

KPMG Consulting Responses to Questions Relating to Exceptions 112 & 113

A. Clarifying Questions Regarding the Scope of the Findings

3. KPMG, in several OSS Final Reports which KPMG has issued in other states, evaluation criteria for POP Volume tests include both functionality and timeliness criteria and are generally applied separately to each interface utilized in the test (in Michigan's case this would include EDI, GUI and CORBA interfaces). Assuming that similar evaluation criteria will be utilized by KPMG in the Michigan volume test, please indicate whether the volume tests performed by KPMG for the Ameritech region would result in any unsatisfied determinations for the functionality criteria which KPMG will apply to these test. To the extent that unsatisfied evaluations will apply, please specify the affected interface and evaluation criteria.

There are presently no unsatisfied determinations for the Functionality evaluation criteria.

4. Does KPMG concur with the test results presented by Ameritech in Table 1 of its response to Exception 112? In other words, is it correct to assume that, for example, KPMG performed tests on all nine pre-order inquiry types for the CORBA interface and that these tests were successful for eight of the nine interfaces?

KPMG Consulting concurs that the test results presented by SBC Ameritech in Table 1 of its response to Exception 112 for the Normal Day Retest (March 13, 2002), the Peak Day Retest 2 (April 11, 2002) and the Stress Day Test (April 17, 2002) mirror the findings outlined in Exception 112. However, the following Not Satisfied results detail is not captured in either Exception 112 or Table 1 of SBC Ameritech's response to Exception 112: Peak Day Retest 2, 4/11/02, EDI Error Messages (Rejects) in response to Orders performance: 70.9% within 1 hour.^a

5. KPMG indicates in version 2 of Exception 112 that, "Although results varied, the most consistent problems occurred in the area of EDI pre-order timeliness." Is KPMG able to assess whether Ameritech would have passed the volume tests if it had successfully met the pre-order EDI timeliness benchmarks but all other test results remained unchanged?

The results for the Timeliness of Response evaluation criteria for CORBA and GUI that presently have unsatisfied determinations are as follows:

| Interface | Type | Result |
|-----------|--|---------------|
| GUI | Telephone Number Inquiry Pre-order | Not Satisfied |
| GUI | Customer Service Information Inquiry Pre-order | Not Satisfied |
| GUI | Loop Qualification Inquiry Pre-order | Not Satisfied |
| GUI | Scheduling Inquiry/ Availability -Due Date Inquiry Pre-order | Not Satisfied |
| CORBA | Scheduling Inquiry/ Availability -Due Date Inquiry Pre-order | Not Satisfied |

6. KPMG has issued numerous exceptions and observations regarding failure of EDI pre-order

^a An updated version of Exception Report 112 will be issued to capture this information.

timeliness measures in non-volume situations (e.g., Observations 285, 382, 543 for Michigan; Exception 123 and Observations 400, 404, 409, 417, 475, etc. for other states). To what extent if any do the timeliness issues in the volume situations differ from those experienced in the non-volume situations? Is there any information available to KPMG which would support a determination that volume was the cause of the timeliness failures cited in Exception 112?

The table below compares EDI pre-order timeliness performance for the Michigan TVV1 POP Functional Evaluation test through April 15, 2002 to the EDI pre-order timeliness performance for the TVV2 POP Volume tests on the Normal Day Retest (3/13/2002) and the Peak Day Retest 2 (4/11/2002)^b.

| Query Type | KPMG Consulting Benchmark ^c | | TVV1 (through 4/15/2002) | | Normal Day Volume (3/13/2002) | | Peak Day Volume (4/11/2002) | |
|--|--|-------------|--------------------------|-------------|-------------------------------|-------------|-----------------------------|-------------|
| | Benchmark 1 | Benchmark 2 | Benchmark 1 | Benchmark 2 | Benchmark 1 | Benchmark 2 | Benchmark 1 | Benchmark 2 |
| Address Validation Inquiry | 90% <= 8 | 95% <= 12 | 98.0% | 99.0% | 97.7% | 99.6% | 81.0% | 95.2% |
| Telephone Number Inquiry | 90% <= 7 | 95% <= 9.5 | 98.3% | 99.3% | 53.9% | 98.8% | 48.2% | 87.6% |
| Customer Service Info. Inquiry | 90% <= 8 | 95% <= 13 | 86.3% | 98.6% | 89.6% | 98.4% | 48.8% | 90.1% |
| Loop Qualification Inquiry | 90% <= 51.6 | 95% <= 59.2 | 100.0% | 100.0% | 100.0% | 100.0% | 99.9% | 99.9% |
| Feature/Service Availability Inquiry | 90% <= 12 | 95% <= 16 | 100.0% | 100.0% | 100.0% | 100.0% | 92.5% | 95.0% |
| Scheduling Inquiry/Availability | 90% <= 1 | 95% <= 2 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Directory Listing Inquiry ^d | 90% <= 8 | 95% <= 13 | 94.7% | 100.0% | 92.4% | 99.4% | 72.1% | 92.2% |
| Customer Service Info. Inquiry Plus ^e Listing Inquiry | 90% <= 8 | 95% <= 13 | 84.7% | 94.4% | 87.2% | 98.7% | 61.8% | 91.1% |
| Common Language Location Identifier Inquiry | 95% <= 10 ^f | N/A | 97.4% | N/A | 99.6% | N/A | 94.6% | N/A |

D. Pre-Order Inquiry Benchmarks

In soliciting input in regard to pre-ordering performance measurements, the FCC in its 1998 NPRM (FCC 98-72) and more recently in its 2001 NPRM (FCC 01-331) stated the importance of timely access to pre-ordering information. “Because many competing carriers retrieve pre-ordering information from the incumbent LEC’s databases while a customer is on the line (as an incumbent LEC does), timely access to pre-ordering information is critical to a competing carrier’s ability to interact with its customers.” The goal of pre-ordering metrics according to the FCC will “permit us to determine whether an incumbent LEC provides requesting carriers with nondiscriminatory access to pre-ordering functionality.” The following questions are meant to elicit information regarding these determinations of nondiscrimination.

^b At this point, no analysis has been performed to determine the statistical significance of the volume vs. non-volume differences listed in these results.

^c All times represented in seconds

^d TVV1 POP Functional Evaluation test data is through July 24, 2002, not April 15, 2002.

^e TVV1 POP Functional Evaluation test data is through July 24, 2002, not April 15, 2002.

^f KPMG Consulting internal benchmark

3. To the extent that information is available to KPMG or others, please compare EDI LSOG 4 benchmarks in PM 2 for the Ameritech region to pre-order timeliness metrics in other regions. Identify the point at which timestamps are taken in each example.

Please find following a table that compares SBC Ameritech pre-order benchmarks to five other ILEC regions. Please note that SBC Ameritech’s EDI LSOG4 pre-order measures differ from these other ILEC regions in that SBC Ameritech uses percentage of responses within a period of time, while other ILECs use parity/average response times. BellSouth is not included in the comparison as they do not support EDI pre-order transactions.

| Query Type ^g | SBC Ameritech | | Verizon Virginia, New Jersey, and Pennsylvania | Qwest |
|--------------------------------------|---------------|-------------|--|------------------|
| | Benchmark 1 | Benchmark 2 | Benchmark | Benchmark |
| Address Validation Inquiry | 90% <= 8 | 95% <= 12 | Retail Parity + 4 seconds | 10 |
| Telephone Number Inquiry | 90% <= 7 | 95% <= 9.5 | Retail Parity + 4 seconds | N/A ^h |
| Customer Service Information Inquiry | 90% <= 8 | 95% <= 13 | Retail Parity + 4 seconds | 12.5 |
| Loop Qualification Inquiry | 90% <= 51.6 | 95% <= 59.2 | Retail Parity + 4 seconds | 20 |
| Feature/Service Availability Inquiry | 90% <= 12 | 95% <= 16 | Retail Parity + 4 seconds | 25 |
| Scheduling Inquiry/Availability | 90% <= 1 | 95% <= 2 | Retail Parity + 4 seconds | N/A |
| Directory Listing Inquiry | 90% <= 8 | 95% <= 13 | Retail Parity + 4 seconds | N/A |

KPMG Consulting is not aware of the point at which other ILECs capture their timestamps.

4. To the extent KPMG is able to share information, please compare pre-order timeliness results from the Ameritech volume tests to results available for volume tests in other regions. To the extent that both average times for pre-order completion can be presented in addition to portion completed prior to a benchmark time, please delineate both (e.g., average 4.4 seconds and 90% # 10 seconds). Separate by type of inquiry, type of interface, and identification of where timestamps are applied.

Please find following two tables that depict EDI and GUI pre-order timeliness performance for POP Volume tests conducted in five other ILEC regionsⁱ. As the other ILEC regions’ benchmarks are in parity/average times, percentage of pre-orders completed prior to a

^g All times represented in seconds.

^h N/A means that either the benchmark is not available at the time when the final report was prepared, or this pre-order type was not tested in the volume test of that region.

ⁱ Data extracted from publicly available Final Reports published by KPMG Consulting. Qwest Final Report: <http://www.nrri.ohio-state.edu/oss/oss.htm>; Verizon/Virginia Final Report: <http://www.state.va.us/scc/division/puc/oss.htm>; Verizon/New Jersey Final Report: <http://www.bpu.state.nj.us/>; Verizon/Pennsylvania Final Report: <http://puc.paonline.com/telephone/Oss.asp>.

benchmark time data was not available. For the purpose of comparison, SBC Ameritech performance is presented in average seconds.

EDI

| Query Type ^j | SBC Ameritech ^k | Verizon Virginia ^l | Verizon New Jersey | Verizon Pennsylvania | Qwest |
|--------------------------------------|-------------------------------|---------------------------------|----------------------|----------------------|------------------|
| | Peak Day Retest 2 Performance | Normal/Peak Average Performance | Peak Day Performance | Peak Day Performance | Peak Performance |
| Address Validation Inquiry | 7.84 | 6.40 | 3.92 | 7.75 | 3.26 |
| Telephone Number Inquiry | 8.12 | 7.67 | N/A | 7.29 | N/A |
| Customer Service Information Inquiry | 11.26 | 3.76 | 5.91 | 3.97 | 5.66 |
| Loop Qualification Inquiry | 15.04 | 8.66 | 3.62 | 4.69 | 17.00 |
| Feature/Service Availability Inquiry | 8.7 | 14.79 | 12.18 | 13.22 | 10.71 |
| Scheduling Inquiry/Availability | 9.09 | 5.59 | 2.37 | 4.54 | N/A |
| Directory Listing Inquiry | 9.24 | 4.55 | 3.45 | 3.71 | N/A |

GUI

| Query Type | SBC Ameritech | Verizon Virginia | Verizon New Jersey | Verizon Pennsylvania | Qwest |
|--------------------------------------|-------------------------------|---------------------------------|----------------------|----------------------|------------------|
| | Peak Day Retest 2 Performance | Normal/Peak Average Performance | Peak Day Performance | Peak Day Performance | Peak Performance |
| Address Validation Inquiry | 3.65 | 11.12 | 6.95 | 7.45 | 2.03 |
| Telephone Number Inquiry | 4.59 | 11.42 | N/A | 7.47 | N/A |
| Customer Service Information Inquiry | 7.97 | 7.05 | 4.18 | 4.49 | 4.16 |
| Loop Qualification Inquiry | 29.27 | 11.60 | 4.11 | 4.33 | 5.55 |
| Feature/Service Availability Inquiry | 4.03 | 18.12 | N/A | N/A | 6.33 |
| Scheduling Inquiry/Availability | 4.14 | 8.35 | N/A | 3.12 | N/A |
| Directory Listing Inquiry | 5.88 | N/A | 6.37 | 4.16 | N/A |

E. Retest Requirements

1. In items #2 and 3 of Version 2 of Exception 112, KPMG discusses volume retest requirements. Please specify the minimum timeframes which would be required for the proposed

^j All times represented in seconds.

^k Only pre-orders comparable in all ILEC regions were included in the table.

^l The Verizon Virginia Final Report only provided an average of the normal and peak day performance.

retest activity including specific estimates for each component of the test discussed (e.g., updated forecasting, test preparation including LSOG 5 GUI preparation, pretests, actual testing, etc.). If only the EDI pre-order interface were modified, would the proposed retest activities be altered?

Please see below for a detailed estimate of the minimum time frame that would be required for retest activity of the POP Volume tests. Assumptions for this time frame are also included. If only the EDI pre-order interface were modified, the proposed retest activities would not be altered as SBC Ameritech has unsatisfied determinations for other evaluation criteria than just EDI pre-order Timeliness of Response, as demonstrated in KPMG Consulting's response to Question A5.

Assumptions:

1. LSOR/LSPOR 5 will be tested for GUI.
2. POP Volume tests include 2 normal days, 1 peak day, and 1 stress day.
3. KPMG Consulting and HPC will conduct each volume test day only after the data processing and analysis has been completed from the previous volume test day.
4. SBC Ameritech successfully passes each volume test day.
5. 4 business days are required to volumize the transactions prior to each volume test day.
6. SBC Ameritech satisfies all outstanding historical volume data requests (OM-35, 48, 49, 50).

Schedule:

1. Update forecasting and seeding: four weeks.
 - EDI/ CORBA: two weeks.
 - All templates retested to ensure all accounts are still working properly.
 - GUI: four weeks.
 - New templates are written and tested for GUI LSOR/LSPOR 5.
 - Java script is re-written to automate the submission for GUI pre-orders.
 - Volume forecasting updated: two weeks.
2. Volume test execution schedule: seven weeks.