

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to consider AMERITECH MICHIGAN'S compliance with the competitive checklist in Section 271 of the federal Telecommunications Act of 1996. Case No. U-12320

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Proceedings had in the above-entitled matter at the Michigan Public Service Commission, 6545 Mercantile Way, Lansing, Michigan.

SESSION OF WEDNESDAY, AUGUST 9, 2000

VOLUME 25

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BEFORE: THOMAS LONERGAN, Director  
MPSC Communications Staff

JOHN KERN, Facilitator

PARTICIPANTS

MPSC

ANN SCHNEIDEWIND, MPSC Communications Staff

AMERITECH MICHIGAN

KELLY FENNELL, via telephone  
TERRY APPENZELLER, via telephone  
RICK DISHMAN, via telephone  
SUSAN FRENTZ, via telephone  
JOE MAGIERA, via telephone  
JOHN DEMPSEY, via telephone  
ROBIN GLEASON, via telephone

AT&T COMMUNICATIONS

FRANCES BROWN  
DAVE CHORZEMPA, via telephone  
TIM CONNOLLY, via telephone

WORLDCOM

KATHY WILSON, via telephone

NEXTLINK

CHRIS EMMEL, via telephone

HORIZON

RICK GOULD, via telephone

LDMI

JERRY FINEFROCK, via telephone

BIRCH TELECOM

T.J. SAUDER, via telephone

KPMG

JOHN ERINGIS, Senior Manager, via telephone  
EUGENE GORFIN, via telephone  
STEVE FULLER, via telephone

ATTORNEY GENERAL

ORJIAKOR ISIOGU, Assistant Attorney General, via  
telephone

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Lansing, Michigan  
Wednesday, August 9, 2000  
10:15 A.M.

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(The proceedings were resumed pursuant to the adjournment.)

MR. LONERGAN: We're going on the record.

MR. ERINGIS: I'll begin. This is John Eringis from KPMG Consulting.

We'd like to address the comments on MTP Version 1.4 by first beginning to go through the AT&T written comments which were distributed by e-mail to the distribution list last night. I will not expand on their comments but I'll assume that some of you have had a chance to review them, and I'll stop on the points, and if Tim and Dave can explore a little more what their points are, if there's anything else to add other than what's in the document, you know, please do so.

The first point that was made in their comments were a couple of observations about the statistical methodology. Tim or Dave, do you want to take us through your point?

MR. CONNOLLY: Hi, John. This is Tim Connolly speaking.

Our concern is that we need to come to

1 grips with the statistical methodology that will be  
2 embodied within the test. We note with some concern  
3 Appendix C, where it describes very generally that there  
4 will be a statistical methodology employed, but we need to  
5 have a more clear understanding of that. So I guess our  
6 request is that the process by which we come to agree on  
7 that statistical methodology be brought together as  
8 quickly as possible, and I think one of the earliest sets  
9 of comments that KPMG had provided suggested a technical  
10 conference or a workshop or something along those lines to  
11 have the parties work together to come up with that  
12 methodology and approach that helps us understand things  
13 like the alternative hypothesis that will be used, what  
14 the sample sizes will be for various tests, what we use  
15 for an alpha and a beta level for the Type I and Type II  
16 errors respectively, permutation testing and the like. It  
17 just seems that all those things have got to get decided,  
18 and it's likely that the various parties will have some  
19 view of how those ought to go, so we think that the  
20 workshop proposal is a good one. The timing of that, we'd  
21 like to urge that that be expedited.

22 MR. CHORZEMPA: And I think we'd like to --  
23 this is Dave Chorzempa from AT&T. What we'd like to see  
24 is the workshop idea memorialized in the master test plan  
25 along with at least some indication of when it's going to

1 start.

2 MS. SCHNEIDEWIND: This is Ann Schneidewind  
3 from the staff.

4 I would note just on a broad level at least  
5 that the Commission in 11830 in their order over a year  
6 ago did adopt a statistical methodology that if we amend,  
7 I think we need to make proposals on that at some point to  
8 the Commission because they have actually adopted a  
9 variation of what Ameritech had proposed way back then  
10 over a year ago. So as I say, I think if we want to have  
11 modifications adopted, it's going to have to go through  
12 the 11830 docket.

13 MR. CHORZEMPA: What was the -- this is  
14 Dave Chorzempa from AT&T. I'm unaware of the context of  
15 that docket and where that was accepted or for what  
16 purpose, this statistical methodology that was adopted by  
17 the Commission.

18 MS. SCHNEIDEWIND: This is Ann Schneidewind  
19 again.

20 The Commission originally adopted  
21 performance standards in May of 1999 and in 11830.  
22 Ameritech had made proposals at that time. MCI and AT&T  
23 and several parties had responded both to the proposed  
24 performance standards and to the statistical methodology.  
25 And then you will recall early this year Ameritech had

1 proposed that certain amendments be made to those  
2 performance standards that were adopted in May of '99 by  
3 the Commission, and that's what we eventually incorporated  
4 in July in our filing to the Commission, asking that the  
5 Commission adopt the agreement of this collaborative  
6 changing the performance standards.

7 But although we had mentioned a couple of  
8 times in the course of those discussions the fact that  
9 statistical methodologies had also been adopted by the  
10 Commission in May of '99, and that any changes we might  
11 propose to that needed to be incorporated in the document  
12 that went to the Commission, nobody really proposed any  
13 changes.

14 And so I don't think that's our last  
15 avenue. If we're going to propose something else in this  
16 11830 docket in September regarding new performance  
17 standards for UNE remand and line-sharing, that would be a  
18 good opportunity, if we want to change any statistical  
19 methodology the Commission has already adopted, for us to  
20 jointly propose some changes. But I just want people to  
21 be clear that there is already something on the record,  
22 although not in this collaborative -- it was a year ago --  
23 but the Commission has adopted something by which they  
24 intended to review or have performance standards reviewed  
25 in terms of statistical methodologies.

1                   MR. ERINGIS:  Ann, this is John Eringis.  
2                   Let me take a run at what AT&T had said and let me put a  
3                   couple of concepts on the table and see whether this would  
4                   be satisfactory to them.

5                   What I'm taking away here is that what AT&T  
6                   is requesting is some acknowledgment that there will be  
7                   some sort of informational meeting -- at a minimum  
8                   informational -- that discusses the details of the  
9                   statistical approaches that would be used in the test, and  
10                  the statistical approaches that would be used in the test,  
11                  we would need to be cognizant of the Commission's order  
12                  with respect to performance metrics, but there are  
13                  probably other issues that need to be considered that  
14                  wouldn't be in conflict with that order.

15                  It sounds to me like what we're looking for  
16                  here is not necessarily to hold up the MTP, but just some  
17                  clarity on, you know, are we just saying that we want to  
18                  all commit that we're going to schedule an informational  
19                  meeting and we're going to discuss these kinds of issues.  
20                  This is going to be a very similar meeting to the meeting  
21                  that has happened for the ROC that's done in U.S. West,  
22                  and I believe a meeting such as this has happened in  
23                  Florida where various experts from the companies and other  
24                  representatives can attend a meeting so that they have a  
25                  comfort level and some additional insight into exactly how

1 we're going to deal with those aspects of the test where  
2 statistical design is essential.

3 Is that what you're driving at, AT&T, or is  
4 there something else?

5 MR. CONNOLLY: Tim Connolly for AT&T.

6 Yes, John, that's very much in line with  
7 what we're suggesting. We would have this informational  
8 meeting, were it to be the case that KPMG adopts the 11830  
9 methodology and perhaps refines it or specifies what it  
10 will use in terms of sample sizes for aspects of the test  
11 where those would be either consistent with 11830  
12 requirements or whatever is the alternative, and be able  
13 to have the opportunity to discuss those alternatives.

14 So I generally agree that we do need to get  
15 together and go through these to make sure that we've got  
16 an understanding about the ways in which the statistical  
17 approach will be woven into the test.

18 MR. ERINGIS: Right.

19 MR. APPENZELLER: John, this is Terry  
20 Appenzeller. We're O.K. with having that workshop in the  
21 future and maybe in conjunction with penalty plan  
22 discussions because they're kind of related.

23 MR. CHORZEMPA: This is Dave Chorzempa from  
24 AT&T. I think it's different from performance measures,  
25 what we're talking about here, because we're talking about

1 statistical methods used in the test such as sample sizes.  
2 I mean Tim's listed the things up in paragraph 1 of the  
3 statistical methodology section, and I think it's -- I  
4 don't know that the performance measures statistical  
5 methodology is broad enough to encompass what we're  
6 talking about here, but I'm no expert on what the 11830  
7 docket said and I'm certainly coming from there from a  
8 position of ignorance. I don't know how broad that is.

9 MS. SCHNEIDEWIND: And Dave, this is Ann  
10 Schneidewind again. The Commission did address the issue  
11 of sample size, but again not in relationship to a pseudo-  
12 CLEC kind of a test but certainly in relationship to small  
13 sample sizes that an individual CLEC might have.

14 It really was, I think, a pretty broad  
15 stroke that the Commission took, and I think as John  
16 Eringis suggests, there may be nothing that KPMG is going  
17 to suggest that would be in conflict with the Commission's  
18 order, but I think we need to take a look at that again in  
19 terms of the affidavits that were presented by Ameritech's  
20 witness in that case and make sure that we're not doing  
21 anything that the Commission actually adopted that would  
22 be in conflict with it. And even if some proposal is made  
23 to change it at this point, that's fine. We just have to  
24 have the Commission acknowledge it, that's all.

25 MR. CONNOLLY: Tim Connolly. Adding to

1           that sort of concerns that we have, it seems to us that we  
2           need to understand the sample size question, as an  
3           example, so that sufficient test data is engineered to be  
4           processed through the pseudo-CLEC, and also there's going  
5           to be a need to understand sample sizes for preparing the  
6           test bed that Ameritech and KPMG are going to build.

7                         So it's important that we understand how  
8           the sample size issue gets resolved in the various aspects  
9           of the test for (a) planning purposes, (b) engineering  
10          purposes, and (c) for test bed purposes.

11                        MR. ERINGIS: This is John Eringis again.  
12          It sounds to me like the two things that could potentially  
13          be a sticking point in this discussion -- or I haven't  
14          heard anybody raise them -- are first, I didn't hear that  
15          the proposal on the table is for there to be a formal or  
16          some sort of binding collaborative where the Commission  
17          now has to consider about whether it's going to set up a  
18          forum where it's going to be bound or need to have some  
19          sort of arbitration if there are issues that can't be  
20          resolved in some formal setting. It doesn't sound that  
21          that's what we're talking about here; that we're talking  
22          about more of an informational gathering much like has  
23          happened in other jurisdictions.

24                        And I guess the second point that could be  
25          a sticking point, which I also haven't heard, is that

1 we're talking about holding up the MTP until we absolutely  
2 positively have like a date and a room and who's going to  
3 go and what the rules of engagement of this meeting are,  
4 and it doesn't sound like that's what we're saying. It  
5 sounds like what we're saying is, you know, we're all  
6 going to work in good faith to schedule this as  
7 expeditiously as possible so that we can all get together,  
8 all the participants in the collaborative that have been  
9 working on the MTP, and schedule some time with sufficient  
10 advance notice, but as soon as possible, to go and discuss  
11 these relevant issues, and we can explore things like,  
12 well, how did the order affect this stuff, are there  
13 statistical methods that we have to worry about being in  
14 conflict with, do we have to perhaps consider proposals to  
15 amend the order, et cetera.

16 So from my perspective it doesn't sound  
17 like we have any sticking points there as long as, if I  
18 can summarize, the summary of the agreement is we're all  
19 going to work in good faith to schedule this informational  
20 meeting and have it to discuss these issues.

21 MR. CHORZEMPA: John, Dave Chorzempa from  
22 AT&T. How would the statistical -- standard statistical  
23 methods be chosen, then? Is that chosen unilaterally by  
24 KPMG, then?

25 MR. ERINGIS: Well, we would use what we've

1 learned has worked before. We would work with the  
2 Commission to do that. And in this particular case we  
3 would agree that it's valuable. And I think that, you  
4 know, this is -- I'm not sure that this is a new idea even  
5 for Michigan. We had discussed that we were going to have  
6 -- I think Tim's comments earlier were that we were  
7 anticipating a technical or informational workshop where  
8 we were going to talk about this stuff and get some  
9 guidance from all the parties to get a comfort level.

10 So you know, Dave, I'm not going to tell  
11 you that we have already figured all this stuff out and  
12 that we're ready to blaze ahead because, you know, at this  
13 point I don't think that we've consulted with all the  
14 right parties to do that.

15 MR. CONNOLLY: I think we're in fairly  
16 violent agreement, John. Tim Connolly speaking. You  
17 know, we do want this session to be held, we want the  
18 opinions of the parties to be expressed, and then the  
19 decision about incorporating those agreements, if you  
20 will, or those statistical principles into the test plan,  
21 and then to go about getting it done. I think it does  
22 have a certain amount of predicate nature to it because  
23 there's an awful lot that happens once those decisions are  
24 made, and that work can be very time-consuming, it can be  
25 fairly resource draining. I don't think we know until we

1 get the principles ironed out and they are first of all  
2 explained, and then if we have to have some debate over  
3 them, we can, and then take the decision of that process.

4 MR. APPENZELLER: John, Terry Appenzeller.  
5 Would you do any rewrites of this section of the MTP to  
6 incorporate what you've heard this morning that reference  
7 the previous order that Ann is talking about, 11830, and  
8 the fact that we're going to need these workshops, or how  
9 would you handle that for the MTP?

10 MR. ERINGIS: Well, I guess we're open to  
11 amending this, but I guess I'm still a little concerned as  
12 to how I'm going to amend it and why we need to amend it  
13 in the master test plan.

14 I think we're in violent agreement that  
15 there needs to take place an activity, and no one seems to  
16 be opposing that we're going to have an activity that  
17 involves a lot of participants where we all get together  
18 and we discuss the statistical issues that need to be  
19 considered during -- you know, this is an initial step  
20 into actually implementing tests. So, you know, from our  
21 perspective it's not really a master test plan issue per  
22 se.

23 Now, if people want to have a lot more  
24 specificity in there, the kinds of things that I would ask  
25 about amending the language would be -- you know, I'm

1 still not clear; I thought I was and now I'm not anymore  
2 -- I'm still not clear on whether we're talking about  
3 having a real workshop where we're going to look for  
4 consensus on all the -- you know, if we want to use a  
5 statistical approach and there are parties that want to do  
6 something else that they think a sample size -- the sample  
7 size that we use is going to be something else -- you  
8 know, the way we set alpha and beta for Type I and Type II  
9 error levels -- we don't come to agreement on that, I want  
10 to know whether this is going to go beyond the  
11 informational mechanism where we try to work all that  
12 stuff out and ultimately that that decision, where there  
13 is a conflict, is left with the Commission staff and KPMG  
14 to work out, or is the request on the table that there is  
15 going to be a more formal process where, if there is a  
16 disagreement, we have to find some sort of mechanism to  
17 break a logjam. I'm still unclear on that, Terry, so I  
18 don't know how to amend the language yet. I don't think  
19 it needs to be amended unless we're talking about having a  
20 more formal process.

21 MR. APPENZELLER: Well, John, this is Terry  
22 again. I didn't hear the word "formal," I heard  
23 "informal" as the recommendation, and Tim, are you O.K.  
24 with that at AT&T?

25 MR. CONNOLLY: Well, we think that the --

1 Tim Connolly speaking -- that the Appendix C at the very  
2 least needs to say that the standard methods that will be  
3 used have to be consistent with 11830.

4 MR. APPENZELLER: Right.

5 MR. CONNOLLY: So I think that's a fact.

6 Now, when we have this workshop and we see  
7 how KPMG is interpreting the principles of that order and  
8 developing its approach for things like sample sizes, Type  
9 I/Type II error values, and so forth, we may need to  
10 consult with the staff, we may need to do something to  
11 express our view of what that order means in terms of  
12 these facts, and perhaps there's a need to have the staff  
13 help forge a decision. It is premature for me to say I'll  
14 agree with KPMG's interpretation, because I certainly  
15 don't know what it is.

16 MR. APPENZELLER: Tim, this is Terry again.  
17 I would think that we would deal with that, if the  
18 occasion arises that there is no agreement, that obviously  
19 there would be some appeal process that could go to the  
20 staff.

21 MR. CHORZEMPA: This is Dave Chorzempa from  
22 AT&T. I don't see why we couldn't put reference to the  
23 fact that there will be a workshop in which KPMG will  
24 describe the statistical methodology they intend to use  
25 and leave it at that. I mean we'll pursue -- I think

1           you're right, Terry -- we'll pursue whatever advocacy we  
2           want to pursue after we hear it.

3                   MR. CONNOLLY: Is that what you need, John?

4                   MR. ERINGIS: That works for me.

5                   MR. LONERGAN: This is Tom Lonergan.

6                   So you're going to do a brief amendment to  
7           the master test plan that just references that there will  
8           be a workshop regarding statistical methods. Is that what  
9           I'm hearing?

10                   MR. CONNOLLY: Well, and he needs to  
11           reference --

12                   MR. LONERGAN: And the Commission docket.

13                   MR. CONNOLLY: Yes. There you go.

14                   MR. LONERGAN: O.K.

15                   MR. APPENZELLER: Right.

16                   MR. ERINGIS: O.K. I think we can move on  
17           to the next one. The next issue was P-CLECs' interconnect  
18           agreement with Ameritech. Tim or Dave, do you want to  
19           take us through this point?

20                   MR. CHORZEMPA: This is Dave Chorzempa from  
21           AT&T. This relates to the fact that certain offerings  
22           made by Ameritech will only be available through  
23           interconnect agreements, and how does the pseudo-CLEC  
24           avail itself of those offerings. It's a simple question.

25                   MR. ERINGIS: O.K. Well, I think since

1 we're doing a simulation here, we clearly wouldn't be  
2 going through the entire interconnect agreement process.  
3 So we would use a different process to deal with that,  
4 and, you know, really I'm looking for, since the point was  
5 made, I'm looking for some guidance from you as to what  
6 you would expect us to do or if this is a sticking point  
7 or an area of concern for you.

8 MR. CONNOLLY: Well -- Tim Connolly, John.  
9 It seems to us that because these services are available  
10 only through these agreements, that you have to at least  
11 identify what agreement you're going to be using as a  
12 basis for acquiring those services. We're not suggesting  
13 that you have to go and negotiate the deal, but there is  
14 (a) an amendment or (a) an agreement that you're going to  
15 be using as a basis on which to get these. So we need to  
16 know what that one is.

17 Further, I think that it's got to be  
18 somehow made part of the record of this test so that its  
19 use can be evaluated later on.

20 MR. CHORZEMPA: Yeah, I think -- this is  
21 Dave Chorzempa from AT&T -- if I gave you an example.  
22 Ameritech has been, I don't want to use the word "cagey"  
23 but their offering of a UNE-P product is --

24 MR. APPENZELLER: Careful there, Dave.  
25 We're not cagey.

1                   MR. CHORZEMPA: It is changing ever so  
2 slightly depending on the day, the hour, the minute, the  
3 month. And if we're going to test their offering and the  
4 ordering systems, the preordering systems for UNE-P, the  
5 product that we're getting, we want to see what the  
6 pseudo-CLEC is ordering, the terms and conditions of that  
7 product.

8                   MR. APPENZELLER: I got it.

9                   MR. CHORZEMPA: However the pseudo-CLEC is  
10 going to get it, we want to see how they're getting it,  
11 under what terms and conditions.

12                  MR. APPENZELLER: O.K. This is Terry  
13 Appenzeller.

14                  In New York or Florida where you've done  
15 these tests before with HP, how did they get the  
16 information from the incumbent products lineups before?

17                  MR. ERINGIS: Well, you know, Terry, I  
18 think it differs on the jurisdiction, and I think what I  
19 can say is consistent across the board, is that we're  
20 doing a test of the process and as close as we can  
21 simulate it, we will. So if the only way to get an  
22 offering, if it's something that you can only get through  
23 doing an interconnect agreement, then we would look for a  
24 sample interconnect agreement and get started and  
25 expeditiously execute that agreement per the documented

1 process or the customary process. And obviously this is  
2 not going to be exactly everyone's experience, it would be  
3 very different because it's for simulation purposes, but,  
4 you know, we'd have to have the document in place. And it  
5 sounds to me like what we're saying is if it's only  
6 something available through an interconnect agreement,  
7 let's go ahead and make sure that we have a document in  
8 place before we test that product, and if that agreement  
9 needs to be made available as part of the public test  
10 record, make that available to the parties so that they  
11 understand the basis on which we ordered those products  
12 and services.

13 Is that what people are asking us?

14 MR. CHORZEMPA: Yes. And if we can include  
15 exactly what you just said right there somewhere in the  
16 test plan, that would be great. This is Dave Chorzempa  
17 again from AT&T.

18 MR. ERINGIS: Well, if it closes out the  
19 issue, that's fine with us. I believe that's what we  
20 intended to do, and I would agree that it probably doesn't  
21 spell that out in that detail in the test plan and we can  
22 make that more clear.

23 MR. APPENZELLER: I think you're going to  
24 have to make references wherever -- this is Appenzeller  
25 again -- wherever you're getting a product from, whether

1           it's a tariff or a 271 amendment, Dave, if we have such a  
2           thing, or interconnection agreement, as to where that  
3           document resides.

4                       MR. CHORZEMPA:  And I think -- this is Dave  
5           Chorzempa -- you're going to see this in other states as  
6           well beyond, and I think we need to be aware of it:  Bell  
7           Ameritech saying that certain platform offerings are only  
8           to be made if the CLEC signs off on this 271 quid pro quo  
9           like T2A.

10                      MR. APPENZELLER:  Yeah, I have no problem  
11           with that.

12                      MR. CHORZEMPA:  And I don't know how the  
13           pseudo-CLECs sign something like that, but at least we  
14           should know that they're getting that platform that's  
15           available under those terms.

16                      MR. APPENZELLER:  Yes.

17                      MR. ERINGIS:  And again, just to come back  
18           to your first question in the interest of informing, I'm  
19           reflecting back on the individual examples, and, you know,  
20           we have not been directed in every single case where  
21           something isn't tariffed to go and get a document in place  
22           and go and publish that.  I mean the one example I can  
23           think of is the pseudo-UNE-P offering in Pennsylvania  
24           before UNE-P was available but we were directed to test  
25           it.  I'm not aware that we went through some sort of

1           streamlined interconnection agreement process to get that  
2           in play.

3                         So I think it's been all over the map in  
4           terms of how we've done that before, but in this  
5           particular case, you know, we understand the direction and  
6           we can make it clear in the document if we can make that  
7           information available.

8                         MR. APPENZELLER:   John, it's Terry  
9           Appenzeller.

10                        I don't think they're asking for you to do  
11           an interconnect agreement per se.  It's just get ahold of  
12           the agreement that has the product that you need to test.

13                        MR. ERINGIS:   Right.

14                        MR. APPENZELLER:   Or the amendment or the  
15           tariff, depending on what it is.

16                        MR. ERINGIS:   Right.

17                        MR. APPENZELLER:   And that's it.

18                        MR. ERINGIS:   O.K.  Is that fair?  Everyone  
19           agree?

20                        We can move on.

21                        MR. LONERGAN:   This is Tom Lonergan.  Let  
22           me just indicate John Kern has joined us, so if you hear  
23           that bellowing voice, that will be John.

24                        MR. APPENZELLER:   Oh, things will move  
25           quickly now.

1                   MR. ERINGIS: Let's move on to the third  
2                   general point on AT&T's written comments, which is the MTP  
3                   change management process. Let me just make a comment  
4                   here real quick and then I'll turn it over again to Dave  
5                   and Tim.

6                   We have not yet worked out traditionally  
7                   what -- because we view the master test plan document,  
8                   from our perspective, as something that ultimately the  
9                   Commission or Commission staff, as the manager of the  
10                  tests or as our manager, uses as a way to direct us into  
11                  what we're going to do, as well as, you know, for our own  
12                  internal guidance. You know, some things are documented  
13                  and some are not, and we do not have an MTP change  
14                  management process documented in our master test plan, but  
15                  that doesn't mean that there isn't a formal document in  
16                  the master test plan change management process. These  
17                  tend to be all different, you know, the jurisdictions that  
18                  we work. So I want to throw that out there and say that  
19                  my understanding of what we were going to do was that this  
20                  was something that we were going to work out with  
21                  Commission staff as to how we were going to go through the  
22                  mechanics of if we needed to change this document, and  
23                  that I anticipated -- but this is just on my part -- I  
24                  anticipated that that kind of information would be made  
25                  available to all the parties. But I can't tell you that

1 we've worked out those details or exactly how long that  
2 information was going to be publicized.

3 So with that, Tim or Dave, do you have any  
4 comments on this topic?

5 MR. CONNOLLY: Tim Connolly. We believe  
6 that you will have a change management process and we  
7 believe that it needs to be one that we all can understand  
8 so that when changes are proposed or when changes are  
9 made, we are able to keep up with those, reflecting those  
10 changes in our documents that will help guide us through  
11 the test plan.

12 We are not insisting that it be written  
13 today, but we believe that as it is put together, we are  
14 made aware of the change management process and how it  
15 works, who's got what roles, and what sort of  
16 documentation trails we'll have, and as our note says, we  
17 think that KPMG's very well equipped to do that and we'll  
18 work it out with the staff.

19 MR. APPENZELLER: John, this is Terry  
20 Appenzeller. We have no problem with what Tim is saying.  
21 I think we're in the last stages of negotiating the 13-  
22 state agreement. Obviously there's some stuff being done  
23 as we speak.

24 MR. CONNOLLY: That's the wrong change  
25 management plan.

1                   MR. CHORZEMPA: We're talking about -- this  
2 is Dave Chorzempa. This is the change management of the  
3 MTP. I made the same mistake.

4                   MR. APPENZELLER: Oh, all right.

5                   MR. ERINGIS: Yeah, this is how KPMG  
6 Consulting and the staff actually managed to --

7                   MR. APPENZELLER: Disregard.

8                   MR. ERINGIS: I guess I would just ask if  
9 staff has no opposition to this concept that we're going  
10 to work out the details of this and it's going to be  
11 documented and the parties will be informed as to what  
12 process we're going to use to keep the document under  
13 configuration control. It sounds like there's broad  
14 agreement on this.

15                   MR. LONERGAN: This is Tom Lonergan.

16                   I would agree with that. Whatever we work  
17 out will be made publicly available to the members of the  
18 collaborative.

19                   MR. CONNOLLY: Excellent.

20                   MR. ERINGIS: If that's satisfactory, let  
21 me move on to keep this moving.

22                   There are specific comments in the  
23 document. Let me move as quickly through these since I  
24 think some of these we can deal with very quickly, and  
25 interrupt me if I'm going too fast.

1                   One is there was a note on page 3: "The  
2 following interfaces will be tested," and then there was a  
3 question that the parenthetical expressions mean "and" and  
4 do not mean "or," "please confirm," and that's true. When  
5 we say GUI/app to app, we mean GUI and app to app.

6                   Point 2: "The test will be conducted using  
7 the most current release of Ameritech business rules  
8 documentation," and the point is made that most current  
9 release of Ameritech's interfaces are what would be  
10 tested, including by extension the specifications, EDI  
11 guides, user guides, et cetera, in addition to the most  
12 current release of Ameritech's business rules. Please  
13 confirm.

14                   MS. SCHNEIDEWIND: John, could you please  
15 slow down just a little bit, please?

16                   MR. ERINGIS: I'm sorry?

17                   MS. SCHNEIDEWIND: Could you slow down just  
18 a little bit for purposes of the court reporter?

19                   MR. ERINGIS: Oh, I'm very sorry. Do you  
20 want me to back up?

21                   MR. LONERGAN: No; go ahead.

22                   MR. ERINGIS: On Point 2 of AT&T's letter  
23 we confirmed the understanding stated in the document.

24                   Point 3, AT&T assumes that Ameritech's  
25 LSOG 4 preorder interface release in addition to the

1 evaluation of LSOG 4 ordering release will be evaluated,  
2 and we would confirm that and we will clarify the language  
3 in the MTP for that.

4 MR. CHORZEMPA: Hey, John, this is Dave  
5 Chorzempa. When you say you confirm the language in the  
6 document -- I think I heard that phrase before -- you mean  
7 you're confirming that our understanding of the document  
8 is correct.

9 MR. ERINGIS: That's correct.

10 Point 4: Testing includes certain service  
11 delivery methods such as EELs, subloop unbundling, and  
12 DSL, and the question here is AT&T would like to have the  
13 dependencies explained where the test may or may not  
14 include certain service delivery methods, what will be  
15 relied on to make determination of products/services being  
16 excluded from testing, and what notice will be provided.

17 Let's talk about this one a little more.  
18 I'll make a brief opening statement and ask Tim and Dave  
19 to comment.

20 The sentence to which AT&T's comment refers  
21 is a general statement. We believe that we've been  
22 charged with very specific direction about what products  
23 and services are included in the test, and we also note in  
24 the test plan that as a general principle it's not always  
25 practical to test every single thing that's available. So

1 general reasons that certain things may or may not be  
2 tested include the fact that there are some things that a  
3 tester could not test itself and perhaps there are no  
4 industry volunteers to cooperate with the tester to  
5 observe, you know -- that would allow us to observe how  
6 ordering something works. There may be situations where  
7 it's just not practical to test in a time frame of the  
8 test, et cetera.

9           Having said that, we have some very  
10 specific direction in the test plan and from the  
11 collaborative as to what will and will not be tested.

12           So I would conclude by saying that all of  
13 the specificity in the test plan probably takes precedence  
14 over this sentence that's referred to here, which is meant  
15 to be sort of more high level and conceptual.

16           Tim or Dave, do you have any comments on  
17 that?

18           MR. CONNOLLY: No. We understand some of  
19 the technical impediments to include certain products and  
20 services and activities in the test, and what I guess  
21 we're asking is that when it is determined that we don't  
22 have an industry participant that wants unbundled  
23 subloops, how are we going to know that that's been  
24 decided to be included from the test and what sort of  
25 record is going to be made of that. We're not insisting

1 that everything be tested.

2 MR. ERINGIS: I think the two mechanisms  
3 that we would use are to the extent that we've got  
4 something that's specifically in the test plan that it  
5 turns out that we cannot test, that it is just impossible  
6 to test for the reasons that we've discussed before, and  
7 I'm sure that there are others, but, you know, after a  
8 good-faith effort is made to get something tested we just  
9 can't do it, it may require a change in the master test  
10 plan, and so there would be visibility by interested  
11 parties that way.

12 The other way would be that we have the  
13 regular status meetings that we're anticipating beginning,  
14 and it would be during those very regular status meetings  
15 where we're discussing test progress that the parties  
16 would be informed, and I think this would be in keeping  
17 with the way it's gone in other jurisdictions.

18 I will note also that you don't always  
19 know. This is something that you just constantly monitor.  
20 You may intend to test something and then it turns out  
21 that you can't, and that's something that you actively  
22 manage, and sometimes it turns out you can later on  
23 because you find a volunteer, et cetera. So I think it's  
24 most important to have that included as part of the  
25 ongoing dialogue that we have in the regular status

1 meetings.

2 MR. CONNOLLY: And we sure agree with that,  
3 John.

4 MR. ERINGIS: Is there anything else on  
5 that point?

6 MR. CONNOLLY: Not on our account. Tim  
7 Connolly speaking.

8 MR. ERINGIS: O.K. Let me move to Point 5,  
9 then. Tim or Dave, I would like you to explain Point 5 to  
10 start the discussion on this one.

11 MR. CONNOLLY: Sure -- Tim Connolly -- be  
12 happy to.

13 I forget which exact session it was, but we  
14 had talked briefly about the performance measurements  
15 system as a part of this whole test it seems to us has  
16 been under some churn with the collaboratives and then up  
17 until the 18th, 19th of July -- I forget exactly what date  
18 it was -- when the performance measurements were  
19 baselined. There's been a concern that we will have work  
20 going on in those where Ameritech is going to be making  
21 changes to incorporate the performance measurements and  
22 make them subject to testing, and we also believe that  
23 KPMG, when they do their audit, will be finding things  
24 that perhaps need to be fixed or corrected or updated or  
25 something like that in the performance measurements

1 system. And we said that we thought that the process by  
2 which those changes are going to be made would be  
3 something that needs to be worked out so that parties have  
4 an opportunity to understand that a metric is being  
5 refigured, that business rules are being changed, that  
6 additional exclusions are being incorporated, or whatever  
7 is the scope of those changes. Well, and let me add  
8 another one. That there may be new performance  
9 measurements that need to be instituted.

10 So we thought that there was likely to be a  
11 system that provides notice to the parties about those  
12 changes and allows people to track the implementation of  
13 them. And I recall that Tom Lonergan suggested that staff  
14 was very interested in any of those types of changes and  
15 would work with Ameritech and KPMG perhaps to work out  
16 some sort of notification process that communicates about  
17 these changes.

18 So what we're trying to do is understand  
19 what is that process that will be used to effect changes  
20 in the performance measurements as we go forward.

21 MR. ERINGIS: Tim, this is John Eringis.  
22 You're speaking specifically of that aspect of change  
23 management that is externally viewable.

24 MR. CONNOLLY: Yes.

25 MR. ERINGIS: O.K.

1 MR. CONNOLLY: For the performance  
2 measures.

3 MR. ERINGIS: Yes, right.

4 MR. DISHMAN: Tim, this is Rick Dishman. I  
5 was speaking to Sal yesterday. He is working on a change  
6 management process which includes customer notification.  
7 Would that suffice for this?

8 MR. CONNOLLY: That he's working on it?

9 MR. DISHMAN: It will be done shortly, in  
10 the next 30 days.

11 MR. CONNOLLY: I would say subject to my  
12 receiving it. I don't know what it says.

13 MR. DISHMAN: Right, right. I understand.

14 MR. CONNOLLY: But Tom Lonergan indicated  
15 that he wanted to have some sort of system put in place,  
16 and maybe is that what Sal's responding to? Or am I  
17 putting words in Tom Lonergan's mouth that he doesn't want  
18 me to say?

19 MR. DISHMAN: I'll let Tom speak to that.

20 MR. KERN: Well, Tim, this is John Kern.  
21 Let me jump in if I could.

22 What we agreed to at the last performance  
23 measures collaborative, as I recall, is that we formally  
24 asked the Commission to accept a set of performance  
25 measures and business rules, which they did. If through

1 further collaboration either the State of Michigan or  
2 another state modifications to those performance measures  
3 are agreed to, we would formally ask the Commission to  
4 modify the order that it issued July 19th, I think, and I  
5 can't tell you with any specificity how that gets  
6 incorporated into the test because I couldn't tell you in  
7 terms of timing if there's any new performance measures.

8 MR. CONNOLLY: Well, there's another aspect  
9 of change that we think is germane here, and that is where  
10 through KPMG's audit they may find that a performance  
11 metric is being incorrectly calculated and give notice to  
12 Ameritech and Ameritech undertakes the change to correct  
13 that calculation, that we need to be notified of that  
14 change before it's made.

15 MR. KERN: Is that now what they call  
16 observations and exceptions?

17 MR. CONNOLLY: When we get to No. 6 on our  
18 list, we also have that question, because we don't know  
19 that that is an observation or an exception. We think it  
20 should be.

21 MR. ERINGIS: Yeah, I think it is. Let's  
22 not answer Point 6 yet. Ultimately the answer to that is  
23 going to be brief.

24 No. 5, I want to just point out that it's a  
25 given that the performance measurement system needs to be

1 under configuration control and that there is a test that  
2 evaluates whether that configuration control process is  
3 adequate and complete and performed in accordance with the  
4 rules that are set forth from within Ameritech to make  
5 sure that they have a rigorous process.

6 The external notification aspect of change  
7 management with respect to their performance metrics,  
8 really from a test evaluation standpoint it may or may not  
9 be part of something that's evaluated in the test. To the  
10 extent that there's something that's formal that Ameritech  
11 is asked to comply with, we would provide results as we  
12 see them as to whether from an external notification  
13 standpoint, et cetera, that there was compliance. But in  
14 the absence of that, we wouldn't evaluate that aspect of  
15 it.

16 And the real question here is, KPMG is not  
17 really a party to that, and I think to keep this thing as  
18 pure as possible the fact that we're evaluating  
19 configuration control would make us extremely reluctant to  
20 be involved in any design process even if it's for the  
21 external piece of it.

22 I think the real question on the table is  
23 whether we want as an MTP issue here to get some  
24 specificity about what and when, if any, are going to be  
25 the aspects of external notification with respect to

1 performance metrics.

2 MR. APPENZELLER: John, Terry Appenzeller.  
3 I think we have two items here. One is if KPMG uncovers  
4 in the data validation process for the baseline  
5 measurements, which you'd be doing early in the test, that  
6 there's problems that Ameritech has in terms of the way  
7 we're gathering data and needs to change, that there be  
8 some external verification as to what that is that we're  
9 doing.

10 MR. ERINGIS: Yes, and that's Point 6 of  
11 AT&T's comments, and the answer to that is we treat that  
12 just like anything else, observations and exceptions. For  
13 those that want to research that after the call, they can  
14 look to our Pennsylvania and Massachusetts tests, which  
15 are fresh and active, where we have observations and  
16 exceptions about how metrics are calculated and remedial  
17 steps taken, et cetera, where we felt that there were  
18 problems.

19 MR. APPENZELLER: Yeah, I would assume  
20 that's what you were going to do on that kind of a  
21 situation.

22 MR. ERINGIS: That's correct.

23 MR. APPENZELLER: On the second, which is  
24 the Phase 2 in Michigan performance measures collaborative  
25 that has just started August 2nd, my assumption is that at

1 some time that will conclude, and it would be prior to the  
2 conclusion of the test, and that we would have then a  
3 supplemental document that goes to the Commission that  
4 incorporates the Phase 2 measures that would then result  
5 in a Commission order to supplement the July 19th baseline  
6 measures, and that would then require further evaluation  
7 on the part of KPMG once that's done.

8 MR. CONNOLLY: There's a point that I made  
9 perhaps that I didn't make it clear. When the audit is  
10 being done, John, and you refer to the system being under  
11 configuration control, would it be true that Ameritech  
12 would not be changing any of its calculations or data  
13 collection or reporting mechanisms without some sort of  
14 change notification being made that annotates that  
15 configuration?

16 MR. ERINGIS: Well, I don't know that, Tim.  
17 I would say that from a test standpoint at a minimum if it  
18 is a given, if your standard of evaluation is that there  
19 ought to be an adequate and complete configuration control  
20 change management, whatever term you want to use, process  
21 for making changes to how performance measures are  
22 calculated and how data is managed, then at a minimum the  
23 company would have to have something that's internally  
24 visible to them to manage that process.

25 If there was an additional requirement

1 imposed by the Commission or volunteered by the company  
2 where there was an external notification process, we would  
3 view that as something that would also be tested unless we  
4 were directed not to pay attention to it for whatever  
5 reason. So, you know, I think I will feel comfortable  
6 going on the record and saying that in terms of what we  
7 expect to see in an adequate and complete performance  
8 measures change management process, we're not saying that  
9 if there wasn't an external notification process that we  
10 would say that there was a failure there, simply because  
11 we view that that's something that is a Commission issue  
12 that its jurisdiction -- you know, the Commission is the  
13 one that actually approves the changes, and so we would  
14 look to the Commission to guide us with respect to what  
15 they're requiring the company to do or asking the company  
16 to do in terms of notification to other parties when  
17 things need to change, either because there is a bug fix,  
18 for example, or that it appears that there's a need to  
19 change a measure or to add a measure.

20 So I hope my comments are helping to  
21 clarify it.

22 MR. CONNOLLY: They are very clarifying,  
23 John.

24 So is there a Commission-supported  
25 obligation to have Ameritech externally notify parties

1 when there's a change proposed or to be made to the  
2 performance measurements system?

3 MS. SCHNEIDEWIND: This is Ann  
4 Schneidewind.

5 If you're asking, Tim, is there a  
6 Commission-adopted procedure, if there's a change to the  
7 performance measure, the Commission has to adopt it. We  
8 have to either jointly propose something or ask the  
9 Commission to adjudicate it. But the Commission will have  
10 to ultimately --

11 MR. CONNOLLY: How about for a correction  
12 in a calculation?

13 MS. SCHNEIDEWIND: You mean because of  
14 change in the business rule and how it's actually  
15 measured?

16 MR. CONNOLLY: No. Let's say that in  
17 Ameritech's own review of their performance measurement  
18 system they find that an exclusion of firm order  
19 confirmations of a certain kind are overly excluding and  
20 they need to go in and make a change to correct that  
21 exclusion process. Would that be a notice that you would  
22 expect to see prior to them making that change to correct  
23 that exclusion?

24 MS. SCHNEIDEWIND: My belief is what the  
25 Commission adopted was the performance measures including

1 the business rules, which specify exclusions and  
2 exceptions for each measure. And so if Ameritech proposes  
3 now to have a different set of exclusions, it seems to me  
4 that that's something that the Commission is going to have  
5 to approve.

6 MR. CONNOLLY: O.K. Well, let's say, for  
7 example -- and I'm sorry to be so detailed here -- but if  
8 the exclusion said that FOCs for orders received after  
9 3:00 o'clock would be reported one way, and when Ameritech  
10 looks at its logic it figures out that it's excluding FOCs  
11 for orders after 2:00 o'clock and they wanted to go in and  
12 make a change to the 2:00 o'clock exclusion to make it a  
13 3:00 o'clock exclusion, which would be -- and the 3:00  
14 o'clock is what the business rule says, it's just that the  
15 programming logic was incorrectly implemented -- would  
16 they need to notify that they're making that change  
17 because it's a correction to the way the business rule is  
18 programmed in their system?

19 MS. SCHNEIDEWIND: My belief would be that  
20 if Ameritech is not implementing the performance measure  
21 or the business rule the way the Commission has adopted  
22 it, that this would be the kind of thing that would result  
23 in an exception report of some nature by either the third-  
24 party tester at this point or of an auditor as we keep  
25 going on and doing an annual audit of the performance

1 measures. I don't think the Commission would readopt  
2 something but they would be advised if it's determined  
3 that the rule is not being abided by.

4 MR. ERINGIS: This is John Eringis. I'm  
5 sorry, I lost the connection there, I just rejoined. And  
6 Ann, I'm sorry, I missed your answer to Tim's question.

7 MS. SCHNEIDEWIND: I said that to the  
8 extent that the Commission has already adopted a  
9 performance measure with the related business rule, any  
10 changes to that rule the Commission has to adopt. But if  
11 it's determined either in a third-party test or in an  
12 annual audit that Ameritech is not abiding by the rule,  
13 then that would be handled by some kind of an exception  
14 report, I would think, by either yourselves in this third-  
15 party testing procedure or by the auditor on an ongoing  
16 basis. But there's nothing that we would be proposing to  
17 the Commission to adopt because they've already adopted  
18 something but Ameritech's not complying with it.

19 MR. ERINGIS: So Tim, let me try to recap  
20 what I think the mechanisms are in place for a CLEC to  
21 know what's going on in terms of changes being made for  
22 any reason to Ameritech's performance measurements.

23 First, while the test is going on, if there  
24 were any problems detected in the calculation of a metric,  
25 for example, such as the examples that you've described, a

1 CLEC would have visibility into that because there would  
2 be an exception report when such a problem was identified,  
3 and in the management of that exception, if we're going to  
4 do as has traditionally been done in a number of  
5 jurisdictions, there would be periodic status updates and  
6 conversations which CLECs would have access to where they  
7 would learn about if Ameritech agrees that that's a  
8 problem, what Ameritech is doing at a high level to go fix  
9 the calculation. You would likely know when it was  
10 already fixed, for what periods the data might be  
11 affected, et cetera. I mean if I'm just taking away the  
12 ones that I've been actively involved in in the past,  
13 that's the kind of information that you would have as a  
14 CLEC, you know, during the test if such a problem was  
15 discovered, and then you would have all the formal  
16 Commission processes and anything else that Ameritech was  
17 doing in discussing performance measures to have  
18 visibility into whether somebody is actually changing the  
19 rules and the English language definitions.

20 So the question is, are you looking for  
21 something more?

22 MR. CONNOLLY: I think the answer is no.

23 MR. ERINGIS: O.K.

24 MR. CONNOLLY: We will have the change  
25 management process that Sal is going to work with the

1 performance measurements teams on, and then that, of  
2 course, would be part of the test that's evaluated for how  
3 that works.

4 We understand the observation/exception  
5 process for things that you'll find in your audit and  
6 examination of the calculation of metrics, and we  
7 understand the additional review that the Commission is  
8 going to make of the proposed/modified/added performance  
9 metrics in that process. So I think that's the right  
10 triangle.

11 MR. ERINGIS: O.K. If so, let me move on,  
12 then, to the Point No. 6 on AT&T's written comments.

13 I think we've addressed there's a question  
14 that essentially says if there was a problem with a rule  
15 embodied in the performance measure, would that be  
16 something that would be documented as a test failure --  
17 for example, as an observation or exception -- and we  
18 confirm that in our practice there are tests and we  
19 anticipate doing that here.

20 Point No. 7 states that AT&T believes that  
21 exceptions that relate to major problems detected in the  
22 performance metrics audit may also require a retest.  
23 Please confirm.

24 I'll volunteer to be a little cagey on this  
25 one and say that essentially there is and has been in

1 other tests retesting where it's practical to do so and  
2 where the Commission has directed us to go and retest, and  
3 it's generally our default position that if we find that  
4 there's -- let's say that we find -- let's use your  
5 exclusion example, Tim, that if we find that the exclusion  
6 isn't being applied properly, our natural inclination  
7 would be to say if we all agree that there's a problem,  
8 when can corrective action be taken, when can we go look  
9 at new reports where the exclusion is correctly applied,  
10 and if it's practical, how many months of data could we go  
11 back and recalculate reports to see what the impact of  
12 that -- you know, the rule not being applied properly --  
13 may or may not be. And not in all cases is it practical  
14 to go and get the data. You can't go back forever and  
15 ever, obviously.

16 So I think the answer is yes, in most cases  
17 there is retesting to be done. There are times where,  
18 after consideration of all the issues and how practical it  
19 is, you may choose to not retest something in terms of  
20 going back into historical data.

21 And then I guess it's always possible that  
22 at the very end of the test if there was a problem  
23 discovered that wasn't fixed until the very end, that  
24 maybe you've got a measure where it appears to be working  
25 and we'd be directed by the Commission not to retest

1           because those would be the only thing outstanding and, you  
2           know, we're not going to wait another month to go get  
3           data. But, you know, I think I'm coming up with a fairly  
4           extreme example there.

5                         Does that answer the question that you had  
6           there?

7                         MR. CHORZEMPA: I guess I don't -- this is  
8           Dave Chorzempa from AT&T.

9                         If this is a military-style test whether  
10          you pass, I don't see how there can be an exception to  
11          that rule, and I think performance measures need to be  
12          added to that language that Tim quoted on paragraph 7.

13                        MR. ERINGIS: Dave, I only take issue with  
14          your statement to the extent that military-style testing  
15          has in our experience never been -- there's a point at  
16          which a commission may make a decision that there's a  
17          finite set of problems that they understand and they're  
18          choosing not be tested for a variety of reasons because  
19          there are other ways outside of a test to deal with those  
20          issues. So I'm only making the observation that in other  
21          jurisdictions that has taken place, and that there was one  
22          exception outstanding and it was about a performance  
23          measurement and there were some minor corrections that  
24          didn't appear to have an impact on the data -- I'm just  
25          coming up with an example where I think that you could

1 have something where you wouldn't do a full retest and  
2 wait for a whole month's data to be collected before you  
3 close up the entire test.

4 But that's not really the philosophy of a  
5 military-style test, so I'm just trying to make a  
6 distinction between a sort of, you know, dogmatic 100-  
7 percent application of the military-style test philosophy  
8 and the way that it's been implemented in every  
9 jurisdiction so far.

10 MR. CHORZEMPA: This is Dave Chorzempa. To  
11 me the sentence logically should read that you're going to  
12 retest unless otherwise directed by the Commission.

13 MR. ERINGIS: And if that's a language  
14 change that you're asking for, I guess we don't have any  
15 opposition to that.

16 Anyone else have a comment about that?

17 MR. CHORZEMPA: And I guess to add  
18 performance measures in the list of things, process  
19 systems or documents, and you say including -- I don't  
20 know, Tim, if you can help me -- including performance  
21 metrics? I don't know if that's as simple as it can get,  
22 but I think that if you add that and say that you will  
23 retest unless otherwise directed by the Commission, we're  
24 fine with that.

25 MR. ERINGIS: We're O.K. with that if

1 everyone else is.

2 MR. APPENZELLER: That's fine. This is  
3 Terry Appenzeller. We're O.K.

4 MS. WILSON: WorldCom is O.K.

5 MR. ERINGIS: Hearing no other objections,  
6 let me move on to 8. AT&T would like to have KPMG  
7 Consulting explain its point for circulation of test cases  
8 or alternate plans for making test cases available to  
9 CLECs before, during or after the test.

10 Could you please expand on what you're  
11 looking for there?

12 MR. CONNOLLY: Well, the test scenarios are  
13 described and mentioned in the plan and the test cases are  
14 not. Will we have access to those test cases? Assuming  
15 the answer to that is yes, at what point do we have access  
16 to those test cases?

17 MR. ERINGIS: At the end of the test.

18 MR. CONNOLLY: And is that prior to the  
19 issuance of the final report?

20 MR. ERINGIS: I don't think we've decided  
21 that yet, Tim.

22 MR. CONNOLLY: It's our belief or our  
23 recommendation that the test cases provide information  
24 that will be helpful in understanding the results as  
25 determined by KPMG, and in order for us to have opinion

1           that perhaps corroborates KPMG's findings, access to those  
2           test cases would be important, and we think that if we had  
3           them prior to the publication of the final report, then we  
4           could expeditiously agree with the final report or cite  
5           whatever our specific disagreements are. Having the test  
6           case available to us for that analysis work after the  
7           final report is published would put us into a -- it  
8           certainly creates a timing issue because we wouldn't be  
9           able to be quickly responsive in agreeing or disagreeing  
10          with conclusions reached.

11                       MR. ERINGIS: Well, this is one of those  
12          blindness or openness issues, and historically blindness  
13          has won out in the other places where we've been working  
14          so far.

15                       I would make two observations. One is I'm  
16          not clear on whether, for example, AT&T is asking for  
17          something that's specifically more detailed than, say,  
18          what was in the New York final report, and if you're  
19          looking for more detail than that, then we'd ask for a  
20          specific detailed clarification.

21                       And the second thing is that until we knew  
22          that we were absolutely positively done with testing, we  
23          would not want to share the test cases in order to  
24          preserve the blindness of the test. And so there may be a  
25          draft final report stage where we're still retesting

1 certain exceptions or for certain exceptions that remain  
2 outstanding. I mean that's been the custom in other  
3 places where there's a draft final report so that people  
4 have some data and there may be some other activities  
5 going on and we wouldn't share in necessarily the test  
6 cases at that stage. The test cases would be known at the  
7 end.

8 So I guess I understand your point. I mean  
9 I do understand the point that you're making. On the  
10 other hand, I'm not sure that we can comply to the letter  
11 of the request.

12 MR. CHORZEMPA: John, this is Dave  
13 Chorzempa from AT&T.

14 I'm just trying to find a way to get around  
15 this today. Perhaps we could all agree -- I mean our  
16 position is clear on the record here that we want access  
17 to these, before the final report, to all test cases, but  
18 perhaps on the record here we could agree to further  
19 discuss this issue, and that if we can't come to an  
20 agreement, we could raise it to the Commission obviously  
21 before the test is over, since we do have some time in  
22 that regard.

23 So I guess I'm just looking for an on-the-  
24 record agreement that we will discuss this in the future  
25 and we're reserving our right to take this to the

1 Commission and ask the Commission to release this  
2 information to us before the test is over or before the  
3 final report comes out.

4 MR. APPENZELLER: Dave, this is Terry  
5 Appenzeller. I think that's reasonable. In my listening  
6 to you guys I'm making the assumption you're not going to  
7 agree with what KPMG comes up with. I don't know that you  
8 will disagree in their interim reports. You may, and then  
9 you may need to get information to support what you're  
10 saying, and it's too early to tell at this point. As long  
11 as there's that option later to exercise, you should be  
12 O.K.

13 I don't think we need to deal with it  
14 today, in other words. I agree with you.

15 MR. ERINGIS: That's a good issue. We can  
16 all agree to talk about it some more.

17 Is staff comfortable with that?

18 MR. LONERGAN: We're O.K.

19 MR. ERINGIS: O.K. Let me move on, then.

20 I will note in AT&T's written comments on  
21 Point 9 they make reference to some corrections in the  
22 page 17 global exit criteria, and unless someone else has  
23 a different opinion, we're prepared to incorporate the  
24 language changes that are in there, some corrected  
25 citations. There was a typo about an appendix we were

1 referring to, et cetera.

2 We read this as housekeeping. Does anyone  
3 have a different opinion on this?

4 MR. CONNOLLY: It was a tongue-in-cheek  
5 offer on the second bullet point there, John. We're fine  
6 with calling it whatever you had there, but I found that  
7 caption and I thought I would share it with you.

8 MR. ERINGIS: O.K. Hearing no objection,  
9 let me move on to 10.

10 Do you want to take us through this AT&T  
11 Point 10?

12 MR. CONNOLLY: Yes, sure, John. Tim  
13 Connolly again.

14 We're concerned about the change management  
15 plan process that's going to be used to effect the A-to-AA  
16 upgrades, and since we don't see that process being  
17 resolved, it looks like the "or otherwise determined by  
18 MPSC staff" would be the means by which notice is given  
19 and all those steps that are involved within a change  
20 management process would be the way we would go. So we  
21 would like to have an understanding about what that staff  
22 directive is going to be and what the notices will be,  
23 what the intervals will be, and so forth.

24 MR. KERN: Tim, this is John Kern.

25 Terry Appenzeller --

1 MR. APPENZELLER: Yes, sir.

2 MR. KERN: -- what is the status of the SBC  
3 13-state change management process?

4 MR. APPENZELLER: It's in its final stages.  
5 We did have some discussion in conjunction with that item  
6 in Indiana with AT&T and WorldCom that we are working on.  
7 There is supposed to be a status report on that within a  
8 week or two, and I think we reached some compromise, as  
9 you know, in Indiana, and I'm assuming that out of that  
10 would come the 13-state change management process that was  
11 well along until this one item came up on the voting  
12 process, and my assumption is that that's going to get  
13 worked out and that we would then use the 13-state change  
14 management process that gets adopted. If not, then we  
15 would fall back to the five-state Ameritech change  
16 management process.

17 MR. CHORZEMPA: Terry, this is Dave  
18 Chorzempa from AT&T.

19 I guess our understanding of that voting  
20 issue is -- you said it's going to get worked out. That's  
21 not what our belief is.

22 The issue on voting, so everyone can be  
23 clear on it, is that Ameritech or SBC is insisting that  
24 when they have a system rollout -- and there is a concern  
25 about it -- that in order to stop the rollout, there must

1 be a quorum of eligible CLECs there and a majority of that  
2 quorum -- am I saying this wrong?

3 MR. CONNOLLY: It's a majority of the CLECs  
4 have to be called together and a quorum vote taken from  
5 that, and the majority of that prevails.

6 MR. CHORZEMPA: And the eligible CLEC list  
7 would be kept by SBC, not disclosed to any of us, and I'd  
8 give you an example. Ameritech has indicated that on EDI  
9 there's 40-some carriers in Illinois, for example, that  
10 would be on that list.

11 Oh, in the SBC region? O.K. I've got my  
12 experts next to me. I'm trying to summarize this.

13 But there's 40-some in the SBC region and  
14 that you'd have to have a majority of that number in order  
15 to prevent any type of rollout that you might object to.

16 So there's a major disagreement about that,  
17 and in Illinois, in the Illinois OSS collaborative, which  
18 is still ongoing, it is an issue that is being teed up for  
19 arbitration, and that arbitration is going to take place  
20 over the next couple months.

21 I've got Patty Coughlin here with me and  
22 she's been on the 13-state change management drafting team  
23 if anyone has any questions for her.

24 MR. ERINGIS: This is John Eringis again.  
25 Can I make a quick point on this?

1                   I want to just ask the question. I think  
2 this is a really good topic for discussion and I think  
3 it's a real issue. I'm just wondering whether this is an  
4 MTP issue. Is this something we manage -- you know, this  
5 is one of the myriad issues that we're going to manage  
6 during the implementation of the test?

7                   MR. APPENZELLER: Well, John, it's Terry  
8 again, Appenzeller. Obviously you're going to have to use  
9 some change management process to run that by the test,  
10 and either we're going to have the 13-state change  
11 management process or we're going to have the five-state  
12 management process.

13                  MR. CONNOLLY: We would disagree, Terry,  
14 that that's what the plan says. We read the footnote that  
15 says it's the 13-state management process or otherwise  
16 determined by the Commission staff, and I haven't heard  
17 the Commission staff say that "We like the five-state  
18 prior Ameritech change management process," and that's  
19 what we use.

20                  MR. ERINGIS: This is John Eringis again.  
21 I'm just suggesting that we're not at a stage now where I  
22 would think that the staff wants to make a commitment as  
23 to what it's going to do on this one, and I'm not even  
24 sure that -- I mean are we all looking for staff to tell  
25 us -- to put a stake in the ground as to what they're

1 going to do on that?

2 MR. APPENZELLER: Well, John -- this is  
3 Terry again -- I don't think they have the facts at this  
4 point to make that decision. We haven't raised it to the  
5 Commission, and obviously there's an issue in Illinois,  
6 there's an issue that was raised in Indiana, but I don't  
7 believe it's been raised in Michigan.

8 MR. ISIOGU: Well, this is Orji Isiogu.  
9 Just curiously, I'd like to hear from Ameritech as to what  
10 the voting issue is, if the way it is here characterized,  
11 the issue is accurate.

12 MR. APPENZELLER: Well, it's part of the  
13 discussion -- this is Terry Appenzeller again -- that we  
14 went through with AT&T and WorldCom about this, and I  
15 don't know that we need to spend a lot of time doing it  
16 now, but it depends on how the drafting committee comes up  
17 with language for the 13-state agreement. My  
18 understanding is that the way we left it is that we came  
19 back with a couple of alternatives to get around the  
20 objections that both AT&T and WorldCom had to the voting  
21 process, and I would not want to prejudge the drafting  
22 committee's work in that area at this point. I'd like to  
23 see them do the work before we raise it.

24 One of the items, for example, is that we  
25 would publish some sort of a listing of the affected

1 carriers. Everybody knows when there's a new release who  
2 is affected, and that was not in the proposal before.

3 I think what our concern is, we would not  
4 want only one or two, if there's a hundred carriers, to be  
5 able to stop a release, and AT&T would want that, and  
6 that's why we have an objection, and we're pretty adamant  
7 about that.

8 MR. CONNOLLY: The population of CLECs on  
9 the drafting team goes well beyond AT&T and WorldCom,  
10 Terry.

11 MR. APPENZELLER: I realize that.

12 MR. CONNOLLY: And this problem is an issue  
13 that has all of the CLECs who are part of that drafting  
14 team in unanimous agreement that the position by SBC is  
15 unacceptable.

16 MR. LONERGAN: This is Tom Lonergan. Can I  
17 cut in here for a minute?

18 Would it make sense to delete this  
19 footnote? Since we don't know what change process we're  
20 going to be dealing with, why reference it in a footnote?  
21 Clearly if these services are going to be offered, there  
22 will have to be some change management process, but if the  
23 problem is what this footnote refers to, why don't we just  
24 take the footnote out?

25 MR. APPENZELLER: That would be fine by us,

1 Tom. This is Terry.

2 MR. CONNOLLY: I think the part that we  
3 felt uncomfortable about was the position that it put you  
4 in, Tom, where you had to come up with some alternate  
5 method of change management because there is no 13-state  
6 thing. So we could take that last sentence out, I think  
7 it would be fine. It just seemed to me that it imposes a  
8 significant burden on the staff that perhaps was  
9 inappropriate.

10 MR. LONERGAN: Well, I think I agree,  
11 because I don't know, frankly, how staff would impose  
12 unilaterally some sort of change management process  
13 anyway. So if this is troublesome, why don't we just take  
14 this out for now and see what evolves over the next few  
15 months.

16 MR. ERINGIS: Yeah. The issue doesn't go  
17 away. If the language is problematic -- you know, this  
18 strikes us as something we need to keep an eye on.

19 If it's all right to move on, let me move  
20 on to No. 11. AT&T wanted a comment from KPMG Consulting  
21 indicating the number of months of performance data that  
22 will be reviewed in the audit for the metrics. Realizing  
23 that the number of months is likely to vary depending on  
24 the metric at issue, could we advise on our approach and  
25 the approach being developed.

1                   Traditionally we look at several months of  
2 data. It does depend on the metric. It also does depend  
3 on whether it turns out that the metric was being  
4 calculated correctly or whether there were issues. This  
5 is something that we would anticipate discussing to inform  
6 all the interested parties as to exactly how many months  
7 of data, how we've constructed the test, et cetera.

8                   So I think there will be a lot of  
9 information, and we have forums in place in order to  
10 discuss that. That has been our tradition and we don't  
11 have any reason to believe that it wouldn't be the case to  
12 discuss that as part of the normal process, the normal  
13 status process, when that's developed.

14                  I think Point 12 is related so I'd like to  
15 just make a comment about it.

16                  AT&T was looking for the date by which the  
17 audit plan will be published as a first key step. The  
18 master test plan right now does not indicate when the  
19 audit plan will be posted, and again I would mention that  
20 this as well as all of the other test progress, if we do  
21 what we've done before, things such as high-level test  
22 schedules, things such as exactly how we're going to go  
23 about figuring how many months of data, statistical  
24 methods, all of those things are things that are discussed  
25 during test execution, and we have programs in place to

1 discuss that with the parties.

2 So I'm trying to provide some reassurance  
3 here with 11 and 12 that they are good questions and we  
4 believe that that kind of information is going to be  
5 shared in a way that we can have discussions about them  
6 and everyone can be comfortable that they understand what  
7 we're doing.

8 MR. CONNOLLY: Thanks, John.

9 MR. ERINGIS: Tim or Dave or anyone else  
10 from AT&T, do you have any other comments or things you're  
11 looking for for Points 11 and 12?

12 MR. CONNOLLY: No. That was very helpful.  
13 Thanks.

14 MR. ERINGIS: O.K. The last point then,  
15 and this is No. 13, it states that the test plan does not  
16 mention the standard against which the volume of  
17 performance will be tested in making a determination of  
18 the preordering and the ordering systems' performance.  
19 And then there's a statement in here that says -- well,  
20 let me stop before I do that.

21 Tim, can you explain what you're driving at  
22 here?

23 MR. CONNOLLY: When we look in this section  
24 of the test, John, it says that you'll look at the  
25 performance of the systems ostensibly to determine how

1           they continue to perform under increased volumes, and it  
2           seems to us that what we're looking here is for a standard  
3           of performance that is whatever is normal, and that as  
4           volume is increased, what we're trying to determine is  
5           what happens, does performance degrade or is performance  
6           continued at that level. Obviously, the expectation  
7           intuitively is as volume is brought in, there comes a  
8           point where perhaps performance begins to degrade until it  
9           clobbers the system, but that's part of what we're looking  
10          for in that test.

11                        So it just seems that the standard ought to  
12          be whatever is the normal result of operations of response  
13          times, for turnaround times, and we were wondering if that  
14          was what was being looked at in terms of this test, citing  
15          specifically the second paragraph of 2.1 on page 74.

16                        MR. ERINGIS: I would say that when we have  
17          conducted this test traditionally there is a slightly  
18          different approach than the one that you have described,  
19          and here is the approach:

20                                When we've conducted the volume test, we  
21          have not applied a performance standard to the system  
22          performance with respect to how the system behaves under  
23          load. Let me clarify this a little more.

24                                If we are submitting transactions in volume  
25          and the system is not able to handle the transactions at

1 all -- lots of transactions are falling on the floor, et  
2 cetera, at the hundred-percent volume level -- then that  
3 would be considered a test failure and we would recommend  
4 to the Commission, after presenting the data, that the  
5 test would probably need to be rerun because we didn't  
6 even get up to the hundred-percent threshold.

7 But once a test had been executed where  
8 there may be system degradation in terms of timeliness,  
9 say at a 150-percent load level after we do the  
10 simulation, we have not applied a standard to say whether  
11 or not the system degraded too much or whether this was  
12 O.K. We have instead presented all of that data, and it  
13 is for the parties to determine whether this is a problem  
14 or this is good enough.

15 So I don't think that we have got direction  
16 in our other tests as to what standards one would apply.  
17 You know, I think we've used the common sense, frankly.  
18 When we do the test, if it looks like the system breaks  
19 pretty early in the volume test, that's usually -- the  
20 company is usually very interested when they hear that  
21 kind of information and usually are very willing and  
22 anxious to reconduct the volume test because they know  
23 that that data when presented will not be very favorable  
24 to their case.

25 On the other hand, once you have a test

1 where, you know, you run it and sure, there's some system  
2 degradation at peak loads, you know, we look for others to  
3 tell us about whether they want to run that test again.

4 So we're not going to come out with a  
5 report that says it should not have ever fallen below, you  
6 know, 15, 20-second response time for a preorder at 150  
7 percent. I mean there's no sort of strata of standards  
8 that way that are developed for the test. We merely  
9 present the data.

10 MR. CONNOLLY: O.K.

11 MR. CHORZEMPA: I mean I think we'd like to  
12 keep this -- this is Dave Chorzempa from AT&T. I think  
13 we'd like to keep this issue a little bit in play. I mean  
14 it seems like such a subjective standard. When you're  
15 talking about a test that's supposed to be military-style,  
16 test until you pass, you're basically telling me, and what  
17 I just said to the group here, is that it sounds like a  
18 pornography test -- I mean you know it when you see it.  
19 And when we're doing an MTP, I have a real problem with  
20 going forward on a volume test where I don't know what  
21 pass means. You're telling me it's kind of common sense,  
22 you-know-it-when-you-see-it kind of stuff, and I have a  
23 real problem with that.

24 MR. ERINGIS: Dave, let me make the  
25 clarification that you know it when you see it. We are

1 presenting the data in a way that AT&T and Ameritech and  
2 the Commission and anyone else that's interested can make  
3 a determination as to whether this is good enough.

4 MR. CHORZEMPA: But KPMG as well, correct?

5 MR. ERINGIS: No. I think if you look at  
6 our prior work, what we did was what we stated. We are  
7 staging a simulation, and we're going to go run the test.  
8 After the test is done we would share the information.

9 Again, I would continue to support that  
10 when you say you know it when you see it, I think it's  
11 true that if you find that you never got to a hundred-  
12 percent level, however you said that level, that you never  
13 got to the hundred-percent level and the system was  
14 dropping and it totally degraded performance, I think any  
15 reasonable person, even not knowing the measures, would  
16 say, gee, that didn't go.

17 MR. CHORZEMPA: O.K. Let me ask you  
18 procedurally how that happens, O.K., and take me through a  
19 volume test of how the determination of whether or not to  
20 retest is made in the context of this collaborative, the  
21 MTP, et cetera.

22 MR. ERINGIS: Well, I would be looking for  
23 the Commission staff to tell us how they wished to do  
24 that. Traditionally it's really been dynamic that  
25 whatever dynamic is in place to share the interim results

1 is the dynamic that we use for this.

2 MR. CHORZEMPA: O.K. Would I be seeing  
3 those interim results?

4 MR. ERINGIS: That's up to the Commission  
5 staff.

6 MR. CHORZEMPA: O.K.

7 MR. ERINGIS: So, you know, I don't think  
8 we're there yet, and I think this is something that it's  
9 clearly very, very interesting to the parties, and if  
10 somebody wanted to give us guidance during the test  
11 implementation where, you know, they want to suggest that  
12 these are some measures that we think we should be using  
13 and it is stuff that we can agree on, that's fine. I  
14 think this is an area where you'd get a high level of  
15 disagreement, but, you know, it's really up to the  
16 Commission as to how much it wants to share and what form  
17 it wants to share that kind of information.

18 MR. CHORZEMPA: O.K. Well, this is Dave  
19 Chorzempa. I think we could close this out if I could  
20 just say that I'd urge the Commission staff to keep, when  
21 we do this testing, to allow parties to see the results  
22 and to hear their input before determining whether or not  
23 a retest, so to speak, is appropriate, because I think  
24 input from us on this I think would be really helpful.

25 MR. LONERGAN: This is Tom Lonergan. A

1 couple points.

2 One, I don't know of any reason why we  
3 would feel the need to keep these tests secret. So like  
4 we've done, everything else up till now has been in a sort  
5 of collaborative basis, and I don't know why that would  
6 change.

7 Also I'm not sure we're all that far apart.  
8 Dave, you talk about normal volumes and John talks about  
9 100 percent. I'm not sure they aren't pretty close to the  
10 same thing. So I don't know that we're all that far apart  
11 in terms of how this test would be conducted.

12 But in any event, we'll certainly take into  
13 consideration the desire of the CLECs to know what's going  
14 on, and if there are subjective standards, utilize what  
15 those are.

16 So I don't know that I disagree with  
17 anything that's been said so far.

18 MR. ERINGIS: O.K.

19 MR. CHORZEMPA: All right. I guess that  
20 closes us up.

21 MR. KERN: John, this is John Kern, and I  
22 apologize for being late. Did you receive any other  
23 comments by any other party regarding the draft 1.4 you  
24 sent out?

25 MR. ERINGIS: No, we haven't, and at this

1 stage I'll just make -- really if we're near closing this  
2 one out, I would really like to jump off of this. I have  
3 another point I want to make.

4 John, what is your desire? Do you want to  
5 go through section by section of the report?

6 MR. KERN: No, John. I was assuming that  
7 if you hadn't received any additional comments, that the  
8 changes that we discussed at the last collaborative and  
9 that were incorporated into 1.4 are O.K. with the parties.  
10 At least that's my assumption.

11 MR. DISHMAN: John, this is Rick Dishman.  
12 I've just got a few items, and they're all pretty minor,  
13 if I could just run through them. I did not get them out  
14 to the collaborative.

15 MR. CHORZEMPA: Can you send them out to  
16 us?

17 MR. DISHMAN: Yeah, I can send them out  
18 today to you.

19 MR. CHORZEMPA: O.K.

20 MR. ERINGIS: Rick are these like of the  
21 typographical and editorial nature or are there things  
22 that we need to talk about?

23 MR. DISHMAN: No, they're pretty minor.  
24 You know, references to TC.Net, when TC.Net is going away  
25 -- let's pull that out of there. The missing of the word

1 "stress" in a certain area for production testing.  
2 They're pretty minor issues. I can't see anything here  
3 that's a significant issue.

4 MR. ERINGIS: So is it O.K. if we'll then  
5 agree that you're going to send that out via e-mail to the  
6 distri, and we'll assume that they're as you describe, and  
7 if somebody's got an objection we'll notify Mr. Kern and  
8 the Commission staff and us if there's an issue?

9 MR. DISHMAN: That will work for me. Is  
10 that O.K. for everybody else?

11 MR. CONNOLLY: That's fine for us.

12 MR. APPENZELLER: This is Terry  
13 Appenzeller. I looked them over. They're just like  
14 editorial items.

15 MR. KERN: This is John Kern again.

16 MR. CONNOLLY: John Kern, this is Tim  
17 Connolly. Do you have a proposal for when comments on the  
18 Ameritech comments would be closed?

19 MR. KERN: Well, what I was going to  
20 suggest is that -- this is John Kern. What I was going to  
21 suggest, if Rick Dishman can get his edits out now --

22 MR. DISHMAN: Yeah, they'll be out within  
23 the next hour.

24 MR. KERN: -- and, you know, I'd give  
25 parties, I guess, till the end of the day. If they are

1 truly as minor and few as Rick represented, if we give  
2 parties until the end of the day to object to those edits,  
3 and if we do not hear anything by the end of the day, then  
4 they are deemed to be acceptable. I would then ask KPMG  
5 if they could include all the edits that we've discussed  
6 this morning into the test plan, and John Eringis, I'm not  
7 sure what your schedule is, but if we could have it by  
8 close of business tomorrow, the expectation would be staff  
9 would submit the MTP to the Commission on behalf of the  
10 entire collaborative.

11 I guess that's my tentative proposal, and  
12 people can comment if you think I'm off base.

13 MR. ERINGIS: That sounds fine to us.

14 MR. KERN: The only other question I have  
15 for you, John Eringis, and assuming the master test plan  
16 is final by close of business tomorrow, what are our next  
17 steps? I mean what does this collaborative --

18 MR. CHORZEMPA: John, this is Dave. When  
19 are we going to get a draft of the changes we just went  
20 through? We need to make sure to confirm that those have  
21 been done properly.

22 MR. KERN: Hang on a second, Dave.

23 (Mr. Lonergan and Mr. Kern conferred off  
24 the record.)

25 MR. KERN: O.K., Dave. If KPMG gets their

1 draft out by close of business tomorrow, you have until  
2 close of business Friday. Would that give you enough  
3 time?

4 MR. CONNOLLY: That will give us enough  
5 time to review the changes that we talked about. Assuming  
6 that that's all that will be made, then we can certainly  
7 agree to move this to the next step.

8 There is a certain amount of housekeeping  
9 work that's required in terms of the scenarios that are  
10 going to depend on what products and services are, as we  
11 talked earlier, that needs to be reflected in an amendment  
12 process that we will be having to deal with.

13 So I think it's a test plan that we've  
14 recognized needs to be amended as we get these scenarios  
15 done.

16 MR. LONERGAN: An approved test plan. It  
17 was agreed KPMG and staff would work on a change  
18 management plan.

19 MR. KERN: O.K. So you're proposing the  
20 test plan would be amended at a later date.

21 MR. CHORZEMPA: I think we've agreed to  
22 that.

23 MR. CONNOLLY: We've agreed to that.

24 MR. KERN: I'm sorry for coming in late. I  
25 apologize.

1                   MR. CHORZEMPA: Well, I think we've agreed  
2 during a previous collaborative that certain portions of  
3 this plan aren't going to be finalized until a later time  
4 and we'd move forward nonetheless.

5                   MR. KERN: That's fine. O.K.

6                   So comments by close of business Friday,  
7 and my assumption is that the changes that will be  
8 reflected in John's draft by close of business tomorrow  
9 will be limited only to those things that we discussed  
10 today, and any comments that come back on Friday would be  
11 directed only to those changes we discussed today. And  
12 assuming we hear nothing by close of business Friday,  
13 then, as I said before, staff would give this to the  
14 Commission on behalf of the collaborative. Is that  
15 acceptable?

16                   MR. ERINGIS: It is to us.

17                   MR. CHORZEMPA: It is to us.

18                   MR. APPENZELLER: O.K. by Ameritech.

19                   MS. WILSON: O.K. by WorldCom.

20                   MR. KERN: O.K. Anybody else have anything  
21 for the call today?

22                   O.K., that's it, then.

23                   MR. CHORZEMPA: What's next here? When do  
24 we next meet?

25                   MR. KERN: Well, I'll tell you what, Dave.

1 I need to talk to staff, I need to talk to KPMG, and I  
2 will get a memo out shortly about what the next steps are  
3 going to be and indicate, you know, if we're going to have  
4 another meeting or if we're going to have a conference  
5 call to bring people up to speed.

6 MR. CHORZEMPA: I didn't know if we should  
7 throw a goodbye party for ourselves here.

8 MR. LONERGAN: It's probably too soon for  
9 that.

10 MR. CHORZEMPA: I'm sure it is.

11 MR. KERN: Give us a year and a half.

12 MR. CONNOLLY: But you might want to  
13 celebrate some if we get this thing done.

14 MR. CHORZEMPA: I'll put together a 10-year  
15 reunion.

16 MR. KERN: O.K., thank you, everybody.

17 (At 11:55 A.M., the proceedings were  
18 adjourned to 2:00 P.M., Wednesday, August 23, 2000.)

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## C E R T I F I C A T E

I, Evelyn R. Merrill, do hereby certify that I reported stenographically the foregoing proceedings had in the within-entitled matter, being Case No. U-12320, before John Kern, Facilitator, at the Mercantile Building, Lansing, Michigan, on Wednesday, August 9, 2000; and that the foregoing transcript constitutes a full, true and correct transcript of my said stenographic notes.

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Dated: August 9, 2000