



<i>Test Vendor ID:</i>	EXP 3111
<i>Qwest Internal Tracking ID:</i>	TI 828
<i>Observation/Exception Title:</i>	Change Management Process
<i>Test Type/Domain:</i>	Test 23 - Change Management
<i>Date Qwest Received:</i>	01/30/2002
<i>Initial Response Date:</i>	02/12/2002
<i>Supplemental Response Date:</i>	02/22/2002
<i>2nd Supplemental Response Date:</i>	03/12/2002
<i>3rd Supplemental Response Date:</i>	03/27/2002
<i>4th Supplemental Response Date:</i>	04/03/2002

Test Incident Summary:

Exception 3111 was initially released as Observation 3067 on December 12, 2001. KPMG Consulting recommended on January 30, 2002 that Observation 3067 be closed and moved to Exception 3111.

EXCEPTION REPORT

An Exception has been identified as a result of the test activities associated with the Change Management Test, MTP Test 23.

Exception:

Qwest Systems Change Management Process (CMP) lacks guidelines for prioritizing and implementing CLEC-initiated systems Change Requests (CRs); criteria are not defined for developing the scope of an OSS Interface Release Package.

Background:

The Qwest Systems Change Management Process (CMP) is the method used by both Qwest and CLECs to implement changes to Qwest wholesale OSS interfaces. This process includes initiation, clarification/evaluation, presentation, prioritization, implementation, and completion of all systems change requests (CRs). CLECs participate in the CR Prioritization Process to vote on both Qwest- and CLEC-initiated CRs.¹ The outcome of this CR Prioritization Process determines if CRs deemed critical to CLEC business operations, according to CLEC voting results, will be included in an upcoming OSS release.

Issue:

Qwest Systems CMP lacks documented guidelines for prioritizing and implementing CLEC-initiated systems CRs. KPMG Consulting reviewed existing Qwest documentation, including the *Co-Provider*

¹ In the context of CMP Redesign, Qwest and CLECs have not yet agreed on whether or not regulatory and industry guideline CRs are subject to the CR Prioritization Process.



Industry Change Management Process (CICMP) Document and the CICMP – CR Prioritization Process Document², and noted the following:

- Qwest documents lacked information on the roles and responsibilities of Qwest staff involved in the analysis of CLEC-initiated systems CRs;
- Qwest documents lacked information on how Qwest allocated available resources (capacity) for all systems CRs to be included in an OSS release;
- Detailed business analyses and system analyses from the Qwest software development team were not performed for all CLEC-initiated CRs;
- Qwest documents lacked definitions and criteria for the Level of Effort (formerly known as “T-shirt size”) assignment for individual CRs; and
- Qwest documents lacked information on how Qwest identified CR package options for a software release that it recommended to CLECs, following the CR Prioritization Process.

Impact:

In the absence of guidelines for the system CR Prioritization Process, there is no assurance that all CRs receive a thorough assessment from the Qwest software development team. In addition, it is unclear how Qwest allocates resources for the wholesale OSS to accommodate CLEC business needs, and how Qwest estimates the resources required to complete individual CLEC-initiated CRs. Failure on the part of Qwest to attend to CRs that CLECs deem critical to CLEC business operations in a timely manner may result in lengthy delays in implementing these changes. In fact, the limited capacity that Qwest allows for each release may categorically prevent the implementation of some CRs.

Qwest Formal Response to O3067 (12/20/01):

Qwest responses to the 5 KPMG stated issues.

1. *“Qwest documents lacked information on the roles and responsibilities of Qwest staff involved in the analysis of CLEC-initiated systems CRs.”*

Once approved by the Re-design Team, the Master Redline CLEC-Qwest CMP Re-Design Framework Interim Draft - Revised 12-10-01, located at <http://www.qwest.com/wholesale/cmp/redesign.html>, will further illuminate the process, roles and responsibilities of Qwest personnel during the preliminary evaluation and subsequent prioritization of CLEC-initiated systems CRs.

2. *“Qwest documents lacked information on how Qwest allocated available resources (capacity) for all systems CRs to be included in an OSS release.”*

Qwest and the CLECs are currently negotiating the extent to which Qwest will disclose this business information to the CLECs. This issue will be resolved and included in the Qwest Proposed Prioritization Language when it is accepted by the Re-design Team.

3. *“Detailed business analyses and system analyses from the Qwest software development team were not performed for all CLEC-initiated CRs.”*

Detailed business and systems requirement development occurs after the CLECs and Qwest prioritize the list of CLEC initiated CRs pursuant to the Co-Provider Industry Change Management Process document, Section IV. Additionally, the Qwest Proposed Prioritization Language, collaboratively written by Qwest and the CLECs, but not yet adopted by the Re-design Team, details the following:

² The *CICMP Document* and *CICMP – CR Prioritization Process Document*, located at www.qwest.com/wholesale/cmp/whatiscomp.html, represent the most recent Qwest documents relevant to the CR Prioritization Process prior to the initiation of CMP Redesign.

- There is insufficient space to include all CLEC initiated CRs in the upcoming release. The prioritization process channels the business and system requirements development effort.
 - The business and system requirement development effort begins with CRs at the top of the prioritization list and continues down the list until all available development resources are exhausted.
 - Business and systems requirements are developed for more CRs than can ultimately be included in the release.
4. *“Qwest documents lacked definitions and criteria for the Level of Effort (formerly known as “T-shirt size”) assignment for individual CRs.”*

The *Co-Provider Industry Change Management Process* document does not have specific definitions for Level of Effort. However, in the *Master Red-Lined CLEC-Qwest CMP Re-Design Framework Interim Draft - Revised 11-29-01* the following language has been agreed to in the *CLEC-Qwest OSS Interface Change Request Initiation Process* section:

“Identification of the preliminary level of effort (S, M, L, XL) required to implement the CR.

- Small – requires changes to only one subsystem of a single system
- Medium – requires changes to 2 or more subsystems of a single system
- Large – requires changes to 2 or more systems or complex changes in multiple subsystems of a single system
- Extra Large – requires extensive redesign of at least one system.”

Additionally, Qwest and the CLECs are currently negotiating a refined preliminary Level of Effort criteria based on a rough estimate of the number of people-hours necessary to complete a CR.

5. *Qwest documents lacked information on how Qwest identified CR package options “for a software release that it recommended to CLECs, following the CR Prioritization Process.”*

The CLEC-Qwest OSS Interface Change Request Initiation Process section of the *Master Red-Lined CLEC-Qwest CMP Re-Design Framework Interim Draft - Revised 12-10-01* provides the following language which has been agreed to by the CLECs and Qwest:

“At the monthly CMP meeting following the completion of the business and system requirements, Qwest will conduct a packaging discussion, which may include packaging options based on any affinities between candidates on the release candidate list. The newly packaged list of CRs will be used as the release candidate list during the design phase of a release. At the monthly CMP meeting following the completion of design, Qwest will commit to a final list of CRs for inclusion in the release.”

KPMG Consulting’s First Response to O3067 (01/04/2002):

KPMG Consulting reviewed Qwest’s responses, and identified the following issues:

1. KPMG Consulting reviewed the *Master Redline CLEC-Qwest CMP Re-Design Framework* document but is unable to identify information therein that describes the roles and responsibilities of Qwest staff who conduct business and system analyses of CLEC-initiated systems CRs.
2. KPMG Consulting is aware of the ongoing CMP Redesign effort, and requests that Qwest provide related documentation for review, once it is finalized.

3. KPMG Consulting is aware of the possibility that not all CLEC-initiated, CLEC-prioritized CRs may be included in a given, upcoming release. It is thus critical that Qwest's software development team conducts a thorough assessment of all CRs, and provides CLECs with adequate information (see the following paragraph) so that CLECs are able to make informed decisions about *all CRs* during the prioritization process.
4. Based on the definitions of the preliminary levels of effort (S, M, L, and XL), KPMG Consulting could not quantify the amount of work performed by the Qwest software development team, or the total amount of work required for each software release. It is unclear how the above specifications would inform CLECs of the overall capacity of a given, upcoming release, and enable CLECs to make informed decisions on the bases of interdependences, as well as tradeoffs, among numerous CRs, during the prioritization process.
5. KPMG Consulting reviewed the cited text and is unable to identify the criteria that Qwest software developers utilize to identify affinities between candidates.

Qwest Response to KPMG Comments to O3067 (01/14/02):

The following response addresses the five issues identified by KPMG in their response dated January 4th, 2002. KPMG's issues have been replicated below in *Italics* for ease of reading.

1. *KPMG Consulting reviewed the Master Redline CLEC-Qwest CMP Re-Design Framework document but is unable to identify information therein that describes the roles and responsibilities of Qwest staff who conduct business and system analysis of CLEC-initiated systems CRs.*

There has been no definitive discussion in CMP Redesign sessions to include a detailed description of the roles and responsibilities of Qwest staff who do not interface directly with CLECs on CMP functions, including those who conduct detailed business and system analyses of CLEC-initiated systems CRs. However, once approved by the Re-design Team, the Master Redline CLEC-Qwest CMP Re-Design Framework Interim Draft will further describe the process, roles and responsibilities of Qwest personnel who participate in the preliminary evaluation and subsequent prioritization of CLEC-initiated systems CRs.

As stated in Qwest's initial response, this text is not included in the *Master Redline* document because it has yet to be reviewed and approved by the CMP Redesign team. A draft of the text is contained in the document *Qwest Proposed Managing the CMP Language - Revised 11-20-01* which is located in the *Redesign Documentation* section of the Qwest CMP Redesign Web site.

<http://www.qwest.com/wholesale/downloads/2001/011121/PrpManagingCMPLang.doc>.

2. *KPMG Consulting is aware of the ongoing CMP Redesign effort, and requests that Qwest provide related documentation for review, once it is finalized.*

Qwest will continue to publish completed and accepted Redesign documentation in the form of the most recent update of the Master Redline CLEC-Qwest CMP Re-Design Framework Interim Draft. This document is available on the Qwest CMP Redesign Web site, <http://www.qwest.com/wholesale/cmp/redesign.html>. Additionally, Qwest distributes an email message containing all Redesign documentation, agreed-to and proposed, before and after each Redesign session. KPMG representatives are included in these distributions. The next meeting of the CMP Redesign team is scheduled for January 22nd through 24th, 2002. The findings should be documented by January 28th, 2001. If that timetable is met, KPMG will receive the revised documentation no later than January 29th, 2002.

3. *KPMG Consulting is aware of the possibility that not all CLEC-initiated, CLEC-prioritized CRs may be included in a given, upcoming release. It is thus critical that Qwest's software development team conducts a thorough assessment of all CRs, and provides CLECs with adequate information (see the following paragraph) so that CLECs are able to make informed decisions about all CRs during the prioritization process.*

As discussed, agreed-to, and documented in Section 3.0 of the *Master Redline*, an initial "rough estimate" of the level of effort (LOE) for each CR is determined as an aid in CLEC prioritization. Due to resource constraints, Qwest is unable to commit to conduct a detailed assessment of the level of effort (LOE) for every release candidate.

4. *Based on the definitions of the preliminary levels of effort (S, M, L, and XL), KPMG Consulting could not quantify the amount of work performed by the Qwest software development team, or the total amount of work required for each software release. It is unclear how the above specifications would inform CLECs of the overall capacity of a given, upcoming release, and enable CLECs to make informed decisions on the bases of interdependencies, as well as tradeoffs, among numerous CRs, during the prioritization process.*

After discussion during several recent Redesign meetings Qwest and the CLECs agreed to no longer utilize "T-shirt" sizing to categorize the level of effort for a release candidate. At Redesign meetings Qwest has agreed to provide CLEC's with actual level of effort range estimates in order for CLEC's to prioritize which CRs can be included in a major release. Qwest is currently developing these range estimates, and will present them to the CLECs at the January 2002 Redesign session. These estimated ranges are not intended to give the CLECs a view of the overall capacity of the release.

Qwest and the CLECs have agreed to a process documented in Section 3.0 of the *Master Redline* that will provide the CLECs with meaningful information with which to make informed decisions regarding the prioritization of CRs. That process is currently written as follows but will be updated to remove the T-shirt sizing when the ranges have been agreed upon.

"Qwest will review the CRs received prior to the cut off date and evaluate whether Qwest can implement them. Qwest's responses will be one of the following:

- "Accepted" (Qwest will implement the CLEC request) with position stated. If the CR is accepted, Qwest will provide the following in its response:
 - Determination and presentation of options of how the CR can be implemented
 - Identification of the preliminary level of effort (S, M, L, and XL) required to implement the CR. **(WCOM COMMENT: WCOM WOULD LIKE IT NOTED THAT A REQUEST WAS MADE AS TO WHAT IS MEANT BY PRELIMINARY LEVEL OF EFFORT AND IS TO BE DEFINED BY QWEST.)**
 - Small – requires changes to only one subsystem of a single system
 - Medium – requires changes to 2 or more subsystems of a single system
 - Large – requires changes to 2 or more systems or complex changes in multiple subsystems of a single system
 - Extra Large – requires extensive redesign of at least one system.

If CLECs do not accept Qwest's response, they may elect to escalate or dispute the CR in accordance with the agreed upon CMP escalation or dispute resolution procedures. If the originating CLEC does not agree with the determination to escalate or pursue the dispute resolution, it may withdraw its participation from the CR and any other CLEC may become responsible for pursuing the CR upon providing written notice to the Qwest CMP Manager. If the CLECs do not accept Qwest's response and do not intend to escalate or dispute at the present time, they may request Qwest to status the CR as deferred. The CR will be status deferred and CLECs may activate or close the CR at a later date.

At the monthly CMP meeting, the CR originator will provide an overview of its respective CR(s) and Qwest will present either a status or its response.

Qwest or CLEC originated CRs for changes to an existing OSS interface will then be prioritized by the CLECs and Qwest, resulting in the initial release candidate list. CLEC or Qwest originated CRs for introduction of a new interface or retirement of an existing interface are not subject to prioritization and will follow the introduction or retirement processes outlined in Sections x and x of the *Master Redline*, respectively.

Based on the initial release candidate list, Qwest will begin its development cycle, which includes the following milestones:

- Business and systems requirements: Qwest engineers define the business and functional specifications during this phase. The specifications are completed on a per candidate basis in priority order.
- **(AT&T Comment) Packaging: Qwest and CLECs will discuss grouping candidates with affinities may be addressed more efficiently if taken together. [AT&T comment: this may not be exactly the right description. We just wanted to add this to this list of steps.]**
- Design: Qwest engineers define the architectural and code changes required to complete the work associated with each candidate. The design work is completed on a per candidate basis in priority order.
- Code & Test: Qwest engineers will perform the coding and testing required to complete the work associated with each candidate. The code and test work is completed on a per candidate basis in priority order.

Using the initial release candidate list, Qwest will begin business and system requirements. During the business and systems requirement efforts, CRs may be modified or new CRs may be generated (by CLECs or Qwest), with a request that the new or modified CRs be considered for addition to the release candidate list (late added CRs). **(WCOM COMMENTS: CHANGE “INITIAL RELEASE CANDIDATE LIST TO “RELEASE CANDIDATE LIST.”)** If the CMP body grants the request to consider the late added CRs for addition to the release candidate list, Qwest will size the CR’s requirements work effort. If the requirements work effort, for the late added CRs, can be completed by the end of system requirements, the initial release candidate list and the new CRs will be prioritized by CLECs in accordance with the agreed upon Prioritization Process (see Section xx of the *Master Redline*). If the requirements work effort, for the late added CRs, cannot be completed by the end of system requirements, the CR will not be eligible for the release and will be returned to the pool of CRs that are available for prioritization in the next OSS interface release.

At the monthly CMP meeting following the completion of the business and system requirements, Qwest will conduct a packaging discussion, which may include packaging options based on any affinities between candidates on the release candidate list. The newly packaged list of CRs will be used as the release candidate list during the design phase of a release. At the monthly CMP meeting following the completion of design, Qwest will commit to a final list of CRs for inclusion in the release.”

This process, agreed-to by Qwest and the CLECs, provides a Level of Effort to the CLECs to use during Prioritization and outlines to process for Qwest to present various packaging options to the CLECs.

5. *KPMG Consulting reviewed the cited text and is unable to identify the criteria that Qwest software developers utilize to identify affinities between candidates.*



The assessment and identification of candidate affinities is not a structured process. Qwest relies on the knowledge and experience of its system architects and analysts to identify opportunities for efficiency in all areas of system development including those related to candidate affinity. A few of the factors considered in assessing affinities include modifications to common modules or data components, changes to common transactions, and use of common resources.

KPMG Consulting's Initial Release of Exception 3111 (01/30/2002):

KPMG Consulting responses for each issue raised in Observation 3067 are detailed below. For ease of reference, KPMG Consulting has assigned numbers for each issue.

- 1) *Qwest internal and external documents lack the roles and responsibilities of Qwest software development staff who are involved in the analysis of CLEC-initiated systems CRs;*

In its response to Observation 3067, Qwest affirmed that text regarding the roles and responsibilities of staff who conduct business and system analyses of CLEC-initiated systems CRs is not included in *Master Redline CLEC-Qwest CMP Redesign Framework Interim Draft*, since it has not yet been reviewed and approved by the CMP Redesign team. Qwest indicated that draft language was contained in another document, *Qwest Proposed Managing the CMP Language – Revised 11-20-01*. KPMG Consulting reviewed this document, and was unable to identify information therein that describes the responsibilities of Qwest staff who perform the preliminary evaluation, analyses, or subsequent packaging of CLEC-initiated CRs. Because the draft language has not yet been finalized or agreed upon as part of CMP Redesign, and is not included in any formal Qwest document, KPMG Consulting considers these roles and responsibilities to be undefined. As previously mentioned in its January 4, 2002 response to Observation 3067, KPMG Consulting continues to monitor the CMP Redesign process relative to the assignment of staff and managers.

KPMG Consulting deems the existence of defined roles and responsibilities for groups such as the IT staff, internal boards, external vendors, and Wholesale Change Management representatives to be indicative of whether or not a fully functional process is in place. KPMG Consulting recognizes that, prior to the CMP Redesign, Qwest operated a former process, referred to as the Co-Provider Industry Change Management Process (CICMP), and that, therein, established procedures for considering the CLEC-assigned priority of a change request in relation to such factors as available resources and Qwest-initiated priorities may have existed. KPMG Consulting would expect Qwest to be able to provide some information independent of CMP Redesign status that explains the functions of personnel who are responsible for evaluating CLEC-initiated CRs, as well as any guidelines used to carry out work assignments. This issue is unresolved.

- 2) *Qwest does not provide CLECs with information on the manner in which Qwest allocates available resources (capacity) for systems CRs to be included in an OSS release;*

Qwest's January 14, 2002 response stated that resolution of how Qwest allocates its available resources for systems CRs to be included in releases is still pending Qwest-CLEC negotiation of CMP Redesign. Under the terms of the CMP Redesign process, Qwest will continue to publish the completed and accepted Redesign documentation at the Qwest Redesign Web site. Qwest and CLECs held a series of meetings on January 22 through 24, 2002.

KPMG Consulting reviewed all information pertaining to resource allocation issues that was discussed at the most recent collaborative sessions. KPMG Consulting's understanding is that the documentation from those sessions remains incomplete and in draft state, and that Qwest plans to provide the *revised* documentation by January 29, 2002. KPMG Consulting is prepared to consider and review all *final*



documentation that accurately describes the formalized, implemented process (i.e., documentation that reflects the most current representation of Change Management for this subtopic/area).

The lack of capacity resource information for conducting a fundamental task, i.e., implementation of changes requested by wholesale customers, is reflective of the larger issue, confirmed by Qwest, that no criteria defined for Qwest's developing the scope of an OSS Interface Release Package exist. Thus, when CLECs assign a priority for CRs, and collectively decide which they consider important, there is very little information available about how Qwest factors the results of CLEC prioritization into its program development and project planning activities. This issue remains unresolved.

- 3) *Qwest software development teams do not perform detailed business and system analyses on CLEC-initiated CRs;*

In response to this issue, Qwest reiterated that it cannot include all CLEC-initiated CRs in a given, upcoming release, and that a detailed assessment of all CLEC-initiated CRs is infeasible due to resource constraints. Qwest also stated that it begins at the top of the prioritization list and continues down until all development resources are exhausted. Systems requirements are developed for more CRs than can ultimately be included in the release. Yet, it is unclear as to if, or how, Qwest considers relative costs and benefits, whether or not there is any pairing or interaction between system CRs filed for the same release (i.e., affinities), and if any of the same CMP development resources are dedicated to correct defects and conduct maintenance of Qwest production systems. In a discussion about meeting topics, one CLEC noted that, during the January 2002 prioritization exercise, some lower priority items were "packaged" (i.e., scheduled for inclusion in a release), whereas some higher priority requests were excluded or delayed.³

KPMG Consulting considers the fact that Qwest software development teams do not perform structured business and systems analysis of CLEC-initiated CRs as another indicator that no defined criteria are used to determine the overall scope of release capacity, and no systematic, consistent, and repeatable process is used to implement both CLEC and Qwest-initiated change requests. This issue, which remains unresolved, is related to the level of effort (LOE) estimate, which Qwest stated was already agreed-to as an aid to CLEC prioritization.

- 4) *Qwest documents lack definitions and criteria for establishing the Level of Effort (LOE, formerly known as "T-shirt size") assignment for individual CRs; and*

In response to this issue, Qwest indicated that it plans to revise the LOE parameters to provide CLECs with an actual level of effort range. It also stated that these ranges would not be intended to provide CLECs with a view of the overall capacity of the release. Qwest outlined the agreed-upon packaging process that is included in the *Master Redline* document. Although the Redesign efforts have resulted in progress for this area, and some language has been completed, incorporation of LOE ranges remains unresolved until CLECs and Qwest can agree upon the appropriate level of detail for CR sizing definitions. Participants in the CMP Redesign meetings held January 22 through 24, 2002, did not discuss or resolve pending Action Items, including #146 *Criteria used to determine LOE for a release*. In its previous response, Qwest stated that it is unable to commit to conducting a detailed assessment of the LOE for every release candidate. KPMG Consulting requests that Qwest provide information about which release candidates will receive detailed business and system analyses, and how this decision will be made. This issue is unresolved.

- 5) *Qwest documents lack information on the manner in which Qwest identifies CR package options for a discrete software release that it recommends to CLECs, following the CR Prioritization Process.*

³ See CMP Redesign email sent by Qwest to Eschelon Telecom, Inc. on January 22, 2002, Subject: *Redesign issues discussed in January CMP meetings*, Item Number 4.



In response to this issue, Qwest stated that, “the assessment and identification of candidate affinities *is not a structured process*” [italics added]. This served as a further indication that criteria, such as those that Qwest would use to identify package options, do not exist, are not formally defined, and are not documented, either internally or within the context of CMP Redesign. This issue is unresolved.

Observation 3067 has been escalated to Exception 3111 for three reasons:

- KPMG Consulting considers the five sub-issues above unresolved; some issues appear to be at impasse.
- Qwest stated that elements described in the original Observation will not be finalized (and thus cannot be implemented) until CMP Redesign is complete.
- Based on Qwest’s latest response and the current state of CMP Redesign implementation, at least one KPMG Consulting evaluation criterion for Test 23 would be assigned a “Not Satisfied” result.

To summarize, criteria for use by Qwest’s software development teams to develop the priorities, capacity, and capabilities of a software release are neither documented nor fully defined. The lack of established and documented development criteria, and a clear process for Qwest resource allocation for wholesale OSS, may result in the Qwest software development teams’ overlooking and/or ignoring CRs deemed important to CLECs, as determined by the results of the prioritization process. Failure on the part of Qwest to attend to CRs that CLECs deem critical to their business operations in a timely manner may result in lengthy delays in implementing these changes. This may prevent CLECs from receiving important order and pre-order functionality, thus inhibiting their ability to compete in the local exchange carrier market.

Qwest Formal Response to Exception 3111 (02/12/2002):

Listed below are Qwest’s responses to each of the “sub-issues” identified in KPMG’s previous response. The numbers correspond to those used by KPMG.

1. Qwest will provide, via the data request process, documentation of the internal methods and procedures that define the roles and responsibilities for Qwest personnel involved in prioritization of CLEC initiated system change requests. The documentation will be made available by February 22nd, 2002.
2. The Master Redline document, Section 9.2 states: *"At the last Systems CMP meeting before Prioritization, Qwest will facilitate the presentation of all CRs eligible for Prioritization. At this meeting Qwest will provide a high level estimate of the Level of Effort of each CR and the estimated total capacity of the release. This estimate will be a rough estimate of the number of person hours required to incorporate the CR into the release."*

Qwest has subsequently added similar language in the CR Initiation section to state that LOEs will be provided: 1) Prior to prioritization 2) At packaging and 3) At commitment. The submitted text will be reviewed with the CLECs during the next CMP Redesign session scheduled for February 19th, 2002. Qwest will provide an update regarding the progress of this issue in a supplemental response to this exception by February 22, 2002. IMA 11.0 and SATE 11.0 will be the first releases for which Qwest will provide release capacity estimates for use in the CR prioritization process.

3. As stated above in the response to sub-issue 2, Qwest agreed to provide the capacity constraints of major releases for use in prioritization of CRs. Qwest also provides a high level estimate of the LOE for all CR candidates for use CR prioritization. After prioritization, Qwest conducts a detailed evaluation of each CR candidate beginning with the highest priority CR and ending when the capacity of the release is exhausted. All of these activities are identical whether Qwest or a member of the CLEC community initiated the CR.

The CMP redesign sessions conducted February 5-7 2002 concluded without a resolution to CR prioritization. The topic will be re-addressed at the next CMP Redesign session scheduled for February 19th, 2002. Qwest will provide an update regarding the progress of this issue in a supplemental response to this exception by February 22, 2002. When the prioritization process is agreed upon this sub-issue will be completely addressed.

4. As stated in the prior response and reiterated in the response to sub-issue 3 above, Qwest provides a high level estimate of the LOE required for each CR candidate. The high level estimate is for use in candidate prioritization. After the release candidates are prioritized, using the process agreed to in the CMP redesign, Qwest conducts a detailed assessment of the LOE for each candidate beginning with the highest priority candidate and concluding when the estimated capacity for the release is exhausted.

Qwest and the CLECs have achieved significant progress toward defining the LOE estimation process for change requests. These refinements are reflected in the most recent version of the Master Redlined Document posted on Qwest's web site repository for CMP documents.

5. Qwest will provide, via the data request process, documentation of the internal methods and procedures followed by Qwest to identify packaging efficiencies for system changes. The documentation will be made available by February 22nd, 2002.

Qwest Supplemental Response (02/22/2002):

In the prior response to this exception Qwest agreed to provide documentation regarding the roles and responsibilities for Qwest personnel involved in processing CLEC initiated CRs and the methods and procedures Qwest uses to identify packaging efficiencies. The roles and responsibilities are defined in Sections 3.1 and 5.4.1 of Qwest's *Wholesale IT Systems Process Document*. The methods and procedures for identifying packaging efficiencies are captured in Section 5.3.3 of Qwest's *Wholesale IT Systems Process Document*. The complete document is attached.

Qwest also agreed to provide a CMP Redesign progress update regarding CR prioritization, release capacity and high level CR LOE estimates. CR prioritization was discussed during the February 19th, 2002 CMP Redesign session but no resolution was reached. The current CMP prioritization process remains in place until such time that a revised process is agreed upon.

Release capacity and high level CR LOEs were not discussed. Prioritization, release capacity and CR LOEs will be on the agenda for the next CMP Redesign Session, March 5th – 7th, 2002. Qwest will issue a supplemental response by March 8th, 2002 documenting the progress of these remaining issues.

Qwest Supplemental Response:

Qwest submits the following additional responses to the five issues identified by KPMG in their response dated January 4th, 2002.

1. The roles and responsibilities of Qwest staff involved in the analysis of CLEC-initiated systems CRs are defined in Sections 3.1 and 5.4.1 of Qwest's *Wholesale IT PMO Integrated Process Document*. This document will be provided through a data request. Qwest provided KPMG a previous version of this document under the name *Wholesale IT Systems Process Document*.
2. On March 5, 2002, Qwest and the CLECs agreed to include the Qwest Proposed OSS CR Initiation Language in the Master Redlined CLEC-Qwest CMP Redesign Framework - Revised 03-07-02. Sections 3.1, 3.2.2, and 3.2.4 address how Qwest will provide the capacity of each systems release before release Prioritization, Packaging, and Commitment. This document is posted on the CMP Redesign Web site, <http://www.qwest.com/wholesale/cmp/redesign.html>. In addition, Section 5.3 of

the *Wholesale IT PMO Integrated Process Document* outlines how Qwest internal groups determine release capacity. This document will be provided through a data request. Finally, although the process was not, at the time, fully developed, Qwest announced the release capacity of IMA Release 10.0 at Packaging and of IMA Release 11.0 before Prioritization.

3. Qwest's process for conducting business and system analyses of CLEC-initiated CRs is documented in Section 3.2.1 of the Master Redlined CLEC-Qwest CMP Redesign Framework - Revised 03-07-02, and Sections 3.2 and 6.3.2 of the *Wholesale IT PMO Integrated Process Document*. The latter document will be provided through a data request. The text from the Master Redline document reads:

“3.2.1 Business and Systems Requirements

Qwest engineers define the business and functional specifications during this phase. The specifications are completed on a per candidate basis in priority order. During business and system requirements, any candidates which have affinities and may be more efficiently implemented together will be discussed. Candidates with affinities are defined as candidates with similarities in functions or software components. Qwest will also present any complexities, changes in candidate size, or other concerns that may arise during business or system requirements which would impact the implementation of the candidate. During the business and systems requirement efforts, CRs may be modified or new CRs may be generated (by CLECs or Qwest), with a request that the new or modified CRs be considered for addition to the release candidate list (late added CRs). If the CMP body grants the request to consider the late added CRs for addition to the release candidate list, Qwest will size the CR's requirements work effort. If the requirements work effort for the late added CRs can be completed by the end of system requirements, the release candidate list and the new CRs will be prioritized by CLECs in accordance with the agreed upon Prioritization Process (see Section xx). If the requirements work effort for the late added CRs cannot be completed by the end of system requirements, the CR will not be eligible for the release and will be returned to the pool of CRs that are available for prioritization in the next OSS interface release.”

4. On March 5, 2002, the CLECs closed Action Item #146 which KPMG referenced in Initial Release of Exception 3111 (01/30/02). In Action Item #146 the CLECs requested that Qwest answer the question: “What are the criteria used to determine ‘level of effort’ (i.e., S, M, L, XL) for a release?” Qwest answered this Action Item by including language in Section 3.1 of the Master Redlined CLEC-Qwest CMP Redesign Framework - Revised 03-07-02 committing to provide the CLECs a Level of Effort estimate of the number of hours necessary to implement the CR rather than a “T-shirt” size.
5. Qwest previously provided KPMG a document under the name *Wholesale IT Systems Process Document*, this document is now available under a new name *Wholesale IT PMO Integrated Process Document* in version 1.2. This latest version of the document will be provided through a data request (TI-828S).

KPMG Comments (03/19/2002):

KPMG Consulting confirms that it received the *Wholesale IT PMO Integrated Process Document* on March 13, 2002. KPMG Consulting responses to each of the issues raised in this Exception are presented below:

- 1) *Qwest internal and external documents lack the roles and responsibilities of Qwest software development staff who are involved in the analysis of CLEC-initiated systems CRs;*

KPMG Consulting reviewed Sections 3 and 5.4.1 of the *Wholesale IT PMO Integrated Process Document* that contain descriptions of the IT staff involved in the analysis, software development, and project management of systems changes that are scheduled for implementation. KPMG Consulting also reviewed Section 4 that specifies the deliverables of business requirement and system architecture analyses as well as disclosure requirements for these changes that will affect the IMA system. KPMG



Consulting expects that any changes in work assignments and/or responsibilities for vendors resulting from further Qwest-CLEC CMP Redesign discussions will be updated in each of the targeted documents. This issue is resolved.

- 2) *Qwest does not provide CLECs with information on the manner in which Qwest allocates available resources (capacity) for systems CRs to be included in an OSS release;*

KPMG Consulting reviewed the IMA 11.0 CR Prioritization Form that Qwest distributed on February 25, 2002, in which Qwest disclosed release capacity and LOE for both Qwest- and CLEC-initiated CRs in terms of person hours. KPMG Consulting also reviewed the *Master Redlined CLEC-Qwest CMP Redesign Framework* dated March 7, 2002 and found sections 3.1, 3.2.2, and 3.2.4 state that Qwest will provide CLECs with release capacity information on the following three occasions during the prioritization process:

- During the last monthly Systems CMP Meeting before prioritization vote;
- At Qwest's presentation of release packaging options; and
- As part of the presentation of the committed candidates, after the Qwest IT organization has completed its systems design work.

This issue is resolved.

- 3) *Qwest software development teams do not perform detailed business and system analyses on CLEC-initiated CRs;*

KPMG Consulting reviewed Sections 3 and 6.3 of the *Wholesale IT PMO Integrated Process Document*, which details the process for conducting business and system analyses of CRs prior to software development and implementation. KPMG Consulting observed that Qwest has disclosed the estimated person hours for individual CRs prior to the prioritization vote for IMA 11.0. KPMG Consulting reviewed the LOE information, noting that Qwest-initiated and CLEC-initiated CRs appeared to receive equal treatment. This issue is resolved.

- 4) *Qwest documents lack definitions and criteria for establishing the Level of Effort (LOE, formerly known as "T-shirt size") assignment for individual CRs; and*

KPMG Consulting observed that, instead of the previously defined "T-shirt size" assignments (i.e., S, M, L, XL), Qwest has changed LOE to estimated person hours necessary to implement a systems CR. Section 3.1 of the *Master Redlined CLEC-Qwest CMP Redesign Framework* dated March 7, 2002 specifies that Qwest will provide CLECs with LOE and release capacity information in terms of estimated person hours. At the last Systems CMP meeting before Prioritization, Qwest will facilitate the presentation of all CRs eligible for Prioritization. Qwest will provide a high level estimate of the Level of Effort of each CR and the estimated total capacity of the release. Additionally, at the conclusion of system requirements, Qwest will present packaging options (i.e., different combinations of candidates proposed for continuing through the next stage of development) for implementing the release candidates. Options may be identified based on affinities or relationships between candidates and resource constraints that may prevent some candidates from being implemented. This issue is resolved.

- 5) *Qwest documents lack information on the manner in which Qwest identifies CR package options for a discrete software release that it recommends to CLECs, following the CR Prioritization Process.*

KPMG Consulting reviewed Section 3.2 of the *Master Red-Lined CLEC-Qwest CMP Re-Design Framework (03-07-02 Version)* document and Section 5.3.2 of the *Wholesale IT PMO Integrated Process Document*. The documentation specifies that the IT Development team take into consideration the functional and software dependencies, as well as resource requirements, when it decides packaging



options based on the results of the prioritization process. The Wholesale IT 271 PMO is responsible for communicating the alternative packaging options to the Wholesale CMP staff for presentation at the monthly CMP meeting. KPMG Consulting will observe the presentation of IMA 11.0 packaging options at the March 21, 2002 monthly Systems CMP Meeting. This issue remains open pending retesting and KPMG Consulting's observation of this portion of the Change Management Process.

KPMG Consulting recommends that Exception 3111 remain open pending retesting and confirmation of the enhanced Qwest-CLEC Prioritization and Packaging portion of the Change Management Process.

KPMG Supplemental Recommendation (03/27/2002):

This exception identified five issues related to inadequate processes and information sharing that prevented CLECs from making informed decisions in the CR Prioritization Process. Four of the five issues were resolved in KPMG Consulting's March 19, 2002 response. The remaining issue and KPMG Consulting's response are outlined below:

(5) Qwest documents lacked information on how Qwest identified CR packaging options for a software release that it recommended to CLECs, following the CR Prioritization Process.

Section 5.3.2 of the Wholesale IT PMO Integrated Process Document outlines the specific process that the IT Development team follows, taking into consideration the functional and software dependencies, as well as resource requirements, when it decides packaging options based on the results of the prioritization process. The Wholesale IT 271 PMO is responsible for communicating the alternative packaging options to the Wholesale CMP staff for presentation at the monthly CMP meeting.

While Qwest has established and documented the new process for prioritization and packaging, KPMG Consulting has not yet been able to observe implementation of the complete process for a new release. Qwest indicated at an Observation and Exception Focus Call on March 21, 2002 that IMA Release 10.0 had followed CMP during the prioritization and packaging processes. Therefore, KPMG Consulting reviewed the prioritization and packaging processes for IMA Release 10.0 and observed the following issues:

- Qwest and CLECs were unable to reach consensus about the classification of changes. KPMG Consulting observed that Qwest classified five CRs as Regulatory changes in IMA 10.0 and proceeded with the development work over CLEC objections. Since Regulatory CRs do not require CLEC input, Qwest did not subject these CRs to the prioritization process. At the time when Qwest conducted the prioritization vote for IMA Release 10.0, Qwest and CLECs were at impasse about the definition of Regulatory CRs.
- Qwest did not provide CLECs with total capacity information prior to the prioritization votes on IMA 10.0 in August and October of 2001. In addition, Qwest did not provide updated LOE and capacity information in accordance with Section 3.2.4 of Master Redlined CLEC-Qwest CMP Redesign Framework when it presented the committed CRs for IMA 10.0 on March 21, 2002.⁴ Therefore, Qwest did not adhere to the process as described in Issue (2) of this Exception for IMA Release 10.0.
- Qwest participated in the prioritization process for IMA 11.0 but not for IMA 10.0. Going forward, Qwest would be expected to participate in the prioritization process, with its vote being equally weighted with that of a CLEC.

⁴ The Committed CRs for IMA Release 10.0 were included in the Systems CMP Meeting Distribution Package, Dated 3/21/02. The document can be found as Attachment I in the package, located at <http://www.qwest.com/wholesale/cmp/teammeetings.html>.



Based on the above issues, KPMG Consulting was unable to verify adherence to the new processes for IMA Release 10.0. For IMA Release 11.0, the prioritization occurred in February 2002, however, the packaging presentation is not scheduled to occur until the June 20, 2002 Monthly CMP Meeting. KPMG Consulting recommends this exception remain open until retesting confirms that Qwest is adhering to the complete prioritization and packaging processes for system releases.

KPMG Consulting recommends that Exception 3111 remain open pending successful retesting of Qwest's adherence to the complete end-to-end prioritization and packaging processes for a major system release, as defined by the redesigned CMP.

Qwest Response to KPMG Supplemental Recommendation (03/27/2002):

Qwest responds to KPMG's 3 bulleted issues with the following 3 points:

1. In both the IMA 10.0 and 11.0 Releases, Qwest had CRs that were treated as Regulatory CRs and were subjected to the prioritization process as defined for Regulatory CRs with an "above the line" priority. Additionally, both IMA 10.0 and 11.0 release had normal CRs that were subjected to the prioritization process as ranked CRs; therefore, KPMG has had ample opportunity to view the prioritization process and determine its effectiveness, for both types of CRs.

During the prioritization process for the IMA 10.0 and 11.0 Release, Qwest and the CLECs were at impasse over whether PID/PAP related CRs should be treated as Regulatory CRs or as normal CRs. The resolution of this issue will not change the prioritization process itself, but will simply determine which path ("above the line" or ranked) an individual CR will take through the process. Resolution of this issue should have no impact on KPMG's ability to observe Qwest's adherence to the prioritization process in IMA 10.0 or 11.0.

2. Qwest did not provide the CLECs with the total capacity of the IMA 10.0 Release prior to the CLECs prioritizing that release; however, Qwest did provide the CLECs with the total capacity of the IMA 11.0 Release prior to the packaging.

During the January Systems CMP meeting, Qwest provided LOEs for all the CRs on the IMA 10.0 prioritized list and the subset of those CRs that were considered packaged for IMA 10.0. During the March Systems CMP meeting, Qwest stated that the previously communicated list of IMA 10.0 packaged CRs were now considered committed for the IMA 10.0 Release and that no changes had been made to the list including LOEs.

3. Qwest did indeed vote on the IMA 10.0 prioritization list. As a confidential attachment to this response, Qwest is including the spreadsheet containing the prioritized ranking of the IMA 10.0 candidate list returned by each CLEC and Qwest. The spreadsheet also contains the result of the prioritization exercise. This process was repeated for the IMA 11.0 prioritization exercise as well.

Qwest Supplemental Response (04/03/2002):

Through its review of releases 10.0 and 11.0, KPMG has reviewed Qwest's adherence with each phase of the prioritization and packaging processes for major system releases, that were in place and agreed to via CMP at the time of executing the process. Due to the current schedule of this test, Qwest requests that KPMG Consulting conduct no further testing. Qwest does not believe the remaining unresolved issues warrant an extension of the test time line. Qwest recognizes this will not allow KPMG to observe Qwest's adherence to the complete end-to-end prioritization and packaging processes for a single major system release.

Attachment(s): None