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Fourth Report on Qwest Performance Measure Data Reconciliation - Washington

I. Introduction

The Liberty Consulting Group *(Liberty)* is performing for the ROC a "data validation to resolve any debates concerning the accuracy of performance data emanating from particular ROC PIDs." (ROC Change Request #20.) Certain CLECs have expressed concerns about the accuracy of Qwest's reported performance results as they relate to service that they have been receiving. The ROC decided to conduct this data reconciliation work in order to test those concerns. The data reconciliation process was designed to determine whether any of the information provided by CLECs demonstrated inaccuracies in Qwest's reported performance results as these measures were defined in the PID. The detailed process has been discussed in prior reports and has not been repeated here. Liberty issued its first data reconciliation report, which used data from Arizona, on December 3, 2001. The second report on data from Colorado was issued on January 3, 2002, and on January 28, Liberty issued the third report, which provided the results of the review of data from Nebraska. On February 2, 2002, Liberty issued an update to the Colorado report, which provided the status of observations and the exception issued as a result of all of the data reconciliation work.

The scope of the data reconciliation work using information from the state of Washington included: (1) AT&T's LIS trunk orders, and performance measures PO-5, OP-3, OP-4, OP-6, and OP-15, and (2) Covad's line-sharing and unbundled loop orders, and performance measures PO-5 and OP-4.

This report provides a summary of the results of the reconciliation of data from Washington. Detailed, confidential spreadsheets will be sent to Qwest and individually to AT&T and Covad. The report also updates the status of the observation reports issued as a result of earlier data reconciliation work.

II. Overall Summary of Findings

For Covad orders in Washington, Liberty found a significant number of problems with Qwest's performance measure reporting. However, these were all the same problems that had been identified in earlier data reconciliation work and documented in observation reports. There were only a very small number of records for which Liberty concluded that Qwest's treatment for performance measures were incorrect and that did not fall under one of the previously identified issues.

For a large number of Covad's unbundled loop orders, Liberty found that while Qwest's treatment of the order for OP-4 was correct, Qwest's processes or procedures differed from those used in other states and differed from that previously described to Liberty. More specifically, Qwest had indicated that the service order miss code (SOMC) field was only populated in cases where the due date had been missed. For the Washington data, however and unlike other states, Liberty found customer-caused miss codes entered for orders in which the due date had been met. Liberty is investigating this matter as part of the resolution of Observation 1031. [AT&T Comment – Miss codes whether they are customer-caused or Qwest-caused must be manually entered by a Qwest representative. Did Liberty evaluate whether the problem might be that the completion date or due date was incorrect and the order actually was a missed commitment?]

For AT&T, Liberty also found significant problems with some of Qwest's performance reporting. In the case of AT&T, however, Liberty identified two causes of some of these problems that had not previously been found. In some instances, Qwest improperly excluded from the OP measures re-termination orders (orders to move a LIS trunk from an old Qwest switch to its replacement). This matter has been documented in Observation 1036. [AT&T Comment – What did Liberty find in its analysis of whether this problem also occurred or could occur in Arizona, Colorado, or Nebraska?] In several other cases, Liberty found that Qwest included orders in OP-15 when it should not have because AT&T had caused a delay. Pending orders delayed due to customer reasons are to be excluded from OP-15. This matter will be investigated as part of open Observation 1031. The remainder of the problems related to issues already identified in earlier data reconciliation reports.[AT&T Comment: Liberty has also identified a new issue related to the handling of "cross boundary" LIS orders in performance measurements that should be presented in the overall summary. "Cross boundary" orders for purposes of this reconciliation are for interconnection trunks that originate from an AT&T switch in Oregon and terminate in a Qwest switch in Washington. Depending on the performance being measured, some cross boundary trunk performance was found to be measured in Oregon and for the same cross boundary trunk some performance was found to be measured in Washington. Although Liberty has determined that there is no specific PID language to cover cross boundary LIS Performance, measurement of the same trunks in both Oregon and Washington is destined to become a regulatory issue in the future requiring a jurisdictional resolution.]

III. Results of Data Reconciliation – Covad

Liberty examined a large (well over 300) sample of Covad line-sharing orders for reconciliation to OP-4, installation interval. Qwest and Covad agreed on the numerator and denominator for 24 percent of the orders. For 53 percent of the orders examined, Liberty concluded that Qwest properly treated the order in the performance measure, that Covad's information did not show that there was anything wrong with Qwest's treatment, or that the information from Qwest and Covad conflicted so as to prevent reconciliation.

Liberty found that Qwest was incorrect on 23 percent of the line-sharing orders. With one exception, these consisted of retail orders reported under wholesale results (Observation 1026), orders reported complete a second time in a different month (Observation 1027), and orders not reported because the CLEC designation was "unknown" (Observation 1029). These three observations have been closed. The one Qwest error that did not fall under these previously defined issues was one in which there were several applications and rejections followed by a customer cancellation before the service had been installed.

Liberty also examined a large (nearly 200) sample of Covad unbundled loop orders for reconciliation to OP-4. For 57 percent of the sample, Qwest and Covad agreed on the numerator and denominator. For 39 percent of the orders examined, Liberty concluded that Qwest properly treated the order in the performance measure, that Covad's information did not show that there was anything wrong with Qwest's treatment, or that the information from Qwest and Covad conflicted so as to prevent reconciliation.

Liberty found that Qwest was incorrect on 4 percent of the unbundled loop orders. These errors consisted of previously defined matters such as those documented in closed observations 1027, 1032, and 1033. Liberty found one order for which Qwest incorrectly included a duplicate order for the same purchase order.

Finally, Liberty examined a large (nearly 300) sample of line-sharing orders for reconciliation to PO-5, timeliness of Firm Order Confirmations. Qwest and Covad agreed on the numerator and denominator for 21 percent of the records. For 51 percent of the records, Liberty concluded that either Qwest was correct, Covad did not show that Qwest was incorrect, or that the records were inconsistent and no conclusion could be reached

Liberty concluded that Qwest was incorrect on 28 percent of the PO-5 records. Most of these (23 percent of the total) were cases in which Qwest's records did not include the state code (Observation 1030). Liberty closed this observation as documented in the last section of this report. During the month of May only, Qwest incorrectly treated a few (about 4 percent of the total) orders because it classified the order as having a non-standard interval (Observation 1034). This observation has also been closed. The other 1 percent of the records that Liberty marked as Qwest being incorrect involved orders in which Covad's records supported its position and Qwest's did not.

IV. Results of Data Reconciliation – AT&T

Liberty found that Qwest was correct, or not shown to be wrong, on 78 percent of the orders in OP-3. For 12 percent of the orders, Qwest was incorrect because of the re-termination issue that is discussed below under Observation 1036. Problems with jeopardy coding (discussed in Observation 1031) accounted for 8 percent of the orders, and the remaining 2 percent due to Qwest having inadequate support for its position. The results for OP-4 generally followed those for OP-3.

For OP-6, Qwest was correct, or not shown to be wrong, on 42 percent of the orders. The re-termination issue (Observation 1036) accounted for 50 percent of the orders and improper jeopardy coding (Observation 1031) accounted for 8 percent.

For OP-15, Liberty found that Qwest was correct on 8 percent of the orders, the re-termination issue (Observation 1036) accounted for 33 percent of the orders, and, for 59 percent, Qwest included orders for which AT&T caused the delay (Observation 1031).

Finally, for PO-5, Liberty did not find any problems with Qwest's treatment of the records.

V. Status of Observations and Exceptions

Exception 1046

Exception 1046 reported a programming problem that affected OP-15 and designed service products. Liberty previously closed this exception report.

Observation 1026

Observation 1026 identified retail orders that were being included in performance reports as wholesale orders. Liberty found that performance measures from July 2001 and forward were free of this problem and previously closed this observation report. [AT&T Comment – Qwest had asserted in its response to this observation that "the December 2001 release corrected the results for all months in 2001. Liberty's findings to the contrary and Qwest's subsequent acknowledgement that it couldn't correct results prior to July of 2001 point out the peril in accepting Qwest's assertions at face value and demonstrate the wisdom of actually verifying that Qwest's fix did indeed produce the intended effect.]

Observation 1027

Observation 1027 identified various orders that were included and counted in more than one month. Previously Liberty reported that it had reviewed the data files and the revised code provided by Qwest, confirmed that the problem had been resolved, and considered the observation to be closed.

Observation 1028

Observation 1028 reported that there was a significant error rate (about 15 percent) in the mean-time-to-repair (MTTR), or repair duration, used by Qwest in calculating its MR-6 measure for AT&T in Nebraska. In its earlier reconciliation work, Liberty found that Qwest's overall error rate of about 3 percent in Arizona, when viewed alone, was within the range of a reasonable human error rate. However, when Arizona and Nebraska results were combined, the error rate was 6.5 percent, which in Liberty's opinion could be problematic.

To obtain additional data on the nature and frequency of errors, Liberty conducted an analysis of AT&T trouble tickets in Oregon. Liberty found an error rate of 6.5 percent, the same as the combined results from Arizona and Nebraska. Liberty had also requested information on Qwest's compliance review and coaching programs to ascertain whether such programs could be effective. Materials provided by Qwest included checklists of areas to be examined during the semi-annual reviews, with areas to record expectations, findings, and recommendations. These checklists encompassed a broad range of areas, including such topics as handoff of tickets to the central office, proper billing and rebate coding, sufficiency of work force, and valid no access

time used on tickets. Qwest also provided ticket review worksheets and process guides on various aspects of trouble ticket administration.

Liberty's general assessment of the material was that the compliance reviews and coaching programs did not appear to be of the scope and focus that would minimize significantly the kind of errors found during data reconciliation. During its analysis, Liberty had found that the errors in MTTR were generally due to improper handling of "no access" time and improper ticket restoring and closing procedures. These errors were made by both customer technicians and by "scrubbers," the administrative technicians responsible for verifying and reconciling ticket histories. Qwest's compliance reviews and coaching programs were simply not geared to focus on these troublesome areas.

Qwest subsequently provided Liberty with additional information describing recent training programs and review efforts geared towards further improving the handling of trouble tickets. A focused training process was completed in January 2002. All Design Service Center Directors, Administrative Technicians, and Customer Communication Technicians received additional training and documentation on guidelines for handling no access time and for providing information to customers as part of the ticket restoration process. In addition to the sampling and coaching programs that had been in place, Qwest implemented an audit process where each Design Service Center manager is now responsible for verifying repair process adherence.

While Liberty expects that the renewed focus on methods and procedures should work to reduce the error rate in MTTR, it cannot substantiate those effects at this time. [AT&T Comment – AT&T does not understand why Liberty "cannot substantiate those effects at this time." It would appear that Qwest's newly implemented audit process could have easily been reviewed and interviews could have been conducted with Design Service Center Managers. Qwest should have evidence of Design Service Center Managers verifying repair process adherence. If Qwest truly completed a thorough and comprehensive effort to minimize the human error in assigning "no access," restoral and closure times in January of 2002, then efforts to substantiate the effects of those alleged improvements could have been conducted during at least the entire month of February. Why did Liberty conclude that it could not substantiate the effects of Qwest's recent training programs and review efforts? Given that Liberty found the human error rate associated with MTTR results was, "significant," "problematic" and outside "the range of a reasonable human error rate" it would seem critical that Liberty substantiate the effects of Qwest's recent changes rather than postponing any evaluation until future monitoring work that could be at least six months away. AT&T believes that because Liberty did not substantiate the effects of Qwest's recent changes, it was premature and inappropriate for Liberty to have closed this observation. As Liberty found out when Qwest described coaching and compliance programs that Liberty concluded "did not appear to be of the scope and focus that would minimize significantly the kind of errors found during data reconciliation" and in Observation 1026, Qwest's assertion that a problem has been corrected was found to be less than true once Liberty verified Qwest's assertion.

Even if one were to make the questionable assumption that Qwest's January 2002 process changes were 100% effective, this observation provides no guidance to the Commissions as to what should be done with the maintenance and repair results prior to January 2002. There is no evidence that Qwest attempted to correct the maintenance and repair results that were affected by the excessive rate of human error. Recent Qwest advocacy at the state level is relying upon

maintenance and repair results from October 01, November 01, December 01 and January 02. Is it Liberty's conclusion that Qwest's October 2001 through January 2002 results involving maintenance and repair measurements have a quantity of errors that are "significant," "problematic" and outside "the range of a reasonable human error rate?" Closing this observation because of changes that Qwest made in January 2002 that might or might not reduce the rate of human error for maintenance and repair results after January 2002 does not provide the Commissions much guidance. What advice and guidance does Liberty offer to Commissions as they are reviewing Qwest's maintenance and repair results in months that did not benefit from the alleged improvement steps that Qwest completed in January of 2002?] Liberty therefore recommends that the error rate be the subject of any future monitoring work. Liberty is satisfied that Qwest has taken positive steps to reduce the level of errors found during the data reconciliation work, and considers this observation closed.

Observation 1029

Observation 1029 noted the exclusion of certain CLEC line-sharing orders because the CLEC was unknown. Liberty evaluated Qwest's solution to the problem, confirmed that the improperly excluded orders were included, and, as previously reported, considered the observation to be closed. [AT&T Comment – Liberty's analysis as described in the Disposition Report appeared to focus exclusively on a "work around" solution that Qwest employed until a permanent solution was implemented in December of 2001. The addition of the new detail field in PANS appears to be the permanent fix. Was Liberty able to substantiate the effectiveness of the permanent fix?]

Observation 1030

Observation 1030 noted that Qwest failed to report a number of Covad's Firm Order Commitment *(FOC)* records because the state code was not automatically logged for those transactions. Qwest acknowledged that there was a problem. However, Qwest stated that only a small percentage of the transactions were not recorded. Qwest indicated that the issue was caused by a code break in EDI 6.0 related to unbundled loop processing. Qwest also indicated that affected customers were moved off EDI 6.0 in August and September and EDI 6.0 was retired in December 2001, so the problem with EDI 6.0 has been addressed with the new technology. For those records that are not properly logged with the new technology, Qwest will run an *ad hoc* report to identify them and will manually populate the state code.

AT&T commented that, since PO-2, PO-3A-1, PO-3B-1, PO-3C-1 and PO-4C all require state codes, it was highly likely that these performance results were inaccurate. AT&T also expressed concern with the time the "break" occurred and whether, in months prior to July 2001, CLECs using EDI 6.0 had inaccurate performance results for PO-5 because of this problem. Finally, AT&T requested that Qwest's process ensure that all transactions affected by the omission of the state code were recorded for accuracy purposes.

Liberty had concerns with Qwest's *de minimus* argument because a significant percentage of the Covad orders sampled were affected by the failure to record state code, while Qwest claims that

the problem affects less than 1 percent of orders. Qwest stated that the problem affects PO-2, PO-3, PO-4, and PO-5, and that it primarily affects unbundled loops, but also affects line sharing.

Liberty conducted interviews with Qwest personnel and issued a number of data requests concerning this issue. Qwest responded and addressed the concerns of AT&T and Liberty. Qwest acknowledged that "code break" affected the results for the entire period. From January through April 2001 there were 28 records that were excluded from PO-5C results. According to Qwest, PO-5A and PO-5B were not impacted. Also provided by Qwest was the number of records excluded from PO-2 (3 out of 99,487 records), PO-3 (246 out of 44,969), and PO-4 (808 out of 150,776 records) in July. In each case the resulting percentage was less than or approximately equal to .005 percent. Qwest indicated that of the 90,777 transactions in November, 43,164 records or 47.6 percent were EDI 6.0 transactions.

Qwest agreed that the "code break" could have disproportionately affected some CLECs performance. According to Qwest, Covad during this period was a large user of unbundled loops and that would explain the disproportionate impact on them. As to AT&T's concern with the impact of the "code break" on other PIDS, Qwest stated that its solution would address the problems for PO-2, PO-3, PO-4, and PO-5.

On the basis of Liberty's review of this matter, including Qwest's proposed solution to identifying records that did not contain a state code and Qwest's response to AT&T's concerns, Liberty considers this observation closed. [AT&T Comments – AT&T is puzzled by Liberty's reference to "Qwest's proposed solution." Did Liberty review a solution proposed by Qwest that had yet to be implemented or did Liberty review a solution that had been implemented? AT&T would be concerned if Liberty closed this observation without substantiating the effectiveness of the proposed change.]

Observation 1031

Observation 1031 reported that the Service Order Miss Code *(SOMC)* in the RSOR data for some orders was incorrect, leading to errors in performance measurement reporting. Liberty noted several different types of anomalies regarding the information in WFAC, the SOMC, and how they are used in performance measure reporting.

Qwest responded to this observation on January 24, 2002. Qwest stated that it had re-evaluated every AT&T LIS trunk and unbundled loop order for the reconciliation period from the states of Arizona and Nebraska and found that no LIS trunk orders evaluated by Liberty in Arizona were miscoded as customer caused misses and that only one of many unbundled loop orders evaluated by Liberty in Arizona were miscoded as customer caused misses. Qwest also stated that, in evaluating the data from the three states collectively (Arizona, Colorado and Nebraska), it found that 0.11 percent of the unbundled loop orders, and 6.12 percent of the interconnection trunk orders were miscoded as customer-caused misses. Qwest stated that it had clarified the MFC coding process documentation, conducted a review with the Network Organization to ensure that employees correctly complete the MFC field, and individually reviewed SOMC coding with each ISC representatives responsible for the coding errors identified.

Liberty has reviewed the attachments Qwest provided with its observation response and evaluated the manner in which Qwest improved its procedures and retrained its ISC representatives. Liberty conducted its own evaluation of the LIS trunk orders from Arizona to validate Qwest's statement that none of them had been miscoded. Liberty's results differed from those obtained by Qwest. Liberty reviewed 23 Arizona LIS trunk orders that Qwest showed as having been excluded for customer misses. Liberty found that 4 of the orders had been jeopardized by Qwest well after the original due date, with no support in their WFAC logs showing that AT&T had caused a miss of that due date. Liberty also found that Qwest had excluded 3 other orders as customer misses, even though the orders had also been jeopardized to Qwest, thus violating Qwest's own *Jeopardy Coding Job A*id procedures. In addition, Liberty found that there was no support at all in the WFAC logs for the jeopardies applied to 2 other orders, and that the SOMC field was blank in one additional order that had been excluded as a customer miss. [AT&T Comment – Liberty's finding that Qwest's statement "that none of the [Arizona LIS trunk orders] had been miscoded" was false once again points out the peril in accepting Qwest's assertions at face value and demonstrates the wisdom of actually verifying Qwest's assertions.]

For Washington LIS trunk orders, Qwest included several in the reporting of OP-15 for which AT&T had caused the delay. This matter will be investigated as part of this Observation report.

For a large number of Covad's unbundled loop orders, Liberty found that while Qwest's treatment of the order for OP-4 was correct, Qwest's processes or procedures differed from those used in other states and differed from that previously described to Liberty. More specifically, Qwest had indicated that the service order miss code (SOMC) field was only populated in cases where the due date had been missed. For the Washington data, however and unlike other states, Liberty found customer-caused miss codes entered for orders in which the due date had been met. Liberty is investigating this matter as part of the resolution of Observation 1031.

Qwest has stated that it is conducting a further assessment of the underlying causes of these problems and the means by which they will be corrected, and that it will provide documentation of its conclusions to Liberty. Accordingly, this observation remains open.

Observation 1032

Observation 1032 noted that Qwest included some orders in OP-4 that should have been excluded because the requested provisioning interval was greater than the then-current standard installation interval. Qwest's response indicated that out of a very large number of orders, Liberty found only a few PONS for which this had occurred. Originally Liberty thought believed the percentage of orders affected was more significant. But after additional analysis and correction of errors, Liberty found that, in the sample of UBL orders for Colorado and Washington combined, about 4 percent of the orders for which Qwest and the CLEC disagreed had this problem. When the agreed upon orders are also counted, the percentage is even lower.

Qwest's responded to the observation by indicating that the orders should have been excluded but were not because of human error when the order was processed. Qwest personnel had failed to populate the "L" (for longer than standard interval) field on the service order. Qwest indicated

that it had improved its documentation in an effort to prevent this problem from recurring. Liberty reviewed the improved documentation and concluded that it adequately described the process and should help to avoid this kind of error in the future.

Liberty also investigated whether other measures, products, and CLECs could have been affected, and determined that only OP-4 for designed services but any CLEC could have seen the problem. [AT&T Comment – Version 3.0 of the PID excludes orders with customer requested due dates longer than the standard interval for non-design services that do not require a dispatch. How is it that Qwest's failure to populate the "L" field on the service order would only apply to designed services? Do non-designed services that do not require a dispatch for which a due date longer than the standard interval has been requested automatically get an "L" populated on the service order?]

The nature of this problem falls into the general category of human errors documented in KPMG's Observation 3086. However, on the basis of Liberty's additional analysis of Colorado and Washington orders showing a lower percentage than had been thought to be the case, and the evaluation of the steps and improved tools implemented by Qwest to minimize the likelihood of the error, Liberty has concluded that this observation should be closed.

Observation 1033

Observation 1033 stated that there were instances where Qwest personnel determined the order application date/time incorrectly for OP-4 LIS trunk performance measurement reporting purposes. In some instances, Qwest failed to change the application day to the next day, even though the ASR was received after 3:00 p.m. MT. In other cases, it appears that Qwest used the wrong application date because of uncertainty as to whether or not the application was "complete and accurate" as is required in the definition section of the PID.

In addition, Liberty determined that several Covad UBL orders in Arizona received after 7 p.m. were dated the same day, rather than the next day in accordance with the PID. This resulted from Liberty's review of the data Covad provided too late for inclusion in the Arizona report.

In its response to the observation, Qwest stated that the net effect of its errors was minimal, *i.e.*, a one day difference during the period being reconciled. Liberty believes it is pure coincidence, and irrelevant, that Qwest's errors may net out to a small number for the period. The important fact is that Qwest committed human errors in a third of the LIS trunk orders for which the parties agreed on the denominator but not the numerator. Qwest's response also stated that it planned to "*Improve the quality control process by increasing the quantity of ASRs sampled in the quality review process from 20 to 30 ASRs per SDC per month.*" Liberty wanted to see the results of the quality review process. However, in response to data request 53-3, Qwest stated that the quality control reviews did not begin until July 2001, that quality control reports are only kept for 30 days (unless a problem is identified), and that no quality control reviews were available at this time. [AT&T Comment – AT&T is puzzled as to why Liberty did not consider Qwest's failure to produce quality control reviews for a process that Qwest asserted had been in place since July of 2001 reason to keep the observation open. Qwest stated that it would *"Improve the quality control process by increasing the quantity of ASRs sampled in the quality review process from 20*

to 30 ASRs per SDC per month." Not only is there no evidence that Qwest **increased** the number of ASRs sampled, there is also no evidence that Qwest does **any** quality control reviews. By Qwest's own admission, it should have had quality control reports for quality reviews performed during the last thirty days. Qwest's failure to produce such reports would indicate that **no** quality reviews were conducted with **any** Service Delivery Coordinators during the thirty days prior to Liberty's request.

Since Qwest failed to produce the evidence that Liberty appeared to believe would demonstrate that Qwest was taking steps to get this human error problem down to acceptable levels, AT&T believes it was premature for Liberty to close this observation. At a minimum, the observation should have been left open until Qwest was able to provide and Liberty was able to evaluate the results of Qwest's quality review process.]

AT&T filed comments on this observation, questioning whether other performance measures and other products could be affected by the problem, whether there could be both systems errors and human errors involved, and whether prior results could be re-stated. In response to data request 65-2, Qwest stated that it does not plan to correct historical results because the errors were minimal, it is a Qwest policy not to alter closed records, and altering records in PANS but not the original records would create inconsistencies. In response to data request 65-3, Qwest stated that the only performance measures that could be impacted by the application date problem are PO-5D and OP-4. Finally, in response to data request 65-4, Qwest stated that, for a three-week period it had audited, 98.1 percent of unbundled loop orders had the correct application date. [AT&T Comment – Did Liberty evaluate the results of Qwest's audit?]

In the responses to data requests 53-1, 53-2, and 65-1, Liberty received the documentation used by Qwest to train personnel in properly determining the application date, and the Qwest application date methods and procedures. Liberty reviewed those documents, and found that they clearly described the application date and how it should be determined, included examples, and were all internally consistent. Liberty considers this observation to be closed, but recommends that Qwest retain its quality control reports for a period of at least a year and that application date error rates be closely monitored and tracked over time. [AT&T Comment – While Liberty's reaction to Qwest's documentation, methods and procedures was favorable, it appears that Liberty representatives may be one of the few people actually reading the documentation, methods and procedures. A proper and complete analysis should have included some investigation as to whether the SDCs are following the methods and procedures and whether there is evidence that Qwest would be able to identify orders for which the SDCs are not following the documented methods and procedures. It appears that Liberty based the closure of this observation solely on the documented methods and procedures. AT&T believes the analysis fell short of what should have been done.]

Observation 1034

Observation 1034 identified various line-sharing orders that were incorrectly excluded as loops with non-standard intervals of 72 hours. Liberty confirmed that the problem has not appeared after May 2001, and, as previously reported, considered this observation to be closed.

Observation 1035

Observation 1035 reported that there were errors in the OP-3 and OP-4 measures prior to June 2001 because Qwest included cancelled orders in the measures. According to Qwest, the problem affected only orders coming through SOLAR, the service order processor for the five eastern states (Iowa, Minnesota, Nebraska, North Dakota, and South Dakota). Qwest has indicated that the problem was resolved as of May 12, 2001, but all results prior to June 2001 for the five states were affected. Liberty saw no evidence of the problem in Arizona or Colorado, and has found no reason to conclude that the problem was limited to anything other than these five states. [AT&T Comment – What analysis did Liberty perform to conclude that the problem was actually resolved in Qwest's Eastern Region as of May 12, 2001? Did Liberty determine if the problem existed in the Qwest Western Region states of Washington and Oregon?]

An order coming through SOLAR is initially assigned a completion date equal to the due date (since the field cannot be blank). [AT&T Comment – Prospectively assigning a completion date equal to the due date is bad programming practice. As shown in this observation, a failure by Qwest to enter the actual completion date results in Qwest getting a met commitment for the order even when the met commitment has not been earned. It would seem more reasonable to have Qwest prospectively assign a actual completion date that is well past the due date. In that case, Qwest would have a meaningful incentive to ensure that it populates the actual completion date on every order. Does Liberty have an opinion on the performance measurement impact of Qwest prospectively crediting every order as a met commitment?] Previously, this completion date would be passed to the RSOR database by the RSOR EFMT (Eastern format) batch programs and would remain in place unless changed. Qwest subsequently implemented a real time connection between SOLAR and RSOR with new RSOR ERTP (Eastern real time process) programs, replacing the EFMT interface programs and eliminating the problem. While SOLAR still assigns a completion date equal to the due date, this date is no longer passed to the RSOR database. The RSOR database does not receive the completion date from SOLAR until the order is actually completed. Orders that are cancelled in SOLAR are assigned a completion date of 11/11/1111 by RSOR, and thus excluded from the measures.

Qwest maintained that only about 2 percent of the eastern region orders were affected by this problem, and that the problem did not occur after May 12, 2001. Liberty subsequently issued data requests to clarify, among other things: (a) why the 11/11/1111 completion date was assigned in some but not all cases prior to May 12, 2001, and (b) what safeguards were in place to ensure that the completion dates for non-cancelled orders were accurate, *i.e.*, whether they were changed if the order was not completed on time.

Qwest indicated that the cause of the problem was a software error that resulted in not all cancelled orders being assigned a completion date of 11/11/1111 (and thus properly excluded from the measures). According to Qwest, any order that had multiple activities in one day, including cancellation, would not go through the portion of the EFMT programming logic that assigned the 11/11/1111 date. Any order with only cancellation activity in a given day would have been handled correctly. Since the interface has been rewritten, the logic error no longer exists. [AT&T Comment – How did Liberty determine that the logic error no longer exists? Did Liberty review the relevant coding in the RSOR ERTP programs?]

Liberty also asked Qwest to explain more fully the statistics on the nature of the problem that it provided in response to the observation. According to Qwest, original data on orders are stored in RSOR for only 60 days. Qwest therefore had to reconstruct data from the Integrated Data Repository (IDR), and subsequently provided a summary of this data representing all products to Liberty. Qwest's analysis indicated, for the January to April 2001 period, that 2.1 to 2.9 percent of total retail orders for all products and 3.0 to 4.2 percent of total wholesale orders for all products were cancelled orders without the 11/11/1111 completion date in place. (Liberty's analysis showed that these percentages would be very slightly higher if the effects of cancelled orders that properly contained the 11/11/1111 date were considered.) In other words, these orders were included in both the denominator and numerator of OP-3 and OP-4, making Qwest's performance appear better than it was for both CLECs and Qwest retail. [AT&T Comment – How was Liberty able to conclude that the problem would also affect the retail orders? Did Liberty evaluate any retail data?]

In its comments on this observation, AT&T raised the issue of whether the completion dates on orders that were not cancelled could be inaccurate. Specifically, if completion dates were automatically assigned by SOLAR and passed to RSOR prior to May 2001, it may be possible that completion dates for missed commitments could be inaccurate if they were not changed from being equal to the due dates. Qwest was unable to reconstruct the data to validate whether non-cancelled orders had accurate completion dates. It appeared that there were no safeguards in place to ensure that accurate completion dates were entered into the system to override the one automatically assigned by SOLAR. To the extent that orders were closed manually (as opposed to be being auto-completed, such that the completion date would be automatically updated), it is possible that some orders did have completion dates that were not accurate. With the live feed between SOLAR and RSOR now in place, completion dates are no longer prematurely recorded in RSOR. It is no longer possible for inaccurate completion dates to be automatically carried forward; it is, however, still theoretically possible for manually-closed orders to have completion dates that were not entered correctly. [AT&T Comment – Does Liberty know the relative percentage mix of auto-completed and manually completed orders?]

The programming fix put in place as of May 12, 2001 has corrected the problem of cancelled orders being included in OP-3 and OP4, and results beginning with June 2001 should not be affected. [AT&T Comment – Please describe the analysis that Liberty performed that would permit it to conclude that the problem has been corrected since May 12, 2001.] Liberty therefore considers this observation closed.

Observation 1036 (Re-termination)

When Qwest plans to undertake a switch conversion, it notifies its customers, who then submit disconnect and re-termination orders to move their LIS trunks from the old Qwest switch to the new one. Coordination between the parties is required to ensure that service is not adversely affected during the conversion process.

In Washington, Liberty identified several LIS trunk re-termination orders that AT&T had included in the OP and PO-5 performance measures, but Qwest had not. Qwest did not include them in PO-5 because Qwest considers re-termination orders to be projects, and projects are

excluded from the PO-5 measure. [AT&T Comment: As part of Observation 1036 Liberty and Qwest are requested to provide a complete and accurate plain language definition of what constitutes a project and an ICB. Without a plain language definition that all CLECs, auditors, and regulators can understand, future performance measurement disputes will likely occur with determining the proper treatment of retermination orders and other types of orders that Qwest would identify as part of a project or ICB.]

However, orders deemed to be projects are not excluded from the OP-3, OP-4, OP-6 and OP-15 measures. Qwest excluded these same re-termination orders from those OP measures because human error caused the orders to be improperly coded C40, which resulted in their exclusion as customer misses (this issue was discussed in an interview with Qwest on 2/28/02). These orders showed inward activity, and they should have been included in the OP measures. In fact, Liberty identified several Colorado AT&T LIS trunk orders that appear to be re-termination orders and that Qwest did include in the OP measures (e.g., DENP0103676 and DENP0103679).

Other Issues

Lengthy Completion Intervals

To capture the data required for completed service orders, Qwest extracts information for the current and the prior seven months. Qwest performed a test showing that this method captured 99.9 percent of the completed orders. During the data reconciliation for Colorado, Liberty found two LIS trunk orders that were not reported because they were over eight months old. [AT&T Comment – What does Liberty mean when it states that the orders were over eight months old? Does that mean that (Reference Date) – (Completion Date) > eight months? Or does it mean that (Completion Date) – (Application Date) > eight months?] Liberty was concerned that Qwest's test may not have been valid for orders that are typically more complex than average, such as those for LIS trunks. Liberty requested that Qwest conduct another test limited to LIS trunk orders to determine the percentage captured during the eight-month interval.

Liberty and Qwest agreed that Qwest would perform an analysis for the months of June, September and December 2001. For each month, Liberty wanted to know the number of LIS trunk orders that had completed during that month, but that had not been included in the performance measures because they had taken longer than eight months to complete. Initially, Qwest was unable to do exactly that. Rather, they were able to analyze the set of orders that had a LIS trunk class of service from the USOC table. Thus, Qwest analyzed a larger group of orders than would appear in the performance reports (which only include orders with LIS product codes). Qwest determined that, from this larger set of orders, 4 orders completing in June took longer than 8 months to complete, 1 order completing in September took longer than 8 months to complete, and one order completing in December took longer than 8 months to complete.

Liberty asked Qwest to further investigate these 6 orders, and Liberty learned the results of Qwest's analysis during an interview held on 2/20/02. Of the four orders completing in June, two would have been reported in the performance reports except for the 8-month exclusion. (The other two orders were for a change of circuit ID which would have been excluded for no inward activity, and a retail order for a disconnect.) For the month of June 2001, there were 254 LIS

trunk orders included in the Qwest regional performance report for OP-3D and OP-3E combined (*i.e.*, this is the sum of the two denominators). Accordingly, for the month of June 2001, 0.8 percent (which is 2/254) of LIS trunk orders were omitted from the OP-3 LIS trunk regional performance results because they completed in more than 8 months.

The one LIS trunk order that took longer than 8 months to complete in September 2001 was also a retail order for a disconnect. Thus, 0.0 percent of the 219 LIS trunk orders were omitted from the OP-3 performance results for September because they completed in more than 8 months.

Finally, the one LIS trunk order that took longer than 8 months to complete in December 2001 would have been reported in the performance reports except for the 8-month exclusion. Accordingly, for December 2001, 0.4 percent of the 275 LIS trunk orders were omitted from the OP-3 performance results for December because they completed in more than 8 months.

Overall, for the 3 months analyzed, 0.4 percent (which is 3/748) of the LIS trunk orders were omitted because they completed in more than 8 months. This low percent appears to Liberty to support Qwest's view that the 8-month constraint does not significantly distort the performance measure results. [AT&T Comment: From a perspective of commitments met, the impact may not be significant. However, from the perspective of the average installation interval the impact would be significant. If it were assumed that for each of the orders the interval between application date and completion date was exactly eight months, those three orders would have added at least 720 days to the numerator of the OP-4 result. On a total of 748 orders, the average interval would increase by almost one full day. In terms of whether the parity standard is met and whether any QPAP payments are due, an additional day on an average interval could make a significant impact. As shown in this observation, Qwest is able to maintain records for orders that are completed in more than 8 months. They should do so and include them in determining performance measurements rather than using a self-identified cutoff of 8 months. This simple step will avoid ***ANY*** distortion of performance measurement results that would occur from their exclusion and provide a more complete and true picture of Qwest's performance.]

Cross-Boundary Orders

During its analysis of Washington LIS trunk orders, Liberty noticed that AT&T included numerous orders that Qwest did not. These orders are "cross boundary" in the sense that they are for interconnection trunks that originate from an AT&T switch in Oregon and terminate in a Qwest switch in Washington. In response to data request 71-002, Qwest stated that, for purposes of OP-3, OP-4, OP-6, and OP-15, it classifies orders in a state depending on the area code of the main telephone number. [AT&T Comment – How does a "main telephone number" get associated with a LIS trunk order?] These cross boundary orders have an area code in Oregon, so Qwest classifies them in that state for those OP measures. Qwest also stated that, for purposes of PO-5, it classifies orders in a state depending on the customer facility location. [AT&T Comment – In this example, the customer (AT&T) facility location (the AT&T switch) is in Oregon. Why would Qwest classify the order as a Washington order?] Because of this, these cross boundary orders are classified in Washington for PO-5 reporting. For performance reporting, the result is that the cross boundary orders are reported in one state for the OP measures and in another state for the PO-5 measure.

The PID does not provide guidance about the state in which these cross boundary orders should be reported. Although it would be ideal to include each order (for all measures) in only one state report, Qwest applies its procedures uniformly throughout the region, there is no double counting of orders in the measures, and Liberty finds no clear basis for requiring that those procedures be changed.[AT&T Comment: Liberty is requested to open an Observation on this issue in order to achieve an appropriate resolution to a previously unaddressed issue. Just because the PID is silent it does not mean that Qwest properly handled performance measurements for cross boundary LIS trunks, even if managed consistently with its practices. AT&T believes that Qwest did not consciously consider how to best handle performance measurement for these trunks, but rather the performance measurement "just happened" using current practices and the effect on "cross boundary" LIS trunks was not known until identified as part of the dialogue between AT&T and Qwest.

AT&T, together with Qwest, also determined that there are UBL Analog loops that originate in an AT&T Oregon switch and terminate at a customer's premises in Washington. Although UB Analog loops are not a part of Liberty's reconciliation for Washington, how performance for these UBL Analog loops was to be measured was discussed as part of the Oregon reconciliation review. This shows that AT&T's concerns about performance measurements of cross boundary services is not limited to LIS trunks, and at a minimum, also encompasses UBL Analog loops.

Applications for 271 relief are to be made on a state-by-state basis. It is not only ideal but necessary to know that each cross boundary LIS trunk (and other products) for all measures is only measured in one state and that the state in which the performance is being measured is known and agreed to by the ROC. This approach will overcome any future performance jurisdiction issues related to cross boundary concerns. Not only are PO-5, OP-3, OP-4, OP-6 and OP-15 involved, maintenance and repair PIDs and all other PIDs measuring performance related to the cross boundary LIS trunks (and other products) will be impacted. Qwest should first determine the extent that cross boundary trunks and loops do exist today and may exist in the future. Then Qwest should evaluate the best approach to measuring all performance for cross boundary LIS trunks (and other products) in one state. It is key that Qwest document the processes to achieve that end and address the performance measurement of cross boundary LIS trunks (and other products) with the ROC and CLECs to be sure that this void is filled and that all parties know how Qwest's performance for these trunks across all 14 states will be measured.