

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**IN THE MATTER OF THE SECOND SIX )  
MONTH REVIEW OF QWEST ) DOCKET NO. UT 043007  
CORPORATION'S PERFORMANCE )  
ASSURANCE PLAN )  
\_\_\_\_\_ )**

**DIRECT TESTIMONY OF**

**DEAN W. BUHLER**

**ON BEHALF OF**

**QWEST CORPORATION**

**JULY 23, 2004**

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**I. IDENTIFICATION OF WITNESS**

**Q. PLEASE STATE YOUR NAME, EMPLOYER AND ADDRESS.**

A. My name is Dean W. Buhler. I am employed by Qwest Communications International, Inc. (“Qwest”). My business address is 1801 California Street, 22nd Floor, Denver, CO 80202.

**Q. WHAT IS YOUR CURRENT ASSIGNMENT?**

A. I am Staff Director in the Regulatory Compliance Group of the Risk Management Department. I assumed my current responsibilities in the Regulatory Compliance Group in August, 2003. From 1997 to July 2003, I served as the principal point of contact for test vendors for the Arizona third-party test (commissioned by the Arizona Corporation Commission) in Qwest's 271 proceeding. Additionally, I represent Qwest as an expert witness at regulatory hearings, testifying on OSS issues concerning service quality, cost, and interstate long distance entry. I have also testified in 13 state commission hearings and large CLEC arbitrations.

**Q. HOW LONG HAVE YOU BEEN EMPLOYED BY QWEST OR IN THE TELECOMMUNICATIONS INDUSTRY?**

A. Twenty-eight years.

**Q. BRIEFLY OUTLINE YOUR EMPLOYMENT BACKGROUND.**

1 A. My twenty-eight year telecommunications career began in 1974, when I  
2 was hired by Mountain Bell. I subsequently worked for Pacific Northwest Bell,  
3 AT&T, and U S WEST Communications, Inc. (“U S WEST”), which was  
4 acquired by Qwest in June 2000. In the course of my career, I have gained  
5 extensive experience by working in different roles, including project manager,  
6 systems engineer, witness, and attorney. In recent years, my efforts have been  
7 focused primarily on Qwest’s regulatory compliance and third party testing  
8 efforts, representing Qwest at hearings and OSS Workshops.

9 My tenure at U S WEST began in 1987. While in a key project  
10 management position, I monitored a \$100 million software development project  
11 to ensure compliance with the Modification of Final Judgment. Also, I designed  
12 and programmed a cost model for billing systems, and I modeled business  
13 functions, data, and transactions for marketing units.

14 After earning my law degree in 1991, I worked as an attorney in private  
15 practice in Washington State (1992-93). In that capacity, I represented  
16 independent telephone companies, and became grounded in administrative law  
17 and regulatory systems relating to telecommunications. This, in turn, provided  
18 me with the necessary legal background to understand the Communications Act,  
19 as modified by the Telecommunications Act of 1996 ("the Act"), and ultimately  
20 helped me lead U S WEST’s (now Qwest’s) OSS effort to obtain 271 relief in  
21 Arizona.

22 With new understanding of telecommunications regulation from a legal  
23 practitioner’s point-of-view, I decided to return to U S WEST in 1993, where I

1 have been employed continuously since. From 1993 to 1997, I was a systems  
2 engineer, performing in the areas of data and systems requirements definition. I  
3 built enterprise logical data models and represented U S WEST on its core team to  
4 re-engineer the company's service delivery channels.

5

6 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL QUALIFICATIONS.**

7 A. My academic credentials include a Juris Doctorate from the University of  
8 Denver College of Law and a Master's degree in Business Administration from  
9 Portland State University. I also have a Bachelor's degree from Willamette  
10 University and a Master's degree from Middlebury College in French Language.

11

12 **II. PURPOSE OF DIRECT TESTIMONY**

13

14 **Q. PLEASE STATE THE PURPOSE OF YOUR DIRECT TESTIMONY.**

15 A. The purpose of my testimony today is to address the points of dispute  
16 associated with all seven of the issues on the final issues list, with the  
17 understanding that Qwest continues to object to consideration of Issue 6 and that  
18 my testimony on that issue may be disregarded if the Commission grants Qwest's  
19 motion to strike that issue.

20

21 **Issue No. 1 - Line Splitting**

22

23 **Q. WHAT IS ISSUE NO. 1 RELATING TO *LINE SPLITTING*?**

24

1 A. According to the issues list, the question is what standard should be used  
2 for the *Line Splitting* product for the MR-3, 4, 6 and 8 and the OP-5 Performance  
3 Indicator Definitions (PIDs).

4

5 **Q. IS *LINE SPLITTING* A SERVICE FOR WHICH NO RETAIL ANALOGUE EXISTS, SUCH**  
6 **THAT A BENCHMARK STANDARD SHOULD BE USED?**

7 A. No, all parties who have stated positions on the issue agree that some retail  
8 analogue exists. The dispute is over which retail analogue is appropriate.

9

10 **Q. WHAT IS THE PRIMARY BASIS UPON WHICH RETAIL ANALOGUES SHOULD BE**  
11 **SELECTED FOR PAP PURPOSES?**

12 A. In Section 1.0, Introduction to the PAP, it is clear that Section 271 of the  
13 Telecommunications Act of 1996 (the “Act”) is the context in which the PAP  
14 operates. This means that, with respect to standards for service quality, non-  
15 discriminatory access to unbundled network elements is the primary criterion,  
16 where an appropriate retail analogue is available or agreed upon. Further, where  
17 such analogues are not available, “meaningful opportunity to compete,” is the  
18 guiding criterion, according to the FCC.<sup>1</sup> This Commission also considers the

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<sup>1</sup> *In the Matter of Application of Bell Atlantic New York for Authorization Under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York*, Memorandum Opinion and Order, CC Docket No. 99-295, FCC 99-404, ¶5 (rel. Dec. 22, 1999) (*Bell Atlantic New York Order*)

1 role of the PAP to be the preservation of competition, post Qwest's entry into the  
2 long distance market.<sup>2</sup>

3

4 **Q. IN THE CONTEXT OF DEMONSTRATING NON-DISCRIMINATION, HOW SHOULD THE**  
5 **RETAIL ANALOGUE BE SELECTED?**

6 A. Under the Act, non-discrimination is demonstrated by comparing the  
7 service performance Qwest provides to CLECs with the performance it provides  
8 to itself or to its retail customers. This means comparing service quality levels for  
9 wholesale products with those of their competitive alternatives among retail  
10 products. Therefore, the first choice for a retail analogue would be the equivalent  
11 retail product that customers would have available as an alternative to the product  
12 being provided through wholesale channels.

13

14 **Q. IN ADDITION TO THE COMPETITIVE ALTERNATIVE PERSPECTIVE, ARE THERE**  
15 **OTHER CONSIDERATIONS?**

16 A. Yes. Proper selection of retail analogues to support evaluations of non-  
17 discrimination also must support valid comparisons (e.g., "apples to apples"). For  
18 comparisons to be valid generally requires that the retail-analogue product uses  
19 the same key elements as the wholesale product being evaluated. Such key  
20 elements include:

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<sup>2</sup> *In the Matter of the Six-Month Review of Qwest's Performance Assurance Plan*, Docket No. 033020, Order No. 5 at ¶12, Jan. 16, 2004; *In the Matter of the Investigation into U S WEST Communications' Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No. 003022, Thirtieth Supplemental Order, April 5, 2002 at ¶129.

- 1           1)       Qwest process/systems (i.e., the retail analogue product shares the same or  
2                    like process/systems for the performance dimension being evaluated);
- 3           2)       Customer use (i.e., the retail analogue product has the same customer use  
4                    as the wholesale product, in order to represent a true competitive  
5                    alternative);
- 6           3)       Product characteristics (i.e., the retail analogue and wholesale products  
7                    have the same product characteristics); and
- 8           4)       Product technology (i.e., the retail analogue and wholesale products use or  
9                    involve the same technology for the performance dimension being  
10                  evaluated)

11

12   **Q.       WHAT PRODUCT IS THE RETAIL COMPETITIVE ALTERNATIVE TO *LINE***  
13   ***SPLITTING*?**

14   A.           Qwest DSL is the competitive alternative, and it meets the above criteria  
15                  for supporting a valid comparison. If a customer chooses an Internet access  
16                  service other than a CLEC's service provisioned via *Line Splitting* – and buys it  
17                  from Qwest – the equivalent product would be Qwest DSL. Hence, Qwest DSL is  
18                  the most direct, analogous comparison that could be made to demonstrate that  
19                  Qwest is not discriminating in the way it maintains *Line Splitting*.

20

21   **Q.       PLEASE DESCRIBE AND CONTRAST THE ATTRIBUTES OF QWEST DSL AND**  
22   **RESIDENTIAL AND BUSINESS POTS VIS A VIS *LINE SPLITTING* THROUGH THE USE**  
23   **OF THE FOUR COMPARISON CRITERIA YOU HAVE LISTED.**

1 A. The first criterion is whether the proposed retail analogue shares the same  
2 or like Qwest processes and systems as does the unbundled network element  
3 under consideration. To provision Qwest DSL, a non designed process flow is  
4 used which is the same process used for *Line Splitting*. Residential and Business  
5 POTS also use a non designed process flow, and so both possible candidates meet  
6 this criterion.

7 The second criterion is whether the proposed retail analogue product has  
8 the same customer use as the unbundled network element. Customers use Qwest  
9 DSL for broadband Internet access. The only reason two CLECs would  
10 undertake to line split is so that one of them could offer broadband Internet access  
11 to an end user. Residential and Business POTS do not offer the capability of  
12 broadband Internet access to the end user. Residential and Business POTS fail  
13 this criterion, while Qwest DSL satisfies it.

14 The third criterion is product characteristics. In the case of Qwest DSL,  
15 the product characteristics are the provision of a non-switched data stream of 256  
16 kilobits per second (kbps) or more. In the case of *Line Splitting*, one of the two  
17 CLECs will offer the end user, for example, a non-switched broadband data  
18 application with a download speed of 256 kbps<sup>3</sup>. These are clearly the same  
19 product characteristics. Residential and Business POTS involve switched voice  
20 grade service at a maximum of 64 kbps. Residential and Business POTS fail this  
21 criterion, while Qwest DSL satisfies it.

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<sup>3</sup> The actual download data carrying capability can vary depending on quality of service offered and the condition of the loop.



1                   Finally the fourth criterion is whether the product technology used to  
2 provide the retail analogue service is the same as that used to provide the  
3 wholesale product. Both Qwest DSL and *Line Splitting* are produced with non-  
4 switched and Frequency Modulated technology, after the high frequencies on the  
5 loop are separated from the low frequencies by use of a device known as a Digital  
6 Subscriber Loop Access Multiplexer (DSLAM) and are physically put on a  
7 different cable from the low frequencies and are routed away from the switch for  
8 Internet Access. Residential and Business POTS are switched services whose  
9 loops connect to the switch and that are produced with analog technology, and  
10 that do not involve the use of Frequency Modulation or a DSLAM. Based on the  
11 four criteria, there is only one of the four that Residential and Business POTS  
12 meet, while Qwest DSL satisfies all four. The foregoing analysis, coupled with  
13 the fact that Qwest DSL is the direct competitive alternative to *Line Splitting*,  
14 makes Qwest DSL the appropriate choice as a retail analogue for *Line Splitting*.

15

16 **Q.       WHAT STANDARD DO THE CLECS PROPOSE FOR THE MR-3, 4, 6 AND 8 AND OP-**  
17 **5 PIDS FOR *LINE SPLITTING*?**

18 A.           MCI and Covad propose in their responses to Qwest's data requests the  
19 use of parity with Residential and Business POTS as the standard for *Line*  
20 *Splitting* for the MR-3, 4, 6 and 8 and OP-5 PIDs. Eschelon has stated in  
21 response to Qwest's data requests that it has no position on this issue.

22

1 **Q. WHAT STANDARD DOES THE STAFF PROPOSE FOR THE MR-3, 4, 6 AND 8 AND**  
2 **OP-5 PIDS FOR *LINE SPLITTING*?**

3 A. I do not know. Staff has not stated its views on this issue.

4

5 **Q. HAVE MCI AND COVAD PROVIDED ANY EVIDENCE THAT RESIDENTIAL AND**  
6 **BUSINESS POTS IS A BETTER RETAIL ANALOGUE TO *LINE SPLITTING* THAN**  
7 **QWEST DSL FOR THE MR-3, 4, 6 AND 8 AND OP-5 PIDS IN TERMS OF THE**  
8 **FOUR CRITERIA YOU HAVE DESCRIBED?**

9 A. No. The sole responses of MCI and Covad to Qwest's data request 6  
10 which asked for the CLECs' reasons for proposing parity with Residential and  
11 Business POTS as the standard for *Line Splitting* for these five PIDs, was to refer  
12 to their statements on the issue in the Long Term PID Administration ("LTPA")  
13 and the Facilitator's recommendation and state staff votes on the issue in that  
14 same collaborative process. Based on this response, MCI and Covad do not rely  
15 on evidence of attributes of the *Line Splitting* service that are measured by the  
16 four criteria discussed above, relative to Residential and Business POTS or Qwest  
17 DSL in support of their case.

18 These CLECs instead rely on statements purportedly made or not made by  
19 Qwest during the eighteen month period of PID negotiations and LTPA  
20 negotiations between Qwest and CLECs that culminated in the *Line Splitting*  
21 issue going to impasse at the conclusion of the LTPA process. It should be noted  
22 that the statements during the PID negotiations on which the CLECs rely

1 concerned the appropriate standard for the *Line Sharing* product, not the *Line*  
2 *Splitting* product. MCI and Covad seek to use these statements as admissions  
3 against interest by Qwest. MCI and Covad also argue: (1) that the *Line Sharing*  
4 product involves a continued retail customer relationship for Qwest for the voice  
5 portion of the service; (2) that Qwest has not proposed a different standard for  
6 *Line Sharing* than Residential and Business POTS for these five PIDs; and (3)  
7 that because *Line Splitting* and *Line Sharing* are similar services, having the same  
8 standard for the two services is required to detect and deter discrimination by  
9 Qwest in its provision of *Line Splitting*.

10

11 **Q. DID YOU PERSONALLY PARTICIPATE IN THESE NEGOTIATIONS?**

12 A. Yes.

13

14 **Q. WERE THESE NEGOTIATIONS DIRECTED TOWARDS THE COMPROMISE OF**  
15 **DISPUTED ISSUES WITH THE POSSIBILITY OF REACHING A SETTLEMENT ON**  
16 **THOSE ISSUES THAT COULD BE JOINTLY PROPOSED BY THE PARTIES TO ONE OR**  
17 **MORE COMMISSIONS IN QWEST'S REGION, RATHER THAN ENGAGING IN**  
18 **LITIGATION?**

19 A. Yes.

20

21

22 **Q. SO THE QWEST PROPOSALS OF THE RESIDENTIAL AND BUSINESS POTS**  
23 **STANDARD FOR *LINE SHARING* ON WHICH THE CLECs RELY, AND THE**  
24 **SUPPOSED FAILURES BY QWEST TO PROPOSE A DIFFERENT STANDARD FOR *LINE***

1           **SHARING AT VARIOUS TIMES WERE ALL MADE OR NOT MADE, RESPECTIVELY,**  
2           **DURING SETTLEMENT NEGOTIATIONS ON THESE SAME ISSUES?**

3           A.           Yes.

4  
5  
6           **Q.        WAS QWEST AWARE AT THE TIME OF THE SETTLEMENT NEGOTIATIONS THAT IT**  
7           **FACED THE RISK, THAT IF THE NEGOTIATIONS DID NOT PRODUCE A SETTLEMENT**  
8           **ON THE STANDARD FOR *LINE SPLITTING* FOR THE MR-3, 4, 6 AND 8 AND OP-5**  
9           **PIDS, MCI AND COVAD WOULD ATTEMPT TO USE QWEST’S ACQUIESCENCE IN**  
10          **USE OF RESIDENCE AND BUSINESS POTS AS THE STANDARD FOR *LINE SHARING***  
11          **AS EVIDENCE THAT QWEST WAS NOT BEING TRUTHFUL IF QWEST ADVOCATED IN**  
12          **LATER LITIGATION A DIFFERENT STANDARD FOR *LINE SPLITTING*?**

13          A.           No.

14  
15  
16          **Q.        DO YOU BELIEVE THAT MCI’S AND COVAD’S ATTEMPTED USE OF QWEST’S**  
17          **SETTLEMENT NEGOTIATION STATEMENTS AS EVIDENCE THAT QWEST IS NOT**  
18          **BEING TRUTHFUL IN THIS SIX MONTH REVIEW, IS PROPER?**

19          A.           No.

20  
21          **Q.        ARE THE LTPA FACILITATOR’S RECOMMENDATION AND THE STATE STAFFS’**  
22          **VOTE ON THAT RECOMMENDATION ON THIS ISSUE ON WHICH MCI AND COVAD**  
23          **RELY IN THEIR RESPONSE TO QWEST’S DATA REQUEST 6, ALSO AFFECTED IN ANY**  
24          **WAY BY QWEST’S SETTLEMENT NEGOTIATION STATEMENTS?**

1 A. Yes. The Facilitator’s recommendation clearly relies on the statements by  
2 CLECs as to proposals Qwest made or opportunities that Qwest did not take to  
3 recommend change during settlement negotiations in the past, as support for his  
4 recommendation. The state staffs’ vote rests on that same recommendation. The  
5 Facilitator stated his conclusion as follows:

6 *...As the CLECs point out, this change in technology occurred well before*  
7 *the development of a standard for line sharing. The CLECs therefore*  
8 *concluded that, “while Qwest has had at least three clear opportunities to*  
9 *propose what it now calls the correct retail analogue after its own retail*  
10 *DSL service had moved to a POTs flow, it chose not to do so. Its failure to*  
11 *do so amply demonstrates that Qwest itself believes that Res and Bus*  
12 *POTs is the appropriate standard.”*  
13

14 **Q. IF THE COMMISSION DETERMINES TO ADMIT IN EVIDENCE AND CONSIDER**  
15 **QWEST’S STATEMENTS OR OMISSIONS TO MAKE STATEMENTS IN SETTLEMENT**  
16 **NEGOTIATIONS, DESPITE QWEST’S OBJECTION, AND WITHOUT WAIVING THAT**  
17 **OBJECTION, DO YOU KNOW WHETHER MCI’S AND COVAD’S RECITATIONS IN**  
18 **THEIR RESPONSE TO QWEST DATA REQUEST 6 OF QWEST’S SETTLEMENT**  
19 **NEGOTIATION STATEMENTS ON THE PROPER RETAIL ANALOGUE FOR *LINE***  
20 ***SHARING* ARE COMPLETE OR INCOMPLETE IN ANY MATERIAL WAY?**

21 A. Yes, I know that they are incomplete in a material way.  
22  
23

24 **Q. AGAIN UNDER THE ASSUMPTION THAT THE COMMISSION OVERRULES QWEST’S**  
25 **OBJECTION TO CONSIDERING QWEST’S STATEMENTS OR OMISSION TO MAKE**  
26 **STATEMENTS IN SETTLEMENT NEGOTIATIONS AS EVIDENCE IN THIS CASE, AND**  
27 **WITHOUT WAIVING QWEST’S OBJECTION TO CONSIDERING SUCH EVIDENCE,**  
28 **PLEASE STATE IN WHAT RESPECT MCI’S AND COVAD’S RECITATIONS ARE**

1           **INCOMPLETE AS THEY AFFECT THE ISSUE OF THE PROPER RETAIL ANALOGUE**  
2           **FOR *LINE SHARING*.**

3           A.           The actual chronology of events relating to Qwest’s proposals with regard  
4           to the appropriate standard for various PIDs for *Line Sharing* is as follows:

5           April, 2001 –

6                       Qwest began offering the new DMT DSL technology under FCC Tariff 1  
7           Section 8.4.1, 8<sup>th</sup> revised pages 2-288. This is a non designed technology.

8           June, 2001 –

9                       Qwest discontinued offering the designed CAP DSL technology.

10          June, 2001 –

11                      Colorado PAP. Qwest proposed and the CO PUC approved Qwest DSL  
12          as the appropriate retail analogue for *Line Sharing* for three of the five PIDs  
13          involved in this proceeding.

14          October, 2001 –

15                      ROC TAG. Qwest proposed and the ROC TAG approved Qwest DSL as  
16          the appropriate analogue for MR-7. All states continue to compare Qwest DSL as  
17          the proper analogue, including Arizona, which was negotiated outside the ROC  
18          TAG. Qwest proposed and ROC TAG approved Qwest Residential and Business  
19          POTS as the retail analogue for all other MR PIDs because no other candidate,  
20          such as Qwest DSL, had sufficient volume to be a reasonable analogue for use in  
21          the Qwest Performance Assurance Plan (“QPAP”).

22          October, 2001 –

1                   ROC TAG. Qwest proposed Qwest DSL as the appropriate analogue for  
2                   Line Sharing for the provisioning measurements OP-3, OP-5, and OP-6 if  
3                   benchmarks were not met. All CLECs that presented proposals (AT&T, Covad,  
4                   and McLeod) accepted the benchmark requirement and dropped the parity  
5                   section. Qwest agreed.

6                   July, 2002-November, 2002 –

7                   Minnesota PAP. The Minnesota PUC approved the PAP, which included  
8                   Qwest’s proposal for Qwest DSL as the appropriate retail analogue for *Line*  
9                   *Sharing*.

10                  February, 2003 –

11                  Qwest began reporting Qwest DSL as the appropriate analogue for *Line*  
12                  *Sharing* for the Colorado PAP.

13                  August, 2003 –

14                  Qwest began reporting Qwest DSL as the appropriate analogue for *Line*  
15                  *Sharing* for the Minnesota PAP.

16                  March, 2004 –May 2004

17                  LTPA Negotiations for *Line Splitting* Standards. Qwest proposed and  
18                  LTPA approved Qwest DSL as the appropriate analogue for *Line Splitting* MR-7.  
19                  The issue was disputed for the remaining repair PIDs and went to LTPA Impasse,  
20                  which was not resolved.

21

22                  **Q.    ARE CLEC ARGUMENTS THAT RESIDENTIAL AND BUSINESS POTS SHOULD BE**  
23                  **THE ANALOGUE FOR *LINE SPLITTING* SUPPORTABLE?**

1 A. No. CLEC proposals to use Residential and Business POTS as the  
2 analogue are based on outdated information, incorrect interpretations of LTPA  
3 and previous “ad hoc” settlement discussions, and erroneous analysis.  
4 Specifically, CLECs seem to believe that, because Residential and Business  
5 POTS has been used by early agreements as a retail analogue for *Line Sharing*, it  
6 now should be the required retail analogue for *Line Splitting*. This view is  
7 outdated, because the conditions that prompted the use of Residential and  
8 Business POTS as an analogue for *Line Sharing* no longer exist. CLECs argue  
9 about the timing of when these conditions changed, but the limitations that  
10 originally prevented the use of the direct competitive alternative to *Line Splitting*  
11 – i.e., Qwest DSL – no longer apply. The only valid basis for selection of a parity  
12 standard is one that has the ability to show like performance of a similar product.  
13 As I pointed out earlier, Residential and Business POTS does not demonstrate  
14 non-discrimination, since it is not the competitive alternative to *Line Splitting*.

15 Also the CLECs are in error in claiming that *Line Splitting* and *Line*  
16 *Sharing* are the same service, and that this purported sameness justifies use of the  
17 agreed retail analogue for the latter as the required analogue for the former.  
18 While both services involve use of the desired high frequency portion of the  
19 spectrum that a copper loop carries, the conditions of the services are not  
20 identical. In *Line Sharing*, Qwest unbundles and provides to the CLEC the high  
21 frequency portion of a loop, through use of a device known as a frequency splitter  
22 that Qwest owns and operates, while Qwest continues to use the low frequency  
23 portion of that loop to provide voice grade service to the customer.



1           In *Line Splitting*, Qwest provides two CLECs with the opportunity to  
2           separate the frequencies themselves, without Qwest’s involvement in the splitting  
3           or in either the voice grade service or the broadband service.<sup>4</sup> While Qwest is  
4           obligated to provide nondiscriminatory access to test points and repair to CLECs  
5           who perform the *Line Splitting*, Qwest may not be responsible for portions of the  
6           facilities used for *Line Splitting* that it would be responsible for functionally if the  
7           loop were a *Line Sharing* loop.

8

9   **Q.    AGAIN UNDER THE ASSUMPTION THAT THE COMMISSION DETERMINES TO ADMIT**  
10   **EVIDENCE OF SETTLEMENT NEGOTIATIONS DESPITE QWEST’S OBJECTION, AND**  
11   **WITHOUT WAIVING THAT OBJECTION, PLEASE STATE THE REASONS WHY QWEST**  
12   **AGREED TO THE USE OF PARITY WITH RESIDENTIAL AND BUSINESS POTS AS**  
13   **THE STANDARD FOR CERTAIN OF THE PIDS DURING SOME OF THE TIME FOR**  
14   **LINE SHARING DURING PAST NEGOTIATIONS, IF THAT STANDARD DOES NOT, AS**  
15   **YOU HAVE TESTIFIED, DEMONSTRATE NON DISCRIMINATION.**

16   A.           This was a second best situation. There were at the time limitations that  
17           prevented retail DSL from being used as an effective retail analogue for *Line*  
18           *Sharing* during that past period of time. Specifically, when standards for *Line*  
19           *Sharing* were originally established by the parties, the retail DSL service (now  
20           called “Qwest DSL”) followed a designed, rather than non-designed, process

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<sup>4</sup> *In the Matter of Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, CC Docket No. 01-338, FCC 03-36, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, August 21, 2003, *aff’d in part sub nom.*, *U.S. Telecommunications Association, et al. v. Federal Communications Commission*, 359 F.3d 554, 360 U.S.App .D.C. 202 (D.C. Cir. 2004), at para. 259. (hereinafter “*Triennial Review Order*” or “*TRO*”)

1 flow, for both provisioning and repair. A designed process flow takes longer to  
2 complete than a non-designed process flow. However, *Line Sharing* followed a  
3 non-designed process flow and had shorter standard intervals (3 days versus 5  
4 days) than the retail DSL service. In this context, CLECs did not want the latter  
5 to be the comparison used at that time.

6 In April 2001, Qwest began offering retail DSL using the non-designed  
7 provisioning and repair processes and, in June 2001, Qwest discontinued offering  
8 DSL using the designed process.<sup>5</sup> However, by the fourth quarter of 2001, when  
9 the parties were negotiating *Line Sharing* standards, the volumes of Qwest retail  
10 DSL using the new technology were still too low to provide an adequate  
11 comparison. Consequently, Qwest and CLECs compromised with a combination  
12 of benchmark standards (for OP-3 and OP-4), parity standards (using Residential  
13 and Business POTS, for OP-5, MR-3, -4, -6, & -8), and diagnostic (for MR-7) for  
14 *Line Sharing*.

15

16 **Q. AGAIN UNDER THE ASSUMPTION THAT THE COMMISSION ADMITS EVIDENCE OF**  
17 **SETTLEMENT NEGOTIATIONS OVER QWEST'S OBJECTION AND WITHOUT**  
18 **WAIVING THAT OBJECTION, CLECs HAVE CLAIMED IN THEIR RESPONSES TO**  
19 **QWEST'S DATA REQUESTS THAT BECAUSE THE NEW TECHNOLOGY FOR A NON-**  
20 **DESIGNED FLOW FOR QWEST DSL SERVICE WAS DEPLOYED BEFORE THE *LINE***  
21 ***SHARING* STANDARD WAS NEGOTIATED, THIS SOMEHOW MEANS QWEST**  
22 **ADMITTED OR AGREED THAT PARITY WITH RESIDENTIAL AND BUSINESS POTS**

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<sup>5</sup> Embedded services using the previous, designed technology continued to be in service.

1           **WAS THE APPROPRIATE STANDARD FOR *LINE SHARING*. DOES QWEST AGREE**  
2           **WITH THAT?**

3           A.           No. The standards that were established were the result of compromise, in  
4           the context of limitations affecting the use of Qwest DSL as the retail analogue,  
5           specifically including very low volumes of Qwest DSL service. Only later did  
6           volumes of retail DSL using the non-designed process flows become sufficient to  
7           make retail DSL an appropriate retail analogue. In this light, while Qwest did not  
8           object at the time to using Residential and Business POTS as the standard for *Line*  
9           *Sharing*, that does not mean that it is the right standard now or was the most  
10          appropriate standard then.

11  
12          **Q.           CLECS HAVE ARGUED FURTHER IN THEIR RESPONSE TO QWEST’S DATA**  
13          **REQUEST 6, THAT *LINE SPLITTING* IS BASICALLY THE SAME AS *LINE SHARING***  
14          **AND SHOULD THEREFORE HAVE THE SAME STANDARDS, WHICH HAVE BEEN**  
15          **PRIMARILY RESIDENTIAL AND BUSINESS POTS AND WHICH ACCORDING TO**  
16          **CLECS HAVE BEEN WORKING WELL. HOW DO YOU RESPOND?**

17          A.           Because *Line Sharing* is a dying, grandfathered service, it is especially  
18          important to insure that the most relevant retail analogue is used for *Line Splitting*.  
19          Limitations of the past, which forced the use of a limited surrogate (Residential  
20          and Business POTS), should not prevent our moving forward in the correct  
21          direction. The clear, retail competitive alternative to *Line Splitting* is Qwest DSL.  
22          Therefore, as for the Residential and Business POTS standard “working well,”

1 that is not true, from the perspective of whether that standard fulfilled its purpose  
2 of demonstrating non-discriminatory access to unbundled network elements. It  
3 did not fulfill that purpose and was only a marginally-acceptable compromise  
4 substitute for the correct analogue, Qwest DSL. The parties never compromised  
5 on *Line Splitting* for the PIDs at issue in this proceeding.

6

7 **Q. AGAIN UNDER THE ASSUMPTION THAT THE COMMISSION ADMITS EVIDENCE OF**  
8 **SETTLEMENT NEGOTIATIONS OVER QWEST’S OBJECTION AND WITHOUT**  
9 **WAIVING THAT OBJECTION, IS IT TRUE AS MCI AND COVAD CLAIM IN THEIR**  
10 **RESPONSES TO QWEST’S DATA REQUEST 6 THAT QWEST DID NOT PROPOSE TO**  
11 **CHANGE THE STANDARD FOR *LINE SHARING* TO BE THE QWEST DSL STANDARD,**  
12 **DURING OR PRIOR TO THE LTPA?**

13 A. No. Qwest was amenable to parity with Residential and Business POTS  
14 as a substitute standard based upon efforts to attain underlying data, while gaining  
15 the volumes necessary to support the appropriate analogue that Qwest knew, in  
16 principle, to be Qwest DSL. As the volume and underlying data became  
17 available, Qwest then decided to move forward with an LTPA request to change  
18 the *Line Sharing* analogue to Qwest DSL to be consistent with Colorado and  
19 Minnesota. Qwest proposed on February 12, 2003, in the so-called “ad hoc”  
20 negotiations, a consolidation of OP-5 product reporting to include Resale Basic  
21 ISDN, Primary ISDN and Unbundled Loops-DS1-capable, ISDN-capable, ADSL-  
22 qualified and *Line Sharing* with a standard of parity with retail DS1, ISDN and  
23 DSL, volume weighted, if necessary.

1                   Approximately one month later Qwest withdrew that proposal in the  
2                   March 7, 2003 filing to which MCI refers in its response to Qwest’s data request,  
3                   stating that the withdrawal was in light of the fact that the parties had not had  
4                   much opportunity to consider combining product categories. This did not  
5                   “confirm” as MCI claims, that Qwest believed the proper standard for *Line*  
6                   *Sharing* was Residential and Business POTs. Qwest stated that it sought to  
7                   change the *Line Sharing* standard in the LTPA Impasse document, but determined  
8                   not to do so in light of CLEC representations that consistency of standards  
9                   between *Line Sharing* and *Line Splitting* was not an issue of concern to them:

10                   *While preparing for the first LTPA session, Qwest did evaluate whether*  
11                   *the time was right to bring forward a request to change the parity*  
12                   *standard for Line Sharing to Qwest DSL. Qwest determined that while*  
13                   *this was a valid pursuit, other issues were more pressing and tabled the*  
14                   *request. It is interesting to note, however, that Qwest specifically asked*  
15                   *the CLECs in an LTPA meeting if inconsistency with the Line Sharing*  
16                   *comparative was truly the issue causing the disagreement and offered to*  
17                   *change the parity standard for Line Sharing to the more appropriate*  
18                   *Qwest DSL analogue. The CLECs’ response was that no, consistency in*  
19                   *the parity standard across Line Splitting and Line Sharing was not the*  
20                   *issue. [Emphasis added]*  
21

22                   **Q.       WITHOUT REGARD TO SETTLEMENT NEGOTIATIONS, IS PARITY WITH**  
23                   **RESIDENTIAL AND BUSINESS POTs THE PROPER STANDARD TODAY FOR *LINE***  
24                   ***SHARING* FOR THE FIVE PIDs INVOLVED IN THIS SIX MONTH REVIEW?**

25                   A.           No. The same factors that make parity with Qwest DSL the proper  
26                   standard for *Line Splitting* make that standard the appropriate standard for the five  
27                   PIDs involved in this case for *Line Sharing*.

28

1 **Q. WHY, THEN, HAS QWEST NOT PROPOSED TO CHANGE THE STANDARD FOR *LINE***  
2 ***SHARING* IN THIS PROCEEDING TO MATCH THE STANDARD IT PROPOSES FOR**  
3 ***LINE SPLITTING*?**

4 A. The proper determination of a standard that will be applicable going  
5 forward for the five PIDs involved in this case for *Line Splitting* does not and  
6 should not depend on making the standard for *Line Sharing* identical to that  
7 standard. The CLECs' contrary position has the tail wagging the dog. *Line*  
8 *Sharing* is a dying, grandfathered service as a result of the *TRO*. *Line Sharing*  
9 will become less and less relevant over the next two years, which is relatively  
10 short term, and it makes little sense to invest time and effort in litigation to change  
11 a standard for a dying service. It also makes little sense to ignore the undisputed  
12 facts discussed above about the four criteria that help determine a proper retail  
13 analogue for a service, in order to serve an unnecessary consistency with the  
14 dying service of *Line Sharing*.

15  
16 **Q. BUT IS IT NOT TRUE, THEN, AS MCI AND COVAD CLAIM IN THEIR RESPONSE TO**  
17 **QWEST DATA REQUEST 6, THAT HAVING DIFFERENT STANDARDS FOR *LINE***  
18 ***SPLITTING*, WHICH DOES NOT INVOLVE QWEST RETAINING THE RETAIL VOICE**  
19 **GRADE CUSTOMERS, AND *LINE SHARING*, WHICH DOES INVOLVE SUCH A RETAIL**  
20 **RELATIONSHIP FOR QWEST, WILL ENABLE QWEST TO ENGAGE IN UNDETECTED**  
21 **DISCRIMINATION AGAINST CLECS IN THE PROVISION OF THE SERVICE THAT**  
22 **INVOLVES THE FULL LOSS OF THE RETAIL CUSTOMER'S BUSINESS FOR QWEST?**

1 A. No, because *Line Sharing* is a dying, grandfathered service, the claim that  
2 Qwest could exploit the difference in standards between *Line Sharing* and *Line*  
3 *Splitting* by providing discriminatory maintenance and repair service to the latter  
4 in order to gain a competitive advantage for the service in which it retains the  
5 retail voice grade customer is spurious.

6

7 **Q. DO YOU AGREE WITH MCI'S AND COVAD'S CLAIM IN THEIR RESPONSES TO**  
8 **QWEST DATA REQUEST 6 THAT RESIDENTIAL AND BUSINESS POTS SHOULD BE**  
9 **THE STANDARD FOR *LINE SPLITTING* BECAUSE IF THE COMMISSION APPROVES**  
10 **PARITY WITH QWEST DSL AS THE STANDARD FOR *LINE SPLITTING*, THE TIME**  
11 **AND EFFORT THAT HAVE BEEN SPENT IMPLEMENTING RESIDENTIAL AND**  
12 **BUSINESS POTS AS THE STANDARD FOR *LINE SHARING* WILL HAVE BEEN**  
13 **WASTED?**

14 A. Certainly not. Since the reporting of *Line Splitting* is a new development,  
15 and at the CLECs' urging Qwest must now report it separately from *Line Sharing*,  
16 the effort and cost to implement the new reporting will be the same.

17

18 **Q. IF, AS YOU HAVE TESTIFIED, THE TIME AND EFFORT THAT HAVE BEEN EXPENDED**  
19 **TO IMPLEMENT RESIDENTIAL AND BUSINESS POTS AS THE STANDARD FOR *LINE***  
20 ***SHARING* WILL NOT DUPLICATE THE EFFORT TO IMPLEMENT QWEST DSL AS**  
21 **THE STANDARD FOR *LINE SPLITTING*, IS THERE ANOTHER ECONOMIC REASON**  
22 **WHY MCI AND COVAD MAY PREFER RESIDENTIAL AND BUSINESS POTS AS THE**  
23 **STANDARD FOR *LINE SPLITTING*?**

1 A. Yes. Qwest's concern is that the CLECs advocate the standard, parity  
2 with Residential and Business POTS, that benefits them more financially, whereas  
3 the appropriate standard, parity with Qwest DSL, will demonstrate non-  
4 discriminatory access to unbundled network elements under 271 of the Act, which  
5 is the context of the PAP. The fact CLECs appear to be more concerned about is  
6 that using Qwest DSL as the retail analogue would constitute a lower (though  
7 more appropriate) standard than parity with Residential and Business POTS and  
8 thereby result in a lower PAP payment to the CLECs for the same grade of  
9 service.

10

11 **Q. BUT DOES NOT QWEST HAVE A FINANCIAL INCENTIVE TO ADVOCATE THE**  
12 **STANDARD THAT MINIMIZES ITS PAYMENT OBLIGATION TO CLECS?**

13 A. Not if that standard overall would weaken the PAP's capacity to deter  
14 backsliding, because Qwest stands to lose far more if its authorization to provide  
15 long distance service were called into question. But Qwest is not claiming that  
16 choosing one standard over the other will generate increased implementation  
17 costs, as the CLECs do. The fundamental principle to show pursuant to Section  
18 271 non-discriminatory access to unbundled network elements is the comparison  
19 of like for like products. When comparing like for like products, using Qwest's  
20 current DSL results as the retail analogue supports that we are in compliance with  
21 our 271 obligations for *Line Splitting*.

22 As I explained, the Qwest DSL service is provided over a copper loop,  
23 generally to customers who also take Qwest's retail voice grade service. Qwest



1 DSL is clearly the closest retail analogue for *Line Splitting*, because it represents  
2 the only retail alternative that can provide customers the same functionalities as  
3 *Line Splitting*.

4

5 **Issue 2: Loop Splitting**

6 **Q. WHAT IS THE ISSUE IN THIS SIX MONTH REVIEW CONCERNING *LOOP SPLITTING*?**

7 A. According to the Issues List, it is whether *Loop Splitting* should be added  
8 to the PO-5, OP-3 through 6 and 15, MR-3, 4 and 6 through 8 PIDs and if so,  
9 what standard should apply.

10

11 **Q. SHOULD *LOOP SPLITTING* BE ADDED TO THE PO-5, OP-3 THROUGH 6, AND OP-**  
12 **15, AND MR-3, 4, AND 6 THROUGH 8 PIDS IN THIS PROCEEDING?**

13 A. No. Such an addition is premature in this six month review.

14

15

16 **Q. WHY DO YOU TESTIFY THAT *LOOP SPLITTING* SHOULD NOT BE ADDED TO THE**  
17 **ABOVE NAMED PIDS IN THIS PROCEEDING?**

18 A. Because first, there is as yet no demand for this product and second,  
19 Qwest's performance in relation to this product has nothing to do with  
20 nondiscrimination or providing efficient CLECs with a meaningful opportunity to  
21 compete. The responses by the CLECs to Qwest's data requests indicate that not  
22 a single order for *Loop Splitting* has been submitted by any of them in  
23 Washington, and only four orders which were test orders were submitted by MCI  
24 in Colorado, of which one was cancelled. No orders of any kind have been  
25 submitted in any state besides Colorado, according to these CLEC responses.

1                    *Loop Splitting* has been available to CLECs in Qwest's region for  
2 approximately four years. This is not a situation of low volumes for a new service  
3 at the time of rollout, it is instead a situation of zero volumes after a significant  
4 period of time. Even if there were significant volumes of service, there would  
5 remain the question of competitive significance.

6  
7 **Q. IF THE COMMISSION WERE TO ORDER THE REPORTING OF *LOOP SPLITTING*, IS**  
8 **THERE ANY PERFORMANCE TO REPORT?**

9 A.                No. As noted above, the volume of live circuits with actual customers  
10 using them is zero, after four years. According to this Commission's Thirtieth  
11 Supplemental Order in Docket UT-003022,<sup>6</sup> the FCC requires reports of carrier to  
12 carrier performance as part of a Performance Assurance Plan in order to deter  
13 backsliding. Since there is no demand, it is impossible for there to be  
14 performance to report or to evaluate for backsliding.

15  
16 **Q. IF THE COMMISSION WERE TO ORDER REPORTING OF *LOOP SPLITTING* WITH A**  
17 **DIAGNOSTIC STANDARD, IS THERE ANYTHING TO DIAGNOSE?**

18 A.                No. Because there is no demand, and no performance, a diagnostic  
19 reporting requirement would produce no information that could be used to  
20 establish a standard.

21

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<sup>6</sup> *In the Matter of the Investigation into U S WEST Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No. UT-003022, Thirtieth Supplemental Order, April 5, 2002 ("Thirtieth Supplemental Order.")

1 **Q. WAS *LOOP SPLITTING* AVAILABLE AS A PRODUCT AT THE TIME THE COMMISSION**  
2 **APPROVED THE QPAP WITHOUT A REPORTING REQUIREMENT FOR *LOOP***  
3 ***SPLITTING*?**

4 A. Yes. As I indicated, *Loop Splitting* has been available for about four years, which  
5 antedates this Commission's approval of the QPAP and Qwest's application for  
6 authority under Section 271.

7

8 **Q. HAS ANYTHING CHANGED MATERIALLY SINCE THE COMMISSION APPROVED THE**  
9 **QPAP WITHOUT A *LOOP SPLITTING* REPORTING REQUIREMENT THAT JUSTIFIES**  
10 **IMPOSING THIS REQUIREMENT NOW?**

11 A. No. The only change to which the CLECs have pointed in this connection  
12 in their response to Qwest's data requests is the speculative possibility that they  
13 may, at some undetermined time in the future, wish to migrate services to *Loop*  
14 *Splitting* from *Line Splitting*. This is not a change in circumstances since the  
15 approval of the QPAP that justifies imposing this reporting requirement.

16

17 **Q. DOES QWEST CONTEND THAT IT SHOULD NEVER, UNDER ANY CIRCUMSTANCES,**  
18 **BE OBLIGATED TO REPORT *LOOP SPLITTING* UNDER THE QPAP?**

19 A. No. Qwest's responsibility is to provide non-discriminatory access to  
20 unbundled network elements and to create reports in the context of a PAP that  
21 contains sufficient incentives to deter backsliding. Qwest agrees to begin  
22 reporting this new product disaggregation on an informational basis once volumes

1 show that the CLEC community considers this a marketable product and volumes  
2 reflect that need.

3  
4 **Q. IF *LOOP SPLITTING* WERE ADDED TO THE PIDS DESPITE THE ABOVE EVIDENCE,**  
5 **SHOULD A DIAGNOSTIC STANDARD BE USED?**

6 A. This question cannot really be answered yes or no, because it points out  
7 the conundrum of adding a product to the PIDs without there being any demand  
8 for the product, and thus anything to “diagnose.” The CLECs have requested, and  
9 the LTPA facilitator’s recommendation was, to report *Loop Splitting* as diagnostic  
10 for six months, then establish a standard. There are no volumes to report for this  
11 six month request, nor can appropriate benchmarks be considered at the end of the  
12 six months. Actual orders and ticket volumes are required to follow, track, and  
13 investigate process or reporting issues. Any attempt to establish a payment  
14 standard absent six months of sufficient volume would be speculative. It makes  
15 no sense to order a diagnostic standard at this time.

16

17 **Q. IF YOU CANNOT RECOMMEND A DIAGNOSTIC STANDARD, UNDER THE**  
18 **ASSUMPTION THAT THE COMMISSION ORDERS *LOOP SPLITTING* TO BE**  
19 **REPORTED, SHOULD A BENCHMARK STANDARD OR RETAIL ANALOGUE**  
20 **STANDARD BE USED, AND IF SO, WHAT?**

21 A. No. According to the issues list, no party who has stated a position on this  
22 issue advocates any benchmark or retail analogue standard. Qwest does not know

1            what benchmark or retail analogue to recommend, because no one is using the  
2            service

3            . **Issue No. 3 – Should xDSL-I be added to PIDs? If so, what standard should**  
4            **apply? If not, what alternative should be approved?**

5  
6  
7            **Q.        WHAT IS THE ISSUE IN THIS SIX-MONTH REVIEW CONCERNING xDSL-I?**

8            A.            According to the Issues List, it is whether xDSL-I should be added to the  
9            OP-3, 4, 5, 6 and MR-3, 4, 6, 7, and 8 PIDs and if so, what standard should apply.  
10           Further, CLECs request that a parity performance standard be applied using  
11           Qwest’s ISDN BRI (Basic Rate ISDN) as a retail analogue. While Qwest did not  
12           agree that additional CLEC performance metrics were necessary, Qwest did  
13           previously agree to report xDSL-I on an informational basis only.

14  
15           **Q.        SHOULD xDSL-I BE ADDED TO THE PIDS OP-3, 4, 5, 6, MR-3, 4, 6, 7, AND 8 IN**  
16           **THIS PROCEEDING?**

17           A.            No.

18           **Q.        WHY DO YOU TESTIFY THAT xDSL-I SHOULD NOT BE ADDED TO THE ABOVE**  
19           **NAMED PIDS IN THIS PROCEEDING?**

20           A.            Because there is no evidence that Qwest is or even may be discriminating  
21           against CLECs in its activities with regard to xDSL-I in such a way as to justify  
22           imposition of this reporting requirement. Of equal importance, this product is  
23           competitively insignificant in terms of usage by the CLEC community and its  
24           place in the market. Finally, Qwest’s markets were found to be sufficiently open

1 and competitive during 271 proceedings that included the development of PIDs,  
2 during which period xDSL-I was available. Nothing of significance has changed  
3 in the period between the finding of Section 271 sufficiency and this proceeding  
4 to indicate the need for an additional product disaggregation for xDSL-I.

5

6 **Q. WHY DO YOU MAKE THE POINT THAT THERE HAVE BEEN NO ISSUES RAISED AS**  
7 **TO DISCRIMINATION OR MEANINGFUL OPPORTUNITY TO COMPETE INVOLVING**  
8 **xDSL-I?**

9 A. As I pointed out above under Issue No. 1, the PAP operates in the context  
10 of Section 271 of the Act, which calls for non-discrimination and for providing  
11 efficient CLECs a meaningful opportunity to compete. The PAP was established  
12 as a broad, industry-wide mechanism, within Qwest's 14-state local service  
13 region, to help insure that Qwest would not "backslide" in the quality of service it  
14 provides to CLECs, once the marketplace was deemed open and Qwest's level of  
15 satisfying the Act was considered to be sufficient. The marketplace has been  
16 deemed open, Qwest's service performance was found to be sufficient by the  
17 Washington Commission and the FCC, and the PAP was established with the  
18 measurements and product disaggregations deemed adequate to prevent  
19 backsliding.

20 In this light, there is no basis for adding other measurements or product  
21 disaggregations until and unless there have arisen new developments and  
22 evidence since the establishment of the PAP that significantly pertain to the

1 question of non-discrimination in the industry and to the ability for efficient  
2 CLECs to have a meaningful opportunity to compete.

3 Interestingly, in the case of xDSL-I, as of May 2004, the CLEC market  
4 volume was 108% of Qwest's volume (comparing xDSL-I volumes to the Qwest  
5 retail equivalent product, IDSL).<sup>7</sup> Moreover, across Qwest's 14-state region,  
6 about 97% of total CLEC volumes of xDSL-I are for a single CLEC. Therefore in  
7 Qwest's region Qwest is not the dominant copper pair based broadband provider.  
8 In fact, both Qwest and CLECs that use Qwest's UNEs compete at a disadvantage  
9 against intermodal providers of broadband such as cable companies which  
10 dominate this market and offer products with higher bit rates than any copper pair  
11 based service can match using existing technology, and some of which also  
12 include new services such as Voice over Internet Protocol that effectively bundle  
13 equivalent services to the low frequency portions of Qwest's copper loop based  
14 services, with the higher speed broadband services. Thus xDSL-I is unlikely ever  
15 to be a service that requires reporting to deter backsliding by Qwest that adversely  
16 affects CLECs in the marketplace.

17 The purposes of the Act and of performance assurances against  
18 backsliding continue to be achieved without requiring Qwest to establish  
19 standards for another product.

20

---

<sup>7</sup> xDSL-I was created in June 2000. Later, with the creation of retail IDSL, xDSL-I was the wholesale equivalent to that retail product. These products allowed DSL capability in an area where Qwest may not have placed a remote Digital Subscriber Loop Access Multiplexer, as would be required for Qwest DSL service, or where Qwest may not have spare copper plant to provide other access to DSL service. Since implementation of these products, less expensive options are available to obtain DSL service. As a result, Qwest discontinued offering new retail IDSL in September 2002 but continues to service circuits that were placed before then.

1 **Q. WHY DO YOU TESTIFY THAT xDSL-I IS COMPETITIVELY INSIGNIFICANT?**

2 **A** Of the 70,941 unbundled loops reported in the state of Washington in  
3 May, xDSL-I comprises only 0.23%, or only 166 loops. The overall growth of  
4 this product is exceedingly small as well. In terms of the total number of circuits  
5 present at the end of each month in the state of Washington, there has been only a  
6 19 circuit growth from January 2003 through May 2004. xDSL-I, taken by itself  
7 then, hardly is representative of a CLEC's ability to compete in Washington.  
8 Moreover, there is nothing on the horizon to indicate that this situation will  
9 change.

10  
11 **Q. WAS xDSL-I AVAILABLE DURING THE DEVELOPMENT PERIOD OF THE PIDs AND**  
12 **QWEST'S 271 APPLICATIONS?**

13 **A.** Yes. xDSL-I has been available for over two years. In the 271 workshops  
14 and Technical Advisory Group ("TAG") meetings, CLECs and Qwest, with  
15 participating state commission staff members, defined the products and services  
16 to be reported in the PIDs. Not every available product, detail, or possible  
17 measurement was selected. The focus was on those measurements and product  
18 disaggregations that were the most meaningful and that would broadly indicate  
19 whether Qwest was satisfying the Act in the areas of nondiscrimination and  
20 providing efficient CLECs with a meaningful opportunity to compete. CLECs  
21 had every opportunity to include xDSL-I as a separate product reporting  
22 disaggregation, but they did not.



1 **Q. HAS ANYTHING OF SIGNIFICANCE CHANGED WITH RESPECT TO xDSL-I SINCE**  
2 **QWEST'S 271 APPLICATION WAS APPROVED FOR WASHINGTON?**

3 A. No. Since the time Qwest received 271 authority, nothing of significance  
4 has changed to suggest that xDSL-I is now a competitively-significant product.  
5 Nevertheless, Qwest has agreed to report the product on an informational basis, so  
6 that the very few CLECs who are interested in it can monitor results.

7  
8 **Q. WHAT WAS THE POINT OF QWEST COLLABORATING WITH CLECS IN THE LTPA**  
9 **PROCESS, IF PIDS AND PRODUCT DISAGGREGATIONS SHOULD NOT BE ADDED?**

10 A. Qwest's position has never been that PIDs and product disaggregations  
11 should not be added. Rather, our position is and has been that they should not be  
12 added without basis – without clear evidence demonstrating a need driven by  
13 requirements of the Act or demonstrating additional, significant problems with  
14 nondiscrimination or meaningful opportunity to compete.

15

16 **Q. AS FOR APPLYING A STANDARD TO QWEST'S REPORTING OF xDSL-I, WHY**  
17 **SHOULD NOT A STANDARD BE APPLIED?**

18 A. As previously stated, the product is not competitively significant, overall,  
19 and there is no evidence that it is going to be. So, no standard should be  
20 formalized in a manner that would indicate that xDSL-I were so significant –  
21 whether in or out of a PAP. In any event, since Qwest is willing to report xDSL-I

1 on an informational basis, again, any interested CLECs can monitor it and make  
2 whatever informal comparisons they want to make, for their own purposes.

3

4 **Q. IF xDSL-I WERE TO BE GIVEN A STANDARD, WHAT SHOULD IT BE?**

5 A. In a nutshell, for the reasons discussed above there is no justification for  
6 reporting xDSL-I performance, let alone establishing a performance standard. As  
7 stated earlier, Qwest is willing to provide xDSL-I performance without a standard  
8 for informational purposes. However, if the commission were to order Qwest to  
9 provide xDSL-I performance measures with standards, the following should be  
10 applied, again on an informational basis:

- 11 • OP-3: 90%
- 12 • OP-4: 6 Business Days
- 13 • OP-5: Parity with Qwest DSL
- 14 • OP-6: Parity with Qwest DSL with Dispatch
- 15 • MR-3: Parity with Qwest IDSL
- 16 • MR-4: Parity with Qwest IDSL
- 17 • MR-6: Parity with Qwest IDSL
- 18 • MR-7: Parity with Qwest IDSL
- 19 • MR-8: Parity with Qwest IDSL

20

21 **Q. WHAT IS THE BASIS FOR THESE STANDARDS?**

1 A. Qwest's competitive alternative to xDSL-I is Qwest IDSL. Strict use of IDSL as  
2 a parity standard does, however, pose an additional consideration. While Qwest  
3 does have an installed base of IDSL product, it no longer actively offers this  
4 product to its retail customers. Since there would be no provisioning volumes for  
5 Qwest IDSL the next "best fit" would be Qwest DSL. Differences in intervals  
6 between Qwest DSL and xDSL-I then dictate a benchmark for OP-3 and OP-4.  
7 The benchmarks chosen were simply the same as would be found for any product,  
8 such as ADSL Capable Loop, that is compared to Qwest DSL.

9 **Q. WHAT STANDARD HAS BEEN PROPOSED BY THE CLECs?**

10 A. The CLECs propose in the issues list use of the same standard as is used for  
11 ISDN-capable loops, which is in effect parity with Basic Rate Interface (BRI)  
12 ISDN. However, as I testified, ISDN is a declining service, and it is not a like for  
13 like comparison with xDSL-I. To explain, it makes little sense to use a switched  
14 service such as BRI ISDN that is in decline as the standard for non switched  
15 xDSL-I capable loops.

16

17 **Issue 4: PO-20**

18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY ON PO-20?**

19 A. I will address the disputed issues concerning the expanded PO-20, our  
20 manual service order accuracy measurement. Specifically:

- 21 A. How will the new PO-20 be incorporated into Exhibit B?  
22 B. What Tier should be assigned to this new PID?  
23 C. Should Qwest be allowed a low volume exception?  
24 D. Should Qwest be allowed a stabilization period or "burn in period?"

1 **Q. PLEASE GIVE A GENERAL DESCRIPTION OF WHAT PO-20 IS INTENDED TO DO.**

2 A. PO-20 is a measurement of service order accuracy focusing on the  
3 consistency between the local service request (LSR) that Qwest receives from the  
4 CLEC to request services and the manually created service order Qwest issues to  
5 implement that request.

6

7 **Q. PLEASE GIVE A BRIEF HISTORY OF PO-20 AND ITS DEVELOPMENT.**

8 A. Qwest developed the original PO-20 in the May-June time frame of 2002  
9 and revised it through the summer of 2002. We began reporting results for that  
10 measurement in June 2002, in what is called Phase 0. Subsequently, we worked  
11 collaboratively with the CLECs beginning in November 2002 up through June of  
12 this year to create a PID. Qwest and the CLECs reached agreement on what  
13 products and fields will be measured as well as a “safety net” to capture  
14 discrepancies that aren't specifically measured in a field-by-field comparison.<sup>8</sup>  
15 There are, however, several items that remain unresolved.

16

17 **Q. HAS PHASE 0 OF PO-20 BEEN REPORTED IN WASHINGTON AND BEEN INCLUDED**  
18 **IN THE PAP?**

19 A. Yes. Qwest began reporting Phase 0 of PO-20 with June 2002 data  
20 reported on the July 2002 report. The Washington Commission incorporated this  
21 version of PO-20 into the Washington PAP as a Tier 2 measurement in August  
22 2002.

1 **Q. PLEASE DESCRIBE WHAT IS MEASURED IN PHASE 0 OF PO-20.**

2 A. Phase 0 of PO-20 is a measurement of manual service order accuracy that  
3 is reported at the regional level, not at a CLEC or state level. It is based on a  
4 random sample of twenty qualifying orders per day per product reporting  
5 category, as specified in the PID. The sample of orders is taken each day from  
6 throughout Qwest's 14-state local service region and reviewed manually for  
7 LSR/service order mismatches. The measurement data are summarized into a  
8 monthly result.

9  
10 **Q. HOW ARE THE AGREED UPON PO-20 PHASES 1 THROUGH 4 DIFFERENT FROM**  
11 **THE OLD PO-20?**

12 A. The first and probably most significant difference is that Phase 0 looks at  
13 only a sample of orders, while the expanded PO-20 looks at the universe of  
14 electronically-submitted, manually-processed qualifying orders for the products  
15 specified in the PID. The second significant difference is that the revised PO-20  
16 considerably expands or changes the fields that will be evaluated in the automated  
17 field to field comparison. The products that are reported are also expanded.

18 Additionally, unlike Phase 0, Phases 1 through 4 of the expanded PO-20  
19 also have provisions for including service errors on any field of the order reported  
20 by the CLEC no earlier than one day prior to the original due date, or for feature  
21 only orders, within 30 days of installation. For inward line activity orders, errors  
22 on any field of the order reported on or within 30 days of installation are reported

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<sup>8</sup> The fields as used in this connection are the separate categories of information that appear on the

1 in OP-5B. This creates a “safety net” to capture errors that might otherwise go  
2 unreported strictly on the basis of a field to field comparison.

3

4 **Q. ARE THERE SIMILARITIES BETWEEN THE REVISED PO-20 AND OLD PO-20?**

5 Yes. The measurements are similar in that they both look at inward line  
6 activity and inward feature activity. Both examine the accuracy of service orders  
7 generated manually from LSRs.

8

9 **Q. YOU MENTIONED THE ADDITION OF FIELDS DURING THE DEVELOPMENT**  
10 **PROCESS. PLEASE QUANTIFY THE FIELDS TO BE REVIEWED WITH THE**  
11 **EXPANDED PO-20, AND CONTRAST THAT NUMBER WITH THE NUMBER OF FIELDS**  
12 **THAT ARE MEASURED UNDER THE EXISTING PO-20.**

13 A. In the original PO-20, which is reported regionally, eleven fields are  
14 evaluated. In phases 1 through 4, which have been negotiated with and agreed to  
15 by the CLECs, the number of fields increases with each phase up to a total of  
16 thirty-nine by Phase 4. In addition, an automated review looks at two hundred  
17 five feature codes (USOCs) beginning with Phase 1, twenty-nine feature detail  
18 codes beginning with Phase 2 and a multitude of combinations of these entries on  
19 service orders for all electronically-submitted, manually-processed LSRs for the  
20 products and activity types specified in the PO-20.

21

22 **Q. PLEASE DESCRIBE THE PROCESS THAT PO-20 IS DESIGNED TO MEASURE.**

---

mechanized LSR forms and in the service orders.

1 A. Certainly. The CLEC submits an LSR to which a number of edits is  
2 applied. If the LSR is eligible for flow-through, the system will attempt to  
3 automatically create a service order. On average, approximately 70 percent of the  
4 LSRs for products covered by PO-20 flow-through without human intervention.  
5 The 30 percent of the LSRs that do not flow-through, fall out for manual handling  
6 by the interconnection service centers (ISC)

7 Once the LSR is complete and accurate, the Service Delivery Coordinator  
8 (SDC) who works in the ISC begins to manually write the service orders that are  
9 required to implement the requested services (i.e., sometimes multiple service  
10 orders from a single LSR). Creating service orders is not a simple cut-and-paste  
11 or copy-and-paste from the LSR to the service order. The SDC must apply a  
12 myriad of complex rules in order to convert the LSR information into a service  
13 order.

14 When the service order has been created, the SDC submits it to Qwest's  
15 internal systems and the order is distributed to the downstream provisioning  
16 systems. At this juncture, a number of editing processes is invoked. Upon  
17 completion of the service order, a field to field comparison of the LSR and the  
18 service order is conducted for the purposes of measuring PO-20. Where  
19 mismatches between the LSR and service order(s) are detected, they are counted  
20 as order errors in PO-20, subject to various rules in the PID.

21

22 **Q. PLEASE DESCRIBE WHAT PO-20 ACTUALLY CAPTURES.**

1 A. PO-20 captures the LSR-to-service order mismatches for inward line  
2 activity and inward feature activity. By design, these mismatches are evaluated  
3 after service order completion. Additionally, PO-20 captures orders with errors  
4 reported by the CLEC (i.e. the errors from the “safety net”.)  
5

6 **Q. PLEASE DESCRIBE AND EXPLAIN THE “SAFETY NET.”**

7 A. The “safety net” is a provision in PO-20 that includes order errors that are  
8 detected beyond the strict field to field comparison process defined in the PID. It  
9 operates in both pre-completion and post-completion stages of service order  
10 processing. Even though the automated portion of PO-20 evaluates a specific set  
11 of fields and their values, the “safety net” allows service order errors on any field  
12 to be counted whether or not the fields are to be included in PO-20. The only  
13 requirement is that they be reported by the CLEC according to the terms of the  
14 PID.  
15

16 **Q HOW WOULD CLECS BE ABLE TO IDENTIFY THE EXISTENCE OF AN ERROR ON AN**  
17 **ORDER PRE-COMPLETION?**

18 A A CLEC can identify an error in two ways. First, Qwest returns a Firm  
19 Order Confirmation (FOC) acknowledging receipt of a CLEC’s LSR and provides  
20 certain information from the service order, including the circuit ID and assigned  
21 due date. A CLEC may elect to compare the entries on the FOC to its LSR and  
22 notify Qwest of any disparity.



1           Secondly, after the order is issued, Qwest also returns to the CLEC a  
2 pending service order notification (PSON) through the IMA for subscribing  
3 CLECs. IMA is an electronic interface that CLECs use to transmit LSRs to  
4 Qwest and which allow other communications between the CLECs and Qwest to  
5 take place. The PSON provides more detailed information from the service order,  
6 primarily from the services and equipment section of the service order. Again, if  
7 a CLEC identifies a mismatch, it may report it to Qwest. .

8           In either instance described above, the reported discrepancy can be  
9 corrected before the due date, thereby avoiding an impact to the end-user  
10 customer while, at the same time, counting the discrepancy as an order error for  
11 PO-20 purposes.

12  
13 **Q. IF A CLEC CONTACTS QWEST ABOUT A SERVICE ORDER ERROR PRIOR TO THE**  
14 **SERVICE ORDER DUE DATE, DOES THAT ERROR HAVE ANY IMPACT ON THE END**  
15 **USER CUSTOMER?**

16 A.           No. If a CLEC reports a service order error prior to the original service  
17 order due date, Qwest will fix that error before the due date and the end-user  
18 customer will not experience an impact. If the report of an error is received no  
19 earlier than one business day prior to the due date, the error will be counted in  
20 PO-20. This provision was agreed upon by Qwest and the CLECs during  
21 negotiation of PO-20.

22

1 **Q. WHAT HAPPENS IF THE CLEC CHOOSES NOT TO USE THE PSON INFORMATION**  
2 **TO FIND AND REPORT A SERVICE ORDER ERROR BEFORE THE DUE DATE SO THAT**  
3 **IT CAN BE CORRECTED?**

4 A. If the error goes undetected by Qwest's edits and quality assurance  
5 processes, the order will proceed through the provisioning process. At this point  
6 it is possible that the error will be detected and corrected by the technicians  
7 working the order, thus avoiding customer impact. If the error is one that causes a  
8 customer impact, that error will be reported to the call center and the SDC will  
9 resolve the error and issue a call center ticket. Depending on the timing and  
10 nature of the reported error, it will be counted as an error in either PO-20 or OP-  
11 5B.

12  
13 **Q. IS AN INWARD FEATURE ORDER AN ORDER TO ESTABLISH A NEW SERVICE FOR A**  
14 **CUSTOMER?**

15 A. No. Feature only activity orders are issued for established customers.

16  
17 **Q. COULD A SERVICE ORDER ERROR ON AN INWARD FEATURE ONLY ORDER TAKE A**  
18 **CUSTOMER OUT OF SERVICE?**

19 A. No. A service order error on an inward feature order will cause a feature  
20 to fail or not work properly but generally, the customer's service will still be  
21 working.

22

1 **Q. HAVE THE CLECs PROVIDED ANY EXAMPLES OF FEATURE PROBLEMS CAUSED**  
2 **BY SERVICE ORDER ERRORS ON INWARD FEATURE ONLY ORDERS MEASURED IN**  
3 **PO-20 RESULTING IN CUSTOMERS CHANGING THEIR CARRIER SELECTION?**

4 A. No. The examples of service order errors the CLECs have provided have  
5 described “potential impacts” to end-users for the most part.  
6

7 **Q. HAVE THE CLECs PROVIDED EVIDENCE THAT THE SERVICE ORDER ERRORS**  
8 **MEASURED BY PO-20 USUALLY PRODUCE CUSTOMER WIN-BACKS FOR QWEST?**

9 A. No. The CLECs have only provided an example of one incident in  
10 Minnesota in 2003 where a CLEC lost a \$500K customer. However, the service  
11 order errors at issue were not the reason the customer was lost. In fact, the  
12 Minnesota Commission recognized that, though the service order errors were the  
13 initial problem, the improper handling of a wholesale order by a retail service  
14 representative caused the customer loss. The Minnesota Commission ordered  
15 certain process and systems improvements which Qwest has now implemented to  
16 prevent any recurrence.  
17

18 **Q. HAVE SAFEGUARDS BEEN PUT IN PLACE TO PREVENT RETAIL SALES**  
19 **REPRESENTATIVES FROM ACCESSING OR MODIFYING WHOLESALE ORDERS?**

20 A. Yes. In its March 4, 2004 comments recommending the Minnesota  
21 Commission accept Qwest’s compliance filing to resolve this issue, the Minnesota

1 Department of Commerce (DOC) found that Qwest's system upgrades would  
2 block access to wholesale orders for all retail service representatives.<sup>9</sup>

3

4 **Q. FOR HOW MANY COMPANIES DOES QWEST ISSUE WHOLESALE ORDERS FOR**  
5 **UNBUNDLED LOOPS AND RESALE SERVICES?**

6 A. In Washington sixteen unbundled loop providers, thirty UNE-P providers,  
7 and seventeen resellers are currently active. Across the fourteen Qwest states,  
8 there are eighty-one unbundled loops providers, seventy-six UNE-P providers and  
9 one hundred seventy-four resellers.

10 **Q. HOW MANY COMPANIES COMPARE THE PSON INFORMATION TO THE LSR TO**  
11 **REVIEW QWEST'S SERVICE ORDER QUALITY?**

12 A. I am aware of only one company that has said it does this comparison but there is  
13 no way for Qwest to know how many others use the PSON information in this  
14 way..

15

16 **Q. PLEASE REVIEW THE DISPUTED ISSUES WITH REGARD TO PO-20.**

17 A. There is a total of four disputed issues. The first issue relates to how the  
18 new PO-20 will be incorporated into Exhibit B of the Statement of Generally  
19 Available Terms and Conditions. The next issue relates to the appropriate tier  
20 designation assigned for PO-20. A third issue is whether for PAP purposes, low  
21 volume situations should be handled differently. The final issue is whether to

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<sup>9</sup> Department of Commerce Comments RE: *In the Matter of a Request by Eschelon Telecom for an investigation regarding customer conversion by Qwest and Regulatory Procedures* Docket No. P421/C-03-

1 allow Qwest a measurement stabilization period or “burn in period,” before  
2 making PO-20 results subject to PAP payments.

3

4 **Q. PLEASE EXPLAIN WHAT IS AT ISSUE WITH REGARD TO HOW THE EXPANDED PO-**  
5 **20 WILL BE INCORPORATED INTO EXHIBIT B.**

6 A. On June 25, 2004 Qwest submitted an updated Exhibit B to the Statement  
7 of Generally Available Terms and Conditions (“SGAT”) comprising Version 7.1  
8 of the PIDs. Qwest also submitted its revised QPAP Exhibit K for Washington to  
9 modify the QPAP, to reflect changes from LTPA discussions as well as to request  
10 determination regarding the tier designation, burn-in, and volume-differentiated  
11 benchmark related to the revised PID, PO-20 (Expanded) Manual Service Order  
12 Accuracy.

13 Based on this filing, Qwest is implementing the new agreed-upon PO-20  
14 in four phases. The first phase was implemented in May of this year.  
15 Accordingly, Qwest will begin reporting results for this expanded PO-20 with the  
16 May results on the July report.

17 Qwest proposed that Phase 1 be subject to the QPAP beginning with  
18 August 2004 results that are reported in October. Any payments due would be  
19 paid in November which equates to three months following the first month of  
20 reported results. Further, Qwest proposes that the existing PO-20 contained in  
21 Exhibit B-1 remain in effect in the QPAP until Phase 1 of the expanded PO-20  
22 becomes subject to QPAP.

1                   It is my understanding that the CLECs propose that Qwest be subject to  
2                   PAP liability on the expanded PO-20 using Tier 2 immediately.

3

4     **Q.    IS THE CLECS' POSITION ON THIS ISSUE WITH REGARD TO TIER 2 PAYMENTS**  
5     **POSSIBLE TO IMPLEMENT?**

6     A.           No, the reporting structure of the new expanded PO-20 measurement and  
7           the payment structure requirements in 7.4 of the current Exhibit K in Washington  
8           are not compatible. To explain, Section 7.4 of the Washington QPAP describes  
9           the Tier 2 obligation, including PO-20 as follows:

10                   “Performance Measurements Subject to Per Measurement Payment: The  
11           following Tier 2 performance measurements shall have their performance  
12           results measured on a region-wide (14 state) basis. Failure to meet the  
13           performance standard, therefore, will result in a per measurement payment  
14           in each of the Qwest in-region 14 states adopting this PAP. The  
15           performance measurements are: \* \* PO-20, Manual Service Order  
16           Accuracy.”

17           Although Qwest will provide a summarized regional result for the  
18           expanded PO-20, Qwest is doing so on an information basis only. The  
19           performance results which are measured against the graduated benchmarks, and  
20           therefore applicable to the PAP, are those at the CLEC aggregate and individual  
21           CLEC levels, both of which are by state. This application of the benchmarks is  
22           evidenced by changes to the reporting comparisons and disaggregated reporting  
23           sections. The reporting comparisons were changed from “CLEC aggregate” to

1 “CLEC aggregate and individual CLEC.” The disaggregated reporting section  
2 was changed from “region-wide” to “statewide level.” In both cases, of course,  
3 the changes above are from the old PO-20 to the expanded PO-20. Therefore,  
4 regional results do not apply to the PAP.

5 Additionally the product reporting structure of the expanded PO-20 is  
6 inconsistent with that specified in the existing Exhibit K for the old PO-20 in  
7 Tier 2. The current payment for PO-20, as reflected in the current Exhibit K, is  
8 based on two product reporting categories -- Resale POTS/UNE-P (POTS) and  
9 Unbundled Loops (Analog and Non-Loaded 2-Wire). In Phase 1 of the expanded  
10 PO-20 Qwest will expand the products included in the two sub-measures: the  
11 Resale/UNE-P sub-measure will include Resale POTS, UNE-P POTS, Resale  
12 Centrex 21, and UNE-P Centrex 21 and the Unbundled Loop sub-measure will  
13 include eight unbundled loop types (Analog, non-loaded 2-wire, non-loaded 4-  
14 wire, DS1 Capable, DS3 Capable and higher, ADSL Compatible, xDSL-I  
15 Capable, and ISDN-BRI Capable). Again, the structure of the PAP for the old  
16 PO-20 in Tier 2 does not support application of Tier 2 treatment to the new PO-  
17 20.

18 In the Exhibit K Qwest filed on June 25, 2004 in conjunction with the  
19 Exhibit B filing adding the expanded PO-20 measurement, Qwest included a  
20 footnote proposing that the current version of PO-20 as defined in Exhibit B-1  
21 continue to be reported and be subject to payments until Phase 1 of the new PO-  
22 20 (Expanded) – Manual Service Order Accuracy becomes eligible for payments  
23 following a maximum three month measurement stabilization period.

1                   Subsequently Qwest filed consent to an extension of the sixty day  
2 approval period established by 47 U.S.C. § 252(f)(3), for the provisions in this  
3 proposed Exhibit K that address implementation of the expanded Manual Service  
4 Order Accuracy measurement, PO-20, to and including the conclusion of Docket  
5 UT-043007, the current six month review docket.

6

7 **Q.   MOVING ON TO THE ISSUE OF TO WHAT TIER THE EXPANDED PO-20 SHOULD BE**  
8 **ASSIGNED, HOW DOES QWEST’S PROPOSAL FOR PO-20 TIER ASSIGNMENT**  
9 **DIFFER FROM THE CLECs’ POSITION?**

10 A.               Qwest proposes that the expanded PO-20 be assigned the tier designation  
11 of Tier 1 Low and that PO-20 not be assigned a Tier 2 designation.<sup>10</sup> It is my  
12 understanding that the CLECs propose that the expanded PO-20 be assigned the  
13 designations of Tier 1 High and Tier 2 Medium.

14

15 **Q.   WHAT IS THE CLECs’ STATED JUSTIFICATION FOR REQUESTING THIS TIER**  
16 **DESIGNATION?**

17 A.               The CLECs have stated that the tier structure should be consistent with the  
18 treatment of what they call the companion measurement, OP-5.

19

20 **Q.   ARE PO-20 AND OP-5 FUNDAMENTALLY DIFFERENT IN WHAT THEY MEASURE?**

21 A.               Yes, PO-20 and OP-5 measure different things and the tier assignment for  
22 OP-5 should not be the basis for making the tier assignment for PO-20. In every

---

<sup>10</sup> Qwest’s Washington PAP tier structure is described in the *Thirtieth Supplemental Order*, ¶21.



1 miss reported in OP-5, a CLEC has reported a problem experienced by its end-  
2 user customer. In PO-20, only a small portion of the misses comes from CLEC  
3 reports generated by end-user problems. A significant portion of the misses in  
4 PO-20 is the result of pre-completion errors fixed before end-user impact and post  
5 completion field to field reviews where the error has not been reported by the  
6 CLEC. I will expand on these differences later.

7 Additionally, OP-5 measures strictly inward line activity, which occurs at  
8 the time a CLEC establishes new service for an end-user customer. PO-20 has a  
9 broader scope and includes not only inward line orders but also inward feature  
10 orders or additions of features on existing customer accounts.

11

12 **Q. HOW DO YOU RESPOND TO THE CLECs' ARGUMENT THAT CONSISTENCY**  
13 **WITH WHAT THEY CALL THE COMPANION MEASUREMENT OP-5 REQUIRES THAT**  
14 **PO-20 BE ASSIGNED TO TIER 1 HIGH?**

15 A. Consistency with the principles of tier assignment actually requires a Tier  
16 1 Low classification for PO-20, precisely because OP-5 captures those end user  
17 affecting manual service order errors that justify a High classification, while PO-  
18 20 does not. The two measurements may be complements to one another, but that  
19 does not require that they share the same Tier 1 assignment.

20

21 **Q. PLEASE DESCRIBE THE TYPES OF MEASUREMENTS THAT ARE ASSIGNED THE TIER 1**  
22 **HIGH DESIGNATION VERSUS THOSE ASSIGNED THE TIER 1 LOW DESIGNATION.**

1 A. In Attachment 1 of the Washington Exhibit K, the measurements  
2 designated as Tier 1 High focus on the outcome, positive or negative, of  
3 completing a business or technological process. When Qwest's performance fails  
4 in one of these measurements, end user customers experience direct and  
5 immediate consequences due to action or inaction by Qwest. Specifically the OP,  
6 MR and NI measurements are the only ones designated as Tier 1 High.

7 The OP measurements report Qwest's performance results on completed  
8 service installations. All of the Tier 1 High ordering and provisioning PIDs focus  
9 only on inward line activity. None of the OP measurements report on orders with  
10 inward feature only activity, which is a significant portion of PO-20. The MR  
11 measurements assess the timeliness and quality of Qwest's completion of repairs  
12 for customers' services when they experience service affecting or out of service  
13 conditions. Finally, the NI measurements evaluate factors affecting completion of  
14 calls from Qwest's end offices to CLECs' end offices, which can affect the end-  
15 user's ability to complete calls. PO-20 does not even approach the potential  
16 significance levels represented by these OP, MR, and NI measurements.

17 The majority of measurements assigned to Tier 1 Low are measurements  
18 of mid process performance. Specifically, all of the PO measurements, of which  
19 PO-20 is one, assess a variety of Qwest processes in receiving and processing  
20 LSRs for CLECs and are assigned to Tier 1 Low. In addition to the PO  
21 measurements, three Billing PIDs also have a Tier 1 low assignment.

22

23 Q. PLEASE EXPLAIN WHY QWEST'S TIER DESIGNATION PROPOSAL IS APPROPRIATE.

1 A. The majority of issues that are included in PO-20 does not end up having  
2 any impact on the end-user who is in the process of switching to or establishing  
3 service with a CLEC; therefore, any designation higher than Tier 1 Low is  
4 excessive. As for the small remaining minority of issues that are included in PO-  
5 20, related to inward line activity, they may or may not represent customer-  
6 impacting situations, and PO-20 is not able to indicate when they do.

7 The first category of errors included in PO-20 reflects errors that are  
8 reported by the CLECs prior to the due date. As discussed earlier, Qwest can  
9 correct the reported error so that the error will be fixed thereby avoiding an  
10 impact on the end-user, if there were even a potential for impact. Even though the  
11 error has already been corrected before it completes, it will nevertheless be  
12 counted in PO-20.

13 The second set of PO-20 errors is those identified in the field to field  
14 automated comparison but that are not reported by a CLEC within 30 days of  
15 order completion. This implies that there was no meaningful, harmful impact to  
16 the end user resulting from such errors.

17 In sum, initially two categories of errors are included in PO-20. One  
18 category will have been corrected before there is an impact on an end user. The  
19 other category is errors found in the field to field review after order completion  
20 and this category had no CLEC reported LSR-to-service order mismatch related  
21 end user impact within 30 days of installation. Furthermore, some of these  
22 second category errors are detected and resolved downstream in the provisioning  
23 process. In these instances, the impacts are mitigated even though the correction

1 may not be made to the service orders. For example when the network technician  
2 is at the point of installation, he or she discovers an error in the Connecting  
3 Facility Assignment (CFA) field of the service order. However he or she contacts  
4 the assignment department to obtain the correct CFA and installs the service  
5 correctly. If the service order were not corrected, the error would be counted in  
6 PO-20 even though Qwest had avoided an impact on the end-user customer.

7 After accounting for the two categories of errors discussed above, the  
8 remaining errors are those where the CLEC report is made on or after the due  
9 date. Of those found on the due date, when the error is found before the service  
10 order is worked, an opportunity exists to correct the order before the provisioning  
11 process is completed, thereby avoiding an impact.

12 For errors reported within thirty days of installation, only those on inward  
13 feature orders are reported in PO-20; the errors on inward line activity orders are  
14 counted in OP-5B.

15 Therefore, many of the errors reported in PO-20 have no impact on an  
16 end-user. Even when the error could have an impact, it may or may not actually  
17 impact the customer. In other words, there are only potential impacts in certain  
18 cases. And finally, errors reported in PO-20 for errors detected on the due date or  
19 within 30 days of installation are associated with feature only activity. Based on  
20 this analysis, a tier designation higher than Tier 1 Low is not appropriate.

21

22 **Q. WHY IS THE DISTINCTION BETWEEN AN INWARD LINE ORDER AND AN INWARD**  
23 **FEATURE ORDER SIGNIFICANT FOR THE TIER ASSIGNMENT OF PO-20?**

1 A. The distinction is important because the tier designations are different for  
2 inward line orders than for inward feature orders. During development of the  
3 PIDs and the PAPs, parties and State Commissions and their Staffs placed  
4 significant emphasis on the provisioning of inward line activity because,  
5 frequently, it occurs at the critical time when a customer is switching carriers.  
6 With respect to PO-20, the situations reported where end user impact could occur  
7 would be on feature only activity. Feature only activity is not measured in any  
8 Tier 1 High measurements.

9

10 **Q. DO THE ERRORS THAT ARE CAPTURED IN PO-20 ALWAYS REPRESENT AN**  
11 **IMPACT ON AN END USER CUSTOMER IN THE PROCESS OF SWITCHING FROM**  
12 **QWEST TO A CLEC?**

13 A. No. Inward feature orders are related neither to facilities-based activities  
14 nor to conversion related activities. Conversions from one carrier to another are  
15 accomplished by processing inward line orders. Service order errors reported on  
16 the due date and within thirty days of installation on these inward line activity  
17 orders are reported in OP-5B. Likewise, if a service order error on an inward line  
18 activity order causes an out of service or service affecting condition before the  
19 due date, OP-5B will report the error. The service order errors reported in PO-20  
20 on the due date and within 30 days of the due date are for orders to add features to  
21 an existing customer's account.

22

1   **Q.    HAVE THE CLECs THEMSELVES ARGUED THAT SERVICE ORDER ERRORS ON**  
2   **INWARD LINE ACTIVITY ORDERS THAT IMPACT END-USER CUSTOMERS, AS**  
3   **EVIDENCED BY A CALL TO THE CALL CENTER REPORTING A PROBLEM DURING**  
4   **CONVERSION, SHOULD BE REPORTED IN OP-5B NOT PO-20?**

5   A.        Yes. In a post hearing brief before the Colorado Public Utilities  
6   Commission, the CLECs stated:

7            “PO-20 also includes the exclusion, ‘Service Orders that are the subject of  
8            call center tickets counted in OP-5B and OP-5T as having new service  
9            problems attributed to Service Order errors.’ That PO-20 exclusion was  
10          made for two reasons. The first reason was to recognize that *service order*  
11          *errors that result in a CLEC calling Qwest to report a problem and Qwest*  
12          *opening a call center ticket are properly counted in OP-5B and OP-5T.*

13          The second reason is that once the problem is appropriately counted in  
14          OP-5B and OP-5T, there should be no double counting of the problem in  
15          PO-20. The agreement that orders with service order errors that result in  
16          call center tickets should be counted in the OP-5B and OP-5T results is  
17          further emphasized in the PO-20 Reporting Period section where it states,  
18          ‘One month, reported in arrears (i.e., results first appear in reports one  
19          month later than results for measurements that are not reported in arrears),  
20          *in order to exclude Service Orders that are the subject of call center*  
21          *tickets counted in OP-5B and OP-5T, as having new service problems*  
22          *attributed to Service Order errors.’ Qwest’s testimony that it is including*  
23          *trouble reports in PO-20 even when the customer is impacted flies in the*

1                    *face of the entire premise of these two exclusions. ....* PO-20 does not  
2                    include a mere ‘opportunity’ to correct the error. Either the problem was  
3                    corrected before the customer’s service was affected (PO-20), or it was not  
4                    (OP-5). This is the bright line distinction to which CLECs believed the  
5                    Parties had agreed.”<sup>11</sup> [emphasis added]

6                    When OP-5B was initially implemented Qwest understood that if the call  
7                    center received a call on the due date and the order was still pending, by virtue of  
8                    the pending order status that call center ticket would be included in PO-20. As a  
9                    result of this CLEC objection to this interpretation of PO-20 and OP-5 language,  
10                    Qwest changed its code so that now OP-5B captures errors reported on the due  
11                    date when the order is still pending, before the due date if they are service  
12                    affecting and within 30 days of installation.

13  
14                    **Q. WILL OTHER PIDS REPORT THE SAME ERRORS AS PO-20?**

15                    A.                    Yes. There is potential for these same errors to be captured in other PIDs.  
16                    Errors on inward line activity orders could lead to a miss in OP-3, OP-4, OP-6,  
17                    OP-7 or OP-13. Additionally, an error that may not have an impact on  
18                    provisioning could have nonetheless an impact reported in BI-3A, due to a billing  
19                    inaccuracy.

20                    Regarding inward feature orders, duplication in the OP measurements is  
21                    not expected because these orders are not reported in these measurements.

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<sup>11</sup> See Colorado PUC, *In the Matter of Qwest Corporation’s Colorado Performance Assurance Plan*, CLEC post-hearing brief regarding the treatment of PO-20, Docket No. 02M-259TM, pp. 53-54.

1           However, an error that results in a billing discrepancy would be reported in BI-  
2           3A.

3

4           **Q.   PLEASE SUMMARIZE THE REASONS WHY TIER 1 LOW IS THE APPROPRIATE**  
5           **CLASSIFICATION FOR PO-20.**

- 6           A.           In summary, PO-20 includes a number of items that either:
- 7                       1. Have no CLEC harm or no end-user harm or impact;
  - 8                       2. Have not risen to the level of being recorded by the CLEC as  
9                               impacting; or
  - 10                      3. Qwest was able to eliminate the impact before a customer reported a  
11                             problem; and
  - 12                      4. A predominance of errors reported is for feature only issues.

13           Therefore PO-20 should not be classified above a Tier 1 Low PAP assignment.

14

15           **Q.   YOU HAVE USED THE TERMS “HARM” AND “IMPACT” TO DESCRIBE THE EFFECTS**  
16           **OF SOME ERRORS CAPTURED BY PO-20. DOES THE EXISTENCE OF AN IMPACT**  
17           **ON AN END USER’S SERVICE FROM AN ERROR MEASURED BY PO-20**  
18           **NECESSARILY MEAN THAT THE CUSTOMER HAS BEEN HARMED OR THAT A WIN-**  
19           **BACK OPPORTUNITY FOR QWEST HAS BEEN GENERATED?**

20           A.           No. The existence of a service order error does not automatically mean  
21           there is an impact to the customer, and the existence of a customer impact does  
22           not automatically mean that the customer has been harmed. Similarly, because it



1 is not possible to determine whether a service order error measured by PO-20  
2 results in harm to an end user customer or the customer's service, it is not possible  
3 to equate a service order error with harm to a CLEC or to CLECs in general.

4 There is not usually an end user customer win-back for Qwest that results  
5 from a service order error measured by PO-20. I know of no evidence that most  
6 end user customers consider the errors measured by PO-20 to be so significant  
7 that they will switch carriers when the errors are detected, or that most end user  
8 customers can even detect the errors measured by PO-20. The CLECs' claim in  
9 their responses to Qwest's data requests that most of the errors measured by PO-  
10 20 almost always cause end user service outages that impose resource burdens  
11 and extra work on CLECs is simply not supported by the facts. As I have shown  
12 above, most of the errors measured by PO-20 are related to feature only activity,  
13 and an error in such activity generally would not produce a service outage for the  
14 end user.

15

16 **Q. THE CLECS IN THEIR RESPONSE TO QWEST'S DATA REQUEST STATED THAT THE**  
17 **AGGREGATE REPORTING OF PO-20 AT THE PRODUCT LEVEL JUSTIFIED A TIER 1**  
18 **HIGH CLASSIFICATION. IS THIS CLAIM CORRECT?**

19 A. There is no basis for using the PO-20 product level reporting as a  
20 justification for a high Tier classification. Product level reporting has never been  
21 used as the basis for assigning Tier level. In fact, with the exception of OP-13, all  
22 of the existing PAP measurements with aggregate product reporting, PO-2, PO-5,  
23 PO-8 and PO-9, are assigned to Tier 1 Low.

1 **Q. DOES PO-20 HAVE THE CAPABILITY TO QUANTIFY OR ESTABLISH THE HARM, IF**  
2 **ANY, TO AN END USER CUSTOMER’S SERVICE RESULTING FROM AN ERROR?**

3 A. No. PO-20 cannot quantify or establish harm or impact from a reported  
4 error. It can only quantify the existence of error. If PID results do not  
5 consistently correlate with harm, it is inappropriate to apply self-executing  
6 remedies of a magnitude that implies they do have such a correlation.

7 **Q. IN THEIR RESPONSES TO QWEST DATA REQUESTS, CLECs STATED THAT THEIR**  
8 **POSITION THAT PO-20 SHOULD BE A TIER 1 HIGH PID WAS BASED ON THEIR**  
9 **CLAIM THAT THE EXISTENCE OF SERVICE ORDER ERRORS MEANS THAT QWEST**  
10 **UNIFORMLY FAILS TO CORRECT THE ERRORS DESPITE MULTIPLE**  
11 **OPPORTUNITIES TO DO SO. IS THIS CLAIM CORRECT?**

12 A. No. From an order quality perspective Qwest takes seriously its role in  
13 creating the service order and creating a quality order. We do a number of edits  
14 and checks, manual reviews, SOP edits, SOV edits and others. In addition, Qwest  
15 continues, as we have always done, to do a manual review of a randomly selected  
16 sample of orders to look for specific problems with individuals or individual work  
17 groups, and we continue with every release to implement additional edits in a  
18 variety of systems to catch service order errors. These steps are designed to  
19 assure service order quality. In fact we find and fix many errors before the PSON  
20 is even generated.

21  
22 **Q. SHOULD THERE BE ANY TIER 2 PAYMENTS FOR PO-20 PERFORMANCE?**

1 A. No. The expanded PO-20 should not be subject to Tier 2 payments. The  
2 old PO-20 (Phase 0) was assigned a Tier 2 designation because it was reported  
3 only regionally and was not disaggregated by individual CLEC or by state. It  
4 reported, as it still does today, a 14-state region-wide result. Absent CLEC-  
5 specific performance results, the only Tier that could be applied to the old PO-20  
6 measurement was Tier 2.

7 In contrast, the expanded PO-20 reports CLEC-specific results by state,  
8 beginning with Phase 1; therefore, the need for Tier 2 payments has been  
9 eliminated.

10 In analyzing the appropriate tier designation for the revised PO-20, Qwest  
11 reviewed whether its results were competitively significant enough to impact  
12 competition at the industry level. This is not the case. Qwest's analysis of the  
13 impacts that justify a Tier 1 Low designation demonstrates that the performance  
14 captured in this measurement does not rise to a level of significance that could  
15 impact competition at the industry level. Moreover, most of the existing Tier 1  
16 Low PIDs have no Tier 2 assignment.

17

18 **Q. REGARDING THE MATTER OF THE LOW VOLUME EXCEPTION FOR PO-20, WHAT**  
19 **IS THE ISSUE AT HAND?**

20 A. The issue is whether it is appropriate to apply a standard to PO-20, as  
21 CLECs suggest, that requires 100% perfect performance in any reporting period.  
22 Qwest asserts that, in a PAP with self-executing payment mechanisms, such a  
23 standard is not appropriate and, instead, proposes a benchmark structure for PAP  
24 purposes that avoids this problem.

1 **Q. WHAT IS QWEST’S PROPOSAL REGARDING THE PO-20 LOW VOLUME**  
2 **EXCEPTION?**

3 A. Based on PO-20’s graduated standard Qwest proposes an adjusted volume  
4 criteria based on the benchmark in place at any given time. Initially with a  
5 standard of 97%, Qwest would be allowed a single order in error, where CLEC  
6 volumes are fewer than seventeen orders. (I explain later the basis for calculating  
7 this volume.) When the standard adjusts to 96% the corresponding volume would  
8 be adjusted such that one error would be allowed when volumes are fewer than  
9 thirteen orders. Ultimately, when the standard reaches the permanent level of  
10 95%, Qwest would be allowed one error when volumes are fewer than ten orders.  
11 The standard that should be applied for PAP payment purposes is “no more than  
12 one order with errors.”  
13

14 **Q. DOES NOT THE QPAP IN WASHINGTON ALREADY ADDRESS THIS ISSUE, SUCH AS**  
15 **IN SECTIONS 2.4 AND 7.1?**

16 A. No. While Section 2.4 does clearly reflect the intent of not requiring  
17 100% perfect performance, neither of those sections avoids PO-20 requiring  
18 100% perfect performance in any month. In fact, the lower the per-month CLEC  
19 volume, the more months of perfect performance will be required by Section 2.4.  
20 Specifically, Section 2.4 only extends the time period across which multiple  
21 reporting periods, including the current, may be combined and evaluated against a  
22 benchmark, when volumes in the current period are low. Even under this  
23 approach, a single order with a single error in a given reporting period can cause a  
24 miss of the PO-20 standard. In fact, under Section 2.4, the only way that a single  
25 order error would *not* cause a miss of the PO-20 standard in low-volume

1 conditions is if *all* the other months, which are being used to collect the larger  
2 volumes, experienced perfect performance.

3 As for Section 7.1, its purpose is merely to provide criteria for determining  
4 which measurements are subject to Tier 2 payments, which Qwest does not  
5 propose should apply to PO-20. Among those criteria is a provision limiting Tier  
6 2 payments to measurements that have at least ten data points. While this might  
7 make moot the 100% perfection issue for PO-20 results with fewer than ten data  
8 points, it does not address the issue for results requiring greater order volumes to  
9 avoid requiring 100% perfection.

10  
11 **Q. PLEASE EXPLAIN, MATHEMATICALLY, HOW IT WOULD BE THAT SECTION 2.4**  
12 **COULD REQUIRE MANY MONTHS OF PERFECT PERFORMANCE.**

13 A. First, under the stated intent of Section 2.4 to avoid requiring 100%  
14 perfect performance, the closer the underlying benchmark is to 100% or  
15 perfection, the larger the order volume must be for a single order error to not  
16 count as a miss in any given reporting month. A way to calculate this minimum  
17 volume is to consider what volume of orders, when divided into one allowable  
18 miss, equals the allowable “miss” percentage. In addition, Section 2.4 of the PAP  
19 calls for rounding the allowable miss calculation to the “closest integer.” So, for  
20 example, with a benchmark of 97% (the initial benchmark for the expanded PO-  
21 20), the allowable miss percentage is 3%. Given this, the task is to calculate the  
22 order volume that, when multiplied by 3% and rounded to the nearest integer,  
23 equals 1.0 or more. The rounding aspect of that statement means, in other words,

1 one must calculate the order volume that, when multiplied by 3% is equal to 0.5  
2 (because, any answer to this calculation that is 0.5 or above will round to the 1  
3 allowable miss, since orders are counted only in whole numbers). This is done by  
4 dividing 0.5 by 3% and rounding the result upward (since orders are counted only  
5 in whole numbers). In this case, 0.5 divided by 3% equals 16.67, which rounds to  
6 17. So, 17 orders is the minimum volume for which a single order error would  
7 represent a PO-20 miss of 3% or less. Similarly, for a 96% benchmark, the  
8 minimum volume is 0.5 divided by 4%, or 12.5 orders which rounds to 13; and  
9 for a 95% benchmark, the minimum volume is 0.5 divided by 5%, or 10 orders.  
10 These numbers constitute the volume basis of Qwest's proposal for establishing  
11 the appropriate PO-20 benchmark for PAP purposes.

12 Second, from the above, it follows that the larger the volume required for  
13 a single order error to equal the allowable miss percentage, the more months will  
14 be required to attain that larger volume, according to how low the month to month  
15 volume is. In short, the lower the CLEC order volume, the more months will be  
16 needed for collecting volumes up to the minimum level, which translates to that  
17 many more months of perfect performance that will be required to determine  
18 whether a given single order error, in any given reporting month, will be counted  
19 as a PO-20 miss.

20

21 **Q. WHERE DOES THE CONCEPT OF USING MULTIPLE MONTHS OF DATA TO GET THE**  
22 **LARGER VOLUMES COME FROM?**

23 A. This concept comes from Section 2.4 of the Exhibit K, the PAP, which states:

1 For performance measurements that have no Qwest retail analogue, agreed  
2 upon benchmarks shall be used. Benchmarks shall be evaluated using a  
3 “stare and compare” method. For example, if the benchmark is for a  
4 particular performance measurement is 95% or better, Qwest performance  
5 results must be at least 95% to meet the benchmark. Percentage  
6 benchmarks will be adjusted to round the allowable number of misses up  
7 or down to the closest integer, except when a benchmark standard and low  
8 CLEC volume are such that a 100% performance result would be required  
9 to meet the standard and has not been attained. *In such a situation, the*  
10 *determination of whether Qwest meets or fails the benchmark standard*  
11 *will be made using performance results for the month in question, plus a*  
12 *sufficient number of consecutive months so that a 100% performance*  
13 *result would not be required to meet the standard.* For purposes of  
14 section 6.2, a meets or fail determined by this procedure shall count as a  
15 single month. (emphasis added)

16 Unfortunately, while Section 2.4 makes clear the intent to avoid requiring  
17 100% performance, particularly for low volumes, the fact is that, the lower the  
18 volumes, the more months of perfect performance Section 2.4 requires. Just how  
19 many months would be required depends on how low the volumes are. For  
20 example, at an average monthly volume as low as one order per month, it could  
21 take 17 months to accumulate the minimum volume of 17 orders before the  
22 rounding mechanism of Section 2.4 would yield one allowable miss.

23  
24 **Q. WHAT OTHER PROBLEMS ARE THERE WITH SECTION 2.4, WHICH QWEST’S**  
25 **PROPOSAL FOR LOW-VOLUMES WOULD HELP AVOID?**

26 A. Overall, by not adequately avoiding a requirement of perfection, Section  
27 2.4 will contribute to more months of PO-20 misses, for low volume situations,  
28 than under Qwest’s proposal for low volumes. In turn, this problem could be  
29 exacerbated by the minimum payment provisions of the PAP. Those provisions,  
30 found in Section 6.4, call for Qwest making payments of \$2,000 to each CLEC

1 having less than 1,200 annual orders for each month in which at least one  
2 payment was made on any measurement.

3 Thus, it is entirely possible that, for any number of individual CLECs,  
4 while Qwest could be satisfying other key measurements, such as OP-3, OP-4,  
5 OP-5, etc., it could have a low-volume miss in PO-20 that would trigger a \$2,000  
6 minimum payment for every month so affected. This kind of absurdity for a  
7 isolated order errors can be appropriately avoided by more completely preventing  
8 requirements of 100% perfection in any reporting period, as Qwest's proposal  
9 does.

10

11 **Q. SHOULD NOT PO-20, AS CLECS SUGGEST, BE SUBJECT TO THE SAME**  
12 **REQUIREMENTS AS OTHER PIDS, WHICH HAVE ONLY THE EXISTING PAP**  
13 **PROVISIONS DEALING WITH LOW VOLUMES, LIMITED THOUGH THEY MAY BE?**

14 A. No. One of the reasons for having six-month reviews is to benefit from  
15 the experience gained over that period and consider changes to make  
16 improvements. Qwest's proposal, founded on the principle that it is not  
17 appropriate to require 100% perfect performance in any reporting period,  
18 represents a reasonable improvement. If anything, such improvements also  
19 should be applied to other PIDs, not just PO-20, as Qwest now suggests in  
20 relation to OP-3 for *Line Splitting*, rather than denying improvement simply  
21 because other PIDs do not yet have (or do not need, in some cases) the benefit of  
22 the improvement.

23



1 **Q. HAVE THE CLECs SUGGESTED THAT GIVEN THE LARGE NUMBER OF**  
2 **CLEC LOCAL SERVICE REQUESTS THAT QWEST PROCESSES MANUALLY IN**  
3 **WASHINGTON, IT IS UNLIKELY THAT LOW VOLUME SITUATIONS WILL BE A**  
4 **CONCERN FOR PO-20?**

5 A. Yes, in response to a data request, Eschelon made this statement.<sup>12</sup>

6

7 **Q. IS THIS ACCURATE BASED ON HOW PAP PAYMENTS ARE CALCULATED?**

8 A. No. Under the proposed Tier 1 PAP structure, payments are calculated at  
9 the individual CLEC level on state specific results. A review of the preliminary  
10 May results shows that for the unbundled loop product category, 4 of the 13  
11 CLECs with LSRs that month had fewer than 17 PO-20 eligible LSRs meaning  
12 perfect performance would be required at the 97% standard. Four CLECs had  
13 volumes under 10 indicating that even when the benchmark reaches the 95%  
14 level, some payments to CLECs would be required unless everyone of their orders  
15 were perfect that month. Similarly, for Resale POTS and UNE-P products, 20 out  
16 of 27 CLECs with results in May had volumes under 17 orders. Seventeen out of  
17 27 CLECs were below the 10 orders per month. Thus the low volume perfection  
18 protection provision Qwest seeks represents a real need based on the monthly  
19 order activity for many CLECs.

20

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<sup>12</sup> Eschelon Response to Data Request # 10, prepared by Ray Smith.

1 **Q. PLEASE EXPLAIN THE FINAL DISPUTED ISSUE IN THIS SECTION, NAMELY THE**  
2 **REQUEST BY QWEST TO BE ALLOWED A MEASUREMENT STABILIZATION PERIOD**  
3 **FOR THE NEW MEASUREMENT BEFORE ANY PAYMENT SCHEDULE APPLIES.**

4 A. As explained earlier, implementation of Phase 1 of the revised PO-20 adds  
5 numerous products, fields and field values. The sheer volume of these additional  
6 items requires that Qwest transition from a manual review of service order  
7 samples to an automated review of all eligible service orders; it must at the same  
8 time, align its operational processes to be compatible with this method of  
9 evaluating order accuracy. Also, with Phase 1, Qwest began to report results by  
10 individual CLEC and state, and implemented the safety net provision. All of  
11 these changes required that Qwest create a new set of code and capabilities in  
12 order to report Phase 1. Clearly, this is not a simple process.

13 Development of Phase 1 and the ability to report its results were  
14 dependent upon IMA Release 15.0 which was implemented near the end of April.  
15 Consequently, the first opportunity to gather and test this information was after  
16 the implementation of IMA Release 15.0. In addition, because PO-20 is reported  
17 in arrears and is dependent on OP-5 results and call center data reported up to 30  
18 days following service order completion, Qwest was not even able to validate the  
19 code in its entirety until the May performance results became available during the  
20 week of July 19, 2004, which is more than seventy-five days through the  
21 requested ninety-day “burn in” period.

22 Rather than delay reporting until the measurement validation process is  
23 completed, Qwest proposes a maximum 3 month burn in period during which

1 Qwest would have the opportunity to report May, June, and July results and  
2 evaluate their accuracy before being subject to PAP liability. Following that 3  
3 month burn-in period, results would then be subject to the PAP. Consequently,  
4 the first PO-20 payments, if any are required, would be based on the August  
5 results for Phase 1. It is important to note that PO-20 is a measurement that is  
6 reported in arrears. This is to allow the thirty day period after order completion to  
7 report a problem that should be counted in the PID. This means that the August  
8 performance cannot be evaluated and reported until the October reporting period.

9

10 **Q. WHAT PARTS OF THE MEASUREMENT CALCULATION PROCESS REQUIRE**  
11 **VALIDATION?**

12 A. There are three parts to calculating PO-20. One involves performing the  
13 automated field to field comparison. The second part involves taking information  
14 from the field to field review and determining whether the order is a “met” or a  
15 “miss.” Other data points are considered in determining whether the field to field  
16 mismatch is actually valid. For example, a PIA (or “provider initiated activity”)  
17 is a code indicator placed on the FOC that indicates that it is permissible for a  
18 value on a service order to be different than what has been provided on the LSR,  
19 perhaps because the CLEC has authorized the deviation. In this case, a field to  
20 field review identifying a mismatch is truly not demonstrating an error if the  
21 appropriate PIA value was used when the FOC was returned to the CLEC. The  
22 third part involves ensuring that call center tickets are reported accurately in PO-

1 20, and that double counting is avoided when the service order mismatch is  
2 already captured in OP-5B.

3 Validating the results requires verifying the field to field comparisons and  
4 ensuring that the measurement reporting code has made the correct assumptions  
5 to determine a “met” or “miss,” and confirming that call center tickets are handled  
6 appropriately. There is a significant amount of development work that needs to  
7 be completed before accuracy of the measurement results can be confirmed.

8

9 **Q. IS THIS MEASUREMENT STABILIZATION CONSISTENT WITH THE EXPERIENCE**  
10 **THAT QWEST AND OTHER RBOCs HAVE HAD IN IMPLEMENTING NEW**  
11 **MEASUREMENTS?**

12 A. Yes. I think it is very consistent with our experience in adding and  
13 reporting PIDs. When creating a new PID of any complexity, there are numerous  
14 details that have to be fully addressed. The expanded PO-20 is highly complex.  
15 Qwest and other RBOCs have found a period of time to adjust new code is helpful  
16 in order to avoid reporting results that contain errors and inaccuracies. In many  
17 cases a PID has a six-month diagnostic period for Qwest or the RBOC work out  
18 reporting issues. In the case with PO-20 Qwest is not asking for a six-month  
19 stabilization period; it has only asked for a 3 month period. Our research  
20 concerning the measurement development practices with other RBOCs indicates  
21 that this is standard practice for new measurements throughout the industry.

22

1 **Q. HOW DOES THE MEASUREMENT STABILIZATION PERIOD THAT QWEST SEEKS FIT**  
2 **IN WITH THE PHASED IMPLEMENTATION OF THE EXPANDED PO-20?**

3 A. Qwest has requested up to the same 3 month burn-in period for each of the  
4 PO-20 phases. PO-20 is being implemented in phases due to the complexity of  
5 mechanizing a field to field review. Therefore, Qwest is requesting for each  
6 phase a measurement stabilization period.

7 Phase 1 was implemented with May results in July. PAP payments would  
8 be based on August's results reported in October, three months after May. When  
9 Phase 2 is implemented Qwest would continue to report and pay on Phase 1,  
10 while validating the accuracy of Phase 2.

11 When PO-20 Phase 2 becomes effective in the PAP, Qwest would make  
12 payments, if any are required, on the expanded edit set. The same approach  
13 would be used with Phases 3 and 4.

14  
15 **Q. BUT DOES THIS REQUEST, IF APPROVED BY THE COMMISSION, NOT MEAN THAT**  
16 **CLECS WILL NOT RECEIVE ANY COMPENSATION FOR GENUINE, VALIDATED**  
17 **SERVICE FAILURES MEASURED BY PO-20 FOR THREE EXTRA MONTHS, AND THEN**  
18 **IN PART FOR THREE PERIODS OF THREE MONTHS EACH AS THE LATER PHASES**  
19 **ARE IMPLEMENTED?**

20 A. No. During the implementation of the expanded PO-20, there is not a  
21 period of time when Qwest will not have PAP liability. This is because the  
22 original PO-20 will remain in the PAP and subject to PAP payments, until Phase

1 1 of the expanded PO-20 becomes subject to PAP payments and replaces it. With  
2 regard to Phase 2 and later phases, because there is a “safety net” included in PO-  
3 20, it is somewhat immaterial when these subsequent phases are nominally  
4 implemented. Any problem, whether or not it is covered by a field-to-field  
5 comparison, can be reported by the CLEC up to 30 days after order completion  
6 and the error will be counted in the calculation of PO-20.

7

8 **Q. IF QWEST WERE NOT REQUIRED TO PAY INTEREST ON THE PAYMENTS THAT**  
9 **WOULD OTHERWISE BE DUE TO CLECS FOR GENUINE, VALIDATED SERVICE**  
10 **ERRORS MEASURED BY PO-20 DURING THE STABILIZATION PERIOD, HOW**  
11 **WOULD QWEST BE UNFAIRLY HARMED BY BEING REQUIRED TO PAY FOR SUCH**  
12 **CUMULATIVE ERRORS AT THE END OF THE STABILIZATION PERIOD?**

13 A. Not paying interest on the payments would be only a tiny aspect of the  
14 total issue. Similarly, it would not be fair to require Qwest to make payments  
15 based on results that have not been validated and not permit Qwest to earn interest  
16 on money that is ultimately found not to have been owed. But that is also a  
17 relatively small portion of the total issue.

18 The larger issue involves the unrecoverable dimensions that could arise,  
19 relating to (1) the confirmation of data processing configurations that cannot be  
20 fully validated in a recoverable manner and (2) aligning Qwest’s operational  
21 processes to be compatible with the performance standards represented by the  
22 expanded PO-20 without some period of experience with actual data reporting in  
23 the real-world environment. One thing the 271 OSS test process taught us and

1 everyone involved, was that a period of real-world “burn-in” is the only way some  
2 problems in new measurements and significantly-changed measurements can be  
3 found. Where such problems must be solved by fixes that cannot be re-run, or  
4 where operational processes have compatibility issues that cannot be re-done after  
5 being resolved, only a burn-in period can help address these situations.

6

7 **Q. HAVE ANY STATE COMMISSIONS IN QWEST’S 14-STATE REGION FOUND THE**  
8 **“BURN IN” PERIOD APPROPRIATE FOR THE NEW EXPANDED PO-20?**

9 A. Yes. The Colorado Public Utilities Commission appointed an Independent  
10 Monitor to review the PO-20 disputed issues. The Independent Monitor order  
11 issued on April 28, 2004 and upheld by the Colorado PUC found that:  
12 “...it is appropriate for Qwest to have some time to test the measurements  
13 examined under PO-20 (*i.e.*, “burn-in” period).<sup>13</sup>

14 The Independent Monitor established an implementation schedule  
15 formalizing a three month burn in period for each Phase in Colorado.

16

17 **Issue 5: Changes That Need to be Made to the QPAP for LTPA Agreements and for**  
18 **the new PO-20.**

19 **Q. WHAT CHANGES SHOULD BE MADE TO THE QPAP FOR LTPA AGREEMENTS**  
20 **AND TO REFLECT THE REPLACEMENT OF THE EXISTING PO-20 WITH THE**  
21 **EXPANDED PO-20?**

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<sup>13</sup> DOCKET NO. 02M-259T, Order of the Independent Monitor Concerning Performance Indicator Definition PO-20 – Manual Service Order Accuracy, paragraph 23, Page 9

1 A. Section 7.4 and Attachment 1 should be changed to read as set forth in Ex.  
2 DWB 5 attached to this testimony to reflect the replacement of the existing PO-20  
3 in Exhibit B-1 with the new PO-20 in Exhibit B, under the coordinated schedule I  
4 have previously described. The parties appear to agree that no other changes to  
5 the QPAP to account for agreed changes to PIDs resulting from the LTPA, are  
6 required.

7

8 **Issue 6: Should Qwest be Required to Publish Aggregate Payments by PID and**  
9 **Product under QPAP?**

10

11 **Q. WHAT IS ISSUE NO. 6 OF WASHINGTON’S SECOND 6-MONTH PERFORMANCE**  
12 **ASSURANCE PLAN (PAP) REVIEW FINAL ISSUES LIST?**

13 A. Issue No. 6 is titled, “Should Qwest be required to publish its aggregate  
14 payments under QPAP?”

15

16 **Q. DOES THIS ISSUE RELATE IN ANY WAY TO THE REVIEW OF PERFORMANCE**  
17 **MEASUREMENTS TO DETERMINE WHETHER THE APPLICABLE BENCHMARK**  
18 **STANDARDS SHOULD BE MODIFIED OR REPLACED BY PARITY STANDARDS, OR**  
19 **WHETHER TO MOVE A CLASSIFICATION OF A MEASUREMENT TO HIGH, MEDIUM**  
20 **OR LOW OR TIER 1 TO TIER 2?**

21 A. Not at all.

22



1 **Q. IS IT YOUR UNDERSTANDING THAT THE PURPOSE OF THE SECTION 16.0 SIX**  
2 **MONTH REVIEW IS TO CONSIDER ANY AND ALL ISSUES HAVING ANY**  
3 **RELATIONSHIP TO THE QPAP?**

4 A. No. My understanding, based on the plain language of Section 16.0, is  
5 that only the specific topics in the prior question are to be considered at these  
6 reviews. The other topics may be considered, as I understand it, if they are  
7 relevant, in the biennial reviews.

8  
9 **Q. IN ORDER TO CLARIFY WHAT IS AT ISSUE, SHOULD THE COMMISSION**  
10 **DETERMINE NONETHELESS TO CONSIDER THIS QUESTION, WHAT REPORT**  
11 **CATEGORIES ARE USED IN ADMINISTERING WASHINGTON'S PAP AND**  
12 **PERFORMANCE REPORTING OBLIGATIONS?**

13 A. There are PID and PAP payment reports. Both categories are prepared on  
14 an individual CLEC and an aggregate State basis. The PID Report is also  
15 prepared on a regional basis.

16  
17 **Q. CAN YOU COMPARE AND CONTRAST PERFORMANCE REPORTS WITH PAP**  
18 **PAYMENT REPORTS?**

19 A. Yes. Starting with performance reports first, performance reports are  
20 produced on an aggregate basis by state, and for each individual CLEC. The  
21 reports allow CLECs to compare their unique monthly results with Qwest's  
22 analogous retail results (i.e. a parity comparison), or to benchmarks. A copy of a  
23 recent CLEC aggregate performance report is attached as Exhibit DWB-2.

1 **Q. DOES NOT QWEST REPORT AGGREGATE MONTHLY PERFORMANCE RESULTS TO**  
2 **THE COMMISSION AND PUBLIC COUNSEL, AND POST THOSE RESULTS TO A**  
3 **PUBLIC WEBSITE?**

4 A. That is correct. In accordance with PAP Section 14.2,  
5 Qwest will also provide paper and electronic copies of monthly  
6 reports of aggregate CLEC performance results to the Commission  
7 and Public Counsel pursuant to the PAP by the last day of the  
8 month following the month for which performance results are  
9 being reported. .. Qwest will make the State aggregate CLEC  
10 performance results available to the public on its website.<sup>14</sup>  
11

12 **Q. WHAT PAP PAYMENT REPORTS DO CLECS RECEIVE?**

13 A. CLECs receive reports showing how their PAP payments were calculated  
14 based on individual monthly results. Exhibits \_\_\_\_ (DWB-4-1) (Summary) and  
15 \_\_\_\_ (DWB-4-2) (Detail) are examples of a typical CLEC report. In this case, the  
16 Exhibits' results were deleted in order to protect that individual CLEC's  
17 confidential information.  
18

19 **Q. DOES QWEST REPORT AGGREGATE PAYMENTS BY PID AND PRODUCT TO THE**  
20 **WUTC TODAY, AS STAFF HAS STATED?**

21 A. No. The WUTC receives the aggregate state report that shows monthly  
22 PAP payments by major PID category, not at the PID/Product level of detail. See  
23 Exhibit \_\_\_\_ DWB-3.

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<sup>14</sup> In its Notice of Modification of SGAT filed June 25, 2004, Qwest proposed to change this provision to require only electronic copies for Public Counsel. Eschelon and MCI have commented that they oppose this change, and request that it be resolved in this six month review. Qwest was unaware that any party objected to this change, which Qwest made at the request of Public Counsel, and the CLECs' comments do not disclose the basis of their objection. Qwest will respond to the grounds of this objection when the CLECs state them in testimony.

1 **Q. WHAT ARE CLECS REQUESTING THAT IS DIFFERENT FROM WHAT QWEST**  
2 **ALREADY REPORTS TODAY?**

3 A. Although not explicitly stated in Eschelon's initial data request responses,  
4 subsequent discussions about the wording of the final issues list indicate that  
5 CLECs advocate reporting aggregate PAP payments at the level of detail shown  
6 in both aggregate PID performance reports and individual CLEC reports (e.g.  
7 DWB-2 and DWB-4-2, respectively).<sup>15</sup> Thus, the CLECs seek reports of  
8 aggregate PAP payments for each PID, as that PID relates to each product. In that  
9 context, Eschelon's responses to Qwest's data request 3 which sought the CLECs'  
10 reasons for seeking this report can be broken down into the following CLEC  
11 advocacy (MCI and Covad reiterated some of these points in their responses to  
12 Qwest's data requests as their reasons for seeking these reports):

- 13
- 14 1. Qwest may be suggesting that aggregate reports should not be produced  
15 unless not doing so affects a CLEC's ability to compete. This is not the  
16 standard that should be used to determine whether aggregate reports should be  
17 produced. Aggregate PID reports and aggregate PAP reports raise no  
18 confidentiality issues and should be publicly available.
  - 19 2. CLECs receive only individual PAP payment reports for Tier 1  
20 measurements. CLECs have no visibility into payments made by Qwest for  
21 failure of Tier 2 measurements.

22

- 1           3. CLECs have no information on Qwest's aggregate payments to CLECs for  
2           Tier 1 measurements.
- 3
- 4           4. The ability to compete is impacted by not having access to aggregate  
5           information. Through reviewing aggregate payment reports, if a CLEC upon  
6           receiving a PAP payment was able to identify that no other CLEC received  
7           payments for that measurement, the information could be used as a root cause  
8           of poor performance.
- 9
- 10          5. Section 15.5 of the PAP states that any party may petition the Commission to  
11          require Qwest to determine the cause for repeated failure of Tier 2  
12          measurements. Without publicly available Tier 2 payment information,  
13          CLECs currently must rely only on their own Tier 1 payment reports to  
14          request investigations. The availability of Tier 2 information would assist  
15          parties in determining whether to request an investigation.
- 16
- 17          6. Because CLECs have not seen aggregate payment reports, there may be  
18          additional uses of the reports that will become apparent once the information  
19          is available.

20

21   **Q.     WILL YOU RESPOND TO THE ABOVE?**

22   A.           Yes. I will comment on each item in the sequence shown above.

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<sup>15</sup> Exhibit (DWB 4-2) is normally provided to CLECs only in electronic form. The number of columns and rows on this exhibit demonstrate the level of detail that Qwest already provides concerning its

1 **Q. ESCHELON STATES THAT WHETHER NOT PRODUCING AGGREGATE REPORTS**  
2 **AFFECTS A CLEC’S ABILITY TO COMPETE IS NOT THE STANDARD FOR THIS ISSUE**  
3 **AND THAT, “... AGGREGATE PID REPORTS, AGGREGATE PAP REPORTS RAISE**  
4 **NO CONFIDENTIALITY ISSUES AND SHOULD BE PUBLICLY AVAILABLE.” DO YOU**  
5 **AGREE?**

6 A. No. First, the QPAP is a voluntary agreement that the Commission  
7 approved under the standard that it serves to deter “backsliding” by Qwest and  
8 maintain open markets and require Qwest to act if its service is unreasonable or  
9 would stifle competition in the state.<sup>16</sup> Eschelon therefore is wrong in denying  
10 that whether a new requirement is necessary to enable CLECs to compete is the  
11 standard that should be used, if the Commission considers this issue at all.

12 Second, the high level State aggregate Tier 1 and Tier 2 PAP payment  
13 reports, referred to above, are already publicly available. The high level report  
14 raises no confidentiality issues. On these reports, PAP payments are aggregated  
15 into major PID categories rather than at the detailed PID Product level being  
16 requested by the CLECs. At a minimum, CLECs are requesting that Qwest be  
17 required by the Commission to develop an entirely new PAP payment report. If it  
18 is not the case, as Eschelon claims in its response to Qwest’s data request, that  
19 whether requiring this new report is necessary to enable CLECs to compete is the  
20 standard, then the CLECs have offered no reason for this request other than their  
21 claim that the aggregate information is not confidential. The problem with that  
22 position is that the aggregate payment information by product is not gathered,

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performance under the QPAP.

1 whether or not it is confidential. This issue is whether Qwest should be  
2 compelled to gather and report this information on the basis that the new  
3 requirement is necessary to some proper objective under the Act.

4

5 **Q. IS ESCHELON REQUESTING A NEW REPORT CONTAINING AS MUCH DETAIL AS**  
6 **EXHIBITS \_\_\_\_ (DWB-2) AND \_\_\_\_ (DWB- 4-2), RESPECTIVELY?**

7 A. Yes. Eschelon stated in its response to Qwest's data request 3 that one of  
8 the proposed report's uses could be root cause analysis. If that is correct, an  
9 entirely new report would have to be developed to expand and duplicate  
10 information already provided CLECs in Exhibit \_\_\_\_ (DWB-2). It makes no  
11 sense to, in effect, provide the same performance results information to CLECs a  
12 second time. For example, a single Washington April 2004 aggregate  
13 performance report (Exhibit \_\_\_\_ (DWB-2)) was 342 pages long. As discussed  
14 below, the performance reports which Qwest currently provides give CLECs the  
15 information necessary to initiate root cause analysis.

16

17 **Q. WOULD PRODUCING AGGREGATE PAP PAYMENT REPORTS AT THIS DETAIL**  
18 **LEVEL RAISE ANY CONFIDENTIALITY ISSUES?**

19 A. Yes, it could. Because PID and product reporting is disaggregated to such  
20 a low level, State Aggregate reported amounts can in fact, consist of only one or  
21 two CLECs' results. In such cases, order volumes, products and geographic  
22 zones for selected CLECs could be deduced.

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<sup>16</sup> *In the Matter of the Investigation into U S WEST Communications' Compliance with Section 271 of the Telecommunications Act of 1996*, Thirtieth Supplemental Order, at para. 37.

1 **Q. THE CLECs ALLEGE THAT THEY HAVE NO VISIBILITY INTO PAYMENTS MADE BY**  
2 **QWEST FOR FAILURE OF TIER 2 MEASUREMENTS. SIMILARLY, THEY ALLEGE**  
3 **THAT THEY HAVE NO INFORMATION ON QWEST'S AGGREGATE PAYMENTS TO**  
4 **CLECs FOR TIER 1 MEASUREMENTS. DO YOU WANT TO COMMENT?**

5 A. Yes. This CLEC claim is not correct. Exhibit \_\_\_\_ (DWB-3), provided in  
6 response to CLEC Item 1, clearly shows State aggregate Tier 1 PAP payments  
7 and separately, Tier 2 PAP payments. Such results are provided to the  
8 Commission and Public Counsel every month and are available to CLECs.

9  
10 **Q. WHAT, IF ANYTHING, IS THE SIGNIFICANCE OF THE FACT THAT INDIVIDUAL**  
11 **CLECs HAVE NO INFORMATION ON QWEST'S AGGREGATE PAYMENTS TO**  
12 **CLECs FOR TIER 1 MEASUREMENTS BY PRODUCT?**

13 A. None. Each month CLECs receive aggregate and individual performance  
14 information by PIDs and individual products. Receiving additional reports  
15 showing aggregate Tier 1 PAP payments below major PID categories adds no  
16 significant benefit to what is already received for reviewing Qwest's wholesale  
17 performance.

18  
19 **Q. ESCHELON STATED IN RESPONSE TO QWEST'S DATA REQUEST 3 THAT ITS**  
20 **ABILITY TO COMPETE IS IMPACTED BY NOT HAVING ACCESS TO AGGREGATE**  
21 **INFORMATION. IF, IN ITS EXAMPLE, AFTER REVIEWING AGGREGATE PAYMENT**  
22 **REPORTS, A CLEC DISCERNED THAT NO OTHER CLEC BESIDES ITSELF**  
23 **RECEIVED PAYMENTS FOR THAT MEASUREMENT, THE INFORMATION**

1           **SUPPOSEDLY COULD BE USED TO PERFORM A ROOT CAUSE ANALYSIS OF THE**  
2           **SOURCE OF POOR PERFORMANCE OR IDENTIFY DISCRIMINATORY TREATMENT**  
3           **FROM QWEST. DO YOU AGREE THAT THESE CLAIMS ARE A REASON TO REQUIRE**  
4           **QWEST TO CREATE THE NEW REPORT SOUGHT BY THE CLECs?**

5           A.           No. First, Eschelon states in its response to Qwest data request 3 without  
6           qualification that the absence of the desired reports affects its ability to compete  
7           (after having denied that this issue is relevant earlier in the same response) and  
8           then it supports this claim with a hypothetical. Second, PAP payments are based  
9           on performance. CLECs already receive aggregate performance information at  
10          the PID/Product detail level for which Eschelon is now requesting for PAP  
11          Payment reports, as well as their own individual company report. A CLEC does  
12          not need additional aggregate PID/Product level PAP payment information to  
13          determine that no other CLEC suffered performance failures for a specific  
14          product, in the situation Eschelon has hypothesized. CLECs have the  
15          performance information which allows them to determine whether the  
16          discrimination assumed in Eschelon's hypothetical does in fact exist, or to  
17          perform a root cause analysis of any performance failures. The payment  
18          information adds nothing to the data that is necessary for either analysis.

19  
20          **Q.           IS ADDITIONAL PUBLICLY AVAILABLE INFORMATION NECESSARY TO DETERMINE**  
21          **WHETHER A CLEC SHOULD REQUEST A TIER 2 INVESTIGATION?**

22          A.           No. Contrary to Eschelon's allegations, CLECs already have access to  
23          sufficient Tier 2 payment and performance information to determine whether Tier



1 2 investigations are necessary. See Exhibits \_\_\_\_ (DWB-2) and \_\_\_\_ (DWB-3) as  
2 examples.

3

4 **Q. SHOULD ADDITIONAL REPORTS BE ADDED TO QWEST'S REQUIREMENTS UNDER**  
5 **THE QPAP WHEN THERE IS NO INDICATION THAT THOSE REPORTS WILL**  
6 **ENHANCE CLEC'S ABILITY TO COMPETE WITH QWEST OR DETER BACKSLIDING**  
7 **BY QWEST?**

8 A. No. Qwest must provide wholesale service to its competitors at parity  
9 with that which it provides itself, or with respect to specific benchmarks,  
10 depending on the measurement or the product. As discussed above, CLECs  
11 already receive the information necessary that allows them to determine whether  
12 that requirement is met.

13

14 **Q. WOULD THIS NEW REQUIREMENT BE BURDENSOME IF IMPOSED ON QWEST?**

15 A. Yes. The current PAP state aggregate report summarizes monthly PAP  
16 payments into a matrix of approximately 35 high level PIDs (rows) and Tier 1,  
17 Tier 2 and Total (columns). The CLECs' proposal requires developing an entirely  
18 new PID/Product report that would be over 600 rows long. The number of rows  
19 would increase and decrease as products are added and removed. The proposed  
20 report's number of columns is unknown as CLECs have stated multiple uses for  
21 the report. An unreasonable level of manual intervention would be required to  
22 maintain a report that is variable in length, with an undefined number of columns.  
23 Furthermore, the CLEC proposed report would be unique to Washington.

1 **Q. ACCORDING TO ESCHELON, “BECAUSE CLECS HAVE NOT SEEN AGGREGATE**  
2 **PAYMENT REPORTS, THERE MAY BE ADDITIONAL USES OF THE REPORTS ... ”**  
3 **WOULD YOU CARE TO COMMENT?**

4 A. Yes. State and CLEC high level aggregate payment reports are provided  
5 monthly to the Commission and Public Counsel. These reports are available to  
6 CLECs. See Exhibit \_\_\_\_ (DWB-3). Any additional uses for detailed aggregate  
7 PID/Product level PAP payment reports are purely speculative. This is especially  
8 true in light of the detailed level of performance results CLECs already receive.

9  
10 **Q. HAS THERE BEEN A CHANGE IN CIRCUMSTANCES SINCE THE COMMISSION**  
11 **APPROVED THE QPAP WITHOUT THE REQUIREMENT FOR THE AGGREGATE**  
12 **PAYMENT REPORT THE CLECS SEEK, THAT WOULD JUSTIFY IMPOSITION OF**  
13 **THIS REQUIREMENT OVER QWEST’S OBJECTION?**

14 A. No. The CLECs have not brought forward an actual event that would  
15 necessitate mandating Qwest to create an entirely new reporting requirement.

16

17 **Issue 7: Should a Low Volume Exception Exist for OP-3 for *Line Splitting*?**

18

19 **Q. REGARDING THE MATTER OF THE LOW VOLUME TREATMENT FOR OP-3 FOR**  
20 ***LINE SPLITTING*, WHAT IS THE ISSUE AT HAND?**

21 A. The issue is whether it is appropriate to apply a standard to OP-3, as  
22 CLECs suggest, that requires 100% perfect performance in any reporting period.  
23 Qwest asserts that, in a PAP with self-executing payment mechanisms, such a

1 standard is not appropriate and, instead, proposes a benchmark structure for PAP  
2 purposes that avoids this problem.

3

4 **Q. WHAT IS QWEST’S PROPOSAL REGARDING THE OP-3 LOW VOLUME EXCEPTION**  
5 **FOR *LINE SPLITTING*?**

6 A. Based on OP-3’s overall standard for *Line Splitting* of 95%, Qwest  
7 proposes that, where CLEC volumes are fewer than 10 orders, the standard that  
8 should be applied for PAP payment purposes is “no more than one order missing  
9 its commitment.” (The volume of 10 comes from the same calculations I  
10 explained earlier in our proposal for PO-20.)

11

12 **Q. DOESN’T THE QPAP IN WASHINGTON ALREADY ADDRESS THIS ISSUE, SUCH AS**  
13 **IN SECTIONS 2.4 AND 7.1?**

14 A. No. For the reasons stated above in the section on Qwest’s request for a  
15 similar exception for PO-20, neither of those sections would avoid OP-3 requiring  
16 100% perfect performance for *Line Splitting* in any reporting month.

17

18 **Q. SHOULD NOT OP-3 FOR *LINE SPLITTING*, AS CLECS SUGGEST, BE SUBJECT TO**  
19 **THE SAME REQUIREMENTS AS OTHER PIDS, WHICH HAVE ONLY THE EXISTING**  
20 **PAP PROVISIONS DEALING WITH LOW VOLUMES, LIMITED THOUGH THEY MAY**  
21 **BE?**

1 A. No. One of the reasons for having six-month reviews is to benefit from  
2 the experience gained over that period and consider changes to make  
3 improvements. Qwest's proposal, founded on the principle that it is not  
4 appropriate to require 100% perfect performance in any reporting period,  
5 represents a reasonable improvement. If anything, such improvements also  
6 should be applied to other PIDs, not just OP-3 for *Line Splitting*, as Qwest also  
7 suggests in relation to PO-20, rather than denying improvement simply because  
8 other PIDs do not yet have (or do not need, in some cases) the benefit of the  
9 improvement.

10

11 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

12 A. Yes.