



0000020813

ORIGINAL

57

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

WILLIAM A. MUNDELL  
CHAIRMAN  
JIM IRVIN  
COMMISSIONER  
MARC SPITZER  
COMMISSIONER

2001 AUG 22 P 4: 56

AZ CORP COMMISSION  
DOCUMENT CONTROL

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

Docket No. T-00000A-97-0238

NOTICE OF FILING

Staff of the Arizona Corporation Commission, through its undersigned attorneys, hereby files the PowerPoint presentations to be given by Mark DiNunzio - ACC, Maureen Scott - ACC, Matt Rowell - ACC, and its Consultants, Greg Mann - DCI, Phil Doherty - DCI, Bob Dryzgula - Cap Gemini Ernst & Young Telcom Media & Networks (CGE&Y), and Bill Koerner - Hewlett Packard (HP), at the Special Open Meeting to be held on August 23, 2001.

RESPECTFULLY SUBMITTED this 22<sup>nd</sup> day of August 2001.

Maureen A. Scott  
Attorney, Legal Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007  
Telephone: (602) 542-6022  
Facsimile: (602) 542-4870  
E-mail: maureenscott@cc.state.az.us

Arizona Corporation Commission

DOCKETED

AUG 22 2001

DOCKETED BY [ ]

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 Original and ten copies of the foregoing  
2 were filed this 22<sup>nd</sup> day of August, 2001 with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, Arizona 85007

7 Copies of the foregoing were mailed and/or  
8 hand-delivered this 22<sup>nd</sup> day of  
9 August,  
10 2001, to:

11 Charles Steese  
12 Andrew Crain  
13 QWEST Communications, Inc.  
14 1801 California Street, #5100  
15 Denver, Colorado 80202

16 Maureen Arnold  
17 QWEST Communications, Inc.  
18 3033 N. Third Street, Room 1010  
19 Phoenix, Arizona 85012

20 Michael M. Grant  
21 GALLAGHER AND KENNEDY  
22 2575 E. Camelback Road  
23 Phoenix, Arizona 85016-9225

24 Timothy Berg  
25 FENNEMORE CRAIG  
26 3003 N. Central Ave., Suite 2600  
27 Phoenix, Arizona 85016

28 Mark Dioguardi  
TIFFANY AND BOSCO PA  
500 Dial Tower  
1850 N. Central Avenue  
Phoenix, Arizona 85004

Nigel Bates  
ELECTRIC LIGHTWAVE, INC.  
4400 NE 77<sup>th</sup> Avenue  
Vancouver, Washington 98662

Brian Thomas, VP Reg. - West  
Time Warner Telecom, Inc.  
520 SW 6<sup>th</sup> Avenue, Suite 300  
Portland, Oregon 97204

Thomas L. Mumaw  
Jeffrey W. Crockett  
SNELL & WILMER  
One Arizona Center  
Phoenix, Arizona 85004-0001

Eric S. Heath  
SPRINT COMMUNICATIONS CO.  
100 Spear Street, Suite 930  
San Francisco, CA 94105

Thomas H. Campbell  
LEWIS & ROCA  
40 N. Central Avenue  
Phoenix, Arizona 85007

Andrew O. Isar  
TRI  
4312 92<sup>nd</sup> Avenue, N.W.  
Gig Harbor, Washington 98335

Michael W. Patten  
Roshka Heyman & DeWulf  
400 North 5<sup>th</sup> Street, Suite 1000  
Phoenix, Arizona 85004

Charles Kallenbach  
AMERICAN COMMUNICATIONS  
SERVICES INC  
131 National Business Parkway  
Annapolis Junction, Maryland 20701

Thomas F. Dixon  
MCI TELECOMMUNICATIONS CORP  
707 17th Street, #3900  
Denver, Colorado 80202

Kevin Chapman, SBC  
Director-Regulatory Relations  
5800 Northwest Parkway  
Suite 125, Room 1-S-20  
San Antonio, TX 78249

Richard S. Wolters  
AT&T & TCG  
1875 Lawrence Street, Room 1575  
Denver, Colorado 80202

1 Joyce Hundley  
2 UNITED STATES DEPARTMENT OF  
3 JUSTICE  
4 Antitrust Division  
5 1401 H Street NW, Suite 8000  
6 Washington, DC 20530

7 Joan Burke  
8 OSBORN MALEDON  
9 2929 N. Central Avenue, 21st Floor  
10 P.O. Box 36379  
11 Phoenix, Arizona 85067-6379

12 Scott S. Wakefield, Chief Counsel  
13 RUCO  
14 2828 N. Central Avenue, Suite 1200  
15 Phoenix, Arizona 85004

16 Mark J. Trierweiler  
17 Vice President – Government Affairs  
18 AT&T  
19 111 West Monroe St., Suite 1201  
20 Phoenix, Arizona 85004

21 Daniel Waggoner  
22 DAVIS WRIGHT TREMAINE  
23 2600 Century Square  
24 1501 Fourth Avenue  
25 Seattle, WA 98101-1688

26 Douglas Hsiao  
27 RHYTHM LINKS, INC.  
28 6933 S. Revere Parkway  
Englewood, CO 80112

Raymond S. Heyman  
Randall H. Warner  
ROSHKA HEYMAN & DeWULF  
Two Arizona Center  
400 N. Fifth Street, Suite 1000  
Phoenix, Arizona 85004

Diane Bacon, Legislative Director  
COMMUNICATIONS WORKERS OF  
AMERICA  
5818 North 7<sup>th</sup> Street, Suite 206  
Phoenix, Arizona 85014-5811

Gena Doyscher  
GLOBAL CROSSING LOCAL  
SERVICES, INC.  
1221 Nicollet Mall  
Minneapolis, MN 55403-2420

Karen L. Clauson  
ESCHELON TELECOM, INC.  
730 Second Avenue South, Suite 1200  
Minneapolis, MN 55402

Mark P. Trnichero  
Davis, Wright Tremaine  
1300 SW Fifth Avenue, Suite 2300  
Portland, OR 97201

Traci Grundon  
Davis, Wright & Tremaine LLP  
1300 S.W. Fifth Avenue  
Portland, OR 97201

Bradley Carroll, Esq.  
COX ARIZONA TELCOM, L.L.C.  
1550 W. Deer Valley Rd.  
Phoenix, AZ 85027

Mark N. Rogers  
EXCELL AGENT SERVICES, L.L.C.  
2175 W. 14<sup>th</sup> Street  
Tempe, AZ 85281

Barbara P. Shever  
LEC Relations Mgr.-Industry Policy  
Z-Tel Communications, Inc.  
601 S. Harbour Island Blvd., Suite 220  
Tampa, FL 33602

Jonathan E. Canis  
Michael B. Hazzard  
Kelly Drye & Warren L.L.P.  
1200 19<sup>th</sup> Street, NW, Fifth Floor  
Washington, D.C. 20036

Ms. Andrea P. Harris  
Sr. Manager, Reg.  
ALLEGIANCE TELECOM, INC.  
2101 Webster, Suite 1580  
Oakland, California 94612

Dennis D. Ahlers, Sr. Attorney  
Eschelon Telecom, Inc.  
730 Second Ave. South, Ste 1200  
Minneapolis, MN 55402

Garry Appel, Esq.  
TESS Communications, Inc.  
1917 Market Street  
Denver, CO 80202

1 Todd C. Wiley Esq. for  
COVAD Communications Co.  
2 GALLAGHER AND KENNEDY  
2575 East Camelback Road  
3 Phoenix, Arizona 85016-9225

4 K. Megan Doberneck, Esq. for  
COVAD Communications Co.  
5 7901 Lowry Blvd  
Denver, CO 80230  
6

7

8 *Sheri A. Estrada*  
9 Legal Assistant to Maureen Scott

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**History of the 271 Process in Arizona**  
**Briefing for the Commissioners**

**August 23, 2001**

**Presented by:**

**Doherty & Company, Inc.**  
**Cap Gemini Ernst & Young**  
**Hewlett-Packard Corporation**

**Consultants to the Arizona Corporation Commission**

# THE TELECOMMUNICATIONS ACT OF 1996

## BACKGROUND

- TA96 represents a material change in the role of regulation and regulatory agencies
- TA96 assumes the public will benefit more from greater competition than from greater regulation
- TA96 seeks to eliminate any points of differentiation within the telecommunications market between services providers
- TA96 reaffirms the primacy of the private sector to determine the scope and scale of participation in the telecommunications market

## THE TELECOMMUNICATIONS ACT OF 1996

### SECTION 271

- §271 provides the administrative framework for examining and evaluating ILEC applications for long-distance authority
- §271 requires an ILEC to formally demonstrate compliance with local exchange market-opening requirements
- §271 provides an ILEC opportunity to publicly affirm its commitment to the realization of a multi-party local exchange market

## THE TELECOMMUNICATIONS ACT OF 1996

### §271 REVIEW PROCESS

- Review and approval is the principal responsibility of the FCC
- FCC Rules and Regulations govern the approval process
- Consultation with the ACC and the DOJ is required prior to FCC approval
- FCC Review is limited to 90 days from receipt of application
- FCC Approval is not assured

**History of the 271 Process in Arizona**  
**Briefing for the Commissioners**

**August 23, 2001**

**Presented by:**

**Doherty & Company, Inc.**

**Cap Gemini Ernst & Young**

**Hewlett-Packard Corporation**

**Consultants to the Arizona Corporation Commission**

## THE ARIZONA OSS TEST

### BACKGROUND

- U S West filed Notice of Intent February 8, 1999
  - ACC Procedural Order issued March 2, 1999
  - U S West Filed Supplement on March 25, 1999
  
- ACC issued Request for Proposals to assist ACC Staff to:
  - Review, analyze and evaluate U S West's OSS
  - Determine compliance with 1996 Telecom Act and FCC Orders
  - DCI was selected in a competitive process

## THE ARIZONA OSS TEST

### BACKGROUND

- Review started in May 1999
  - Limited Scope review of OSS
  - Review/Determine requirements
  - Examine work in other states (e.g. TX, NY, CA, PA, GA, FL)
  - Review FCC rulings (e.g. La, etc.)
  
- Initial Test plan included only a limited functionality test
  - No capacity or other tests
  - Would not satisfy the FCC and DOJ

## THE ARIZONA OSS TEST

### BACKGROUND

- June 8, 1999 Procedural Order deferred OSS Test schedule
  - Need to clarify OSS standards
- July 2, 1999 Procedural Order expanded work scope
  - Added workshops and
  - Third party OSS Testing of much greater magnitude
- AZ Test of U S West's OSS was redefined
  - Primary references were Texas and New York
  - Adapted and enhanced to reflect Arizona environment, competitive characteristics and ACC needs.

## THE ARIZONA OSS TEST

### OBJECTIVES

- Conduct a fair, equitable, comprehensive test which meets ACC needs
- Meet FCC requirements, obtain DOJ concurrence
- Demonstrate extent to which U S WEST has:
  - complied with FCC checklist items
  - opened its territory to competition.
  - provides parity to CLEC's
  - provides a meaningful opportunity to compete

## THE ARIZONA OSS TEST

### MODUS OPERANDI

- Conduct an open, collaborative, constructive process
- Move ahead promptly but not at the expense of quality

### MASTER TEST PLAN

- Completed 1<sup>st</sup> draft of an MTP in August
- Key elements – 5 Tests
  - Functionality
  - Capacity
  - Retail Parity
  - Relationship Management
  - Performance Measurement Evaluation

## THE ARIZONA OSS TEST

### MASTER TEST PLAN

- Functionality Test
    - Preorder, Order, Provision, Maintenance and Repair, and Billing
    - Originally covered Resale, UNE-P and Number Portability
    - Subsequently added UDITs, Dark Fiber, EELs, ADSL, Line Sharing
    - Process test cases end to end (i.e. provisioning/fulfill the order)
  - Retail Parity Evaluation
    - Mostly qualitative: parity of information and experience of the CLEC rep. with the U S West rep. in dealing with a customer
  - Capacity Test
    - Ability of U S West to handle CLEC volumes one year out
    - Includes stress test and scalability of systems and staff
-

## THE ARIZONA OSS TEST

### MASTER TEST PLAN

- Relationship Management Evaluation
    - Interaction between U S West and CLEEC's
    - Change Management process
    - Includes Document and Training review
  - Performance Measurement Evaluation
    - Statistically valid audit
    - Three months of data
    - Calculation, validation
  - Military style test
    - Test, fix, retest
    - TAG can abort or escalate
-

## THE ARIZONA OSS TEST

### PRINCIPAL EVENTS

- Developed RFP for
  - 3<sup>rd</sup> Party Consultant (Test Administrator) Capacity
  - Test Transaction Generator
  - Allowed bids on one or both – Reserved right to select part or all of any proposal
- Issued RFP in August
  - Telcordia, GEIS, DMR, Cap Gemini, HP responded
  - KPMG did not respond
- Proposals received in September
  - Received 5 Responses
  - 3 for one role only
  - 2 for both roles
  - Selected Cap Gemini as Test Administrator, HP as Pseudo CLEC

## THE ARIZONA OSS TEST

### PRINCIPAL EVENTS

- Conducted workshops: September - November 1999
  - Purposes: Move process ahead, gain CLEC/US West input and participation
  - Six two day workshops
  - All parties invited – usual attendance 20+
  - Principal topics
    - Master Test Plan
    - Performance Measurements
- Workshop Accomplishments
  - CLEC/US West involvement
  - Enhanced MTP
  - Performance Measurement:
    - Additions/development of new measures
    - Definitions (Business Rules, Formulae, etc.)
    - Quantification/established benchmarks – parity comparisons

## THE ARIZONA OSS TEST

### PRINCIPAL EVENTS

- Cap Gemini and HP came aboard in November
  - Test Administrator, Evaluator
  - Test Transaction Generator/Pseudo CLEC
- Established the Test Advisory Group (TAG)
  - Key CLEC's (AT&T, MCIW, Sprint, Cox, Rhythms, others), U S WEST, ACC, DCI
  - Advisory group, represents all participants
  - Provides mechanism for agreement (consensus) or escalation
  - Continues parties' participation and collaboration
- Established a series of sub-committees to address and recommend issues resolutions to the TAG. Principal sub-committees include:
  - Statistics-to define a statistically valid test
  - Capacity-to determine how to test a 14 state system
  - Billing-to create billing measurements

## THE ARIZONA OSS TEST

### TEST STANDARDS DOCUMENT

- MTP was augmented by a Test Standards Document (TSD)
  - Developed by the Test Administrator
    - Reviewed by the TAG
  - MTP is policy level description of what is to be done
    - Includes Performance Measurements, Test Scenarios
  - TSD is operational level detailed description of how the test is to be done
    - Includes Test Cases, Scripts
- Test Standards Document specifies in detail:
  - Three Phases (Plan, Execute, Report)
  - Each Phase has three parts (Entrance Criteria, Test Work, Exit Criteria)
  - Participants include the TA, CLECs, ILEC, TAG & ACC
- MTP was docketed, TSD was not
  - TSD considered a living/working document; to be updated

## THE ARIZONA OSS TEST

### MAJOR CHALLENGES

- Consensus based on different objectives, agendas
- Control major issues (Master Issues Log – augmented by IWOs for test process)
- Updating performance measurements and measures by U S WEST
  - Differing perceptions of necessary measurements and measure , (benchmarks, parity)
- Communications, change notification
- Degree of blindness versus openness
- An aggressive schedule which does not adversely affect test quality and integrity

## THE ARIZONA OSS TEST

### MAJOR CHALLENGES

- Escalation of issues to the ACC with participation of all parties and clear statements of positions
- The moving target syndrome
  - Responding to FCC rulings
  - New services
- Development of Friendlies process

## THE ARIZONA OSS TEST

### SELECTED ACCOMPLISHMENTS

- A brief overview of selected accomplishments follows: CGE&Y and HP will cover them in more depth.
  - Agreed to a GAO type of audit for performance measurements and conducted this audit (Bob)
  - Initiated non-OSS related testing: PMA, Relationship Management, Retail Parity (Bob)
  - Collected and provisioned 352 “Friendlies” (Bob)
  - Set up a Pseudo-CLEC and conducted pre-operational testing (Bill)

## THE ARIZONA OSS TEST

### SELECTED ACCOMPLISHMENTS

- Resolved a great number of issues through the open, collaborative process
  - Capacity Test parameters (Testing volumes)
  - Need for an audit of performance data prior to Functionality Testing
  - Statistical approach for the OSS Test
  - Processes, including Change Management, Incident Work Order, TSD Change, Issue Escalation
  - Blindness
  - Testing additional/new products
  - Modified the testing process (TSD); version 2.7 published June 24, 2000

## THE ARIZONA OSS TEST

### WORKSHOPS

Since the beginning of the 271 project the ACC has used workshops extensively for matters related to the OSS test, checklist items, the PAP etc.

- It fosters and supports an open, collaborative approach
- It surfaces issues and provides a means for their resolution
  - Consensus of workshop participants
  - Escalation of Impasse issues to the ACC
- The great bulk of issues are resolved by workshop participants
  - For some items there is no disagreement
  - Many items are closed after thorough discussion
  - There are frequent “Take-backs” to Qwest or CLEC SMEs
- Format includes presentations, responses and open discussion
  - Witnesses are sworn, the court reporter fully documents proceedings
  - But it is informal – with lots of give and take

## THE ARIZONA OSS TEST

### WORKSHOPS

- Workshops initially addressed:
  - Master Test Plan (MTP – Version 4.0, 4/6/00)
  - Performance Measurements – Part of MTP
  - Test Standards Document (TSD – Version 2.7, 6/24/00)
- Subsequent workshops addressed a broad range of topics in 3 series
  - 271 Checklist Items that are non-OSS related
    - 3, 7, 8, 9, 10, 12, 13
  - OSS Related checklist items
    - 1, 2, 4, 5, 6, 11, 14
  - Performance Assurance Plans
  - General Terms and Conditions
  - Public Interest and §272

## THE ARIZONA OSS TEST

### WORKSHOPS

- Overall, the ACCC Staff feels that the workshops have been successful
    - They have achieved the Staff's objectives
    - They have led to a stronger test than it otherwise would have been
    - They have fully involved participants
  - Two Important Processes Developed
    - Dispute resolution (Impasse Issues)
    - Import agreements from other jurisdictions, while building the record in Arizona
  - Results Include
    - Agreements reached
    - SGAT improvements made
    - CLECs ability to compete improved
    - Schedule (TBD)
-

## THE ARIZONA OSS TEST

### WORKSHOPS

- Current Workshops – Draft Report Review
  - Retail Parity – August 7-10, 2001
  - Relationship Management – September 25-28, 2001
  - Capacity Test – T.B.D.
  - Functionality Test w/Performance Data – T.B.D.
  - Consolidated Final Report – T.B.D.

## THE ARIZONA OSS TEST

### COMPREHENSIVE CURRENT ISSUES

- CLEC Test Account Test Bed
  - SATE is a separate project
- Test failures/Retest
- New Releases – Which to use (7.0 vs. 8.0)
- FCC Criterion: Market is fully and irrevocably open

### CURRENT STATUS AND EXPECTATIONS

- To be described by CGE&Y and HP



# Qwest 271 OSS Test

**CGE&Y**  
**Telecom Regulatory Practice**





## Test Participants

---

- Arizona Corporation Commission (ACC)
- Test Advisor – Doherty Consulting, Inc. (DCI)
- Test Administrator – Cap Gemini Ernst & Young (CGE&Y)
- Test Generator – Hewlett-Packard (HP)
- Test Advisory Group (TAG)



# Objective

---

- Comprehensive Test in Compliance with MTP and TSD
- Meets ACC needs and FCC requirements, seeks DOJ concurrence
- Demonstrates extent to which Qwest provides CLECs with non-discriminatory access to its OSS
- Assesses functional adequacy of Qwest's OSS
- Throughout, ACC has conducted an open, collaborative, constructive process
  - Opportunity for input from all parties
  - Issues openly addressed and resolved





# Accomplishments

---

- **Test Activities**
  - Completed GAO type of audit of performance measurements
  - Initiated non-PID related testing: PMA, Relationship Management, Retail Parity
  - Recruited 362 "Friendlies" to provide end-user testing
  - Evaluated the Qwest CLEC set-up processes utilizing a "Pseudo-CLEC"
  - Identified the need for a stand-alone test environment and issued an IWO
  - Identified PID calculation improvements and systemic improvements through IWO resolution





# Accomplishments

---

- Issues resolved through open, collaborative processes
  - Blindness
  - Developed the testing process (TSD), version 2.9 published June 27, 2001.
  - Statistical approach for the OSS Test
  - Processes, including Change Management, Incident Work Order (IWO), changes to the TSD, and Issue Escalation
  - Methodology for performance data audit
  - Capacity Test parameters (Testing volumes, services, and data collection)
- Testing additional/new products



# Process Enablers

---



- Maintaining openness with CLECs and Qwest
- Utilizing MTP/TSD documented processes with group approval
- Testing integrity enhanced through participation of all group members while maintaining blindness



## Test Breakdown

---

- This test was defined in the MTP with focus on the following areas:
  - Functionality Test – Utilized a “Pseudo-CLEC”
  - Retail Parity Evaluation – Evaluated the transactions that were similar between Qwest retail and CLEC resale pre-order/order and “M&R” initiation
  - Relationship Management Evaluation – Examined the processes and procedures provided by Qwest to aid the CLECs ability to enter the market
  - Capacity/Scalability Test – Ensured Qwest’s OSS and process centers have the capability to handle the CLECs projected 12 month volumes
  - Performance Measurement Evaluation – Evaluated Qwest PID calculations and data management



# Functionality Test

---



- Test cases based on MTP – structured with Qwest and CLEC input
- Approach based on modified Z-Test criteria
- Tests employed “pseudo” accounts and Friendlies
- Tests included emerging services
- Analysis included billing



# Retail Parity Evaluation

---



- Performed with detailed paired Retail/Resale test scripts
- Coordinated tests based on time, scenario and end-user locations
- Utilized a two-phased approach
  - Phase I determined the recommended number of iterations for Phase II
  - Phase II completed the statistical focus
- Evaluated qualitative, quantitative and timeliness measures





## Capacity Test

---

- Volumes of test cases were based on Historical Data and Growth Projections
- Utilized a 14 State-wide test to insure accurate Gateway measurements
- Utilized a Two-Phased Test
  - Phase 1: 12 month volume with 9 month and 6 month tests as needed
  - Phase 2: Stress test based on Phase 1 results





## Performance Measurement Evaluation

---

- Audit/review based on Qwest provided process documentation, raw data, published results, and on-site interviews
- Assessed the processes in place at Qwest for collecting and computing the performance measures outlined in the PIDs
- CGE&Y verified Qwest data accuracy by an independent recalculation of the measures and parity/benchmarks from the raw data provided by Qwest



# Relationship Management

---



- Evaluated Qwest published documentation compared to test execution observations
- Issued/compiled/summarized CLEC questionnaires
- Performed CLEC and Qwest account team interviews
- Compared Local Service Order Guide to Qwest "1-Chart"
- Included Pseudo-CLEC experience in the evaluation





## **Incident Work Order (IWO) Process**

---

- IWOs were issued when an interface, system or process that was tested did not meet standards or expectations
- Three levels of severity:
  - Level 1: observation, does not affect the successful outcome of a test step or the completion of a test script
  - Level 2: incident which affects the execution or completion of a test case or a test evaluation
  - Level 3: incident that negatively affects CGE&Y's recommendation regarding whether Qwest has passed part or all of the test
- IWOs were issued, logged, and assigned a tracking number and forwarded to Qwest with a copy to the TAG





## **Incident Work Order (IWO) Process (cont'd)**

---

- Qwest then sent a written response to CGE&Y
- CGE&Y forwarded that response to TAG; TAG has two business days to comment/object
- CGE&Y tracks progress of all IWOs
- CGE&Y independently verifies that the incident was successfully resolved and re-tested, if necessary
- Performance acceptance certification (PAC) prepared and forwarded to Qwest and the TAG





## Current Status

---

- Performance Measurement Evaluation – Audit complete. Final report distribution pending, 7 open IWOs
- Retail Parity Evaluation – Testing is completed; Interim workshop for the RPE draft final report has occurred
- Relationship Management Evaluation – Draft final report complete, and has been distributed to TAG; currently pending interim workshop schedule
- Functionality Test – 95% of testing complete. PID measure and parity/benchmark calculations are in progress
- Capacity Test – ORT complete, 12 month system capacity and stress test results currently being reviewed



# Remaining

---



- **Functionality Test**
  - Completion of PID measure & parity/benchmark calculations
  - Completion of "Draft" final report
  - Interim workshops
- **Capacity Test**
  - Analysis of data from 12 month capacity test
  - Analysis of data from stress test
  - Completion of "Draft" final report
  - Interim workshops
- **Performance Measurement Evaluation**
  - Completion of final report



## Remaining (cont'd)

---

- Relationship Management Evaluation
  - Interim workshops
- Incident Work Orders (IWO)
  - Closure – with resolution and retest
  - Closure – with final recommendation
  - Closure – with agreement to remain unresolved
- Consolidated Final Report
  - Complete report
  - Workshop



# Retest

---



- Identify test case scenarios used to validate process and system changes generated by IWO resolutions
- Identify number of re-test iterations
- Schedule and execute tests
- Evaluate data
- Draft final report



# Exit Activities

---



- Compile supporting documents & records for delivery to the ACC
- Disconnect “pseudo” test accounts
- Disconnect “friendlies” accounts or return to their “original” state



---

Pseudo-CLEC Report  
August 23, 2001

# HP AZZ271 Presentation



---

# Pseudo-CLEC

- Our responsibilities were defined in the Master Test Plan
  - Build interfaces to Qwest
  - Process Pre-Order/Order transactions
  - Receive Qwest notifications and confirmations
  - Evaluate the Qwest documentation
  - Build the capability to deliver and receive a volume to support the Functionality and Capacity Tests
  - Provide test results to the Test Administrator

---

# Pseudo-CLEC

---

- Our interaction with Qwest is bounded by the Openness Report issued by the ACC
  - When communicating with Qwest we are required to represent ourselves as the Pseudo-CLEC
  - When communicating with Friendlies we are required to represent ourselves as the Pseudo-CLEC
  - We are required to record an Incidental Contact when the communication is non-scheduled.

---

# Registering As A CLEC

---

## CLEC Process

- Qwest's published 12-step process as a guide to becoming registered in its territory.
- Confusion on first step with Qwest: Interconnections Proposal; Account Manager; Negotiations Team
- Process re-written/re-packaged in June 2000 by Qwest.
- The Interim Pseudo-CLEC Report on the 12-Step CLEC process was released in February 2001

---

# Registering As A CLEEC

## Interconnect Agreement (IA)

- Started Negotiations in December 1999.
- Signed in January 2000.
- Approved by the ACC in March 2000.
- Pseudo-CLEEC's Interconnect Agreement is valid through April 2003

---

# Registering As A CLEC

## Four Amendments to Pseudo-CLEC's IA

- UNE-P Amendment pursued in March 2000, signed and approved in June 2000
- LNP Managed Cuts Amendment pursued in July 2000, signed and approved in February 2001
- Emerging Services (Line Sharing, Dark Fiber, EELs, and Sub Loops) Amendment pursued in December 2000, signed and approved in March 2001
- Line Splitting Amendment pursued in July 2001, signed and approved in August 2001

---

# Account Management

- Weekly conference Calls
- Discussed issues:
  - UNE-P vs. UNE-C
  - Ordering process
  - Loss/Completion Reports
  - Billing issues
  - Access to FIDs database
  - New Customer Questionnaire
  - CEMR Application
  - Collocation
  - Digital Certificates for Internet Access

---

# Interfaces

---

## IMA-GUI

- Two Transport Types: Internet Access and dedicated T1
- Started configuration and installation in March 2000
- Operationally ready on Dial-up (replaced by Internet Access with release 7.0) in April 2000
- Operationally ready on dedicated T1 in May 2000
- Operationally ready on Internet Access in June 2001

---

# Interfaces

## IMA-EDI

- Started relationship with EDI Development Team in February 2000
- Completed Certification on all products December 2000
- Pseudo-CLEC EDI Certification Report was released in March 2001
- Migrated to Release 6.0 in support of the Functionality Test.
- Pseudo-CLEC Software Change Management Report was released in August 2001
- Migrated to Release 7.0 in support of the Capacity Test

---

# Customer Service Center (CSC)

---

- Fully staffed in July 2000
- CSC staff attended Qwest training
- CSC staff entered:
  - Over 150 orders (LSRs) in support of the Retail Parity Evaluation Test
  - Over 1200 orders (LSRs) in support of the Functionality Test
  - Over 50 orders (LSRs) in an 8 hour period in support of the Capacity Test
  - Approx 24,000 Pre-Order and Order Transactions handled by CSC Staff

# Customer Service Center (CSC)

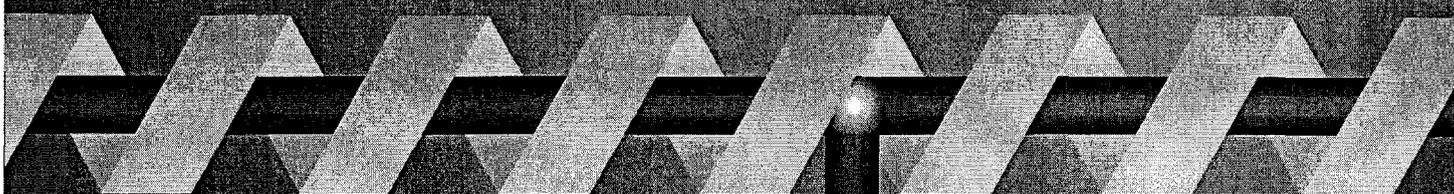
- Obtained first customer in July 2000
- On several occasions we were accused of slamming Qwest customers.
- Qwest installers could not install new lines because of:
  - beehive in a bush
  - padlock on gate
  - gated community
  - dogs in the back yard
- Customer complaint on:
  - flowerbed trenching
  - trenches on either side of driveway.

---

# Technology Developments to Support AZ271 Test

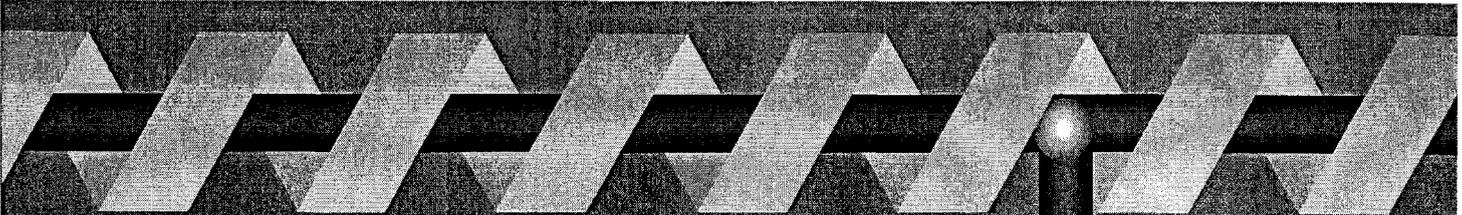
---

- **Logger** – system to capture transactional information through IMA-GUI.
- **Loader** – automate the order entry process through IMA-GUI. Used to generate volumes required during the Capacity Test.
- **E-mail Parser** – application used to read incoming email notifications from Qwest and record transactional information.
- **Billing Data Repository** – system to collect all Daily Usage information and Customer monthly statements



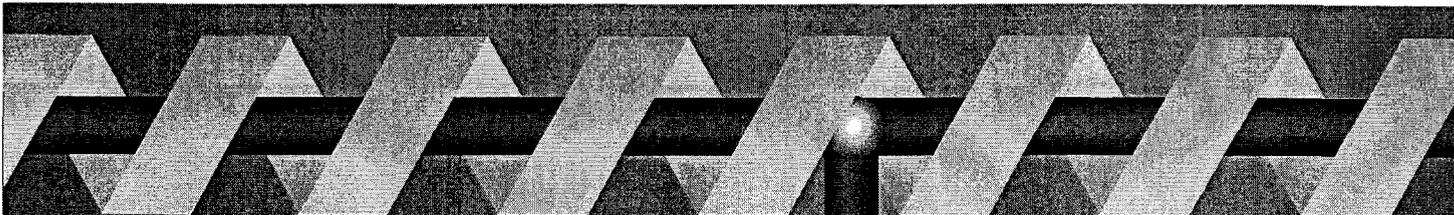
# **The Performance Assurance Plan**

**Part of the Section 271 Process  
in Arizona**



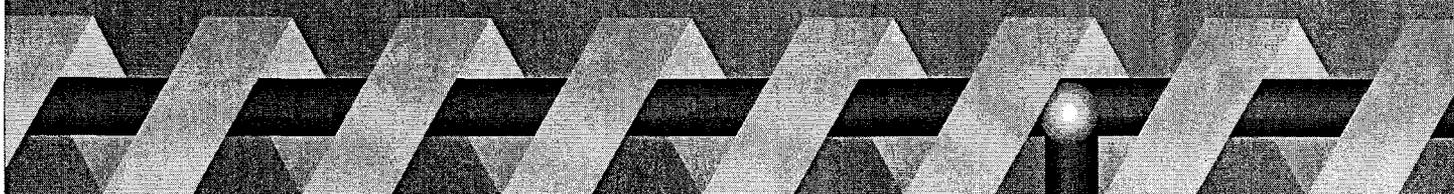
# **Presentation Format**

- **Procedural History of the PAP**
- **Arizona PAP Workshop Background**
- **Summary of Qwest's Proposed PAP**



**Part I**

**Procedural History of the  
Performance Assurance Plan**



# **The PAP as a Component of Section 271**

• **The FCC has highlighted the need for a PAP  
which:**

- **adopts performance measures**
- **creates a financial incentive for Section 271  
compliance following approval**

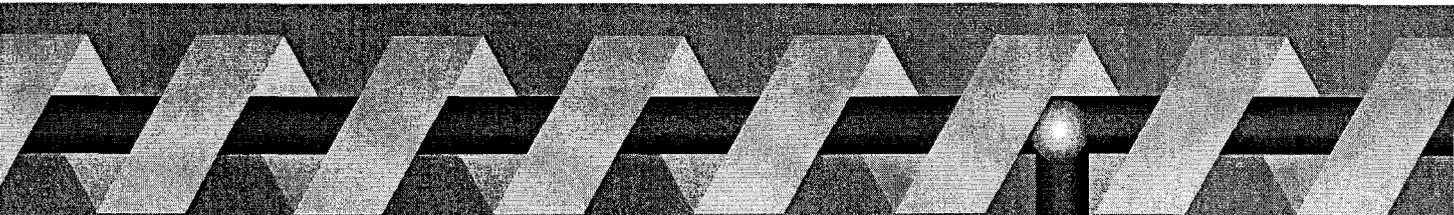
• **All Section 271 applications approved by  
the FCC have included a PAP**

# **Why is a PAP necessary?**

- **Goal is to increase local competition for telecommunications services**
- **Incumbent telecommunications carriers have incentive to inhibit competition in local markets**

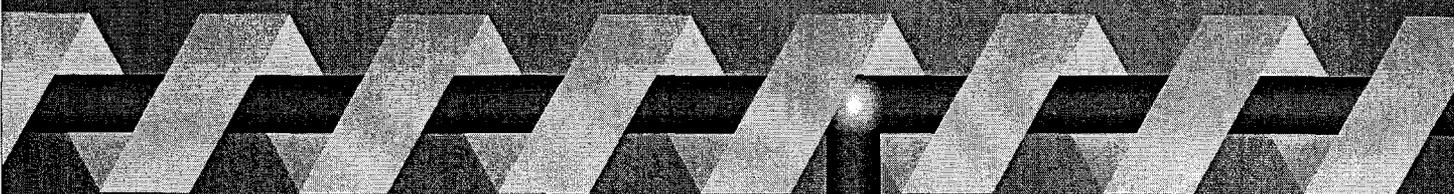
# PAP Guidelines

- **Performance measures with penalties for non-compliance**
- **Ability to modify the performance measures as necessary**
- **Self-executing penalties**
- **Audit and validation process for performance results**



# **State Autonomy and the PAP**

- **FCG provides states with the autonomy to develop their own PAPS**
- **States may work with PAPS already approved or may develop new type of PAP**



**Part II**

**PAP Workshop Background**

# **PAP Workshop Overview**

- **Seven workshops were held in 2000 and 2001 on the PAP**
- **Issues related to the development of an Arizona PAP were discussed**
- **Interested parties were invited to participate**

# PAP Workshop Participants

• ACG Staff

• Doherty & Company

• DOJ

• RUGO

• Qwest

• CLECS

• WorldCom

• Z-Tel Communications

• SBC Telecom

• Other CLECS

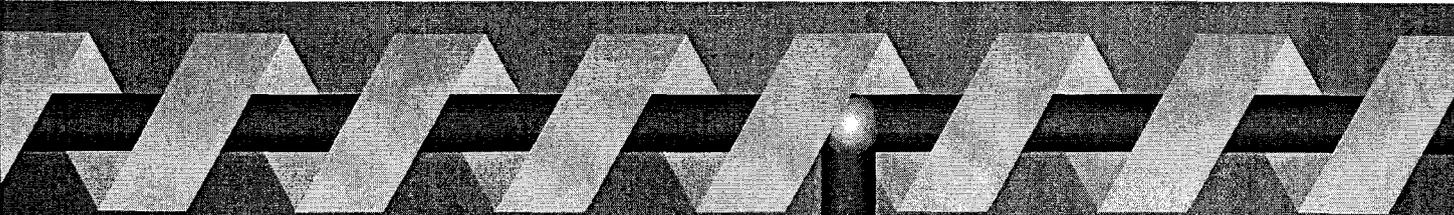
# PAP Workshop Dates

## • Year 2000 dates

- July 13, 2000
- July 25-26, 2000
- August 22-23, 2000
- October 17-18, 2000
- December 18-19, 2000

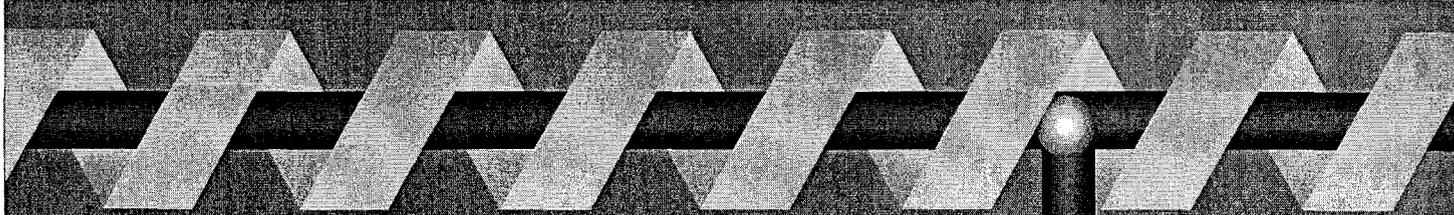
## • Year 2001 dates

- February 5-6, 2001
- April 2-3, 2001



**Part III**

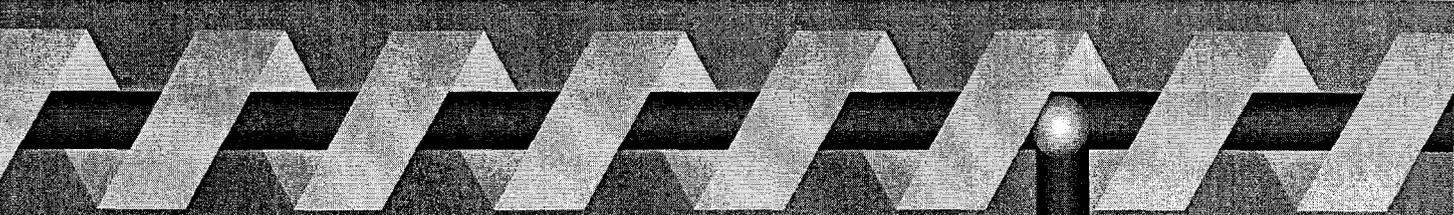
**Summary of Qwest's Proposed PAP**



# PAP Models

• **Two primary models for a PAP: New York & Texas**

• **Qwest's PAP is modeled after the Texas PAP**



# Key Components of PAP

- Performance Measurements
- Statistical Analysis
- Other Aspects of PAP

# Performance Measurements

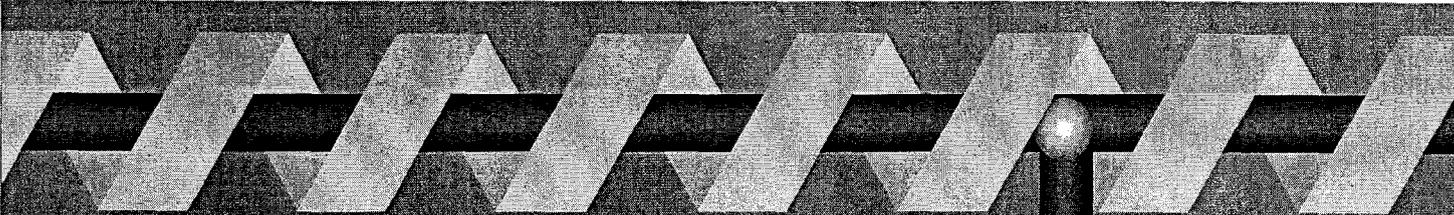
- **Performance Indicator Definitions (PID)**
  - 22 measurements broken down into several sub-measures

## • **Tier I and Tier II**

- **Tier I penalty payments go directly to CLECs**
- **Tier II penalty payments go to other fund**

# Performance Measurements

- **Weighting of measurements used to determine penalty amounts**
  - **High, Medium, and Low**
- **Per occurrence & per measurement penalty payments**
- **Parity, benchmark, and diagnostic Standards**



# Statistical Analysis

- **Parity Standard Analysis**
  - **Comparison of Means**
- **Benchmark Standard Analysis**
  - **Stare and Compare Analysis**

# Other Aspects of PAP

- **Reporting of PAP data**
- **Six-month Review of PAP**
- **Commission Staff Resources**
  - **PAP Administrative tasks may require between .5 and 1 full time Commission Staff member**

# Conclusion

• **PAP is integral part of the success of the Section 271 proceeding**

• **PAP is key part of the success of the Telecommunications Act of 1996 in furthering local telecommunications competition**