

In light of the investigations underway in several states into Qwest's disclosure of agreements signed with Eschelon Telecom Inc., Covad Communications Inc., and McLeod USA (the CLECs), KPMG Consulting conducted a review of the Draft Final Report in order to identify specific test sections that contain conclusions that were based, in whole or in part, on representations, information, or data obtained from, or provided by the CLECs.

The results of that analysis were discussed with the ROC Steering Committee on Monday May 6, 2002, and with the ROC TAG on Thursday May 9, 2002. On the TAG call AT&T requested that KPMG Consulting revise its documents to reflect the participation of an expanded list of CLECs. KPMG Consulting agreed to do so.

Ms. Mary Tribby of AT&T provided KPMG Consulting with that expanded list via email on Friday, May 10, 2002. The additional CLECs include: Arch Communications Group; e.spire; GST Telecom; Nextel; US Link/Info Tel; VoiceStream; Western Wireless; and, WorldCom.

WorldCom requested that KPMG Consulting answer certain written questions about our CLEC Participation review. KPMG Consulting submitted its written answers to WorldCom's questions on May 22, 2002. During the hearings held in Washington during the week of June 3, 2002, WorldCom further requested that KPMG Consulting revise its written answers to the WorldCom's questions to reflect the participation of the additional CLECs. KPMG Consulting agreed to do so.

KPMG Consulting has revised its original Word document to reflect the history of this issue, and has also revised the companion Excel Workbook to reflect the additional information required to describe the participation of the additional CLECs.

In our original Word document, KPMG Consulting made no assertion as to the accuracy or completeness of the information provided to us by the participating CLECs. We affirm that statement. KPMG Consulting did not audit information provided to us by the participating CLECs, except to compare the information provided with corresponding information available from Qwest, when appropriate.

In addition, in our original Word document KPMG Consulting made no assertion as to whether or not the information received from the CLECs is representative of the "typical" CLEC experience. We also affirm that statement. KPMG Consulting made no attempt to investigate whether or not the information provided by one of the participating CLECs was consistent with information held by other CLECs.

KPMG Consulting is not aware of any evidence that suggests that Qwest has given preferential treatment to any of the participating CLECs in a manner that would undermine the credibility of the information relied upon by KPMG Consulting.

Upon review, the evaluation criteria presented in the Final Report fall into three categories with regard to reliance on information obtained from the CLECs:

- “No Reliance.” -- no CLEC participation was required, or utilized, as a data point for drawing conclusions in the Final Report. This category represents the vast majority of the evaluation criteria contained in the Final Report.
- “Partial Reliance.” -- CLEC representations, information or data was used as one data point among many. For example, in evaluating the ISC help desk, KPMG Consulting interviewed several CLECs, monitored HPC’s observations and exceptions, interviewed the P-CLEC, conducted on-site inspections of the ISC and reviewed relevant documentation. In these cases, the representations made by any individual CLEC were simply one of several inputs used by KPMG Consulting to draw its conclusions. Attached is a list of evaluation criteria, by number, that qualify for this category.
- “Substantial Reliance.” – CLEC representations, information or data was used as the primary source used by KPMG Consulting in drawing its conclusions. Attached is a list of evaluation criteria, by number, that fall into this category.

In addition, in the attached we describe seven other uses of CLEC information during the tests.