



Test Vendor ID:	EXP 3086
Qwest Internal Tracking ID:	TI 739
Observation/Exception Title:	Evaluation of PID OP-4C
Test Type/Domain:	Test 14
Date Qwest Received:	11/27/2001
Initial Response Date:	12/31/2001
Supplemental Response Date:	03/19/2002
2nd Supplemental Response Date:	03/21/2002
3rd Supplemental Response Date:	04/02/2002
4th Supplemental Response Date:	04/19/2002

Test Incident Summary:

An exception has been identified as a result of the evaluation of the Performance Indicator Definition (PID) OP-4C.

Exception:

Qwest did not install non-dispatch orders for the P-CLEC within a time period that is in parity with Qwest's retail operations, as measured by the PID OP-4C.

Background:

According to the PID OP-4C¹, Qwest is required to provide parity service in terms of its average installation interval for non-dispatch orders. This means that in order for Qwest to provide for a competitive environment, the average installation interval for the CLECs should be in parity with the appropriate retail comparative. KPMG Consulting measured this PID by region, for Residential Plain Old Telephone Service (POTS), Business POTS, and Unbundled Network Element-Platform (UNE-P) services.

In accordance with the Qwest OSS Evaluation Project Master Test Plan² -- Appendix G, KPMG Consulting measured compliance with this PID using the Dual Hypothesis Test ("Dual Test"). In the Dual Test, two hypotheses are tested. The first hypothesis assumes Qwest is meeting the parity standard, and the second hypothesis assumes Qwest is not meeting the parity standard. Qwest fails the Dual Test if the first hypothesis is rejected and the second hypothesis is not rejected.

The data collected for this analysis consists of P-CLEC information for the period beginning April 13, 2001 and ending November 13, 2001, and Qwest retail data for the period beginning May 2001 and ending September 2001.

Issue:

¹ Service Performance Indicator Definition, ROC 271 Working PID, Version 4.0; October 22, 2001.

² The Regional Oversight Committee (ROC) Third Party Test, Qwest OSS Evaluation Project Master Test Plan, Final Release; Version 3.1; November 17, 2000.



For the PID OP-4C, Qwest did not achieve the expected results for the Dual Test for Residential POTS and UNE-P in all three regions, and for Business POTS in the Eastern and Western region.

The following table shows the average installation interval for the P-CLEC and for the Qwest retail comparative.

Average Installation Interval for Failing Products and Regions

Product	Region	P-CLEC Average Days	Qwest Retail Comparative Days
Residential POTS	Eastern	4.4	1.5
Residential POTS	Central	2.5	1.9
Residential POTS	Western	2.8	1.7
Business POTS	Eastern	3.8	1.5
Business POTS	Western	2.7	1.6
UNE-P	Eastern	4.9	1.5
UNE-P	Central	2.8	1.9
UNE-P	Western	3.3	1.7

As shown by the table and confirmed by the Dual Test, Qwest did not provide the required parity service for this PID.

Impact:

If Qwest does not provide service to CLECs in parity to that of its retail operations, CLECs could experience an increase in costs because of the additional resources required to investigate why commitments were not met. Also, CLECs' customers could experience a decrease in satisfaction if commitments are not met when expected.

Qwest Formal Response:

Qwest understands that KPMG has begun retesting this Exception in accordance with the Executive Committee's decision on 12/21/01 which supports using the 3.0 PID to evaluate results of testing to date and that re-testing should be measured by the most recent PID changes approved by the TAG at the time the re-testing starts.

When the April 2000 Version 3.0 PID was approved, Qwest did not have the measurement capability to allow the comparison of like services. Therefore it was commonly understood that as that capability became available, Qwest would enhance their systems and measurements to allow the comparison of like services .

The use of PID 4.0 for retesting should, in itself, improve the results of OP-4C for the three products subject to this Exception. However, there is a possibility of negative results for OP-4C in one or more regions for one or more of these products, due only to the way OP-4C results are calculated and not due to non-discriminatory actions by Qwest. Qwest has made proposals to the TAG to improve OP-4C calculations, and those proposals are still under discussion with the TAG.



KPMG Comments (03/08/2002):

As a result of this exception, a retest was performed for Resale Residence, Resale Business and UNE-P in all regions where Qwest failed the original test. The retest results indicate that Qwest is now passing OP-4 for Resale Residence in all regions, and for Resale Business in the Western Region, but failing for Resale Business in the Eastern Region, and failing UNE-P for all three regions. The results are summarized in the table below. Note that the analysis was performed using January retail data, and that February retail data is required to complete the analysis. After obtaining February retail data from Qwest, KPMG Consulting will re-analyze the data, and will document any changes in the results that may occur.

In the table below, the test result is given, along with the P-CLEC and retail averages and counts. In addition, the Dual Test Hypothesis Test Mean is given. This is the value compared against in the second of the Dual Tests.

OP-4 Retest Results

Product	Region	Overall Result	First Dual Test p-value	Second Dual Test p-value	P-CLEC Average Days	Retail Average Days (January 2002)	P-CLEC Count	Retail Count	Dual Test Hypothesis Test Mean
Residence POTS	Eastern	Pass	0.3921	0.0000	2.4	2.3	150	20,465	1.9
Business POTS	Eastern	Fail	0.0000	0.9888	2.2	1.3	145	670	1.7
UNE-P	Eastern	Fail	0.0070	0.6281	2.8	2.3	145	21,135	2.3
Residence POTS	Central	Pass	0.9567	0.0000	2.3	2.4	137	33,785	1.8
Business POTS	Central	Not retested							
UNE-P	Central	Fail	0.0239	0.0600	2.6	2.4	140	33,785	2.2
Residence POTS	Western	Pass	0.9971	0.0000	2.4	2.6	143	34,739	1.9
Business POTS	Western	Pass	0.0824	0.0067	2.5	2.2	160	1,225	1.8
UNE-P	Western	Fail	0.0058	0.5586	2.9	2.6	141	35,964	2.6

Based on the failing results of the OP4 PID retest KPMG Consulting recommends that exception 3086 remain open.

Qwest Response to KPMG Comments (03/19/2002):

As a result of this exception, Qwest identified a reporting anomaly with respect to the calculation of the retail and Residence Resale results for the OP 4C PID. Qwest has corrected the data problem and has recast the December and January results with the production of the February results for this PID. Qwest believes the reporting anomaly caused the disparate results. Qwest requests KPMG review and analyze the revised results associated with this exception.

Idaho Staff Comments (03/20/2002):

Idaho Staff requests that Qwest identify the specifics of the "reporting anomaly" that Qwest corrected. It is also our understanding that Qwests modification of the data collection and reporting procedures may require a re-audit of OP-4C by Liberty.



Qwest Response to Idaho Staff Comments (03/21/2002):

In response to Observation 2080 in the Functionality Test, Qwest implemented additional code to count Saturday as a regular Business Day for non dispatch Residence Retail and Resale due date interval calculations. The minor code change was implemented with 2/02 data and rerun against 12/01 and 01/02 results. It counts Saturday in the interval calculations for these products rather than just counting it if the order completed on a Saturday.

Qwest offers Saturday due dates and counts Saturday in the interval calculation during the ordering and provisioning of these non dispatch orders; the PID results now reflect that business practice.

KPMG Supplemental Recommendation (03/25/2002):

KPMG Consulting has received February data and an update for January, with major changes to the retail intervals. KPMG Consulting has not audited these changes, but is using them in the re-analysis shown here as requested by Qwest in its reply comments of 3/19/01.

In the table below, the test result is given, along with the P-CLEC and retail averages and counts. In addition, the Dual Test Hypothesis Test Mean is given. This is the value compared against in the second of the Dual Tests. Based on these results, Qwest is still failing Business POTs in the Eastern Region, but is now passing UNE-P as well as the other products in all regions.

OP-4 Retest Results Using Recast Retail Data

OP-4

Product	Region	P-CLEC Average Days	Retail Average Days (January 2002)	P-CLEC Count	First Dual Test p-value	Second Dual Test p-value	Overall Result	Retail Count	Dual Test Hypothesis Test Mean
Residence POTS	Eastern	2.4	2.7	150	0.9999	0.0000	Pass	38,726	1.9
Residence POTS	Central	2.3	2.8	137	1.0000	0.0000	Pass	62,240	1.9
Residence POTS	Western	2.4	3.1	143	1.0000	0.0000	Pass	67,006	1.9
Business POTS	Eastern	2.2	1.5	145	0.0001	0.8315	Fail	1,110	1.7
Business POTS	Central						Not retested	2,427	
Business POTS	Western	2.5	2.2	160	0.0913	0.0041	Pass	2,338	1.8
UNE-P	Eastern	2.8	2.7	145	0.2467	0.0000	Pass	39,836	2.3
UNE-P	Central	2.6	2.8	140	0.9618	0.0000	Pass	64,667	2.2
UNE-P	Western	2.9	3.1	141	0.8357	0.0000	Pass	69,344	2.4

KPMG Consulting requests that Qwest provide more specifics about the nature of the reporting anomaly and the associated correction that produced these revised results. Additionally, KPMG Consulting would like to know if the new reporting process and results have been or will be audited by Liberty Consulting.

Based on the failure of the OP4 PID for resale business POTS services in the Eastern Region and on Qwest's reply to KPMG Consulting's request for additional information regarding the recast data, KPMG Consulting recommends that this exception remain open.



Qwest Response to KPMG Supplemental Recommendation (04/02/2002):

The reporting anomaly Qwest described in its 3/18/02 response affected the reporting of non-dispatch residential resale and retail orders for which the installation interval included a Saturday. Saturday was being counted as a business day for these types of orders, and included in the installation interval calculation, only if the due date fell on Saturday.

In addition, subsequent to 3/18/02, Qwest identified a calculation error that affected reporting for wholesale and retail orders with a Saturday or Sunday APP date. For these orders, regulatory reporting for OP-4 was including one additional business day in the interval calculation. In the recast data, the calculation has been corrected accordingly for these orders except where orders should count Saturday as a business day (non-dispatch residential resale and retail orders) as described in the first paragraph of this response.

Qwest provided KPMG a recast OP-4 data set for January and February on 4/01/02. While Qwest understands that KPMG will need to analyze the recast data set, Qwest believes that the revised results demonstrate that Qwest is meeting all OP-4 PID sub-measurements, with the exception of Eastern Region Resale Business POTs . Qwest requests that KPMG not retest for Eastern Region Resale Business POTs, as Qwest will rely upon its commercial results to prove parity for this product in its filings for the Eastern Region States. Accordingly, Qwest requests that KPMG Consulting close this exception as “closed/unresolved” for Eastern Region Resale Business POTs.

Pursuant to KPMG’s 3/25/02 response, Qwest also requested that Liberty review and analyze the revised results associated with the recast data set. Liberty indicated that it would complete this review no later than 4/10/02.

KPMG Disposition Report (04/05/2002):

The results of KPMG Consulting’s reanalysis of the OP-4 results using the second recast of the Qwest retail data are shown in the table below.

OP-4 Retest Results Using Second Recast of Retail Data

OP-4

Product	Region	P-CLEC Average Days	Retail Average Days (January 2002)	P-CLEC Count	First Dual Test p-value	Second Dual Test p-value	Overall Result	Retail Count	Dual Test Hypothesis Test Mean
Residence POTS	Eastern	2.4	2.6	150	0.9941	0.0000	Pass	36,706	1.9
Residence POTS	Central	2.3	2.9	137	1.0000	0.0000	Pass	80,458	1.9
Residence POTS	Western	2.4	2.8	143	1.0000	0.0000	Pass	54,998	1.9
Business POTS	Eastern	2.2	1.5	145	0.0001	0.8183	Fail	1,270	1.7
Business POTS	Central						Not retested	3,247	
Business POTS	Western	2.5	2.2	160	0.0727	0.0090	Pass	2,410	1.8
UNE-P	Eastern	2.8	2.6	145	0.0712	0.0031	Pass	37,976	2.3
UNE-P	Central	2.6	2.9	140	0.9939	0.0000	Pass	83,705	2.2
UNE-P	Western	2.9	2.8	141	0.2062	0.0002	Pass	57,408	2.4

This fresh look at the PID performance using the corrected data shows that the overall results for this PID have not changed. Qwest is passing the OP-4 requirement for all products except Resale Business in the Eastern Region.



KPMG Consulting acknowledges Qwest's reply comments explaining the cause of the data anomalies and the re-audit of the revised data by Liberty Consulting. KPMG Consulting has opened Exception 3120 to address this and other data integrity issues originally addressed in Observations 3089 and 3099.

Based on Qwest's reply comments that address the data integrity questions and the scheduled audit of the recast data, KPMG Consulting recommends that Exception 3086 be closed/unresolved for Business POTS Service OP-4 results in the Eastern Region.

KPMG 2nd Supplemental Recommendation (04/12/2002):

Due to pending reconsideration of the PID definition and any subsequent reevaluation of the data, KPMG Consulting requests that the Disposition Report issued on 04/05/02 be rescinded.

KPMG Consulting recommends that this exception remain open.

KPMG 3rd Supplemental Recommendation (04/12/2002):

The results shown in KPMG Consulting's 4/5/02 Disposition Report were the subject of a lengthy discussion during the 4/11/02 TAG call. There was a concern that the results shown for UNE-P were not a true parity comparison with retail results because of the manner in which the weekends were treated in the retail data as compared to the P-CLEC data. For the retail residential analog, Saturdays were counted as part of the interval. However, for UNE-P, Saturdays were not counted when these orders were issued, per the published Qwest Standard Interval Guide. To adjust for this mismatch and make the comparison more like-for-like, the TAG instructed KPMG Consulting to revisit its analysis using only retail Business POTS data as the analog for UNE-P results. The outcome of this fresh look at the results are shown on the table below:

OP-4 Retest Results Reflecting Second Recast of Retail Data and Using Business POTS as the UNE-P Analog

OP-4

Product	Region	P-CLEC Average Days	Retail Average Days	P-CLEC Count	First Dual Test p-value	Second Dual Test p-value	Overall Result	Retail Count	Dual Test Hypothesis Test Mean
Residence POTS	Eastern	2.4	2.6	150	0.9941	0.0000	Pass	36,706	1.9
Residence POTS	Central	2.3	2.9	137	1.0000	0.0000	Pass	80,458	1.9
Residence POTS	Western	2.4	2.8	143	1.0000	0.0000	Pass	54,998	1.9
Business POTS	Eastern	2.2	1.5	145	0.0001	0.8183	Fail	1,270	1.7
Business POTS	Central						Not retested	3,247	
Business POTS	Western	2.5	2.2	160	0.0727	0.0090	Pass	2,410	1.8
UNE-P	Eastern	2.8	1.5	145	0.0000	1.0000	Fail	1,270	2.2
UNE-P	Central	2.6	2.1	140	0.0058	0.5471	Fail	3,247	2.1
UNE-P	Western	2.9	2.2	141	0.0021	0.6430	Fail	2,410	2.3

Based on the failure of OP-4 for UNE-P in all regions and for Business POTS in the Eastern Region, KPMG Consulting recommends that this exception remain open.



Qwest Response to KPMG 3rd Supplemental Recommendation (04/19/2002):

Although KPMG's recast OP-4C data indicates that UNE-P failed the dual test analysis, Qwest believes that its commercial results for OP-4C beginning with March 2002 data will validate that the average installation interval for non-dispatch wholesale orders is in parity with Qwest's retail comparative.

Qwest requests KPMG to close this exception as "closed/unresolved" for Eastern Region Resale Business POTs and for UNE-P in all three regions.

Attachment(s): None