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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE PETITION OF MCIMETRO ACCESS TRANSMISSION SERVICES LLC D/B/A VERIZON ACCESS TRANSMISSION SERVICES FOR APPROVAL OF AN ALTERNATIVE MEASUREMENT OF SERVICE QUALITY REPORTING PURSUANT TO WAC 480-120-439(12)	)))))))))	DOCKET NO. UT-060502 PETITION FOR ALTERNATIVE MEASUREMENT AND REPORTING UNDER WAC 480-120-439(12)

Pursuant to WAC 480-120-439(12), MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services ("Verizon Business") requests that the Washington Utilities and Transportation Commission ("WUTC" or "Commission") grant this Petition for Alternative Measurement and Reporting under WAC 480-120-439. In this petition, Verizon Business seeks approval of alternative reporting similar to that granted to AT&T Communications of the Pacific Northwest, Inc., TCG Oregon and TCG Seattle (collectively "AT&T") in Order No. 01 issued May 11, 2005, in Docket No. UT-041588.

As the Commission authorized for AT&T, Verizon Business specifically seeks to: (a) apply WAC 480-120-439 subsections (3), (4) and (6) through (9) only to customers with five or fewer access lines, in order to exclude "enterprise customers";[1] (b) report performance on a statewide basis; and (c) submit a report only for mass market customers served by Verizon Business entirely through the services of underlying wholesale carriers.[2]

[1] Enterprise customers are large business or government customers with more than five access lines or the equivalent network access capacity.
[2] Mass market customers are residential customers and small business customers with five or less access lines.

Finally, Verizon Business respectfully requests that the Commission approve the format and content of the February 2006 reports filed simultaneously with this petition and requests that the specific numbers provided in filed reports be treated as confidential data that is not available for public disclosure.

I. INTRODUCTION

1. Verizon Business is a competitive local exchange carrier ("CLEC") in Washington providing retail local exchange service using its own facilities for enterprise (large business and government) customers and using unbundled network elements ("UNEs") and network elements provided under commercial agreements with other local exchange carriers ("LECs") to serve mass market (residential and small business) customers. In accordance with Order No. 07 issued in Docket No. 050814, Verizon Business is required to file certain retail service quality reports with the Commission on varying schedules in accordance with WAC 480-120-439.

2. The current service quality measurements and reporting requirements of WAC 480-120-439 are based primarily upon a facilities-based, legacy network architecture that is inconsistent with Verizon Business' local network and the manner in which it provides service to its retail customers. For example, many requirements specify measurement and reporting on a central office basis.[3] Verizon Business does not employ central offices, does not maintain records on a central office basis in the usual course of business and has no business reason to so. Thus, it cannot measure or report on that basis. Other measurements do not contemplate Verizon Business' reliance upon the services and facilities of underlying LECs to serve mass market customers, nor the installation intervals required and used by the underlying LECs in providing services to

[3] *See e.g.,* WAC 480-120-439(4); WAC 480-120-439(6).

Verizon Business.[4] When relying on underlying LECs' provision of wholesale services to serve its retail customers, Verizon Business provides the same quality of the service that is provided to it by the underlying LEC and that is reported by the LEC under WAC 480-120-439(3), (4), and (6) through (9). The quality of service Verizon Business provides to its mass market customers regarding the subject of these measures is wholly within the control of the underlying LECs and beyond the control of Verizon Business. Accordingly, to the extent its reports reflect misses under the metrics included in WAC 480-120-439(3), (4), and (6) through (9), those misses are beyond the control of Verizon Business.

3. Consequently, Verizon Business cannot reasonably provide many of the measurements or reports required under these rules because of its network architecture and its dependence on services provided by underlying LECs to provide local exchange service.

4. Furthermore, as part of cost containment measures, Verizon Business and other carriers create call centers or service-type centers to address customers' needs. These centers are less expensive to staff than utilizing service representatives in multiple local offices in numerous cities. In addition, national carriers such as Verizon Business attempt to standardize and automate as many internal business reporting and information gathering operations as possible. The standardization of measurements and reporting allows carriers to automate the reporting and produce the reports at a lesser cost than the carrier would incur if it had to manually pull out unique information from its systems for each particular jurisdiction.

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[4] *See e.g.,* WAC 480-120-430(4)(describing installation intervals some of which cannot be met by carriers provisioning service via UNEs or commercial agreements).

5. Despite these limitations, Verizon Business' proposed alternatives will provide the Commission with substantive performance standards based upon the services it provides in Washington. Verizon Business is able to provide the Commission with service quality data in its reports for mass market customers using data derived from information provided to it by underlying wholesale providers.

6. Verizon Business describes in greater detail below how application of the specific rules to Verizon Business does not make sense, and why proposed alternative measurements would be more appropriate for measuring the performance of Verizon Business. Based upon that discussion, Verizon Business respectfully requests that the Commission grant this Petition for alternative measurements approving the format and content of the February 2006 reports attached to this petition.

7. Before turning to the specific rules, Verizon Business also requests that the Commission order that WAC 480-120-439(3), (4), (6) through (9) not apply to service provided by Verizon Business to enterprise customers. The Commission approved such exclusions for AT&T, and should do so for Verizon Business for the same reasons.[5] As AT&T noted in its petition, most of these rules (especially those addressing missed appointments, as well as installation of basic service and repair reports) are rules that were designed to assist residential and small business mass market consumers, not enterprise customers. Enterprise customers generally have interstate contracts with carriers that describe the unique installation and other special equipment needs of the customer. The complexities of certain arrangements with enterprise customers

[5] In Order No. 01 issued in the AT&T petition for alternative reporting, the Commission denied AT&T's request that it did not have to provide monthly or quarterly reports for subsection 4 because the associated standards were waived for CLECs, but it appears the Commission did not require AT&T to report on subsection 4 for enterprise customers.

necessitate longer intervals than contemplated by the 5-business-day installation requirement found in WAC 480-120-105(a). Enterprise customers negotiate intervals satisfactory to them for the work being provided. The enterprise market is also very competitive in Washington and competition, not regulation, will assure that the enterprise customers obtain the service quality that they desire. Therefore, application of intervals set forth in WAC 480-120-105(a) make little sense, would thwart negotiated arrangements with enterprise customers, and are not in the public interest.

II. SPECIFIC RULES AND ALTERNATIVE MEASUREMENT PROPOSALS

A. WAC 480-120-439(3) – Missed Appointment Report

8. The Missed Appointments Report essentially reports the total number of: (i) appointments made; (ii) appointments missed; and (iii) appointments excluded. The report is required to be broken down into two separate reports: one for installations and one for repairs. The relevant portions of the rules for defining appointments missed are as follows:

> (a) A LEC is deemed to have kept an appointment when the necessary work in advance of dispatch has been completed and the technician arrives within the appointment period, even if the technician then determines the order cannot be completed until a later date. If the inability to install or repair during a kept appointment leads to establishment of another appointment, it is a new appointment for purposes of determining under this subsection whether it is kept or not.
>
> (b) When a LEC notifies the customer at least twenty-four hours prior to the scheduled appointment that a new appointment is necessary and a new appointment is made, then the appointment that was canceled is not a missed appointment for purposes of this subsection. A company-initiated changed appointment date is not a change to the order date for purposes of determining compliance with WAC 480-120-105 (Company performance standards for installation or activation of access lines) and 480-120-112 (Company performance for orders for nonbasic services).

(c) A LEC does not miss an appointment for purposes of this subsection when the customer initiates a request for a new appointment.

(d) A LEC does not miss an appointment for purposes of this subsection when it is unable to meet its obligations due to force majeure, work stoppages directly affecting provision of service in the state of Washington, or other events beyond the LEC's control.

9. Verizon Business does not dispatch a truck or technician to install or repair residential and small business mass market customers. Rather, to the extent necessary, that function is performed by the underlying LECs in accordance with interconnection and commercial agreements. Verizon Business knows only what the underlying LEC reports and that report does not include information regarding any exceptions as described in subsections (b), (c) and (d) or the need for actual dispatch to the customer premises. In addition, it is Verizon Business' experience that the repair reporting data that is also provided by underlying LECs is usually not available until at least 5-6 weeks after the close of any month. Therefore, Verizon Business proposes reporting data for this metric for the month for which it has the most current data and will so identify the month.

10. In the course of its business, Verizon Business tracks the underlying LEC's performance for mass market customers and can report the total number of commitments scheduled and the number of commitments missed for those customers. Verizon Business, however, does not track the number of exclusions from these commitments because it does not have the ability to do so since such information is not provided to it by the underlying wholesale provider. By not excluding any "missed" appointments in its reports, Verizon Business will thus actually over-report the number of

missed appointments to the extent any of the reported missed appointments would otherwise be excluded under WAC 480-120-439(3).

B. WAC 480-120-439(4) – Installation or Activation of Basic Service Report.

11. The Installation or Activation of Basic Service Report required by WAC 480-120-439(4) essentially requires that carriers report: (a) the total number of orders taken by central office for orders of five or fewer access lines;[6] (b) the total number of those orders uncompleted in 5 business days (waived for CLECs); and (c) the total number of orders, by central office, that remain incomplete after: (i) 90 days and (ii) 180 days. Carriers are required to provide monthly, quarterly and semi-annual reports under this metric on a central office basis.

12. This rule, by its own terms, applies to the provision of basic local exchange service, or plain old telephone service ("POTs"), that Verizon Business provides only to mass market customers. There are several threshold difficulties associated with applying this metric to Verizon Business. As noted earlier, Verizon Business does not have or use central offices. Central offices are an outgrowth of the older legacy network architecture, which employs numerous "Class 5" or end office switches disbursed widely across the state. Generally, Class 5 switches are placed to accommodate the limitations of twisted pair, local loops. Verizon Business does not employ such network architecture. In fact, it has a total of two local switches in the State of Washington and thus uses much longer transport systems. In essence, Verizon Business maintains its records and manages its customers on a statewide, not a central

[6] Carriers other than CLECs must also report the total number of orders of five or fewer access lines that have due dates (established by customer choice) outside the 5-day interval.

office, basis. Thus, Verizon Business is unable to report on this metric on a central office basis.

13. There are also specific problems associated with applying the interval components of WAC 480-120-439(4) to Verizon Business. All of its residential and small business mass market customers are served through use of unbundled network elements or commercial elements provided by underlying carriers. By serving its customers in this manner, Verizon Business is bound by installation interval provisions set forth in the interconnection and commercial agreements it has with the underlying carriers. Thus, the installation intervals provided by the underlying carrier are governed by those agreements and should not be applied from WAC 480-120-439(4) to Verizon Business.

14. Verizon Business is also not in a position to comply with the requirement in WAC 480-120-439(4) to distinguish between orders placed for five or fewer access lines. For mass market customers, Verizon Business does not track or distinguish between orders that are for five or fewer access lines and those orders for more than five access lines. Accordingly, Verizon Business proposes to report on all mass market customer orders regardless of the number of access lines requested. Allowing Verizon Business to report in this manner may result in the over-reporting of installations not completed in accordance with the required timelines, but is the most workable solution given the information tracked by Verizon Business.

C. WAC 480-120-439(6) – Trouble Reports.

15. Under WAC 480-120-439(6), each month carriers must submit reports disclosing the total number of troubles by central office, the total number of lines served

by the central office and the ratio of troubles per 100 lines. In addition, the rule requires that the carriers provide the "cause" of the trouble when the number of trouble reports exceeds the trouble measure benchmark in WAC 480-120-438. That rule states in relevant part:

> [t]rouble reports by central office must not exceed four trouble reports per one hundred access lines per month for two consecutive months, or per month for four months in any one twelve-month period.

16. For mass market customers, Verizon Business can meet the reporting standard in WAC 480-120-439(6) on a statewide basis, but cannot provide this information on a central office basis for the reasons stated earlier. Again, it is Verizon Business' experience that the repair reporting data that is also provided by underlying LECs is usually not available until at least 5-6 weeks after the close of any month. Therefore, Verizon Business proposes reporting data for this metric for the month for which it has the most current data and will so identify the month.

D. WAC 480-120-439(7) – Switching Report.

17. The Switching Report required under WAC 480-120-439(7) specifies that a carrier file a report when it experiences problems that cause it to exceed the switching standards established in WAC 480-120-401(2)(a). Those standards state in pertinent part:

> End-office switches, in conjunction with remote switches where deployed, must meet the following standards:
>
> (a) Dial service. For each switch, companies must meet the following minimum standards during the switch's average busy-hour of the average busy season:
>
> (i) Dial tone must be provided within three seconds on at least ninety-eight percent of calls placed; and

(ii) Ninety-eight percent of calls placed must not encounter an intra-switch blocking condition within the central office, or blocking in host-remote, or interoffice local trunks.

18. As noted above, Verizon Business relies on the underlying LEC and its network to provide service to mass market customers. It does not use its own switches to provide service to these customers. Thus, Verizon Business cannot report on an individual switch or central office basis as specified in WAC 480-120-439(7) as noted earlier. Accordingly. Verizon Business cannot provide information for this metric and requests it be exempted from providing such data.

E.. WAC 480-120-439(8) – Trunk Blocking Report.

19. WAC 480-120-439(8) generally requires carriers to produce a report when they experience trunk blocking in excess of the standard described in WAC 480-120-401(3) and (5). A single trunk group may be below that applicable standard for a maximum of two consecutive months. The standard applies to interoffice facilities, and establishes standards that must be met for interoffice facilities, E911 trunks and trunks to interexchange carriers ("IXCs").[7] Once again, Verizon Business relies on the underlying LEC and its network to provide service to mass market customers. It does not use its own trunks to provide service to these customers. Thus, Verizon Business cannot report on a trunk basis. Therefore, Verizon Business cannot report on this metric for mass market customers and requests it be exempted from providing such data.

F. WAC 480-120-439(9) – Repair Report.

20. The Repair Report required under WAC 480-120-439(9) essentially provides that carriers must report the total monthly number of service "interruptions and impairments." Service "interruptions and repairs" are basically divided under the

[7] WAC 480-120-401(3) & (5).

relevant standard into two types of repairs: (a) out-of-service problems and repairs; and (b) service impairment problems and repairs.[8] Of these two types of repairs, carriers must report out-of-service repairs completed within 48 hours and those completed outside of 48 hours. For service impairments that do not result in loss of service, carriers must report the number of troubles repaired within 72 hours and the number repaired in more than 72 hours. Also, for each type of repair, carriers must describe the interruptions they have exempted from the measure based upon specified exemption criteria.

21. For mass market customers, Verizon Business must rely on the underlying LEC to provide service within any standards applicable to that LEC. Verizon Business knows only what the underlying LEC reports and that report does not include information regarding any exemptions. Verizon Business tracks the underlying LECs' performance and can report the total number of tickets repaired within the timeframe on a statewide basis. Verizon Business, however, does not track the number of tickets exempted from these commitments, and is unable to differentiate between interruptions and impairments. Once again, it is Verizon Business' experience that the repair reporting data that is also provided by underlying LECs is usually not available until at least 5-6 weeks after the close of any month. Therefore, Verizon Business proposes reporting data for this metric for the month for which it has the most current data and will so identify the month. Accordingly, Verizon Business proposes to report interruptions and impairments on a statewide using a 48-hour standard, which may over-report interruptions that were, in fact, impairments.

[8] WAC 480-120-440.

III. CONFIDENTIALITY OF SPECIFIC DATA

22. In accordance with the Commission's rules on "Confidential Information," as set forth in WAC 480-07-160, the Commission will provide special handling and limited access to confidential information properly designated as such. "Confidential Information" includes "[v]aluable commercial information, including trade secrets or confidential marketing, cost, or financial information, or customer-specific usage and network configuration and design information, as provided in RCW 80.04.095." WAC 480-07-160(2)(c).

23. Verizon Business requests that following data provided in the reports be treated as "Confidential Information" on an on-going basis, as it constitutes valuable commercial information under WAC 480-07-160(2)(c): (i) total number of installation and repair appointments [WAC 480-120-439(3)]; (ii) total number of installation and repair appointments missed [WAC 480-120-439(3)]; (iii) total number of orders for basic service [WAC 480-120-439(4)]; (iv) total number of orders for basic service not completed within 5 days [WAC 480-120-439(4)]; (v) total number of access lines [WAC 480-120-439(6)]; (vi) total number of troubles [WAC 480-120-439(6)]; (vii) total number of out-of-service tickets [WAC 480-120-439(9)]; and (viii) total number of out-of-service tickets repaired with 48 hours [WAC 480-120-439(9)]. Verizon Business will place appropriate confidential markings (as required per WAC 480-07-160(3)(b)) on all reports and will simultaneously provide redacted copies.

24. The information sought in these service quality reports, to the extent such data exists, is information that contains proprietary information and trade secrets, and is treated confidentially by Verizon Business employees and agents, as required by the

Verizon Code of Business Conduct (which can be found at http://www22.verizon.com/about/careers/pdfs/CodeOfConduct.pdf).

25. The detailed information sought in these reports is not and has not been reasonably obtainable by private citizens or other firms through legitimate means without Verizon Business' consent, and Verizon Business keeps this type of information confidential as described in the previous paragraph.

26. Based upon the above information, public disclosure of the detailed data requested in these service quality reports will cause substantial harm to Verizon Business for the following reasons:

A. Competitors could derive independent economic value, actual or potential, from disclosure of the detailed data contained in these reports that could cause unfair economic or competitive damage to Verizon Business because its competitors would be able to gain knowledge about Verizon Business' quality of service. Competitors, including intermodal competitors, could target marketing campaigns to Verizon Business' customers using the service quality performance data. Such knowledge, therefore, would give competitors of Verizon Business an advantage in attempts to provide equivalent services to Verizon Business' customers. Such knowledge also would allow competitors to adjust their offerings to give them a competitive advantage that they, otherwise, would not have but for public disclosure of the service quality data provided. Therefore, this information requested is valuable commercial information and is constitutes "Confidential Information" of Verizon Business.

B. This data is not readily ascertainable by other persons who can obtain economic value from its disclosure or use by proper means because no one other than Verizon Business employees, its agents or its underlying carriers know the detailed data being provided in these reports. Moreover, only those people with a need to know within Verizon Business have access to such data.

C. Although not quantifiable by a specific dollar amount, the value of the data that is being provided could be significant in a very competitive telecommunications market, with both intramodal and intermodal competitors. Intermodal competitors are not required to publicly disclose the type of information that Verizon Business will report to the Commission in these service quality reports. The possibility exists, then, that use of this data could result in a reduction of Verizon Business's revenues derived from Washington consumers because of the potential for customer loss.

D. Because the detailed data to be provided is proprietary in nature and not available publicly from any source, it is intended that no one should be able to discover or develop the detailed data. Verizon Business has made every effort to preclude improper disclosure of this data, both internally within the company and externally outside the company. Moreover, Verizon Business has taken reasonable measures to make disclosure improper and unethical without Verizon Business' consent.

For the reasons stated, Verizon Business requests that the information it has identified in paragraph 23 as valuable commercial information be treated as "Confidential Information" under WAC 480-07-160.

IV. CONCLUSION

27. For the reasons stated in this Petition, Verizon Business respectfully requests that the Commission accept the proposed alternative measurements applicable to Verizon Business under WAC 480-120-439: namely,

A. That reporting obligations under WAC 480-120-439 subsections (3), (4) and (6) through (9) apply only to customers with five or fewer access lines, thus excluding reports on service provided to enterprise customers;

B. That Verizon Business be permitted to report performance for mass market customers on a statewide, rather than central office, basis;

C. That the report to be submitted by Verizon Business for mass market customers served through an underlying wholesale carrier include only such information provided to Verizon Business by the underlying carriers providing the underlying service.

D. That Verizon Business be permitted to submit reports with the format and type of content found in the report for February 2006 filed contemporaneously with this Petition (and as more specifically discussed throughout this Petition.)

E. That Verizon Business be permitted to designate the information it has identified in paragraph 24 as valuable commercial information as "Confidential Information" per WAC 480-07-160.

Respectfully submitted this 31st day of March, 2006.

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