

1 BEFORE THE WASHINGTON UTILITIES AND
2 TRANSPORTATION COMMISSION

3 In the Matter of the)
4 Investigation into)
5 U S WEST COMMUNICATIONS, INC.'s) Docket No. UT-003022
6) Volume LVIII
7 Compliance with Section 271 of) Pages 8122 to 8329
8 the Telecommunications Act of)
9 1996)
10 -----)
11 In the Matter of)
12 U S WEST COMMUNICATIONS, INC.'s) Docket No. UT-003040
13 Statement of Generally) Volume LVIII
14 Available Terms Pursuant to) Pages 8122 to 8329
15 Section 252(f) of the)
16 Telecommunications Act of 1996)
17 _____)

13 A hearing in the above matters was held on
14 June 6, 2002, at 9:30 a.m., at 1300 South Evergreen Park
15 Drive Southwest, Room 206, Olympia, Washington, before
16 Administrative Law Judge ANN RENDAHL and Chairwoman
17 MARILYN SHOWALTER and Commissioner RICHARD HEMSTAD and
18 Commissioner PATRICK J. OSHIE.

19 The parties were present as follows

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1 P R O C E E D I N G S

2 JUDGE RENDAHL: Good morning, everyone, we're
3 here for our second day of hearing on the ROC OSS final
4 report, and we're continuing with the cross-examination
5 of Mr. Weeks and Mr. Dellatorre from KPMG.

6 Please continue, Mr. Dixon.

7 MR. DIXON: Thank you, Judge.

8

9 Whereupon,

10 MICHAEL WEEKS and JOE DELLATORRE,
11 having been previously duly sworn, were called as
12 witnesses herein and were examined and testified as
13 follows:

14

15 C R O S S - E X A M I N A T I O N

16 BY MR. DIXON:

17 Q. I want to turn to a different subject, just
18 talk a little bit about migrating Qwest retail customers
19 to a CLEC providing Qwest UNE-P services or using the
20 wholesale UNE-P services. I got a couple of questions.
21 Does Qwest require to your knowledge a full service
22 address to migrate a retail customer to a CLEC who is
23 using the UNE platform to provide service for customers?

24 A. (Mr. Dellatorre.) It is our understanding
25 that the address is required to complete a migration.

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1 Q. All right. And the correlation of that is,
2 does Qwest allow migration of Qwest retail customers to
3 a CLEC again using UNE-P solely by entering the
4 customer's name and telephone number? And that was
5 without the address.

6 A. (Mr. Dellatorre.) Again, I believe it's with
7 an address.

8 Q. So the answer would be no to my second
9 question?

10 A. (Mr. Dellatorre.) Correct.

11 Q. The Qwest business rules that I believe you
12 guys have also reviewed on migrations state that CLEC to
13 CLEC migrations must be completed as is. That is where
14 a customer is moving from one CLEC to another CLEC. To
15 your knowledge, does that mean that if a CLEC were to
16 migrate a customer from CLEC X to CLEC Y, it would have
17 to keep all of the customer's, existing customer's
18 features intact?

19 A. (Mr. Weeks.) Yes, and then it would have to
20 subsequently produce other LSRs to make whatever
21 modifications, so it would be a two step process rather
22 than a one step process.

23 Q. All right. And moving on then, are you aware
24 if any CLECs have integrated Qwest's parsed CSR using
25 the IMA EDI ordering?

1 JUDGE RENDAHL: Mr. Dixon, can you state that
2 in more clear English; my brain can't compute that.

3 MR. DIXON: I apologize, we defined those
4 yesterday, I will start again.

5 BY MR. DIXON:

6 Q. Have any competitive local exchange carriers
7 integrated Qwest's parsed customer service record with
8 an interconnect mediated access EDI, I believe that's
9 electronic data interchange, ordering to the extent that
10 the customer service record can be pulled from the Qwest
11 systems and then automatically populate the competitive
12 local exchange carrier local service request form, the
13 order form?

14 A. (Mr. Weeks.) I would give a two part answer
15 to that. The first is that while we're not specifically
16 aware of any active CLEC who has done that sort of
17 activity, I think the record from Hewlett Packard
18 demonstrates, and you can quiz them on that, that, in
19 fact, part of their test demonstrated that that is very
20 doable. But I would have you ask that question of them
21 again.

22 Q. All right, thank you. And just maybe for the
23 record since we were clarifying terms, could you
24 describe what parsing is as it relates to the
25 telecommunications industry and relates to the question

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1 I just asked?

2 A. (Mr. Weeks.) Certainly. A CSR, customer
3 service record, is information that is stored in Qwest's
4 data bases and systems that records a variety of facts
5 about that customer and the facilities that they have
6 installed, each, if they're a multiline customer, each
7 of the lines, descriptions about those lines, what
8 features and codes, USOCs, and these sorts of terms.
9 That information is stored in Qwest's data bases.
10 Historically one could print out onto pieces of paper a
11 CSR, customer service record, and look at it physically
12 with your eyes and interpret it and read it. It looks
13 like a printout from a report, and it takes some
14 knowledge of the telecom industry and the specifics of
15 all the various codes and things to be able to read that
16 with the human eye.

17 It is possible to take a CSR sort of in its
18 raw bulk form, kind of print images, if you will of
19 lines, 80 character kind of lines, and transfer those in
20 bulk from say the ILEC to the CLEC. But the CLEC then
21 would have the responsibility of sort of going through
22 each of the rows and each of the columns that were in
23 that information, that file, and extracting out the
24 information that they wanted, what is the customer's
25 name, what is the customer's address, what are the

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1 various circuit IDs associated with each of the circuits
2 that are installed and these sorts of things. That
3 process of extracting the information from the raw file
4 is called parsing. You're just pulling out the relevant
5 pieces of information, and you would then store them if
6 you were a CLEC in your own data bases so that you could
7 keep those going forward so that all the CLECs don't
8 necessarily have to write this parser themselves.

9 One of the things that many of the ILECs,
10 Qwest included, have done is provided a parsing
11 capability where they have broken the CSR down into
12 various records and fields for the CLECs so that they
13 can pull this "parsed" or already broken apart and
14 fielded information. They do that for the CLEC so that
15 the CLEC can then pull down what's called a parsed CSR,
16 which is kind of fields and values, as opposed to just
17 raw stream of data, and that is available.

18 There are limitations to the parsing in all
19 of the ILECs. CSRs can be quite complicated, especially
20 for large business customers. They can be a stack of
21 paper this thick for a very, very, very large customer,
22 and they're very complicated to parse when you get into
23 large complex business situations. For the typical
24 residential customer, they're reasonably small and easy
25 to do parsed. So they're only partially parsed for

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1 complex situations, but they're reasonably fully parsed
2 for straightforward, simple situations.

3 Q. Thank you. Mr. Weeks, just following up on
4 that response, for a company operating on a mass markets
5 basis, that is making a full residential offering, you
6 were talking about the residential orders will be
7 simpler; parsing would be helpful in that circumstance,
8 would you not agree?

9 A. (Mr. Weeks.) Yes, it is.

10 Q. And as would preorder to order integration
11 would be very helpful for a company doing a mass markets
12 launch?

13 A. (Mr. Weeks.) As I have testified before on
14 numerous occasions, my opinion about how that all should
15 work is that the preorder query information should be
16 retrieved and stored in the data bases of record that
17 support the CLEC's OSSs. Subsequently other information
18 would be combined with that and orders created from
19 those proprietary data bases maintained by the CLECs. I
20 wouldn't normally expect that a CLEC would directly take
21 the information out of a preorder query and drop it
22 directly into the order and ship it off, because doing
23 so without storing that information in an intermediate
24 form would cause you to lose information that you
25 wouldn't want to lose.

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1 Q. So if I understand what you're saying, they
2 certainly would use it, but you said they would
3 certainly store it as well?

4 A. (Mr. Weeks.) Right. So the issue becomes
5 one of if there are differences in field names or field
6 formats between preorder and order, that might -- if you
7 were just trying to roll the information out of preorder
8 into order, that might be somewhat problematic, and the
9 HP report talks about things -- difficulties associated
10 with that. In reality, the way it would work in the
11 real world in most cases was that you would take it from
12 the preorder format that Qwest would have into your own
13 proprietary format that is of your own design, and then
14 you would take information out of your own proprietary
15 format of your own design and put it into the order form
16 in the fields and the names and the structures that were
17 required by the ordering. So that's the way I see most
18 of the integrations actually taking place.

19 A. (Mr. Dellatorre.) Doing any necessary
20 translations in between each of those steps.

21 Q. All right, thank you. I would like to turn
22 to another subject matter, and this will deal with
23 Exhibit 1717 as well, and I'm sorry, I should have
24 pointed this out, 1718, which were the answers that were
25 provided by KPMG. This is a WorldCom question, and this

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1 is my last area for this team of witnesses, the dual
2 witnesses.

3 Just kind of making sure everybody has their
4 stuff all right and ready to go.

5 In Exhibit 1718, which are your responses to
6 the WorldCom question, going to the very last response,
7 which was, excuse me, the next to last answer to
8 question K.

9 JUDGE RENDAHL: And this is in Exhibit 1718?

10 MR. DIXON: 1718, yes.

11 BY MR. DIXON:

12 Q. And I'm on page 3 of the document for those
13 having a hard copy. The very last sentence says:

14 However, as noted in question I, if that
15 data is suspect, KPMG will reconcile the
16 data with Qwest before using the data.

17 My question is, have you, in fact, done that
18 data reconciliation you reference in your response to
19 question K?

20 A. (Mr. Weeks.) Let me read the question and
21 the answer again briefly to make sure I can respond
22 correctly.

23 Q. Sure.

24 A. (Mr. Weeks.) (Reading.)

25 I'm not aware of any additional work that we

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1 have done subsequent to the analysis that is presented
2 in the two exhibits that would suggest that we have done
3 any data reconciliation with Qwest.

4 Q. Has KPMG or representatives of KPMG reviewed
5 any of the and I will use the term contracts or
6 agreements that gave rise to your report and the
7 responses? And those are the three agreements that
8 would presumably refer to Eschelon, E-S-C-H-E-L-O-N,
9 Telecom Inc., Covad Communications Company, and McLeod
10 USA?

11 A. (Mr. Weeks.) No, we have not seen any of
12 those contracts.

13 Q. And in your report, you actually state you
14 make no assertion as to whether or not the information
15 received from these three CLECs is representative of a
16 typical CLEC experience, and here's what I want to focus
17 on, given the preferential treatment the three CLECs may
18 have received from Qwest.

19 JUDGE RENDAHL: Mr. Dixon, are you now
20 reading from 1717?

21 MR. DIXON: Actually, I'm reading from my --

22 A. (Mr. Weeks.) Yes, the answer is yes.

23 BY MR. DIXON:

24 Q. Thank you, I didn't know if it was actually
25 1717.

1 The question I have is has KPMG determined
2 aside from not reviewing the agreements what, if any,
3 special treatment was provided to any of these three
4 CLECs?

5 A. (Mr. Weeks.) As we attempted to say in the
6 paragraph you just wrote and perhaps haven't done a very
7 good job, we have no evidence whatsoever that there was
8 ever any preferential treatment given by Qwest to any of
9 these CLECs. We have no evidence whatsoever that these
10 CLECs weren't open and honest and forthright in their
11 communications with us, which is what we were attempting
12 to say there, and we have not done any sort of
13 comparison in any formal way between the results and
14 operations and data provided to us by these CLECs with
15 those of any other CLECs.

16 Q. One other question. Is the corollary true,
17 that is do you have no evidence that this did not
18 happen?

19 A. (Mr. Weeks.) The corollary is also true, we
20 have no evidence whatsoever. We solicited information
21 in support of this test as we have described yesterday,
22 CLECs participated, there was a presumption there that
23 there was an arms length business transaction and that
24 information was being provided to us in good faith, and
25 we acted on that information and on that basis.

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1 Q. And in Exhibit 1717 toward the end, you also
2 state something to this effect, KPMG would be happy to
3 discuss the situation and provide further information
4 about the potential impact that this disclosure on the
5 tests as required. I'm curious what additional
6 information beyond what you provided you were suggesting
7 you would be happy to provide to us?

8 A. (Mr. Weeks.) I don't know that there is
9 additional facts per se. It would just be a further
10 discussion of how they participated, the ways in which
11 we participated with them, just further elaboration as
12 opposed to the introduction of additional facts.

13 MR. DIXON: All right.

14 I have nothing further, Your Honor, and thank
15 you for the opportunity to question the witnesses.

16 JUDGE RENDAHL: Thank you, Mr. Dixon.

17 Ms. Doberneck.

18 MS. DOBERNECK: Thank you, Your Honor.

19

20 C R O S S - E X A M I N A T I O N

21 BY MS. DOBERNECK:

22 Q. Good morning, gentlemen.

23 A. (Mr. Weeks.) Morning.

24 A. (Mr. Dellatorre.) Morning.

25 Q. Some questions I had originally, and then

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1 additional questions came up through the course of other
2 parties' cross-examinations. Starting with some of your
3 testimony provided yesterday, Mr. Weeks, you stated that
4 in the context of this test that the standards were set
5 in advance, and then KPMG executed upon or consistent
6 with the standards that were established in the master
7 test plan and the performance measures; is that a
8 correct statement?

9 A. (Mr. Weeks.) It's a fair characterization,
10 yes.

11 JUDGE RENDAHL: Please remember to wait until
12 each other has finished, thank you.

13 Q. As KPMG went through the test and developed
14 or experienced how the process was proceeding with
15 respect to this 13 state test, were there any things
16 that KPMG learned or events that developed or transpired
17 that suggested to you that standards should be changed
18 or modified in some respect to more accurately test the
19 Qwest OSS?

20 A. (Mr. Dellatorre.) There was at least one
21 situation that I can recall where an actual performance
22 indicator or PID was modified during the course of
23 testing. And that was discussed with the TAG, and that
24 was then used as our standard. I believe the versions
25 or the version of the PIDs that we used was 3.0. But

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1 then in one particular case we used a modified version
2 of that, 4.0, that was part of the public discussion for
3 that particular incident. So in that case, there was a
4 standard, if you will, that changed during the course of
5 testing.

6 A. (Mr. Weeks.) And I would suggest that that
7 wasn't our decision.

8 A. (Mr. Dellatorre.) Correct.

9 A. (Mr. Weeks.) The PIDs were under continuous
10 and continue to be under continuous revision, and we
11 agreed at the beginning of the test to use the 3.0
12 standards, as Mr. Dellatorre indicated. The definition
13 of the PIDs continued to evolve in parallel with the
14 execution of the test, and as a request because this
15 particular PID had received some significant revision,
16 there was a request and a discussion and a decision to
17 just for that PID change it from the 3.0 to the 4.0.

18 Q. To be clear, I suppose what I'm getting at
19 is, were there situations where KPMG identified or
20 proposed that a change to an order to more accurately
21 test the Qwest OSS, or is that something that was
22 initiated by the parties, either Qwest or CLECs or --

23 A. (Mr. Weeks.) I would say that our approach
24 to testing, how we would test, what we would test, the
25 areas and methods and techniques that we would test,

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1 none of that is influenced by how we would evaluate the
2 result as to whether it was passed or not. So there's
3 not a case that I can think of in any test where the
4 results that we were obtaining about the CLEC's
5 performance or, the CLEC, the ILEC's performance would
6 in and of itself have changed the evaluation criteria
7 bench marks or standards that we would have applied to
8 that test. In other words, to give an example, if what
9 I -- and I'm trying to understand what you're asking me
10 to make sure I'm illustrating it. If Qwest -- we had
11 set a standard of 90% and Qwest had passed it the first
12 time versus we set a standard of 90% and they failed it
13 the first time, we wouldn't have raised or lowered the
14 standard to 95 or to 85 simply because their results
15 were good or bad.

16 A. (Mr. Dellatorre.) There was a situation
17 where as we discussed yesterday as Mike indicated in the
18 billing domain where our original expectations were to
19 be able to draw conclusions on particular elements of
20 the process, but only after our initial assessment and
21 investigation did we realize that some of these were
22 embedded in software and systems, and then we were
23 unable to draw a conclusion that certainly originally we
24 had expected to be able to draw a conclusion.

25 A. (Mr. Weeks.) But in that case, we didn't

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1 modify a standard.

2 A. (Mr. Dellatorre.) Correct.

3 A. (Mr. Weeks.) We just indicated that we were
4 unable to perform the activities that we had expected to
5 perform.

6 Q. Okay. Now I believe, Mr. Weeks, you also
7 testified yesterday, and correct me if my
8 characterization is inaccurate in any respect, that you
9 considered diagnostic measures or that diagnostic
10 measures could be just as important as any other defined
11 criteria for measuring how Qwest was performing. Is
12 that a correct characterization?

13 A. (Mr. Weeks.) I think that's a fair
14 characterization. All of our evaluation criteria seek
15 to gain information on some aspect of Qwest's operations
16 or wholesale documentation systems, methods, procedures,
17 or something, so all evaluation criteria have some
18 weight and have some importance. And some may have more
19 than others, but what we were trying to point out
20 yesterday is the mere fact that something was labeled as
21 diagnostic doesn't mean that that evaluation criteria
22 should be viewed any differently in terms of the
23 importance of that to the other -- vis-a-vis the other
24 criteria in the test.

25 Q. Well, so if we're looking at, for example,

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1 the competitive impact, because in essence, you know,
2 that's why we're testing here is to determine whether
3 there's an ability to compete, is how Qwest does or the
4 performance reported under a diagnostic measure, is that
5 then -- can that be evidence of whether there's a
6 significant competitive effect?

7 A. (Mr. Weeks.) In and of itself, I don't think
8 it is. I think you can look at the values that are
9 there and ask yourself whether the level of service
10 observed by the pseudo CLEC suggests that there may be
11 an opportunity to compete or there may be some
12 limitation or barrier to compete. But in and of itself,
13 I don't think you can determine whether competition can
14 exist or not exist successfully simply on the result of
15 an individual criterion. There are too many other
16 factors that influence that to put the weight of that on
17 a single evaluation criterion.

18 Q. You also stated yesterday, I believe, that
19 there was approximately 100 KPMG or 100 individuals that
20 worked on the KPMG portion of the test; is that right?

21 A. (Mr. Weeks.) That's correct.

22 Q. And were those 100 full-time employees
23 dedicated to the Qwest OSS test?

24 A. (Mr. Weeks.) No.

25 Q. Can you describe for me in terms of how many

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1 full-time employees or how many people were dedicated to
2 this test.

3 A. (Mr. Dellatorre.) Just as a factual
4 correction, the number was significantly in excess of
5 100.

6 Q. Okay.

7 A. (Mr. Weeks.) But to answer your question, we
8 had sort of two parts, if you will, to our testing
9 effort. We had folks that we called part of our
10 jurisdictional team. Joe Dellatorre, for example, would
11 be an example. He was our day-to-day project manager.
12 And those folks were dedicated for the course of the
13 test.

14 We have a testing facility that we operate in
15 Philadelphia, Pennsylvania as we're conducting multiple
16 OSS tests in multiple jurisdictions for multiple
17 regulators and ILECs across the United States, and we
18 have consolidated our operations into the Philadelphia
19 area. So there are at peak a year or so ago, there were
20 over 500 people in that group doing OSS tests across the
21 United States. And we would assign people activities in
22 the various testing activities on the various tests as
23 needed from that pool of resources.

24 So there are some folks who were mostly
25 dedicated but maybe not 100%. It depends on the span

1 that you look at. If you look at the two year period or
2 so of this test, there were very few people who only
3 worked solely on the Qwest project for the entire two
4 year period, but they might have rolled in to do three
5 months worth of testing on something, and that work was
6 complete, and they rolled off to do something else.

7 Q. Well, since we can't characterize in terms of
8 full-time employees, can you give me an idea say in the
9 past year the man hours KPMG dedicated to this project?

10 A. (Mr. Weeks.) That would be speculation.
11 It's a large number, but I -- it would be speculation.
12 I would have to go look at books and records to tell you
13 a number like that.

14 Q. Well, then I guess approaching it another
15 way, would it be possible, for example, for a CLEC to
16 dedicate the same kind of resources and manpower to try
17 and undertake this similarly comprehensive evaluation
18 that KPMG was able to undertake?

19 A. (Mr. Weeks.) Well, I guess I'm at a loss to
20 understand why the CLEC would try to do an OSS test of
21 the breadth and depth that we have. Certainly you do
22 not need 100 people to operate a CLEC doing what a CLEC
23 would normally do. More than half of the activities we
24 did during the course of the test were activities a CLEC
25 would never, ever do for any reason whatsoever. And so

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1 if you focus on those activities that have to do with
2 ordering, calling help desks, following up on trouble
3 tickets, and those sorts of activities, we had some of
4 the people doing that, Hewlett Packard Consulting had
5 the vast majority of the people doing those traditional
6 CLEC activities. We had people observing hot cuts. A
7 CLEC would never need to do that. We had people
8 crawling for days and days and days through work
9 centers, doing interviews on various methods and
10 procedures internal. A CLEC would never do any of that.
11 So I think it's really an apples and oranges comparison
12 to try to look at the staff of an OSS test and compare
13 it to the required staffing for a CLEC.

14 Q. One of the things I believe you stated
15 yesterday is that with the type of the military testing
16 style of this particular test, and I have in quotations
17 that what KPMG was looking for is that you were looking
18 for adherence in the real world. Do you recall making a
19 statement --

20 A. (Mr. Weeks.) I don't recall the statement
21 but --

22 Q. -- along those lines?

23 A. (Mr. Weeks.) -- but I will trust that that's
24 what I said. Go ahead.

25 Q. And assuming my notation is correct, can you

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1 just briefly say when you say you're looking for
2 adherence in the real world, I mean are you -- what are
3 you trying to accomplish, or what point are you making
4 with that particular statement?

5 A. (Mr. Weeks.) Well, as I characterized
6 yesterday, there really are two types of tests that were
7 part of the OSS test. The first I characterized
8 yesterday as sort of the black box test. These are the
9 tests where either Hewlett Packard Consulting or KPMG
10 Consulting were going through the activities that a
11 normal CLEC would do all day, every day, using the same
12 documents, using the same methods and procedures to the
13 extent that that was required, using the same interface
14 systems. And in those cases where either HPC or KPMG
15 Consulting acted, if you will, as a pseudo CLEC, we were
16 attempting to say, if you sit on the outside of the
17 interface and you behave like a real CLEC, if you submit
18 the orders per the business rules, do you get the things
19 that you ask to be provisioned. The bills that you
20 receive, are they accurate, are the DUF files that you
21 receive accurate, if you turn in a trouble report, do
22 they fix the problem that you turned in. Simulating as
23 much as possible as you can do in tests real world
24 operations.

25 Now there are aspects of the black box

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1 testing that we didn't execute ourselves. We, in fact,
2 went to the CLEC community and saw real customer orders
3 going through processes that tested other aspects that
4 we couldn't because we weren't facilities based,
5 couldn't observe ourselves, so we had to look at it
6 happening in the real world. And that I think is the
7 context or sort of what I was trying to communicate
8 yesterday.

9 The other side of the test I characterized as
10 white box test, and this was crawling through Qwest's
11 internal procedures and things in a way that didn't --
12 was never intended to emulate what a real CLEC would do
13 in day to day.

14 A. (Mr. Dellatorre.) A purpose behind our
15 measuring adherence and evaluating adherence to methods
16 and procedures as an example is to try and make some
17 determination as to the consistency and the
18 repeatability of the process so that there is some sort
19 of uniform treatment and a measurable performance by
20 Qwest provided to whomever the end user or the requester
21 or the CLEC may be, which is a fundamental purpose for
22 our measuring adherence. So if there are a set of
23 standardized rules and we determine that personnel
24 followed those rules consistently, then it lends itself
25 to being a repeatable process.

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1 Q. And would it be -- would I be -- would it be
2 reasonable then based on your responses for me to assume
3 that in the execution of this test, KPMG then had a
4 preference in -- when trying to reach conclusions for
5 actually seeing this real world adherence, either
6 simulated through the P-CLEC or, you know, through
7 observing either Qwest or CLECs really engaged in actual
8 commercial activity?

9 A. (Mr. Weeks.) For those aspects of the test
10 that were sort of the black box parts and nature, that
11 would be a true statement.

12 Q. Would there be -- if there were the
13 possibility then for KPMG to have that real world
14 adherence in connection with the black box test, are
15 there circumstances, and setting aside, you know, the
16 issue we have where retesting and whether there's time
17 and things like that, because I know we have those
18 closed unresolved so I'm setting aside that, are there
19 circumstances as you sit here today where you can think
20 of where KPMG would prefer not to see real world
21 adherence if, in fact, that was possible?

22 A. (Mr. Weeks.) I'm not sure what the question
23 means. Let me say what I think it means. I think in
24 all cases what we looked for, especially in the black
25 box test, were sufficient and competent evidential

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1 matter that there was the existence of a document if the
2 target was a document, that there was existence of a
3 process if there was a process, that there was an
4 existent interface if it was a piece of software, that
5 all of those things were well formed, that all of those
6 things operated as advertised, and to conduct our
7 evaluation of each of those things in a controlled test
8 and in a controlled manner. By that I mean we had
9 control of the inputs and we had ability to gather the
10 outputs in a manner that makes sense.

11 So there are situations in a test where it's
12 not practical to cross correlate what actual CLECs may
13 be doing to what we're able to do. Because in many
14 cases, for example the CLECs' OSSs and systems and
15 things, don't collect the information that we need at
16 the point or don't have a level of disaggregation to
17 what they collect in order to allow us to go in and look
18 at CLEC operations and do this validation activity, if
19 you will, of what we're observing and what we see with
20 our very special testing harnesses compared to what
21 maybe a CLEC might be experiencing day to day.

22 A. (Mr. Dellatorre.) I can think of only one
23 situation, although I'm sure we can craft other
24 scenarios, where we would prefer not to see adherence,
25 and that is the case of a national disaster or

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1 catastrophe where there is a systems failure where we
2 did evaluate the underlying processes to see if, in
3 fact, Qwest had plans in place and the methods,
4 procedures, knowledge was disseminated and distributed
5 to their employees. I'm raising a somewhat absurd
6 example, but typically we prefer to see adherence. In
7 some cases, as Mike says, it's not practical or, in
8 fact, not desirable in that particular example.

9 Q. I read in the newspaper last week that KPMG
10 is now Qwest's auditor; is that right?

11 A. (Mr. Weeks.) I have no idea. KPMG
12 Consulting is a completely different company than KPMG
13 LLP, and it's totally unrelated in any way, shape, or
14 form.

15 Q. That's what I was going to ask you, if it was
16 the same or different corporate entities.

17 A. (Mr. Weeks.) Yeah, KPMG LLP is a limited
18 liability partnership. KPMG Consulting is publicly
19 traded on NASDAQ, and we're -- we two years ago spun off
20 our consulting operations into a privately held company
21 and a year ago turned those into a publicly held
22 company, so they're completely unrelated economic
23 entities.

24 A. (Mr. Dellatorre.) And for the record,
25 although it's convenient to say KPMG, that is not the

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1 name of our company. KPMG Consulting is the name of our
2 company.

3 Q. One of the exclusions, I believe it was
4 closed unresolved, related, it was exclusion 3107.

5 A. (Mr. Weeks.) Exception 3107?

6 Q. Yes.

7 A. (Mr. Weeks.) Okay.

8 Q. Which is the CEMR volume P test at 16-3-5,
9 one of the things Qwest responded in connection with
10 this particular exception is that it conducted its own
11 tests, I believe at higher volumes; do you recall that?

12 A. (Mr. Weeks.) I understand that the company
13 represented that, if that's the question.

14 Q. So based on your response then, KPMG did not
15 actually observe or participate with Qwest in conducting
16 those three other tests?

17 A. (Mr. Weeks.) Correct, any testing that Qwest
18 did on its own and any information about those tests
19 that it has introduced into the record in any way we
20 have not reviewed or audited or participated in those
21 Qwest internal conducted tests.

22 A. (Mr. Dellatorre.) Or incorporated the
23 results of that into reaching our conclusions.

24 Q. Would you consider those tests to be a
25 substitute for a test that KPMG Consulting itself would

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1 or could have run?

2 A. (Mr. Weeks.) No.

3 Q. Mr. Weeks, and I may be wrong about this, I
4 believe you said yesterday that CEMR was little or
5 infrequently used by CLECs; is that --

6 A. (Mr. Weeks.) No, that was MEDIACC EB-TA.

7 JUDGE RENDAHL: Can you spell MEDIACC for the
8 court reporter.

9 MR. WEEKS: It's an acronym, it's not
10 actually a word, and I will have to look it up, it's
11 M-E-D-I-A-C-C, and then it's E-B, which is an acronym,
12 hyphen, T-A, which is an acronym.

13 JUDGE RENDAHL: Thank you.

14 BY MS. DOBERNECK:

15 Q. I would like to turn now to exception 3055,
16 which related to inaccurate closeout codes for trouble
17 tickets.

18 JUDGE RENDAHL: Ms. Doberneck, are you aware
19 if there is an exhibit related to that?

20 MS. DOBERNECK: Probably.

21 JUDGE RENDAHL: Let's be off the record for a
22 moment.

23 (Discussion off the record.)

24 JUDGE RENDAHL: While we were off the record,
25 we determined that the KPMG disposition report from

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1 February 7th, 2002, is Exhibit 1762, and Qwest's
2 supplemental response, actually it's dated earlier, it's
3 February 1st, 2002, is Exhibit 1763, but it's also
4 referenced in KPMG's handout, Exhibit 1700, at page 6.

5 Go ahead, Ms. Doberneck, I'm sorry to
6 interrupt you.

7 MS. DOBERNECK: No problem, thank you, Your
8 Honor.

9 BY MS. DOBERNECK:

10 Q. One of the things in Qwest's response is that
11 in certain of the examples provided by KPMG that in the
12 narrative field was actually the -- an extended
13 commentary that more accurately or correctly reflected
14 what the closeout code was. Do you --

15 A. (Mr. Weeks.) What the problem that was
16 detected.

17 Q. Yes.

18 A. (Mr. Weeks.) Not what the closeout code was.

19 Q. Sorry, I misspoke, thank you for correcting
20 me. And Qwest also stated that those narrative fields
21 have primacy over the code that was assigned with what
22 the trouble was. Do you recall that response on behalf
23 of Qwest?

24 A. (Mr. Weeks.) I don't directly recall it, but
25 I won't dispute it. It sounds like what would have been

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1 said.

2 Q. Well, let me ask you, did KPMG have any
3 understanding or knowledge that the narrative field did,
4 in fact, have primacy over the codes contained?

5 A. (Mr. Dellatorre.) No, we did not. In fact,
6 the reason that this is closed unresolved is because we
7 believe that the closeout codes needed to be the correct
8 information. If we believed that the narrative fields
9 were primary or that the first source of data and those
10 in fact reflected the activities that took place to
11 close the trouble, then we would have closed resolved
12 this exception.

13 Q. If you can, can you tell me why KPMG
14 considered the codes to be, for lack of a better word,
15 dispositive as to whether the trouble was correctly
16 reflected or not?

17 A. (Mr. Weeks.) What we -- our concern in this
18 case was built around a belief that these codes would be
19 subsequently analyzed across universes of troubles
20 looking for patterns, looking for consistency or
21 inconsistency between and among different work centers
22 and the like, and that the accuracy of that information
23 was important so that as these universes of information
24 were analyzed, one could draw the correct inferences
25 about what was -- where was the source of the problem

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1 and what was the nature of the fix and so on. And so
2 that was our belief, our understanding, our reasoning
3 behind believing that the codes themselves were
4 important.

5 It's much more difficult to parse the,
6 there's that word again, to go through the written
7 comments in the notes field and do the same type of
8 computational processing looking for patterns and
9 looking for things, and so we felt that if the codes
10 were properly filled out that it would assist the
11 management control feedback loops that need to sit over
12 the maintenance and repair process more effectively than
13 a handful or a set of written comments that were down in
14 the remarks field, and that was our position.

15 Q. Let me clarify one further thing. Did KPMG,
16 were you provided with or did you ever see any
17 documentation that would or should have alerted you that
18 you also needed to consider the narrative field in terms
19 of --

20 A. (Mr. Weeks.) I can't say yes or no on that.

21 Q. One of the, as I understand it, one of the
22 other areas of dispute with regard to exception 3055 was
23 the selection by KPMG of a 95% standard versus looking
24 at one of the PIDs, and I believe -- well, actually let
25 me not recall what I heard yesterday, but can you tell

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1 me why for this particular criteria that you were
2 measuring you chose 95% versus some sort of analogous or
3 identical PID?

4 A. (Mr. Weeks.) As I attempted to describe
5 yesterday, we in this set of tests were focused on
6 looking at how well Qwest followed its methods and
7 procedures for working troubles and preparing closeout
8 reports, and we set up evaluation criteria that got to
9 the heart of that issue. Did they in fact do what they
10 said they were supposed to do the way they said that
11 they were supposed to do it, and did they fix the
12 problems the way we believed that they should be fixed.
13 So we had a very narrow and focused test on that aspect
14 of things.

15 And Qwest proposed that we use a PID whose
16 purpose in the long run might accomplish highlighting
17 issues that occurred of the nature we were trying to
18 uncover. If, in fact, problems were not being fixed the
19 first time, which was one of the issues, then clearly
20 that would show up in the PID if it was done
21 consistently and on any large scale. It would appear in
22 the PID, we don't dispute that, we're in agreement with
23 Qwest on that. But that -- the focus of our test wasn't
24 so much the overall universe of performance across a
25 large number of repairs and troubles, as Mr. Dellatorre

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1 indicated earlier.

2 What we were looking for is very microscopic
3 detailed adherence to process and procedure and repairs,
4 believing that if we could demonstrate that that
5 happened consistently and repeatably that we had good
6 evidence that there was a repeatable process that could
7 be relied on to operate effectively and produce
8 information that was accurate that could be used for
9 other purposes and analysis. So it was a slightly
10 different purpose that we were doing our activities than
11 the purpose of the PID.

12 A. (Mr. Dellatorre.) And a second factor that
13 entered into our decision was that the comparable PID
14 that Mr. Weeks is referring to is actually a parity PID,
15 which implies that there is a retail and whole -- there
16 are retail and wholesale processes that are similar
17 enough so that the measurement of those two events are
18 comparable in terms of measuring performance. The
19 actual activity that we were conducting, there is no
20 retail equivalent measurement, and therefore we didn't
21 think that applying a parity concept was appropriate and
22 hence set a bench mark type evaluation measure.

23 A. (Mr. Weeks.) Just to clarify that, the basic
24 maintenance and repair procedures are, in fact, the same
25 between wholesale and retail.

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1 A. (Mr. Dellatorre.) Right.

2 A. (Mr. Weeks.) But what we were measuring,
3 which was the ability to write down a proper closeout
4 code, didn't matter whether it was wholesale or retail,
5 it's the same process, it's the same techniques. And we
6 looked at it as you either got it right or you didn't
7 yet get it right, and it would have the same impact on
8 wholesale and retail. But it didn't strike us that the
9 thing that we were looking at called out for a parity
10 measurement.

11 Q. And am I safe in assuming that in determining
12 what you were looking at and the standard to apply, that
13 that was based on KPMG's professional judgment and
14 experience?

15 A. (Mr. Weeks.) That's correct.

16 Q. Now you state or KPMG Consulting states at
17 page 72 of its final report, which is Exhibit 1697, and
18 it's just a rephrasing of what you already said, is that
19 if no defined PID standard was established, KPMG
20 Consulting used its professional judgment to evaluate
21 performance. In the context of this statement and
22 KPMG's decision to exercise its professional judgment,
23 was the fact that KPMG would be doing that known in
24 advance to the ROC or to Qwest or to CLECs, or is that
25 something that sort of developed as you went through the

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1 test and had to develop criteria for the particular
2 things you were looking at?

3 A. (Mr. Weeks.) I would -- I would say that for
4 those who had been active participants in the ROC
5 process and those who had observed and looked at other
6 OSS tests that preceded the ROC test, for those
7 participants, I would speculate that they understood how
8 we did evaluations. I would be representing what they
9 thought, which is a little bit dangerous for me to do,
10 but I would be surprised if folks didn't understand that
11 ahead of time.

12 Q. Did any party or any commission or commission
13 staff ever register or lodge an objection to KPMG in its
14 professional capacity exercising its judgment to
15 determine what an appropriate criteria or standard
16 should be?

17 A. (Mr. Weeks.) I can't think of a -- there
18 were people that disagreed with the standard we applied.
19 I don't recall people disagreeing that we should apply
20 standards. The implication of not doing that would be
21 that there would have to be PIDs established for
22 thousands of things, or hundreds at least, for which
23 there weren't existing PIDs and for which I'm not sure
24 people had an appetite to establish PIDs. For example,
25 you know, a document is well formed. I'm not sure how

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1 the PID standard would work for that or what you would
2 apply there, so there's a vast number of evaluation
3 criteria in this test that are based on our professional
4 judgment, and I don't have a specific recollection of
5 anyone raising an objection to us using professional
6 judgment.

7 CHAIRWOMAN SHOWALTER: Ms. Doberneck, can you
8 just give me the cite, you read a quote from the report
9 and I can't find it.

10 MS. DOBERNECK: I think from Mr. Crain, I
11 have it on page 72 but I know -- and I have the same
12 pagination as Mr. Crain does.

13 MR. WEEKS: I can tell you, it's just above
14 the cite heading 3.0 results summary. It is the last
15 sentence in the paragraph two paragraphs above that, and
16 it is page 72.

17 CHAIRWOMAN SHOWALTER: Thank you.

18 MR. DELLATORRE: And, in fact, that language
19 repeats itself throughout the report in that same
20 section.

21 MR. WEEKS: Section 2.5, analysis methods of
22 all the report sections.

23 BY MS. DOBERNECK:

24 Q. I would like to ask you a few questions about
25 test 12.7, which deals with loop qualification

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1 information and according to my pagination starts at
2 page 123 of Exhibit 1697.

3 A. (Mr. Weeks.) Okay.

4 JUDGE RENDAHL: Ms. Doberneck, that begins
5 with some kind of a diagram, a figure; is that correct?

6 MS. DOBERNECK: On mine, actually no, it
7 begins with the caption 12.7, test results, colon --

8 MR. WEEKS: It's page 120, I'm sorry to
9 interrupt.

10 JUDGE RENDAHL: Page 120, thank you.

11 BY MS. DOBERNECK:

12 Q. And I have just a few clarifying questions.
13 In reviewing this report, am I correct in assuming that
14 when KPMG undertook the analysis of the loop
15 qualification information that you looked at what the
16 Qwest retail and Qwest -- and then CLEC wholesale
17 customers could access; is that right?

18 A. (Mr. Weeks.) By access, what we looked at
19 here is the techniques, the software if you will,
20 systems and the methods and the functionality associated
21 with that both on the retail side, which is described in
22 part of the narrative, and on the wholesale side for the
23 equivalent functions, which is also described in the
24 narrative. And we looked for the symmetry of
25 functionality, not the identity of functionality.

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1 Q. Okay. And I understand that. I suppose my
2 question was actually even more narrowly focused than
3 that. KPMG just looked at what on the retail side, when
4 there's ordering or provisioning activity, what a Qwest
5 retail representative would look at when a -- when
6 somebody called to say, hey, I would like Qwest DSL
7 service; is that right?

8 A. (Mr. Weeks.) We looked at that because
9 that's what's available to retail. Had there been more,
10 we would have looked at more.

11 Q. So if there were information on an
12 engineering records relating to loop qualification or
13 loop makeup information, KPMG wouldn't have looked at
14 that, you just looked at what the retail folks actually
15 had in front of them?

16 A. (Mr. Weeks.) Right. We were looking for --
17 we started with the wholesale side, what is it that the
18 interface for the wholesale operation looks like, what
19 are its functions and features, and what are its
20 systems, and then we went across to look at retail and
21 said, now, are there more or less or whatever interfaces
22 for the customer phasing parts, the retail rep part of
23 it. We did not go inside the organization and look at
24 whether there are any differences or not in underlying
25 engineering data bases that support retail versus

8163

1 wholesale wasn't a part of the scope of the test.

2 Q. At what I have as page 176 of the final
3 report relating to service order completion validation
4 and looking at the -- oh, are you there?

5 A. (Mr. Weeks.) No, my machine is being a
6 little silly here.

7 Q. Well, I can read you the sentence.

8 A. (Mr. Weeks.) Sure, and I will try to answer
9 it without my looking at it and we'll go on.

10 MS. DOBERNECK: And Your Honor and
11 commissioners.

12 JUDGE RENDAHL: I'm not sure which page
13 you're on.

14 MS. DOBERNECK: I'm on page 176, and it says
15 service order completion validation and it's bold and
16 underlined.

17 MS. TRIBBY: 171 in our version.

18 JUDGE RENDAHL: I see that, yes, page 171.

19 BY MS. DOBERNECK:

20 Q. And the sentence reads:
21 After successfully adding, removing, or
22 changing the requested service, Qwest
23 provides the CLEC with a SOC or S-O-C
24 that informs the CLEC of the orders
25 completion.

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1 Now I read that and understand it to mean
2 that the SOC is sent after the work is actually done; is
3 that a correct understanding of that sentence?

4 A. (Mr. Weeks.) Yes, I think that's a correct
5 reading, that an SOC is to -- the purpose of that
6 notifier is to inform the CLEC that the field
7 provisioning activities associated with that particular
8 request have been completed.

9 Q. Can you tell me in connection with the
10 evaluation of the SOC validation or the SOC validation
11 whether that is -- the testing that occurred on that
12 included SOCs provided for line shared loop orders?

13 A. (Mr. Weeks.) I don't know if the record
14 would tell us that or not. I don't recall the answer
15 off the top of my head, and I would have to look through
16 the report to see if the report might indicate that. If
17 you will give me a moment.

18 Q. Sure. And just so you -- I have under SOC
19 validation at my page 183, it references UNE-L orders,
20 but what I can't tell if UNE-L necessarily does or does
21 not include line shared loop orders.

22 A. (Mr. Weeks.) Well, I can tell you if you go
23 to table 14-1, which is the UNE-L, it has ADSL qualified
24 loops under there, and I think that's what you're
25 referring to.

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1 JUDGE RENDAHL: And that's page?

2 A. (Mr. Weeks.) That is on page 175, and I
3 believe I'm correct in saying, but we'll double check
4 this, but that when we talk in this test about ADSL
5 qualified loops we're talking -- ADSL in this test
6 usually meant ADSL line sharing.

7 Q. Well, okay, then I'm confused, because when I
8 look at table 14-1, there is a -- there are separate
9 columns for ADSL qualified loops and line sharing.

10 A. (Mr. Weeks.) Okay, then I'm going to have to
11 say that I don't know the answer specifically to your
12 question. I know that we did do loops, ADSL qualified
13 loops, and I know we did line sharing in the scope of
14 the test, and I know we did the scenarios that are
15 indicated in this table, and in all cases when we sent
16 orders, unless we canceled those orders, which we did,
17 before completion, one of the activities would have been
18 did we receive a valid SOC before that. So I think by
19 inference I can answer your questions as yes, but I
20 don't know that I can point you to a sentence
21 specifically that says ADSL line sharing SOCs were
22 tested in this test.

23 MS. DOBERNECK: Your Honor, could I make a
24 records requisition to determine whether, in fact, for
25 purposes of SOC validation line shared loops were

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1 considered or orders were placed, because it's very
2 unclear to me.

3 JUDGE RENDAHL: Why don't we make that
4 Records Requisition Number 11, and your question to KPMG
5 is provide the citation or reference in the final report
6 to the testing of SOCs based on line shared loop
7 provisioning, or maybe you can better explain it.

8 MS. DOBERNECK: Yeah, I suppose the question
9 is whether, in the SOC validation, whether line shared
10 loop orders were placed, and if so, where can I find or
11 look to for that information either in the final report
12 or in an --

13 MR. WEEKS: We could offer --

14 MS. DOBERNECK: -- document.

15 MR. WEEKS: -- at a break to make a telephone
16 call and find out the answer to this question, or we can
17 do it in sort of a more ceremonial way if you would like
18 us to.

19 JUDGE RENDAHL: If you can do it at a break
20 and we can get it on the record, I think everyone would
21 appreciate that.

22 MR. DELLATORRE: And I can assure you that we
23 will attempt to answer the question as to yes or no,
24 line shared orders were included in the SOC validation.
25 However, as is I think already clear in the report, we

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1 did not disaggregate the results at that level.

2 MS. DOBERNECK: And that's fine, I would just
3 like to know.

4 JUDGE RENDAHL: So you're seeking a yes or no
5 answer, and if they can provide that after a break
6 that's sufficient?

7 MS. DOBERNECK: (Nodding head.)

8 JUDGE RENDAHL: Okay, then why don't we defer
9 that question until after a break, and there will be no
10 records requisition.

11 MR. WEEKS: And I will point out also that on
12 page 181 under ADSL line sharing validation, we're
13 noting here that our work in this area on the
14 provisioning side, which is the section of the report
15 we're in, was completed 100% by looking at commercial
16 orders of real CLECs.

17 JUDGE RENDAHL: Ms. Doberneck, about how much
18 longer do you have?

19 MS. DOBERNECK: I probably have 15 minutes.

20 JUDGE RENDAHL: I think why don't we take a
21 break, see if we can resolve this question, and so we
22 will take a break until 5 until 11:00, and then we will
23 come back and get back to it.

24 (Recess taken.)

25 JUDGE RENDAHL: Okay, well, let's get

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1 started, we had a little more extended break, let's see
2 how we can finish by noon with HP as well. So it's a
3 challenge for all of you, I'm throwing down the
4 gauntlet.

5 Ms. Doberneck, let's, actually let's first
6 hear from Mr. Weeks and Mr. Dellatorre the answer to the
7 question that was posed before the break.

8 MR. DELLATORRE: The question was is were
9 line sharing orders included as a portion of our -- in
10 our SOC validation, and the answer to that is yes.

11 BY MS. DOBERNECK:

12 Q. And is there a reference in the final report
13 or just so I know? No, it's just a fact, you know?

14 A. (Mr. Dellatorre.) No, I will have to search
15 for the different reference, which I believe we cite
16 that we conducted a randomization across all of the
17 types, and therefore I think the implication is is that
18 we would have covered each of the test case scenarios in
19 our SOC validation.

20 Q. Okay, thank you.

21 JUDGE RENDAHL: So that's information you
22 will be providing or --

23 MR. WEEKS: I'm looking as we speak.

24 JUDGE RENDAHL: Okay, so you will find --

25 MR. WEEKS: As soon as I find it, I will give

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1 you the cite.

2 JUDGE RENDAHL: Okay.

3 BY MS. DOBERNECK:

4 Q. We talked a fair amount yesterday, or I
5 should say you two did along with other attorneys, about
6 small sample sizes, and I believe that was in the
7 context of the jeopardy notification issue, and I want
8 to be clear on this point. Does a small sample size
9 preclude Liberty from rendering an affirmative opinion?
10 And I'm using the phrase affirmative in terms of
11 satisfied, not satisfied, or anything basically other
12 than unable to determine.

13 A. (Mr. Weeks.) You said Liberty, do you mean
14 KPMG?

15 Q. I'm sorry, KPMG, my apologies.

16 A. (Mr. Weeks.) No, a small sample size does
17 not necessarily in and of itself, you know, keep us from
18 saying satisfied or not satisfied. It just increases
19 the risk. It's just a statistical risk that the
20 inference that we would have made satisfied or not
21 satisfied has a higher probability of not being
22 consistent with the population as a whole. If we did
23 ten and they failed all ten, chances are it's a failure,
24 but you could still be wrong. If we did ten and they
25 passed all ten, then, you know, there still could be

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1 problems and we just didn't detect it on our sample.

2 A. (Mr. Dellatorre.) And the specific
3 conversation from yesterday was regarding the dual test,
4 which in applying the dual test, the likelihood of
5 concluding a no decision is higher with smaller sample
6 sizes.

7 Q. Can you tell me anywhere in the final report
8 where I could find a definition of what constitutes a
9 small sample size?

10 A. (Mr. Weeks.) No.

11 Q. Is there any number or generic number that I
12 can look at to determine, in looking at the final report
13 when KPMG looked at 50 or 70 or 100 orders, whether I
14 would know that in that context it constitutes a small
15 sample size?

16 A. (Mr. Weeks.) There's no definition such as
17 that. I would give you a rule of thumb that if it's a
18 dozen or less, that's probably considered a small sample
19 size.

20 Q. So if we had a sample size of 76, that would
21 be sufficient to allow KPMG to render an affirmative
22 opinion?

23 A. (Mr. Weeks.) Absolutely.

24 Q. We also talked, we in the greater definition,
25 about the human error issue where the problems were

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1 caused by people manually touching orders and doing
2 something incorrectly or erroneously. Would you agree
3 that in the context of reviewing Qwest's OSS and its
4 processes and procedures that human error is a more
5 problematic type of error than say when there's some
6 software coding that doesn't operate as planned?

7 A. (Mr. Weeks.) No. In fact, I would argue the
8 opposite, that if -- due to the smaller volume of orders
9 that tend to go through manual processes versus the
10 larger number of orders that tend to go through
11 automated processes, and we're generalizing here, that
12 an error that 1 human being out of 10 makes in an order
13 processing center probably has less total impact than an
14 error that effects 10,000 orders that all came
15 consistently through the same program through the
16 automated system.

17 Q. So you're looking at magnitude of impact in
18 giving me your answer like how much or how many orders
19 does it affect?

20 A. (Mr. Weeks.) That's the way I thought you
21 asked the question. If you meant something different, I
22 will answer it.

23 Q. What about correcting the problem, is it
24 easier to correct and confirm a code fix or something
25 that's caused by human error?

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1 A. (Mr. Weeks.) It's easier -- the problem
2 itself is easier to fix by human than by software
3 change, because I don't have to spend hours doing
4 programming, I don't spend hours doing testing, I can
5 fix a human error oftentimes in a matter of seconds or
6 minutes. Fixing a software problem can takes days,
7 weeks, or months depending on how massive the problem
8 is.

9 Q. What about confirming the efficacy of the
10 correction, that is, is the training or whatever to
11 correct the human error, is it easier to determine
12 whether that's been effective than a software change
13 that's been made?

14 A. (Mr. Weeks.) If you're speaking of a testing
15 type of scenario, is it easier to conduct a test that
16 demonstrates that a manual process is working properly
17 than an automated process is working properly, if you're
18 talking about from the outside looking in, I would say
19 there's no fundamental difference as a tester in terms
20 of the work that you would have to do to conduct the
21 test. I think the issue you may be getting at is the
22 fact that once I fix a piece of software, it's going to
23 stay fixed until it gets broken again, whereas human
24 beings by their nature can do things correctly on one
25 day and incorrectly the next day, and so it's harder to

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1 demonstrate that you have fixed the problem so to speak
2 in a systemic way for manual type of operations than it
3 is for automated type of operations.

4 Q. Would it be fair to assume then that in order
5 to determine the efficacy of a correction to fix a human
6 error or something that's manually impacted that your
7 review should, to determine whether it's been effective,
8 should take place over a few weeks or a few days or
9 something like that rather than just a one day
10 observation?

11 A. (Mr. Weeks.) Not necessarily. It depends on
12 what the nature of the process is, how long the process
13 is, how often it takes place, how long. There would be
14 a lot of factors that would make that generalization
15 kind of dangerous.

16 A. (Mr. Dellatorre.) And a test is always going
17 to be a point in time even if that is over a longer
18 period of time, and therefore it's really more about
19 monitoring than it is about assessing at any given
20 moment.

21 Q. Did KPMG Consulting have any expectation in
22 the situation in which Qwest implemented additional
23 training to correct whatever problem was identified,
24 would it be your expectation that the further away from
25 the training, the better the process, meaning you got

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1 trained, and as you repeat it day to day, the better you
2 are and the less likely you are to commit an error, or
3 would the reverse be the case?

4 A. (Mr. Weeks.) I don't know that I can make a
5 generalization either way, because it depends on the --
6 what the cause of the error was and the nature of the
7 error was. If it's a question -- a matter of just not
8 understanding what the correct rules are and I have my
9 understanding corrected, then as long as I -- if the
10 rules don't change, then one would anticipate that that
11 problem would stay fixed as opposed to just
12 inadvertently or like a typographical error, which
13 wouldn't have any kind of repeatable pattern that you
14 could make any kind of assertions about.

15 Q. Let me focus you specifically then on
16 exception 3120. Did you have any expectation in the
17 context of that exception whether you could see
18 improvement over time as a result of training or whether
19 it was something that --

20 A. (Mr. Weeks.) Well, 3120 was not about
21 training, 3120 was testing whether the automated systems
22 at Qwest properly recorded the date and time stamps for
23 orders based on the business rules that were
24 articulated. You may be referring to 3086, which was
25 the kind of the omnibus training observation. I said

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1 exception, I meant observation 3086.

2 A. (Mr. Dellatorre.) The issue is --

3 Q. Is it 3110?

4 A. (Mr. Dellatorre.) Observation 3110, which
5 actually came from exception 3120, exception 3120 was
6 the result of the data integrity part of analysis that
7 we did, that in fact the root causes underlying some of
8 the problems that we identified appeared to span both
9 systems software and human error. However, the human
10 error portion that related directly to exception 3120
11 was a distinct minority. The majority of the problems
12 identified in exception 3120 were, in fact, fixed
13 through changes to systems and software, but then the
14 reason we raised observation 3110 was specifically to
15 focus on those elements that were human error.

16 Q. And thank you for that correction.
17 Observation 3110, same question but in the context of
18 observation 3110, was it your expectation based on the
19 type of human error that gave rise to observation 3110
20 that you would have seen an improvement or a decrease in
21 the rate of human error as we moved away from that
22 training?

23 A. (Mr. Weeks.) Well, the training wasn't, I
24 don't mean to be picky here, but the training issues
25 that we raised were part of 3086. 3110, observation

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1 3110 was the existence of one out of eight manually
2 processed errors or manually processed orders that was
3 in error, and there we simply said that the date was not
4 correct, and Qwest acknowledged the date was not correct
5 and attributed that to a human error, not to a training
6 error per se, but to a human error.

7 Q. My understanding was that you detected human
8 error and that training was implemented to correct the
9 source of that human error; is that -- am I wrong?

10 A. (Mr. Weeks.) For 3086, not 3110.

11 Q. Okay, I understand, thank you.

12 A. (Mr. Dellatorre.) Although for observation
13 3110 certainly Qwest's assertion is that training would
14 have been conducted to correct the human error problems
15 that we were raising.

16 A. (Mr. Weeks.) But we never retested as part
17 of the 3110.

18 A. (Mr. Dellatorre.) That's right.

19 A. (Mr. Weeks.) So we can't talk about that.

20 Q. The last area I wanted to ask you about was
21 billing, and it was unclear to me with respect to
22 determining whether the bills you received were
23 accurate, the source of the billing information, was
24 that something that Qwest provided to you and said this
25 is the rate that should be charged?

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1 A. (Mr. Weeks.) No, we used the documents that
2 a normal CLEC would use, tariffs, the joint interconnect
3 agreement, all of the documents that are the ones that
4 describe for every CLEC how they are to be -- what
5 products and services they are to receive and how they
6 are to be billed for those and what kind of rates that
7 they should receive for those, so that was the rating
8 information for that.

9 Q. And so you used whatever state specific
10 source there would have been?

11 A. (Mr. Weeks.) Right.

12 Q. Okay. During the course of the testing, did
13 you ever undergo the experience of determining whether
14 billings were accurate because there had been a rate
15 change implemented by Qwest?

16 A. (Mr. Weeks.) I don't recall either way yes
17 or no the answer to whether we experienced a rate
18 change. I know we did experience the case of where
19 bills were incorrect because incorrect rates had been
20 applied. Qwest went into their systems and changed the
21 rating tables for us, and we got corrected bills or
22 subsequent bills that were -- that did reflect the
23 correct rates. So in sort of a defacto way we saw a
24 rate change, but I don't -- I couldn't tell you one way
25 or the other whether there were general rate changes

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1 that affected say an entire state or something that were
2 implemented during the course of our bill validations.

3 Q. Okay. Isn't it correct though that with
4 respect to the billing portion and determining whether
5 billings were accurate that there actually weren't any
6 criteria to measure whether the Qwest rate tables were
7 accurate?

8 A. (Mr. Weeks.) Indirectly but not directly.
9 The indirect way is that we looked at bill line items,
10 and a bill line item can not be correct unless the rate
11 tables are correct by definition. So while there's not
12 an evaluation criteria that said the rate tables are
13 correct, there was an evaluation criteria that said the
14 result of applying those rate tables to specific charges
15 and specific customers, so you couldn't have gotten a
16 correct bill with invalid rate tables.

17 Q. Okay. So in connection with this particular
18 test, KPMG never determined whether the actions or the
19 steps Qwest took with respect to its rate tables and
20 including the correct rates was actually proper and
21 correct?

22 A. (Mr. Dellatorre.) Well, in response to
23 several exceptions which cited incorrect billing
24 information, the underlying root cause appeared to be
25 problems with rate tables. KPMG did conduct an

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1 assessment and an evaluation of Qwest's process for
2 upkeep and revisions to their rate tables.

3 A. (Mr. Weeks.) And that's part of several of
4 the exceptions, the record on the exceptions, as opposed
5 to evaluation criteria.

6 A. (Mr. Dellatorre.) Right.

7 Q. What do you mean, that Qwest actually changed
8 its rate tables?

9 A. (Mr. Weeks.) Yes, we had bad rates. We had
10 bad rates on more than one occasion. We wrote
11 observations and exceptions describing that. Qwest
12 responded that the rate tables were in error. They said
13 they fixed the rate tables. We revalidated bills to
14 determine that, in fact, the rate tables had been
15 corrected.

16 But because this pattern occurred on more
17 than one occasion, we then went in and looked in a black
18 box sort of test at the general methods and procedures
19 and techniques that Qwest uses to maintain its rate
20 tables in order to try to understand whether there was a
21 fundamental problem with the way that whole process
22 works because of the symptoms that we were experiencing
23 with bad rate tables.

24 Q. I'm having a hard time reconciling your
25 answer with, or maybe I'm just not understanding, with

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1 the statement at page 16 of the final report, which
2 states that:

3 The bill production and bill validation
4 tests demonstrated that Qwest can create
5 CLEC bills and distribute said bills to
6 CLECs in an accurate and timely fashion
7 provided that the tables that govern the
8 application of rates are properly
9 configured.

10 JUDGE RENDAHL: That's page 16?

11 Q. Page 16, and it's the first full paragraph.

12 And so I want to be clear that all of -- although KPMG
13 said, Qwest, you have a process for changing your bill
14 rate tables, and although we evaluated whether our bills
15 matched that bill rate table, am I correct that you
16 never actually took, for example, the bill rate tables
17 for say a particular CLEC to determine whether that
18 billing rate table that generated say Covad's bills
19 actually matched with what Covad should be billed, for
20 example, under its interconnection agreement?

21 A. (Mr. Weeks.) We did the activity you just
22 described for the pseudo CLEC, and in that case, KPMG
23 Consulting acted as the pseudo CLEC. I would refer you
24 as an example of the kind of activity we have been
25 describing to page 441, evaluation criteria, 20-2-1.

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1 It's just an example. Recurring rates on resale bills
2 are consistent with applicable tariffs and/or contract
3 rates. And in there we go through a litany of problems
4 and issues and troubles and hassles that we had with bad
5 rate tables initially that eventually got fixed by
6 Qwest.

7 Q. But, and again, and I don't -- I still have
8 an unanswered question, which is even with the rate
9 sheets, for example, that the pseudo CLEC had, we don't
10 know whether those rate sheets were actually correct and
11 accurate, do we? We don't know whether the rates
12 contained there matched up with say what this Commission
13 ordered Qwest to charge?

14 A. (Mr. Weeks.) It's my understanding subject
15 to check that we did what you said. We validated that
16 the rates that we were charged on individual rate
17 elements conformed with what the tariffs and so on that
18 were published in the JIAs and stuff were published.
19 And by inference, because we have what the value was
20 supposed to be and we have the bill that was rendered
21 that has the correct value on it, the rate tables are
22 correct.

23 Q. Well, then that gets me back to my original
24 question about page 16, which is there's this what I
25 consider significant caveat within the context of the

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1 billing test, which is, provided that the rate tables
2 are correct, and that's where I'm losing the connection.

3 A. (Mr. Weeks.) Be happy to remove it if you
4 would like to. It was not meant to be a statement other
5 than of the obvious, that the billing systems work as
6 designed and that the fly in the ointment in all of this
7 is that the rate tables are properly set. And if the
8 rate tables are properly set, the bills will be correct.
9 If the rate tables are incorrect, the bills will be
10 incorrect.

11 Q. So as you sit here today then, you're telling
12 me that you're taking out what I see as a caveat in
13 connection with the conclusion --

14 A. (Mr. Weeks.) We did not intend it to be a
15 caveat. It's a statement of the obvious. It's
16 tantamount to saying in the billing or in the
17 provisioning test or anything else is, you know,
18 provided that Qwest follows its M&Ps, the hot cut will
19 be done properly.

20 MS. DOBERNECK: Okay, thank you, I have no
21 further questions.

22 JUDGE RENDAHL: Mr. Crain, you said you have
23 a few questions, about how much time do you need,
24 because we are really running up against a limit here.

25 MR. CRAIN: Less than five minutes.

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1 JUDGE RENDAHL: Okay, let's do it.

2

3 R E C R O S S - E X A M I N A T I O N

4 BY MR. CRAIN:

5 Q. Just a couple of questions. Referring to
6 Exhibit 1717, the CLEC participation report, you have a
7 list of different categories, partial reliance and
8 substantial reliance.

9 A. (Mr. Weeks.) Yes.

10 Q. Can you explain what the difference is
11 between those two categories?

12 A. (Mr. Weeks.) A matter of degree. Partial
13 reliance would be the case where some of the input, some
14 of the information that we used to form our opinion came
15 from information provided to us by CLECs, but there were
16 a sufficient number of other sources of information that
17 were of our creation and manufacture, that we said that
18 we're acknowledging some participation, but the bulk and
19 weight of the information that we formed our opinion on
20 came from our work, not from the CLECs. Substantial,
21 the relationship is the opposite, the bulk of the
22 information that we relied on to form our opinion came
23 from the CLEC, and only a marginal or smaller part of
24 the information came from us and from the -- what we
25 had.

1 A. (Mr. Dellatorre.) And subject to further
2 assessment, the corresponding result or the conclusion
3 that was drawn for those areas where partial reliance,
4 should there be some future need to discount that data,
5 the partial reliance category would likely not change
6 its result.

7 Q. Meaning that if you had to take out all the
8 data you received from those CLECs, the partial reliance
9 categories would not change in their results?

10 A. (Mr. Dellatorre.) Subject to more careful
11 assessment, but that's correct.

12 Q. Okay. And then there are only four criteria
13 that were marked as substantial reliance?

14 A. (Mr. Weeks.) In the version that we're
15 looking at, yes.

16 Q. And in your response to WorldCom's questions,
17 which is Exhibit 1718, in answer to question L, you
18 stated that:

19 KPMG Consulting is not aware of any
20 facts that call into question the
21 integrity of the data we collected and
22 analyzed in reaching the conclusions
23 reached in our report. Until such time
24 as it can be demonstrated that the data
25 we relied upon is not accurate, we see

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1 no reason to conduct further testing in
2 this area.

3 Is that still KPMG's opinion?

4 A. (Mr. Weeks.) Yes.

5 Q. Moving then to Exhibit 1700, on page 6, this
6 is the handout you had yesterday, I just wanted some
7 clarification from some of the things you discussed
8 today with regard to the two M&R closed unresolved
9 exceptions that led to these two criteria, 18-6-1 and
10 18-7-1 being not satisfied. Is it my understanding that
11 the reason you didn't apply a parity standard in these
12 situations, one of the reasons that I think you
13 testified today was that it's the same process for CLECs
14 and for Qwest retail customers, it's the same people
15 using the same processes doing the same tasks; is that
16 correct?

17 A. (Mr. Weeks.) That's what we said, yes.

18 Q. So there's no inference in the fact that
19 these two criteria are not satisfied that there's any
20 discriminatory treatment or that Qwest is doing these
21 tasks and handling these trouble reports any differently
22 for CLECs than it does for its retail customers?

23 A. (Mr. Weeks.) That's correct.

24 MR. CRAIN: That's all I have.

25 JUDGE RENDAHL: Thank you, Mr. Crain.

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1 Are there any questions from the
2 commissioners to Mr. Weeks or Mr. Dellatorre?

3 CHAIRWOMAN SHOWALTER: Yes.

4

5 E X A M I N A T I O N

6 BY CHAIRWOMAN SHOWALTER:

7 Q. I have just a couple of clarifying questions,
8 one of which is the same question I asked yesterday.
9 But if you could turn to page 1718, I mean Exhibit 1718,
10 on page 3, question J, no, excuse me, question K, the
11 question asks, is the data that came from the three
12 CLECs make up 50%, 75%, or 100% of the data. The answer
13 says, 100% of the data came from the participating
14 CLECs. My question is, are the three CLECs a subset of
15 participating CLECs here, or are the three CLECs the
16 same as participating CLECs? Is there an equivalence in
17 this question and answer?

18 A. (Mr. Weeks.) So if I could restate, make
19 sure I'm understanding, you're saying were any other
20 CLECs' data other than the three included in this
21 statement or this answer?

22 Q. Does the term participating CLECs mean only
23 the three CLECs, or did it mean more than the three
24 CLECs?

25 A. (Mr. Dellatorre.) In this document, it

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1 refers to only those three.

2 Q. In this answer, it means only those three?

3 A. (Mr. Dellatorre.) That's correct.

4 Q. So it could have said the three CLECs, not
5 the participating?

6 A. (Mr. Dellatorre.) That's correct.

7 Q. Then I misunderstood your answer yesterday.

8 A. (Mr. Weeks.) I apologize.

9 Q. My other question or set of questions
10 revolves around where there are predetermined PIDs and
11 measurements versus no predetermined PID versus KPMG
12 determined, and I'm not sure how these cut, but can we
13 begin with what are called the diagnostic measures. Am
14 I right that for those measures, there is no
15 predetermined standard that indicates success or
16 failure?

17 A. (Mr. Weeks.) Yes, those diagnostic or those
18 evaluation criteria matched up against PIDs that were
19 defined by the collaborative, and when the collaborative
20 defined those performance indicators, they did not
21 establish a standard or a bench mark that Qwest must
22 meet in order to be considered in compliance, and Qwest
23 merely has the obligation to report the values
24 associated with those measures each month to the
25 regulators.

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1 Q. All right, but this is where I start to get
2 confused, is a PID simply something like a PID is the
3 percentage of reports made as opposed to a standard that
4 95% is the correct passing test?

5 A. (Mr. Weeks.) A PID is a English description
6 as well as a formula that describes what types of
7 business things should be included or included, and if
8 it is a PID for which the collaborative established a
9 bench mark, it will articulate that bench mark as well,
10 or it will be labeled in the body of the definition of
11 the PID a diagnostic PID, which by agreement means that
12 there is no standard that Qwest is held to, it just has
13 an obligation to report data.

14 Q. All right. And so in that case where it's
15 diagnostic, we have the information, and unlike the
16 situation where there's been a predetermined bench mark
17 set as to passing or failure, it's information for our
18 purposes and for the parties to argue about.

19 A. (Mr. Weeks.) Precisely.

20 Q. And so we can make a subjective or more
21 subjective judgment than we would be likely to make
22 where there was a predetermined test bench mark to pass?

23 A. (Mr. Weeks.) Yes, I think it's probably
24 accurate to say as if there was a PID and there was a
25 standard, you can tell from the report whether Qwest did

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1 or didn't meet the standard. You also could look at the
2 standard that was established and decided, the state of
3 Washington agrees with those standards that's another
4 matter, but for the ones that are diagnostic, you would
5 look at the absolute value of the level of service
6 delivered to the pseudo CLEC, maybe compare and contrast
7 that to that same information on the commercial reports
8 for the commercial experience that the CLECs get
9 delivered every month, because the pseudo CLEC may have
10 had different values delivered to it than it delivered
11 on a normal go in, you know, day-to-day op basis to
12 CLEC, and as you say make that judgment as to whether
13 you find it acceptable or not.

14 Q. Actually, I really want to keep my --

15 A. (Mr. Weeks.) Yes.

16 Q. -- mind on this. Now I want to go over to
17 the non-diagnostic. Is there a name for what's
18 non-diagnostic?

19 A. (Mr. Dellatorre.) Well, there are two --
20 there are three families of PIDs, the bench mark PIDs,
21 parity PIDs, and diagnostic PIDs. The diagnostic as we
22 just discussed. The bench mark PIDs have a set standard
23 as you cited before, a percentage or a time that things
24 need to be provisioned in three days, or an average
25 response time needs to be 20 minutes, or 95% of

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1 something needs to take place given certain conditions.
2 Those are bench marks where there is a set standard in
3 place. A parity PID on the other hand compares retail
4 performance to wholesale performance. So those are the
5 three families.

6 Q. Okay. Now where -- let's just -- now we're
7 in the universe of parity PIDs and bench mark PIDs.

8 A. (Mr. Dellatorre.) Correct.

9 Q. Am I right or wrong that there's some subset
10 of those where the TAG and the steering committee and
11 the ROC process did not establish its own bench mark
12 measure and therefore KPMG did?

13 A. (Mr. Weeks.) No.

14 Q. That is where I was confused.

15 A. (Mr. Weeks.) If you look at the 500 plus
16 evaluation criteria that are in the report, what we did
17 is looked at the PID document, and when we could find
18 correspondence between an evaluation criterion that we
19 had and a PID definition that the collaborative had to
20 find, we matched those up. And in our report for
21 satisfied or not satisfied, we used the values from --
22 that were established by the collaborative. If you sort
23 of look at a VIN diagram, there are a large number of
24 our evaluation criteria for which there is no PID
25 established. We therefore established using our

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1 professional judgment our own standard.

2 Q. Right.

3 A. (Mr. Weeks.) Because the PID was silent on
4 that particular topic. For example, an easy one is the
5 adequacy of some documentation in a particular area.
6 You might have an evaluation criteria about how well
7 formed was a document. Well, if you go to look in the
8 PIDs, there aren't any PIDs out there that describe, you
9 know, how well the documentation has been prepared, and
10 so we had to establish our own standards to govern these
11 things.

12 Q. All right. But then is the report that's
13 summarized in 1700, Exhibit 1700, is the column say not
14 satisfied, are items in the column not satisfied made up
15 of both --

16 A. (Mr. Weeks.) It could be either --

17 Q. -- predefined PIDs and KPMG's say own "PIDs"?

18 A. (Mr. Weeks.) Yes, it could be either, and we
19 would have to go through and count which ones fall into
20 each category. But in this report, you can not, in
21 1700, you can not tell which of the evaluation criteria
22 mapped against PIDs and which ones were not. You can
23 tell from the body of the report itself as you read the
24 comments. If there was a PID standard applied, it says
25 that in the comments, that we looked at PO-1-A or

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1 something. If it's not in there, then we will say
2 because there was not a PID standard established, KPMG
3 Consulting established its own standard, which was 95%
4 or 20 seconds or whatever.

5 Q. All right. But then how was it determined to
6 test whatever was being tested if there was no PID --

7 A. (Mr. Weeks.) Because the --

8 Q. -- commanding it to be tested?

9 A. (Mr. Weeks.) Because the PIDs weren't the
10 controlling document, the master test plan was.

11 Q. So it was KPMG who decided really the full
12 universe --

13 A. (Mr. Weeks.) No.

14 Q. No?

15 A. (Mr. Weeks.) No, the ROC TAG when they set
16 out the TRD, which I don't know if that's one of the
17 exhibits or not.

18 A. (Mr. Dellatorre.) It is.

19 A. (Mr. Weeks.) I think we discovered it
20 yesterday.

21 A. (Mr. Dellatorre.) Exhibit 1732, that was the
22 original document.

23 A. (Mr. Weeks.) So the original document, 1732,
24 had the scope of the test and asked the vendors to bid
25 on testing that scope, and it also described that there

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1 would be a master test plan built as one of the first
2 deliverables, which it was built, and the master test
3 plan described all of the things that should be tested.
4 And then the performance indicators are there on a going
5 forward basis not for the purposes of the test, but for
6 regulators to use to monitor Qwest's wholesale
7 performance. And so there's overlap between that which
8 the parties wanted tested and that which they want to
9 monitor on a going forward basis, but there wasn't
10 one-to-one mapping.

11 Q. All right.

12 A. (Mr. Weeks.) Because there were many things
13 they desired to have tested for which they have never
14 said regulators should monitor that issue going forward.

15 Q. So the universe of items tested was
16 determined by the ROC through --

17 A. (Mr. Weeks.) Collaborative process.

18 Q. -- a document, but that universe was broader
19 than the number of PIDs that were developed?

20 A. (Mr. Weeks.) Through a collaborative
21 process.

22 Q. And so where there were no PIDs developed,
23 KPMG used its own professional judgment for its own sort
24 of PID?

25 A. (Mr. Weeks.) Correct.

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1 Q. And then in addition, there were yet other
2 tests for which there was -- which were diagnostic only,
3 so for which there was no --

4 A. (Mr. Weeks.) Standard.

5 Q. -- pass/fail standard set either through the
6 ROC process or by KPMG?

7 A. (Mr. Weeks.) By definition, the diagnostic
8 ones are PIDs established by the collaborative. We,
9 KPMG Consulting, did not choose to classify any of the
10 non-PID ones as diagnostic. We established criteria for
11 every single one that wasn't covered by a PID. And in
12 the PIDs, as Joe indicated, there are three families of
13 PIDs, those that require a comparison between retail and
14 wholesale, parity, those that apply an absolute standard
15 bench mark of some sort, and those that are just
16 information reporting only, diagnostic.

17 Q. All right. And in the universe of or the
18 subset of measures that KPMG exercised its judgment
19 about, if one of the parties thought you were
20 inappropriately setting a standard, what would that
21 party do?

22 A. (Mr. Weeks.) Bring that to your attention in
23 this process.

24 CHAIRWOMAN SHOWALTER: Okay, thank you.

25

1 E X A M I N A T I O N

2 BY JUDGE RENDAHL:

3 Q. I have a few questions, and the first set of
4 questions picks up where Ms. Doberneck left off on the
5 human error issue, and I just need to get a sense of how
6 the observations and exceptions led to the adequacy
7 study and what is happening after. So my understanding
8 if the observations and exceptions numerically go in
9 order is that first was observation 3086 was the omnibus
10 training exception. That was closed and somehow led to
11 or didn't lead to observation 3110. But I guess I'm
12 confused about how exception 3120 relates, so if you can
13 give me a brief time line, very short time line, that
14 would be helpful.

15 A. (Mr. Dellatorre.) Observation 3086 actually
16 happened several months ago, and as we have all said, it
17 is the aggregate finding from actually a series of other
18 observations and exceptions that were identified
19 throughout the course of testing, primarily transaction
20 testing by Hewlett Packard. Training, human error and
21 then subsequently training was cited in the response.
22 We issued observation 3086 in order to assess the
23 training issues or training that Qwest had conducted.
24 We did as what Mike calls white box testing to go in and
25 assess the process improvements and training programs

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1 that Qwest had in place.

2 In a somewhat unrelated matter, the data
3 comparison or the comparative analysis that we conducted
4 much more recently in the last two months, we identified
5 problems with the underlying data set that Qwest
6 ultimately uses to report on the PIDs.

7 Q. And was that an exception?

8 A. (Mr. Dellatorre.) And that was exception
9 3120.

10 Q. Okay.

11 A. (Mr. Dellatorre.) One of the root causes
12 identified in the problems or that addressed the
13 problems in exception 3120 were human error. After we
14 were able to close exception 3120 because the majority
15 of the issues identified in that exception were
16 sufficiently resolved, we then issued the observation
17 3110 so that those issues didn't just kind of fall off
18 everyone's radar screen, but, in fact, were highlighted
19 in a separate stand alone observation.

20 Q. Okay.

21 A. (Mr. Weeks.) And to answer your question
22 then on the adequacy study, the genesis for that, if you
23 will, was a concern expressed on the part of some of the
24 steering committee members as to whether or not, we were
25 asked, KPMG Consulting was asked the question whether or

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1 not we believed that some of the proposed PIDs that
2 Qwest had suggested it might implement in connection
3 with 3086, whether the existing PIDs plus the proposed
4 PIDs were likely to be able to put into place a
5 monitoring mechanism that would be adequate to highlight
6 on a going forward basis, not for the purposes of the
7 test but for ongoing regulation, issues that might occur
8 in manual order handling. And that was then at the
9 request of the steering committee. We did the adequacy
10 study and produced that, and it's a I guess a follow on,
11 if you will, to 3086.

12 A. (Mr. Dellatorre.) That's right.

13 A. (Mr. Weeks.) And it's totally unrelated, and
14 it predates 3120 and 3110.

15 Q. Okay. So I guess the sort of the tie up
16 question here is, is KPMG's efforts in looking at PID
17 adequacy and human error, the human error issues, are
18 you finished, or is there more that is happening by KPMG
19 on this issue?

20 A. (Mr. Weeks.) We are finished with our work,
21 and fundamentally our recommendation and the
22 recommendation of the adequacy study is that the
23 collaborative, the PID collaborative, take up this issue
24 of what PIDs should be in place and how those should be
25 defined to address the concerns of the regulators in

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1 this area. And that it's our understanding that that
2 has not yet taken place, will take place at some point
3 in the future, and we will not have, to our knowledge at
4 this time at least, any involvement in that process.

5 Q. Okay, thank you. I have a couple of
6 questions about the western-eastern regional issue. Of
7 the tests that were considered not satisfied in your
8 Exhibit 1700, did any of those have Washington specific
9 data related to them?

10 A. (Mr. Dellatorre.) As a general comment,
11 while my attempts to answer that more specifically, all
12 of our transaction testing used state specific accounts
13 across all of the states. So if there was a performance
14 failure in the western region that resulted -- if there
15 was a performance failure that resulted in a not
16 satisfied for a given criterion, and in the comments for
17 that associated criterion we site the western region as
18 having not passed, certainly the presumption can be made
19 that account specific information from the state of
20 Washington was used. However, we did not, other than in
21 the statement of our test accounts, we did not conduct
22 the analysis of the state specific level.

23 A. (Mr. Weeks.) It would be clear from looking
24 at the comments section of the evaluation criteria in
25 the final report for each of the listed criteria in that

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1 exhibit as to whether or not there were western specific
2 things. I'm trying to page through those now, but you
3 can go back and examine the record for yourself, there
4 are nothing in the tests that is western region
5 specific. I'm looking through the test 14 things now.

6 Q. So I guess if the Washington results, which I
7 guess you can't disaggregate them, so I mean is that
8 your -- you can't disaggregate any Washington results?

9 A. (Mr. Weeks.) In certain of our tests, we
10 disaggregated down to the region. In no test per se did
11 we disaggregate down to the state level. As Joe
12 communicated, we attempted to spread the test bed across
13 the states. We attempted to spread the ordering
14 activity across the states. But in no case did we give
15 individual pass/fails on individual states.

16 Q. Okay. I'm going to turn to the change
17 management section, which is test 23, and there are 7
18 areas at this point in that test that KPMG has in the
19 report stated that they're not able to determine both
20 for the systems process and the product process. Just
21 as a background, you have both been involved in other
22 state 271 processes, correct?

23 A. (Mr. Weeks.) That's correct.

24 A. (Mr. Dellatorre.) Yes.

25 Q. Which other states, Mr. Dellatorre, have you

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1 been involved in?

2 A. (Mr. Weeks.) New York, Massachusetts, New
3 Jersey, Pennsylvania, Florida, Georgia, the ROC, and
4 some of the initial startup work in the Ameritech
5 region, Illinois, Wisconsin, Michigan.

6 Q. Okay. And Mr. Weeks?

7 A. (Mr. Weeks.) Similar answer for me, New York
8 some activity, in Massachusetts limited, Pennsylvania
9 some activity, Georgia heavily, Florida heavily, I did
10 some of the initial activities and continue to do some
11 quality assurance activities associated with five states
12 in Illinois ROC process, we also participated as a
13 subcontractor in the Texas test.

14 Q. Were you involved in any of the change
15 management matters?

16 A. (Mr. Weeks.) I have been in charge of all of
17 these tests for -- that I have described. I have either
18 been in charge of -- been the managing director in
19 charge of or the day-to-day project manager, and I was,
20 in fact, the main leading person on change management in
21 New York.

22 Q. Okay. So in your experience with those other
23 states and the tests on change management, was the
24 status at the end of testing in those states, were they
25 all satisfied, or were there similar to Washington or

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1 similar to the ROC test areas that were either not
2 passed satisfied or not able to determine?

3 A. (Mr. Weeks.) Up until very recently, all of
4 the then Bell Atlantic, now Verizon, the original test,
5 the New York, Pennsylvania, all of those, Massachusetts,
6 all had problems in change management. The most recent
7 Virginia test things are, because Verizon has been at it
8 for four years now, they have morphed their change
9 management process into a fairly mature process. The
10 BellSouth test, Georgia, Florida, and so on, similar
11 issues with change management, a rather less than robust
12 in the flux in the process of changing change management
13 process that as the Georgia record went to Washington
14 there were still significant issues in change
15 management. The Ameritech tests are still underway,
16 there are significant change management issues in the
17 Ameritech test as we speak. So that's kind of an
18 overview. I guess change management is always an issue
19 everywhere.

20 Q. Okay. And finally, just to clarify about
21 Exhibit 1717 and 1718, which are these issues about that
22 three CLECs with agreements not filed with commissions,
23 these are not part of the ROC final report, correct?

24 A. (Mr. Weeks.) That's correct.

25 Q. And what significance do you place on these

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1 reports to the test?

2 A. (Mr. Weeks.) To the test itself?

3 Q. I mean to the report.

4 A. (Mr. Weeks.) To the report, they are
5 separate stand alone documents that are orthotical to
6 the report. They are not part of the report per se.
7 They were reactions to two specific issues that came up
8 as a result of executing the test, but they're standing
9 is different from that of the test. In the case of the
10 adequacy study, we were asked for a professional
11 opinion. We have offered that professional opinion so
12 that the report itself are statements of fact. The
13 adequacy study is a statement of opinion. The other,
14 which is just looking at the participating CLECs, is
15 again a statement of fact about it's describing
16 characteristics of the test and evaluation specific
17 evaluation criteria in the test, so it's describing the
18 test as describing Qwest results.

19 Q. Thank you.

20 A. (Mr. Weeks.) I have an answer to your
21 question which is, do any of the not satisfieds apply
22 specifically to either the western region or Washington,
23 and the answer is no.

24 JUDGE RENDAHL: Okay, thank you, I don't have
25 any more questions.

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1 Let's be off the record for a moment.

2 (Discussion off the record.)

3 (Luncheon recess taken at 11:55 a.m.)

4

5 A F T E R N O O N S E S S I O N

6 (1:30 p.m.)

7

8 JUDGE RENDAHL: We're back on the record
9 after our lunch break, and we're now going to begin
10 presentation by Hewlett Packard. Is it Hewlett Packard
11 Consulting or just simply Hewlett Packard?

12 MR. MAY: Simply Hewlett Packard at this
13 point.

14 JUDGE RENDAHL: Okay, Hewlett Packard. And
15 we have Geoff May and Don Petry on the stand; is that
16 correct?

17 MR. PETRY: Don Petry, yes.

18 JUDGE RENDAHL: Don Petry, excuse me.

19 MR. PETRY: That's okay.

20 JUDGE RENDAHL: So will you please, as the
21 other witnesses did, state your name, spell it for the
22 court reporter, and your address, and then we'll swear
23 the two of you in.

24 MR. MAY: Sure. Geoff May, G-E-O-F-F, M-A-Y,
25 11 Linebrook Road, Tops Field, Massachusetts 01983.

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1 MR. PETRY: Don Petry, D-O-N, P-E-T-R-Y, 18
2 Running Deer Trail, Cartersville,
3 C-A-R-T-E-R-S-V-I-L-L-E, Georgia 30121.

4 JUDGE RENDAHL: Okay. Would you please stand
5 and raise your right hand.

6

7 Whereupon,

8 GEOFF MAY AND DON PETRY,
9 having been first duly sworn, were called as witnesses
10 herein and were examined and testified as follows:

11

12 JUDGE RENDAHL: Okay, please be seated.

13 Before I forget, I have assigned as Exhibit
14 1471 the Records Requisition Number 7, which is Robert
15 Stright's response to Covad Communications.

16 And turning back to you two, your Hewlett
17 Packard exhibit handout is marked as Exhibit 1703. Are
18 there any objections to admission of that document?

19 Hearing nothing, it will be admitted.

20 And please go ahead.

21 MR. MAY: Thank you, Judge, good afternoon
22 Chairwoman Showalter, Commissioners, and Judge Rendahl.
23 My name is Geoff May, and I have served as program
24 manager for the HP P-CLEC test effort. With me also is
25 Don Petry, a telecommunications industry subject matter

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1 expert for HP. HP would like to briefly summarize for
2 the Commission and for the record its ROC P-CLEC test
3 effort. We will begin by summarizing the important
4 P-CLEC principles and scope, then review the two major
5 phases of test activities, the building of the pseudo
6 CLEC phase, and the execution of the transaction tests,
7 and finally we will summarize for you the P-CLEC test
8 reports and results.

9 Page three. To begin with, P-CLEC principles
10 and scope mostly flowing from the test requirements
11 document, TRD principle 8, there will be no special
12 treatment for the pseudo CLEC. The pseudo CLEC will use
13 only publicly available documentation and assistance.
14 Principle 12 directs the P-CLEC to evaluate Qwest
15 interface development documentation and assistance. The
16 TRD also stipulates adequate blindness, and this is a
17 very high standard as compared to other OSS tests. The
18 ROC also asked HP to operate with the P-CLEC defined in
19 the expansive mode, that is the P-CLEC was to recreate
20 the CLEC experience to the fullest extent feasible.

21 Page four.

22 JUDGE RENDAHL: Mr. May.

23 MR. MAY: Yes.

24 JUDGE RENDAHL: Before you go on, can you
25 explain what adequate blindness is.

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1 MR. MAY: I can. I think the reason that the
2 TRD states adequate blindness is in recognition of
3 certain practical artifacts of the test effort such as
4 deploying a test bed or test account would necessitate
5 certain Qwest personnel actually knowing who the vendors
6 were. And so what we did at the ROC was develop a cited
7 list of Qwest employees who were aware of who the
8 vendors were, and they would take something akin to an
9 oath of not disclosing their knowledge.

10 JUDGE RENDAHL: Thank you.

11 MR. MAY: You're welcome.

12 Page four. Moving on to the first phase, the
13 building of the pseudo CLEC, we began in early July of
14 2000 with the account management process interacting
15 with Qwest's wholesale account management team and
16 following Qwest's documented processes for establishing
17 the CLEC, executing interconnection agreements and
18 addenda in all ROC states. We initiated weekly P-CLEC
19 Qwest account management team and subject matter expert
20 conference calls that were all open and noticed to the
21 TAG, and that record represents almost two years of
22 weekly calls on the account management process with
23 Qwest's account management team. All of the question
24 and logs from those calls were also made publicly
25 available to the ROC TAG.

1 Page five. HP built an operations center in
2 the Denver area and deployed technical infrastructure
3 including dedicated T1 lines to Qwest's OSS. We
4 deployed five telecom subject matter experts in the
5 center and staffed and trained 24 customer service
6 representatives. We developed an incidental contact
7 data base to capture all interactions between the
8 operations center and Qwest. We also completed various
9 Qwest Web based downloadable and instructor led
10 training.

11 To page 6. The P-CLEC developed various
12 electronic interfaces to Qwest, including EDI, GUI, DUF,
13 CRIS, maintenance and repair, and loss and completion
14 reports.

15 Page 7. The P-CLEC executed Qwest's IMA EDI
16 interoperability and certification testing following all
17 of Qwest's standard EDI implementation processes. We
18 ultimately certified on four releases of IMA, 5.0, 6.0,
19 7.0, and 8.0, and executed recertification and release
20 migration on IMA EDI 6.0, 7.0, and 8.0.

21 Page 8. The P-CLEC initiated weekly calls
22 with the Qwest EDI team that were open to the TAG. We
23 made available to the TAG all the meeting minutes from
24 the EDI implementation process, including project plans,
25 scenario summaries, documentation logs and question

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1 logs, and we performed detailed analyses of published
2 EDI disclosure documentation for releases 5.0, 6.0, 7.0,
3 and 8.0. Analysis areas included Qwest's documentation
4 as compared to industry publications such as ordering
5 and billing forum, OBF, telecommunications industry
6 forum, TCIF, and the American Standards Committee X12.
7 Other analysis areas included Qwest's product
8 documentation, its wholesale Web sites, its
9 implementation guidelines, processes, operational
10 configuration documents and processes, as well as
11 pre-order to pre-order data integration, actual
12 integration, and pre-order to order data integration.
13 Published results include documentation logs, question
14 logs, Qwest generated change requests, and of course
15 observations and exceptions.

16 To page 11. Turning to a second major phase
17 of the ROC P-CLEC test, the execution of the transaction
18 tests. KPMG Consulting acted as sort of a marketing or
19 sales department issuing test orders to the pseudo CLEC.
20 KPMG sent test transactions to the P-CLEC on a daily
21 basis, and the HP test harness electronically
22 transmitted the test transaction data back to KPMG. The
23 P-CLEC submitted transactions in support of many of the
24 MTP tests, including test 12, 13, 14, 16, 18, 19, and
25 20. HP developed and implemented test harness

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1 technology for the successful execution of GUI, EDI,
2 CEMR, and NCEMR feature function and volume testing.

3 Page 14. The P-CLEC ultimately processed
4 approximately 125,000 transactions, feature function
5 related transactions. If we were to include the volume
6 testing, there are in excess of 1 million records in the
7 HP data bases.

8 Moving on to summarize for you the test
9 reports and results from the pseudo CLEC testing, we
10 issued our interim report in March of 2001. We issued a
11 report on electronic bonding for trouble administration
12 EB-TA in April of 2001, which reviews Qwest
13 documentation and assistance to CLECs for establishing
14 an EB-TA interface. Both of those reports are available
15 on the ROC Web site. During the course of the ROC test,
16 HP issued 94 observations, of which 93 were closed
17 resolved, 1 being withdrawn. It was an issue that was
18 included and closed resolved with another observation.
19 We issued 90 exceptions, of which 89 were ultimately
20 closed resolved, with the exception of 1, which again
21 was moved to another exception and closed resolved as
22 well.

23 Page 17. To summarize the HP observation and
24 exceptions by category, we note that the majority
25 related to either Qwest documentation issues or to

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1 transaction processing issues, pre-orders and orders.
2 HP's discreet final reports were issued with the overall
3 ROC final report release. All reports are available on
4 the ROC Web site. These include HP test report 10, the
5 order and transaction creation documentation evaluation,
6 test report 12-A, the POP functional evaluation, test
7 report 12-B and C, I'm sorry, 12-B, the P-CLEC OSS
8 interface evaluation, 12-C, the P-CLEC account
9 management evaluation, and HP test report 24.8, which is
10 the interconnect service center support review.

11 Page 20. HP's final reports also included
12 four appendices. Appendix A describes all of HP's
13 observations and exceptions. Appendices B and C
14 represent pre-order to order integration field
15 comparison reports for IMA EDI releases 7.0 and 8.0.
16 And Appendix D documents the P-CLEC expectations of
17 Qwest's account management team.

18 Page 21. To summarize test results in HP's
19 discreet final reports, in the test 10 report, 106 out
20 of 108 evaluation criteria were reported as satisfied, 2
21 being reported as not applicable. In the test 12, 20
22 out of 20 evaluation criteria were reported as
23 satisfied. And in the 24.8 report, 2 of 3 evaluation
24 criteria were reported as satisfied with 1 being not
25 applicable. And I would note for the benefit of the

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1 Washington Commission and staff, there were no state
2 specific results.

3 JUDGE RENDAHL: Now before you go on, I will
4 note that this document is the HP discreet reports that
5 you just talked about, and that's Exhibit 1702 in our
6 record. Sorry to interrupt.

7 MR. MAY: No problem.

8 So to recap HP's ROC P-CLEC test, HP
9 generated an extensive record, including certification
10 on four IMA EDI releases, studies of pre-order order
11 integration on IMA EDI releases 7.0 and 8.0, and actual
12 pre-order to order data integration on EDI releases 6.0
13 and 7.0. We tested 14 pre-order functions, 17 Qwest
14 products, and 5 post order functions consistent with MTP
15 Appendix D. HP issued 184 observations over and above
16 those issued by KPMG and Liberty. The ROC 271 P-CLEC
17 activity represents the broadest scope of any 271 test
18 conducted by HP. HP's effort resulted in dramatic
19 improvements to Qwest's wholesale documentation and a
20 comprehensive review of pre-order to order integration.

21 Happy to take any questions if anybody has
22 any.

23 JUDGE RENDAHL: Okay.

24 Mr. Crain, I think you do have some
25 questions; is that correct?

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1 MR. CRAIN: I have a few questions.

2

3 C R O S S - E X A M I N A T I O N

4 BY MR. CRAIN:

5 Q. HP as a pseudo CLEC built an interface to

6 Qwest's EDI interface; is that correct?

7 A. (Mr. May.) Yes.

8 Q. Which versions of the EDI interface did HP
9 build to?

10 A. (Mr. May.) 5.0, 6.0, 7.0, and 8.0.

11 Q. And HP went through Qwest's development
12 effort, used our documentation, worked with our
13 development team, and used our testing interface
14 interoperability testing and was able to efficiently
15 build to all four of those interfaces; is that correct?

16 A. (Mr. May.) That's correct, but keep in mind
17 throughout that process we were issuing observations and
18 exceptions, but those as we have stated have been closed
19 resolved.

20 Q. Yes. Can you explain the interface, is the
21 interface you built integrated between pre-order and
22 order?

23 A. (Mr. May.) It is for the fields that we
24 required to execute the test pursuant to the MTP, the
25 product types and the pre-order and order transactions

8213

1 that Exhibit D required.

2 Q. Can you elaborate a little bit on what
3 particular fields were integrated between pre-order and
4 order?

5 A. (Mr. May.) Yeah, I will let Mr. Petry.

6 Q. Sure.

7 A. (Mr. Petry.) Mr. Crain, if I could direct in
8 our exhibit, our final report is Exhibit 1702.

9 JUDGE RENDAHL: Yes.

10 A. (Mr. Petry.) If you refer -- when you refer
11 to HP Appendix B, section 5, page 38, it's titled P-CLEC
12 data integration.

13 Q. And, I'm sorry, which page?

14 A. (Mr. Petry.) It's page 38.

15 Q. 38?

16 A. (Mr. Petry.) And 39. This section here in
17 our pre-order to order integration or field comparison
18 report describes the pre-order to pre-order, the
19 pre-order to order activities that HP implemented, and
20 IMA releases 6.0 -- using IMA EDI releases 6.0 and 7.0,
21 and we -- these are the fields that we took from
22 pre-order transactions responses that came back from
23 Qwest and used to map into other pre-order transactions.
24 And on page 39 it documents the data fields that were
25 received back from pre-order transactions that we used

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1 to map into order transactions in a mechanized fashion.

2 Q. And if you look at page 39, sort of two
3 thirds of the way down the chart there, you've got
4 something called CUST SBC, is that customer service
5 records or CSR that people were asking questions about
6 this morning?

7 JUDGE RENDAHL: Which column are you looking
8 at?

9 MR. CRAIN: The first column under table.

10 MR. PETRY: Page 39.

11 JUDGE RENDAHL: I see it, thank you.

12 A. (Mr. Petry.) Mr. Crain, that is correct,
13 that's in reference to the customer service or CSR data
14 that was returned from a pre-order function as described
15 earlier today. I believe that discussion was with KPMG
16 though.

17 Q. Yes. And was this integration capability
18 used during the testing?

19 A. (Mr. Petry.) Please clarify which
20 integration.

21 Q. For orders that you submitted or HP submitted
22 during the testing, was pre-order information
23 automatically populated through this integration process
24 to orders or to LSRs that were submitted?

25 A. (Mr. Petry.) Yes. During the course of

8215

1 execution of the tests, HP utilized pre-order to
2 pre-order and pre-order to order integration. We
3 developed and implemented the customer service record
4 implementation. However, that was not used in
5 conducting the test 12 transactions.

6 MR. CRAIN: And that's all the questions I
7 have, thank you.

8 JUDGE RENDAHL: Thank you, Mr. Crain.

9 Ms. Tribby, you said you had one question.

10 MS. TRIBBY: Could be depending on the
11 answer, not many though.

12

13 C R O S S - E X A M I N A T I O N

14 BY MS. TRIBBY:

15 Q. Could you turn to page 22 of Exhibit 1702.

16 A. (Mr. Petry.) I'm sorry, which report?

17 Q. It's in the observations and exceptions
18 section.

19 JUDGE RENDAHL: Which is Appendix A?

20 MS. TRIBBY: Appendix HP-A.

21 JUDGE RENDAHL: Page 22?

22 MS. TRIBBY: Yes.

23 BY MS. TRIBBY:

24 Q. I'm looking at the top part of the chart
25 there, observation 2080; do you see that?

8216

1 A. (Mr. Petry.) Yes.

2 Q. The summary is that Qwest's SIG, I assume
3 that's standard interval guide, documentation provides
4 inconsistent and unclear information pertaining to the
5 hierarchy or applicability of certain business rules.
6 Do you see that?

7 A. (Mr. Petry.) We do see that, and SIG, S-I-G,
8 actually stands for service interval guide.

9 Q. Thank you. What was the purpose of this
10 analysis?

11 A. (Mr. Petry.) The purpose of the observation?

12 Q. The analysis leading to the observation.

13 A. (Mr. Petry.) The purpose of the analysis was
14 in HP's role as a pseudo CLEC, we were reviewing the
15 Qwest documentation that was publicly made available and
16 that CLECs would utilize in the preparation and
17 submission of orders or conducting business with Qwest.
18 The service interval guide was a document that defines
19 the service if you're submitting an order say for a
20 plain old telephone service or POTS type service, how
21 many days before that order would be completed. So
22 while conducting the test, we refer to the service
23 interval guide on a regular basis for scheduling and
24 submission of orders, and included in that was the
25 evaluation of that documentation, which is described in

8217

1 test 10.

2 Q. So was the purpose to look at the business
3 rules and to see if CLECs were able to apply those and
4 use those and whether they were being consistently
5 applied by Qwest?

6 A. (Mr. Petry.) That is correct.

7 Q. Did HP make any effort to make a
8 determination about whether Qwest was assigning
9 installation intervals at parity with their own retail
10 customers, was that a part of your evaluation?

11 A. (Mr. May.) No, it was not.

12 MS. TRIBBY: Thank you, that's all I have.

13 JUDGE RENDAHL: Thank you, Ms. Tribby.

14 Mr. Dixon.

15 MR. DIXON: Thank you, Judge.

16

17 C R O S S - E X A M I N A T I O N

18 BY MR. DIXON:

19 Q. Good afternoon, nice to see both of you. Can
20 I -- is this coming through all right?

21 I want to start off with some general
22 questions. Have you been present during all of the KPMG
23 testimony and been able to hear it?

24 A. (Mr. May.) Yes, I have, and I think Don has.

25 A. (Mr. Petry.) Yes.

8218

1 Q. Based on what you have heard just to kind of
2 make this go quickly, are there any corrections you wish
3 to make to statements that KPMG has stated on the record
4 here that would relate to activities that HP was
5 involved in?

6 A. (Mr. May.) No.

7 Q. Again continuing on the general basis, are
8 you familiar with the concept that when a customer is
9 migrated or transferred from one company to another, a
10 concept known as conversion as is?

11 A. (Mr. Petry.) Yes, we are.

12 Q. Can you tell us what that means?

13 A. (Mr. Petry.) Conversion as is refers to the
14 change of ownership from one service provider to another
15 service provider. That could be from Qwest to a CLEC,
16 that could be from a CLEC to another CLEC, or it
17 actually could be from a CLEC back to Qwest in what's
18 known as a win back situation. As is, I don't want to
19 get into a legal proceeding definition of the word is,
20 it's been done before, but as is means that the customer
21 is transitioned from one service provider to the other
22 with all of the features and the account establishment
23 set up as they currently have to the new co-provider or
24 service provider.

25 Q. All right. And then are you familiar with

8219

1 the concept known as conversion as specified?

2 A. (Mr. Petry.) Yes, we are.

3 Q. And can you tell us generally what that is
4 all about.

5 A. (Mr. Petry.) As specified means that you are
6 transitioning that customer to the new service provider
7 and making changes on that customer's account or
8 services.

9 Q. And then in your role as a pseudo CLEC, did
10 you ever run into a concept known as conversion as is
11 with changes?

12 A. (Mr. Petry.) No, we did not.

13 Q. All right. I would like to turn to pre-order
14 to order integration for just a minute. Did HP conduct
15 pre-order to order integration testing?

16 A. (Mr. Petry.) HP implemented --

17 Q. For the ROC I should say first.

18 A. (Mr. Petry.) For the ROC, HP implemented
19 pre-order to order functionality within our test
20 harness, and that functionality was used during the
21 conducting of the test on the ROC.

22 Q. All right. And you used a term I was going
23 to ask you to define, why don't you tell us what a test
24 harness is.

25 A. (Mr. Petry.) The test harness is a term that

8220

1 we use to describe all of the software and hardware that
2 HP has developed that replicates or simulates what a
3 CLEC would implement from a front end ordering system to
4 the conversion of data into the prescribed formats
5 according to Qwest's implementation, OSS implementation
6 guidelines and transmission components to transmit that
7 data to Qwest and receive responses back from Qwest. If
8 we reference back in our presentation on page, which is
9 Exhibit 1703, page 6 gives examples of different
10 components or OSS interfaces that were part of the test
11 harness. EDI pre-order, order, and post order, IMA GUI,
12 daily usage and usage related files, CRIS 811, wholesale
13 invoices, loss and completion, and the CEMR report, CEMR
14 application for maintenance and repair, and that's
15 C-E-M-R.

16 Q. And in your testing, did you conduct what was
17 called transaction or transactional testing?

18 A. (Mr. Petry.) Yes, we did.

19 Q. And can you just tell us what that is?

20 A. (Mr. Petry.) Transactional testing is
21 actually taking data content and formatting it according
22 to the prescribed specifications and transmitting that
23 to Qwest or the ILEC and actually conducting a
24 transaction versus just a paper or documentation review
25 which is just based upon documentation.

8221

1 Q. You indicated that you built your interface
2 to allow for pre-order to order integration; am I
3 correct?

4 A. (Mr. Petry.) That is correct, as documented
5 in our Appendix B, part of 1702, Exhibit 1702.

6 Q. And can you tell us to what version of the I
7 believe they're called local service order guidelines or
8 LSOG, what version did you build to?

9 A. (Mr. Petry.) Well, we implemented -- for the
10 EDI interface, we certified on releases 5.0, 6.0, and
11 7.0, which were LSOG 3.0, release 8.0, which was LSOG
12 5.0. Our pre-order to order integration was conducted
13 or implemented for EDI releases 6.0 and 7.0, which would
14 be LSOG 3.0.

15 Q. Did you conduct transactional testing or
16 transaction testing under LSOG 3.0 then?

17 A. (Mr. Petry.) That is a correct statement.

18 Q. And did you conduct LSOG 5.0 transaction
19 testing?

20 A. (Mr. Petry.) We did conduct transaction
21 testing, that was done for the volume test, the MTP test
22 15.

23 Q. All right. Now did you do that for the
24 functionality tests, test 12, what are called the POP or
25 pre-order to ordering provisioning test?

8222

1 A. (Mr. May.) We did not, and that actually was
2 an issue that I believe the steering committee addressed
3 and went to impasse.

4 A. (Mr. Petry.) There was one piece of
5 functionality, one transaction type, which was unbundled
6 loop with number portability, that we conducted for a
7 single participating CLEC that we were submitting
8 transactions on their behalf, and they had migrated to
9 8.0, and so that was the only piece of feature function
10 or test 12 that was actually conducted via EDI in 8.0.
11 We did conduct testing in 8.0 via IMA GUI.

12 Q. You heard me talk with KPMG a little bit
13 about parsing, and I have already asked you if you
14 agreed with everything they said; was their parsing
15 definition consistent with your understanding of
16 parsing?

17 A. (Mr. Petry.) I would agree with Mr. Weeks'
18 discussion of that.

19 Q. Good. You have conducted some other tests
20 outside of the test in the ROC concerning pre-order to
21 order integration; is that correct?

22 A. (Mr. Petry.) We are aware that HP has
23 conducted other tests in other jurisdictions, yes.

24 Q. And I'm thinking in particular the Arizona
25 test, you were involved in that in the same role as you

8223

1 are with the ROC; am I correct?

2 A. (Mr. Petry.) HP did play the pseudo CLEC in
3 the Arizona 271 test, yes.

4 Q. And in that, you did a report in Arizona that
5 I'm not sure if it's not attached to Qwest's exhibits,
6 but I frankly don't recall if it is or if there's a
7 number assigned to it, I can probably check that on a
8 break to be sure, but I want to discuss just the
9 conclusion you drew there and see if you would agree
10 that's relevant here in Washington.

11 A. (Mr. Petry.) Mr. Dixon.

12 Q. Yes.

13 A. (Mr. Petry.) Just before you -- we're not
14 intimately involved with any of the Arizona reports, or
15 maybe I should --

16 A. (Mr. May.) You know, on a personal. In
17 other words, we are a part of the ROC team, and I
18 personally have not -- done no work on the Arizona
19 project.

20 Q. All right. Let me read you a conclusion and
21 just ask you if you agree with it, fair enough? That's
22 all I'm going to be doing on this.

23 Based upon its review of Qwest
24 documentation that a CSR, customer
25 service record, to LSR, local service

8224

1 request, parsing would be a very
2 challenging and complex undertaking for
3 a CLEC with an information technology
4 team experienced in EDI development.

5 Would you agree with that opinion or
6 statement?

7 A. (Mr. Petry.) I'm sorry, is that the complete
8 statement? I would need to see the document, please.

9 Q. I will be happy to show it to you. What I
10 didn't say, because I wasn't trying to sandbag you, it
11 says it's HPC's personal opinion, excuse me,
12 professional opinion based upon its review of Qwest
13 documentation that a, and now I will use the acronym,
14 CSR to LSR parsing would be a very challenging and
15 complex undertaking for a CLEC with an information
16 technology team experienced in EDI development. And I
17 will be happy to show you the entire document.

18 MR. DIXON: May I approach the witness, Your
19 Honor?

20 JUDGE RENDAHL: You may.

21 MR. DIXON: Thank you.

22 JUDGE RENDAHL: Let's be off the record for a
23 moment.

24 (Discussion off the record.)

25 JUDGE RENDAHL: Mr. Dixon has shared this

8225

1 reference with Qwest's attorney and with the witness.

2 MR. PETRY: Could I ask the reporter to read
3 back what part of this report that -- where did you
4 leave off?

5 JUDGE RENDAHL: Why don't you repeat your
6 question, Mr. Dixon.

7 MR. DIXON: May I approach the witness?

8 JUDGE RENDAHL: You may.

9 BY MR. DIXON:

10 Q. I apologize. And maybe as I have indicated
11 for the record, let me tell what I'm directing the
12 witness to. I am referring to a report issued by HPC in
13 the state of Arizona concerning pre-order to order
14 integration. It's referred to as the final report
15 version 4.0 and was entered on March 28th, 2002. I'm
16 directing the witnesses' attention to page 33 of that
17 report to the last paragraph on that page, and what I
18 read to them was the first sentence of that paragraph.
19 They certainly can read it in context and comment.

20 A. (Mr. Petry.) Okay.

21 A. (Mr. May.) Yeah, I mean HP would like to
22 read the entire paragraph into the record if that's
23 possible.

24 CHAIRWOMAN SHOWALTER: Slowly.

25 A. (Mr. Petry.) Okay.

8226

1 It is HPC's professional opinion based
2 upon its review of Qwest documentation
3 that a CSR to LSR parsing would be a
4 very challenging and complex undertaking
5 for a CLEC with an information
6 technology team experienced in EDI
7 development. Other alternatives would
8 be to contract the development of the
9 EDI interface through a service bureau
10 or purchase a third party solution from
11 a vendor such as Telecordia. There will
12 be a number of issues that will have to
13 be clarified by meetings with Qwest.
14 However, a CLEC with the appropriate
15 resources, funding, time, and planning
16 activities can build a CSR to LSR
17 parsing.

18 And we would agree with the whole paragraph.

19 Q. Thank you, you just saved me three questions,
20 I was going to take them one sentence at a time.

21 JUDGE RENDAHL: Thank you.

22 Q. I would like to turn now to the stand alone
23 test environment. Did HP conduct any transactional
24 testing of Qwest's stand alone test environment for the
25 ROC OSS test?

8227

1 A. (Mr. May.) No.

2 Q. Did HPC test virtual, I want to get the full
3 acronym, it's VICKI?

4 A. (Mr. May.) No.

5 Q. And just so we're clear for the record, VICKI
6 refers to the virtual interconnect center knowledge
7 initiator; is that correct?

8 A. (Mr. May.) Mm-hm.

9 Q. That's what you meant by VICKI when you
10 responded no to my question?

11 A. (Mr. May.) Still no.

12 Q. Did HP confirm that Qwest has ceased sending
13 reject notices after FOC, firm order confirmation, that
14 was observed during some initial testing and that
15 jeopardy notices are consistently transmitted for order
16 problems that occur after a firm order confirmation is
17 issued?

18 A. (Mr. May.) HP did not notice any reject
19 notices after FOC, after closure and resolution of the
20 exception.

21 Q. And your reference to FOC is the same as firm
22 order confirmation?

23 A. (Mr. Petry.) That's correct.

24 MR. DIXON: I have no further questions,
25 thank you very much.

8228

1 Oh, wait, I do have one, I apologize, I
2 ignored one.

3 JUDGE RENDAHL: Better be short.

4 BY MR. DIXON:

5 Q. Was there anything that HP would like to
6 share about its experience as a pseudo CLEC doing
7 business with Qwest that it didn't include in its final
8 report?

9 A. (Mr. May.) No, sir.

10 MR. DIXON: Thank you.

11 JUDGE RENDAHL: Okay.

12 MR. DIXON: I have finished my questions,
13 thank you very much.

14 JUDGE RENDAHL: Thank you.

15 Ms. Doberneck.

16 MS. DOBERNECK: Very, very briefly.

17

18 C R O S S - E X A M I N A T I O N

19 BY MS. DOBERNECK:

20 Q. HP did execute an interconnection agreement
21 for the state of Washington, didn't it?

22 A. (Mr. May.) That's correct.

23 Q. And did HP ever undergo an amendment for
24 purposes of changing rates as a result of Commission
25 orders with a true up?

8229

1 A. (Mr. May.) I don't believe so, no. We did
2 have various addenda that we executed, but I do not
3 believe we did concerning a rate.

4 JUDGE RENDAHL: Mr. Petry, if you have
5 something to say, you should probably say it to the
6 court reporter or to us.

7 MR. PETRY: My apologies, we were just
8 conferring for a moment here before.

9 JUDGE RENDAHL: That's all right.

10 A. (Mr. Petry.) We never executed an addendum
11 or addenda to our interconnection agreements for a rate
12 change. However, we did receive through the account
13 management process as Qwest identified issues or with
14 rates and reconciliation or changes that they were doing
15 with rates for the CLEC community. We did receive those
16 notifications and that information through our account
17 management team.

18 BY MS. DOBERNECK:

19 Q. And just to be clear then, those
20 notifications were where Qwest notified HP that --

21 A. (Mr. Petry.) The pseudo CLEC.

22 Q. I'm sorry, the pseudo CLEC, that it was not
23 being charged the rate that was contained in the
24 interconnection agreement; is that what you're talking
25 about? I would just like some preciseness.

8230

1 A. (Mr. Petry.) There were notifications about
2 rate reconciliations where the rates that had been being
3 charged were -- may not have been accurate, and Qwest
4 was doing a reconciliation of that and charged -- so
5 through the account management process, it was a
6 notification that this was taking place through your
7 account management team, you would be getting the true
8 up of something that you may have been charged
9 previously, and a reconciliation of that.

10 Q. And then did the pseudo CLEC evaluate whether
11 the notified rate, presumably what Qwest believed to be
12 the correct rate, was, in fact, the correct rate?

13 A. (Mr. Petry.) We did not, that was not in our
14 scope. That was part of the KPMG Consulting billing
15 test.

16 MS. DOBERNECK: Okay, thank you.

17 JUDGE RENDAHL: Okay, are there any questions
18 from the commissioners for these witnesses?

19 And I don't have any questions either, so I
20 think you may be excused. Thank you for your testimony.

21 MR. MAY: Okay.

22 JUDGE RENDAHL: Let's be off the record for a
23 moment.

24 MR. MAY: I'm sorry.

25 JUDGE RENDAHL: Let's be back on the record.

8231

1 MR. MAY: We have one housekeeping issue. We
2 would like to take this opportunity to clarify the
3 record in response to Ms. Doberneck's query yesterday
4 regarding the substance of any MTG quality control
5 issue. Mr. Center provided an example concerning HP's
6 development of evaluation criteria, and HP would like to
7 clarify that the issue of HP's evaluation criteria in
8 fact concerned only coordination of final reporting
9 responsibilities and not any quality issues. So in
10 other words, the issue did not involve evaluation
11 criteria but who was responsible for what.

12 JUDGE RENDAHL: Okay, thank you.

13 With that, we will be off the record.

14 (Discussion off the record.)

15 MS. ANDERL: Good afternoon, Your Honor and
16 Commissioners. Qwest comes before you today to ask for
17 a change to the procedural requirements that were
18 established originally in the March 15th, 2000,
19 supplemental interpretive and policy statement in Docket
20 number UT-970300, specifically the requirement that U S
21 West, now Qwest, file with the Commission a copy of the
22 company's complete application to the FCC 90 days before
23 the company actually files the application with the FCC.

24 That requirement from 1997 originally was
25 carried forward into the March 15th, 2000, order and was

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1 then revisited again in the fall of last year when AT&T
2 petitioned the Commission for clarification that the 90
3 day requirement still pertained. The parties briefed
4 that issue to the Commission, and on October 11th, 2001,
5 the Administrative Law Judge issued a pre-hearing
6 conference order, the 19th Supplemental Order, affirming
7 that the requirement was still in place but was subject
8 to change and, in fact, potentially subject to being
9 abolished depending on the scope of the remaining issues
10 and the requirement for additional process after the
11 workshop and hearing process was complete.

12 As you know, we are now at that point near
13 the very end of the process, and we would like to ask
14 the Commission to revisit the issue of the 90 day
15 requirement and rule formally that Qwest is no longer
16 subject to a requirement that it file its full
17 application with the Commission 90 days prior to going
18 to the FCC. There are a number of reasons for that, and
19 I don't want to take up too much time this afternoon.

20 Some of the reasons though that we would like
21 the requirement done away with is that practically it is
22 virtually impossible to comply with that type of
23 requirement, because the FCC will require us to have
24 before it in our application all of the most current
25 data including -- and that will include all of our

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1 current performance data, which is going to be updated
2 every 30 days, and so as a practical matter you can't
3 take a photograph at 90 days before and not have
4 anything change. Additionally, the FCC application will
5 include the record of Commission cost dockets, it will
6 include a record of any arbitration decisions that are
7 rendered in the state, that's probably not an issue here
8 right now today. But it will include the record in any
9 wholesale type complaint proceedings. There are a
10 couple of those pending before the Commission. So to
11 the extent that pleadings are filed, testimony is filed,
12 hearings are held, transcripts are created, all of those
13 documents get updated and inserted into the FCC
14 application. So what is complete today will be not
15 complete 90 days from now, because 90 days from now
16 there will be additional documents added. And that, of
17 course, as you know, pertains specifically with regard
18 to the performance data, the commercial volumes
19 performance data on the wholesale side that we have been
20 filing with you every month. And so practically it
21 would be difficult to accomplish that.

22 However, even if it were possible to do that,
23 we don't think it is necessary to do that to accomplish
24 the stated purposes of the Commission's order when it
25 initially established the requirement. And that is, I

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1 think, to give the Commission enough time to look at the
2 application, not knowing in 1997 what these 271
3 applications were going to look like. I think it was
4 contemplated at the time that it was entirely possible
5 that the company would have a kind of abbreviated
6 proceeding before the state Commission and then go to
7 the FCC, not giving the state perhaps enough time to
8 review what was potentially a voluminous application.
9 And then, of course, the State has 20 days after we file
10 with the FCC to make a recommendation to the FCC about
11 the company's compliance.

12 So it was perhaps understandable that the
13 Commission was in 1997 attempting to make sure that
14 there was enough time to review all of the 14 points on
15 the checklist, all of the other compliance issues and
16 performance data that might be presented. Now we have
17 had over two years of workshops, we have final orders on
18 all of the checklist items, we are very close to final
19 orders on the performance, we have a final order on
20 reconsideration on SGAT, or I mean QPAP rather, I'm
21 sorry, and the compliance there, we have completed the
22 hearings and will have briefs filed tomorrow on public
23 interest issues. We're very nearly wrapped up, and we
24 would like to ask that the Commission consider that
25 there's not a need for the 90 days, and that with the

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1 issues that have been presented and resolved to date,
2 you could do with considerably less time.

3 And we are not intending at this point to go
4 to the FCC prior to a Commission decision on the
5 outstanding issues, but our target for Washington is the
6 second week in July, and so in order for us to be able
7 to meet that target, that's closer than 90 days. And
8 so, of course, but, you know, again, it was kind of
9 tough to come to you sooner and ask you to do away with
10 the requirement, because it wasn't until we were this
11 close that we felt we could ask you to look at the
12 application and be assured that you had enough issues
13 either resolved or close to resolved.

14 There's a lot more that I could say about
15 this, but I will just be available for questions if you
16 have any on the subject.

17 JUDGE RENDAHL: Let's turn to the other
18 parties and then see where we head with this.

19 Ms. Tribby.

20 MS. TRIBBY: Thank you, Your Honor,
21 Chairwoman Showalter, Commissioners, AT&T does not
22 intend to take a strong position on this either way. I
23 think what it comes down to is what the Commission
24 thinks that it needs. I will tell you that I have
25 reviewed the orders initiating the 90 day period, and I

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1 would agree with Ms. Anderl that at that point in time
2 we were not contemplating two full years of workshops
3 and oral arguments and many issues having been resolved.

4 Having said that, I think that you have heard
5 us argue to you both at the performance workshop and you
6 will hear this week that we think that there were some
7 things that were closed prematurely in the ROC OSS test
8 and in the data reconciliation process. If it's your
9 inclination to reopen some of those issues or see if
10 KPMG can do some additional work or Qwest can do some
11 additional resolution of some of those problems, it may
12 be that that can be going on during the 90 day period or
13 a shorter period, but some pre-filing period that you
14 put in place.

15 I think with respect to Ms. Anderl's concern
16 that things are changing, that's been the case
17 throughout this process. Nevertheless, you have issued
18 final orders, Qwest has been filing data for two years,
19 and I think to the extent you do put a 90 day period or
20 some shorter period in place, certainly that can be
21 updated. I think data is probably the only thing that
22 will change, again, unless you are inclined to ask the
23 vendors or ask Qwest to do some additional work on
24 performance or CMP or OSS issues that are still
25 outstanding.

8237

1 So where we come down on it is I think what
2 Qwest needs to go to the FCC is a full and complete
3 recommendation from this Commission, and I guess our
4 position is it really has to do with what you think you
5 need at this point in time. Thank you.

6 JUDGE RENDAHL: Thank you.

7 Mr. Dixon.

8 MR. DIXON: Thank you. In an effort to be
9 expeditious, I concur in the comments of AT&T. I think
10 the time could be used for retesting or further testing
11 if that's available. I think the 90 day period was
12 somewhat artificial and is probably form over substance
13 to stay with a 90 day deadline, so I would concur with
14 AT&T.

15 JUDGE RENDAHL: Thank you.

16 Ms. Doberneck.

17 MS. DOBERNECK: I have nothing else to add,
18 Your Honor.

19 JUDGE RENDAHL: Okay, thank you.

20 Any questions from the commissioners or
21 comments?

22 CHAIRWOMAN SHOWALTER: That was a spirited
23 argument.

24 MS. ANDERL: I could have spent less time if
25 I had known.

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1 JUDGE RENDAHL: Well, I think the Commission
2 will take this issue under advisement, and we will get
3 back to the parties in an expeditious manner.

4 MS. ANDERL: Thank you.

5 JUDGE RENDAHL: Thank you.

6 Okay, let's be off the record for a moment
7 while we regroup.

8 (Discussion off the record.)

9 JUDGE RENDAHL: We are now proceeding with
10 WorldCom's witness. Ms. Oliver, would you please state
11 your full name and address for the record.

12 MS. OLIVER: Becky Oliver, address, 2678
13 Bishop Drive, Suite 200, San Ramon, California, zip
14 94583.

15 JUDGE RENDAHL: Thank you. Would you raise
16 your right hand, please.

17

18 Whereupon,

19 BECKY OLIVER,
20 having been first duly sworn, was called as a witness
21 herein and was examined and testified as follows:

22

23 JUDGE RENDAHL: Thank you, please go ahead, I
24 understand you have a brief opening statement, and then
25 you will be subject to cross-examination.

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1 MR. DIXON: Judge, just I'm going to ask her
2 one question on her experience to provide it for the
3 record as well, if I could.

4 JUDGE RENDAHL: That would be wonderful,
5 thank you.

6 MR. DIXON: Thank you.

7

8 D I R E C T E X A M I N A T I O N

9 BY MR. DIXON:

10 Q. Ms. Oliver, could you just enlighten the
11 Commission with some knowledge of your experience and
12 background and how it relates to what we're doing here
13 today.

14 A. Certainly. For the last three years, I have
15 worked in WorldCom's carrier management organization,
16 and carrier management supports the business
17 relationship that WorldCom as a CLEC has with Qwest and
18 actually supports actual business transactions. My role
19 as project manager in the group has been to focus on OSS
20 or operational support systems and the associated
21 processes and procedures that Qwest makes available to
22 CLECs. Before my time in carrier management as a
23 consultant for MCI, I was the information technology
24 project manager for systems that MCI uses to process
25 both local and long distance transactions from various

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1 ILECs.

2 JUDGE RENDAHL: Thank you.

3 Q. Thank you. And with that then, Ms. Oliver,
4 you have a summary you wish to give at this time.

5 A. I do.

6 Q. Would you please do that then.

7 A. I will. I will be providing comments on five
8 of the tests including in the test report and also
9 briefly offering some comments of -- about change
10 management and would just like to point out that these
11 are just some of the concerns that MCI WorldCom has with
12 the ROC OSS test that I'm choosing to highlight, and my
13 comments don't represent the entire comprehensive
14 concerns that MCI WorldCom has, and I would refer the
15 Commission to our previous filings.

16 With that, I will start with test 12, which
17 was the pre-order, order, provisioning functional
18 evaluation, and there's basically three concerns that I
19 would like to highlight, the first being with the
20 delivery of jeopardy notices for UNE-P and resale. The
21 test report shows that two test criteria, 12-9-4 and
22 12-9-5, are not satisfied because of not receiving
23 jeopardy notices for UNE-P and resale on a timely basis.
24 Related to that are two test criteria, 12-9-1 and
25 12-9-2, that were found to be unable to determine for

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1 similar reasons.

2 MCI WorldCom is concerned with this finding
3 because of the critical nature that jeopardy notices
4 play in order completion. Jeopardy notices are designed
5 to be sent after an order has essentially been confirmed
6 to be completed. So the CLEC submits an order, Qwest
7 would return a firm order confirmation or FOC, and
8 included on that firm order confirmation is the order's
9 due date, the date the order is to be completed. If for
10 any reason that order at some point after it's been
11 confirmed for complete is -- becomes in jeopardy of
12 missing its due date, a jeopardy notice is to be sent to
13 the CLEC. Accordingly, the absence of receiving a
14 jeopardy notice would tell the CLEC that the order is to
15 be completed on time as expected per the due date
16 provided on the firm order confirmation.

17 Essentially this means that the CLEC is
18 dependent on that jeopardy notice to know if there's
19 going to be a problem with that order completing. And
20 for UNE-P and resale services, the turn up of that
21 product, of that service for the end customer, the CLEC
22 is entirely dependent on Qwest as Qwest is 100%
23 responsible for turn up and activation of that service.
24 Meaning that it's even more critical that the CLEC
25 receive a jeopardy notice if there is a problem, to be

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1 up to date and aware of the status of the order. If
2 there was ever a question from a customer about if their
3 order was still going to be implemented as planned, the
4 CLEC would look to the firm order confirmation, and if
5 no jeopardy was received would expect the order to be
6 completed on time.

7 I would just note also that it's during this
8 initial turn up of the customer service where the
9 customer is first beginning to form its impressions of
10 the CLEC. It makes the receipt of a jeopardy notice if
11 it's appropriate, if the order is in jeopardy of being
12 missed, even more important, because the CLEC wouldn't
13 want to be caught unaware of a problem that was
14 occurring that maybe that customer knew about that the
15 CLEC didn't because of a missing jeopardy notice.

16 The second issue related to test 12 I would
17 like to touch on is related to observation 3110, which I
18 know we have had discussions about already, and test
19 criterion 12-11-4, which evaluated Qwest's ability to
20 accurately calculate and produce accurate performance
21 measure results for pre-ordering and ordering measures.
22 The criterion was found in the test to be unable to be
23 determined because of the findings related to
24 observation 3110 with concerns with manual handling and
25 how these manual handling procedures impact downstream

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1 the end results of the performance measures. I will
2 also point out that as criterion out of test 14,
3 14-1-44, which was a provisioning evaluation, is similar
4 to 12-11-4 because it evaluated the accuracy of Qwest's
5 ordering and provisioning measures and was also found to
6 be unable to be determined and related to observation
7 3110 because of downstream impacts of manual handling
8 problems when calculating performance measures. This is
9 of concern to CLECs because of how we rely on
10 performance measure results for managing, tracking
11 performance, and identifying areas that may need to be
12 improved. So if the data you're looking at is incorrect
13 or invalid in some way, the usefulness of those measures
14 will be reduced.

15 The third and final concern that I wanted to
16 point out, which is related to test 12 still, has to do
17 with pre-order to order integration, and we have heard
18 from the vendors what that's all about. What I wanted
19 to highlight was that in the ROC test, LSOG, which is a
20 local service ordering guidelines, these are the
21 industry guidelines for how does a CLEC populate an LSR,
22 what data fields does a CLEC need to communicate to
23 Qwest in order to turn up the service. In the ROC test,
24 the HP as a pseudo CLEC used a version of these industry
25 standards, LSOG 3.0, for sending transactions that went

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1 all the way through as a normal order would. And here
2 I'm making the distinction between volume testing and
3 the functional test. So for the functional test, we saw
4 on the ROC LSOG 3.0 being used.

5 Today Qwest has implemented a higher version
6 of the industry standard or industry guidelines LSOG
7 5.0. This is significant because there's a vast
8 difference between LSOG 3.0 and LSOG 5.0. And those
9 differences are in the actual field definitions that are
10 used to tell the CLEC how to populate the LSR, and it's
11 actually those fields and their format that directly
12 contribute to the level of integratability between
13 pre-order and order. So if you look at what the set of
14 fields under LSOG 3.0 and you look at the same set of
15 fields under LSOG 5.0, there are differences that would
16 directly impact how you would come to a conclusion of
17 integratability between pre-order and ordering.

18 With that, I would like to move on to test
19 12.8, which was the manual order handling evaluation,
20 and as the title of the test points out, this is the
21 area of our concern. Again, this is observation 3110
22 coming into play and criterion 12.8-2, which evaluated
23 the procedures that Qwest uses for completing orders
24 that are electronically submitted through a system but
25 that fall out from manual handling. Criterion 12.8-2

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1 looked to see if those procedures are defined,
2 documented, and followed, and the test report shows that
3 it was unable to determine if that was the case. The
4 fact is that not all orders are going to flow through,
5 and so you do have orders that fall out for manual
6 handling.

7 And while I think we all would acknowledge
8 that human error is a part of being human and we're not
9 suggesting that Qwest representatives be perfect and
10 never make a mistake, we do find reason to be concerned
11 with this observation and the finding associated with
12 this criterion just given the amount of time that this
13 test has taken that at the conclusion of this test this
14 criterion was still unable to be determined because of
15 the findings and concerns with how Qwest is applying its
16 manual handling procedures. You know, applying manual
17 handling procedures is a tough job. There's a multitude
18 of business rules that need to be applied accurately and
19 done so consistently. So the findings related to
20 observation 3110 and unable to determine status of this
21 made criteria out of test 12.8 are significant and
22 especially so when you turn and look at test 13, which
23 was the order flow, order flow through evaluation.

24 In test 13, criteria 13-1-2 and 13-1-7
25 identify the flow through levels that Qwest provides for

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1 orders that are submitted electronically through EDI and
2 through the GUI. 13-1-2 shows that for orders
3 electronically submitted through EDI, 52% will flow
4 through. So you're looking at 48% of orders dropping
5 out for some level of manual handling. And 13-1-7
6 criterion identifies orders that are submitted
7 electronically through GUI that 50% flow through,
8 meaning 50% will drop out for manual handling. We think
9 this is significant because of the concerns I just
10 talked about with and that the test administrator raised
11 in observation 3110, which was closed unresolved. And,
12 you know, as local competition increases, such will the
13 order volume increase. We know what the flow through
14 levels are, so the demands on Qwest's manual handling
15 procedures will grow, and the risk associated with
16 having those manual order handling procedures applied
17 accurately will increase.

18 I would now like to move to a concern
19 associated with test 14, which is the provisioning
20 evaluation. There are two criteria in test 14 that
21 changed from unable to determine to not satisfied. This
22 was unable to determine in the draft report, not
23 satisfied in the final report. And that was criteria
24 14-1-34 and 14-1-36, which looked at the installation
25 intervals for both UNE-P service and business POTS

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1 service. The results associated with these criteria
2 showed that Qwest failed to meet the performance
3 measures associated with these installation intervals,
4 which these performance measures look at parity between
5 what is Qwest providing for its own customers and what
6 is Qwest able to provide to CLECs for their customers.
7 The fact that parity was not met is a serious concern to
8 CLECs. If the CLEC's customers are not going to be
9 afforded the same installation intervals that Qwest
10 makes available for its own customers, that is a concern
11 for CLECs, especially so that because UNE-P is one of
12 the primary methods that CLECs use for residential
13 offering, local residential service, and for local
14 competition. We can't afford to have UNE-P installation
15 intervals fall behind Qwest parity or Qwest's own retail
16 installation intervals.

17 The fifth and final test that I wanted to
18 touch on is test 18, which was the maintenance and
19 repair trouble report and 10 processes evaluation. I
20 wanted to point out our concern with test criteria
21 18-7-1, which was found to be not satisfied. This
22 criteria and the results associated with it show that
23 Qwest did not successfully repair 95% of the trouble
24 reports which were submitted, and this was a measure
25 that the test administrator set. When, you know, a

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1 customer has trouble on their line, I know for me
2 getting it resolved and getting it resolved quickly is
3 my main concern. So being able to have, as a CLEC, have
4 my customers' troubles resolved quickly is critical.

5 And for UNE-P and resale, the CLEC is entirely dependent
6 on Qwest's abilities, maintenance and repair service for
7 getting the trouble, the customer's trouble resolved.

8 Lastly, as I said in the beginning, I just
9 wanted to make a brief comment related to change
10 management. I understand that and won't be addressing
11 things that haven't changed between the draft report and
12 now that the final has been issued. What I did want to
13 note is that as you will see in the final report, the
14 test administrator split apart the test criteria to have
15 criteria associated with the systems aspect of change
16 management and have criteria associated with the
17 product/process aspect of change management, and MCI
18 WorldCom would like to note that all three aspects,
19 systems, product, and process, they are interrelated,
20 they can't be separated from a change management or
21 business aspect. They can each equally impact the
22 CLEC's ability to do business. And therefore all three
23 aspects are critical and important in making up the
24 change management guidelines that provide a safeguard
25 essentially for CLECs to do business with Qwest.

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1 And that concludes my summary. Thank you.

2 MR. DIXON: Your Honor, I just have one
3 clarifying question on the summary that I think may come
4 across as a misstatement, and I just want to check.

5 JUDGE RENDAHL: Please go ahead.

6 BY MR. DIXON:

7 Q. You referenced test 18 and particularly
8 criteria 18-7-1 and suggested Qwest did not successfully
9 repair 95% of the trouble reports. I just want to make
10 it clear, you're talking about did not meet the 95%
11 bench mark standard, not that it only repaired 5%; am I
12 correct?

13 A. Absolutely, I apologized for any
14 misstatement. Thank you.

15 Q. Well, I caught that and I was confident over
16 there Qwest had too, and I thought we would take that
17 one right up front. Thank you.

18 MR. DIXON: And Ms. Oliver from my
19 perspective is available for cross-examination.

20 JUDGE RENDAHL: Thank you, Mr. Dixon.

21 Mr. Crain.

22 MR. CRAIN: Sure, and I wasn't even going to
23 ask that question.

24

25

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1 C R O S S - E X A M I N A T I O N

2 BY MR. CRAIN:

3 Q. Let's talk about integration first. Has
4 WorldCom attempted to build an EDI interface to Qwest's
5 EDI interface that is integrated between pre-order and
6 order?

7 A. No, not that I am aware of. MCI WorldCom is
8 offering local residential service through a third
9 party.

10 JUDGE RENDAHL: Let's be off the record for
11 just a minute.

12 (Discussion off the record.)

13 BY MR. CRAIN:

14 Q. And I believe you were testifying about what
15 WorldCom was using for an EDI interface right now.

16 A. Yes, but I think I need to ask for
17 clarification. Did I understand you to be asking about
18 MCI WorldCom's experience just in the Qwest territory or
19 overall?

20 Q. Just in the Qwest territory.

21 A. Then yes, I was saying that MCI WorldCom is
22 offering local residential service through a third
23 party, and I'm not aware of their EDI development
24 activities.

25 Q. So I think I read in the paper when you made

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1 your announcements for The Neighborhood that you are
2 submitting orders through Z-Tel; is that correct?

3 A. That's my understanding, yes.

4 Q. And do you know if Z-Tel has an integrated
5 interface between pre-order and order?

6 A. No, I don't know.

7 Q. Has WorldCom ever submitted a change request
8 for changes to the CSR or any other field to further the
9 ability to integrate an interface between pre-order and
10 order?

11 A. I don't know the answer to that. I would be
12 able to check.

13 Q. Your attorney asked some questions today
14 about the ability to migrate UNE-P customers just using
15 the name and phone number of the customers. Do you know
16 if WorldCom has submitted any CRs through the change
17 management process for Qwest to implement that
18 functionality?

19 A. No, I'm not aware that that's been done.

20 Q. I believe your primary criticism of HP's
21 efforts on integration is that they built their
22 integrated interface to the interfaces that support or
23 are based upon LSOG 3.0 rather than LSOG 5.0; is that
24 correct?

25 A. I was -- maybe clarified that it is -- while

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1 we acknowledge the value that transaction testing that
2 occurred with LSOG 3.0, we do and are also pointing out
3 that there is a big difference between processing orders
4 using LSOG 3.0 guidelines versus using LSOG 5.0.

5 Q. Are you aware, do you have a copy of the
6 final report with you?

7 A. No, I don't.

8 Q. Can you turn to HP Exhibit HP-C, which should
9 be toward the back of that report?

10 A. One of the HPC appendices?

11 Q. Yes, it is HP Exhibit C.

12 JUDGE RENDAHL: Is this the Exhibit 1702, or
13 is this 1697; are these the discreet --

14 MR. CRAIN: Good question.

15 JUDGE RENDAHL: Are these the discreet
16 reports from Hewlett Packard?

17 MR. CRAIN: Yes.

18 JUDGE RENDAHL: Let's be off the record for a
19 moment.

20 MR. CRAIN: Sure.

21 (Discussion off the record.)

22 BY MR. CRAIN:

23 Q. If you could turn then to Exhibit 1702, which
24 is HP's pre-order, order integration field comparison
25 report analysis of IME EDI release 8.0.

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1 A. That is within HP's report? Actually, that's
2 what I thought I saw as Appendix C.

3 Q. Okay.

4 A. I'm sorry, I'm not sure --

5 Q. It is, I think, in both.

6 JUDGE RENDAHL: So is it Appendix C to
7 Exhibit 1697?

8 MR. CRAIN: Yes. It also may be in Exhibit
9 1702, I'm not sure, but it is Exhibit C to 1697.

10 MR. DIXON: Your Honor, assuming that the
11 electronic version is the same as the full discreet
12 reports, it's attached as an Appendix to Exhibit 1702 as
13 well.

14 JUDGE RENDAHL: Thank you.

15 Ms. Oliver, do you have the document that we
16 need to look at?

17 MS. OLIVER: I need to ask clarification. Is
18 this for the analysis of Qwest's IMA EDI release 8.0?

19 MR. CRAIN: Yes.

20 MS. OLIVER: Got it.

21 BY MR. CRAIN:

22 Q. Now are you aware that Hewlett Packard in
23 this case also did a complete analysis of the ability to
24 integrate release 8.0 which was built on or based upon
25 LSOG 5.0?

1 A. If your question is, which I assume it is, in
2 reference to this report?

3 Q. Yes, it is.

4 A. I am familiar with this report but would
5 suggest that the report which compared fields, it looked
6 at the consistency between within Qwest's own business
7 rules. If, for example, Qwest used field A on form A in
8 a certain way and then they used that same field A on
9 form C, was it in the same way or a different way, that
10 evaluation was done in this report as was a field
11 comparison to the fields as they are used in Qwest's
12 business rules, how do those compare to those industry
13 guidelines, and what do the industry guidelines say how
14 those fields should be used. My understanding is that
15 the report identifies any discrepancies between those
16 field comparisons.

17 And while that certainly plays a part in
18 evaluating the integratability of pre-order to order
19 because integrating pre-order to order would be much
20 more complex if you had field discrepancies, because
21 you've got the same field being used in different ways,
22 whereas if there were no discrepancies, integratability
23 would be much easier. So while I would agree that this
24 report is useful in looking at integratability, I don't
25 think it provides everything needed to make an

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1 assessment of integratability, because it did not
2 provide a comparison between pre-order to specific order
3 types.

4 For example, I'm going to submit an order to
5 migrate a Qwest retail customer to UNE-P service. And
6 so for that particular type of order, I need to fill in
7 fields, these 20 fields, for example. Well, I would
8 want to know for integratability where did I get those
9 20 fields from, if they were from Qwest's pre-ordering,
10 and what format were those fields, how -- was that
11 something that I just could straightforward paste onto
12 the order, or was some manipulation required of those
13 fields that I got back from pre-order. So that part of
14 what I would consider needs to be looked at to make a
15 determination of integratability, I don't see that in
16 this report.

17 Q. So this report went through the deviations
18 from the LSOG on pre-order, and it did it as well on
19 order; is that correct, if you look at section 4.2.2 of
20 this report?

21 A. Yes, that's my recollection.

22 Q. And it went through the same analysis on
23 order, and could you then turn to the last page of this
24 report.

25 A. (Complies.)

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1 Q. And can you read that final paragraph under
2 summary of findings.

3 A. The report states:

4 The integration process is highly
5 dependent on the internal application
6 system(s), EDI translator, telecom
7 expertise, and integration experience of
8 the CLEC. With that stated, HPC does
9 not feel that there are any issues that
10 would prohibit a CLEC from integrating
11 Qwest's data with their internal
12 application systems. This does not mean
13 that there are not issues that would
14 have to be resolved between Qwest and
15 the CLEC, but simply that these issues
16 are not insurmountable.

17 Q. Moving then to your issues on test 14, can
18 you turn to the criteria for test 14-1-34, which is I
19 believe --

20 A. One moment, please. Thank you, that was
21 14-1-36?

22 Q. 34. In that explanation, doesn't it say in
23 the third paragraph that upon retesting, although Qwest
24 originally failed this in the western region, upon
25 retesting, the only failure was in the eastern region?

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1 JUDGE RENDAHL: Just to confirm, Mr. Crain,
2 you're looking at page 197 of the final report?

3 MR. CRAIN: Yes, in mine it's actually page
4 201, but.

5 JUDGE RENDAHL: It's 197 in the final report,
6 Exhibit 1697.

7 A. I would agree that that's what it states.

8 BY MR. CRAIN:

9 Q. Okay, so it's no longer a failure in the
10 western region, only the eastern region; is that
11 correct?

12 A. I'm not -- I can't provide an answer to that
13 question.

14 Q. Okay.

15 A. I would be able to research it and provide
16 that.

17 Q. And then have you looked at the commercial
18 results for Washington on this is a failure of Qwest's
19 performance during the test on PID OP-4-C for business
20 POTS resale; is that correct?

21 A. You're asking if test criteria 14-1-34 is an
22 evaluation --

23 Q. Yes.

24 A. Yes.

25 Q. Have you looked at the commercial performance

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1 of Qwest in the last few months for that measure?

2 A. No, I personally have not.

3 Q. Are you aware that Qwest has actually passed
4 that measure for the last two months, and for the last
5 two months the intervals provided to CLECs, it's not
6 even intervals provided, it's actually intervals, the
7 average interval for installation for business POTS is
8 lower for CLECs than Qwest retail customers in
9 Washington for the last two months?

10 A. As I stated previously, I have not personally
11 reviewed the commercial results related to that
12 performance measure.

13 Q. Now moving on then to the other issue you had
14 in test 14, which is test criteria 14-1-36, similarly
15 that is a result in the test that was not satisfied for
16 OP-4-C average installation interval for UNE-P POTS; is
17 that correct?

18 A. Yes, that's my understanding.

19 Q. And have you looked at the commercial results
20 for that measure in Washington?

21 A. No, I have not.

22 Q. Are you aware that Qwest has also passed that
23 measure for the last two months in Washington, and last
24 month, in April, the average installation interval for
25 Qwest retail was 3.33 days, and the average installation

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1 interval for CLECs for UNE-P was 3.14 days?

2 A. As I previously stated, I have not reviewed
3 the commercial performance results associated with this
4 measure.

5 Q. And then finally --

6 MS. TRIBBY: Your Honor, could I interrupt
7 for a second. I apologize, Andy. There's been a lot of
8 discussion about the commercial performance results in
9 Washington, and, in fact, Qwest's testimony I think goes
10 into it fairly heavily, I don't think the latest set of
11 performance results has been marked as an exhibit for
12 this hearing.

13 MR. CRAIN: And we could provide that.

14 JUDGE RENDAHL: I don't believe it has. I'm
15 not sure I have seen it. I'm not sure I have seen the
16 entire May results, I mean April results come in.

17 MS. TRIBBY: They have come out, and there is
18 a number -- there will be a number of references in the
19 record to these commercial results, so we may want to
20 try to get a copy and mark them for the record.

21 JUDGE RENDAHL: Okay, well, why don't you all
22 discuss that at the break, because we will be taking one
23 within the next 15 minutes, and we will discuss it when
24 we get back from the break.

25 MS. TRIBBY: Thank you.

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1 Sorry about that, Andy.

2 MR. CRAIN: Sure.

3 BY MR. CRAIN:

4 Q. And then finally on the flow through issue
5 and the manual processing issue, the numbers you cited
6 from the report are the results of measure PO-2-A, which
7 is overall flow through rate; isn't that correct?

8 A. Yes, that's correct.

9 Q. And the results for PO-2-B, which is flow
10 through rates for flow through eligible orders, if you
11 could turn to section 13-1-3 of the final report, which
12 is on page 162 of my copy.

13 JUDGE RENDAHL: And page 158 of our copy.

14 MS. OLIVER: Sorry, Your Honor, I don't have
15 a copy of the report to be able to refer to that.

16 JUDGE RENDAHL: Let me hand you mine.

17 MS. OLIVER: Thank you.

18 MR. CRAIN:

19 Q. That is a long couple of paragraphs, but at
20 the second to last paragraph of that section, 13-1-3,
21 doesn't it state that the successful flow through rate
22 for flow through eligible resale transactions in the
23 test was 95.89% in the second to last paragraph of that
24 section?

25 A. I would agree that that's what's stated in

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1 this criteria. I would also like to add that MCI
2 WorldCom's concerns which I discussed earlier with flow
3 through and the flow through percentages I reference
4 from 13-1-2 and 13-1-7 are percentages of flow through
5 for all orders submitted, which is what you would expect
6 to see in production.

7 Q. So --

8 A. A range of orders that qualify for flow
9 through and some that do not qualify for flow through.

10 Q. So if Qwest is performing at a 95% level for
11 flow through eligible orders, how would it improve its
12 performance on the overall flow through result?

13 A. An improvement on the overall flow through
14 percentages would be gained by improving which type of
15 orders flow through, are eligible for flow through.

16 Q. And has WorldCom been participating in
17 Qwest's change management process for the last couple of
18 years?

19 A. My understanding is yes, though to at a
20 detailed level I wouldn't be able to answer that
21 question to that level.

22 Q. Has WorldCom submitted any change requests
23 for Qwest to add additional products or functionalities
24 to the flow through eligible list?

25 A. I don't know the answer to that question.

1 Q. So while you have a concern, you aren't aware
2 of whether or not WorldCom has done anything about it
3 and tried to increase the number of products and
4 functionalities that are eligible for flow through in
5 Qwest's region?

6 MR. DIXON: Objection, Your Honor, her
7 previous answer answers that question.

8 JUDGE RENDAHL: I think you're correct. I'm
9 not sure you're going to get much farther, Mr. Crain,
10 with that question.

11 MR. CRAIN: With that then, I will -- that's
12 all the questions I have.

13 MR. DIXON: Your Honor, I have about two
14 questions redirect brief. I will be happy to do them
15 after the break or before.

16 JUDGE RENDAHL: Well, let me just ask if any
17 of the commissioners have questions.

18 CHAIRWOMAN SHOWALTER: I have one clerical
19 question.

20 JUDGE RENDAHL: Why don't we just finish, I
21 think we may be able to finish this before break, so why
22 don't we just go ahead.

23

24

25

1 E X A M I N A T I O N

2 BY CHAIRWOMAN SHOWALTER:

3 Q. Can you turn to Exhibit 1716, this is Exhibit
4 A attached to the joint CLECs' testimony.

5 A. Okay.

6 Q. Do you have that?

7 A. Yes, I do, Commissioner.

8 Q. There is text inside the lined boxes or a
9 table, and there's text outside of those boxes. Is all
10 of the text inside the boxes lifted from the KPMG final
11 report?

12 A. That's correct.

13 Q. And I understand about the bolding, but my
14 real question is, is the text outside of those boxes the
15 language and comment of the joint CLECs?

16 A. That's correct.

17 CHAIRWOMAN SHOWALTER: That's all I need to
18 know. I just didn't think the exhibit was labeled very
19 well. Thanks.

20 MS. OLIVER: I apologize for that,
21 Commissioner.

22 JUDGE RENDAHL: Are there any other questions
23 from the commissioners?

24 Okay, I have none.

25 Mr. Dixon, why don't you ask your redirect

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1 questions.

2 MR. DIXON: Thank you. And in response to
3 Chairwoman Showalter's question, I helped prepare
4 Exhibit A, and I will represent that certainly is the
5 intent. So to the extent anything inside the box were
6 different from what's in the final test report, that's
7 error on our part, and we believe we lifted it
8 correctly.

9 CHAIRWOMAN SHOWALTER: Oh, yeah, it just
10 wasn't clear that the other language was your own.

11 MR. DIXON: I apologize.

12 CHAIRWOMAN SHOWALTER: Until I started to
13 read it.

14

15 R E D I R E C T E X A M I N A T I O N

16 BY MR. DIXON:

17 Q. Ms. Oliver, can you just tell us, are you
18 working -- have you taken over a position in change
19 management recently in the Qwest states?

20 A. Yes.

21 Q. And are you the change management
22 representative for Qwest in the Qwest states?

23 A. No, I am not.

24 Q. And who is that person or who are some of
25 those people, if you know?

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1 A. Yourself, Mr. Dixon, one of my peers in our
2 carrier management organization, Leiloni Hines, and
3 before she left for maternity leave, Ms. Liz Balvin.

4 Q. All right.

5 A. Also in carrier management.

6 Q. Do you happen to know if there might be a
7 change management redesign meeting going on in Denver
8 today?

9 A. I have heard that is the case.

10 Q. Would it likely be our change management
11 representatives are attending that meeting, to your
12 knowledge?

13 A. I would expect so.

14 Q. And is Ms. Balvin still on maternity leave?

15 A. Yes, she is.

16 MR. DIXON: Thank you, nothing further.

17 JUDGE RENDAHL: Is there any recross,
18 Mr. Crain?

19 MR. CRAIN: No.

20 JUDGE RENDAHL: Okay, with that, I think we
21 can take our afternoon break, we will be back at 25 to
22 4:00.

23 And, Ms. Oliver, you are released from duty
24 on the stand, and let's be off the record.

25 (Recess taken.)

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1 JUDGE RENDAHL: We are back after our
2 afternoon break, and we're starting up with the
3 presentation and cross-examination of AT&T's witness,
4 Mr. John Finnegan. He has distributed a copy of his
5 handout which has been marked as Exhibit 1710. Is there
6 any objection to admission of that document?

7 Hearing nothing, it will be admitted.

8 Mr. Finnegan, before we get started, let's
9 have you state your name and address for the record, and
10 then we'll swear you in as a witness.

11 MR. FINNEGAN: My name is John Finnegan, F as
12 in Frank, I-N-N-E-G-A-N, my address is 1875 Lawrence
13 Street, Denver, Colorado 80202.

14 JUDGE RENDAHL: Thank you, would you raise
15 your right hand, please.

16

17 Whereupon,

18 JOHN FINNEGAN,
19 having been first duly sworn, was called as a witness
20 herein and was examined and testified as follows:

21

22 JUDGE RENDAHL: Thank you.

23 Before you get started, I will note on our
24 agenda that the agreement by the parties was whatever
25 time was not used by Ms. Oliver would be used by AT&T.

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1 I intend still to end today by 5:30 to 5:45, so let's
2 get started, and we will go for it. Mr. Finnegan.

3 MR. FINNEGAN: Thank you, Your Honor.

4 First I want to start out by talking a little
5 bit about my background. I have been AT&T's
6 representative to this ROC collaborative effort since it
7 started in 1999, been actively involved in the
8 development and modification of the performance
9 indicator definitions or the PIDs, was very active in
10 the development of the TRD, the test requirements
11 document, and the MTP, master test plan, sharing AT&T's
12 views on how those documents should be written and how
13 the tests should be conducted.

14 JUDGE RENDAHL: Could you move your
15 microphone just a bit closer.

16 MR. FINNEGAN: Sure.

17 JUDGE RENDAHL: Thank you.

18 MR. FINNEGAN: Now at the risk of seeing my
19 quotes end up in a Qwest press release, what I want to
20 do is say that the test generally has been excellent.
21 It was a good test, it was thorough in scope, it was
22 well executed by KPMG, generally well executed by KPMG
23 and HP. Project management efforts by MTG were
24 outstanding, and kudos also to the steering committee
25 and the executive committee for keeping it a good test

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1 along the way. That's not to say AT&T doesn't have some
2 concerns and thoughts on some of the conclusions and the
3 approaches that were achieved. One indicator of the
4 excellence of the test is given the scope and magnitude
5 of the effort, there's really not that many issues that
6 we're bringing before you today and will be bringing
7 before other state commissions in other states. That's
8 not to say they're not significant issues. While they
9 are few in numbers from our perspective, some of the
10 issues that remain are significant, and I will talk in a
11 little more detail about the significance of those
12 issues, what it means to AT&T from an operational
13 perspective, and what it means to customers.

14 One other aspect that's somewhat disturbing
15 is the undisclosed agreement report or what we like to
16 refer to as the secret deals report that, I'm afraid I
17 don't have the exact exhibit number, that KPMG produced
18 to try and get some scope on the reliance on the CLECs
19 that may have received preferential treatment in the
20 form of the undisclosed agreements.

21 JUDGE RENDAHL: Is this the Exhibit 1717?

22 MS. TRIBBY: Mm-hm.

23 MR. FINNEGAN: Yes, it is.

24 JUDGE RENDAHL: Thank you.

25 MR. FINNEGAN: My understanding from the

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1 testimony of Mr. Weeks is that that will not be
2 available until next week. That's bad timing given that
3 we're having the OSS hearings today and bad timing in
4 that we're also going to be at hearings in other states.
5 The concern there is if these vendors were indeed
6 receiving preferential treatment and KPMG based in whole
7 or in part some of their conclusions on what may be an
8 artificial situation because of the nature of the
9 preferential treatment, it causes some doubts and
10 concerns about the conclusions that relied on those.
11 But given we don't have the latest update, there's
12 really not a lot we can say other than to share our
13 concern about the timing and the issue.

14 Moving on to page 2 of Exhibit 1710, one of
15 our most significant concerns has to do with manual
16 processing of orders. Just to give you a little
17 background, when CLECs send orders to Qwest, whether
18 it's through the graphical user interface or GUI or
19 through the more high powered electronic data
20 interchange interface or if we send them manually
21 through faxes, there's going to be manual handling of
22 all three of those types of orders. And by manual
23 handling, I mean a representative of the Qwest center
24 might take a CLEC order and essentially retype it, or a
25 Qwest representative may take a CLEC order and based on

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1 that order apply the Qwest business rules to determine
2 things such as a due date or an application date. An
3 application date is the day of receipt of the order for
4 the purposes of a lot of due date calculations and
5 performance measurement calculations. And as we have
6 found out that when humans work with orders, there's
7 going to be some errors introduced in that. That's just
8 the nature of manual handling. The ideal state is to
9 minimize if not eliminate the amount of retyping or
10 manual application of business rules, but we understand
11 that for whatever reason there is still quite a bit of
12 manual handling.

13 What I have done with page 2 of Exhibit 1710
14 is try and give some indication of the amount of manual
15 handling and how much Qwest relies upon manual handling
16 for the state of Washington, and these are Washington
17 state specific results. And in the second row for these
18 four services and aggregately it's showing the percent
19 of orders that are manually handled by Qwest personnel,
20 and the aggregate across those four orders is 40.6%. So
21 there's a fair number of orders that are manually
22 handled or a fair percentage of orders that are manually
23 handled. When you look at the number of orders that are
24 manually handled across in this case three services, the
25 numbers for resale are actually combined numbers for

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1 resale and the unbundled network element platform or
2 UNE-P results, there's about 7,915 local service
3 requests, those are CLEC orders that are manually
4 handled in April of 2002 in the state of Washington. If
5 you add in the other 1,038 orders that were rejected but
6 manually handled, Qwest in the state of Washington is
7 handling about 9,000 orders manually in a month, so
8 quite a bit of manual handling.

9 While it's quite a bit, one of AT&T's primary
10 concerns is in other states where we have done mass
11 marketing for consumer services, we have used UNE-P, and
12 we have been rolling out UNE-P consumer services in
13 states across the nation. In the state of Michigan, we
14 signed up 50,000 UNE-P residential customers within the
15 first 6 weeks of our marketing campaign. If we look at
16 the results here and roughly 40% or so of UNE-P orders
17 are manually handled, you could expect if we had similar
18 numbers in the state of Washington, there would be
19 20,000 manually handled orders for UNE-P. That's over
20 two times the amount they're currently doing. So AT&T's
21 got a concern if we did a mass market UNE-P entry in
22 Washington, the extensive reliance on manual processing
23 could be a weak link and could cause some problems from
24 an operational perspective and from a customer
25 perspective.

1 Moving on to page 3 of Exhibit 1710, what we
2 discovered during the test is both KPMG Consulting and
3 Liberty Consulting recognized that Qwest representatives
4 made far too many human errors. And we understand
5 there's some expected level, and while KPMG Consulting
6 nor Liberty Consulting ever identified an explicit
7 amount of human error that they deem acceptable or not,
8 they viewed what they were seeing in the test and the
9 data reconciliation as an unacceptable or an excessive
10 amount of errors. KPMG Consulting for observation 3086
11 noticed that in 75 responses to observations and
12 exceptions Qwest was attributing the cause in part or
13 totally to human errors. In observation 3110, the
14 problem of human errors on orders that require manual
15 intervention was identified by KPMG Consulting. Liberty
16 Consulting when it did its data reconciliation, and you
17 have heard me testify before about the data
18 reconciliation efforts, they identified human error as a
19 factor in 7 observations. So there is evidence in the
20 record that there were in the opinion of the
21 consultants, not my opinion, but in the opinion of the
22 consultants an excessive amount of human errors.

23 Moving on to page 4 of Exhibit 1710, here's a
24 couple of cases where AT&T has to take exception to the
25 approach that KPMG Consulting used in addressing their

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1 finding of an excessive amount of human errors and the
2 conclusions they reached. 3086 was discovered through
3 transaction testing. HP was submitting transactions,
4 they were getting unexpected responses, they were
5 bringing that to the attention of Qwest through
6 observations and exceptions, and Qwest would come back
7 and attribute the cause of the problems to human error.
8 So it was transaction testing that was the source or the
9 identifying activity that brought it to their attention.

10 What KPMG Consulting did to close this
11 observation is they reacted to Qwest's assertions that
12 they were going to fix this problem of excessive human
13 errors by additional training, better documentation,
14 more quality control reviews. KPMG went and looked at
15 the documentation, interviewed Qwest personnel, and
16 looked over the shoulder of the representatives that
17 were handling these orders and doing this manual
18 handling. That is somewhat artificial. You're not
19 really going to get an accurate portrayal of someone's
20 performance when you're standing over their shoulder
21 saying pay no attention to me, I'm here to evaluate your
22 efforts but pretend I'm not here. But they did close it
23 without the transaction testing.

24 And we heard Mr. Weeks testify yesterday that
25 while transaction testing or additional transaction

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1 testing would have been the logical step to take to
2 verify that these improvement steps that Qwest was
3 purporting to have made were, in fact, effective, for
4 whatever reason they chose not to pursue that, and they
5 did more of a process evaluation.

6 In Exhibit 1679, this is the Qwest manual
7 order entry performance indicator description adequacy
8 study, there was a reference that by agreement of the
9 ROC TAG, the testing performed was not designed to
10 permit KPMG Consulting to conclude that the changes and
11 improvements had been effective in actually reducing the
12 number of errors. Now we've got a document request. I
13 may be mixing --

14 MS. TRIBBY: Records request.

15 MR. FINNEGAN: Records Request.

16 JUDGE RENDAHL: Records request or a Bench
17 request, I can't recall which one it is now. It's
18 Records Requisition Number 10.

19 MR. FINNEGAN: We've got Records Requisition
20 Number 10. It's an important records requisition,
21 because I have been on virtually all the TAG meetings, I
22 don't recall this discussion agreeing to do what, to
23 borrow the term that KPMG Consulting used, would be the
24 illogical way of determining compliance or that the
25 fixes had been effective. I suspect that it was more

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1 out of the steering committee or perhaps out of an
2 observation and exception call. But had that discussion
3 occurred at the TAG, my reaction would have been, you
4 need to do transaction testing. Promises of what Qwest
5 is going to do to improve it are not enough. You need
6 to actually verify it through transaction testing.

7 Now what happened is there was some
8 transaction testing done not in relation to observation
9 3086, but in relation to exception 3120, and
10 inadvertently there were some orders handled manually
11 for orders that KPMG Consulting had designed to be
12 electronically processed and not have manually handled.
13 What they found was out of 9 orders that were
14 unexpectedly manually handled, 2 of them had human
15 error. They also found for 18 orders that were designed
16 to be manually handled, at least 3 of them had human
17 error. And based on the 2 for 9 and 3 for 18, KPMG
18 Consulting's eyebrows raised, so to speak, and said this
19 still looks like there's a problem of human error. They
20 went back, they looked at some test transactions that
21 they had done for other aspects of the test, examined
22 those transactions, and found again out of I believe it
23 was 48 or 49 orders more than expected human error. All
24 told they had 76 manually handled orders that they were
25 able to evaluate, and out of those 76 manually handled

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1 orders, they found human errors on 15.8% of those. In
2 the view of KPMG Consulting, that was an excessive rate
3 of errors.

4 What was disappointing to AT&T was given the
5 sample size of 76, which I believe we heard Mr. Weeks
6 testify to earlier today, say should have been enough to
7 make a decision based on this 15.8% error rate on 76
8 manually handled orders instead of a conclusion of not
9 satisfied for the 3 evaluation criteria related to this
10 human error issue. Instead, KPMG Consulting came to an
11 unable to determine evaluation criteria. I take
12 exception to the finding of unable to determine.

13 There's plenty of evidence throughout the test report
14 where there were conclusions of not satisfied made on
15 sample sizes much smaller than 76, and this should have
16 been a sufficient sample size to conclude the promised
17 and purported fixes that Qwest had made as far back as
18 February had indeed not been effective in reducing the
19 rate of human errors to acceptable levels. Those
20 criteria for the record that were related to the human
21 error problem were 12.8-2, this is the process that
22 Qwest uses for non-flow through orders, 12-11-4 and
23 14-1-44.

24 What happened was instead Qwest essentially
25 pulled the plug on the test. As KPMG Consulting started

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1 going deeper and deeper into the investigation of the
2 problem, the evidence was showing there was still a
3 human error problem. There was first the test
4 transactions associated with 3120. They took the next
5 step to look at some of the historical results from
6 other tests. That still showed there was an excessive
7 rate of human errors. At that point, Qwest pulled the
8 plug, said we don't want you to test anymore, we have
9 heard enough, we're taking our chances, it's getting
10 near the end of the test. So we're left with a record
11 of an excessive rate of human errors, and we're left
12 with no evidence that that has ever been remedied by
13 Qwest.

14 Liberty Consulting in those observation I
15 mentioned, and we have had this discussion the last time
16 I was here talking about data reconciliation, same
17 problem. They identified problems of human error that
18 affected the accuracy and reliability of the results,
19 they looked at what Qwest's promises of improvements
20 were, but they never verified that the promises indeed
21 had the intended effect and had reduced the rate of
22 human error to acceptable levels. What we would have
23 preferred is additional transaction testing, and it need
24 not have been a lot, and it need not have been very time
25 consuming to once and for all put to rest the issue of

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1 the rate of Qwest human error. As I had mentioned
2 before, if we start large scale marketing, that is going
3 to affect us.

4 Moving on to page 5 of Exhibit 1710, the
5 impact from an operational perspective, one of the
6 things KPMG Consulting found is the representatives
7 processing the order didn't know when to start the clock
8 on how long it took to do something. There's something
9 called the application date, and that's the stake in the
10 ground that says you have received the order and start
11 counting from that point as to how long it takes to
12 install the order. There's business rules that
13 determine when the application date is set, and they can
14 be very complex. It depends on what time of what day
15 you received it, what the specific service is, did the
16 order flow through or not flow through, is it a Friday,
17 a Saturday, or a Sunday, all very complicated business
18 rules, and apparently from the evidence in the record,
19 perhaps too complicated for the Qwest representatives to
20 understand.

21 So what they were doing is they were putting
22 the wrong stake in the ground. If they misunderstood
23 the business rules, what they could do is where they
24 should have had an application date of today, they would
25 put an application date of tomorrow. That has the

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1 effect of pushing out our intervals or the promises we
2 make to our customers and the promises that Qwest makes
3 to us by one day unnecessarily. Sometimes they would
4 put tomorrow as the application date, or excuse me,
5 sometimes they would put today as the application date
6 when they should have put tomorrow, and it may have the
7 reverse effect, but there was evidence that they were
8 making the type of mistakes that harmed us and gave us
9 longer intervals.

10 What human errors can also do is end up as
11 erroneously rejected orders where there appears to be a
12 mistake on the CLEC's order when, in fact, it was a
13 mistyping by the Qwest representative that causes the
14 order to get rejected. When that's rejected back to us,
15 we lose time, we have to resubmit the order, and in some
16 cases we essentially start from scratch and lose a day
17 or two in having to resubmit an order, and our intervals
18 get pushed out all that longer.

19 The other operational impact and customer
20 impact is there could be incorrectly installed services.
21 If we send an order in and we have five features we want
22 on that order and it's manually handled such that the
23 Qwest representatives only type in four of the five, the
24 customer is not going to get the service they expect.
25 The impact of human errors is also shown in the

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1 performance measurements. The application date problem
2 or when you start the clock affected the commitments met
3 PID, OP-3, a very critical performance measurement from
4 the standpoint of the FCC. It also affected the average
5 installation interval, OP-4. It affected the delayed
6 days or when you do miss an order, on average how much
7 do you miss it by, OP-6. These measurements all rely on
8 the application date and hopefully an accurate
9 application date to calculate their results. And if
10 that application date is inaccurate, so too will be the
11 results for those.

12 Moving on to page 6, changing subjects a bit
13 to jeopardy notices, jeopardy notice is a notice that
14 Qwest provides to a CLEC when it finds in advance of the
15 due date that for whatever reason it's in jeopardy of
16 missing the due date. And you can see a quote here from
17 the FCC's BellSouth South Carolina indicating that the
18 FCC views jeopardy notices as a critical element of a
19 BOC's or Bell operating company's operational support
20 systems. What KPMG Consulting had found is that Qwest
21 had not satisfied the evaluation criteria for the
22 timeliness of jeopardy notices. That's the PO-9
23 measurement. That measurement says, when you do miss a
24 commitment, what percent of the time had you provided a
25 notice in advance of that missed due date. What KPMG

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1 found was Qwest was not providing jeopardy notices to
2 CLECs at the as high a rate as it provided to its retail
3 customers. Same for resale products.

4 Moving on to page 7, there was also --

5 MS. TRIBBY: John, let me interrupt you for
6 just a second. Was there supposed to be different
7 services noted here between 12-9-4 and 12-9-5?

8 MR. FINNEGAN: Yes, I believe that's a typo,
9 and one should be UNE-P, I will check to see which one,
10 12-9-5, the third bullet on Exhibit 1710, page 6, should
11 refer to UNE-P instead of resale products and services.

12 MS. TRIBBY: Thank you.

13 MR. FINNEGAN: Back to page 7 of Exhibit
14 1710, dark fiber and enhanced extended links, or the
15 attractive acronym of EELs, are products that CLECs can
16 use, the EELs is a product a CLEC can use in lieu of
17 establishing full blown collocation. It's a way of
18 picking up unbundled loops and serving smaller
19 customers, having those loops connected, so to speak, to
20 higher capacity pipes on the back end, and having those
21 multiplexed services brought to a CLEC's switch. Dark
22 fiber is a service that CLECs can use both as an
23 unbundled loop and for transport between locations,
24 either CLEC or Qwest locations, for high capacity type
25 of services.

1 The commercial usage of dark fiber and EELs
2 in Washington has been very low, and across the region
3 it hasn't been that high either, yet Qwest still has an
4 obligation to offer this to CLECs. And in terms of its
5 compliance with its checklist obligations, if not, if
6 there's not commercial activity, it has an obligation to
7 demonstrate it has the capability to provide these
8 services.

9 What KPMG Consulting did was determine in
10 effect if Qwest had the capability, if its documentation
11 and processes were such that they could deliver high
12 quality and reliable on time EELs and dark fiber to
13 CLECs and if indeed the Qwest technicians who install
14 these services were following those methods and
15 procedures. What KPMG found in both cases was while
16 after a few hiccups the documentation they found to be
17 acceptable, the Qwest technicians were not following the
18 processes. They were counting the number of activities
19 that had to be done to install these services and found
20 for quite a high number of activities they were not
21 meeting the expected outcome of 95%. And yes, on the
22 retest the number of orders that were examined were not
23 very high, but the activities were, and if KPMG
24 Consulting had done the statistical test of their 95%
25 bench mark, I believe the performance in the retest was

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1 60% conformity with the stated methods and procedures.
2 That would likely have been poor enough performance to
3 fail the statistical test independent of the sample
4 size.

5 Moving on to page 8, what KPMG found, KPMG
6 Consulting found, was Qwest's performance in installing
7 non-dispatch UNE-P and business resale services was
8 discriminatory. UNE-P and business resale services are
9 competitively significant services. WorldCom for one
10 with The Neighborhood program and AT&T for another are
11 beginning to use UNE-P as a means of getting to the
12 residential customer. As everyone knows, AT&T is
13 spinning off its broadband operations. While the
14 broadband portion of AT&T has quite a large number of
15 residential customers, and I believe they have a large
16 number of residential customers in the state of
17 Washington, the post spinoff AT&T is looking to increase
18 their market basket of services, and UNE-P is the, for
19 the time being, the service of choice for providing
20 residential service to customers. When UNE-P and
21 business resale service is installed, most times the
22 customer has existing Qwest service, you're just
23 transferring it over to the CLEC, so there's no
24 technician involved, there's no need to move wires
25 around or send technicians to a customer's premise, it's

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1 in effect a billing change. So the UNE-P dispatch or
2 non-dispatch, I mean business resale services are a
3 competitively significant service. The non-dispatch
4 activity represents the much higher proportion of the
5 activity versus the dispatch services.

6 Now KPMG Consulting found there was
7 differences, and in the cross-examination of Mr. Oliver
8 or Ms. Oliver, Mr. Crain was pointing out that for I
9 believe it was, bear with me for a second, for business
10 POTS services that KPMG's finding was they only failed
11 in the eastern region. Well, in fact, KPMG Consulting's
12 evaluation criteria was not region specific. They
13 failed the evaluation criteria, they did not fail region
14 specific evaluation criteria. And I would ask that you
15 refer to Exhibit 1697, page 696. I'm going to give a
16 very brief tutorial on reading this report in the
17 statistics and what it means.

18 CHAIRWOMAN SHOWALTER: What was your page
19 number?

20 MR. FINNEGAN: 696.

21 JUDGE RENDAHL: And it's behind the tab that
22 says performance data?

23 MR. FINNEGAN: Yes.

24 If you look at the top of the page, there's
25 in the second row a metric name OP-4-C installation

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1 interval business POTS eastern. If you scoot over six
2 columns to the left, or excuse me, to the right, you're
3 going to see something called P value test 1, and I will
4 try and keep this simple. But you see in that cell
5 there's the number 0.0001. Now what that means is if
6 you scoot back to the left and look at the test average,
7 2.2 days. Qwest during the test delivered business
8 resale POTS in the eastern region to CLECs 2.2 days.
9 The next column over, the retail average, they delivered
10 in that same period in that same region retail business
11 POTS in 1.5 days. So on a relative level, the service
12 provided to the CLEC was longer. It was inferior, so to
13 speak, where longer is bad in terms of how long it takes
14 to install something.

15 What the P value says is, given that poor
16 performance, 2.2 days for the CLEC versus 1.5 days for
17 retail, what's the probability that the performance was
18 that poor just based on random variation, they just had
19 a bad day. And the probability is .0001, and I may be
20 off on an order of magnitude, but that's a 1 in 10,000
21 chance. What it's saying is the probability that this
22 was just random variation is very low, and the more
23 likely explanation is discrimination, the process that
24 Qwest uses for CLECs is discriminatory.

25 Now if you move down the next row, OP-4-C,

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1 installation interval business POTS central, if you look
2 at the P value column, you see a different result.
3 Again, asking the question, that's inferior results, 2.3
4 days for the CLEC, 2.0 days for retail, what's the
5 probability that the CLEC performance would be that bad
6 solely as a result of random variation. In this case
7 it's 7.5%. Still pretty low probability of random
8 variation being the source of the difference. But for
9 the sake of the test, they were using .05 or 5%. Qwest
10 got a very big benefit of the doubt in terms of random
11 variation.

12 So yes, technically they passed this test,
13 but this is like receiving a D minus on your report
14 card, they barely passed. Same result can be seen in
15 the next row down, the installation interval business
16 POTS for the western region, which includes Washington
17 state, a P value of .0727, only a 7.3% chance that the
18 performance was that bad as a result of random
19 variation. So again, they passed, but it's a D minus
20 and nothing to be bragging about when you have a P value
21 that low. If you took these three samples and
22 aggregated them together, I haven't done the math, but I
23 would suspect across those, oh, 330 or so samples, they
24 would fail or have a P value aggregately less than .05.

25 So my point is, you shouldn't view this as

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1 just a failure in the eastern region. If you look at it
2 and understand what the results are telling you, at best
3 they barely passed the western region. And if you look
4 at it and assume a sameness across the region, the
5 likelihood is they would fail across the board. What
6 that says is that Qwest has systematically or what it's
7 showing is Qwest has systematically provided longer
8 intervals to CLECs than the similarly situated retail
9 customers. If you look at the Qwest standard interval
10 guide for UNE-P, if you're trying to have service
11 installed in UNE-P for a customer, in most cases the
12 service is going to have a standard interval or a
13 suggested interval by Qwest of three days. Similarly
14 situated retail customers can often get service
15 installed where there's no dispatch required same day or
16 next day, so you're talking about a zero day or one day
17 interval.

18 I think part of the difference in the
19 discrimination that was found in the test by KPMG was
20 because of the way Qwest assigns intervals, we tend to
21 get the short end of the stick. We tend to get orders
22 with longer intervals than similarly situated retail
23 customers, and that's showing through in these results.
24 Qwest did try and get the OP-4 measurement changed or
25 the average installation interval changed to compare

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1 like intervals. When Qwest provides a one day interval
2 for a CLEC, how does that compare to a retail customer
3 when it gets a one day interval. The ROC TAG examined
4 this proposal and rejected it because it had -- it would
5 have had the effect of disguising this discriminatory
6 conduct in the assignment of due dates, and it would
7 disguise that CLECs were systematically received longer
8 intervals.

9 Moving on to page 9. Here's another case
10 where I've got to take exception with the conclusions
11 that KPMG Consulting reached. There were critical
12 deficiencies identified in Qwest's daily usage feed or
13 DUF processes. The DUF is the record that Qwest keeps
14 for a CLEC for things like resale and UNE-P. And with
15 this DUF file, we turn around and bill our customers for
16 usage sensitive activities, and this would be things
17 like if you hit star 69, last call return, it's 75 cents
18 per use, the DUF is going to show that one of our UNE-P
19 customers used star 69, and we're entitled to bill them
20 for that service. What KPMG Consulting found was Qwest
21 was losing the records, losing the transactions. So if
22 one of our customers made a star 69 transaction, it may
23 not show up on the DUF that they provided us, and we
24 would lose that revenue.

25 In the first time they did the DUF test, they

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1 found -- well, let me step back a minute. The way they
2 do the DUF test is they make a bunch of calls, they make
3 a bunch of usage sensitive transactions, they make 800
4 calls, they make operator assisted calls, they do star
5 69, they write down who they call, where they were,
6 complete record of the call. Then they wait to get the
7 DUF from Qwest, and they compare their records to Qwest
8 records and see if everything that was on the DUF should
9 be on the DUF and that all the calls and activities they
10 made ended up on the DUF. What they found the first
11 time around was only 69% of the activities and calls
12 that Qwest had made, or excuse me, KPMG Consulting had
13 made ended up on the bill. Now granted some of these
14 are not going to be revenue affecting, but there are
15 certainly going to be some transactions that are revenue
16 affecting, and from a CLEC perspective, that's money out
17 of our bottom line. We're not going to be in a position
18 to know it's not there. We just end up without the
19 revenue.

20 Qwest after that first retest promised they
21 had fixed it. Make a long story short, it took five
22 retests to finally meet the standard of 95%. And at
23 that, they barely made it. I think they ended up at
24 96%. What that shows is the process that Qwest employed
25 for producing and distributing DUF was not very good,

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1 and to borrow an analogy that Mr. Weeks used yesterday,
2 there the student, so to speak, the process producing
3 the bills, was producing failing work. And when KPMG
4 was grading the test, they were giving them an F for
5 their efforts when it came to the DUF billing.

6 And again to borrow the analogy of Mr. Weeks,
7 there was no teacher in the room even grading it. Qwest
8 had no idea their performance was that bad. They had no
9 idea their DUF records were that incomplete or that
10 inaccurate. And once more to borrow a term from
11 Mr. Weeks, the process was not well formed. The
12 mechanisms they had in place to identify this
13 significant problem were just not there. They
14 attributed it to it was embedded in the hardware and
15 software and you really couldn't do anything about it.
16 Well, perhaps they couldn't look at the software or the
17 code, but the fact of the matter is they failed this
18 test five times, and the only way they knew they were
19 failing or had a problem was when KPMG Consulting told
20 them that.

21 Despite that what I view as a fundamental
22 deficiency in that they had no idea their process was
23 that bad, KPMG unexplicably found them compliant in the
24 DUF process test. There were a couple of evaluation
25 criteria in that test that they didn't have a chance to

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1 exercise so they gave them an unable to determine, but
2 for the ones they did and should have fallen within the
3 scope of this DUF test, they thought the process was
4 fine. I would disagree. A process that fails five
5 consecutive times is not an indication of a process
6 that's well formed, and it's sensitive to the
7 performance of its outputs.

8 Moving on to page 10.

9 CHAIRWOMAN SHOWALTER: Before you do, I'm
10 trying to track these exhibits with one another, and so
11 on page 9 you're criticizing KPMG for passing when they
12 should have found not satisfied, but can you tell me
13 either the numbers of the tests or the pages in the
14 final report that correspond to this statement here?

15 MR. FINNEGAN: Sure. This would be in test
16 19.6, and if you want to look at the test report in
17 Exhibit 1697, the discussion of test 19.6 starts on page
18 420.

19 CHAIRWOMAN SHOWALTER: Thank you.

20 MR. FINNEGAN: And in terms of some of the
21 explicit criteria, on page 424 of Exhibit 1697, test
22 crossed reference 19.6-1-4, DUF balancing and
23 reconciliation procedures are clearly defined. I would
24 say that could be subject to a not satisfied criteria.
25 On page 425, test cross reference 19.6-1-5, DUF routing

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1 and guiding is controlled by defined and documented
2 processes, I would say failing five times in a row shows
3 poor processes. On page 426, test cross reference
4 19.6-1-6, DUF routing and guiding contains functionality
5 to adequately address pending and completed service
6 order activity, I say that's another one that would be
7 suspect to or would be subject to a not satisfied
8 result.

9 CHAIRWOMAN SHOWALTER: Thank you.

10 MS. TRIBBY: John, just so the record is
11 clear, you were giving cites to the process test for the
12 DUF which KPMG determined that Qwest passed, correct?

13 MR. FINNEGAN: That's correct.

14 MS. TRIBBY: Do you also have cites to the
15 DUF test that they failed five times just for the
16 record?

17 MR. FINNEGAN: That would be in Exhibit 1697,
18 page 415, test cross reference 19-1-3, expected DUF
19 records are received by the correct owner, 19-1-4 on
20 page 417, unexpected DUF records were not received. And
21 I believe those are the two. Oh, there's another one on
22 page 414, 19-1-2, DUF record fields are accurately
23 populated.

24 And one last comment on DUF, and I know
25 Mr. Weeks disagreed with the characterization, but it

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1 kept popping up in my mind again and again, the patient
2 died five times but the operation was a success each of
3 the five times.

4 Moving on to page 10 of Exhibit 1710, this is
5 talking about some of the maintenance and repair
6 deficiencies that were identified. One was a failure to
7 provide timely responses to modify trouble ticket
8 requests. This is when a CLEC is interacting with Qwest
9 maintenance repair interfaces, there were bench marks
10 set for how long it should take to respond, and Qwest
11 did not meet that bench mark. They also found in test
12 evaluation criterion 18-6-1 that Qwest was keeping poor
13 quality repair records, and this dealt with cause codes,
14 disposition and cause codes. When Qwest was repairing
15 something, they were attributing the problem to the
16 wrong area.

17 The impact of that is, and I will use an
18 illustrative example, let's say a problem was in the
19 loop plan out in the field, but they inaccurately
20 reflected that the cause was in the central office.
21 When they're doing their overall quality management, if
22 they don't have good records on where the actual
23 problems were occurring on a macro level, they may not
24 devote sufficient attention to fixing the problems in
25 the field if they are inaccurately recording them as,

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1 for example, central office problems. So it is critical
2 from a facility management or quality control process
3 that Qwest knows where the problems are occurring so
4 they can put to it appropriate resources to reduce those
5 problems on some systematic or large scale basis if they
6 become excessive.

7 What KPMG Consulting also found was Qwest
8 technicians had done poor quality repairs, that they
9 were not repairing faults that KPMG Consulting had put
10 into the circuits to the level of quality that KPMG
11 Consulting had expected. Again, this is going to be
12 customer affecting if a customer has to go home from
13 work to have a Qwest technician come to their residence
14 to fix something and it doesn't work the first time,
15 they are certainly going to be dissatisfied if they have
16 to go through that same ordeal again because Qwest
17 didn't fix it right the first time. And what KPMG
18 Consulting identified was that Qwest not doing that.
19 They were not fixing it right the first time.

20 In conclusion, again, I don't want the
21 comments I have had and some of the criticisms about
22 some specific activities or failures to color what I
23 view as an overall very successful test, but you should
24 also not be forgetting about some of these human error
25 problems. We're very concerned about it should we have

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1 a UNE-P offer in the state of Washington. We're very
2 concerned about some of the interval problems that
3 Qwest, or excuse me, KPMG Consulting had identified, and
4 that's something you should be cognizant of as you're
5 considering the evidence in this case. And with that, I
6 conclude my opening comments.

7 JUDGE RENDAHL: Wow, thank you.

8 MS. TRIBBY: Ahead of schedule.

9 JUDGE RENDAHL: You're ahead of schedule.

10 So we turn to you, Mr. Crain, for cross for
11 this witness.

12 MR. CRAIN: Sure.

13

14 C R O S S - E X A M I N A T I O N

15 BY MR. CRAIN:

16 Q. Let's go through your exhibit page by page, I
17 guess, Exhibit 1710. First page or what should be page
18 2 is the overall flow through rates for April for, well,
19 it's actually the reverse of the flow through rates in
20 April for --

21 JUDGE RENDAHL: I think your mike is off.

22 MR. CRAIN: Oh, I'm sorry. Now it's not.

23 JUDGE RENDAHL: Can you repeat your question.

24 MR. CRAIN: Sure.

25 BY MR. CRAIN:

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1 Q. If you look at page 2 of Exhibit 1710, this
2 is the inverse of the overall flow through rates for
3 these products for April for Washington; isn't that
4 correct?

5 A. That's correct.

6 Q. And these are the results for measurement
7 PO-2-A?

8 A. That's correct.

9 Q. And can you explain the difference between
10 the measurement PO-2-A and PO-2-B?

11 A. PO-2-A is a measurement of the percent of
12 orders that flow through, the percent of all orders. So
13 for instance for resale, if there are 100 orders sent to
14 Qwest in a given month, what percent of those orders
15 flow through or are not manually handled or are
16 processed purely electronically. PO-2-B says -- it's a
17 subset of PO-2-A. It says out of those 100 resale
18 orders that a CLEC may have submitted to Qwest, there
19 may only be 50 that are designed to flow through. For
20 whatever reason, Qwest has designed 50 to be manually
21 handled and 50 to be electronically handled. Of the
22 ones that were designed to be manually, excuse me,
23 electronically handled, let's say the 50, what percent
24 of those 50 did indeed flow through. So PO-2-A is the
25 percent of total orders that flow through. PO-2-B is of

8297

1 the orders that are eligible to flow through, what were
2 the actual percentages that indeed did flow through.
3 And what I represented in page 2 of Exhibit 1710 on the
4 second row was for all orders, what is the percent that
5 are manually handled.

6 Q. And the parties and specifically Qwest and
7 AT&T and other CLECs and even more specifically you and
8 I discussed whether or not to assign bench marks to
9 measurements PO-2-A and PO-2-B first in the Arizona TAG
10 meetings, then in the ROC TAG meetings; isn't that
11 correct?

12 A. That's correct, but I would like to clarify,
13 the purpose of this chart was not to say whether the
14 flow through rate was too high or too low. The purpose
15 of the chart was to say in Washington in a month, here
16 were the rates that were manually handled of the orders,
17 and here were the total of manually handled orders.
18 This was not designed to say that flow through rates
19 were too high or too low or met the bench mark or didn't
20 meet the bench mark.

21 Q. Okay. But the parties agreed that PO-2-A
22 would not have a bench mark and PO-2-B would have a
23 bench mark; isn't that correct?

24 A. That's correct.

25 Q. And a bench mark was assigned for PO-2-B, but

8298

1 it wasn't agreed to by the parties, this was an issue
2 that was escalated to the TAG and the ROC, and the TAG
3 ruled in favor of the bench mark submitted by AT&T and
4 other CLECs and against the bench marks submitted by
5 Qwest; isn't that correct?

6 A. The TAG steering committee did.

7 Q. Steering committee, yes.

8 A. Yes, that's correct.

9 CHAIRWOMAN SHOWALTER: I'm sorry, was that
10 the PO-2-B or PO-2-A?

11 MR. CRAIN: PO-2-B.

12 BY MR. CRAIN:

13 Q. And have you reviewed Qwest's performance on
14 PO-2-B in the state of Washington?

15 A. No, I have not lately.

16 Q. Okay. For PO-2-B, the bench mark is 90% for
17 POTS resale and for orders submitted through the GUI,
18 and we should -- we will have the results here tomorrow
19 to mark as an exhibit, would you like your copy of the
20 results?

21 A. I don't know if I would like it.

22 JUDGE RENDAHL: Mr. Crain, I'm wondering, is
23 this something that I know there are performance results
24 stated in Qwest's comments on the report.

25 MR. CRAIN: Yes.

8299

1 JUDGE RENDAHL: Is this something that's more
2 appropriate to bring out through your witness rather
3 than cross a witness who hasn't seen it yet? And I mean
4 the information can get into the record, I'm just -- I
5 pose that just for efficiency purposes.

6 MR. CRAIN: Let me try to ask it quickly for
7 efficiency purposes then.

8 BY MR. CRAIN:

9 Q. My reading of this, and if I'm incorrect you
10 can correct me tomorrow, is that in Washington for the
11 month of April, Qwest met the bench marks for PO-2-B
12 that were proposed by the CLECs in all products except
13 for UNE-P POTS, which it missed by several percentage
14 points but met the month before that. For example, for
15 UNE-P POTS submitted through the GUI, the bench mark is
16 75%, and 84% of them flowed through.

17 JUDGE RENDAHL: Mr. Crain, I'm going to stop
18 you, because I mean it appears to me as if you are
19 testifying.

20 MR. CRAIN: Okay.

21 JUDGE RENDAHL: And it is apparent to me that
22 this is something that can be introduced through your
23 witness, and the witness here has said he has not seen
24 the results.

25 MR. CRAIN: Okay, let me ask this then.

8300

1 BY MR. CRAIN:

2 Q. If Qwest is indeed meeting the bench marks
3 for PO-2-B, and those are the bench marks proposed by
4 the CLECs, how would Qwest improve its performance and
5 improve the overall flow through rate as set forth or as
6 reported in PO-2-A?

7 A. It could increase the percent of orders,
8 order types or services that are eligible for flow
9 through. If every type of order was eligible for or was
10 designed to flow through, PO-2-A and PO-2-B would be the
11 same. So the way Qwest could improve its performance on
12 PO-2-A while meeting the bench mark for PO-2-B is to
13 make those one and the same.

14 Q. So, for example, Qwest would either add
15 additional products, Centrex 21 resale, something like
16 that, or additional functionalities like cancellations
17 to the eligible for flow through functionality, and that
18 would then improve the results of PO-2-A and reduce the
19 number of orders that are manually handled; is that
20 correct?

21 A. That's correct, and there could be other
22 means of doing that as well.

23 Q. And one of those means would be CLECs could
24 submit CRs to add those functionalities as well, and for
25 example, the ones I cited are CRs that were submitted by

8301

1 CLECs. Is it correct that CLECs could submit a CR for
2 that in change management?

3 A. I believe it would be. I don't get that much
4 involved in change management, but I believe CLECs can
5 make a request to have additional products or services
6 added to flow through but -- I will stop at that.

7 Q. And if a CLEC or Qwest were to submit one of
8 those CRs under the change management process, they
9 would be jointly prioritized by all the parties, CLECs
10 each getting one vote and Qwest getting one vote; isn't
11 that correct?

12 A. I'm not familiar with the voting process. I
13 know there's a voting process. I don't know how the
14 weighting goes in the change management process.

15 Q. Okay. Do you know if AT&T has submitted any
16 orders or any change requests to change management to
17 increase the number of products covered by flow through
18 functionality and decrease the amount of manual
19 handling?

20 A. I know we have submitted change requests. I
21 don't know if they included or did not include anything
22 to do with flow through.

23 Q. Moving on then to page 3, you have referred
24 to observation 3086, which dealt with CLEC training or I
25 mean actually Qwest's training of its representatives.

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1 KPMG closed that observation; isn't that correct?

2 A. Unfortunately that is correct.

3 Q. And the 75 responses to the observations and
4 exceptions, those were also closed?

5 A. I would suspect so. I don't know for sure.
6 I haven't gone through the list of 75 to check the
7 status, but it would not surprise me if they were all
8 closed. It would not surprise me if one or two ended up
9 in closed unresolved. I just haven't done the
10 comparison.

11 Q. And then if you look at the observations
12 listed under Liberty Consulting, Liberty closed those
13 observations as well; isn't that correct?

14 A. Again, that's unfortunately correct.

15 Q. Moving on to page 6 of your presentation,
16 it's a minor point but I guess I will make it. On page
17 6, these bullet points state that KPMG Consulting found
18 Qwest had not satisfied the evaluation criteria for both
19 12-9-4 and 12-9-5. Isn't it correct that that was
20 actually the steering committee that made that decision
21 and determination due to the --

22 A. I wouldn't say so. The steering committee
23 ruled on the associated, and I forget if it was an
24 observation or exception, the steering committee ruled
25 on the observation or exception. Based on that, this

8303

1 was KPMG's conclusion that it had been not satisfied.

2 Q. Moving on then to page 7 of your
3 presentation, you state here that the ROC OSS testing
4 becomes the best method for Qwest to demonstrate it is
5 capable of providing dark fiber and EELs. Isn't it
6 correct that after Qwest made changes to its processes
7 and documentation and KPMG attempted to get enough
8 commercial data or observations to be able to close
9 those and come to a determination of those that the TAG,
10 AT&T included, agreed to discontinue that test?

11 A. That's not quite correct. My recollection,
12 and the record would show that it was also the
13 recollection of Mr. Dellatorre of KPMG Consulting, was
14 KPMG Consulting was certainly having difficulty coming
15 up with commercial observations, and they pointed this
16 out. There was a decision by the ROC TAG to stop
17 searching, so to speak, for additional observations of
18 CLEC activity by a date certain, and that date certain
19 was established in advance of what had been the
20 projected draft final report day. So what the ROC
21 agreed to, the ROC TAG agreed to, was on such and such a
22 date, KPMG would stop searching, and they would use
23 whatever they had at that point to reach whatever
24 conclusions they were going to reach.

25 Q. And did AT&T submit a change request

8304

1 requesting that this be tested or determined in any
2 different way, whether or not although Qwest did change
3 its processes and procedures, that this somehow be
4 tested in a different way because the test that was
5 being run wasn't going to come up with enough evaluation
6 criteria?

7 A. Well, there was no request to have the method
8 changed. We were stuck with what we were stuck with,
9 which was not a lot of observations. And in terms of
10 the result, the result was not satisfied. It wasn't
11 unable to determine. So KPMG Consulting viewed they had
12 enough information to reach a conclusion.

13 Q. Based upon the first round of testing, not
14 the second; isn't that correct? Not the second after
15 Qwest had actually changed its procedures?

16 A. My view of it was they looked at the totality
17 of both the first round and the second round, and when I
18 looked at it, I certainly recognized there were not as
19 many samples in the first round as the second round, but
20 the results were poor in the first round, and they were
21 poor in the second round with a smaller sample size. If
22 I were KPMG, I would view that in the totality of the
23 circumstance, not just in the -- within the scope of the
24 retest.

25 Q. Moving on to page 8 of your presentation, on

8305

1 the OP-4, this also relates to I believe page 18 of your
2 -- of AT&T's comments, which are Exhibit --

3 JUDGE RENDAHL: 1709.

4 Q. -- 1709. On page 8 of your presentation, you
5 state that:

6 Qwest systematically provides longer
7 intervals to CLECs than to similarly
8 situated retail customers.

9 And on page 18, you state that:

10 Qwest standard interval for virtually
11 all UNE POTS orders is three business
12 days. In contrast, many retail POTS
13 orders where the installation does not
14 require a dispatch can have a standard
15 interval of the next business day.

16 Can you tell me what type of orders and what
17 specifically the type and kind of orders you allege
18 Qwest has different standard intervals for on retail
19 versus UNE-P?

20 A. I would not be able to do that without having
21 that document I referenced in footnote 43, page 18, of
22 Exhibit 1709.

23 Q. The standard interval guide for resale and
24 interconnection services?

25 A. Yes. I reviewed the April 18th, 2002,

8306

1 version. I know that Qwest updates that or seems to
2 update that quite often, so either that or the latest
3 version of the service interval guide.

4 Q. Did you compare that to the equivalent for
5 Qwest retail services?

6 A. Yes.

7 Q. And what document did you refer to for that?

8 A. I believe it was a Colorado tariff, although
9 I'm not 100% sure. I would have to check that.

10 Q. And when did you do that analysis?

11 A. That was done about the time I was drafting
12 these comments, so sometime in mid to late May.

13 Q. And your testimony was that that was the --
14 that the results of those difference in standard
15 intervals were showing up in the OP-4 results in the
16 test?

17 A. Yes, and that conclusion was also based on
18 Qwest's request of the TAG to differentiate the OP-4
19 intervals by the standard interval that was provided and
20 Qwest's representation that the difference may have been
21 attributed to retail customers getting more zero and one
22 day intervals than the CLEC customers and that
23 difference being the cause of the OP-4-C difference
24 rather than any defect in Qwest performance.

25 Q. Wasn't it actually Qwest's assertion that it

8307

1 was because Qwest customers were ordering products and
2 services that had more zero and one day intervals than
3 the equivalent CLEC customers, not that the equivalent
4 services and products had different standard intervals?

5 A. Well, that may be. I don't view that as an
6 important distinction. If the net result is however you
7 categorize it the retail customer gets more zero and one
8 day intervals than retail customers, that's bad, or
9 excuse me, than CLEC customers, that's bad.

10 Q. So if equivalent products and services have
11 the same intervals and CLEC customers are ordering a
12 certain kind more than Qwest customers are, that's bad?

13 A. Can you restate the question, I want to make
14 sure I follow it.

15 Q. If the equivalent products and services on
16 retail versus products and services offered to CLECs
17 have the same intervals, some ones, some zeroes, some
18 twos, and CLEC customers tend to order more of a certain
19 kind of products that may have a longer interval when
20 Qwest customers for one reason or another are ordering a
21 different kind of product with a shorter interval,
22 that's a bad thing?

23 A. It potentially could be bad if there's not
24 sufficient reason why the CLEC products that they're
25 tending to order at the three day interval should have a

8308

1 three day interval.

2 Q. But if there is sufficient reason, is it a
3 bad thing?

4 A. If there is sufficient reason for having a
5 three day interval and the CLEC orders more, I don't
6 think it would be a bad thing or a good thing, it would
7 just be the facts.

8 Q. But it would show up in the results of PO-4,
9 OP-4 I mean, OP-4-C?

10 A. It would, but that's a hypothetical that I'm
11 not willing to concede. I would submit that the CLECs
12 are getting three day intervals for not a very good
13 reason. If you're doing a UNE-P dispatch, that's
14 essentially a billing change, why should it take three
15 days.

16 Q. Would that difference if that's really the
17 case show up in the commercial results of OP-4-C?

18 A. It could if CLECs are receiving three day
19 UNE-P intervals for no good reason and Qwest is
20 providing them in three days and the retail customers
21 are getting zero and one day intervals, yes, it's going
22 to show up, and I think we're seeing evidence of that.

23 Q. But if we look at the commercial results and
24 we're actually meeting that measure and CLECs are
25 getting shorter intervals, would that be evidence that

8309

1 that isn't the case?

2 A. Yes, I think it could be evidence.

3 Q. And I think I have been instructed to ask my
4 witness about the commercial evidence tomorrow, so we
5 will do that.

6 JUDGE RENDAHL: Thank you.

7 A. Don't do it on my account.

8 Q. Moving on to the what you allege are critical
9 deficiencies in Qwest's DUF processes on page 9, isn't
10 it true that KPMG has closed resolved the exceptions on
11 DUF and all of the criteria except for two unable to
12 determines relating to DUF returns?

13 A. Yes, I would submit some of them they should
14 not have closed resolved.

15 Q. And isn't your allegation that they shouldn't
16 have closed resolved based upon the concept that Qwest
17 processes must have been the same at the start as they
18 were at the finish of the test?

19 A. No, it's not based on that premise.

20 Q. So if Qwest at the same time it was fixing
21 the DUF problems was also changing some of the processes
22 to make sure they don't happen in the future, you think
23 the fact that there were problems before those new
24 processes were installed, is it proof that those new
25 processes aren't going to work?

8310

1 A. No, what I'm basing this on in part was the
2 testimony of Mr. Weeks. Under cross-examination he was
3 asked, did you ever see any evidence that Qwest knew
4 their records were so incomplete or so inaccurate other
5 than KPMG Consulting telling Qwest, and his answer was
6 no, he had not seen that evidence. And that to me
7 confirms a suspicion that there were serious
8 deficiencies in the process, and there was no teacher in
9 the room coming up with the same F grade for the DUF
10 results at any point in the test as the F grade that
11 KPMG Consulting was reaching when they independently
12 graded the test.

13 Q. But if there's a new teacher and new
14 processes by the time we passed the test, you think the
15 evidence that the old teacher and the old processes
16 might not have been sufficient means the new teacher and
17 the new processes won't be?

18 A. No, if -- stick with this analogy. If there
19 was a new teacher in town and the last time there was
20 evidence that they were obtaining the right grade on the
21 test, I think that would be okay. But my understanding
22 of Mr. Weeks' testimony is they never saw the new
23 teacher. There was never any evidence that the new
24 teacher was there and that they made the leap that
25 because they passed the black box functionality test,

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1 there must be a teacher in the room. But I didn't hear
2 him say there were ever processes in place to recognize
3 from Qwest's perspective when their records were
4 incomplete, when they were inaccurate, when there was an
5 excessive number of DUF records held up in limbo. I
6 haven't seen that, I haven't heard it, and it doesn't
7 appear to me to be in the record.

8 Q. Moving on then to the final page, page 10,
9 maintenance and repair deficiencies, the first criteria
10 you list here is failure to provide timely responses to
11 modify trouble ticket requests. I assume you have
12 listed this because you think it's a significant issue;
13 is that correct?

14 A. I don't think I characterize it as
15 significant. I was just highlighting one of the not
16 satisfied criteria that KPMG Consulting had reached. In
17 the scheme of things, I wouldn't say it's on par in
18 terms of significance as the human error problems or
19 some of the billing problems, and it's one of the
20 deficiencies, perhaps not significant deficiencies, that
21 KPMG identified in the maintenance and repair test.

22 Q. There's been a lot of discussion this week
23 about diagnostic measures and particularly about some of
24 the measures that were diagnostic for the test. Isn't
25 it the case that some measures that were diagnostic for

8312

1 the test now have bench marks to make on a going forward
2 basis?

3 A. Yes.

4 Q. Did the parties agree to what measures would
5 be diagnostic for the tests and which ones wouldn't be?

6 A. Yeah, I would say at the start. I think it
7 got a little hazier as time went on. There were
8 performance measurements, PO-2-B for one, that at the
9 start of the test was diagnostic and through the test
10 ended up having a bench mark established, but I believe
11 in the final report KPMG Consulting still considered
12 that diagnostic. I don't think there was an explicit
13 discussion along the way about as standards were changed
14 from diagnostic to bench mark during the test, should
15 they be considered a bench mark or a parity standard at
16 the end of the test. That never really got discussed,
17 to my recollection.

18 Q. Back to the OP-4 issue, on your analysis of
19 the standard interval guide and your statements on page
20 18 or your comments, is it -- are your comments in your
21 report and your analysis based upon your conclusion that
22 virtually all UNE-P POTS orders have standard intervals
23 of three days?

24 A. I don't know if I would go as far as
25 virtually all, but a high percentage.

8313

1 Q. So when you said virtually all in your
2 comments, you wouldn't go that far now?

3 A. In retrospect, I probably wouldn't go that
4 far, correct.

5 Q. But your conclusion was based upon the idea
6 that a high percentage of UNE-P types of orders had a
7 three day interval whereas the same types of order on
8 the retail side had a one or a zero day interval or
9 shorter than three day interval?

10 A. Yes.

11 MR. CRAIN: That's all I have.

12 JUDGE RENDAHL: Thank you, Mr. Crain.

13 Are there any questions from the
14 commissioners?

15 CHAIRWOMAN SHOWALTER: No.

16 JUDGE RENDAHL: I think I have one or two,
17 but they're not very involved.

18 Oh, I'm sorry, do you have one?

19 MS. DOBERNECK: I do.

20 JUDGE RENDAHL: Go ahead.

21 MS. DOBERNECK: Why thank you. They're not
22 involved.

23

24

25

8314

1 C R O S S - E X A M I N A T I O N

2 BY MS. DOBERNECK:

3 Q. I think we bandied about the word in some
4 prior hearings, PID EASE, so I'm relying on your
5 expertise in PID EASE in these questions. In talking
6 about the flow through and the eligible for flow through
7 PO-2-A and PO-2-B issue, when we're talking about
8 PO-2-A, which is all, and distinguishing them from that
9 subset that are eligible for flow through, for those
10 that are not eligible for flow through, does that mean
11 that they may not flow through or that they can not flow
12 through?

13 A. My understanding is it's they can not flow
14 through, that they will fall out into a queue, an
15 electronic in box so to speak, to be handled manually by
16 the Qwest representatives.

17 Q. So the converse then of that is that for
18 those products or functionalities that are not flow
19 through eligible, they will always be manually handled
20 unless or until at some point they are added to the list
21 of eligible flow through; is that the correct converse
22 statement of what you just said?

23 A. I believe it is, but that may be more so a
24 question for Ms. Notarianni tomorrow.

25 Q. Okay. And let me ask you, and this again,

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1 this may be something for Ms. Notarianni, but do you
2 know are there any products that can not flow through
3 just because of the nature of the product or the
4 functionality?

5 A. I'm sure there are, but I don't know exactly
6 what they are.

7 MS. DOBERNECK: Okay, thank you, that's all I
8 had.

9 JUDGE RENDAHL: Any other questions?
10

11 E X A M I N A T I O N

12 BY JUDGE RENDAHL:

13 Q. If you look on page 5 of your Exhibit 1710,
14 the last line says, suspect results for OP-3, OP-4, and
15 OP-6, and are these the same OP-4 results that AT&T has
16 concerns about because of the unfiled agreement CLEC
17 data that's in Exhibit 1717?

18 A. I believe it would be. I'm trying to recall
19 exactly, but yes, I believe that would be for some
20 services.

21 Q. For OP-4 for some services?

22 A. Yes, my recollection is that for some
23 services, and OP-4 has service specific results, 100% of
24 the CLEC data used was for or was from CLECs that may
25 have received preferential treatment.

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1 Q. And then if you will turn to page 7 of your
2 handout, Exhibit 1710, because of your familiarity with
3 the PIDs, and as Ms. Doberneck says PID EASE, the
4 standards used in the test were not based on PIDs, from
5 looking at the final report, these tests were not based
6 on PIDs, were they?

7 A. That's correct, they were not.

8 Q. So these were KPMG determined standards?

9 A. Yes, and I believe for EELs there may have
10 been a bench mark established for the OP-3 measurement
11 while the test was going on.

12 Q. So there may now be a measurement for EELs
13 provisioning?

14 A. Yes.

15 Q. Okay. And a similar question if you turn to
16 page 9 on the DUF or the daily usage file question, I
17 wasn't able to determine from looking at the test, was
18 this, were these tests based on PID standards, or were
19 these standards that were designed by KPMG, or how, what
20 standard?

21 A. These --

22 Q. I didn't realize this until now, so that's
23 why I'm asking you instead of KPMG.

24 A. These were standards designed by KPMG
25 Consulting. They were not PIDs. This is a very

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1 difficult activity to measure in that about the best way
2 to do it is you have to have folks all over the place
3 making phone calls and making usage sensitive
4 transactions and making a record of that and then
5 comparing it to the DUF you receive. That's quite
6 difficult to do. In retrospect, we probably should have
7 tried to figure out some way to do it, but we had no
8 idea the enormity of the problem would be so great.
9 That is something we can consider for the six month
10 review, that there presently is no PID for the accuracy
11 and completeness of DUF records. There is for
12 timeliness, but there is not for accuracy and
13 completeness.

14 JUDGE RENDAHL: Thank you, that's all I have
15 unless parties have any.

16 MR. CRAIN: Can I ask two follow-ups on the
17 basis of that?

18

19 R E C R O S S - E X A M I N A T I O N

20 BY MR. CRAIN:

21 Q. First of all, you stated that you had no idea
22 that this PID would be needed because, well, I'm not
23 sure why. AT&T's participated in tests throughout the
24 country of RBOCs OSS; isn't that correct?

25 A. Yes.

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1 Q. And no other RBOC has passed the DUF test the
2 first time around, most have taken several times to
3 pass; isn't that correct?

4 A. I believe it's correct. I don't spend a lot
5 of time looking at other RBOCs. I'm myopic when it
6 comes to Qwest.

7 Q. We're glad. And then one more question, when
8 I asked you one question, you said you didn't want to
9 talk about hypotheticals, yet you talk about the
10 hypothetical of the possibility one of the CLECs may
11 have gotten preferential treatment in the test. Do you
12 have any evidence that any CLEC participating in the
13 test received any preferential treatment?

14 A. Yes, from what I have heard, and I don't know
15 if you want to call this evidence or not, in the
16 Eschelon agreement there are provisions where if Qwest
17 fails to perform on installation that there will be
18 payments made and that the QPAP as we have discussed
19 will not be in effect until Qwest receives 271 relief.
20 So I would infer that because there are payments at risk
21 if Qwest performs poorly for Eschelon and not for other
22 CLECs, that that would give Qwest an incentive, a
23 financial incentive, to provide better performance for
24 Eschelon. And if KPMG Consulting relied upon some
25 Eschelon UNE-P orders, they may not be receiving a true

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1 picture of what other CLECs may be receiving.

2 Q. Now you say they may not, do you have any
3 evidence that Qwest is somehow identifying Eschelon
4 orders that come in and giving preferential treatment to
5 those orders other than this hypothetical possible
6 financial incentive?

7 A. I don't, I'm not privy to Eschelon
8 performance results data. I would not be in a position
9 to see such data.

10 MR. CRAIN: Thank you.

11 JUDGE RENDAHL: Is there anything more for
12 this witness?

13 MS. TRIBBY: Your Honor, I have some
14 redirect.

15 JUDGE RENDAHL: Okay. I thought we were
16 going to be done early. Maybe we still will.

17 MS. TRIBBY: It's limited redirect.

18 JUDGE RENDAHL: Okay.

19 MS. TRIBBY: We will be done early.

20

21 R E D I R E C T E X A M I N A T I O N

22 BY MS. TRIBBY:

23 Q. With respect to the secret deals, have you
24 reviewed or heard about other terms that you haven't
25 testified about that you believe have given Eschelon or

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1 McLeod preferential treatment?

2 A. I have heard of provisions that deal with
3 billing such that payments would be made if billing was
4 not provided in certain time or the billing was not what
5 it should be. I have also heard of discounts being
6 applied across the board, 10% discount for everything
7 Eschelon purchases.

8 Q. Mr. Crain asked you some questions about the
9 standard interval guide and your argument that there are
10 discriminatory installation intervals given to CLEC
11 customers versus retail customers; do you recall that?

12 A. Yes.

13 Q. You testified in response to his questions
14 that sitting here today you might not use the words
15 virtually all UNE-P POTS orders having three business
16 day intervals as you did in your testimony; why would
17 you change that today?

18 A. The reason I would change that today is I had
19 reviewed some of the OP-4-C data and recall that for
20 some months the average was less than three days for the
21 CLEC, and that to me would indicate an increasing
22 percentage of orders that had a standard interval less
23 than three days.

24 Q. Does that have to do with actual performance
25 or the intervals that are being given to the CLECs?

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1 A. That would be actual performance.

2 Q. And in your testimony, you are discussing
3 standard intervals given to the CLECs, correct?

4 A. Correct.

5 Q. And Mr. Crain asked you some questions about
6 intervals and asked you to assume that equivalent
7 products provided to CLECs and to retail customers have
8 the same intervals. Are you able to accept that premise
9 based on your evaluation?

10 A. No.

11 Q. I want to talk real briefly about the idea
12 about PO-2-A versus PO-2-B and overall flow through
13 rates versus flow through eligible rates. The flow
14 through eligible rates have to do with orders that Qwest
15 has created as flow through eligible, correct?

16 A. I would say designed to be would be a more
17 accurate term than creative.

18 Q. And they have designed their systems in such
19 a way that the types of orders that are flow through
20 eligible are expected to flow through, correct?

21 A. Correct.

22 Q. And to follow up on something Ms. Doberneck
23 asked, it's not that the other orders could not flow
24 through, it's simply that Qwest systems at this point in
25 time are not designed to flow those through; is that

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1 accurate?

2 A. That's accurate.

3 Q. So to the extent that there are limitations
4 between all orders and flow through eligible orders,
5 those are limitations that Qwest has created in its own
6 systems; is that correct?

7 A. That's correct. There's a baseline, so to
8 speak, of what I will characterize as total Qwest
9 control over what was eligible for flow through and what
10 was not. I since understand as part of the change
11 management process that CLECs would have the ability to
12 deviate from that base line and perhaps add additional
13 services or functionality to what is flow through
14 eligible and what is not. But from a historical
15 perspective, I would say the design and the what is and
16 what is not eligible for flow through is a high
17 percentage as a result of Qwest decisions.

18 Q. And let's talk about for a moment what you
19 just said about Mr. Crain's questions about a CLEC's
20 ability to add products through the change management
21 process. Do you recall that line of questions?

22 A. Yes.

23 Q. Actually, it's the case, isn't it, that the
24 electronic flow through rates and PIDs are already
25 broken down by product, correct?

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1 A. Yes.

2 Q. So while you might be able to suggest that
3 additional resold products, as Mr. Crain suggested I
4 think resold Centrex might be flow through, it's not
5 true that there would be any additional products or
6 services, for example, that could be added to the PID
7 for flow through for unbundled loops or flow through for
8 LNP or flow through for UNE-P POTS, is there?

9 A. No, and if you will recall my testimony, I
10 hesitated on that one question. The resale category is
11 sort of a broad category, and I didn't know what that
12 would include or not include. I suspect some resale
13 products are eligible for flow through and others are
14 not.

15 Q. So the only way to improve performance on
16 eligible flow through for the products that are already
17 specified through PIDs would be to change the types of
18 those orders that flow through as opposed to adding new
19 products through a change management process, correct?

20 A. That's correct, or you could improve some of
21 the error detection processes. Right now there can be a
22 CLEC introduced error on an order that falls out for
23 manual processing. If Qwest, for example, improved its
24 up front error identification processes, that could be
25 immediately rejected back to the CLEC.

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1 Q. Was there ever any agreement by the ROC or
2 the TAG or AT&T with respect to which orders are
3 included in the flow through eligible category versus
4 the total flow through categories?

5 A. No.

6 Q. Were those unilateral decisions by Qwest?

7 A. Yes, that's something Qwest identified and we
8 put measures around. There was no discussion as to what
9 should flow through and what should not flow through.

10 Q. Why is it important for purposes of 271
11 approval and for performance generally that this
12 Commission look at the overall flow through rates and
13 not just the flow through eligible rates?

14 A. Well, to my earlier testimony, the overall
15 flow through rates are going to give you an indication
16 of how many orders Qwest touches on a routine basis, and
17 we all know and I think we all agree the more humans
18 touch orders, the more that errors will be introduced.
19 So from our perspective, the more important measure is
20 the PO-2-A, understanding that we did agree to bench
21 marks for PO-2-B, but from our perspective, we would
22 much rather see high rates of flow through of the total
23 orders, not just the ones that Qwest has decided is flow
24 through eligible.

25 MS. TRIBBY: Thank you, that's all I have,

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1 Your Honor.

2 JUDGE RENDAHL: Mr. Crain.

3 MR. CRAIN: I guess I have to have a couple
4 here.

5

6 R E C R O S S - E X A M I N A T I O N

7 BY MR. CRAIN:

8 Q. First of all, I guess I will have Chris deal
9 with types of orders for flow through, but even if you
10 accept that the types of orders for flow through can't
11 be changed or eligible for flow through and improve the
12 results, if there's a functionality of a certain kind of
13 order or a certain type of product order that doesn't
14 flow through, a CLEC could submit a request to have that
15 become flow through eligible through change management;
16 isn't that correct?

17 A. I will take your characterization. I don't
18 know, I'm not familiar or intimate with the conditions
19 that you can submit change requests, but that would
20 sound reasonable to me.

21 Q. And if a CLEC wanted to have some additional
22 up front edits for improving flow through rates, a CLEC
23 could request for those edits as well; isn't that
24 correct?

25 A. They could, but one somewhat limiting factor

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1 is we have no way of knowing whether something flows
2 through or not. Our operations generally assume it
3 doesn't flow through because we can't tell. If a FOC
4 comes back in 20 minutes, perhaps we can deduce it
5 flowed through, but there's no way of knowing. I think
6 from an operational perspective, we plan for the worst
7 case, and for us to be sensitive to the flow through
8 rate and then take action upon that if we think it's
9 unacceptable through a change request, I don't know if
10 we have the information available to us today to do
11 that.

12 Q. You don't -- you have never received the list
13 of flow through eligible orders and types of orders that
14 used to be attached to the PID that's now on the Web
15 site and that we discussed numerous times during the TAG
16 meetings?

17 A. We have received the list, but I think what
18 you will see if you examine I believe it's test 13, the
19 flow through eligibility list, KPMG Consulting had a
20 very hard time trying to figure out what should flow
21 through and what didn't. What generally happened in
22 test 13, and this is in Exhibit 1697 beginning on page
23 152, KPMG Consulting read that list of what should flow
24 through and designed test transactions expecting it to
25 flow through and found time and time again that their

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1 expectations were not met and it dropped out for manual
2 processing. So to ascertain what is flow through
3 eligible and what is not proved to be quite difficult.
4 Yes, there's an overall list, but there are so many ifs,
5 ands, and buts attached to that list, you really are
6 guessing whether something is flow through eligible or
7 not, and I believe that causes most CLECs to assume it's
8 not going to flow through.

9 Q. And isn't it the case that as a result of
10 those observations and exceptions, the documentation has
11 been clarified?

12 A. It was certainly clarified for the
13 transactions that KPMG Consulting submitted, but what I
14 took from that was it was still quite troublesome to be
15 able to predict what would flow through and what would
16 not flow through.

17 Q. But even with the list of orders you have
18 received, the list of things that were clearly
19 delineated as not being able to flow through, you have
20 never submitted a change request to have anything -- any
21 of those added to the flow through eligible list?

22 A. AT&T's business units in terms of what we
23 order quantitywise, the highest quantity of orders we
24 would submit would be LNP, which is flow through
25 eligible. The second I would say is unbundled loops,

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1 primarily analog, which is flow through eligible. And
2 the third would be UNE-P, which is again flow through
3 eligible. So from AT&T's perspective, there wouldn't be
4 a need to add to the list of flow through eligible
5 services services that already are in name flow through
6 eligible.

7 Q. So AT&T submits orders that tend to show up
8 in the PO-2-B results and not PO-2-A?

9 A. I would suspect, but even amongst those
10 services, there are still characteristics that would
11 render them flow through ineligible.

12 Q. And you have a list of those?

13 A. I don't personally. I believe there's a
14 list.

15 Q. And you have never requested that anything on
16 that list be taken off the list and added to the flow
17 through eligible list?

18 A. I don't know if AT&T has or hasn't. I don't
19 actively participate in the change management program.

20 MR. CRAIN: I have no further questions.

21 JUDGE RENDAHL: Thank you.

22 I think unless anyone else has any questions
23 up on the Bench, I think we're probably done.

24 I think we are done for the day. We will be
25 off the record.

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(Hearing adjourned at 5:30 p.m.)

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