's Exact Test) the MLT timeliness results in the test to a benchmark KPMG established before the test began. KPMG established this benchmark by collecting "a substantial number of transactions (benchmark transactions) processed on a normal day outside of volume test days." *Id.*, at n.1. The benchmark included a median of 32 seconds (and a 95th percentile of 75 seconds). On the other hand, KPMG observed a median of 62 second during peak volume testing (with a 95th percentile of 83 seconds). Based on a comparison of these results, KPMG originally concluded that: "[U]nder peak load conditions, the EBTA II GUI-Web application performed MLT transactions at an unsatisfactory level even when allowing for 10% degradation from the benchmark timeliness." *Id.*

KPMG has now proposed to close this exception, claiming that "the observed [Ameritech] 'peak day' MLT timeliness [of 62 seconds] is similar to MLT transaction timeliness delivered by other local service providers." KPMG has provided no empirical data whatsoever to support this claim.² It has not even cited to the local service providers

¹ At the very least, KPMG must include MLTs in its execution of TVV6, by which KPMG "is to evaluate the behavior of Ameritech's M&R systems under load conditions, to determine system performance in terms of response time and operability, and to identify future performance bottlenecks." MLTs are not – and should not be – excluded from TVV6.

² Ameritech's response should not have led KPMG to close this exception. Ameritech plays fast and loose with technical terms, using vague terminology when claiming that MLT responses "are typically 45-60 seconds" and "at least 50 seconds." These unscientific statements provide no information that would allow KPMG to conclude that its original test was invalid. Moreover, Ameritech's allegations are directly contradicted by the test KPMG conducted to arrive at the benchmark of 32 seconds. As noted, KPMG collected data on a "normal day" and found that the median response time was 32 seconds. If an MLT transaction took "at least" 50 seconds, as Ameritech claims, KPMG could not have observed this median. In addition, Ameritech claimed to have contacted an employee of Tollgrade Communications Inc. (the alleged vendor of MLT). Of course, there is no way to confirm the accuracy of Ameritech's summary of its conversation with the Tollgrade employee, nor does the information shed any light on whether or not KPMG's original test results are valid. Ameritech appears to be relying upon its guess at an "average" MLT response time. But this "average" is necessarily based on a skewed distribution in which the average will be higher than the median. It is inappropriate to compare averages with medians. In fact, if the averages are between 50-60 seconds, as Ameritech contends, the median will likely be much lower – exactly how much lower depends on the distribution, to which AT&T is not privy. In short, no information provided by Ameritech should have led KPMG to conclude that its original test was invalid.

for which it has allegedly observed such MLT timeliness. More importantly, KPMG has failed to explain the vast discrepancy between its benchmark of 32 seconds and its present conclusion that “45-60 seconds is routinely observed in the industry.” If that were true, why didn’t KPMG observe that time during its testing of Ameritech’s GUI?

Certainly, KPMG’s new conclusion to close this exception is not based upon any statistical analysis or empirical information. On the other hand, the basis for this exception was a statistically sound Fisher’s Exact Test analysis. KPMG cannot claim with any statistical certainty that Ameritech has “passed” this particular test. Instead of relying upon hearsay claims concerning other ROBC performance, KPMG should base its conclusions on reliable statistical methodology – the very methodology that led it to raise this exception in the first place. Ameritech cannot be deemed to have “passed” any portion of this test simply because its performance is in line with other RBOCs’ dubious performance.

KPMG cites to Ameritech’s release of a new GUI interface as reason not to conduct such a retest. But the fact that a new interface is in play should provide all the more reason to retest MLT timeliness to assure that Ameritech has actually passed and is currently passing this portion of the test.

Thus, AT&T recommends that the Commission and its staff direct KPMG to conduct a retest of MLT timeliness on the new GUI exactly as it conducted its initial test:

(1) KPMG should collect response times from a substantial number of transactions processed on a normal day outside of volume tests. KPMG should use the median and the 95th percentile as the benchmarks just as they did originally.

(2) KPMG should then submit MLT transactions via the enhanced EBTA GUI-Web application at a rate designed to simulate the loads the EBTA II GUI-Web application could see at year-end 2002.

(3) KPMG should use a Fisher’s Exact Test to compare these results and determine if they are acceptable.