

I. Strike-affected data

What were the exact dates of the strike in Massachusetts? If August 6 through August 21, why would VZ-MA add 15 business days to its collocation figures to account for the strike and not 11 (i.e., why is VZ counting weekends as ‘business days’ - is this permitted under the business rules in the event of a work stoppage and if yes, what is the cite)? See Lacouture/Ruesterholz Supp. Decl. at ¶ 182.

Answer: The strike commenced on August 6 and ended on August 21. Verizon’s collocation efforts in Massachusetts are supported by Verizon employees located throughout the Verizon territory. Although the strike in Massachusetts ended on August 21st, the strike did not end in other parts of Verizon until several days later. And, union employees did not return to work until several days after the strike ended. As a result, it was not until August 28th – 15 business days from the beginning of the strike – that the vast majority of Verizon employees supporting collocation efforts in Massachusetts returned to work.

Upon agreement between the Company and the Union representing the Massachusetts workers, employees were given 48 hours to report back to work – i.e., until August 23rd. In addition, an agreement with the remaining states, excluding New York, was not reached until August 26th and these employees did not return to work until August 28th.

Even though the union workforce in Massachusetts did return to the job on August 23rd, those employees perform only a portion of the work related to collocation. Over the past four years, Verizon has added additional employees to support the collocation effort, and for many portions of the work, Verizon has adopted a regionalized approach which aids in the timely processing of applications from application receipt through to project completion. The workforce outside Massachusetts that supports collocation within Massachusetts includes the regional processing center in Baltimore, the Customer Care Center in New York, and the Project Managers located throughout the Verizon service territory. For these reasons, Verizon used a 15 business-day interval in assessing how the strike impacted the company. In no way was the company performing on a business as usual basis for the period covered from August 6th through August 27th, and the impact of the work stoppage was felt well beyond that date. For the purposes of the analysis, the 15 business-day interval was conservative.

Has Lexecon recalculated VZ-MA’s results for PR-3-10 without excluding strike-affected data? If yes, could you provide the Department with those results? See Gertner/Bamberger Supp. Decl. at ¶ 13. Were other metrics revised to account for the strike?

Lexecon’s restatement of PR-3-10, as described in paragraph 12 (old business rules) of the Gertner/Bamberger Supplemental Declaration, includes strike-affected orders. The results of that calculation are presented in the left-hand column of Table 2 of their declaration. Lexecon’s other recalculations of PR-3-10, as described in paragraphs 13 (new business rules) and 17 (orders complete in seven days) of the Gertner/Bamberger Supplemental Declaration, excluded strike affected orders. At our request, Lexecon has now recalculated PR-3-10 using the new business rules and including the strike affected orders. The results are displayed below:

**Table 2 Revised
Metric PR-3-10**

	Restated and New Measures (including strike-affected orders)		
	Restated CLEC¹	New Verizon	New CLEC
September	62.05%	53.55%	69.55%
October	64.61	72.19	78.04
November	63.41	88.39	81.55
Three-Month Weighted Average	63.38	68.72	75.62

¹ As explained above, this measure originally included strike-affected orders; it is thus unchanged from how it appeared in the Gertner/Bamberger Supplemental Declaration.

Table 3 Revised

**Percentage of Orders Completed within Seven Days
(Based on New Business Rules)
(including strike-affected orders)**

	Revised Verizon	Revised CLEC
September	68.34%	75.00%
October	89.61%	93.71%
November	92.35%	93.71%
Three-Month Weighted Average	82.84%	86.47%

Lexecon did not revise any other metrics to account for the strike. In the Lacouture/Ruesterholz Supplemental Declaration, Verizon explained recalculations it had undertaken to remove strike-affected orders from the missed appointment measurement (PR 4-04) for September, for percent completed on time (PR-4-14 through 4-18) for September and October, and for percent on time physical collocation (NP 2-05) for September through November. *See* Lacouture/Ruesterholz Supp. Decl. ¶¶ 69-72, 182. PricewaterhouseCoopers (“PwC”) analyzed Verizon’s revisions for the first two measurements and verified that Verizon correctly excluded the strike affected orders. *See* Sapienza/Mulcahy Supp. Decl. ¶¶ 76-92.

