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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission
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Docket No. T-00000B-97-0238

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**U S WEST'S COMMENTS
REGARDING OPENNESS
AND BLINDNESS OF
OSS TESTING**

IN THE MATTER OF U S WEST)
COMMUNICATIONS, INC.'S)
COMPLIANCE WITH § 271 OF THE)
TELECOMMUNICATIONS ACT OF)
1996)
_____)

U S WEST Communications, Inc. ("U S WEST") respectfully submits these comments regarding the procedures that should be followed to ensure that the OSS testing being conducted by Cap-Gemini Telecom (CGT) continues to be as open and blind as practical.

This inquiry should begin first with consideration of the recent FCC order approving Bell Atlantic's New York 271 application. In that order, the FCC specifically approved of the procedures followed by KPMG when conducting testing:

Although it was virtually impossible for the KPMG transactions to be truly blind, KPMG instituted certain procedures to ensure that both KPMG and Hewlett Packard would not receive preferential treatment. The New York Commission monitored phone calls between KPMG and Hewlett Packard and Bell Atlantic, and competing carriers were invited to attend conference calls.¹

In footnote 272 of that order, the FCC recognized that perfect blindness cannot be achieved during OSS testing:

For example, blindness was impossible because transactions arrive on dedicated circuits, the owners of which are known by Bell Atlantic.²

¹ *In the Matter of Application of Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region InterLATA Service in the State of New York*, CC Docket No. 99-295, FCC 99-404, ¶ 99 (rel. December 22, 1999) ("*Bell Atlantic New York Order*").

² *Bell Atlantic New York Order*, fn. 272.

U S WEST agrees with the principle that the testing should be as open and blind as practical. However, there should be recognition that neither perfect openness nor perfect blindness is possible. In addition, consideration should be given to the efficiency of the test. The principal goal should be to develop a credible test -- openness and blindness are factors that will be considered when determining credibility.

U S WEST commends the Commission Staff, DCI and CGT for establishing a process where all issues have been openly discussed. Each issue regarding the Master Test Plan and performance measurements has been fully discussed, and U S WEST and CLECs have had the opportunity to express any and all views, suggestions and concerns.

U S WEST understands that some CLECs have privately criticized the openness of the Arizona workshop process to other regulatory agencies. If that is the case, U S WEST is gravely concerned. The statements regarding the openness of the Arizona workshops appear to misrepresent the process that was followed, and it is not surprising that they were not made publicly. The workshops in this case have been conducted in a completely open fashion. They were transcribed and all parties have had numerous opportunities to file brief and raise any issues they have. No CLEC raised any concerns in the workshops regarding its ability to raise comments or issues. U S WEST was pleased by the spirit of cooperation that all parties brought to the workshop process. U S WEST hopes that that spirit of cooperation is not destroyed by parties disparaging the process to other agencies, while not raising any concerns here.

In its December 22 letter, AT&T has raised certain concerns about decisions that have been made about the TAG procedure going forward. AT&T did not raise any concerns regarding the workshop process, and U S WEST assumes it has none. Since AT&T has raised concerns about the TAG process going forward, the appearance of openness of the testing process has been threatened. U S WEST understands that the procedural decisions at issue were made for

good faith reasons. So far, those decisions have not impacted the openness of the process. All significant issues have been discussed publicly, and AT&T does not point to any decision which was made without its input. Nevertheless, to maintain the appearance of openness going forward, U S WEST suggests that some of the procedural decisions regarding testing be reconsidered.

Weekly Conference Calls

As the FCC recognized, in New York Commission monitored phone calls between KPMG and Bell Atlantic, and competing carriers were invited to attend conference calls.³ U S WEST has spoken with KPMG regarding this issue, and KPMG confirmed that its weekly conference calls with Bell Atlantic were open for CLECs to listen. KPMG further confirmed that it had numerous miscellaneous contacts with Bell Atlantic, and that the Commission Staff was free to monitor as many of those contacts as it wished. KPMG confirmed that those miscellaneous contacts were not publicly noticed and minutes of those contacts were not taken.

Consistent with the New York practice, U S WEST suggests that listen lines be established for all regularly scheduled conference calls, including those between CGT and U S WEST and those between CGT and CLECs. If there is a need (for blindness reasons or otherwise) to discuss items beyond the hearing of one or more parties, the remaining parties can go into executive session at the end of the call. The Staff should be free to monitor any other contacts between CGT and U S WEST or CLECs.

Contacts with HP

The meetings between U S WEST and Hewlett Packard (HP) present a conflict between openness and blindness. Until this point, CGT has decided to keep the process of HP acting as a

³ *In the Matter of Application of Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region InterLATA Service in the State of New York*, CC Docket No. 99-295, FCC 99-404, ¶ 99 (rel. December 22, 1999) (“*Bell Atlantic New York Order*”).

pseudo-CLEC as blind as possible. Keeping the process blind to U S WEST necessitates that the process cannot be open to CLECs. If meetings were publicly noticed and listen lines set up, the U S WEST employees dealing with the pseudo-CLEC would know that they were dealing with HP, rather than a real CLEC.

Thus, a choice has to be made. Should the pseudo-CLEC process be blind, or should it be open? It cannot be both. AT&T appears to prefer that the process be open, rather than blind. If that is the consensus opinion of the CLECs, U S WEST will support the decision to have the process be open rather than blind.

Having the process be open rather than blind is probably the most practical solution. It will be very difficult, if not impossible, to keep the process blind. Creating a fake CLEC that U S WEST employees will accept as a real company is a formidable task. U S WEST employees are generally aware of the players in the industry, and some would probably question a CLEC they never heard of. In addition, faking the documents for the pseudo-CLEC to present will not be easy.

Openness of the pseudo-CLEC process will promote the principal goal -- credibility of the test. If CLECs view the regular meetings between HP and U S WEST, they can point out if HP is receiving preferential treatment. Openness will provide the necessary safeguards -- so the process does not need to be blind.

TAG Meetings

In an effort to create an efficient process, the Staff and CGT have set certain rules to be followed in TAG meetings. AT&T has questioned those rules. As a result, there is a danger that the restrictions on TAG meetings will damage the public perception of the testing process. While U S WEST recognizes that the restrictions were put in place for valid, good-faith reasons,

U S WEST suggests that the restrictions should be eased or lifted to maintain the public perception that the process is open.

Therefore, U S WEST proposes that:

- The rule that only the designated representative of a company can speak should be eased. For each issue, a company should be allowed to designate a spokesperson.
- CGT should continue to control the schedule of TAG meetings and to lead discussions to resolution. CGT should follow the general principle that discussion will not end until all parties have had an opportunity to provide any and all input. To this point, U S WEST is not aware of any discussion where any party was not allowed to fully provide all input. However, to calm AT&T's fears, CGT should commit to allow all parties full input.
- TAG meetings should be open for anyone to witness.
- Documents should be distributed to all persons attending TAG meetings, not just to one designated representative per company.

AT&T claims that CGT has "severely restricted the frequency and duration of TAG meetings." AT&T overstates its case and is engaging in hyperbole. So far, CGT has scheduled TAG meetings every two weeks, and each TAG meeting has lasted several days. While CGT has indicated that TAG meetings may be shorter in the future, U S WEST suggests that they continue to be scheduled for two days for the time being.

Blindness

As the FCC has recognized, perfect blindness is not possible, and the quest for blindness should not be taken to extremes. The goal should be to conduct a credible test. Although perfect blindness is not possible, testing can be credible if it is conducted professionally, with input from

the parties and comparison with real world data. A reasonable effort at blindness will give additional credibility to the test.

The concept of blindness applies to preventing gaming the results; it does not apply to concealing from U S WEST the metrics or standards it will need to meet. The goal of this test is not to provide a one-time snapshot of whether U S WEST meets the metrics set. The Commission has adopted a modified military-style test where the goal is for U S WEST to pass. If U S WEST does not pass at first, it will implement fixes and be retested where appropriate. The testing will not end until U S WEST passes. Everyone will benefit from U S WEST passing the test. The test will demonstrate that U S WEST has the necessary systems in place to efficiently handle future demand, which will be a benefit for the CLECs. U S WEST will gain 271 relief. Most importantly, consumers will benefit from increased competition in all aspects of the telecommunications business, including long distance.

Thus, blindness should be followed, where appropriate, to prevent possible gaming of results. Blindness should not include hiding from U S WEST other pertinent information such as the volume of expected demand, the results of any test and the form of testing that will be conducted. The goal of this process is to get U S WEST's systems to a level where they can efficiently handle expected demand and to fix any problems identified as soon as possible.

Conclusion

In conclusion, the workshops and this testing process have been completely open so far. However, the rules established for TAG meetings going forward have raised concern, and the public perception of the openness of the testing process has been threatened. To alleviate any and all concerns, U S WEST suggests that the rules concerning the TAG process be eased.

Dated this 10th day of January, 2000.

RESPECTFULLY SUBMITTED,

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