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WILLIAM J. CHAMPION III
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April 30, 2003

Via Hand Delivery

Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48909

**Re: 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**

Dear Ms. Wideman:

Please find enclosed for filing the original and 15 copies of *SBC Michigan's Submission of Final Ernst & Young Corrective Action Report* and *Proof of Service*.

If you should have any questions, please contact me. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "William J. Champion III". The signature is stylized and cursive.

William J. Champion III

WJC/mds
Enclosures
cc: Parties of Record, w/encl.

C o u n s e l l o r s A t L a w

DETROIT BLOOMFIELD HILLS LANSING GRAND RAPIDS ANN ARBOR
WASHINGTON, D.C.

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) Case No. U-12320
the federal Telecommunications Act of 1996.)
_____)

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

Mindy D. Smith, being first duly sworn, deposes and says she is employed at Dickinson Wright PLLC; and that on April 30, 2003 she served a copy of SBC Michigan's Submission of Final Ernst & Young Corrective Action Report upon the attached service list via email and first class mail by depositing the same in a United States postal depository, enclosed in an envelope, bearing postage fully prepaid in Lansing, Michigan.

Mindy D. Smith
Mindy D. Smith

Subscribed and sworn to before me,
a Notary Public in and for said County,
this 30th day of April, 2003.

Alicia M. Ball
Alicia M. Ball, Notary Public
Ingham County, Michigan
My Commission Expires: 01/07/06

SERVICE LIST – MPSC CASE NO. U-12320

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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) Case No. U-12320
the federal Telecommunications Act of 1996.)
_____)

SBC MICHIGAN'S SUBMISSION OF
FINAL ERNST & YOUNG CORRECTIVE ACTION REPORT

By minute action dated January 13, 2003, the Commission approved its Consultative Report to the FCC finding that SBC Michigan has demonstrated compliance with Section 271(c) of the federal Telecommunications Act. On January 13, 2003, the Commission also entered an Opinion and Order ("January 13 Order") in which it directed that,

. . . Ernst & Young shall complete its audit activities and verify that all issues have been corrected and restatements completed for items addressed in the October, November, and December 2002 audit reports. Corrective actions must be taken on all outstanding issues including, and in particular, those scheduled to occur this month for performance measure 104.1 (911 data base). It shall file a progress report on February 28, 2003 and a final report thereafter if the required activities are not complete at the time of the February report.¹

In compliance with the Commission's January 13 Order, SBC Michigan represents that it has taken all necessary corrective actions to address all issues of material noncompliance identified by Ernst & Young's prior audit reports filed in this proceeding. In that regard, SBC Michigan provided a final update to the previously outstanding Ernst & Young Audit issues as of April 16, 2003, and submits herewith the Report of Independent Accountants issued by Ernst & Young, dated April 16, 2003, together with SBC's management assertions upon which it is based

¹ January 13 Order, at 3-4.

(“Final Corrective Action Report. The Final Corrective Action Report covers the period from February 28, 2003 – April 16, 2003 and is attached as Exhibit “A.”

I. SUMMARY OF E&Y CORRECTIVE ACTION REPORTS

On December 19, 2002, E&Y issued a Supplemental Report, which was filed with this Commission on December 19, 2002. This Report was an attestation examination report by E&Y, regarding SBC’s assertions on the status of corrective action as of that date (“First Corrective Action Report”). In the First Corrective Action Report, SBC Michigan identified 113 of 130 instances of material noncompliance that had been corrected on a prospective basis or did not require corrective action, and 17 instances of material noncompliance that were pending corrective action. Additionally, SBC Michigan identified certain instances of material noncompliance that had been corrected on a prospective basis, but that were not scheduled to be restated until January or February 2003.

On January 14, 2003, E&Y issued its Second Corrective Action Report, which was filed with the FCC on January 16, 2003. In the Second Corrective Action Report, SBC Michigan identified restatements that were made in January 2003 and quantified the impact of those restatements on previously reported results. Additionally, SBC Michigan disclosed three new instances of material noncompliance impacting March, April and May 2002 that were not noted in earlier E&Y reports, two of which had already been corrected by SBC Michigan. As of the date of the Second Corrective Action Report, the Company had corrected 115 of 133 instances of material noncompliance noted by E&Y, and 18 instances of material noncompliance were pending corrective action. Finally, SBC Michigan identified certain modifications and agreements relating to prior interpretations resulting from the then recently-completed Six-

Month Review Performance Measurements Collaborative, including changes to PMs CWI 9, 10.4, MI 2 and MI 12.

On February 28, 2003, E&Y issued its Third Corrective Action Report. The Third Corrective Action Report shows that, as of February 28, 2003, SBC Michigan identified restatements that were made in February 2003 and quantified the impact of those restatements on previously reported results. SBC Michigan also identified 10 instances of material noncompliance that have been corrected, and one modification to a prior interpretation. SBC Michigan further identified seven issues identified in the Compliance Report that were in the process of being corrected and one issue resolved in the “six-month review” that will be implemented consistent with the schedule approved by the Commission on February 20, 2003 in Case No. U-11830.

On April 16, 2003, E&Y issued its Final Corrective Action Report. The Final Corrective Action Report shows that, as of April 16, 2003, all corrective actions have been completed and examined. SBC Michigan corrected the remaining seven issues effective with February 2003 results, and the implementation of the eighth issue, resolved in the Six-Month Review Performance Measures Collaborative, is scheduled for April 2003 results (to be reported in May 2003.) Note that the Six-Month Review issue (implementation of Performance Measure (“PM”) 1.3) is outside the scope of the audit.

II. FINAL UPDATE TO PREVIOUSLY OUTSTANDING ERNST & YOUNG AUDIT ISSUES

Table 1, below, sets forth the updated status of the corrective action on each of the seven Ernst & Young Audit issues as of April 16, 2003.

Table 1
Status of Closed Issues from Ernst & Young Audit as of April 16, 2003

Affected PM(s)	E&Y Issue	Current Status of Corrective Action
E&Y Exceptions (Details are provided in the "Final Corrective Action Report, Report of Management)		
104.1	IIb, 8(ii)	Effective with February 2003 results reported in March 2003, the Company implemented computer program code enhancements to exclude CLEC-caused delayed unlocks from the results. Previously this issue was scheduled to be corrected with January 2003 results reported in February 2003. The Company experienced a delay in completing the computer program code and testing that led to the delay in the implementation. It is important to note that the issue is related to the production of performance measure results and not the operational process of unlocking 9-1-1 records. The implementation of this exclusion for CLEC-caused delayed unlocks will only improve reported results. This is a diagnostic PM with no benchmark; therefore, the Company does not plan to restate results for this issue.
91	III, 10(ii)	Effective with February 2003 results reported in March 2003, the Company implemented computer program code to include LSOG4 projects concurrent with the implementation of the six-month review changes for PM 91. This corrective action was made in conjunction with other 6-month review changes. With projects included in the February 2003 and March 2003 results, reported results continued to make the established benchmark. Accordingly, the Company does not plan to restate previous months' results for this issue.
28-33	IV, 12	Effective with February 2003 results reported in March 2003, the Company implemented new computer program code to exclude internal orders correcting the CLEC account on a partial winback. Partial Winbacks comprise approximately 3% to 5% of total winback orders. Removing this small volume of orders from the CLEC results is not expected to impact wholesale results. Accordingly, the Company does not plan to restate prior reported results due to this issue.
96-97	IV, 22	The reason certain LNP with loop orders are being reported as LNP only is the related order field on the LNP order is not always populated with the loop order number. The Company program code for these PMs looks for the LNP and then its related loop. Effective with February 2003 results restated in April 2003, the Company implemented changes to computer program code logic to identify the loop with the related LNP order number and then cross check both ways. The company does not consider a restatement necessary since both LNP and LNP with loop orders are compared to the same benchmark and therefore, implementation of this change would not result in a change in benchmark or parity attainment/failure for PMs 96 or 97.

Table 1		
Status of Closed Issues from Ernst & Young Audit as of April 16, 2003		
Affected PM(s)	E&Y Issue	Current Status of Corrective Action
MI 14	IV, 28	Effective with February 2003 results reported in March 2003, the Company implemented computer program code to identify electronic UNE-P transactions and report them as a UNE-P level of disaggregation for electronically processed completion notifications. This change was successful in properly disaggregating over 96% of the transactions. Although this issue is immaterial, the Company will continue to review the computer program code for further enhancements to ensure that the transactions are reported in the appropriate disaggregation. The company does not consider a restatement necessary since (1) all orders are compared to the same benchmark, (2) the reported results for the resale electronic disaggregation, which includes UNE-P, exceeded the 95% benchmark for each of the last six months before the correction was made, and (3) the reported results for February 2003 and March 2003 using the new logic continues to reflect that SBC Michigan exceeded the 95% benchmark for both Resale and UNE-P disaggregations.
WI 1	IV, 30	Effective with February 2003 results reported in March 2003, the Company implemented computer program changes to properly identify no access reports. Based on a review of February and March 2003 results, revising the code to properly identify no access reports affected less than 0.5% of the transactions and had no impact on parity attainment. Accordingly, no restatements are planned for this issue.
CLEC WI 5	IV, 31	Effective with February 2003 results restated in April 2003, the Company implemented computer program code to include resold Specials and UNEs in PM CLEC WI 5. The Company is currently analyzing the need, if any, to restate. If needed, any restatements will be scheduled to begin by early 3Q03.

For the issue related to PM 1.3 that was identified in the current, ongoing Six-Month Review Collaborative, the Company filed a joint motion with participating CLECs and the Commission Staff on January 17, 2003, which was amended on February 18, 2003, that will introduce a new PM (1.3) and suspend PM 1.2. The results for PM 1.3 and the Company's performance on providing accurate loop information will be assessed in the future, and a determination will be made whether or not to delete PM 1.2. This change was approved by the Commission on February 20, 2003 in Case No. U-11830. As a result, no restatements of prior results for PM 1.2 are planned. Implementation of PM 1.3 is scheduled for April 2003 results to be reported in May 2003. Because implementation of PM 1.3 is not a "corrective actions" and

was not an Ernst & Young issue, it is not considered within the scope of the Ernst & Young audit and therefore no further Ernst & Young review of our implementation is contemplated.

III. CONCLUSION

This final report of the final audit shows that the remaining seven audit issues have been corrected. Regarding the Ernst & Young issue identified as Section IV, Item 31, (as well as Issues IV, Item 11 and IV, Item 14ii) the company is currently analyzing the need if any to restate and, if needed, any restatements will be scheduled to begin by early 3rd Quarter, 2003.

With this submission of the final Ernst & Young audit report, SBC Michigan asserts that all corrective action has been taken and no further action is required by this Commission to address this audit.

Respectfully submitted,

Craig A. Anderson (P28968)
SBC MICHIGAN
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(313) 223-8033

and

DICKINSON WRIGHT PLLC


By: _____

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Dated: April 30, 2003

EXHIBIT A

Report of Independent Accountants

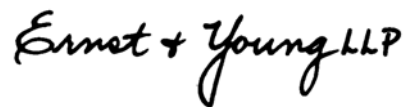
To The Management of
SBC Communications Inc.

We have examined management's assertion, included in the accompanying Report of Management on Changes Implemented to the Reporting of Performance Measurements Pursuant to the Michigan Business Rules¹ ("Report of Management"), regarding the status of any corrective action taken to date to address instances of material noncompliance with the Michigan Business Rules. Management is responsible for the Company's assertion regarding the status of the Company's corrective action. Our responsibility is to express an opinion on management's assertion regarding the status of any corrective action based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about management's assertion regarding the status of any corrective action, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on management's assertion regarding the Company's compliance with the Business Rules.

In our opinion, management's assertion regarding the status of the Company's corrective action is fairly stated, in all material respects.

This report is intended solely for the information and use of the Company and the Michigan Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



April 16, 2003

¹ "Michigan Business Rules" refer to Version 1.8_05_20_02 of the Ameritech Performance Measure User Guide as set forth in the Michigan Public Service Commission Order in Docket No. U-11830, as amended.



Report of Management on Changes Implemented to the Reporting of Performance Measurements Pursuant to the Michigan Business Rules ("Final Corrective Action Report")

On October 18, 2002, Ernst & Young ("E&Y") issued a Report of Independent Accountants ("October 18, 2002 E&Y Report") on Michigan Bell Telephone Company's (the "Company"), an indirect wholly owned subsidiary of SBC Communications Inc. ("SBC"), compliance of reported performance measures ("PM") with the Business Rules¹ for the months of March, April and May 2002. The October 18, 2002 E&Y Report identified 130 instances of material noncompliance with the Business Rules for the period of March through May 2002.

Status of the Company's Corrective Action

First Corrective Action Report

On December 19, 2002, E&Y issued an attestation examination report regarding the Company's assertion on the status of corrective action dated December 19, 2002 ("First Corrective Action Report"). In the First Corrective Action Report, the Company identified that 113 of the 130 instances of material noncompliance had been corrected on a prospective basis or did not require corrective action and 17 of the 130 instances of material noncompliance were pending corrective action. Additionally, the Company identified certain instances of material noncompliance that had been corrected on a prospective basis but were not scheduled to be restated until January or February 2003.

Second Corrective Action Report

On January 14, 2003, E&Y issued an attestation examination report regarding the Company's assertion on the status of corrective action dated January 14, 2003 ("Second Corrective Action Report"). The Second Corrective Action Report was filed with the Federal Communications Commission on January 16, 2003 and was filed with the Michigan Public Service Commission on February 28, 2003. In Attachment A-Exceptions to Compliance to the Second Corrective Action Report, the Company identified restatements that were made in January 2003 and quantified the impact of those restatements on previously reported results. Additionally, the Company disclosed three new instances of material noncompliance impacting March, April and May 2002 that were not previously noted in prior E&Y reports, two of which had already been corrected by the Company. As of the date of the Second Corrective Action Report, the Company had corrected or determined that corrective action was not necessary for 115² of 133 instances of material noncompliance noted by E&Y and 18 instances of material noncompliance were pending corrective action.

¹ "Business Rules" refer to Version 1.8_05_20_02 of the Ameritech Performance Measure User Guide as set forth in the Michigan Public Service Commission Order in Docket No. U-11830, as amended.

² The Company had corrected an additional two instances of material noncompliance but these corrections had not been tested by E&Y as of the date of the Second Corrective Action Report and are not reflected in the total of 115.

In Attachment B-Interpretations to the Second Corrective Action Report, the Company identified certain modifications and agreements to prior interpretations resulting from the then recently-completed Six-Month Review Performance Measurements Collaborative, including changes to PMs CWI 9, 10.4, MI 2 and MI 12.

Third Corrective Action Report

On February 28, 2003, E&Y issued an attestation examination report regarding the Company's assertion on the status of corrective action dated February 28, 2003 ("Third Corrective Action Report"). The Third Corrective Action Report was filed with the Michigan Public Service Commission on February 28, 2003. In Attachment A-Exceptions to Compliance to the Third Corrective Action Report, the Company identified restatements that were made in February 2003 and quantified the impact of those restatements on previously reported results. Additionally, the Company disclosed that an additional 10 instances of material noncompliance had been corrected and another instance of material noncompliance had been resolved in the six-month collaborative review. As of the date of the Third Corrective Action Report, the Company had corrected or determined that corrective action was not necessary for 126³ of 133 instances of material noncompliance noted by E&Y and 7 instances of material noncompliance were pending corrective action.

Final Corrective Action Report

As of April 16, 2003, the Company asserts that all 133 instances of material noncompliance noted by E&Y have been corrected or do not require corrective action as noted in Attachment A to this report.

SBC Communications Inc.

Date: April 16, 2003

By: 

Title: Vice President-Long Distance

³ This number includes two issues that had been corrected by the Company but not yet tested by E&Y as of the date of the Third Corrective Action Report.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
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II. Restatements That Impacted Parity or Benchmark Attainment¹			
1a	5, 6	The percent of firm order confirmations (“FOCs”) returned was incorrectly calculated for the simple residence and business electronically processed submeasures during April and May 2002 as a result of utilizing the manual rather than the electronic benchmark for one interface to calculate the percentage of FOCs processed that were returned on time. This was due to the implementation of new systems and processes in the Ameritech region.	Effective with June 2002 results reported in July 2002, new computer program code was implemented to utilize the electronic benchmark to calculate the percentage of FOCs processed that were returned on time rather than the manual benchmark. Results for April and May 2002 were restated on September 5, 2002.
1b	5, 6	The last two days of April 2002 data were incorrectly excluded from results.	Data for the last two days of April 2002 was subsequently included in results and April 2002 results were restated on September 5, 2002.
1c	6	For PM 6 only, results for electronically submitted simple residence and business local number portability (“LNP”) only requests were reported on a combined basis instead of disaggregated between electronic and manual processing as required by the Business Rules.	Effective with June 2002 results reported in July 2002, the Company reported separate levels of disaggregation for electronically submitted simple residence and business LNP only requests that were processed electronically and those that were processed manually. The months of March 2002 through May 2002 were restated on August 5, 2002.
1d	5	For PM 5 only, due to the implementation of new systems and processes, a query to retrieve data from one of the source systems did not work as intended resulting in errors in the reporting of data from the submeasures that calculate the “tails” results.	Effective with September 2002 results reported in October 2002, Local Service Ordering Guideline (“LSOG”) 5 data was combined with LSOG 4 data and calculated for the “tails” results. On October 7, 2002, April 2002 through August 2002 results were restated to incorporate the LSOG 5 data. Tails information is only reported when the overall PM standard has been attained, and is therefore not assessed on the Company Hit or Miss Report (“HOMR”).

¹ The restatement section of the original E&Y Report dated October 18, 2002 (“E&Y Report”) identified noncompliance with the Business Rules during March, April and May 2002. These results were restated for the months of March, April and May 2002 as of October 18, 2002, except as otherwise noted in the original E&Y Report. Certain instances of noncompliance that were not restated were classified in the restatement section with related issues and were identified as not being restated in the original E&Y Report.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
1e	5, 6	A small number of access service requests for unbundled local transport (“ULT”) submitted via the web were improperly excluded from results due to a flag indicator problem with the ULT orders.	Effective with August 2002 results reported in September 2002, new computer program code was implemented to correct the flag indicator problem. Results for March through July 2002 were restated on October 7, 2002.
1f (New)	5, 6	An incorrect clock interval was being used to calculate FOC hours when the start time and end time span two business days. Additionally, September results (manual FOC only) were impacted by a workforce flow manager (“WFM”) system problem and duplicate records are being reported due to an incorrect match logic implementation.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to address these three issues with the release of changes to the LSOG 5 measurement programs. April 2002 through September 2002 results were restated in December 2002 for all three issues.
2a	Various PMs	Certain Michigan wire centers were reported in the wrong Michigan metro area in the April 2002 results.	Effective with August 2002 results reported in September 2002, tables were updated to properly map wire centers to the appropriate metro area. Results for April 2002 were initially restated in July 2002 and were later corrected again on October 7, 2002. June and July 2002 results were restated on October 7, 2002.
2b	66, 67, 68	The March and April 2002 retail comparisons for 8db loops and DSL line sharing did not exclude tickets processed through the Loop Maintenance Operations System (“LMOS”) coded as no access or delayed maintenance from the reported results as required by the Business Rules. For the delayed maintenance exclusion, Work Force Administration (“WFA”) excludes only the actual time of delay while LMOS now excludes the entire ticket.	Effective with May 2002 results reported in June 2002, new computer program code was implemented to exclude tickets processed through LMOS coded as no access or delayed maintenance. March and April 2002 results were restated in July 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
2c	Various PMs (27-33, 35, 43, 50, 55, 63, 92, WI 1, WI 9, CLEC WI 11)	April and May 2002 results did not include the correct data from the Local Access Service Request system (“LASR”), which was excluded in error as a result of implementing LASR.	Effective with July 2002 results reported in August 2002, new computer program code was implemented to include LASR data. Plain old telephone service (“POTS”) PMs results for April, May and June 2002 were restated in August 2002. Specials & UNE PMs results for May and June 2002 were restated in September 2002. Specials and UNE PM results for April 2002 were restated on October 7, 2002.
2d	27-33, 35, 37-50, 52-54.1 and CLEC WI 5	March, April and May 2002 results did not report certain UNE-P and UNE Loop and Port transactions that were not identified due to a data entry error. These were a subset of all the UNE-P and UNE Loop and Port transactions reported.	Effective with August results reported in September 2002, new computer program code was implemented to include these UNE-P and UNE Loop transactions. March through July 2002 results were restated on October 7, 2002.
2e	55-56.1, 58-63, 65-69, WI 1, WI 2, WI 9 and CLEC WI 11	Certain DSL retail and wholesale transactions were improperly classified as 8db loop transactions.	Effective with July 2002 results reported in August 2002, the computer program code was updated to classify certain DSL affiliate and wholesale transactions as DSL, instead of 8db loop transactions. May and June 2002 results were restated in September 2002 and March and April 2002 results were restated on October 7, 2002.
2f (i)	Various PMs (43-50, 52-54.1, 55-56.1, 58-63, 65-69, WI 1, WI 9, CLEC WI 11)	Certain UNE and special products were classified as “unknown products” (i.e., products that have not been mapped to be reported in the PMs) and not reported in the PM results.	Effective with August 2002 results reported in September 2002, the computer product table was updated to include, when appropriate, the previously identified unknown products and a process was implemented to ensure that new products were included in the product table. March through July 2002 results were restated in September 2002 and on October 7, 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
2f (ii)	37, 37.1, 54, 54.1, 65 and 65.1	For the denominators of PMs 37, 37.1, 54, 54.1, 65 and 65.1, the unknown product issue has not been corrected.	<p>Effective with December 2002 results reported in January 2003, the computer product table in the Company's Regulatory Reporting System (RRS) was updated to include these products. The source systems feed is in summary format using the product table to create the denominators. The prior months' summaries do not contain the unknown products and thus the results cannot be restated.</p> <p>PMs 37 and 37.1, which measure POTS and UNE-P, are not affected by this issue because the data for POTS and UNE-P in service line counts are not sourced from the WFA inventory data.</p>
2f (iii)	37, 37.1, 54, 54.1, 65 and 65.1	Retail ISDN-Centrex line counts are excluded from the denominator of PMs 37, 37.1, 54, 54.1, 65 and 65.1.	Effective with September 2002 data reported in October 2002, the Company implemented new computer program code to include retail ISDN-Centrex line counts in the denominator of PMs 37, 37.1, 54, 54.1, 65 and 65.1. March 2002 through August 2002 results were restated on December 5, 2002.
2g (i)	29, 45, 58	Cancels were not being properly included in the results during March, April and May 2002. The Company was not including only Ameritech caused cancels after the due date.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include cancels in the results of PMs 29, 45 and 58 and these results for March through August 2002 were restated for field visit order activity on October 7, 2002.
2g (ii)	29, 45, 58	Cancels were not being mapped to the correct Michigan metro area.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code designed to map the cancels to the correct Michigan metro area. This problem does not impact the state aggregate results and no restatements of past results are considered necessary.
2g (iii)	29, 45, 58	Cancels for no field-work orders were not being captured and reported in the PMs.	Effective with August 2002 data reported in September 2002, the Company implemented a computer program change to report canceled orders that did not require field-work in the results of PMs 29, 45 and 58. No restatements are possible because data is not available for March through July 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
2h	43-50 and 52-54.1	A coding error incorrectly excluded UNE Loop & Port-ISDN PRI records from May 2002 results.	Effective with July 2002 results reported in August 2002, the Company corrected the computer coding error that excluded UNE Loop & Port-ISDN PRI records and restated May and June 2002 results on October 7, 2002.
2i	55.2	March 2002 results were incorrect due to some valid transactions not being properly identified and categorized as coordinated hot cuts (“CHCs”) or frame due time (“FDT”) transactions.	Effective with April 2002 results reported in May 2002, the Company began properly identifying and categorizing these transactions. March 2002 results were restated on October 7, 2002.
3	58, 59	The Company was counting all N, T, and C order activity in the denominator of PMs 58 and 59. Per the Business Rules, the Company should only be counting the orders with inward line activity.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to include only orders installing circuits or lines in the results and restated March 2002 retail results in May 2002.
4	73	The Company was excluding orders with certain due date misses related to projects.	Effective with May 2002 results reported in June 2002, the Company changed the computer program code to include all projects and restated March and April 2002 results in August 2002.
5	97	The logic within the computer program code for the reporting system contained a coding error.	Effective with April 2002 results reported in May 2002, the Company corrected the logic in the reporting system and restated March 2002 results in July 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
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II. Restatements That Did Not Impact Parity or Benchmark Attainment			
1a	PM 2, MI 10 and MI 16	For EDI LSOG 1 transactions, the Company improperly excluded certain address verification transactions that were not matched to living units or street addresses.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to include certain address verification transactions that were not matched to living units or street addresses and restated March through August 2002 results on October 7, 2002.
1b	2, MI 10, MI 16	After the implementation of the LSOG 5 version of EDI (“LSOG 5”) in April 2002, the Company improperly reported LSOG 5 transactions in which a request for a customer service record and directory listing was made as one combined request in the Verigate CSR submeasure. However, this combined level of disaggregation was not listed in the Business Rules.	Effective with September 2002 results reported in October 2002, consistent with the Business Rules the Company changed the computer program code to exclude the transactions where a combined request of customer service record and directory listing occurred and restated April through August 2002 results on October 7, 2002. This issue did not impact March 2002, as LSOG5 was introduced in April 2002.
1c	2, MI 10, MI 16	After the implementation of LSOG 5, the Company improperly double-counted certain preorder queries in the reported results for the LSOG 4 customer service requests and telephone number submeasures only.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to properly count certain preorder queries for LSOG 4 customer service requests and telephone number submeasures and restated April through June 2002 results on October 7, 2002. This issue did not impact March 2002, as LSOG5 was introduced in April 2002.
1d	MI 10, MI 16	March, April and May 2002 results were not reported by interface as required by the Business Rules.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to report by interface for PM MI 10 and restated March through June 2002 results on October 7, 2002. MI 16 Business Rules do not require reporting by interface.
1e	MI 10, MI 16	Results for March, April and May 2002 excluded transactions that exceeded 600 seconds. This exclusion is not in the Business Rules.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to include transactions that exceeded 600 seconds and restated March through August 2002 results on October 7, 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
1f	MI 10, MI 16	March 2002 transactions excluded transactions from the EDI LSOG 4/CORBA and Verigate systems.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to include transactions from the EDI LSOG4/CORBA and Verigate systems and restated March 2002 results on October 7, 2002.
2	7.1	Results for March 2002 for the LNP level of disaggregation were appropriately calculated but were not displayed on the external website.	Effective with April 2002 results reported in May 2002, the Company changed the report matrix used to report the disaggregations to the CLEC website and posted March 2002 results in June 2002.
3a (i)	13, 13.1	Certain March 2002 transactions were incorrectly included in February 2002 results.	The inclusion of the March 2002 transactions in the February 2002 results resulted from a temporary unavailability of the systems used to collect data from the source systems. The Company corrected this situation in March 2002 and results were restated in June 2002.
3a (ii)	13, 13.1	Certain other transactions were erroneously excluded from the March 2002 results due to a data processing problem.	Effective with April 2002 results reported in May 2002, the Company revised its process for identifying certain transactions and now extracts this monthly data from MORTel. March 2002 results were restated in June 2002.
3b	13, 13.1	April and May 2002 affiliate results did not include certain records as a result of implementing new systems and processes ("LASR").	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include the affiliate results for certain records and May and June 2002 results were restated in August 2002.
3c	13.1	March, April, and May 2002 results did not include orders considered to be "projects" in the denominator of PM 13.1.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include orders considered to be "projects" in the denominator of PM 13.1. Restatements for March 2002 through June 2002 results were completed in September 2002.
3d	13	The Company's external website did not have results posted for the LNP level of disaggregation although they were calculated for March, April and May 2002.	The Company corrected the report matrix on August 5, 2002 used to report the disaggregations to the CLEC website and posted March through June 2002 results by disaggregation.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
3e	13, 13.1	Due to a programming error, the MOR system was excluding certain failed flow through transactions from the calculation because the programming logic was incorrect.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include the previously excluded failed flow through transactions. March 2002 through June 2002 results were restated in September 2002.
3f	13, 13.1	Seven (7) "drop to manual" error messages were incorrectly reported as failed flow through transactions for PM 13 after one of the initial restatements.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code used for the PM 13 and PM 13.1 calculations to correctly report "drop to manual" error messages, and restated March 2002 through June 2002 results in September 2002.
4	22	March 2002 results improperly included/excluded all required service centers in the retail results.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to properly include additional consumer centers in the calculation of the retail results. March 2002 results were restated in June 2002.
5	71	During March, April and May 2002, the Company posted an invalid retail comparison for this PM.	Effective with August 2002 data reported in September 2002, the Company corrected this error by removing the invalid retail parity comparison from the CLEC Online web site. It was replaced with a benchmark of 2% for the month of March 2002 forward, per the Business Rules. The CLEC result was not impacted by this issue and the replacement did not change the attainment of the 2% benchmark in any month reported.
6	78	March 2002 CLEC results were determined using the count of the number of items instead of the number of orders.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to use the number of installed trunk orders rather than number of circuits (items) in determining the denominator for PM 78. March 2002 results were restated in May 2002.
7	99	Results for March, April and May 2002 did not appropriately exclude CLEC-caused misses from the calculation of average delay days.	Effective with June 2002 results reported in July 2002, the Company changed the computer program code to exclude CLEC-caused misses in the calculation of average delay days. March, April and May 2002 results were restated in September and October 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
8 (i)	104.1	Evaluation Period results contained data errors received from the external vendor (Intrado).	Effective with January 2003 results reported in February 2003, the Company implemented enhancements to match 9-1-1 database unlock records to completed service order records. The Company implemented computer program code enhancements to improve the match rate between unlock records and service order completion data to approximately 96%. This issue is related solely to the reporting of performance measure results and not the actual operational process of unlocking 9-1-1 records. This issue relates to the Company being unable to match all 9-1-1 database unlock records (which reflect that an unlock has occurred) to completed service order records in the Company's systems in order to calculate the unlock interval. This is a diagnostic PM with no benchmark; therefore, the Company does not plan to restate results for this issue.
8 (ii)	104.1	The Company is not excluding CLEC-caused delayed unlocks because it is not currently technically feasible given the current processes; thus it has not been restated.	Effective with February 2003 results reported in March 2003, the Company implemented computer program code enhancements to exclude CLEC-caused delayed unlocks from the results. Previously this issue was scheduled to be corrected with January 2003 results reported in February 2003. The Company experienced a delay in completing the computer program code and testing that led to the delay in the implementation. It is important to note that the issue is related to the production of performance measure results and not the operational process of unlocking 9-1-1 records. The implementation of this exclusion for CLEC-caused delayed unlocks will only improve reported results. This is a diagnostic PM with no benchmark; therefore, the Company does not plan to restate results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
9	MI 2	The programming code utilized to calculate the denominator for this measure was changed in March 2002 causing results for the PM to be misstated.	Effective with July results reported in August 2002, the Company implemented a computer program code change to query for orders with certain jeopardy notices, rather than all orders, to be included in the denominator of PM MI 2. March through June 2002 results were restated on September 5, 2002.
10	MI 4	The Company was utilizing an incorrect data field to calculate the numerator for this result. The date the quote was accepted was utilized instead of the construction start date resulting in inaccurate results.	Effective with August results reported in September 2002, the Company changed the computer program code to utilize the construction start date to calculate the numerator of PM MI 4. March through July 2002 results were restated on October 7, 2002.
11 (i)	MI 11	This PM was incorrectly calculated during March, April and May 2002 as the Company counted all notifications instead of just the initial notifications in the results.	Effective with August 2002 results reported in September 2002, the Company changed its processes to capture and count only initial notifications in the results of PM MI 11. March through July 2002 results were restated on October 7, 2002.
11 (ii)	MI 11	Manual errors were noted in the recording of start and end times associated with this PM.	Effective with November 2002 results reported in December 20, 2002, the Company changed the process to record start and end times used in the results of PM MI 11. This is a diagnostic PM with no benchmark; therefore the Company does not plan to restate results for this issue.
12	MI 13	March 2002 results did not correctly count the interval for resent line loss notifications from the time of the original send to the completion of the resend.	During June 2002, this PM was reprocessed after a data change allowed capture of the interval from the time of the original send of the service order completion to the completion of the resent line loss notification. March 2002 results were restated on August 5, 2002.
13 (i)	IN 1	During March, April and May 2002, the Company was using a due date instead of the actual completion date to calculate the percentage of loop acceptance testing completed on or prior to the completion date.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to use the actual completion date to calculate the percentage of loop acceptance testing completed prior to the completion date. March through June 2002 results were restated on August 5, 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
13 (ii)	IN 1	The Company excluded missed due dates coded as a project although not stated in the Business Rules.	Effective with October 2002 data reported on November 20, 2002, the Company implemented new computer program code to include missed due dates coded as a project in results. There were no projects that impacted this PM during the time period March through September 2002, and therefore no restatements are necessary.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
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III. Prospective Changes²			
1 (i)	5, 6	Certain data from one of the Company's source systems ("EXACT") was improperly overlaying certain FOC data within a PM reporting system resulting in some orders being reported with longer FOC durations than actually occurred. This error impacted the trunk FOC only.	Effective with June 2002 data reported in July 2002, the Company changed the computer program code to correctly report the trunk FOC results. No restatements are planned for March through May 2002 results for this issue as results would only improve from shortening the FOC interval.
1 (ii)	5	Certain ULT orders contained inaccurate start and/or stop times.	The inaccurate start and/or stop times observed by E&Y represented one end office integration trunk transaction out of 40 tested by E&Y. The particular instance in question was a FOC sent as a result of a verbal request from a CLEC that was follow by a supplemental order from the CLEC. This anomaly represents an isolated instance. The Company identified no additional occurrences of this anomaly. No process or system changes are planned due to the isolated nature of this issue.
2 (i)	5.2	Certain transactions were improperly excluded from reported results during March, April and May 2002. These transactions related to new products.	Effective with August 2002 data reported in September 2002, the Company changed the computer program code and included transactions related to new products. This is a diagnostic PM with no benchmark and the Company does not plan to restate results for March through July 2002 results.
2 (ii)	5.2	Certain transactions were improperly excluded from reported results during March, April and May 2002. These transactions related to an LSOG 5 jeopardy code that functioned like an unsolicited firm order confirmation.	Effective with September 2002 results reported in October 2002, a computer program change was implemented to include transactions related to an LSOG 5 jeopardy code that functioned like an unsolicited firm order confirmation in results for this PM. This is a diagnostic PM with no benchmark and the Company does not plan to restate results for March through August 2002 results.

² The Prospective Changes section of the original E&Y report identified noncompliance with the Business Rules during March, April and May 2002. These results were corrected on a prospective basis but results for the months of March, April and May 2002 were not restated as of October 18, 2002. Certain instances of noncompliance that were not corrected on a prospective basis were classified in the prospective changes section with related issues and were identified as not being corrected in the E&Y Report.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
3 (i)	7, 8	Certain orders contained an incorrect matching logic and therefore were improperly excluded from the results during March and April 2002.	Effective with May 2002 results reported in June 2002, the Company corrected the matching logic to address this issue. No restatements are planned for March or April 2002 results for this issue.
3 (ii)	7, 8	Certain orders contained the wrong start time (i.e., if multiple service orders existed on a single LSR, the Company was utilizing the time the first order completed instead of the time the last order completed to determine the start time for the calculation).	Effective with October 2002 results reported in November 2002, the Company changed the computer program code and began using the time of the last order completed. These PMs were restated in connection with other issues for August 2002 and September 2002 results on January 6, 2003. Restatements of June and July 2002 results were made in February 2003. No restatements of March through May 2002 results are planned. The correction of this issue would only improve the Company's performance results since the start time after the correction is a later point in time than the previous start time used.
4	10	LSOG 5 auto/manual rejects were not reported during April and May 2002 due to the implementation of new systems and processes.	Effective with August 2002 results reported in September 2002, the Company changed the computer program code to include LSOG 5 auto/manual rejects. April through July 2002 results were restated on September 5, 2002.
5 (i)	10.4, MI 2	During March, April and May 2002, the Company incorrectly reported certain UNE loop orders as UNE loops with LNP when they were not LNP orders.	Effective with August 2002 results reported in September 2002, the Company changed the computer program code to properly identify certain UNE loop orders. These PMs were restated in conjunction with other issues for July 2002 results in January 2003 and for June 2002 results in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatements changed the reported results for PM MI2 for only one submeasure for June 2002 and two submeasures for July 2002. No restatements are planned for March, April or May 2002 results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
5 (ii)	10.4, MI 2	During March, April and May 2002, the Company did not properly report the percentage of orders given jeopardies when there were multiple due date changes by the CLEC.	Effective with August 2002 results reported in September 2002, the Company implemented new computer program code to report jeopardies on order due dates instead of completion dates and to only count the order once even for the occurrence of multiple due date changes. These PMs were restated in conjunction with other issues for July 2002 results in January 2003 and for June 2002 results in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatement changed the reported result for PM MI2 for only one submeasure in June 2002 and two submeasures in July 2002. No restatements are planned for March, April or May 2002 results for this issue.
6(i)	13, 13.1	Certain line sharing orders were improperly excluded from reported results.	Effective with June 2002 results reported in July 2002, the Company implemented new computer program code to add a separate line sharing submeasure. These PMs were restated in connection with other reports for May 2002 results in on September 5, 2002.
6(ii)	13, 13.1	Certain line sharing orders were improperly excluded from reported results.	Effective with October 2002 results reported in November 2002, new computer program code was implemented that included supplemental line sharing orders that flowed through. September 2002 results were restated on December 5, 2002. Restatements for April 2002 when this functionality was implemented, through August 2002 are not possible because additional computer program code to capture data was needed for these PMs. These code enhancements were implemented on August 28, 2002.
7	15	The Company did not have a process in place to accurately capture and report when a totaling, formatting, content, or syntax error was detected during the resale bill audit process.	Effective with May 2002 results reported in June 2002, the Company revised the resale bill audit process log to capture and report errors detected during the resale bill audit process. As this is a process change, no restatements are possible.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
8	27, 28, 29, 32, 33, 55.1, 56.1, 58	New missed appointment and missed due date codes were implemented in January 2002 but were not reflected in the numerator of the PMs.	Effective with August 2002 results reported in September 2002, the Company changed the computer program code to accept these new missed due date codes. The new codes were more specific descriptions of the reasons for both Company caused and customer caused missed appointment and due dates. For example, if an order were delayed due to a CLEC owned (DSL) splitter, prior to the implementation of this change, the Company would have coded this miss as "SR" (subscriber not ready), indicating a customer caused miss. Upon implementation of the more detailed codes, a miss for this same reason would have been coded "WB" (busy or unavailable CLEC-owned splitter). In either instance the miss would have been designated as a customer caused miss. Corrective action simply provides more specific descriptions for the cause of the miss but would not change parity or benchmark attainment/failure, therefore no restatements are necessary.
9 (i)	43	March and April 2002 results did not properly capture all projects in this PM.	Effective with June 2002 results reported in July 2002 for PM 43, the Company enhanced its method of capturing transactions related to projects. No restatements are planned for March, April and May 2002 results for this issue.
9 (ii)	73	March and April 2002 results did not properly capture all projects in this PM. Additionally, the Company has identified additional project identifiers for PM 73 that will be tracked and reported but have not yet been implemented.	Effective with September 2002 results reported in October 2002 for PM 73, the Company enhanced its method of capturing transactions related to projects and implemented additional project identifiers that resulted in the proper inclusion of projects. PM 73 was restated on December 5, 2002 for the period March 2002 through August 2002.
10 (i)	91	CLEC-initiated revisions were improperly excluded from results.	The Company implemented new computer code to include CLEC-initiated revisions with September results reported in October 2002. June, July, and August 2002 results were restated on October 7, 2002. No restatements are planned for March, April or May 2002 results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
10(ii)	91	CLEC orders involving projects were improperly excluded from results.	Effective with February 2003 results reported in March 2003, the Company implemented computer program code to include LSOG4 projects concurrent with the implementation of the six-month review changes for PM 91. This corrective action was made in conjunction with other 6-month review changes. With projects included in the February 2003 and March 2003 results, reported results continued to make the established benchmark. Accordingly, the Company does not plan to restate previous months' results for this issue.
10 (iii)	91	March through May 2002 results contained a coding error that excluded orders where the completion date was before the due date.	Effective with the July 2002 results reported in August 2002, the Company changed the computer program code and began including orders where the completion date was before the due date. June 2002 results were restated on October 7, 2002. No restatements are planned for March, April or May 2002 results for this issue.
11	93	Data related to the LASR system was not included in results for April and May 2002.	Effective with the September 2002 results reported in October 2002, the Company changed the computer program code and began including orders from the LASR system. June through August 2002 results were restated on October 7, 2002. No restatements are planned for April or May 2002 results for this issue.
12 (i)	MI 9	Projects were incorrectly excluded from the calculation of this measurement during March, April and May 2002.	Effective with August 2002 results reported in September 2002, the Company implemented new computer program code to include projects in results. This PM was restated in connection with other issues for June 2002 and July 2002 results on January 6, 2003. This is a diagnostic PM with no benchmark and no restatements are planned for March through May 2002 results.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
12 (ii)	MI 9	The PM contained a coding error that counted rejects in the results.	Effective with August 2002 results reported in September 2002, the Company implemented new computer program code to exclude rejects from results. This PM was restated in connection with other issues for June 2002 and July 2002 results on January 6, 2003. This is a diagnostic PM with no benchmark and no restatements are planned for March through May 2002 results.
13	114, 115	The Company did not have a process in place to capture actual start times of coordinated cutovers during March, April and May 2002 for the frame due time ("FDT") level of disaggregation. Instead, the process utilized by the Company identified the start time as the scheduled due time which did not allow for premature disconnects or delayed coordinated cutovers to be identified and reported.	<p>For PM 114, effective with September 2002 results reported in October 2002, the Company implemented a network process change to capture the actual start times of coordinated cutovers. Prior to this change, the actual start time could not be derived from the source system. The Company implemented a computer program code change coincident with the network change for September 2002 results reported in October 2002. In the interim, a revised method of reporting was implemented in the reporting system for August 2002 results reported in September 2002. June 2002 and July 2002 results were restated on October 7, 2002. No restatements are planned for March, April or May 2002 results for this issue.</p> <p>For PM 115 effective with September 2002 results reported in October 2002, the Company implemented a network process change to capture the actual start times of coordinated cutovers. No restatements for March through August 2002 results are planned.</p>
14	114, 115, 115.2	Prior to May 2002, the Company incorrectly aggregated multiple orders that occurred on the same date with the same CLEC in the denominator.	Effective with May 2002 results reported in June 2002, the computer program code was changed to no longer aggregate multiple orders that occurred on the same date with the same CLEC. No restatements are planned for March or April 2002 results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
15 (i)	MI 13	Line loss notifications are not being reported when the winning CLEC originates the order through one ordering system and the Company sends the loss notification to the losing CLEC through a different ordering system.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to match the line loss notice to the service order completion notice when CLECs use different ordering systems. The months of June through August 2002 were restated on October 7, 2002. No restatements are planned for March, April or May 2002 results for this issue.
15 (ii)	MI 13	The Company was not using the correct end date/time in one ordering system and was inaccurately capturing start times in another system.	Effective with September 2002 results reported in October 2002, new computer program code was designed and implemented to capture the correct start and end date/time on line loss notifications. The months of June through August 2002 were restated on October 7, 2002. The months of April and May 2002 were restated on December 5, 2002. No restatements are planned for March 2002 results for this issue.
16(i)	MI 14	Trouble tickets related to customer premises equipment, interexchange carrier and information were excluded from results in error during March, April and May 2002.	Effective with the September 2002 results reported in October 2002, new computer program code was implemented to include these trouble tickets in results. June through August 2002 results were restated on October 7, 2002. No restatements are planned for March, April or May 2002 results for this issue.
16(ii) (New)	MI 14	An incorrect formula was used to handle negative time intervals that occur when the Clear Request Receive is before the Clear Time. Additionally, for manual (calculated electronically) requests, an incorrect formula was utilized to calculate the time interval.	<p>Effective with September 2002 results reported in October 2002, new computer program code was implemented to correctly calculate the negative time interval. March 2002 through August 2002 results were restated on December 20, 2002.</p> <p>Effective with November 2002 results reported in December 2002, the Company implemented new computer program code to correctly calculate the time interval for manual requests. June through October 2002 results were restated in January 2003.</p>

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
			The January restatement impacted benchmark (95%) attainment/failure for one disaggregation (UNE loops-Manual) for July 2002 through October 2002 results. The results changed as follows: June 97.5% to 93.0%, July 96.8% to 89.7%, August 97.1% to 85.5%, September 97.7% to 90.8% and October 99.6% to 94.3%.
17	WI 1, WI 2	March and April 2002 results were not reported by geographic metro areas, as required by the Business Rules.	Effective with May 2002 results reported in June 2002, the Company implemented a computer program code change to report the results by geographic metro area. No restatements are planned for March or April 2002 results as the data to restate this issue is not available.
18	CWI 1	During March, April and May 2002, the average delay time was incorrectly calculated due to utilizing the wrong start time (i.e., the original FOC due date) on certain orders that were modified and by utilizing the expected due date from the FMOD form instead of the actual completion date of the order.	Effective with the October 2002 results reported in November 2002, new computer program code was implemented to use the correct start time and the actual completion date to calculate average delay time on these certain orders. March through September 2002 results were restated on December 5, 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
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IV Other Identified Issues³			
1	1.2	The denominator for this PM is not calculated in accordance with the Business Rules. The Business Rules state that the denominator should include the total actual loop make-up information responses. The actual denominator includes all DSL orders regardless of whether loop make-up information was obtained. Additionally for the numerator, the method of data collection for this PM does not guarantee that the order was identical to engineering work confirmations as required by the Business Rules. The numerator is calculated by subtracting the number of DSL orders with trouble reported within 10 days of DSL installation from total DSL orders.	This issue was identified in the current, ongoing six-month review collaborative. As a result, the Company filed a joint motion with participating CLECs and the Michigan Public Service Commission Staff on January 17, 2003, which was amended on February 18, 2003, which will introduce a new PM (1.3) and suspend PM 1.2. Results for PM 1.3 and the Company's performance on providing accurate loop information will be assessed in the future and determination will be made whether or not to delete PM 1.2. This change was approved by the Michigan Public Service Commission on February 20, 2003 in Case No. U-11830. As a result, no restatements of prior results for PM 1.2 are planned. Implementation of PM 1.3 is scheduled for April 2003 results to be reported in May 2003.
2	5, 6	April and May 2002 results misclassified certain loop orders processed through the LASR system as auto/auto instead of auto/manual.	Effective with September 2002 results reported in October 2002, the Company updated the data extract mapping process to direct the auto/manual indicator on the affected loop orders from the source system to the reporting systems so that the orders could be correctly classified. Restatements are not planned for this issue. This issue is not applicable to March 2002. PM 6 is a diagnostic PM with no benchmark.
3	5, 5.2, 6, 7, 7.1, 8, 9, 10, 10.1, 10.2, 10.3, 10.4,	Certain valid LASR transactions were incorrectly excluded from PM results due to invalid ACNA/Company code values.	Effective with January 2003 results reported in February 2003, the Company implemented new computer program code to include certain valid LASR transactions that were incorrectly excluded from the PM results because they did not contain a valid CLEC identifier. The transactions will not be reportable

³ The Other Identified Issues section of the original E&Y report identified noncompliance with the Business Rules during March, April and May 2002. These results were not corrected as of October 18, 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
	11, 13, 13.1		to any particular CLEC but will be reported in the aggregate results. The Company does not plan to restate previous months' results for this issue for the reasons provided in its December 19, 2002 assertion on this issue.
4	5, 7, 10.4, 91, 93, MI 2	Some xDSL loops with LNP were not captured in the reported results.	<p>Effective with September 2002 results reported in October 2002, new computer program code was implemented for PM 7 to include premerger xDSL loops with LNP that were previously not captured in the PM results. PM 7 results for August 2002 were restated in connection with other issues on January 6, 2003. Restatements for June and July 2002 results were made in February 2003. No restatements are planned for March through May 2002 results.</p> <p>Effective with October 2002 results reported in November 2002, new computer program code was implemented for PMs 10.4, and MI 2 to include pre-merger xDSL loops with LNP that were previously not captured in the PM results. PM 10.4 and MI 2 results for July 2002 through September 2002 were restated in connection with other issues on January 6, 2003. No restatements are planned for March through May 2002 results.</p> <p>Effective with November 2002 results reported in December 2002, changes to PM 91 and PM 93 were implemented. These PMs were restated in connection with other issues for June 2002 through October 2002 results on January 6, 2003. No restatements are planned for March through May 2002 results.</p> <p>PM 5 was coded for this change when this product was implemented and therefore should not be included.</p>

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
5 (i)	7, 8	Certain orders that did not contain service order completion dates or contained start dates with a null value were reported as meeting the one-hour completion timeline when no data was available to make that determination.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to use a different start time that is based on when a service representative worked the completion for transactions that did not contain a service order completion date or contained a start date with a null value. Any completions that cannot use this revised start time are counted as missed. These PMs were restated for the months of August 2002 and September 2002 on January 6, 2003. June and July 2002 results were restated in February 2003. No restatements are planned for the months of March through May 2002.
5 (ii)	7, 8	The Company excluded the LNP portion of certain service order transactions from the results in error, and standalone LNP orders were being improperly reported under the resale disaggregation instead of the UNE disaggregation.	<p>Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include the LNP portion of the order so as to obtain the correct completion date.</p> <p>Effective with November 2002 results reported in December 2002, the Company implemented new computer program code to report standalone LNP orders in the correct disaggregation. These PMs were restated in connection with other issues for August 2002 through October 2002 results on January 6, 2003. Restatements for June and July 2002 results were made in February 2003. No restatements are planned for March through May 2002.</p>
6	7.1, 91	Results for March, April and May 2002 did not exclude CLEC-caused misses from the calculation as required by the Business Rules.	Effective with January 2003 results reported in February 2003, the Company implemented new computer program code to apply this exclusion. The initial implementation for measure 7.1 was refined with February 2003 results reported in March 2003. The impact of not excluding CLEC-caused misses caused an understatement of the Company's actual performance. The Company does not plan to restate previous months' results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
7 (i)	10.4, MI 2	The Company did not apply an exclusion for CLEC-initiated end user codes as stated in the Business Rules.	Effective with November 2002 results reported on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company implemented new computer program code to exclude CLEC-initiated end user codes. July 2002 through October 2002 results were restated in conjunction with other issues in January 2003 and June 2002 results were restated in February 2003. No restatements are planned for March through May 2002. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatement changed the reported result for PM MI2 for only one submeasure in June 2002 and two submeasures in July 2002.
7 (ii)	10.4, MI 2	The Company excluded certain wholesale jeopardy transactions processed through LASR from results due to an error in extracting detailed information from a source system.	Effective with November 2002 results reported on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company implemented new computer program code to include these jeopardy transactions. July 2002 through October 2002 results were restated in conjunction with other issues in January 2003 and June 2002 results were restated in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatements changed the reported results for PM MI 2 for only one submeasure in June 2002 and two submeasures in July 2002. No restatements are planned for March, April or May 2002 results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
7 (iii)	10.4, MI 2	The Company excluded wholesale LASR transactions in which the scheduled date was erroneously stated as null.	Effective with November 2002 results reported on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company implemented new computer program code to include these LASR transactions. July 2002 through October 2002 results were restated in conjunction with other issues in January 2003 and June 2002 results were restated in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatements changed the reported results for PM MI2 for only one submeasure in June 2002 and two submeasures in July 2002. No restatements are planned for March, April or May 2002 results for this issue.
7 (iv)	10.4, MI 2	The Company did not exclude FMOD orders from results.	The Business Rules for PMs 10.4 and MI 2 do not provide for an allowable exclusion for FMOD orders.
7 (v)	10.4, MI 2	The calculation of the percentage of orders given jeopardy notices within 24 hours of the due date was performed utilizing days instead of minutes resulting in anything less than 48 hours being considered a pass.	Effective with September 2002 results reported in October 2002, the Company implemented computer program code to convert the duration between the order time and jeopardy notice from days to minutes to determine if the notice was within 24 hours as required by the Business Rules. July and August 2002 results were restated in January 2003. June 2002 results were restated in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatement changed the reported results for PM MI 2 for only one submeasure in June 2002 and two submeasures in July 2002. No restatements are planned for March, April or May 2002 results for this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
7 (vi)	10.4, MI 2	The start and stop times were not correct due to not considering the Value Added Network (“VAN”) time.	Effective with November 2002 results reported on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company reprocessed the Value Added Network (“VAN”) data to determine the start and stop times are captured for PM MI 2. July 2002 through October 2002 results were restated in January 2003 and June 2002 results were restated in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PM10.4. The restatement changed the reported results for PM MI 2 for only one submeasure in June 2002 and two submeasures in July 2002. No restatements are planned for March, April or May 2002 results for this issue.
8	13, 13.1	Certain supplemental and cancelled orders related to UNE loops and LNP have had the ability to flow through the Company’s systems; however, the Company did not have the capability to identify and report this data.	This issue refers to due date changes and cancellations that are designed to flow through if the previous version of the local service request flowed through. Loop and LNP due date changes and cancellations became flow through eligible for LSOR 5.01 requests in August 2002 and therefore were properly reported during the period of March through July 2002. Effective with October 2002 results reported on November 20, 2002, the Company implemented new computer program code to properly report UNE loop and LNP due date changes and cancellations in PMs 13 and 13.1. Restatements for August 2002, when this functionality was implemented, are not possible because additional computer program code to capture data needed for these PMs was not completed. These code enhancements were implemented on August 28, 2002. September results were restated on December 5, 2002.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
9 (i)	14	The process by which the Company performed bill audits to verify wholesale universal service ordering code (“USOC”) rates did not ensure all items in the audit sample were tested and did not obtain all the relevant information in all cases to accurately determine if the USOC rate was accurate.	Effective with August 2002 results reported in September 2002, the Company has changed its data retention policies to allow for the appropriate bill audit process to occur. As this is a process change, no restatements are possible.
9 (ii)	14	For the retail comparison for both resale submeasures, the Company did not have a process in place to accurately capture and report when invalid USOC rates were identified in the bill audit process.	Effective with December 2002 results reported in January 2003, the Company implemented a methods and procedures update to more accurately capture and report when invalid USOC rates are identified in the audit process to ensure that errors confirmed as bill element errors are reported as such in the PM 14 results. No restatements are possible, as this is a process change. Identification of additional errors for the retail results would only cause improvement in the parity comparison because retail results have been reported at 100% for each month, and identification of errors in retail results alone will improve parity comparison performance.
9 (iii)	14	For the Resale Monthly Recurring/Non Recurring wholesale submeasure, the Company’s process does not compare the USOC rates per the rate tables to the actual bill sent. Utilizing the Company’s current process, a difference would not be identified.	The validation procedure followed by the Company from March 2002 through current includes the requirement to compare USOC rates from the rate table to the bill elements. In addition to the corrective action described in Issue 9(i) above, the Company is reinforcing compliance with the current procedure through additional bill validator training and coaching. To the extent this issue is impacted by process change, no restatements are possible.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
10	25	Due to a manual calculation error, April 2002 retail data was improperly reported.	This manual input error was due to reporting retail results for the month of January 2002 instead of April 2002 retail results. The Company has implemented controls to verify the accuracy of reported information to the input data and is in the process of mechanizing the PM. The Company has determined that a restatement of April 2002 results is not necessary as the April 2002 wholesale results for Michigan of 96% of DSL calls and 94% of all other calls answered within 20 seconds exceed both the originally reported incorrect retail result of 72% for each retail category and the correct result of 65% for each retail category. This issue had no impact on reported CLEC results. As such, there is no impact on the Company's parity performance.
11	27, 28	The Company did not properly identify customer-requested due dates ("CDDD") during March, April and May 2002. Instead of capturing the actual customer-requested due date, the Company-offered due date was utilized in the calculation only when the requested due date was greater than or equal to the standard offered interval.	Effective with January 2003 results reported in February 2003, the Company implemented a computer program code change to calculate the measured interval appropriately in this calculation for PMs 27 and 28, application date to CDDD. Subsequent to previous filings, PM 27 was identified as being impacted by this issue. The Company is currently analyzing the need, if any, to restate. If needed, any restatements will be scheduled to begin by early in the third quarter of 2003.
12	28-33	The Company incorrectly reported certain internal orders impacting the CLEC portion of a partially "won back" account as wholesale orders during March, April and May 2002.	Effective with February 2003 results reported in March 2003, the Company implemented new computer program code to exclude internal orders correcting the CLEC account on a partial winback. Partial Winbacks comprise approximately 3% to 5% of total winback orders. Removing this small volume of orders from the CLEC results is not expected to impact wholesale results. Accordingly, the Company does not plan to restate prior reported results due to this issue.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
13	39, 52, 67	The Company excludes trouble tickets in excess of 720 hours from results although this exclusion is not allowed by the Business Rules.	Effective with October 2002 data reported on November 20, 2002, the Company implemented new computer program code to include trouble tickets in excess of 720 hours in the results. March 2002 through September 2002 results were restated on December 5, 2002.
14 (i)	43, 44, 55, 55.1 55.2, 55.3, 56, 56.1	During May 2002, the Company experienced a problem with a source system utilized to identify LNP with loop orders and application date and loop length which was not populated which caused some CHC and FDT Michigan data to not be reported.	<p>The Company corrected a previously identified problem with a source system utilized to identify LNP with loop orders and to correct the issue associated with the application date and loop length that was not populated. The Company restated May 2002 results in November 2002. June 2002 results were restated in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PMs 55, 56 or 56.1. The restatement changed the reported results for PM 55.1 for only one submeasure DSL Loops without line sharing, with conditioning. The reported result for that one submeasure went from 9.23 to 11.</p> <p>PM 55.2 is a diagnostic measurement with no benchmark.</p> <p>This issue did not affect PM 43, 44, or 55.3.</p>
14 (ii)	43, 44, 55, 55.1, 56, 56.1	The Company utilized the wrong field to determine the exclusion for customer-requested due dates in excess of the stated time period in the Business Rules.	Effective with December 2002 results reported in January 2003, the Company implemented a computer program code change to calculate the measured interval appropriately in this calculation, application date to CDDD) for PMs 43 and 44. Effective with January 2003 results reported in February 2003, the Company implemented a computer program code change to calculate the measured interval appropriately in this calculation for the Lineshare disaggregation only for PMs 55.1, 56 and 56.1. The Company is currently analyzing the need, if

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
			<p>any, to restate. If needed, any restatements will be scheduled to begin by early in the third quarter of 2003.</p> <p>PM 55 was not impacted by this issue.</p>
14 (iii) (New)	43, 44, 55, 55.1, 56, 56.1	The transaction indicator used to calculate the measured application date is no longer being populated consistently.	Effective with October 2002 results reported in November 2002, the company implemented computer code to check a populated field to identify the source of the order for PMs 43, 44, 55, 55.1, 56 and 56.1; except for line share disaggregations. August 2002 through September 2002 results were restated on December 5, 2002. June and July 2002 results were restated in February 2003. Restatements did not result in a change in benchmark or parity attainment/failure for PMs 55 and 56 for June 2002 or 56.1 for June and July 2002. The restatement resulted in a change for the reported results for PM55.1 for June 2002 and July 2002 for one submeasure. No restatements are planned for March, April or May 2002 results for this issue.
15	55.1-63, 65	DSL transactions were not identified by geographic region as required by the Business Rules and, therefore, are not reported in the correct geographic region.	Effective with January 2003 results reported in February 2003, the Company implemented a new computer program code to report these PMs by geographic region for DSL Lineshare disagg only. This issue regarding geographic disaggregation had no impact on prior reported statewide aggregate results. No restatements are planned for this issue.
16 (i)	55.1, 56, 58	During March, April and May 2002, certain orders involving the FMOD database were not properly identified as loops involving conditioning or were incorrectly identified as FMOD orders.	Effective with November 2002 data reported on December 20, 2002, the Company implemented new computer program code that identified DSL no lineshare orders involving the Facility Modification Order Database (“FMOD”) database as loops involving conditioning. The Company restated June and July 2002 results for PMs 55.1 and 56 on November 5, 2002 and August and September 2002 results on December 5, 2002. Analysis of the restatements indicates that all disaggregations stayed in parity. PM 58 does not require a restatement since

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
			the PM does not require the results to be disaggregated by conditioning/non-conditioning. No restatements are planned for March through May 2002 results for this issue.
16 (ii)	55.1, 56, 58	The Company did not count the start time correctly during March, April and May 2002 resulting in inaccurate PMs. Additionally, for PM 58; the Company was excluding certain FMOD orders in error.	Effective with October 2002 data reported on November 20, 2002, the Company implemented new computer program code to count the start time (application date) correctly and to include a small subset of FMOD orders that were previously measured in PM 58. The August and September 2002 results were restated on December 5, 2002. June through July 2002 results were restated in February 2003. No restatements are planned for March through May 2002 results for this issue.
17 (i)	59, 65, 65.1, 66, 67, 68, 69	The Company improperly calculated the wholesale numerator during March, April and May 2002 for the line share submeasure. The Company only included trouble reports for the voice portion of the line and improperly excluded trouble reports related to the data portion of the line.	Effective with November 2002 results reported on December 20, 2002, the Company implemented new computer program code to include all troubles recorded for the high frequency portion of the loop (“HFPL”). July through October 2002 results were restated on December 20, 2002. June 2002 results were restated in February 2003. No restatements are planned for March through May 2002 results for this issue. PM 68 is not affected by this issue.
17 (ii)	65, 65.1, 66, 67, 68, 69	Certain DSL trouble reports on circuits that the CLECs took “as is” were counted as Company troubles when they were not.	“As is” troubles were not counted as company troubles since they were being appropriately loaded into the data base with non-measured disposition codes, as part of a manual loading process. Effective with October 2002 data reported on November 20 2002, the company implemented new computer program code to mechanize the loading process. PM 68 is not affected by this issue.
18	74, 75, 78	During March and April 2002, the Company excluded certain transactions with a missed appointment code associated with a project from reported results. In May 2002, the Company excluded all projects from the	Effective with September 2002 data reported in October 2002, the Company implemented new computer program code to include projects in results. On December 5, 2002, the Company restated March through August 2002 results.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
		reported results. The Business Rules do not allow for projects to be excluded from results.	
19 (i)	91	Data related to the LASR system was not included in results for April and May 2002.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include LASR data in PM 91. June through August 2002 results were restated on January 6, 2003. No restatements are planned for March, April or May 2002 results for this issue.
19 (ii)	91	The Company improperly included LNP transactions that were not scheduled within industry guidelines in results.	Effective with May 2002 data reported in June 2002, the Company implemented new computer program code to exclude LNP transactions that were not scheduled within industry guidelines. No restatements are planned for March or April 2002 results for this issue.
19 (iii)	91	The Company did not capture information by telephone number (“TN”) but instead captured the information by order number.	Effective with November 2002 data reported in December 2002, the Company implemented new computer program code to report at the telephone number level. June 2002 through October 2002 results were restated in conjunction with other issues on January 6, 2003. The restatement did not change benchmark attainment/failure for June 2002 through October 2002 results. No restatements are planned for March, April or May 2002 results for this issue.
20(i)	92, 99	The Company excluded LNP with loop orders in which the loop portion of the order was rejected and then later corrected.	This issue does not impact PMs 92 and 99. This issue impacts measures that are calculated using data from the MOR system. PMs 92 and 99 are not calculated in the MOR system.
20(ii)	5, 6, 7, 7.1, 8, 9, 10, 10.1, 10.2, 10.3, 10.4, 11, 11.1, 11.2, 13, 13.1, 91, 93, 95,	The Company excluded LNP with loop orders in which the loop portion of the order was rejected and then later corrected.	For PMs 5, 6, 7, 7.1, 8, 9, 10, 10.1, 10.2, 10.3, 10.4, 11, 11.1, 11.2, 95, and MI 2, effective with October 2002 results reported on November 20, 2002, the Company implemented new computer program code to include LNP with loop orders in which the loop portion of the order was rejected and then later corrected. For PMs 91, 93 and MI 9, effective with November 2002

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
	MI 2, MI 9:		<p>results reported on December 20, 2002, the Company implemented new computer program code to include LNP with loop orders in which the loop portion of the order was rejected and then later corrected.</p> <p>This issue was restated in connection with other issues in this report as follows:</p> <p>PMs 5 and 6 – August and September 2002 results were restated on December 5, 2002. No restatements are planned for March through July 2002 results.</p> <p>PMs 7, 7.1 and 8 – August and September 2002 results were restated on January 6, 2003. No restatements are planned for March through July 2002 results.</p> <p>PMs 10.4 and MI 2 – June through September 2002 results were restated on January 6, 2003. No restatements are planned for March through May 2002 results.</p> <p>PMs 91, 93 and MI 9 - June 2002 through September 2002 results were restated in January 2003. No restatements are planned for March through May 2002 results.</p> <p>PMs 10, 10.1, 10.2, 10.3, 11, 11.1, 11.2 and 95 – No restatements are planned for March 2002 through August 2002 results.</p> <p>PMs 13 and 13.1 were not impacted by this issue.</p>

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
21(i)	95	During March, April and May 2002, the Company excluded projects from these PMs although there is no exclusion allowed in the Business Rules.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include projects in results. No restatements are planned for March through August 2002 results.
21(ii)	99	During March, April and May 2002, the Company excluded projects from these PMs although there is no exclusion allowed in the Business Rules.	Effective with July 2002 results reported in August 2002, the Company implemented new computer program code to include projects in results. The Company restated June 2002 results on August 5, 2002, May 2002 results on September 5, 2002, and March and April 2002 results on October 7, 2002.
21(iii)	MI 13	During March, April and May 2002, the Company excluded projects from these PMs although there is no exclusion allowed in the Business Rules.	<p>Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include projects in the LSOG 4 results. Effective with November 2002 results reported in December 2002, the Company implemented new computer program code to include projects in the LSOG 5 results. The months of June through October 2002 were restated on January 6, 2003 to include this correction. The restatement did not change benchmark attainment/failure for June 2002 through October 2002 results.</p> <p>The CLECs have agreed in the ongoing six-month review that this measure does not capture the meaningful information needed to assess the timeliness of line loss notifications. A new measurement that will be remedied has been agreed to in the red-lined version of the Business Rules in the most recent six-month review.</p>
22	96, 97	For LNP with loop orders, the related order field is not always populated resulting in certain LNP with loop orders being reported as loop orders.	The reason certain LNP with loop orders are being reported as LNP only is the related order field on the LNP order is not always populated with the loop order number. The Company program code for these PMs looks for the LNP and then its related loop. Effective with February 2003 results restated in

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			April 2003, the Company implemented changes to computer program code logic to identify the loop with the related LNP order number and then cross check both ways. The company does not consider a restatement necessary since both LNP and LNP with loop orders are compared to the same benchmark and therefore, implementation of this change would not result in a change in benchmark or parity attainment/failure for PMs 96 or 97.
23 (i)	105, 106, MI 5	Testing of supporting documentation for the transactions that comprise these PMs revealed that start and stop times were not accurately calculated and that supporting documentation for transactions was not appropriately maintained.	The Company implemented additional controls on October 14, 2002 to ensure that start and stop times are stamped on all requests and that transaction logs are properly maintained. These controls include stamping all requests that come in with date and time received and keeping a separate back-up log for supporting documentation. As this is a process change, no restatements are possible.
23 (ii)	105, 106, MI 5	Certain transactions were recorded in the wrong month.	The recording of these transactions was consistent with the Company's practice for this PM in which work completed at the end of one month is recorded in the following month's results. To avoid omitting these transactions results are compiled based on the month in which they are recorded rather than in the month the work was done.
24	110, 111, 112, 113	The Company was unable to locate certain supporting documentation related to fax transactions. Additionally, critical dates or times on the source documents did not agree to the data file used to calculate the results. In all cases the times were misstated by less than 2 hours. This had no effect on the reported results for PM 110.	<p>In October 2002, the Company implemented procedures designed to ensure on a prospective basis that supporting documentation related to fax transactions is maintained and that critical dates or times on the source documents are properly reflected in the data.</p> <p>In November 2002, the Company implemented procedures designed to ensure that critical dates on the source document agreed with the data file used to calculate results.</p> <p>Implementation of this change would not be expected to</p>

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			change reported March through November 2002 results for PMs 110 and 111 and no restatements are planned. The Company found no cases in which transactions were misstated by more than 2 hours, and reported performance is within the defined benchmarks.
25	117, 118	The Company considers an NXX code request to be on time as long as it completes testing by the end of the week containing the due date, instead of by the actual due date as required by the Business Rules.	Effective with October 2002 results reported in November 2002, the Company implemented procedures to consider an NXX code request to be on time as long as it completes testing by the actual due date as required by the Business Rules. The Company does not plan to restate PMs 117 and 118 for this issue for March through September 2002 results. PM 117 results for October 2002 remained at 100% as were the March through September 2002 reported results. Since no transactions were missed, there were no delay days to measure in PM 118.
26 (i)	2, MI 10, MI 16	During March, April and May 2002, rejected and timed out pre-order transactions were improperly excluded from the numerators of MI 10 and MI 16.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include rejected and timed out pre-order transactions in the numerators of MI 10 and MI 16. This shifted transactions between MI 10, MI 16 and PM 2. The Company restated results for March 2002 through September 2002 on December 5, 2002 for MI 10, MI 16 and PM 2.
26 (ii)	MI 10, MI 16	TCNet does not have the capability to capture the rejected and timed out status; therefore, these transactions cannot be reported in the numerator for these PMs.	This issue is limited to the service feature availability transaction for TCNet, an optional pre-ordering interface. To provide a response for this transaction TCNet accesses an available feature table that resides within the TCNet computer program code on the TCNet server itself. Since the transaction does not interface or call any other applications, the transaction cannot time out or reject.
26 (iii)	MI 10, MI 16	Certain valid EDI LSOG 1 transactions were improperly excluded from the reported results. This was due to an error in the programming logic designed	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include the excluded EDI LSOG 1

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		to identify duplicate transactions.	transactions in the reported results for PMs MI 10 and MI 16. This issue was restated for March through September 2002 results on December 5, 2002 results in connection with other issues.
27 (i) ⁴	MI 12	The Company excluded transactions from reported results where the field cycle date was null.	This issue related the field cycle date being null was isolated to one day in the month of May 2002. A total of 51,317 records were omitted from the total record count of 3,514,097 for May 2002 representing 1.5% of total records. As such, the Company does not believe restatement of May 2002 results is necessary.
27 (ii)	MI 12	The Company excluded wholesale transactions when a field identifying the CLEC was blank.	Effective with January 2003 results reported in March 2003, the Company began including records where the field identifying the CLEC was blank in results. The implementation of this change did not result in a change in parity attainment/failure and had less than a 5% impact to the January through March 2003 reported results. Accordingly, no restatements are planned for prior months.
28	MI 14	The Company was not able to identify electronic UNE-P transactions and as a result did not report the UNE-P level of disaggregation for electronically processed completion notifications	Effective with February 2003 results reported in March 2003, the Company implemented computer program code to identify electronic UNE-P transactions and report them as a UNE-P level of disaggregation for electronically processed completion notifications. This change was successful in properly disaggregating over 96% of the transactions. Although this issue is immaterial, the Company will continue to review the computer program code for further enhancements to ensure that the transactions are reported in the appropriate disaggregation. The company does not consider a restatement necessary since (1) all orders are compared to the same benchmark, (2) the reported results for the resale electronic disaggregation, which includes UNE-P, exceeded the 95%

⁴ In the October 18, 2002 E&Y Report and the First Corrective Action Report, issues 27(i) and 27 (ii) were combined as one issue.

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			benchmark for each of the last six months before the correction was made, and (3) the reported results for February 2003 and March 2003 using the new logic continues to reflect that SBC Michigan exceeded the 95% benchmark for both Resale and UNE-P disaggregations.
29	MI 15	The Company did not appropriately capture the denominator for this PM during March, April and May 2002. The exclusion for "approved exceptions" was not taken by the Company. The Company was including accessible letters in the calculation of the results.	Effective with September 2002 results reported in October 2002, the Company implemented a process change to exclude exception letters. July 2002 results were restated on October 7, 2002, April and May results were restated on November 5, 2002.
30	WI 1	The Company was using the incorrect field to identify "customer caused no access" reports to be included in the numerator of PM WI 1.	Effective with February 2003 results reported in March 2003, the Company implemented computer program changes to properly identify no access reports. Based on a review of February and March 2003 results, revising the code to properly identify no access reports affected less than 0.5% of the transactions and had no impact on parity attainment. Accordingly, no restatements are planned for this issue.
31	C WI 5	The Company did not report data for specials and UNEs during March, April and May 2002.	Effective with February 2003 results restated in April 2003, the Company implemented computer program code to include resold Specials and UNEs in PM C WI 5. The Company is currently analyzing the need, if any, to restate. If needed, any restatements will be scheduled to begin by early in the third quarter of 2003.
32	C WI 6, C WI 7, and C WI 8	Due to errors in data collection by the reporting systems, the Company improperly excluded certain transactions from reported results.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include transactions that were improperly excluded for PMs C WI 6, C WI 7, and C WI 8. The Company does not plan to restate this issue for March through August 2002 results.

<u>E&Y Issue</u>	<u>PMs Affected</u>	<u>E&Y Error Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Error</u>
New ⁵	35, 37-42, 46, 52-54.1, 59, 65-69, WI 2	A number of retail trouble reports were improperly classified as wholesale trouble reports and recorded as wholesale troubles	July through September 2002 results were restated on December 5, 2002 to report records on certain lines improperly classified as wholesale trouble reports as retail records. No restatements of prior reported results are planned as correction of the issue would only result in a lower wholesale trouble report rate than currently reported.
New ⁶	43-50, 55-56.1, 58-63, WI 1, WI 9, CLEC WI 11	The Company's matching logic did not capture the appropriate order date on supplemental orders (i.e. the last date an order was supplemented was captured instead of the original order date)	Effective with October 2002 results reported in November 2002, the Company changed the matching logic in a service order log file to consider supplemental orders (i.e., to capture the original order date instead of the last date when the order had a supplement). August and September 2002 results were restated on December 5, 2002. June and July 2002 results were restated on February 5, 2003. No restatements are planned for March through May 2002 results for this issue.

⁵ This exception was disclosed in the Second Corrective Action Report that was filed with the Federal Communications Commission on January 16, 2003 and filed with the Michigan Public Service Commission on February 28, 2003

⁶ This exception was disclosed in the Second Corrective Action Report that was filed with the Federal Communications Commission on January 16, 2003 and filed with the Michigan Public Service Commission on February 28, 2003