PUBLIC VERSION - REDACTED

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

New England Telephone and Telegraph Company, d/b/a Bell Atlantic-Massachusetts - Section 271 of the Telecommunications Act of 1996 Compliance Filing	D.T.E. 99-271

AT&T'S COMMENTS ON THE PROPOSED SCOPE CHANGE TO THE MASTER TEST PLAN REGARDING PRE-ORDER AND ORDER VOLUME TESTING

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Dated: February 10, 2000.

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Introduction.

AT&T Communications of New England, Inc., ("AT&T") respectfully urges the Department to deny KPMG's proposed scope change to the Final Master Test Plan ("MTP"). In addition, AT&T reiterates its pending request that the Department stay any Operations Support Systems ("OSSs") transaction testing until such time as Bell Atlantic can certify in good faith that its systems can handle commercial volumes of unbundled network element ("UNE") pre-order and order transactions in Massachusetts, on top of current and reasonably anticipated commercial volumes in New York.

The Department Should Reject the Proposed Scope Change, and Instead Should Boost Test Volumes In Accord With New Data from Bell Atlantic.

The proposed new plans for volume testing of the pre-order and order processing capabilities of Bell Atlantic's OSSs are inadequate. The lower transaction volumes and less rigorous testing now proposed by KPMG would not permit the Department to fulfill its important role of evaluating whether Bell Atlantic-Massachusetts has complied with the requirements of 47 U.S.C. § 271, because they would not adequately test whether Bell

Atlantic's OSSs will be ready to handle commercial volumes of pre-order and order transactions from competing local exchange carriers ("CLECs") in Massachusetts on top of the additional volumes that the same OSSs must handle for transactions from New York and throughout the Bell Atlantic-North region.

New data from Bell Atlantic shows that the Department must boost the Massachusetts test volumes, not reduce them. First, even if it were proper to base the test on total transaction volumes reasonably expected only six months from now, new information reveals that KPMG's proposed test volumes are significantly too low. A February 4, 2000, letter from Bell Atlantic to the New York Public Service Commission demonstrates that KPMG's future volume projections are based on an outdated underestimate of current volumes. Furthermore, those projections underestimate the relative volume of pre-order inquiries. Second, lower test volumes cannot be rationalized in Massachusetts on the ground that present commercial experience is an adequate substitute. The Department has already rejected that view, in its Letter Order dated November 19, 1999, regarding the MTP. Finally, KPMG's proposal to test based on volumes expected only six months from now is inappropriate, as not even Bell Atlantic believes that it will have received Section 271 approval for Massachusetts by then.

As noted in the Department's request for comments on the proposed scope change, there are some related issues that require the Department's consideration before it allows transaction testing to begin. Specifically, it is important that the Department ensure that KPMG tests all of the protocols offered by Bell Atlantic for submitting pre-order or order transactions over its EDI interface, including FTP, SSL3, and CORBA. In addition, it is also important that KPMG's testing include true stress volumes of transactions submitted singly and in small volumes, both because Bell Atlantic is required to support and does in fact receive transactions submitted in this form, and because current problems with Bell Atlantic's OSSs show that such testing is needed to ensure that CLECs are able to compete in a commercially reasonable manner.

The Department Should Stay Transaction Testing Until Bell Atlantic Fixes Its Systems.

Recent experience in New York demonstrates that Bell Atlantic's systems are not yet ready for commercial use in Massachusetts. Bell Atlantic conceded as much on February 2, 2000, when it suddenly announced that the OSS transaction testing should be delayed at least until February 21, 2000, to give Bell Atlantic time to try to fix serious volume-related problems that it is experiencing as it attempts to process New York orders and pre-order transactions.

In accordance with the express requirements of the Final MTP, the Department should allow AT&T's pending motion for a stay, and order that transaction testing not be started until Bell Atlantic can certify that it has identified and completely remedied the root causes of all known problems in its OSSs.

Legal and Procedural Background.

1. Bell Atlantic-Massachusetts Cannot Satisfy the Section 271 Standards Without Proving That Its Pre-Order, Order, and Provisioning Systems Can Support Full Commercial Volumes.

To comply with 47 U.S.C. § 271, Bell Atlantic must show at the time it files an application with the Federal Communications Commission ("FCC") that the OSS access and support provided to CLECs meets two key tests for each OSS function. *See FCC's NY 271 Order*,[1] ¶ 87-89. First, BA-MA must prove that it "has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions" and that it "is adequately assisting competing carriers to understand how to implement and use all of the OSS

[1] *In the Matter of Application by 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 (released December 22, 1999).

functions available to them." *Id.* ¶ 87. Second, BA-MA must prove that all of its OSS functions are "operationally ready," meaning among other things that its OSSs are "designed to accommodate both current demand and projected demand for competing carriers' access to OSS functions," and that the OSSs "will be able to handle reasonably foreseeable demand volumes." *Id.* ¶¶ 88-89.

These requirements are part of Bell Atlantic's general obligation to prove that "it is currently furnishing, or is ready to furnish, [each Section 271] checklist item in quantities that competitors may reasonably demand and at an acceptable level of quality." *FCC's NY 271 Order*, ¶ 52. For various reasons, BA-MA is not yet furnishing full commercial volumes of UNEs. Thus it bears the burden of proving that it has the capacity to do so as CLECs' demand for UNEs increases in the future.

2. *The Department Strengthened the Master Test Plan by Requiring Rigorous Volume and Stress Testing of Bell Atlantic's Pre-Order and Ordering Systems.*

The Department made several substantial changes to the draft Master Test Plan ("MTP") that was originally proposed by KPMG in this docket. One of those changes was to require actual transaction testing of BA-MA's pre-order and ordering systems, including rigorous volume and stress testing to ensure that Bell Atlantic's systems will be able to handle anticipated future commercial volumes of UNE orders in Massachusetts on top of increasing commercial volumes in New York. In the draft MTP, KPMG had proposed that it not conduct any volume testing of BA-MA's ordering systems, and that with respect to pre-order systems it conduct only normal and peak volume testing but no stress testing. After considering the matter, including but not limited to the comments made by AT&T, the Department rejected KPMG's recommendation and ordered that complete volume and stress testing be conducted for all of Bell Atlantic's pre-order and order systems.

The Department's unanimous Letter Order, issued November 19, 1999, explains as follows:

> The draft MTP contemplates limited interface functionality and transaction testing. The draft test plan seeks to rely on the results of the KPMG OSS test conducted in New York some time ago. While the Department acknowledges the similar, if not identical, nature of the current LSOG 2/3 interfaces in New York and Massachusetts, we conclude that a scenario by which KPMG neither extensively examines the functionality of the upcoming LSOG-4 release nor runs normal, high and stress volumes of transactions through existing interfaces in Massachusetts would simply not be representative of the "real world" conditions in which both BA-MA and the CLECs must operate today and in the future. Bell Atlantic is currently faced with rapidly increasing volumes of orders due to the market-opening events taking place in New York. These increased volumes necessarily affect wholesale operations in Massachusetts since both New York and Massachusetts are largely served by the same systems and organizations. ***The Department believes that an independent third-party OSS [test] must seek to capture the current market conditions and circumstances within which the BOC must provide non-discriminatory access to its OSS.***
>
> * * *
>
> [I]n order to maintain the integrity of the test results over time and to adequately capture the demands of the current and near-term marketplace, the Department finds that the current BA-MA pre-order and order interfaces (<u>i.e.</u>, LSOG 2/3 and GUI III) should be subjected to normal, high, and stress transaction testing as the foundation for a complete evaluation of the Pre-Ordering, Ordering, and Provisioning ("POP") domain. ***The Department expects that KPMG will not rely on data from New York or Pennsylvania to draw its conclusions about current and future BA-MA performance in these two domains, but will conduct a full-scale test in Massachusetts in the spirit of the relevant sections of the CCB OSS Policy Letter.*** … The Department directs KPMG to revise and extend the scope of the draft MTP's proposed RMI1 and POP domain tests accordingly.

DTE 99-271 Letter Order (Nov. 19, 1999) at 3-4 (emphasis added).

In accordance with this explicit directive by the Department, the final MTP that KPMG issued on November 24, 1999, was expanded to provide for volume and stress testing of Bell Atlantic's Pre-Order and Order systems, based on projected commercial volumes anticipated in the middle of the year 2001. With respect to BA-MA's EDI-based systems, the final MTP expressly requires such a volume performance test.

> As in the NY test, the MA Volume Performance Test will be a comprehensive review of the capabilities, response times, intervals, and other compliance measures for Pre-order and Order elements of the POP domain. This test will use projected transaction volumes for mid-year 2001, simulating normal, peak and stress volume conditions and coinciding with the RETAS performance test.

Final MTP at 25, § IV.C.1.1.2. The objective of this test, as stated by KPMG, echoes the directions set forth in the Department's Letter Order.

> The objective of the EDI Functional Evaluation and Volume Performance Test is to measure BA-MA's capability to meet agreed upon functionality and measures of service for pre-order, ordering, and provisioning, and to test BA-MA's ability to handle projected March-August 2001 preorder and order transaction volumes.

Final MTP at 25, § IV.C.1.2.

3. *Bell Atlantic Called a Temporary Halt to Transaction Testing Plans Because its Systems Do Not Work Properly.*

On Monday, January 31, 2000, AT&T filed an emergency motion to stay the commencement of transaction testing until such time as: (1) the Department decides the manner in which volume and stress testing of these OSSs will be conducted; and (2) Bell Atlantic can make a good faith representation that its systems can handle commercial volumes of pre-order and order transactions in Massachusetts, on top of current commercial volumes in New York.

Bell Atlantic filed an opposition to this motion on February 1, 2000. One day later, however, Bell Atlantic reversed course, announcing that the start of transaction testing should be delayed at least until February 21, 2000. Evidently Bell Atlantic asked for this temporary delay because it acknowledges that its OSSs are not working properly and cannot handle current transaction volumes in New York, and because Bell Atlantic needs to fix these problems before KPMG's OSS transaction testing can begin in Massachusetts. Although this temporary delay made it unnecessary for the Department to decide AT&T's motion for a stay on an emergency basis, that motion remains pending and AT&T respectfully requests that the issues it raises be decided in advance of any transaction testing by KPMG.

4. *The Proposed Test Plan Scope Change Would Reduce the Volume of Pre-Order and Order Transactions to be Tested.*

On February 1, 2000, KPMG filed a proposed scope change to the Final MTP. This scope change was distributed to the CLEC participants by the Department on February 3, 2000.

Previously, the anticipated scope change proposal had been described only as basing transaction testing on the pre-order and order transaction volumes expected in six months, rather than the volumes expected in 18 months as required by the Final MTP. Now that the formal scope change proposal is available, the substantive nature of the proposed change is more apparent, though some important details are still not available for review.

KPMG has made estimates of the future volumes of pre-order and order transactions that it believes Bell Atlantic is likely to have to handle from CLECs throughout the BA-North region. According to the scope change proposal, KPMG based its estimates of future volumes on a starting assumption that today Bell Atlantic's OSSs receive "upwards of 15,000 EDI, GUI and other interface preorder and order transactions per day." During the February 4, 2000, weekly telephone conference with CLEC participants, KPMG confirmed that this 15,000 figure was the starting point of its volume estimates. Extrapolating from this presumed starting point, KPMG further assumes that in six months Bell Atlantic-North's OSSs will be receiving normal daily volumes of approximately 64,000 total transactions (including both pre-order and order), and that in 18 months these normal daily volumes will rise to approximately 72,700 total transactions.

KPMG has explained (also in the February 4 conference call) that all of these estimates of total transactions assume that there are two pre-order transactions for every CLEC order to Bell Atlantic. Thus, the presumed current volume of 15,000 transactions means a presumption of 5,000 orders per day. Similarly, the 64,000 transaction estimate means an assumption of roughly 21,333 orders on a normal day, and the 72,700 transaction means an assumption of 24,233 orders.

KPMG further explained that, under the proposed scope change, it would run enough test transactions to ensure that the total volume of both commercial and test transactions reaches a normal daily volume of 64,000. This does not mean that KPMG would be running 64,000 test transactions, or 21,333 orders. Rather, KPMG would only submit enough orders and pre-order transactions so that the total volume – including the KPMG test transactions plus whatever commercial transactions are being submitted anyway by CLECs, primarily for retail customers in New York – rises to this level. If (as appears likely) the actual commercial normal daily volumes will actually exceed 50,000 transactions, then the number of test transactions submitted by KPMG will fall below 14,000, and the number of test orders within those transactions will be less than 4,700.

Argument.

I. THE TEST VOLUMES RECOMMENDED IN THE PROPOSED SCOPE CHANGE ARE TOO LOW.

The scope change proposal made by KPMG raises three related issues:

(1) Is KPMG's assumption regarding the transaction volume that Bell Atlantic's OSSs will face in six months reasonable, or is it too low?

(2) Can the fact of that early commercial volumes exist in New York justify lowering the test volume levels for Massachusetts?

(3) Should KPMG's transaction volume testing be based on the total transaction volumes reasonably expected six months from now, *i.e.*

> before Bell Atlantic itself even expects to have obtained Section 271 approval, or should it based on volumes that are reasonable expected some time after completion of the Section 271 review process?

The answers to these questions are discussed below. They all point to the same conclusion. Under the proposed volume testing scope change, the Massachusetts OSS testing would be based on volumes that are too low to give the Department adequate assurance that Bell Atlantic's OSSs will actually be able to handle region-wide commercial volumes during the period of months following possible Massachusetts Section 271 approval from the FCC, even on the optimistic schedule hoped for by Bell Atlantic.

The proposed transaction test volumes are too low even if one were to accept the conceptual proposition that testing could be based on volumes reasonably expected to occur throughout the Bell Atlantic-North region only six months from now. There are problems with this conceptual proposition, as discussed below. But the more significant issue is whether the volume projections upon which the transaction testing plans are based are reasonable, whether they are labeled as six month or 18 month projections.

New information from Bell Atlantic reveals that KPMG's prior volume projections are outdated, and much too low, even at the six month junction. Higher transaction testing volumes are needed to comport with this new data, and to ensure that the Department has proper information about Bell Atlantic's capacity to handle region-wide commercial volumes of UNE pre-order and order transactions.

A. KPMG's Volume Projections are Based on Estimates of Current Volumes That are Much Too Low, Even Assuming that the Proper Target is the Volume Expected Six Months from Now.

1. New Data Shows that Current Normal Daily Volumes for New York Alone Far Exceed the 15,000 Transactions Presumed by KPMG.

Bell Atlantic has stated – in a letter dated February 4, 2000, to the New York Public Service Commission ("PSC") from Paul A. Crotty, who is Bell Atlantic's Group President for New York/Connecticut – that "BA-NY has processed over 250,000 local service requests in January alone." (A copy of this letter is attached hereto as Exhibit A.) A local service request ("LSR") is a CLEC UNE order to Bell Atlantic. This reported monthly total of LSRs translates to an average daily volume of roughly 12,500 orders per business day. Assuming that CLECs submitted three or more pre-order transactions for every order they actually place (see Section I.A.3, below), this implies that during January 2000 the normal daily volume of pre-order and order transactions experienced by Bell Atlantic for New York alone approached or exceeded 50,000 total daily transactions (12,500 orders plus 37,500 pre-order transactions). Provided that Bell Atlantic actually fixes the systems problems that have surfaced in connection with New York commercial activity, it is likely that these volumes will continue to grow significantly from now through the end of the Massachusetts OSS transaction testing.

This is new data, to which KPMG would not have had access at the time it submitted the proposed MTP scope change. The Bell Atlantic report as to the total number of New York LSRs for January was not submitted to the New York PSC until after the Massachusetts scope change proposal had been prepared and filed.

The implications of this new data are significant. Due to the likely continuing ramp up of competitive activity and commercial volumes in New York, the normal daily volume of commercial transactions that CLECs send to Bell Atlantic-North may substantially exceed

50,000 by the time of Massachusetts transaction testing. This would mean that, with the lower total transaction volumes called for in the proposed scope change, the normal daily volume of ***test*** transactions run for Massachusetts would be substantially less than the 16,158 test transaction processed in New York or even the 14,000 test transactions processed in Pennsylvania, as reported in the proposed scope change.

2. Current Volumes Understate Present CLEC Demand, as they Fail to Reflect Orders Lost by Bell Atlantic, and Do Not Account for Fewer Order Submissions Due to Bell Atlantic's Systems Troubles.

In trying to estimate region-wide commercial volumes six, 12, or 18 months from now, one must recognize that reported current transaction volumes in New York are understated in two important ways. The nature of Bell Atlantic's ongoing systems problems is discussed in some detail in Section III, below.

First, it is undisputed that Bell Atlantic has lost many thousands of CLEC orders. These lost orders would not be reflected in the LSR volumes that have been calculated and reported by Bell Atlantic.

Second, it is also undisputed that the volume-related systems troubles experienced by Bell Atlantic in processing New York transactions are significant. These systems troubles have slowed down CLECs' competitive entry. The outages of Bell Atlantic's pre-order interfaces have directly limited the number of pre-order transactions that CLECs can submit, and by slowing the process of signing up new customers have also reduced the number of UNE orders that CLEC personnel are able to process and submit. The system failures related to Bell Atlantic's order processing have also substantially extended the servicing and provisioning intervals that CLECs must quote to customers, which further impedes CLEC marketing efforts. If and when Bell Atlantic manages to fix its systems problems and enable CLECs to submit pre-order and order transactions on a commercially reasonable basis, that alone is likely to increase the number of pre-order and order transactions submitted and due to be completed within any given month.

3. The Assumption of Two Pre-Order Transactions per Order Understates Reasonably Expected Volumes.

KPMG's assumption that there will only be two pre-order inquiries for each order or LSR also results in an underestimate of total transaction volumes. Even if it were true that the average order involves only two separate pre-order inquiries, this observation fails to account for pre-order inquiries with respect to potential customers who choose not to purchase service from a CLEC. Taking this into account, CLECs are likely to end up submitting between three and four pre-order inquiries for each actual order.

4. In Sum, Total Regional Transactions In Six Months, Assuming Commercial Volumes in Massachusetts, Should Approach or Exceed 100,000 Daily Pre-Order Inquiries and Orders.

Taken together, these factors suggest that a more appropriate estimate of total normal daily UNE pre-order and order transaction volumes for the Bell Atlantic-North region by early September 2000 should approach or exceed 100,000 transactions. KPMG had based its estimate of 64,000 transactions on the assumption that today's volumes are only 15,000 total transactions, and that going forward Bell Atlantic would receive no more than two pre-order inquiries for each CLEC order. In fact, however, new information from Bell Atlantic indicates that: (i) today's normal daily volume is more likely 50,000 total transactions (having grown from virtually nothing just a few short months ago); (ii) this figure understates market demand because it does not count orders lost by Bell Atlantic, and does not account for reductions in pre-order and order transactions caused by current OSS problems; and (iii) a more realistic estimate would plan on at least three pre-order inquiries per order LSR.

B. Lower Massachusetts Test Volumes Cannot be Rationalized On the Ground that Some Commercial Transactions Are Already Being Submitted by CLECs in New York.

1. Massachusetts Commercial Volumes Will Be In Addition to Transactions for New York and Throughout New England, and Will Fall on the Same Bell Atlantic Systems.

The proposed scope change suggests that there is no real need to send very many test transactions as part of the Massachusetts OSS review, because existing commercial volumes in New York should suffice for testing purposes. This suggestion misses the key point that anticipated CLEC commercial volumes in Massachusetts, and for that matter in other New England states, will come on top of the then-current daily UNE transaction volumes in New York.

The fact that Bell Atlantic uses many of the same OSSs and personnel to support UNE pre-order and order functions in both Massachusetts and New York is significant. In the Department's words:

> Bell Atlantic is currently faced with rapidly increasing volumes of orders due to the market-opening events taking place in New York. These increased volumes necessarily affect wholesale operations in Massachusetts since both New York and Massachusetts are largely served by the same systems and organizations.

DTE 99-271 Letter Order (Nov. 19, 1999) at 3. This is why the Department has directed KPMG to determine whether Bell Atlantic's pre-order and order systems are capable of handling the combined commercial volumes expected in Massachusetts and New York, and indeed throughout the Bell Atlantic-North region, without collapsing or suffering significant problems that could disrupt customer service and thus stifle fair competition.

2. With Hindsight, We Can See that the New York Test Volumes Were Too Low.

The proposed scope change suggests that the Department should weigh anticipated Massachusetts test transaction volumes against the volume of test transactions submitted during the New York OSS testing. As noted above, this comparison actually weighs against the proposed scope change: Under the proposed scope change, it appears that the number of test transactions that would be submitted in Massachusetts would constitute a substantial reduction in the number of test orders and other transactions compared to New York.

In any case, with hindsight it is clear that test volumes should have been higher in New York. We now know that the normal daily volumes experienced by Bell Atlantic-New York in January 2000, the very first month after the FCC's New York 271 decision, were approximately three times greater than the volumes tested during the New York OSS testing. We also now know the result: substantial volume-related problems with Bell Atlantic's OSSs were not discovered during the third-party testing, but have emerged as CLECs begin to approach true commercial volumes of orders and pre-order inquiries. These OSS failures have been admitted by Bell Atlantic, though they have not yet been fully diagnosed or cured. They are discussed in more detail in Section III, below.

C. Testing to Volumes Expected Only Six Months From Now Is Wrong, as Bell Atlantic Will Not Have Obtained Section 271 Approval By Then.

According to news reports in the last few days, Bell Atlantic recognizes that it will not be in a position to ask the FCC for permission to offer long-distance services in Massachusetts before September 2000. *See The Boston Globe* at D2 (Feb. 8, 2000). Thus, even under Bell Atlantic's most optimistic schedule, the earliest that it could obtain Section 271 approval for Massachusetts would be December 2000. The ongoing and undisputed problems that Bell Atlantic has with its OSSs in New York, unresolved issues as to how and whether Bell Atlantic will comply with new FCC obligations such as xDSL line sharing or sub-loop unbundling, as well as a myriad of other disputed issues of fact in this matter all suggest that it is likely to take additional months before Bell Atlantic comes into compliance with its Section 271 obligations for Massachusetts.

These considerations suggest that it is not enough for Massachusetts volume testing to be based on commercial volumes that Bell Atlantic should be able to handle six months from now. The Department will be asked to advise the FCC as to whether Bell Atlantic is in a position to handle reasonably anticipated commercial volumes at and after the time that the FCC will be ruling on Bell Atlantic's Section 271 petition for Massachusetts. In other words, the Department needs at least to evaluate the capacity of Bell Atlantic's OSSs to handle expected commercial volumes of pre-order and order inquiries for the three to six month period beginning January 2001. Thus, the directive in the Final MTP continues to make sense, and should not be changed.

The transaction volume testing should be performed using projected transaction volumes for mid-year 2001. Those projections must reflect the same considerations discussed above, and should also take into account potential UNE demand in other New England states. Thus, a more reasonable volume projection for that time frame is a normal daily volume of at least 120,000 total transactions, not the 72,700 transactions assumed by KPMG before the new Bell Atlantic data became available.

II. THE DEPARTMENT MUST ENSURE THAT THE OSS TESTING IS COMPLETE AND ROBUST, BOTH WITH RESPECT TO THE PROTOCOLS TESTED AND WITH RESPECT TO THE MANNER OF TRANSMITTING PRE-ORDER AND ORDER TRANSACTIONS.

A. The OSS Testing Must Evaluate All of the Protocols Offered by Bell Atlantic Over the EDI Interfaces, Including FTP, SSL3, and CORBA.

Bell Atlantic represents that it supports all industry standard interfaces for accepting CLEC pre-order inquiries and orders, which means that in addition to the Web GUI it supports the EDI ("Electronic Data Interchange") interface, using FTP ("File Transfer Protocol"), SSL3

("Secured Socket Layer 3" protocol), or CORBA ("Common Object Request Broker Architecture") protocols.[2] CORBA is only used for pre-order transactions, not for ordering.[3] The advantages of SSL3 over FTP are that it permits a more interactive connection in real time, which should permit more efficient exchange of information between Bell Atlantic and a CLEC.

For the purposes of this motion, the details of these acronyms and these standards are not important. What is important is that Bell Atlantic bears the burden of proving that its systems work with all of these protocols. To assist the Department in evaluating whether or not this is true, KPMG must conduct test transactions with all of these protocols. Otherwise, the test will be incomplete.

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[2] *See* Miller, Tr. Vol. 11 (11/22/99) at 2053-2054 (BA support for EDI, SSL3, and CORBA) and at ; 2155-2158 (discussing EDI and CORBA); Miller and Canney, Tr. Vol. 12 (11/23/99) at 2437-2438 (BA support for SSL3); Bell Atlantic Handout titled "OSS Access" at 3 (showing support of "EDI via FTP"), presented by Miller on 11/22/99. *See also* Carmody, Tr. Vol. 18 (12/9/99) at 3799 (explaining that FTP is one protocol that can be used to deliver information via Bell Atlantic's EDI system); Sivori, Tr. Vol. 18 (12/9/99) at 3852-3853 (explaining SSL3).

[3] *See* Miller, Tr. Vol. 11 (11/22/99) at 2157.

B. Testing Should Include True Stress Volumes of Pre-Order and Order Transactions Transmitted Singly and In Small Batches.

It is important that the transactions KPMG submits in its OSS testing are not bundled together into large batches that are transmitted all at once. Rather, they should be submitted as single transactions, or as small orders. Transmissions containing single orders are permitted under Bell Atlantic's business rules, and thus BA-MA must demonstrate its ability to accept them at commercial volumes. In addition, it would skew the test – and eliminate potentially important aspects of stress on Bell Atlantic's systems – if large volumes of test orders were batched together into a small number of transmissions.

Bell Atlantic's acknowledged problems with its ECXpert system in New York underscore this point.[4] If ECXpert cannot handle large volumes of order transmissions, then CLECs will not be able to order UNEs regardless of how well Bell Atlantic's subsequent gateway systems (DCAS and DCF), its DOE ("Direct Order Entry") system, or SOP ("Service Order Processor") and other background legacy systems work. Thus, it is not enough to send a large number of order transactions so as to stress test those later systems. KPMG must also send stress volumes of order transmissions, i.e. a mix of single-order transmissions and batches with a small number of orders, in order to stress the EDI and ECXpert systems through which CLEC orders must pass before they ever start to get processed and sent on for provisioning.

Furthermore, now that Bell Atlantic will support SSL3, any batching of orders into a single transmission will be virtually disappearing. Unlike FTP, SSL3 is an interactive and real-

[4] The ECXpert system is involved whenever a CLEC submits an order electronically via Bell Atlantic's EDI system (rather than through the Web GUI). As Bell Atlantic personnel explained during the technical sessions in this docket last Fall, the function of the ECXpert system is to take EDI transmissions – whether they are submitted using an FTP protocol or using the newer SSL3 protocol – and to reformat (or translate) CLEC orders so that they can be understood by the Bell Atlantic OSSs that actually process the orders. *See* Miller, Tr. Vol. 11 (11/22/99) at 2236-2237; Canney, Tr. Vol. 12 (11/23/99) at 2438.

time link, which does not lend itself to the batching of orders. Rather, by the very nature of SSL3, CLECs are or will be submitting their orders either one at a time, or in very small batches. In short, in the commercial environment, CLEC orders do in fact get sent to Bell Atlantic in small batches, ***and singly***. The KPMG test must approximate this commercial environment as closely as possible.

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III. BELL ATLANTIC'S PRE-ORDER AND ORDER SYSTEMS ARE SUFFERING FROM ADMITTED AND SUBSTANTIAL VOLUME-RELATED PROBLEMS IN NEW YORK.

The possibility that Bell Atlantic's OSSs will prove unable to handle true commercial volumes throughout the region is not merely theoretical. To the contrary, at the very moment that the Federal Communications Commission was putting the finishing touches on its Section 271 approval for Bell Atlantic in New York, substantial volume-related problems in Bell Atlantic's OSSs were surfacing as CLEC activity in New York increased. In December 1999, AT&T and MCI filed complaints with the New York Public Service Commission regarding substantial pre-order and order problems affecting over ten thousand customers. The PSC has taken those complaints very seriously, opening an Expedited Dispute Resolution ("EDR") proceeding to deal with the problems that are described in more detail below.

Bell Atlantic has conceded in the New York EDR process that these problems are real, and that they are being caused by problems within Bell Atlantic's own systems. At the present time Bell Atlantic has still not fully diagnosed the root cause of these problems, which remain uncorrected even a month after the New York Public Service Commission opened its EDR proceeding. They are serious problems; they adversely affect consumers and competition; and they are growing rather than going away.

These operational problems in New York demonstrate that Bell Atlantic's OSS's are not yet ready to undergo commercial volume testing in Massachusetts. They also underscore the importance of not diluting the volume and stress testing required by the Final MTP, in order to ensure that these and other as-yet undiscovered problems are all fixed during the military-style testing by KPMG.

A. Transaction Testing Cannot Start So Long As Bell Atlantic Knows that its Systems Do Not Work Properly.

The Final MTP specifies that no aspect of KPMG's OSS testing may begin before that "[a]ll required BA-MA interface capabilities [are] operationally ready." *Final MTP* at 18. In other words, if Bell Atlantic knows that some of its systems are not working properly, or if they work in theory but are not capable of supporting commercial volumes, it is improper to start the KPMG transaction testing until BA-MA fixes its systems.

As discussed below, it is undisputed that Bell Atlantic's systems cannot properly handle existing volumes of pre-order and order transactions being placed by CLECs in New York. Under these circumstances, premature volume testing of BA-MA's pre-order and order systems may threaten Bell Atlantic's ability to provide service for real CLEC customers in New York today. The Department must not allow KPMG to commence transaction and volume testing so long as there are substantial concerns that such testing may cause Bell Atlantic's OSSs to crash, or cause a substantial deterioration of Bell Atlantic's pre-order and order performance. As the Final MTP makes clear, the EDI transactional testing should not go forward so long as there remains reason to expect Bell Atlantic will fail the test. A repeated part of the New York OSS testing experience was that particular tests were delayed when it became clear that Bell Atlantic was not yet ready to pass the test. The Department should exercise the same caution here, and maintain the standards that it set forth in the November 1999 Letter Order and the Final MTP.

If the only two options were to go forward and watch BA-MA fail a robust volume test, or to go forward using lowered volumes of test transactions that might facilitate a passing grade on an easier test, going forward into test failure would be the preferable course. At least that would result in publicly identified systems problems that, under the terms of the Final MTP, BA-MA would have to fix now so that the Department would not be left trying to repair the situation at some later date. But the better approach, and the approach that best utilizes the Department's resources by ensuring that the KPMG testing eventually results in commercially viable wholesale operations for BA-MA, is to stay the transaction testing until the problems now evident in Bell Atlantic's systems are fully diagnosed and cured.

B. Bell Atlantic's Systems Are Unable to Handle the Growing Commercial Order Volumes in New York.

In its December 23 complaint to the New York PSC, AT&T reported that almost 10,000 of its UNE Platform orders to Bell Atlantic were lost in Bell Atlantic's systems. Although Bell Atlantic had received these orders, it has never returned notices of acknowledgement, confirmation or rejection, provisioning completion, or billing completion. MCI has reported very similar problems with missing acknowledgments, confirmations, and completion notices.

The Bell Atlantic problems show strong evidence of being volume related. When UNE-P order volumes were still relatively small in New York, from August through October 1999, Bell Atlantic failed to respond within five days to approximately five percent of the AT&T orders in process at any given time. The frequency of these Bell Atlantic system failures increased dramatically as commercial volumes increased, so that for the last two months 30 to 40 percent of pending orders have still received no response from Bell Atlantic within five days. These orders seem to be lost within Bell Atlantic's systems, and Bell Atlantic has still not figured out how to fix this fundamental problem.

Bell Atlantic has finally acknowledged in the New York EDR process that these problems are Bell Atlantic's fault, and that the OSS software problems appear to reside in Bell Atlantic's wholesale systems built to support CLEC orders. The problems apparently have not been affecting Bell Atlantic's retail operations.

Based upon representations made by Bell Atlantic during the ongoing New York EDR process, it appears that these order processing problems have at least three significant components.

1. Bell Atlantic Concedes that its ECXpert Systems Do Not Work Properly, And that the Root Cause is Unknown.

First, Bell Atlantic-New York has acknowledged that it has a substantial problem with its ECXpert system. In its February 4 letter to the New York PSC, Bell Atlantic stated that "[t]he vendor continues to investigate the root cause of the software problem." Bell Atlantic indicates that it is planning to rearrange and augment its hardware in order to lessen the appearance of this problem, but this is at most a stop-gap measure intended to buy time as Bell Atlantic tries to cure its software bug.

The ECXpert system is involved whenever a CLEC submits an order electronically via Bell Atlantic's EDI system (rather than through the Web GUI). As Bell Atlantic personnel explained during the technical sessions in this docket last Fall, the function of the ECXpert system is to take EDI transmissions – whether they are submitted using an FTP protocol or using the newer SSL3 protocol – and to reformat (or translate) CLEC orders so that they can be understood by the Bell Atlantic OSSs that actually process the orders. *See* Miller, Tr. Vol. 11 (11/22/99) at 2236-2237; Canney, Tr. Vol. 12 (11/23/99) at 2438.

Substantial numbers and percentages of CLEC orders are either getting stuck in ECXpert, or disappearing from it without a trace, or both. The result is that: (1) the CLEC never receives any acknowledgement that the Local Service Request ("LSR") was received by Bell Atlantic, even though the CLEC properly transmitted it to Bell Atlantic's EDI systems; and (2) the LSR is never translated by ECXpert and thus is not sent on to Bell Atlantic's provisioning systems. What this means is that many thousands of customers have had their orders go into limbo, resulting in many complaints, lost revenue, and very real business difficulties for CLECs in New York. Whether Bell Atlantic's ECXpert system will suffer even greater problems with the addition of commercial volumes in Massachusetts can only be detected at this time by robust testing in Massachusetts.

When Bell Atlantic suggests that it is attempting to problems with ECXpert by February 21, it is referring only to stop-gap measures designed to mask underlying software bugs, as opposed to long-term solutions. Bell Atlantic says that it is trying to increase its hardware capacity and better to balance the load among different machines so that the ECXpert software bug will not be triggered so frequently, but none of that will fix the actual, underlying software problem. Bell Atlantic must both diagnose and fix the ECXpert software problem before OSS transaction testing begins in Massachusetts. Equally important for the purposes of the Massachusetts test, neither a stop-gap nor a permanent fix of the ECXpert problems will solve the two other, major problems with Bell Atlantic's OSSs, which are discussed in the following two sub-sections.

2. Bell Atlantic Concedes that It Fails to Return Many Confirmation or Rejection Notices, and that the Root Cause is Unknown.

Second, even when ECXpert properly translates a CLEC order and sends it on to Bell Atlantic's provisioning systems, those systems themselves cannot handle commercial volumes. Bell Atlantic has acknowledged in the New York EDR process that large numbers of confirmation or rejection notices get stuck within its OSSs. These notices are the responses that tell a CLEC either that its orders have been accepted and will be provisioned (confirmations), or that there was some error in the LSR that must be corrected before the orders can be provisioned (rejections). If the CLEC never hears back from Bell Atlantic after submitting an LSR, the CLEC customer cannot be served.

The FCC has already found that this is a significant problem. In the New York Section 271 review, AT&T presented evidence of its initial experience with missing confirmation or rejection notices. Based on the limited record of this problem at that time, the FCC found that there was no evidence of a "systemic problem," but instead only evidence of "isolated problems attributable to either Bell Atlantic or the commenters." *FCC's NY 271 Order* ¶ 176. The FCC nonetheless stressed that "[i]f it were a systemic problem occurring for a significant number of orders, however, it would warrant a finding of noncompliance." *Id.*

It now appears to be undisputed in New York that the problem of missing confirmation or rejection notices is indeed a "systemic problem occurring for a significant number of orders." According to Bell Atlantic's February 4 letter, "a special team is performing an extensive, end-to-end root cause analysis" in an attempt to diagnose these problems with confirmation notices. Not only must the root cause be found, but it must also be fixed before OSS transaction testing begins in Massachusetts.

3. Bell Atlantic Concedes that it Fails to Deliver Billing Completion or Provisioning Completion Notices for Many Orders That Have Been Provisioned, and that the Root Cause is Unknown.

Third, Bell Atlantic fails to return billing completion notices for a significant number of orders in New York (over 12 percent of AT&T UNE-P orders through December 23), and in addition fails to return provisioning completion notices for a portion of those orders. In early December 1999 about 3.5 percent of AT&T UNE-P orders were not receiving any completion notice of any kind. This problem is also growing with commercial volumes, as currently about five percent of a much larger base of AT&T orders receives no completion notice of any kind.

Bell Atlantic now acknowledges that the problem exists and that it is caused by the Bell Atlantic OSSs, perhaps because of discrepancies among various Bell Atlantic legacy systems that were not properly taken into account in the design of Bell Atlantic's wholesale OSSs. Bell Atlantic conceded in a New York EDR task force meeting that at least 75 percent of the missing completion notices were getting hung up in Bell Atlantic's wholesale systems due to software errors. Bell Atlantic's February 4 letter to the New York PSC indicates that the same "special team" working on its confirmation notice problems is also trying to identify the root cause of the completion notice failures.

Without billing completion notices, a CLEC does not know when to begin billing its customer. Without a provisioning completion notice, a CLEC is unable to address any maintenance problems experienced by the customer, or to honor requests to add features to the customer's account.

The FCC has specifically found that untimely receipt of these two kinds of "order completion notices directly impacts a competing carrier's ability to serve its customers at the same level of quality that Bell Atlantic provides to its retail customers." *FCC's NY 271 Order*, ¶ 187. AT&T presented evidence of these problems during the NY 271 process, but the FCC dismissed it, saying that on that record AT&T could not "demonstrate that the delay is attributable to Bell Atlantic's systems." *Id.*, ¶ 189 at fn. 607. "Rather, based on the present record, we find that the failure to receive a notice may be attributable to either Bell Atlantic or the interfaces and systems of competing carriers." *Id.*, ¶ 191.

But now, as with the missing confirmation or rejection notices, the FCC's prior uncertainty about the responsibility for the missing billing completion and provisioning completion notices no longer has any basis. Bell Atlantic has conceded in the New York EDR process that the problem exists, and that the problem lies within Bell Atlantic's own OSSs. But Bell Atlantic has still not fully diagnosed the cause of the problem, or effected a cure. Once again, not only must the root cause be found, but it must also be fixed before OSS transaction testing begins in Massachusetts.

c. Bell Atlantic's CORBA Pre-Order System Suffers from Frequent Outages.

Bell Atlantic has also had tremendous problems in providing stable and reliable access to its CORBA systems, which AT&T uses for pre-order transactions in New York. In its December 23 request for EDR, AT&T noted that Bell Atlantic's CORBA pre-order interface suffered from outages on November 30 and on December 1, 2, 7, 8, and 11, 13, and 14, and from two outages on each of December 6 and 9. Bell Atlantic then claimed to have identified the underlying problem and to have fixed it as of January 16, 2000. But Bell Atlantic's claim was premature. The CORBA pre-order system suffered additional outages later in January.

If AT&T cannot access Bell Atlantic's pre-order information, then it cannot place orders and cannot compete. According to Bell Atlantic's February 4 letter, the "CORBA outages over the past few months have had a number of different causes," and Bell Atlantic "continue[s] to monitor the availability of these systems to minimize the effects of hardware crashes." It makes little sense for KPMG to begin pre-order transaction testing using CORBA before this problem gets fixed.

Conclusion.

For the reasons stated above, AT&T requests that the Department:

(1) Deny the Master Test Plan Scope Change that has been proposed with respect to the volume testing of Bell Atlantic's OSSs, and instead order that transaction testing be conducted at volumes consistent with the preceding comments;

(2) Order that volume testing be conducted of all of the pre-order and order interfaces supported by Bell Atlantic, including but not limited to both FTP and SSL3 via EDI for ordering, and both CORBA and EDI for pre-order inquiries;

(3) Order that the OSS volume testing be conducted by transmitting orders singly and in small batches; and

(4) Order that OSS transaction testing not commence until Bell Atlantic can certify that its pre-order and ordering systems are operating correctly and can reasonably be expected to perform adequately under robust volume and stress testing, and that it has identified and fixed the root causes of all known OSS problems.

Respectfully submitted,

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Dated: April ___, 2000.

CERTIFICATE OF SERVICE

I hereby certify that I caused a true copy of the above document to be served upon the attorney of record for each other party on April ___, 2000.

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