

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Further Investigation)
Into Ameritech Ohio's Entry Into)
In- Region InterLATA Service Under) Case No. 00-942-TP-COI
Section 271 of the Telecommunications)
Act of 1996.)

**JOINT CLEC PETITION FOR RESOLUTION
OF UNRESOLVED PERFORMANCE
MEASURES AND REMEDY PLAN ISSUES**

I. INTRODUCTION

This joint petition is being filed by the undersigned CLECs who have participated in the Ameritech Ohio (Ameritech) Performance Measures and Remedy Plan Collaborative ("Performance Measures Collaborative") which was established as a merger condition in Case No. 98-1082-TP-AMT.¹ On April 27, 2000, the Public Utilities Commission of Ohio ("Commission") adopted a Stipulation and Recommendation in Case No. 93-487-TP-ALT for the extension of Ameritech's alternative regulation plan. The signatory parties to that Stipulation and Recommendation agreed to a process by which unresolved issues from the Performance Measures Collaborative would be presented and agreed to present unresolved issues to the Commission by June 18, 2000. On June 1, 2000, the Commission incorporated the Performance Measures Collaborative, along with the Collaborative addressing OSS and testing issues ("OSS Collaborative"), into the above-captioned 271 proceeding. Through a series of entries in this 271

¹ The CLECs supporting this Joint Petition are AT&T Communications of Ohio, CoreComm Newco, Inc., McLeod USA, Rhythms Links, Inc, Time Warner Telecom of Ohio, WorldCom, IP Communications Corporation, NEXTLINK, Birch Telecom of the Great Lakes, Inc., ICG Telecom Group, Inc.

proceeding, the Commission has established October 9, 2000,² as the date by which these participants must present Performance Measures Collaborative unresolved issues for resolution by the Commission.

The CLECs have joined with Ameritech in filing, simultaneously with this petition, a Joint Progress Report which also seeks a brief extension of time, until October 25, 2000, for the presentation of certain unresolved issues from the OSS Collaborative. However, as discussed in paragraphs 7 and 8 of that Joint Progress Report, the CLECs are now prepared to present to the Commission unresolved issues regarding the baseline performance measures, business rules and remedy plan which Ameritech has agreed to adopt (see Attachments 3 and 4 to the joint progress report). The collaborative participants, including Ameritech, have agreed that the most expeditious manner in which to present the unresolved issues to the Commission is in the form of a petition, which is quite similar to the manner in which parties have submitted issues to the Commission in the context of interconnection agreement disputes. The parties have agreed that this petition would trigger the dispute resolution procedures identified in the Stipulation and Recommendation approved in Case No. 98-487-TP-ALT.³

II. DISPUTED ISSUES

A. Provisioning Issues

Disputed Issue 1: Performance Measure 55.2, Average Installation Interval for Loop with Local Number Portability ("LNP"). The interval begins when a correct order is received by SBC/Ameritech, and ends with the successful installation of the Loop with Local Number Portability.

The parties have agreed to use Measure 55.2, developed in Texas during their initial six-month review which concluded during the Ohio collaborative sessions. However, in the context of the Ohio collaborative, SBC/Ameritech has proposed a change from the Texas

² Since October 9, 2000 fell on a state holiday, the collaborative participants agreed that parties could raise disputed issues on or before October 10, 2000.

³ See Stipulation and Recommendation, Case No. 98-487-TP-ALT, Appendix A.

benchmarks. The Texas benchmarks are reasonable, and Ameritech has provided no good reason to deviate from them in Ohio. The Texas benchmarks for Measure 55.2 are utilized in Missouri, Oklahoma, Kansas, Arkansas, California, and Nevada.

CLEC(s) Active In Dispute: AT&T, CoreComm, McLeod USA, Time Warner, WorldCom, NEXTLINK, Rhythms Links, Birch Telecom and ICG

CLEC Position Statement (supported by AT&T, CoreComm, McLeod USA, WorldCom, NEXTLINK, Rhythms Links, Birch Telecom, ICG and Time Warner

From the very outset of this collaborative process, the participants have used the SBC/Ameritech Texas measures as a starting point for discussions. In fact, this is the very starting point identified by the Commission in its merger approval conditions, which directed the collaborative to discuss changes and modifications to be made to the set of measures generated from Texas. Consistent with this process, the CLECs have also utilized the Southwestern Bell Telephone ("SWBT") Texas loop with LNP provisioning ("Hot Cut") process as a template for developing the Hot Cut process for SBC/Ameritech. During the collaborative process, SBC/Ameritech determined that it required a 5 day interval to support the Hot Cut process, with the assumption that any order over 24 lines would be treated as a project, necessitating negotiations between the parties to obtain a committed due date for service installation. Importantly, the designation of a particular order as a "project" places it outside the set of orders tracked by the performance measures and subject to penalties.

SBC/Ameritech's proposed intervals are at odds with the intervals contained in the Texas Hot Cut measure. Specifically, the Texas Hot Cut measure provides for 3 days provisioning interval for loop/LNP orders of 1-10 lines, 8 days for 11-20 lines, and 11 days for CLEC orders over 20 lines. Indeed, SBC/Ameritech utilizes a three-day Hot Cut provisioning interval in the other SBC states (California, Nevada, Missouri, Oklahoma, Kansas, and Arkansas).

In addition to attempting to change the interval for smaller loop/LNP orders from three to five days, SBC/Ameritech has also proposed that the CLECs accept a cap of 50 lines for the 11 day interval (i.e., an order with more than 50 lines would be considered a project). The CLECs agreed, provided that SBC/Ameritech would use the three-day interval for orders of 1-10 lines, consistent with their practice in all other SBC states. SBC/Ameritech then withdrew its proposal.

As SBC/Ameritech has offered no alternative proposal, the CLECs request that the Commission order SBC/Ameritech to implement Texas measure 55.2 as currently in place in Texas. The interval contained in this measure represents an SBC/Ameritech "best practice" that should inure to the benefit of Ohio CLECs and their customers.

B. Loop Acceptance Issue

Disputed Issue 2: Loop Acceptance Testing (LAT) Completed

CLECs have asked SBC/Ameritech to develop and implement a Performance Measure to test the completion of Loop Acceptance Testing.

CLEC(s) Active In Dispute: Rhythms Links, IP Communications, AT&T, McLeod USA, NEXTLINK, Birch Telecom, ICG, CoreComm, and WorldCom

CLEC Position Statement (supported by Rhythms Links, IP Communications, AT&T, McLeod USA, Birch Telecom, NEXTLINK, CoreComm, ICG and WorldCom)

SBC/Pacific Bell began acceptance testing for ISDN/xDSL Capable Loops in March of 1999 and cooperative testing for maintenance ISDN/xDSL capable loops in California in July of 1999. Similarly, SBC/Ameritech has begun testing in the Ameritech region. SBC/Ameritech recently reported at a CLEC Forum that testing was at 70% completed. CLECs have experienced otherwise. Initially, Rhythms Links was experiencing 4%, then 14% completed. Now Rhythms Links is experiencing 20% completed. CLECs acknowledge the improvement from 4% to 20% completed, but dispute Ameritech's claim of 70% completed. In order to incent Ameritech to continue improving completions beyond 70% to 98% completed, it is necessary to

monitor the testing and computers. Furthermore, the fact that Ameritech can report the 70% completed figure to the CLEC Forum, demonstrates that it is technically feasible for Ameritech to measure Loop Acceptance Testing completed.

CLECs propose the Loop Acceptance Testing (LAT) completed Performance Measure attached as Appendix B.

C. DSL Issues

Disputed Issue 3: DSL Loop Qualification – Information Update Process

CLECs have asked SBC/Ameritech to develop and implement Performance Measure 1.2 from the Texas Version 1.7. This measure was ordered in Texas, and SBC/SWBT has voluntarily proposed it to be included in Arkansas, Kansas, Missouri, and Oklahoma. Such a measure would measure the percentage of time that the loop make-up information that is provided to CLECs accurately reflects the loop being qualified.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, NEXTLINK, Birch Telecom, ICG, CoreComm and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, NEXTLINK, CoreComm, ICG and WorldCom)

One of the most severe operational issues faced by DSL providers concerns inaccurate information provided by ILECs (e.g., Loop Qualification Database which draws its information from the LFACS –Loop Facilities Assignment Center Services database and manual errors when Ameritech personnel review loop information records). Such inaccuracy causes costly delays and inappropriate business decisions based on false indicators in Ameritech’s records. Operationally, a CLEC using Ameritech’s loop qualification database records prior to placing an order for an xDSL capable loop must rely on the accuracy of Ameritech provided loop make-up information with regard to loop length and the presence of interferers, e.g. load coils and bridged taps. For example, if the loop make-up (i.e., loop qualification actual or loop qualification manual) states a loop lacks load coils and a CLEC submits an LSR ordering an xDSL-loop,

should Ameritech later determine that a load coil exists, the CLEC will be faced with provisioning delays and possibly unexpected costs. The attached measure 1.2 (Appendix C) was not only ordered in Texas but was voluntarily proposed by Ameritech's affiliate Southwestern Bell Telephone Company, SWBT, in Arkansas, Kansas, Missouri, and Oklahoma (hereinafter referred to as "MOKA states").

Disputed Issue 4: OSS Interface Availability

The OSSs measured by Ameritech's proposed PM-4 omits a number of OSSs that are measured in the PM-4 ordered in Texas and volunteered by SBC/SWBT in the MOKA states. At a minimum, the Broadband Ordering Profile ("BOP") Graphical Users Interface ("GUI") should be added to the disaggregation list.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, CoreComm, Birch Telecom, NEXTLINK, ICG and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, ICG, NEXTLINK and WorldCom)

SBC/Ameritech requires CLECs to create and maintain their user profiles for the Project Pronto architecture by submitting information using the BOP GUI. As such, the availability of that GUI is necessary for CLECs to be able to actively create and maintain these profiles. Without a profile, a CLEC cannot submit orders for Broadband UNEs or Services. Moreover, this disaggregation was voluntarily agreed to by SBC/SWBT in Texas and proposed by SBC/SWBT in the MOKA states. CLECs also clarify that SBC has changed the name of this GUI since the Texas 6 month review. The PM-4 in Texas refers to SOLID in the disaggregations but the SOLID GUI is now referred to as the BOP GUI by SBC.

Disputed Issue 5: Ameritech's Failure to Treat Line Sharing at Parity with other Offerings

SBC/Ameritech has limited the applicability of damages for line sharing in at least one measure. In PM 5.1, for example, xDSL loops are classified as a Tier 1 – Low and a Tier 2 – Medium. Yet, line sharing is classified as Tier 1 – None and Tier 2 – None.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, NEXTLINK, ICG and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, ICG, NEXTLINK and WorldCom)

Ameritech ostensibly supports the disparity in PM 5.1 by claiming that line sharing is a new product. With all due respect, the FCC ordered line sharing to be available on June 6, 2000. It is now over four months later. Secondly, Ameritech will likely not implement this measure for a couple of additional months. Thirdly, in SBC/SWBT's region, such a disparity does not exist. CLECs suspect this was an unintentional oversight by Ameritech and have requested a clarification by email.

Simply stated, line sharing is at a critical time. Adequate performance is necessary now. This was recognized in Texas and should be recognized in Ohio. Moreover, it would be a dangerous precedent to suggest that Ameritech gets a 12-month "get out of jail free" card for all new offerings (It will be approximately 12 months from the line sharing implementation date until the next six month review would be completed.) A year is a lifetime to a new competitor. In a year, poor performance can kill a CLEC. Instead, Ameritech needs incentives to achieve satisfactory performance.

Dispute Issue 6: xDSL Loop – Related Performance Requires Reasonable Benchmarks

This issue affects a number of measures. CLECs have identified the following list of measures to date: 55.1, 58, 59, 60, 61, 65, 67, 69 and Wisconsin #8.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, ICG, NEXTLINK, CoreComm and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, NEXTLINK, ICG and WorldCom)

The DSL-related disaggregations were developed in Texas and ported to Ohio by Ameritech. CLECs do not object to that process. However, in doing so, Ameritech has made a number of changes to the Texas Version 1.7 that are not justified. CLECs raised the particular issue of Ameritech proposing parity in lieu of benchmarks that are included in Texas. In response, Ameritech has removed the parity comparison but has proposed benchmarks that are completely unreasonable and unacceptable.

For background, in the Texas 6 Month Review, SBC/SWBT and CLECs largely agreed on this issue. CLECs agreed that for the first six months they would accept a parity comparison with the data affiliate for line sharing, and SWBT agreed that a benchmark is necessary for xDSL loops because its data affiliate will only have a token volume of xDSL loop orders if any. SBC/SWBT and CLECs proposed benchmarks based on past performance and the Texas PUC selected the appropriate benchmark. Regarding that process, a number of points should be noted. First, the Texas benchmarks are based on results that SBC/SWBT has already demonstrated it can meet. Second, because the benchmarks are based on what has been demonstrated, the critical z was held to not be appropriate.

CLECs propose adopting the Texas benchmark for all of these measures. For anywhere a specific Texas benchmark does not exist, the parties should negotiate a benchmark consistent with the principals used when developing the existing Texas benchmarks.

Disputed Issue 7: Measures relating to response times from the Local Service Center (“LSC”) and the Local Operations Center (“LOC”)

CLECs have proposed for months measures that would fully measure LSC and LOC hold times.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, CoreComm, Birch Telecom, NEXTLINK, Time Warner, ICG and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, Time Warner, CoreComm, NEXTLINK, ICG and WorldCom)

Since the DSL focused collaborative session in Chicago, CLECs have had on the table performance measures that would fully measure LSC and LOC hold times. This is a critical measure in Ameritech because CLEC representatives will often be on hold for over 20 minutes. This is unacceptable when a customer is out of service or when a CLEC is attempting to provide or receive other critical customer-affecting information. Attached hereto are proposed measures to address the current gap in the Ameritech measures. As we explained during the Chicago meeting, these measures (Performance Measures 21.1 and 21.2) were initially proposed by Rhythms Links and Covad in Texas. (See Appendix D). However, the Data CLECs voluntarily withdrew them because SWBTs performance had drastically improved over an extended period of time. It is for this reason that Texas did not order these measures. Ameritech's performance, on the other hand, has been pathetic causing customer problems and wasted CLEC resources.

The measures proposed would address the countless number of LSC and LOC calls that the current measure misses. Without these measures, CLECs will be forced to endure the outrageous hold times without this Commission receiving corresponding performance data that would demonstrate the problem. Without such evidence, Ameritech will claim that CLEC complaints are "anecdotal" in nature and difficult to support. CLECs want to avoid such finger pointing and litigation by assuring that all hold times are captured.

Disputed Issue 8: Texas PM 5.2 – Returned within 7 days or ASR Request

This measure would capture data relating to such important CLEC orders such as unbundled dedicated transport (“UDT”). Data CLECs raised this issued in the Chicago meeting and included it in the matrix discussed at that meeting. Texas later approved the measures.

CLECs Active in Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, CoreComm, Birch Telecom, NEXTLINK, ICG, WorldCom and Time Warner Telecom

CLEC Position Statement (supported by IP Commutations, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, NEXTLINK, ICG, WorldCom and Time Warner Telecom)

Texas PM 5.2 is another critical measure that was ordered in Texas and voluntarily offered by SBC/SWBT in the MOKA states. (See Appendix E). Texas PM 5.2 is a critical measure for CLECs in general and Data CLECs in particular. As a general matter, these high capacity circuits are used by CLECs to complete their networks. IP Communications, for example, uses UDT to connect its collocations. IP Communications has endured delays in its ability to become operational in other SBC states as a result of failures to timely confirm and provision CLEC orders. Ameritech’s timely return of FOC on line sharing orders, for example, is relevant if a CLEC cannot pass a line sharing order because the necessary UDT was not FoCed.

For data providers in particular, UDT is a means for data providers to pass traffic to their Internet service provider (“ISP”) partners. IP Communications has experienced situations in other SBC states where IP Communications had to hold back hundreds of orders from the ISP because of delays regarding UDT.

Finally, for consistency, CLECs request that when ordered to implement 5.2 that Ameritech number the measure PM 5.2 and then renumber what Ameritech proposes as PM 5.2 as PM 5.3.

Disputed Issue 9: Percent xDSL-capable loop orders requiring the removal of load coils and or repeaters.

Ameritech has omitted this critical DSL related measure from its proposal.

CLECs Active in Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, CoreComm, Birch Telecom, ICG, NEXTLINK and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, NEXTLINK, ICG and WorldCom)

Again, this may have been an oversight on Ameritech's part. Texas PM 5.3 is another critical measure that was ordered in Texas and voluntarily offered by SBC/SWBT in the MOKA states. (See Appendix F). This measure to a great extent measures the percentage of time a CLEC requires conditions and allows the CLEC to compare its information with Ameritech's affiliate and CLECs as a whole. Although SBC/SWBT opposed the measure in Texas, it had a great degree of input in drafting the measure. Moreover, once ordered in Texas, SBC/SWBT proposed the measure in the MOKA states. CLECs request that SBC/Ameritech be required to follow suit. Also, CLECs point out that PM 5.3 as ordered in Texas does not have the full breadth requested by CLECs because it is limited to deconditioning related to load coils and repeaters. However, as a compromise and to meet Ameritech's quest for consistency when possible, CLECs have limited their proposal to the PM 5.3 as ordered in Texas.

Disputed Issue 10: xDSL Loops and Line Sharing as applied to the Michigan Measures

It is not apparent from the "Michigan Measures" whether performance relating to xDSL loops and Line Sharing is measured. The drafting of the measures should clarify that such performance will be measured.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, CoreComm, Birch Telecom, NEXTLINK, ICG and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, NEXTLINK, ICG, CoreComm and WorldCom)

Presently, these measures have a generic listing of “Unbundled Loops” in the levels of disaggregation. From discussions with Ameritech, CLECs understand that Ameritech believes that xDSL loop-related performance will be measured as part of “Unbundled Loops” but will not be disaggregated from other loops. Additionally, Ameritech is researching the issue regarding whether Line Sharing will be incorporated within this category.

A number of points should be made. First, there is some benefit to the catchall category. Because it is a catchall of all unbundled loops, these measures will capture all of the high-capacity loops mandated in the UNE-Remand order. This aspect is positive. On the other hand, the failure to disaggregate creates many unique problems. For example, Michigan #2 is “Percentage of Orders Given Jeopardy Notices within 24 hours of the Due Date”. For a data provider that will be comparing performance with Ameritech’s affiliate, it is necessary that the reported information be meaningful. However, because the affiliate will almost exclusively be selling line sharing, its jeopardy rate will be very low because the facility used for line sharing will already be a working line. A Data CLEC that sells services that use line sharing and standalone loops, the Data CLECs will have a different mix of loops and line sharing skewing the comparison. From a Commission perspective, Staff is likely to lack sufficient disaggregation to viably monitor Ameritech’s performance without having to read through the underlying raw data.

CLECs seek two improvements. First, CLECs seek confirmation that Line Sharing will be measured. Second, they seek a line sharing disaggregation for Michigan 1, 2, 3, and 9.

Disputed Issue 11: Clarification Regarding "Complex Modifications"

Wisconsin Measures 5 through 9 measure performance relating to "Complex Modifications". Moreover, these measures contain disaggregations relating to xDSL loops and line sharing. Data CLECs seek clarification that loop conditioning will not be treated as a "Complex Modification" but instead will only be treated as standard loop conditioning as measured by a number of measures including PM 58.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, NEXTLINK, ICG, CoreComm and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, NEXTLINK, ICG and WorldCom)

It is important for this Commission and all affected CLECs to have a precise and inclusive explanation regarding what will be deemed a "Complex Modification". This is critical to avoid numerous performance measure implementation disputes regarding the proper classification of Ameritech UNE performance. Regarding DSL-based offerings in particular, work necessary to condition a loop to make that loop capable of supporting advanced services should never be classified as a "Complex Modification". Instead, there are specific disaggregations in the provisioning measures for loops that require conditioning. Ameritech should be ordered to clarify that loop conditioning will not be considered to be a complex modification.

Disputed Issue 12: Process for Updating Measures to Include Expedited Incorporation of Disaggregations Relating to Project Pronto and Line Splitting Once the Substantive Issues are Litigated.

Although a six month review can be an effective tool, it has been recognized that ILEC performance relating to these important offerings will be critical in the early months. As a result, an expedited process regarding these DSL-related issues should be adopted.

CLEC(s) Active In Dispute: IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, NEXTLINK, ICG, CoreComm and WorldCom

CLEC Position Statement (supported by IP Communications, Rhythms Links, AT&T, McLeod USA, Birch Telecom, CoreComm, NEXTLINK, ICG and WorldCom)

Project Pronto and Line Splitting are the two major market affecting changes on the immediate horizon. It was for this reason that SBC/SWBT agreed to an expedited process to incorporate the upcoming DSL developments into the performance measures. IP Communications, for example, generally proposed three Project Pronto based disaggregations in Texas: Pronto w/ fieldwork, Pronto w/o fieldwork, and Pronto w/ conditioning. At SWBT's request, IP Communications withdrew its request for the additional disaggregations in exchange for the expedited process discussed above. The Texas 1.7 provisions proposed by Ameritech effectively incorporate half of that agreement since the Pronto disaggregations are not included. It is only reasonable that Ameritech agree to the second half of that agreement, i.e. the expedited process. If Ameritech does not agree, then CLECs will be required to propose all of the additional DSL-related disaggregations at this time.

Regarding the implementation of an expedited process, the Commission has several options. First, as analogous to Ameritech's proposal here, the results of the Texas expedited process could automatically port to the Ameritech measures. This result would be the most administratively efficient. As a second alternative, the Commission could develop a process whereby, parties file a PM proposal 20 days after the Texas result. If the proposal has any disputes, parties can put their positions on paper and have the disputes resolved by the Commission on an expedited basis.

Regarding line splitting, once there is a ruling requiring Ameritech to provide line splitting in this state, line splitting should automatically be added as an additional disaggregation every where line sharing is a disaggregation. Additionally, where line sharing is not fully disaggregated, line splitting would be treated in the same manner that line sharing is treated.

D. Trunking Issues

Disputed Issue 13: PM 70 Percentage of Trunk Blockage

Measure 70 measures the total number of calls blocked in the state of Ohio. The benchmark for this measure is less than 1% of calls blocked per month.

CLEC(s) Active In Dispute: AT&T, CoreComm, McLeod USA and NEXTLINK

CLEC Position Statement (supported by AT&T, CoreComm, McLeod USA and NEXTLINK)

Measure 70 is the Trunk Blocking measure used in Texas. This adds all of the calls traveling over all of the trunks in the state, then divides that number by the total number of blocked calls to reach the percent of calls blocked. However, the benchmark is based on an industry standard of less than 1%, which I meant to apply to individual, as opposed to all, trunk groups. Lumping all trunk groups and all traffic together is not appropriate, nor is it an informative method to measure blocked call traffic.

The CLECs listed above propose altering the measure (see Appendix G) to more accurately reflect trunk group blocking. The CLECs proposed measure calculates the number of trunk groups with more than 1% call blocking. The CLECs request that the Commission approve the joint CLEC recommended measure #70.

Disputed Issue 13: Performance Measure 70 and 70.1

Percentage of Trunk Blockage

CLEC(s) Active In Dispute: WorldCom and Time Warner

CLEC Position Statement (supported by WorldCom and Time Warner)

Upon careful review and consideration regarding the proposed CLEC measure, 70 and 70.1, it is WorldCom and Time Warner's position to support existing Texas measure 70 and 70.1. WorldCom and Time Warner strongly feel that this measure should be reported monthly versus the proposed reporting every three months in the other proposed CLEC measure 70. Further, WorldCom and Time Warner believe that remedies should be applied based on 30 day reporting

versus a 3 month rolling report. WorldCom will provide feedback on SBC's performance on this measure during the next 6 month PM review. Attached as Appendix H are the Texas measures 70 and 70.1.

E. LNP Issues

Disputed Issue 14: Performance Measure 91, Percentage of LNP Only Due Dates within Industry Guidelines.

Measure 91 measures the percentage of Local Number Portability (LNP) only orders that are completed within the industry guideline (set by NANC) of 3 business days for central offices where LNP has been implemented (which is all in the SBC/Ameritech offices).

The Texas measure defines a "project" as an LNP Only order greater than 30 lines (and therefore is not subject to the three day interval). The CLECs have asked that a project be defined as more than 99 lines in a single order.

CLEC(s) Active In Dispute: AT&T, CoreComm, McLeod USA, Time Warner, WorldCom, NEXTLINK, Rhythms Links, Birch Telecom and ICG

CLEC Position Statement (supported AT&T, CoreComm, McLeod USA, Time Warner, WorldCom, NEXTLINK, Rhythms Links, Birch Telecom and ICG)

The CLECs have asked SBC/Ameritech to change the definition of a project in Measure 91 to orders with greater than 99 lines, instead of the current Texas definition of orders with greater than 30 lines. As noted, Measure 91 relates to LNP-only orders. These orders involve is related to instances where a CLEC is providing service to a customer entirely through its own facilities. Thus, the CLEC is only requesting that the customer's telephone number be transferred from SBC/Ameritech to the CLEC. At this time, LNP-only orders generally involve larger business customers. For these large customers, it may makes economic sense for the CLEC to provide service to those customers entirely through its own facilities. Thus, these types of orders usually include a large number of phone lines, many times over 30 lines. SBC/Ameritech's proposal would lessen the strength of this measure as it would drop all LNP orders to over 30 lines outside this performance measure. All orders over 30 lines would be considered a "project" necessitating that the CLEC negotiate with SBC/Ameritech to retain a

committed provisioning date. Obviously, to the extent SBC/Ameritech is able to remove large quantities of LNP orders outside of this performance measure and its associated damages, its incentive to service these orders on an expedited basis greatly diminishes. Moreover, LNP-only orders are not difficult for SBC/Ameritech to process in large quantities since they are processed entirely electronically (they only necessitate a computer change to reflect that the customer's phone number is being provided by the CLEC as opposed to Ameritech). This fact makes the CLEC proposal of a 99 line "project" threshold all the more reasonable. Indeed, SBC's subsidiary PAC Bell uses a 99 line threshold to define a "project." SBC/Ameritech has failed to provide any reason why it should not use the PAC Bell threshold in Ohio. This is a "best practice" that should be imported to Ohio.

F. E911 Issues

Disputed Issue 15: Measurement 104.1 (Average time to unlock 911 record for ported telephone number)

Measurement 104.1 would measure the average time it takes to unlock the 911 record to allow the NENA record to be claimed and updated by the CLEC for LNP orders.

While the parties agree that this is an important measurement, the CLECs believe that the measurement should be implemented as soon as possible, while Ameritech agrees that 911 record unlock is an important process, it does not want to include this measurement at this time due to process issues and timing. Ameritech is willing to continue to examine the issue.

CLEC(s) Active In Dispute: CoreComm, Time Warner Telecom, AT&T, McLeod USA, Rhythms Links, Birch Telecom, ICG and NEXTLINK

CLEC Position Statement (supported by CoreComm, Time Warner Telecom, McLeod USA, Rhythms Links, Birch Telecom, ICG, NEXTLINK and AT&T)

When a CLEC migrates a new customer onto its system and obtains that customer's previous telephone number through local number portability (LNP), the CLEC is responsible for updating the customer's record in the NENA database, which is used to provide accurate E-911

information to the relevant 911 system administrators. The NENA database contains a "lock" on its records that must be removed before a CLEC can submit updated information concerning a customer's 911 information. It is the responsibility of the LEC surrendering the ported telephone number to send a request to the NENA to "unlock" that customer's record so that the new carrier (the carrier to which the number has been ported) may update the information contained in that record. Once a CLEC wins a customer from an ILEC, that customer's 911 information becomes the responsibility of the CLEC. Accurate 911 records are critical to the operation of the 911 system.

CLECs have experienced problems with Ameritech lifting the lock on the NENA records in a timely manner. Often, it requires a substantial amount of additional manual intervention with both Ameritech and the NENA to obtain a release of the lock. This adds considerable additional time and expense to the provisioning process overall.

The attached Measurement 104.1 (Appendix I) measures the average time it takes Ameritech to submit an initial unlock message from the time at which an LNP order is completed.

The CLECs believe that this is a critical measure due to the critical importance of accurate 911 database information to customers. The CLECs request that the Commission order Ameritech to implement this measure in the current phase of performance measurement development.

G. Remedy Plan

Disputed Issue 16: Performance Measure Remedy Plan

SBC/Ameritech has offered the Performance Measure Remedy Plan developed and implemented in the SWBT territory in Texas. The CLECs in Texas objected to significant portions of that plan. Therefore, the CLECs in the SBC/Ameritech region have developed

a joint plan that they recommend the Ohio Public Utilities Commission adopt instead of the Texas Plan

CLEC Position Statement (supported AT&T, CoreComm, McLeod USA, Time Warner, WorldCom, Rhythms Links, Birch Telecom, ICG and NEXTLINK)

Performance Measure Plans must account for all of the systems, processes, and services that SBC/Ameritech provides to the CLECs, and SBC/Ameritech and the CLECs have been diligently working to negotiate specific measures. The collaborative process has been enormously successful, as evidenced by the very few performance measure issues brought to the Commission for decision. The most significant, and difficult, issue that remains is the Remedy Plan associated with the Performance Measurements.

At heart, a remedy plan must set forth the consequences to SBC/Ameritech for non-compliance with the standards contained in the Performance Measures. In order for the plan to be successful, it must generate a proper incentive to SBC/Ameritech not only to meet a particular performance interval on a case-by-case basis, but it must also provide an incentive for SBC/Ameritech to cure more endemic performance failures. Thus, there must be a potential liability to SBC/Ameritech that provides a meaningful and significant remedy to the CLECs for poor performance.

Simply put, the CLECs believe that the Texas Remedy plan, which SBC/Ameritech wishes to import to Ohio, does not provide SBC/Ameritech with enough incentive, based on the structure and the schedule of payments, to provide the CLECs with service in sufficient quality to allow competition to develop in Ohio. The Texas Plan improperly provides layer-after-layer of complicated safeguards that are all intended on assuring that SBC/Ameritech will not pay

penalties even when its service falls below agreed to benchmarks. The major differences between the Texas Remedy Plan and the CLEC remedy plan are as follows⁴:

- The agreed-to measures include benchmark performance standards for several measures for which parity comparisons to Ameritech retail operations are not available. A benchmark provides, for example, that SBC/Ameritech will provision loops within 3 days 95% of the time. Thus, instead of comparing SBC/Ameritech's performance to its retail end, the comparison is made to a benchmark as agreed to by the collaborative. Since no benchmark is set at 100%, there is already significant leeway provided SBC/Ameritech. On top of this already build-in leeway, SBC/Ameritech proposes to place an additional layer of wiggle room by applying a statistical deviation test to the performance results. While CLECs agree that this statistical deviation test is appropriate in instances where SBC/Ameritech's performance is compared to a retail parity measure (for which only 100% compliance is expected), the statistical deviation method provided in the Texas Remedy Plan should not be applied to benchmark measures, which already provide built-in wiggle room. The benchmarks were set as minimum service standards and, like those serve standards, should not be subject to statistical testing.
- When statistical testing is appropriate, the CLECs propose a statistical testing methodology that balances the risk of a false result (due to random variations in the results) fairly between the CLECs and SBC/Ameritech. On the one hand, the CLEC proposal would guard against an instance when a result could find that SBC/Ameritech failed a measure when, based on standard statistical deviation, it may have really passed. On the other hand, the CLEC plan acknowledges that the opposite result is equally possible: that Ameritech may pass a measure when, based on standard statistical deviation, it really failed. SBC/Ameritech's proposal only accounts for the first of these possibilities: where SBC/Ameritech failed a measure when it should have passed. It does not account for the possibility that SBC/Ameritech may pass when it should have failed.
- Beyond the inappropriate statistical testing provided in the Texas Remedy Plan, it applies a myriad of rules to the performance results. These rules give SBC/Ameritech a host of ways to avoid paying damages. In all, these rules significantly water down the strength of the plan as an incentive builder. On the other hand, the proposed CLEC plan requires that SBC/Ameritech pay penalties when a measure shows failure. The penalty escalates when a failure is severe, or when the failure is repeated over several months. The Texas Remedy Plan provides SBC/Ameritech far too many potential exclusions for failed measures.
- Both the Texas Remedy Plan and the Joint CLEC Remedy Plan provide for remedies paid to the CLECs, and penalties paid to the state. Quite obviously, the intent of these provisions is to provide SBC/Ameritech an incentive to open competition in the state. The Joint CLEC Remedy Plan takes market penetration into account, with the idea that, as there is less

⁴ In testimony in this case, the CLECs will detail the numerous failures of the Texas Remedy Plan. The list provided in this petition is not intended to be all encompassing, but only to give the Commission a high level taste of the differences between the parties in regard to the remedy plan issue.

competition the state penalties should be more severe. Consequently, as competition develops in Ohio, the need for penalties for inhibiting competition is less necessary. Thus, the joint CLEC proposal provides for the elimination of payments to the state when competition reaches 50% penetration.

- The Joint CLEC Remedy Plan includes a “Parity with a Floor” provision. This portion of the plan provides for penalties to be paid to the state for certain parity measures. In most cases, these parity measures have a retail counterpart in state law; for example, SBC/Ameritech customers in Ohio who lose service must have their service repaired within 24 hours. Parity with a floor would require that, where SBC/Ameritech is providing the CLECs with the same level of service provided to retail customers, but that level of service falls below a state standard, SBC/Ameritech would owe penalty payments to the state. In an effort to allow SBC/Ameritech a “grace period” to raise performance to the “floor,” CLECs agree to provide SBC/Ameritech with an initial 90 days from the time of implementation of this plan, as a “grace period.” After that, these measures would be compared against the “floor” on a month-to-month basis. Given Ameritech’s recent inability to provide service and repair to its own customers, the CLECs request that the Public Utility Commission of Ohio incent SBC/Ameritech to improve service to ALL of its customers.

The CLECs request that the Commission order SBC/Ameritech to implement the Joint CLEC Remedy Plan. The CLECs have attached a copy of that plan as Appendix J to this Petition.

H. Special Access Services

Disputed Issue 17: Application of Performance Measures and Associated Remedies to Special Access Services.

SBC/Ameritech has agreed to Performance Measures for UNEs. Equivalent hi-cap services ordered from SBC/Ameritech’s Special Access Services do not have Performance Measures. CLECs want Performance Measures and associated remedies to apply.

CLEC(s) Active In Dispute: Time Warner Telecom, AT&T, McLeod USA, CoreComm, Rhythms Links, Birch Telecom, NEXTLINK, ICG and IP Communications

CLEC Position Statement (supported by Time Warner Telecom, McLeod USA, Rhythms Links, Birch Telecom, CoreComm, NEXTLINK, ICG, IP Communications and AT&T)

Facilities-based CLECs often purchase hi-cap services (DS1/DS3) from SBC/Ameritech’s Special Access tariffs. These hi-cap services are functionally equivalent to the hi-cap UNEs to which the Performance Measures apply. The pre-ordering, ordering, provisioning and maintenance functions associated with hi-cap Special Access services are

essentially the same as those used for unbundled network elements. CLECs that purchase hi-cap services from Special Access tariffs pay a premium for those services, over what those services would cost if they were priced at UNE prices. It would be unreasonable to exclude hi-cap Special Access from Performance Measures where parallel comparisons can be made for the same product that is resold or purchased on an unbundled or resale basis and where CLECs pay more for those Special Access Services. CLECs that are able to provide the bulk of their end-user's service on their own networks should not be placed at a competitive disadvantage or penalized if they do not purchase unbundled network elements or resold services from the ILEC.

Services purchased out of Special Access tariffs lack any minimum performance levels. SBC/Ameritech has no incentive to direct resources to Special Access services to ensure that facilities-based competitors are obtaining quality service when it is faced with complaints in the region from retail customers regarding its poor quality of service. To exclude equivalent services from minimum performance levels agreed to as part of the Performance Measures would leave facilities-based competitors without quality of service standards or remedies to address poor quality of service. As a result, Commissions can expect CLECs to seek intervention and redress when poor performance by the ILEC becomes systemic.

The Commission will not be able to determine if Ameritech is provisioning special access services on a non-discriminatory basis to facilities-based CLECs. There is no measure to determine if Ameritech/SBC is provisioning special access circuits to CLECs within the same interval in which it provisions those circuits for their own retail service. Applying Performance Measures to those Special Access services would allow such a comparison.

SBC/Ameritech should work with CLECs to identify those Performance Measures and associated remedies that apply to hi-cap Special Access Services, and agree to apply

comprehensive performance measures, benchmarks, reporting and penalty requirements that will apply to equivalent loop facilities.

III. CONCLUSION

The CLECs request that the Commission adopt all of the recommendations set forth in this joint petition. As discussed in the joint progress report, the CLECs and Ameritech request that a status conference be scheduled for the purpose of establishing a procedural schedule for the Commission's review of these matters.

Respectfully submitted,

Judith B. Sanders
Bell, Royer & Sanders Co.
On behalf of MCI World Com, Inc.
33 S. Grant Avenue
Columbus, Ohio 43215

David Chorzempa
AT&T Communications of Ohio, Inc.
222 West Adams, Ste. 1500
Chicago, IL 60606

Benita Kahn
Vorys, Sater, Seymour & Pease
On behalf of AT&T Communications of Ohio
52 East Gay Street
P.O.Box 1008
Columbus, Ohio 43216-1008

Boyd B. Ferris
Ferris & Ferris
On behalf of Birch Telecom of the Great Lakes, Inc.
2733 W. Dublin-Granville
Columbus, Ohio 43235-2798

U-11830 Exhibit 1 to Appendix C

Boyd B. Ferris
Ferris & Ferris
On behalf of ICG Telecom Group, Inc.
2733 W. Dublin-Granville
Columbus, Ohio 43235-2798

Thomas O'Brien
CoreComm Newco, Inc.
450 W. Wilson Bridge Rd., Ste. 100
Worthington, Ohio 43085

John W. Bentine
Todd M. Rodgers
Chester, Willcox & Saxbe
On behalf of NEXTLINK Ohio, Inc.
17 S. High Street, Suite 900
Columbus, Ohio 43215-3413

Sally W. Bloomfield
Julia L. Dorrian
On behalf of Rhythms Links, Inc.
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215

Howard Siegel
IP Communications Corporation
502 West 14th Street
Austin, Texas 78701

Mary W. Christensen
Christensen, Shoemaker, Winkler,
Howarth & Taylor
On behalf of McLeodUSA Telecommunications Services,
Inc.
77 East Nationwide Boulevard
Columbus, Ohio 43215-2539

Daniel Lipschultz, Esq.
McLeodUSA Telecommunications Services, Inc.
400 S. Highway 169, Suite 750
Minneapolis, MN 55426

U-11830 Exhibit 1 to Appendix C

Pamela Sherwood
Time Warner Telecom of Ohio
4625 W. 86th Street
Suite 500
Indianapolis, IN 46268

Sally W. Bloomfield
Julia L. Dorrian
On Behalf of Time Warner Telecom of Ohio
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215

CERTIFICATE OF SERVICE

The undersigned does hereby certify that a true copy of the foregoing JOINT CLEC PETITION FOR RESOLUTION OF UNRESOLVED PERFORMANCE MEASURES AND REMEDY PLAN ISSUES was served by regular U.S. Mail this ____ day of October, 2000 upon the parties listed below:

Julia L. Dorrian

Judith B. Sanders
Bell, Royer & Sanders Co.
On behalf of MCI World Com, Inc.
33 S. Grant Avenue
Columbus, Ohio 43215

David Chorzempa
AT&T Communications of Ohio, Inc.
222 West Adams, Ste. 1500
Chicago, IL 60606

Benita Kahn
Vorys, Sater, Seymour & Pease
On behalf of AT&T Communications of Ohio
52 East Gay Street
P.O.Box 1008
Columbus, Ohio 43216-1008

Boyd B. Ferris
Ferris & Ferris
On behalf of Birch Telecom of the Great Lakes, Inc.
2733 W. Dublin-Granville
Columbus, Ohio 43235-2798

Boyd B. Ferris
Ferris & Ferris
On behalf of ICG Telecom Group, Inc.
2733 W. Dublin-Granville
Columbus, Ohio 43235-2798

Thomas O'Brien
CoreComm Newco, Inc.
450 W. Wilson Bridge Rd., Ste. 100
Worthington, Ohio 43085

John W. Bentine
Todd M. Rodgers
Chester, Willcox & Saxbe
On behalf of NEXTLINK Ohio, Inc.
17 S. High Street, Suite 900
Columbus, Ohio 43215-3413

Sally W. Bloomfield
Julia L. Dorrian
On behalf of Rhythms Links, Inc.
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215

Howard Siegel
IP Communications Corporation
502 West 14th Street
Austin, Texas 78701

Mary W. Christensen
Christensen, Shoemaker, Winkler,
Howarth & Taylor
On behalf of McLeodUSA Telecommunications
Services, Inc.
77 East Nationwide Boulevard
Columbus, Ohio 43215-2539

Daniel Lipschultz, Esq.
McLeodUSA Telecommunications Services, Inc.
400 S. Highway 169, Suite 750
Minneapolis, MN 55426

U-11830 Exhibit 1 to Appendix C

Pamela Sherwood
Time Warner Telecom of Ohio
4625 W. 86th Street
Suite 500
Indianapolis, IN 46268

Sally W. Bloomfield
Julia L. Dorrian
On Behalf of Time Warner Telecom of Ohio
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215

Michael T. Mulcahy
Ameritech Ohio
45 Eireview Plaza, Suite 1400
Cleveland, Ohio 44144

Joseph Serio
Oh behalf of Ohio Consumers Counsel
10 West Broad Street
Suite 1800
Columbus, Ohio 43215

Joseph Stewart
Sprint Communications Company L.P.
50 West Broad Street
Columbus, Ohio 43215

(New Measure)	
Loop Acceptance Testing (LAT) Completed	
Definition:	
Percent Loop Acceptance Test completed on due date minus one.	
Exclusions:	
Orders where LAT not requested	
Business Rules:	
Loop Acceptance Test is where a AIT Technician (Frame/Field as appropriate) is requested via an LSR to complete a Loop Acceptance Test. Loop Acceptance Test is completed on order due date minus one day. The AIT Technician will contact the CLEC via the LOC. The Tech will complete a series of tests with the CLEC to ensure a good loop with completed connectivity is delivered.	
Levels of Disaggregation:	
<ul style="list-style-type: none"> • 8.0 dB Loop with Test Access and 8.0 dB Loop without Test Access The Ameritech comparable to the 8 db loop with test access is the basic 2-wire POTS loop. Acceptable db level varies by state. • 5.0 dB Loop with Test Access and 5.0 dB Loop without Test Access • BRI Loop with Test Access • DSL Loops with Line Sharing • DSL Loops without Line Sharing 	
Calculation:	Report Structure:
98%	CLEC, all CLECs, Ameritech and AIT Affiliate
Measurement Type:	
Tier 1 – High Tier 2 – High	
Benchmark:	
98% met	

1.2 Measurement (As Ordered in Texas)	
Accuracy of Actual Loop Makeup Information Provided for DSL Orders	
Definition:	
The percent of accurate DSL actual Loop Makeup Information provided to the CLEC.	
Exclusions:	
None	
Business Rules:	
This measurement tracks accuracy of the loop makeup information provided to the CLEC. It compares reported loop makeup information to actual loop makeup information on the loop provided to the CLEC, and it captures both the clerical error and underlying data error.	
Levels of Disaggregation:	
<ul style="list-style-type: none"> • DSL actual Loop Makeup Information provided manually • DSL actual Loop Makeup Information provided electronically 	
Calculation:	Report Structure:
(# of orders for which Loop makeup information provided by SWBT is identical to engineering work confirmation/DLR ÷ total actual Loop Makeup Information responses) * 100	Reported on a CLEC, all CLECs, SWBT DSL affiliate, and SWBT DSL Retail basis by interface for EDI, DATAGATE, VERIGATE, or manually, depending on method of provision of actual loop makeup information.
Measurement Type:	
Tier 1 – Low Tier 2 – Medium	
Benchmark:	
95% accurate for each level of disaggregation, or parity with SWBT DSL Retail, SWBT DSL Affiliate, or other CLECs, whichever is higher.	

Miscellaneous Administrative

21.1 Measurement (PROPOSED New PM – As proposed in Texas.)	
Average Time Placed on Hold at LSC	
Definition:	
The average time a customer is placed on hold after the LSC has directed the call to a specific person or group.	
Exclusions:	
Weekends and Holidays	
Business Rules:	
The clock starts when the customer is placed on hold after a SWBT representative directs the customer to a LSC person or group and the clock stops when a SWBT representative in that group answers the call. The speed of answer is determined by measuring and accumulating the elapsed time from the entry of a CLEC customer call into the SWBT call management system after the call is then transferred to SWBT personnel assigned to handling CLEC calls for assistance. Data is accumulated from 12:00 a.m. on the first calendar day to 11:59 p.m. on the last calendar day of the month for the reporting period. Hours of operation are 8:00 a.m. to 5:30 p.m. Monday through Friday.	
Levels of Disaggregation:	
By options provided by LSC message device.	
Calculation:	Report Structure:
Total time on hold ÷ total calls	Reported for all calls to the LSC by operational separation and option separation for all CLECs, individual CLECs, and SWBT.
Measurement Type:	
Tier 1 – None Tier 2 – None	
Benchmark:	
Parity with SWBT RSC / BSC	

21.2 Measurement (PROPOSED New PM – As proposed in Texas.)	
Average Time on Hold When Use Workaround as Directed by LSC	
Definition:	
The average time a customer is placed on hold after the LSC has directed the customer to bypass the electronic system, or when placed on hold after the call is transferred to a direct line and out of queue.	
Exclusions:	
Weekends and Holidays	
Business Rules:	
The clock starts when the customer calls into the specific SWBT group, as advised by the LSC, and is then placed on hold once that call is received by SWBT. The clock stops once the call is picked up after being on hold.	
Levels of Disaggregation:	
By options provided by LSC message device.	
Calculation:	Report Structure:
Total queue time ÷ total calls	Reported for all calls to the LSC by operational separation and option separation and SWBT.
Measurement Type:	
Tier 1 – None Tier 2 – None	
Benchmark:	
Parity with SWBT RSC / BSC	

5.2 Measurement: (As ordered in Texas)	
Percent Firm Order Confirmations (FOCs) Returned within X days on ASR requests	
Definition:	
Percent of FOCs returned within a specified time frame from receipt of a complete and accurate service request to return of confirmation to CLEC.	
Exclusions:	
<ul style="list-style-type: none"> • All LSRs • Access Orders purchased from SWB tariffs • Rejected (manual and electronic) ASRs. • SWBT only Disconnect orders. 	
Business Rules:	
<p>FOC business rules are established to reflect the Local Service Center (LSC) normal hours of operation, which include Monday through Friday, 8:00 a.m.-5:30 p.m., excluding holidays and weekends. If the start time is outside of normal business hours, then the start date/time is set to 8:00 a.m. on the next business day. Example: If the request is received Monday through Friday between 8:00 a.m. to 5:30 p.m.; the valid start time will be Monday through Friday between 8:00 a.m. to 5:30 p.m. If the actual request is received Monday through Thursday after 5:30 p.m. and before 8:00 a.m. the next day; the valid start time will be the next business day at 8:00 a.m. If the actual request is received Friday after 5:30 p.m. and before 8:00 a.m. Monday; the valid start time will be at 8:00 a.m. Monday. If the request is received on a holiday (anytime); the valid start time will be the next business day at 8:00 a.m. The returned confirmation to the CLEC will establish the actual end date/time. Provisions are established within the DSS reporting systems to accommodate situations when the LSC works holidays, weekends, and when requests are received outside normal working hours.</p>	
Levels of Disaggregation:	
<ul style="list-style-type: none"> • Interconnection Facilities and Trunks < 7 Business Days • Unbundled Dedicated Transport • DS3s < 5 Business Days • DS1s < 1 Business Day <ul style="list-style-type: none"> • Projects – Negotiated • Broadband service product (Note: Additional disaggregations may be required as necessary in the future. 	
Calculation:	Report Structure:
(# FOCs returned within “x” hours ÷ total FOCs sent) * 100	Reported by CLEC, all CLECs, and SWBT affiliate
Measurement Type:	
<p>Tier 1 – Diagnostic Tier 2 – None</p> <p>This measure is diagnostic for 3 months, until September 2000. With October data it will be Tier 1 – Low, Tier 2 – Low.</p>	

Benchmark:

- Diagnostic for first three months of implementation of the measure then Tier 1 Low
- Interconnection Facilities and Trunks = 95% < 7 Business Days
- Unbundled Dedicated Transport DS3s = 95% < 5 Business Days
- Unbundled Dedicated Transport DS1s = 95% < 1 Business Day

The z-value applies

55.3 Measurement (As ordered in Texas)	
Percent xDSL-capable loop orders requiring the removal of load coils and or repeaters.	
Definition:	
The percentage of all xDSL-capable loops, greater than 12,000 feet (based on designed loop makeup information), ordered that require the removal of load coils or repeaters to provision xDSL services.	
Exclusions:	
Loops under 12,000 feet	
Business Rules:	
The percentage of all orders for xDSL-capable loops where the removal of load coils or repeaters has been requested by the CLEC.	
Levels of Disaggregation:	
<ul style="list-style-type: none"> • Loops between 12,000 feet and 17,500 feet • Loops over 17,500 feet 	
Calculation:	Report Structure:
$\frac{[\sum(\text{number of xDSL-capable loops requesting the removal of load coils or repeaters})]}{(\text{Total number of orders for xDSL-capable loops UNEs completed})}$	Reported for CLEC, SWBT DSL Affiliate, and all CLECs.
Measurement Type:	
Tier 1 – None Tier 2 – None	
Benchmark:	
Diagnostic only.	

70. Measurement Percentage of Trunk Blockage (Call Blockage)
Definition:
<p>Percentage of trunk groups (TGs) with calls blocked on outgoing traffic from Ameritech end office to CLEC end office, and from Ameritech tandem office to CLEC end office. This measure is evaluated using a three month rolling average of trunk group blockage. (This measure is only valid if a CLEC has 20 or more trunk groups.)</p>
Exclusions:
<p>If CLECs have more than 10% of the trunks of a particular TG busied-out for maintenance at their end, that TG will be excluded from that months calculations.</p> <p>A TG may be excluded from the calculations for a particular month if AT&T is found to be not ready for turn-up on the negotiated Due Date in 3 consecutive instances within the month.</p> <p>If CLEC does not take action upon receipt of Trunk Group Service Request (TGSR) or ASR within 3 business days when a Call Blocking situation is identified in a Final Trunk Group by Ameritech or in the timeframe specified in the ICA, (Article 4.3.13) the TG in question may be excluded from the calculations for that particular month.</p> <p>If CLEC fails to provide a forecast for a particular TG, that TG will be excluded from calculations until a forecast is provided.</p> <p>If CLECs actual “trunks required” calculation, as shown by Ameritech from traffic usage studies, is more than 150% of CLEC's forecast for the TG in question, which was delivered to Ameritech 6 months prior, unless a different timeframe is specified in an interconnection agreement., that particular TG may be excluded from the calculations for that particular month.</p> <p>New trunk groups that have not been in service for six months may be excluded from calculations for that 6 month period. Nevertheless, utilization data will be gathered upon turn-up of the TG.</p> <ul style="list-style-type: none"> • The exclusions do not apply if Ameritech fails to timely provide the CLEC with traffic utilization data reasonably required for CLEC to develop its forecast or if Ameritech refused to accept CLEC trunk orders (ASRs or TGSRs) that are within the CLEC’s forecast regardless of what the current usage data is.

Business Rules:	
<ul style="list-style-type: none"> Blocked calls and total calls are gathered on all reportable trunk groups during the official 20 day study month. Busy hour statistics are determined for reporting purposes. 	
Levels of Disaggregation:	
<p>Ameritech end office to CLEC end office. Ameritech tandem to CLEC end office.</p>	
Calculation:	Report Structure:
(# of trunk groups exceeding 1% blocking for each of three consecutive months / total # trunk groups in service).	Reported for CLEC, all CLECs, Ameritech, and Ameritech Affiliates.
Measurement Type:	
<p>Tier-1 High Tier-2 High</p>	
Benchmark:	
<p>99% of trunk groups not exceeding 1% blocking for three consecutive months with no single TG exceeding 1% blocking for more than 2 consecutive months.</p>	

104.1 Measurement (New Measure)	
The average time it takes to unlock the 911 record for an LNPed TN.	
Definition:	
The average time it takes to unlock the 911 record to allow the NENA record to be claimed and updated by the CLEC for LNP orders..	
Exclusions:	
Do not count TNs on the service order that are being disconnected or those remaining with the ILEC. CLEC caused errors or delays	
Business Rules:	
The clock starts on the date of order completion and the clock stops on the date/time when each LNPed TN is sent on the initial 911 unlock message/transaction to the SCC. The clock starts on an order level basis. The clock stops on a LNPed TN basis. The average is based on the number of LNPed telephone numbers where the initial message to unlock the TN is sent to the SCC divided by the total number of LNPed TNs with a completed order.	
Levels of Disaggregation:	
None	
Calculation:	Report Structure:
Sum (SOC Date – date the LNPed only TN’s E911 unlock initial transaction is sent to the SCC) divided by the number of LNPed TNs whose service order has been completed.	Reported for individual CLEC, and all CLECs and SWBT affiliates
Measurement Type:	
Tier 1 – high Tier 2 – high	
Benchmark:	
99% within 5 days of order completion	

CLEC PROPOSED REMEDY PLAN

FOR

OHIO

OCTOBER 10, 2000

Introduction

The CLECs in Ohio participating in the Performance Measure Collaboratives have agreed to present the Ohio Public Utilities Commission with a compromise performance remedy plan. Although each CLEC has its own recommended plan, the parties have determined that the following compromise plan would incorporate those provisions the Ohio Public Utilities Commission has ordered, as well as provide the proper remedy for SBC/Ameritech to provide Ohio CLECs with adequate operational support services.

The CLECs intend to offer this plan in Indiana, Michigan, Ohio, and Wisconsin, as well as Ohio. The CLECs believe that a remedy plan must take effect prior to 271 application and approval to enforce SBC/Ameritech's market opening requirements under the Telecommunications Act of 1996, Section 251.

Prerequisites for Performance Remedies

In order for a Performance Remedy Plan to be effective, performance measures that establish the minimum acceptable performance reporting requirements must be in place. In Ohio, the CLECs agreed with SBC/Ameritech to use the SBC Texas performance measures as a starting point in the collaborative. The collaborative has been meeting for eight months, and in conjunction with progress in other state collaboratives, an agreement on the measures is close to conclusion, with the vast majority of issues successfully negotiated to closure. Some issues in disagreement remain, including many that rely on the outcome of the OSS collaborative and KPMG testing.

General Principles

The FCC highlighted in its first approval of a 271 application (Bell Atlantic-New York) general principles for a successful performance remedy plan. The CLEC's compromise plan embraces the FCC's pillars of an effective remedy. Such a plan must include:

- Potential liability that provides a meaningful and significant remedy to comply with the designated performance standards;
- Clearly-articulated, pre-determined measures and standards, which encompass a comprehensive range of carrier-to-carrier performance;
- A reasonable structure that is designed to detect and sanction poor performance when it occurs;
- A self-executing mechanism that does not leave the door open unreasonably to litigation and appeal;
- And reasonable assurances that the reported data is accurate.
- In addition to the FCC's well articulated criteria, the CLECs' compromise plan also reflects the following attributes of an effective remedy plan:
 - Remedy payments increase on a per measure basis with the severity of the substandard performance and the duration of substandard performance.
 - Remedies dynamically adjust to CLEC entry strategies and market size. Per measure additional remedies for chronic and severe failures, ensure that the remedies are right-sized to motivate the ILEC to fix rather than ignore the operational issues causing the disparity in performance.

Remedy Plan Structure

Remedies should be based on the expected financial gain to SBC/Ameritech-Ohio from impeding competition by providing sub-standard service to CLECs. A review threshold for total remedies should be set no less than the FCC's recommendation of 36 percent of "Net Revenue," or \$361 Million for SBC/Ameritech-Ohio (see Table below for calculations). However, in light of the post-271 remedial actions of the FCC and New York Public Service Commission that raised the penalties for which Bell Atlantic New York was subject to 44 percent of net revenue, the CLECs recommend an initial review threshold of 44 percent or \$441 million per year. If a remedy cap is established exceeding the review threshold, its value should be based on an economic and financial analysis of the expected financial gain to SBC/Ameritech-Ohio from deterring competition, adjusted for the probability of detection and punishment inherent in the performance plan. (See Hubert & Lehr). The CLEC plan does not propose an absolute remedy cap because such a cap reduces the effectiveness of the remedy plan with no offsetting benefits. It also allows SBC/Ameritech to calculate its total liability and limit it to a cost of doing business to maintain monopoly power.

Data for Illinois from ARMIS 43-01 (1999)						
(Downloaded from FCC Web Site: http://www.fcc.gov/ccb/armis/)						
Year	Company Name	Row_#	Row_Title	Total_b	State_g	Interstate_h
1999	Illinois Bell	1090	Total Operating Revenues	4,322,326	3,071,054	963,308
1999	Illinois Bell	1190	Total Operating Expenses	2,625,418	1,783,582	520,233
1999	Illinois Bell	1290	Other Operating Income/Losses	-1,560	-1,074	-339
1999	Illinois Bell	1390	Total Non-operating Items (Exp)	126,625	59,615	-60
1999	Illinois Bell	1490	Total Other Taxes	175,680	135,459	38,229
1999	Illinois Bell	1590	Federal Income Taxes (Exp)	493,559	359,726	132,130
1999	Illinois Bell	1915	Net Return	N/A	N/A	272,438

FCC's Net Return Calculation*					
			Net Return	36% Net Return	44% Net Return
Illinois Bell	"Net Return"		1,004,036	361,453	441,776
Illinois Bell	75% Probability Adjustment			481,937	589,034

*Calculations in testimony based on FCC NY 271 Order at ft. 1332: "To arrive at a total "Net Return" figure that reflects both interstate and intrastate portions of revenue derived from local exchange service, we combined line 1915 (the interstate "Net Return" line) with a computed net intrastate return number (total intrastate operating revenues and other operating income, less operating expenses, non-operating items and all taxes)." Following the FCC's guidelines, the 'Net Return' is [272438+3071054+1074 - (1783582+59615+135459+359726)]= \$1004036

1. Tier I is paid to the CLECs for poor performance. Tier II is paid to the State of Ohio for poor performance delivered to the aggregate CLEC community. Tier I consequences help to ensure that harmed CLECs can remain viable in the market despite the inferior service; Tier II remedies redress systemic barriers to competition and ensure that remedies reach appropriate incentive levels even though CLEC market efforts may not clearly warrant remedies of such magnitude.
2. While statistical tests are used to detect discrimination for parity measures (those where service levels provided to CLECs can be compared to the levels provided to retail customers or to SBC/Ameritech's affiliate, whichever is better), levels of remedies are based on actual differences in performance, as measured by collected data and sample size. Any miss of a benchmark measure (those where there is no comparable retail or affiliate analogue for comparison) would invoke a remedy that likewise would increase by a relative percentage range by which the benchmark is missed. Those measures that require parity comparisons and those that require benchmarks have been determined in the Performance Measure Collaborative.

The 1996 Telecommunications Act ensures that ILEC treatment of CLECs is not only non-discriminatory, but also "just and reasonable." Service below the Commission's end user standards is not reasonable and the CLECs outline a plan to address this issue below:

Parity with a Floor

Proposal:

Periodically, SBC/Ameritech provides inferior service to both its wholesale and retail customers. Most states have employed minimum standards of performance for retail customers, but unfortunately these standards have not incited SBC/Ameritech to improve their performance in

a consistent timely fashion. In addition to this, the states have a limited number of measures with standards as compared to the new proposed wholesale measures as being developed jointly by CLEC's and SBC/Ameritech throughout the SBC/Ameritech region.

Due to these concerns, the CLEC's propose a "Parity with a Floor" concept to be put in place as a backstop for key measures where parity is used as the performance standard. For these key measures, parity will be the primary performance standard, however, for the sake of both retail and wholesale customers; parity must be at a minimum level to be considered as reasonably adequate service.

Key Indicators:

Out of several parity measures, only 11 measures will be held to the "Parity with a Floor" concept. These 11 represent high customer impact, along with being business critical. The 11 measures are as follows:

PM# 27 - Mean Installation Interval

PM# 28(a) - Percent Installations Completed within 3 Days

PM# 28(b) - Percent Installations Completed within 5 Days

PM# 29 - Ameritech Caused Missed Due Dates

PM# 35 – Percent of Trouble Reports within 10 Days of Installation.

PM# 38 – Percent Missed Repair Commitments

PM# 39(a) - Receipt to Clear for Out of Service Troubles

PM# 39(b) - Receipt to Clear for Non-Out of Service Troubles

PM# 40 – Percent Out of Service Intervals < 24 Hours

- PM# 41 – Percent Repeat Trouble Reports
- PM#117 – Percent NXX's Loaded and Tested Prior to Effective Date.

- **Floors:**

The following table represents the proposed “floor” for each respective key indicator:

Measure #:	Measure:	Floor:	Source:
PM #27	Mean Installation Interval	≤ 5 Business Days	Ohio MTSS Standards @ http://www.puc.state.oh.us/ohioutil/Telecommunications/MTSSStandards.pdf
PM #28 (a)	Percent Installations Completed within 3 Days – No Field Work	Suggest 90% within 3 business days.	A review of SBC’s historical data across the various states indicates best performance in IN & OH. WI, MI, & IL are very bad with ranges of 34% to 100%. That’s way too big a spread!
PM #28 (b)	Percent Installations Completed within 5 Days – Field Work	≥ 90% within 5 Business Days.	Ohio MTSS Standards @ http://www.puc.state.oh.us/ohioutil/Telecommunications/MTSSStandards.pdf
PM #29	Ameritech Caused Missed Due Dates	≤ 10%	ORR Admincode @ http://www.state.mi.us/webapp/orr/admincode.asp?AdminCode=Single&Admin_Num=48400001&Dpt=CI&RngHigh=
PM #35	Percent of Trouble Reports within 10 Days of Installation	≤5%	Internal Resources
PM #38	Percent Missed Repair Commitments	< 1%	LCUG Service Quality Measurements v7.0
PM #39 (a)	Receipt to Clear – Out of Service Troubles	≤ 24 hours	Ohio MTSS Standards @ http://www.puc.state.oh.us/ohioutil/Telecommunications/MTSSStandards.pdf
PM #39 (b)	Receipt to Clear –	≤ 36 hours	ORR Admincode @

	Non - Out of Service Troubles		http://www.state.mi.us/webapp/orr/admincode.asp?AdminCode=Single&Admin_Num=48400001&Dpt=CI&RngHigh=
PM #40	Percent Out of Service Intervals < 24 Hours	≥ 100%	Ohio MTSS
PM #41	Percent Repeat Trouble Reports	< 1%	LCUG Service Quality Measurements v7.0
PM #117	Percent NXX's loaded and Tested Prior to Effective Date.	100% by LERG effective date.	LERG is an established industry process that all carriers are to be following.

- **Example:**

Measure #39(a) Receipt to Clear – Out of Service Troubles.

- If SBC/Ameritech, on average, cleared Out of Service Troubles in 22 hours for their retail customers, and cleared them in 21 hours for the CLEC's customers, SBC/Ameritech not only provide parity, but also within the “floor”. SBC/Ameritech met its obligation.

- If SBC/Ameritech, on average, cleared Out of Service Troubles in 37 hours for their retail customers, and cleared them in 36 hours for the CLEC's customers, SBC/Ameritech indeed provided parity, but parity in itself represented unacceptable service. SBC/Ameritech should be subject to appropriate action.

- **Implementation:**

CLEC's acknowledge that in the areas where SBC/Ameritech is providing inferior service to its customers, that dramatic improvement can not happen over night. With that, CLEC's propose allowing Ameritech/SBC a 90 day grace period to identify, address and correct the root cause of their poor performance before being subject to any remedy implications.

- **Remedies:**

SBC/Ameritech will be subject to per measure remedies outlined in the table below:

Performance	Remedy amount per measure per CLEC
Floor or better	\$0
Up to 10% worse than Floor	0.00025% of “Net Revenue” for SBC/Ameritech for the applicable state
10.01% - 20% worse than Floor	0.00050% of “Net Revenue” for SBC/Ameritech for the applicable state
20.01% - 30% worse than Floor	0.00075% of “Net Revenue” for SBC/Ameritech for the applicable state
30.01% - 40% worse than Floor	0.001% of “Net Revenue” for SBC/Ameritech for the applicable state
40.01% - 50% worse than Floor	0.0015% of “Net Revenue” for SBC/Ameritech for the applicable state
50.01% - 60% worse than Floor	0.002% of “Net Revenue” for SBC/Ameritech for the applicable state
60.01% - 70% worse than Floor	0.0025% of “Net Revenue” for SBC/Ameritech for the applicable state
70.01% - 80% worse than Floor	0.003% of “Net Revenue” for SBC/Ameritech for the applicable state
80.01% - 90% worse than Floor	0.0035% of “Net Revenue” for SBC/Ameritech for the applicable state
90.01% - 100% worse than Floor	0.004% of “Net Revenue” for SBC/Ameritech for the applicable state
Greater than 100% worse than Floor	0.005% of “Net Revenue” for SBC/Ameritech for the applicable state

- **Remedy examples/calculations:**

Examples listed below are using Data for Illinois from ARMIS 43-01 (1999) - (Downloaded from FCC Website: <http://www/fcc/gov/ccb/armis/>) 1999 Net Return=\$1,004,036,000

Ex #1: SBC/Ameritech-Illinois, on average clears Retail customers Out of Service troubles in 28 hours, and clears CLEC “X” Out of Service troubles in an average of 27 hours. Ameritech provided parity to both retail and wholesale customers; however, parity did not meet the floor.

Using the calculation, and rules mentioned above, SBC/Ameritech would be required to pay the State of Illinois \$5,020. (Using 27 hours in this example, you take 3 (27 hours minus the floor = 3) divided by the floor of 24 hours and get 12.5%. $[(27-24)/24]=12.5\%$. 12.5% falls in the category of 10.01% - 20% worse than floor, so the remedy amount is the corresponding \$5,020.

Ex #2: SBC/Ameritech-Illinois misses the floor by 15% for all 10 measures for 10 CLECs.

SBC/Ameritech-Illinois would pay the state \$502,000. (10 measures multiplied by 10 CLECs multiplied by \$5,020) or $(10 \times 10 \times \$5,020 = \$502,000)$.

Ex #3: SBC/Ameritech-Illinois misses the floor by 25% for all 10 measures for 15 CLECs.

SBC/Ameritech-Illinois would pay the state \$1,129,500. (10 measures multiplied by 15 CLECs multiplied by \$7,530) or $(10 \times 15 \times \$7,530 = \$1,129,500)$.

- **Payments:**

Due to both the wholesale and retail customers are affected by Ameritech/SBC's poor performance, 100% of the remedy monies shall be paid to the respective State suffering the poor performance. No monies derived from this "Parity with a floor" shall be paid to the CLEC's. The remedies shall be made payable via a check. The proceeds from these remedies shall be used for enforcement and customer education of interconnection and wholesale and retail performance.

- **Gap Closure:**

In the event that SBC/Ameritech is performing greater than 10% worse than any given Floor, SBC/Ameritech must provide a Gap Closure plan.

A "Gap Closure Plan" will involve a detailed plan of action that SBC/Ameritech has in place to correct the performance.

The Gap Closure Plan must be presented by the CEO of SBC/Ameritech to the CEO of the affected CLEC's, in addition to the appropriate State Commission staff.

The purpose of this requirement is purely to gain exposure by SBC/Ameritech Executive management as opposed to checks simply being cut.

3. **Parity Measure Remedies For Tier I-** Remedies for parity measurements are based upon statistical comparison of service performance levels provided to each CLEC, compared to service levels provided by SBC/Ameritech to retail customers and to SBC/Ameritech's affiliate. The CLECs believe that the intent of the Telecommunications Act of 1996 is clear – SBC/Ameritech must provide parity service to CLECs as compared to its treatment of affiliates as well as its retail customers. Therefore, the CLECs propose that remedies would be due for parity measures that show either superior retail or affiliate treatment compared to wholesale performance. Performance levels are based upon evaluation of the modified z -score statistic (z). The CLECs propose that for all sufficiently disaggregated submeasures that the critical value balance the probability of Type I (ILEC found guilty when innocent) and Type II (ILEC found innocent when guilty) error probabilities. Since a fixed critical value will not accomplish this, the CLECs have agreed to use the balancing methodology proposed in Appendix C of the Statistician's joint filing for Louisiana Public Service Commission (LPSC) Docket U-22252 Subdocket C⁵, hereto attached as Attachment 1, to detect discrimination in all submeasures. The CLECs propose the use of this methodology with a delta value of 0.25.⁶Incorporating this delta along with the number of data points collected by submeasure, a balancing critical value, z^* , is easily calculated for each remediable submeasure. When the modified z -score statistic is compared to the balancing critical value, a sample size independent test occurs which automatically balances the Type I and Type II error probabilities. Furthermore, the ratio of the modified z -score to the balancing critical value is a sample size independent measure of the severity of the miss, which is used to escalate remedy dollar amounts in this proposal.
- Furthermore, in order to increase computational stability and avoid potential gaming, the CLECs propose that remedy amounts should be a continuous function of severity, once disparity is declared by the test. In the CLEC proposal a simple quadratic function is used to compute easily these dollar amounts.

⁵ Statistical Techniques For The Analysis And Comparison Of Performance Measurement Data. Submitted to Louisiana Public Service Commission (LPSC) Docket U-22252 Subdocket C.

⁶ Delta is a standardized measure of material difference between ILEC performance for its retail or affiliate compared to the ILECs whole performance for the CLECs. . The 0.25 delta chosen is a compromise position. Some CLECs were concerned that 0.25 was too generous and that CLECs could still be harmed competitively without remedy using this delta. The CLECs agreed to the joint proposal as an opportunity to study the impact of the 0.25 delta pending the six month review of the plan.

MAGNITUDE PAYMENTS FOR PARITY MEASURE MISSES

Range of modified z-statistic value (z)	Performance Designation	Applicable Consequence (\$)
greater than or equal z*	Compliant	0
less than z* to 5z*/3	Basic Failure	$a(z/z^*)^2 + b(z/z^*) + c$
less than 5z*/3 to 3z*	Intermediate Failure	
less than 3z*	Severe Failure	25,000 ⁷

a = 5625

b = -11250

c = 8125.

In this table it is assumed that a submeasure is worse as its value gets larger and that the definition of modified z score (z) is the same as in the TX business rules.

4. **Benchmark Measure Remedy for Tier I** - Remedies for benchmark measures are based upon a comparison of achieved service performance levels for CLECs to the established benchmarks. The benchmark levels were established at the lower end of acceptable performance in order to provide the minimum acceptable level of service that would allow the CLECs to compete. These levels should therefore be met 100% of the time. However, to account for random variation, engineering compromises, etc., the benchmark proportions (B) are set at less than 100% depending on the submeasure. Therefore, the resulting benchmark proportions should be considered a "bright line" limit that SBC/Ameritech must meet, and no

⁷ The levels in the plan will need to be revisited as market entry increases, particularly with the availability of UNE-P and EELs products. At some point, these per measure remedy levels will become an inadequate deterrent to discrimination when CLEC ordering volumes are high.

further statistical considerations are needed. Although further statistical considerations would lead to multiple mitigation in a remedy plan, it would be unfair to order the ILEC to satisfy the benchmarks when sample sizes are small. Due to the graininess in such cases a small sample size table is included for benchmarks in this proposal.

Service performance levels that do not achieve the benchmarks are subject to remedy payments. The CLECs have compromised on the values in the charts below. The dollar amounts take into account that the remedies associated with missing a strict benchmark proportion (e.g., 99%) should escalate faster than remedies associated with a less strict benchmark proportion (e.g., 90%).

MAGNITUDE PAYMENTS FOR BENCHMARK MEASURE MISSES

CLEC Data Set Size	Benchmark Percentage Adjustments for Small Data Sets (Applicable to Data Sets < 30)		
	85.0%	90.0%	95.0%
5	80.0%	80.0%	80.0%
6	83.3%	83.3%	83.3%
7	85.0%	85.7%	85.7%
8	75.0%	87.5%	87.5%
9	77.8%	88.9%	88.9%
10	80.0%	90.0%	90.0%
20	85.0%	90.0%	95.0%
30	83.3%	90.0%	93.3%

Range of Benchmark Result (x)	Performance Designation	Applicable Consequence (\$)
Meets or exceeds B%	Compliant	0
Meets or exceeds (1.5B-50)% but worse than B%	Basic Failure	$d[x/(100-B)]^2 + eB[x/(100-B)]^2$ $+ f[B/(100-B)]^2 + g$
Meets or exceeds (2B-100)% but worse than (1.5B-50)%	Intermediate Failure	
Worse than (2B-100)%	Severe Failure	25,000

Where,

$d = 22500$

$e = -45000$

$f = 22500$

$g = 2500$

5. **Parity Measure Remedies for Tier II** - The same rules apply under Tier II to the aggregate (or pooled) data of the individual CLECs as are employed for the individual CLEC data under Tier I, except that a more lenient $5z^*/3$ critical value is used.

Range of modified z-statistic value (z)	Performance Designation	Applicable Consequence (\$)
greater than or equal $5z^*/3$	Indeterminate	0
less than $5z^*/3$ to $3z^*$	Market Impacting	$n [a(z/z^*)^2 + b(z/z^*) + c]$
less than $3z^*$	Market Constraining	$n25,000$

The value for “n” should be determined based upon the most recent data for the state and relating to resold lines and UNE loops as reported in the most recent Report of Local Competition published by the FCC. The calculation would be based on the most current data reported to the FCC and be as follows: (resold lines + UNE loops)/(total switched lines).

Lines provided to CLECs/Total SBC/Ameritech and CLEC Lines	Value of “n”
more than 50%	0
more than 40% less than or equal 50%	1
more than 30% less than or equal 40%	2
more than 20% less than or equal 30%	4
more than 10% less than or equal 20%	6
more than 5% less than or equal 10%	8
0% to less than or equal 5%	10

Thus, as competition becomes established, the size of the applicable Tier II consequence is reduced to zero if SBC/Ameritech no longer provides a majority of the local lines to the CLECs in its serving area. Based upon current data, the current value of “n” for SBC/Ameritech is 10.

- 6. **Benchmark Measure Remedies for Tier II** - The same rules apply under Tier II to the aggregate (or pooled) data of the individual CLECs as are employed for the individual CLEC data under Tier I, except that consequences do not apply until the pooled CLEC performance results degrades to a point that is equivalent to an intermediate failure designation.

TIER II REMEDY PAYMENTS - BENCHMARK MEASURES

Range of Benchmark Result (x)	Failure Designation	Applicable Consequence (\$)
Meets or exceeds (1.5B-50)%	Indeterminate	0
Meets or exceeds (2B-100)% but worse than (1.5B-50)%	Market Impacting	$n \{d[x/(100-B)]^2 + eB[x/(100-B)]^2 + f[B/(100-B)]^2 + g\}$
Worse than (2B-100)%	Market Constraining	n25,000

- 7. **Chronic Remedy Payments** - Regardless of the type of measurement (parity or benchmark), if performance fails to achieve the Compliant level in consecutive reporting periods, then additional consequences should apply. The recommended treatment for chronic failures is to assess a chronic failure over-ride in the third consecutive month of non-compliant performance. When the chronic failure override applies, a consequence equal to a “Severe Failure” (\$25,000 per chronic failure per month) for Tier I and “Market Constraining”

(n\$25,000 per chronic failure per month) for Tier II should apply until such time as performance for the specific measurement result is again classified as Compliant.

8. **Review Threshold** – In addition to establishing an overall review threshold at 36% net local return, regulatory review also would be triggered without withholding remedies in escrow for any month where SBC/Ameritech’s remedy payments exceed 1/6 of \$441M, or \$ 73.5M. The review would focus on discovering the source of SBC/Ameritech’s poor performance, and on how the Commission could incent compliant performance promptly, which may include additional remedies or other consequences such as a recommendation that the FCC suspend or not grant 271 relief and/or marketing.
9. Remedies are applicable to non-regulatory approved late reports, incomplete reports (missing sub- metrics) and late corrective action reports where they are applicable. These payments will be made to the State of Ohio. These remedies are outlined below.

Late Reports Per Day	\$5,000
Incomplete Reports Per Submetric Per Day	\$1,000
Late Corrective Action Reports	\$5,000
Late Or Missing Change Management Notices for Metrics and/or Unauthorized* Noticed Changes	\$5,000

*Unauthorized means change made unilaterally by SBC/Ameritech without agreement from CLEC collaborative participants.

10. Reporting Structure:

SBC/Ameritech Ohio retail data shall be compared to individual CLEC data and, separately, to aggregate CLEC data that excludes the affiliate data. Additionally, SBC/Ameritech's affiliate data shall be compared to individual CLEC data and, separately, to aggregate CLEC data.

CLECs shall have the right to review SBC/Ameritech data, and SBC/Ameritech affiliate data, subject to an appropriate protective agreement.

Application and Payment of Performance Remedies

1. The remedy plan supplements remedies already included in CLEC interconnection agreements. CLECs also may voluntarily negotiate additions, deletions or changes to the metrics adopted in this collaborative for inclusion in interconnection agreements. Upon completion of this proceeding, the metrics developed and remedies would be in force for all CLECs buying service through tariff or interconnection agreement from SBC/Ameritech.
2. Performance remedy payments will be determined on a monthly basis and will be applied at a submeasure level for each CLEC for each failed submeasure.
3. Payments to the CLECs will be made by check by the end of the month following the data report (e.g. June data, reported in July, remedies paid by August 31). An invoice will accompany the payment explaining the calculation of each submetric missed (base and any magnitude or duration remedies should be specified). Payment by check is necessary in order to ensure certain payment and is easier for the CLECs to administer and track. Bill credits are inappropriate as they are not easily traceable back to a specific CLEC account for credit, are more less visible and hence less incenting to SBC/Ameritech executives, are hard to track when SBC/Ameritech billing is erratic or subject to numerous billing disputes. Remedies for prior periods also can potentially be greater than the bill for a given month. It is counterintuitive to require CLECs to buy additional services from a vendor to receive full compensation for past inferior performance.
4. Participation in this remedy plan does not affect a CLEC's right to bring a separate action before a state commission, the Federal Communications Commission, or the courts for a violation by SBC-Ameritech of the Telecommunications Act of 1996. The existence of this plan similarly does not affect a state commission's authority under either federal or state law to hear such an action or commence such an action on its own initiative, and to redress such a violation in the form of damages or official findings.

Mitigation Measures and Dispute Resolution

1. The use of statistical testing employing the balancing methodology provides a reasonable level of deviation from the strict parity requirement and helps equalize the risk of random variation for all parties. In the SBC region, a score greater than 0 reflects that the CLEC received poorer performance than SBC/Ameritech, so even setting the modified z score at the worse value z^* provides some mitigation for disparity resulting from monthly sampling of process. At a $5z^*/3$ or higher critical value, the risk of discrimination going undetected is greater than the possibility of Type I error. No additional mitigation is required.
 - A limited root-cause analysis process will be performed at a CLECs request by SBC/Ameritech for chronic performance failures.

Either SBC/Ameritech or the CLEC may initiate a request for an expedited hearing process to resolve differences associated with performance parity and remedy payment issues; however, payments must continue to the CLECs pending the outcome of such proceeding.

Audits

SBC/Ameritech will support an annual comprehensive audit of its reporting procedures and reportable data. SBC/Ameritech will include all systems, processes and procedures associated with the production and reporting of performance measurement results. This audit will be performed by a third party auditor. The third party auditor will be jointly selected by SBC/Ameritech and the CLECs. If the parties cannot agree on the auditor, the auditors selected by each party will jointly determine the auditor. Costs for these annual audits will be borne by SBC/Ameritech.

The comprehensive Annual Audits will be conducted every twelve (12) months, with the first such audit commencing twelve (12) months after the conclusion of the KPMG OSS Test's metric replication. (At its completion, SBC/Ameritech shall submit its annual comprehensive audit to the Commission and distribute copies to CLECs.

Mini – Audits:

In addition to an annual audit, SBC/Ameritech and CLECs agree that the CLECs would have the right to mini-audits of individual performance measures/submeasures during the year. When a CLEC has reason to believe the data collected for a measure is flawed or the reporting criteria for the measure is not being adhered to, it has the right to have a mini-audit performed on the specific measure/sub-measure upon written request (including e-mail), which will include the designation of a CLEC representative to engage in discussions with SBC/Ameritech about the requested mini-audit. If, 30 days after the CLEC's written request, the CLEC believes that the issue has not been resolved to its satisfaction, the CLEC will commence the mini-audit upon providing SBC/Ameritech with 5 business days advance written notice. Each CLEC would be limited to auditing three single measures/sub-measures or one domain area (preorder, ordering, provisioning, maintenance or billing). during the audit year. The audit year shall commence with the start of the KPMG OSS test (or an Annual Audit. Mini- Audits may be requested for months including and subsequent to the month in which the KPMG OSS or an Annual Audit was initiated. Mini-audits cannot be requested by a CLEC while the OSS third party test or an Annual Audit is being conducted (i.e. before completion).

Mini-Audits will include all systems, processes and procedures associated with the production and reporting of performance measurement results for the audited measure/sub-measure. Mini-Audits will include two (2) months of data, and all parties agree that raw data supporting the performance measurement results will be available monthly to CLECs.

No more than three (3) Mini- Audits will be conducted simultaneously unless more than one CLEC wants the same measure/sub-measure audited at the same time, in which case, Mini-Audits of the same measure/sub-measure shall count as one Mini-Audit for the purposes of this paragraph only.

Mini-Audits will be conducted by a third party auditor, selected by the same method as described above. SBC/Ameritech will pay for fifty percent (50%) of the costs of the mini-audits. The other

fifty percent (50%) of the costs will be divided among the CLEC(s) requesting the mini-audit unless SBC/Ameritech is found to be “materially” misreporting or misrepresenting data or to have non-compliant procedures, in which case, SBC/Ameritech would pay for the entire cost of the third party auditor. Parties agree that the issue of whether SBC/Ameritech is “materially” at fault will be based on the parameters of failure to perform: “materially” at fault means that a reported successful measure changes as a consequence of the audit to a missed measure, or there is a change from an ordinary missed measure to intermediate or severe. Each party to the Mini-Audit shall bear its own internal costs, regardless of which party ultimately bears the costs of the third party auditor.

If, during a Mini-Audit, it is found that for more than 30% of the measures in a major service category SBC/Ameritech is “materially” at fault (i.e., a reported successful measure changes as a consequence of the audit to a missed measure, or there is a change from an ordinary missed measure to intermediate or severe), the entire service category will be re-audited at the expense of SBC/Ameritech. The major service categories for this purpose are:

- Pre-Ordering/Ordering
- Billing
- Provisioning - POTS and UNE Loop and Port Combinations
- Provisioning - Resale Specials and UNE Loop and Port Combinations
- Provisioning - Unbundled Network Elements
- Maintenance - POTS and UNE Loop and Port Combinations
- Maintenance - Resale Specials and UNE Loop and Port Combinations
- Maintenance - Unbundled Network Elements
- Interconnection Trunks
- Local Number Portability
- Database - 911
- Database - Directory Assistance

- Database - NXX
- Collocation
- Coordinated Conversions

Each Mini-Audit shall be submitted to the CLEC involved and to the Commission as a proprietary document. SBC/Ameritech will provide notification to all CLECs of any Mini-Audit requested when the request for the audit is made.

Attachment 1

Appendix C Balancing the Type I and Type II Error Probabilities of the Truncated Z Test Statistic

This appendix describes a the methodology for balancing the error probabilities when the Truncated Z statistic, described in Appendix A, is used for performance measure parity testing. There are four key elements of the statistical testing process:

1. the null hypothesis, H_0 , that parity exists between ILEC and CLEC services
2. the alternative hypothesis, H_a , that the ILEC is giving better service to its own customers
3. the Truncated Z test statistic, Z^T , and
4. a critical value, c

The decision rule⁸ is

- If $Z^T < c$ then accept H_a .
- If $Z^T \geq c$ then accept H_0 .

There are two types of error possible when using such a decision rule:

- Type I Error:** Deciding favoritism exists when there is, in fact, no favoritism.
- Type II Error:** Deciding parity exists when there is, in fact, favoritism.

The probabilities of each type of each are:

- Type I Error:** $\alpha = P(Z^T < c | H_0)$.
- Type II Error:** $\beta = P(Z^T \geq c | H_a)$.

In what follows, we show how to find a balancing critical value, c_B , so that $\alpha = \beta$.

General Methodology

The general form of the test statistic that is being used is

$$z_0 = \frac{\hat{T} - E(\hat{T}|H_0)}{SE(\hat{T}|H_0)}, \tag{C.1}$$

where

- \hat{T} is an estimator that is (approximately) normally distributed,
- $E(\hat{T}|H_0)$ is the expected value (mean) of \hat{T} under the null hypothesis, and

⁸ This decision rule assumes that the smaller a performance measure is, the better the service. If the opposite is true, then reverse the decision rule.

$SE(\hat{T}|H_0)$ is the standard error of \hat{T} under the null hypothesis.

Thus, under the null hypothesis, z_0 follows a standard normal distribution. However, this is not true under the alternative hypothesis. In this case,

$$z_a = \frac{\hat{T} - E(\hat{T}|H_a)}{SE(\hat{T}|H_a)}$$

has a standard normal distribution. Here

$E(\hat{T}|H_a)$ is the expected value (mean) of \hat{T} under the alternative hypothesis, and

$SE(\hat{T}|H_a)$ is the standard error of \hat{T} under the alternative hypothesis.

Notice that

$$\begin{aligned} \beta &= P(z_0 > c | H_a) \\ &= P\left(z_a > \frac{cSE(\hat{T}|H_0) + E(\hat{T}|H_0) - E(\hat{T}|H_a)}{SE(\hat{T}|H_a)}\right) \end{aligned} \quad (C.2)$$

and recall that for a standard normal random variable z and a constant b , $P(z < b) = P(z > -b)$. Thus,

$$\alpha = P(z_0 < c) = P(z_0 > -c) \quad (C.3)$$

Since we want $\alpha = \beta$, the right hand sides of (C.2) and (C.3) represent the same area under the standard normal density. Therefore, it must be the case that

$$-c = \frac{cSE(\hat{T}|H_0) + E(\hat{T}|H_0) - E(\hat{T}|H_a)}{SE(\hat{T}|H_a)}.$$

Solving this for c give the general formula for a balancing critical value:

$$c_B = \frac{E(\hat{T}|H_a) - E(\hat{T}|H_0)}{SE(\hat{T}|H_a) + SE(\hat{T}|H_0)} \quad (C.4)$$

The Balancing Critical Value of the Truncated Z

In Appendix A, the Truncated Z statistic is defined as

$$Z^T = \frac{\sum_j W_j Z_j^* - \sum_j W_j E(Z_j^* | H_0)}{\sqrt{\sum_j W_j^2 \text{Var}(Z_j^* | H_0)}}$$

In terms of equation (C.1) we have

$$\hat{T} = \sum_j W_j Z_j^*$$

$$E(\hat{T} | H_0) = \sum_j W_j E(Z_j^* | H_0)$$

$$SE(\hat{T} | H_0) = \sqrt{\sum_j W_j^2 \text{Var}(Z_j^* | H_0)}$$

To compute the balancing critical value (C.4), we also need $E(\hat{T} | H_a)$ and $SE(\hat{T} | H_a)$. These values are determined by

$$E(\hat{T} | H_a) = \sum_j W_j E(Z_j^* | H_a), \text{ and}$$

$$SE(\hat{T} | H_a) = \sqrt{\sum_j W_j^2 \text{var}(Z_j^* | H_a)}.$$

In which case equation (C.4) gives

$$c_B = \frac{\sum_j W_j E(Z_j^* | H_a) - \sum_j W_j E(Z_j^* | H_0)}{\sqrt{\sum_j W_j^2 \text{var}(Z_j^* | H_a) + \sum_j W_j^2 \text{var}(Z_j^* | H_0)}}. \quad (C.5)$$

Thus, we need to determine how to calculate $E(Z_j^* | H_0)$, $\text{Var}(Z_j^* | H_0)$, $E(Z_j^* | H_a)$, and $\text{Var}(Z_j^* | H_a)$. These values depend on the distribution of Z_j (see Appendix A) under the null and alternative hypotheses.

One possible set of hypotheses, that take into account the assumption that transaction are identically distributed within cells, is:

$$H_0: \mu_{1j} = \mu_{2j}, \sigma_{1j}^2 = \sigma_{2j}^2$$

$$H_a: \mu_{2j} = \mu_{1j} + \delta_j, \sigma_{2j}^2 = \lambda_j \sigma_{1j}^2 \quad \delta_j > 0, \lambda_j \geq 1 \text{ and } j = 1, \dots, L.$$

Under this null hypothesis, Z_j has a standard normal distribution within each cell j . In which case,

$$E(Z_j^* | H_0) = -\frac{1}{\sqrt{2\pi}}, \text{ and}$$

$$\text{var}(Z_j^* | H_0) = \frac{1}{2} - \frac{1}{2\pi}.$$

Under the alternative hypothesis, Z_j has a normal distribution with

$$E(Z_j | H_a) = m_j = \frac{-\delta_j}{\sqrt{\frac{1}{n_{1j}} + \frac{1}{n_{2j}}}}, \text{ and}$$

$$SE(Z_j | H_a) = se_j = \sqrt{\frac{\lambda_j n_{1j} + n_{2j}}{n_{1j} + n_{2j}}}$$

In general, the mean of a normal distribution truncated at 0 is

$$M(\mu, \sigma) = \int_{-\infty}^0 \frac{x}{\sqrt{2\pi}\sigma} \exp\left(-\frac{1}{2}\left(\frac{x-\mu}{\sigma}\right)^2\right) dx,$$

and the variance is

$$V(\mu, \sigma) = \int_{-\infty}^0 \frac{x^2}{\sqrt{2\pi}\sigma} \exp\left(-\frac{1}{2}\left(\frac{x-\mu}{\sigma}\right)^2\right) dx - M(\mu, \sigma)^2$$

It can be shown that

$$M(\mu, \sigma) = \mu \Phi\left(\frac{-\mu}{\sigma}\right) - \sigma \phi\left(\frac{-\mu}{\sigma}\right)$$

and

$$V(\mu, \sigma) = (\mu^2 + \sigma^2) \Phi\left(\frac{-\mu}{\sigma}\right) - \mu \sigma \phi\left(\frac{-\mu}{\sigma}\right) - M(\mu, \sigma)^2$$

where $\Phi(\cdot)$ is the cumulative standard normal distribution function, and $\phi(\cdot)$ is the standard normal density function.

Using the above notation, and equation (C.5), we get the formula for the balancing critical of Z^T for the alternative hypothesis defined above.

$$c_B = \frac{\sum_j W_j M(m_j, se_j) - \sum_j W_j \frac{-1}{\sqrt{2\pi}}}{\sqrt{\sum_j W_j^2 V(m_j, se_j)} + \sqrt{\sum_j W_j^2 \left(\frac{1}{2} - \frac{1}{2\pi}\right)}}. \quad (C.6)$$

This formula assumes that Z_j is approximately normally distributed within cell j . When the cell sample sizes, n_{1j} and n_{2j} , are small this may not be true. It is possible to determine the cell mean and variance under the null hypothesis when the cell sample sizes are small. It is much more difficult to determine these values under the alternative hypothesis. Since the cell weight, W_j will also be small (see Appendix A) for a cell with small volume, the cell mean and variance will not contribute much to the weighted sum. Therefore, formula (C.6) should provide a reasonable approximation to the balancing critical value.

Determining the Parameters of the Alternative Hypothesis

In this appendix we have indexed the alternative hypothesis by two sets of parameters, λ_j and δ_j . While statistical science can be used to evaluate the impact of different choices of these parameters, there is not much that an appeal to statistical principles can offer in directing specific choices. Specific choices are best left to telephony experts. Still, it is possible to comment on some aspects of these choices:

- Parameter Choices for λ_j . The set of parameters λ_j index alternatives to the null hypothesis that arise because there might be greater unpredictability or variability in the delivery of service to a CLEC customer over that which would be achieved for an otherwise comparable ILEC customer. While

concerns about differences in the variability of service are important, it turns out that the truncated Z testing which is being recommended here is relatively insensitive to all but very large values of the λ_j . Put another way, reasonable differences in the values chosen here could make very little difference in the balancing points chosen.

- Parameter Choices for δ_j . The set of parameters δ_j are much more important in the choice of the balancing point than was true for the λ_j . The reason for this is that they directly index differences in average service. The truncated Z test is very sensitive to any such differences; hence, even small disagreements among experts in the choice of the δ_j could be very important. Sample size matters here too. For example, setting all the δ_j to a single value — $\delta_j = \delta$ — might be fine for tests across individual CLECs where currently in Louisiana the CLEC customer bases are not too different. Using the same value of δ for the overall state testing does not seem sensible, however, since the state sample would be so much larger.

The bottom line here is that beyond a few general considerations, like those given above, a principled approach to the choice of the alternative hypotheses to guard against must come from elsewhere.

to be late filed