

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of
Petition of New York Telephone Company for
Approval of Its Statement of Generally
Available Terms and Conditions pursuant to
Section 252 of the Telecommunications Act of
1996 and Draft Filing of Petition for
InterLATA Entry pursuant to Section 271 of
the Telecommunications Act of 1996.

Case 97-C-0271

PRE-FILING STATEMENT OF BELL ATLANTIC - NEW YORK

April 6, 1998

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This “Pre-filing Statement” sets forth additional commitments¹ that New York Telephone Company, doing business as Bell Atlantic-New York (Bell Atlantic-NY or the Company), will make to the Federal Communications Commission (FCC) in connection with an application for long distance relief pursuant to Section 271 of the Telecommunications Act of 1996. Bell Atlantic-NY requests that the Chairman of the New York Public Service Commission (Public Service Commission) indicate whether, assuming Bell Atlantic-NY meets each milestone listed in Appendix 1 and discussed below,² it will issue a positive recommendation on the Bell Atlantic-NY filing to the FCC.³ Bell Atlantic-NY recognizes that the Public Service Commission will monitor compliance with each milestone and that a commitment to issue a positive recommendation would be subject to Bell Atlantic-NY satisfying all milestones to the Commission’s satisfaction.

¹ Unless modified herein, the initial commitments found in the Company’s Draft Application for InterLATA Authority, filed February 14, 1997, and Supplemental Petition, filed November 6, 1997, remain in effect.

² As a sign of good faith, Bell Atlantic-NY has, in fact, begun many of the steps discussed below.

³ These commitments do not bind any other Bell Atlantic operating telephone company in any other State.

If Bell Atlantic-NY receives authority to provide interLATA services pursuant to the granting of an application under Section 271, the Company will keep the commitments set out herein, unless they are found to violate law by any court of competent jurisdiction. If the Chairman of the Public Service Commission, pursuant to Section 12 of the Public Service Law, other member of the Public Service Commission, or the Public Service Commission as a whole support Bell Atlantic-NY's Section 271 petition, such support does not, in any way, waive or abdicate their powers or responsibilities under state or federal law.

This document also describes a series of significant steps that Bell Atlantic-NY has taken to (1) resolve concerns raised in reaction to the Company's earlier filings; and (2) further open the New York market to competition.

In addition, until such time as the Public Service Commission determines they are no longer necessary, where an existing interconnection agreement with a Competitive Local Exchange Carrier (CLEC) in New York State incorporates performance standards and remedies, such standards and remedies will not be unilaterally withdrawn by Bell Atlantic-NY. Such standards and remedies will continue to be offered by Bell Atlantic-NY in subsequent negotiations with those CLECs upon expiration of the existing agreements and similarly will be negotiated in good faith with other CLECs who request negotiation of such terms and conditions.

Finally, Bell Atlantic-NY acknowledges that any CLEC support of this document, like Bell Atlantic-NY's commitments herein, is based on its totality and on the specific circumstances in New York State. Such support cannot be cited as precedential in any other jurisdiction.

I. ACCOUNT SERVICING

Both Bell Atlantic-NY and the CLECs are served by having a clearly defined understanding of Account Manager responsibilities. As a result, the Company will develop a comprehensive account management guide, describing the managers' roles and responsibilities. Volume 1 of the CLEC Handbook will be supplemented through the insertion of a summary of account management responsibilities.⁴ To provide parity with the way Bell Atlantic-NY handles large retail accounts, Account Managers will interact with other Bell Atlantic-NY units on the CLECs' behalf regarding resold or unbundled services. This is already in effect with resale customers, and Bell Atlantic-NY will implement a similar program for the CATC by the end of April 1998.

As part of the continuing effort to increase the accessibility and responsiveness of Account Managers, Bell Atlantic-NY has formalized the procedures for coverage in the event Account Managers are absent from the office for more than one day for vacations, illness, training and similar occurrences. In such circumstances, Bell Atlantic-NY will designate an alternative account manager, provide each carrier with the name of that alternate account manager, and provide a voice mail greeting indicating when the alternate manager should be contacted.⁵

In addition, Bell Atlantic-NY is providing Account Managers with tools to increase their accessibility, efficiency and capability to provide timely responses to CLEC inquiries. The Account Managers will receive laptop computers, pagers and cell phones, on or before April 15, 1998.

⁴ The summary of account management responsibilities will be placed on the Bell Atlantic TIS Website in April 1998.

⁵ This effort has also been completed.

Bell Atlantic-NY is also in the process of adding a director and two technical support staff to work with the Account Managers, to help provide technical resources within the Account Management Organization, support the Account Managers in dealing with complex technical issues associated with network build-outs, and make the managers more available for other functions. These additional personnel will be in place in April 1998.

By way of further assurance of Bell Atlantic-NY's commitment to provide prompt responses, the Company has reinforced and formalized its commitment to return customer calls on the day in which they are received, if the manager is in the office, but in no event later than the next business day.⁶

In response to questions regarding how Account Managers are allocated among CLECs, Bell Atlantic-NY has prepared a description of what key measurements are utilized in allocating managers and in evaluating when to add additional managers.

Bell Atlantic-NY currently evaluates its managers on a semi-annual basis, based primarily on qualitative measures. A portion of Account Managers' compensation currently reflects the results of the semi-annual evaluation. The qualitative measures which provide the basis of these evaluations will include the feedback obtained from CLECs on managerial performance. In addition, for staffing purposes, the Company considers:

- The number of accounts handled
- Geographical coverage of the accounts handled
- Number of network build outs
- Number of network planning sessions
- Number of pre-ASR (Access Service Request) sessions
- Number of NDR (Network Design Review) sessions
- Number of customer training sessions coordinated
- Number of calls received and returned within one business day

⁶ This task was completed on March 1, 1998.

- Number of electronic OSS (Operation Support System) interfaces established

As a way of obtaining CLEC feedback on specific issues of concern and customer satisfaction, Bell Atlantic-NY will facilitate sponsorship of, and actively participate in, a users group for facilities-based CLECs, similar to the Telecommunications Resellers' Association Reseller User Group. Bell Atlantic-NY agrees to consider and provide formal responses to all user group recommendations and act upon them where appropriate.

A. Escalation of CLEC Inquiries

For a forty-eight hour period beginning with the completion of an order, CLECs may report non-service affecting and service affecting conditions relating to that order to the Telecommunications Industry Services Operation Center (TISOC) in order to receive status reports on resolving the condition. If a non-service affecting condition is unresolved two hours after being reported, the TISOC service representatives will so inform the CLEC. The CLEC may then choose to escalate the matter to the first level TISOC manager. If the non-service affecting condition remains unresolved after three additional hours, the first level manager will so inform the CLEC and the matter may then be escalated to the second level TISOC manager. If the non-service affecting condition remains unresolved by the end of the day, the second level manager will so inform the CLEC, and the matter may then be escalated to the TISOC director. For reports concerning service-affecting conditions relating to an order, the same procedure will be followed, but with one hour shorter timeframes.

Recognizing the need for clearly defined internal escalation procedures, Bell Atlantic-NY has produced internal escalation procedures for the resale center and will do so for the carrier account team center by May 1998. These procedures have been made available on the Bell

Atlantic TIS Website and will be communicated to all CLECs at their initial and monthly operations meetings.

Bell Atlantic-NY has developed a database to track escalation incidents for both resale and unbundled elements. The tracking of escalations for resale began January 1998, while the unbundled elements tracking began in March 1998. The database will allow Bell Atlantic-NY and DPS staff to assess the types of escalations that are occurring, their frequency, and the overall percentage of orders that are escalated. Staff may review the records in this database.

B. Documentation and Information Bell Atlantic-NY Provides to CLECs

In order to allow CLECs to interact efficiently with Bell Atlantic-NY systems and employees, Bell Atlantic-NY has committed to routinely update the information contained in the CLEC handbooks. Individual page or section updates will be sent to CLECs via mail, and all updates will be posted on the Website at least quarterly.

Bell Atlantic-NY will continue to provide notification of “quiet periods” resulting from tandem software upgrades or switch replacements, and has committed to provide notice of changes in those schedules as they occur, and at least 30 days in advance of any period. In urgent circumstances, such as when service-affecting software glitches or hardware/software compatibility problems occur, Bell Atlantic-NY will provide notice to all CLECs as soon as Bell Atlantic-NY becomes aware of the need to modify the quiet period schedule. Such circumstances arise very infrequently (in the last two years only three such occasions arose).

When end office switches are replaced, recent change memory activity (for both CLECs and Bell Atlantic-NY) is stopped for a 24 hour period prior to the cutover. There are three such replacements planned for 1998, the last of which is scheduled to be completed by May 31, 1998. The CLECs will be notified 30 days in advance of cutovers about which CLECs do not currently

have notice. Bell Atlantic-NY will also continue to provide and update the list of central offices that have known physical collocation space constraints, as well as those that are identified as having only unconditioned space remaining. Beginning April 15, 1998, these will be provided to both CLECs and the Public Service Commission, and will also be posted on the Website.

C. The Carrier Account Team Center and Resale Center

As with Account Management, both Bell Atlantic-NY and the CLECs benefit from a clearly defined identification of staff contacts and their responsibilities. Therefore, Bell Atlantic-NY has developed a list of these contacts, which was included in the CLEC handbook and is available on the Website.

To ensure that these centers are providing quality service, Bell Atlantic-NY measures the number of requests received, as well as the timeliness and accuracy with which they are processed (e.g., firm order confirmation timeliness, service order query timeliness, completion notification timeliness and processing intervals). Order accuracy is measured through “% Installation Troubles in 30 Days” and through representative quality reviews. The “% Installation Troubles in 30 Days” is reported to the Public Service Commission, and representative quality reviews are available for review by the DPS staff.

To provide parity with the way Bell Atlantic-NY handles large retail accounts, Account Managers will interact with other Bell Atlantic-NY units on the CLECs behalf regarding resold or unbundled services. This is already in effect with resale customers, and Bell Atlantic-NY will implement a similar program for the CATC by the end of April 1998.

II. COMBINATIONS OF ELEMENTS

Bell Atlantic-NY will provide to CLECs combinations of network elements, and the complete Unbundled Element Platform to provide CLECs with residential and business POTS service and residential and business Basic Rate Interface ISDN service (BRI ISDN switch port and premium loop), in the geographic areas and on the terms reflected on the chart that follows.

In making the commitment to provide unbundled element platforms (UNE-P) at the rates set out in the chart, Bell Atlantic-NY recognizes that it will continue to suppress its access billing and enable purchasers of UNE-P to bill for access for the duration of its commitment. This treatment of access charges will continue for existing platforms after the expiration of the availability of new platforms. Finally, Bell Atlantic-NY realizes that this document does not immunize it from having to comply with valid FCC regulations.

RESIDENCE & BUSINESS POTS AND ISDN PLATFORM (WITH OR WITHOUT OS/DA)							
AREA		VOICE GRADE			ISDN-BRI		
	Description ⁷	NRC	Monthly ⁸	Duration ⁹	NRC	Monthly	Duration
Residence							
	Zone 1	\$0	\$0	4 years	\$0	\$0	4 years
	Zone 2	\$0	\$0	6 years	\$0	\$0	6 years
Business POTS							
	Zone 1 ¹⁰	\$0	\$6	4 years	\$0	\$0	4 years
	Zone 2	\$0	\$2	6 years	\$0	\$0	6 years

At the end of the Duration period identified in the Chart, Bell Atlantic-NY will (1) enable CLECs to assemble the underlying elements of the platforms themselves through reasonable methods or to migrate their existing links to their respective switches through reasonable methods and in a reasonable timeframe; and (2) if CLECs do not choose to assemble the platform for themselves, Bell Atlantic-NY may begin to assess an increasing additional recurring charge(s) that would, over the course of two years, raise the price of the unbundled platform to the CLEC to substantially the cost of similar resold lines. In any event, Bell Atlantic-NY would not pursue raising the platform price unless and until it had successfully implemented access arrangements

⁷ Zone definitions are the same as those established by the Commission in Cases 94-C-0095, 95-C-0657 and 91-C-1174.

⁸ The monthly charges listed (for both voice grade and ISDN-BRI) are in addition to the sum of the UNE prices and other non-recurring and recurring charges established by the Commission.

⁹ The duration periods (for both voice grade and ISDN-BRI) commence upon the availability to CLECs of OSS upgrades, scheduled for August 1998, to the satisfaction of the Public Service Commission.

¹⁰ In central offices in New York City where two or more CLECs are collocated to provide local exchange service through unbundled links at the commencement of the duration period, UNE-P will not be available for business customers.

that enabled CLECs to combine the elements themselves and implemented a reasonable process to enable CLECs to migrate their links to their switches in a timely manner.

Throughout Bell Atlantic-NY's serving area, CLECs will have the ability to recombine elements themselves through the use of smaller collocation cages, shared collocation cages, and through virtual collocation. In addition, Bell Atlantic-NY will demonstrate to the Public Service Commission that competing carriers will have reasonable and non-discriminatory access to unbundled elements in a manner that provides competing carriers with the practical and legal ability to combine unbundled elements. Among the issues to be discussed in Bell Atlantic-NY's demonstration is the feasibility of "non-cage collocation." Bell Atlantic-NY will continue its current, ubiquitous offering of the platform until such methods for permitting CLECs to recombine elements are demonstrated to the Commission.

In all geographic areas and for all classes of service (regardless of whether the unbundled element platform is available), subject to technological feasibility, Bell Atlantic-NY will provide combinations of UNEs less than the total platform (that do not involve combining the Company's link with the Company's port) at Public Service Commission-approved unbundled element prices.

This undertaking is made in light of the actions the Public Service Commission has taken in setting the terms and conditions of interconnection in New York. Bell Atlantic-NY may seek authority from the Public Service Commission for an additional charge to the requesting carrier for these services. The establishment of such additional charge will be in the discretion of the Public Service Commission or other agency with the statutory authority to review these rates. Collocation will not be required for these combinations unless it is technically necessary.

If Bell Atlantic-NY combines for CLECs unbundled loop and transport elements (including multiplexing where required and, when technically feasible, concentration), such

combinations (i) may extend from an end user to a CLEC collocation cage or CLEC premises, but may not in any manner be connected to a Bell Atlantic-NY switch; and (ii) may be used to provide switched local exchange service and associated switched exchange access service.

III. INTERCONNECTION AND UNBUNDLED NETWORK ELEMENTS

A. Interconnection

1. Electronic Trunk Ordering

Bell Atlantic-NY currently uses the Network Data Mover (NDM) to provide the electronic ordering ability to the IXC's and CLEC's for trunk provisioning. This system, which has been used extensively by the IXC's over numerous years for handling Network Interconnection Access Service Requests (ASRs) for trunking, was modified to handle trunk requests from CLEC's.

From a system hardware and software perspective, the existing infrastructure of a T1.54 line network interface and associated system software already exists for the CLEC's to use. This includes such CLEC's as Teleport, AT&T and MCI. Bell Atlantic-NY will ensure that the NDM System is available to all CLEC's, and will review its capabilities with those that are current system users by May 15, 1998.

2. Interval for Network Interconnection Trunks

Since the start of 1997, Bell Atlantic-NY has reduced its trunk provisioning interval from 43 business days to a fourth quarter average of 33 business days. Bell Atlantic-NY will eliminate all past due orders for network trunk interconnection through infrastructure additions and process improvements by June 1, 1998.

Bell Atlantic-NY expects to further reduce the trunk provisioning interval over the course of 1998, and is striving to meet an interval objective of 18 days for all interconnection trunks, excluding only orders greater than 192 trunks and complex jobs, which will carry intervals of 30 business days or negotiated due dates, respectively, and initial deployment of new CLEC/Bell Atlantic-NY interconnection trunk groups, which will be scheduled on a negotiated interval.

Industry-wide use of the forecasting process developed in the carrier-to-carrier collaborative process will be critical to achieving the stated objective for all trunk types.¹¹ These forecasts are to be provided semi-annually, with a minimum six months lead time before the requested in service date. Bell Atlantic-NY has provided the CLECs with all details on how and when forecasts should be provided, and has committed to meet the 18 business day interval for augments to interconnection trunks forecasted in accordance with those procedures beginning May 15, 1998. Orders for trunks that were not previously forecasted, or were under-forecasted by more than 10% in a single office, will be subject to a 45 business day interval, if facilities are available; if facilities are not available, the order will be treated as a six month forecast and the interval for such trunks will be no more than 198 days.

3. Availability of Two-Way Trunking

a) Current Status

Two-way traffic exchange trunks provide for the transmission and routing of traffic in both directions on a single trunk group by both the CLEC and Bell Atlantic. Although Bell Atlantic-NY currently provides over three thousand two-way trunks to one CLEC in New York

¹¹ Bell Atlantic-NY will treat these forecasts as confidential, and will not share them with its retail marketing personnel or outside parties.

State for the exchange of local interconnection traffic, these trunks are provided on a flat-rated basis, with reciprocal compensation based upon periodic and mutual traffic studies.

MCI and other CLECs have indicated an interest in two-way trunks on a measured-use basis. Bell Atlantic-NY has agreed to develop such a service offering, and will continue with the trial of two-way trunking currently underway with MCI until its successful conclusion.

b) Future Offering

Bell Atlantic-NY and MCI have initiated an operational trial for two-way trunks with usage measurements, for mutual approval, which will enable the parties to assess the success of the trial in July. Upon successful completion of the trial, Bell Atlantic-NY will deploy, upon receipt of a specific CLEC request, the necessary additional equipment, and will have a general service offering of two-way trunks, to both end offices and tandems, on a measured-use basis by August 31, 1998. If the trialed equipment is unable to handle reasonably foreseeable call volumes, Bell Atlantic-NY commits to continuing to investigate reasonable, cost-effective methods for providing measured, two-way trunking, and to have a general service offering for measured, two-way trunking within a Commission-designated period after a successful operational trial of such a method. This two-way trunking offering, with reciprocal compensation based on number and type of minutes of use, will only be available on trunks that use SS7 signaling and have the Hewlett Packard measurement equipment (or equivalent) in place to measure the traffic in both directions. Bell Atlantic-NY may propose rates to recover any additional costs of measured two-way trunking.

Based on the technology used in the trial, measured two-way trunking will require the Hewlett Packard CDR7 SS7 Usage Measurements and Monitoring System (or equivalent) for the purpose of measuring and recording AMA billing information on two way SS7 trunk groups

simultaneously in both directions between the Bell Atlantic-NY and CLEC switches. The HP CDR7 system (or equivalent) must be installed at the STP pairs connected to the SS7 links. The system must be in place at the appropriate STP locations and must have connectivity to the appropriate SS7 links in order to provide two way trunking with usage measurement.

Design and implementation of the trunk groups will be based on forecasts from the CLEC. The trunks will be interconnected from the Bell Atlantic-NY end office to the CLEC switch, and Bell Atlantic-NY and the CLEC will provide transport on the two-way trunk groups with DS-1 interfaces at the switches. Bell Atlantic-NY will assume trunk servicing and administrative responsibility for such two-way trunk groups.

4. 64 Clear Channel Availability

a) Network Infrastructure Investments

Bell Atlantic-NY has addressed the concerns related to 64 Clear Channel availability through extensive infrastructure additions and software upgrades. The equipment needed to provide 64 Clear Channel capability in a 4-ESS tandem is a SM-9 circuit pack plug-in card, which will provide for 24 DS-0 channels of 64 kilobit Clear Channel capability. Although earlier versions required lengthy provisioning intervals and necessitated significant rearrangements, the installation of 4E21 software provided two additional capabilities to provision 64 Clear Channel more efficiently. Specifically, the new software permits the replacement of 1 SM-1 card at a time, and permits initial provisioning of 100% 64 Clear Channel.

b) Current and Future Clear Channel Availability

The capacity of an XTSI frame is 168 T-1s or 4,032 DS-0 channels of 64 Kilobit capacity. The XTSI frame equipment needed to provision the 64 Clear Channel trunks on the 4ESS is new technology, which will now be used to satisfy all types (56/64 kb) of interconnection trunks on a

going forward basis. Bell Atlantic-NY has made 39,384 DS-0 channels of 64 Kilobit clear channel capacity available in the fourth quarter of 1997. During 1998, Bell Atlantic-NY will add an additional 180,000 DS-0 channels of clear channel-capable capacity, giving Bell Atlantic-NY an additional 219,384 DS-0 channels of clear channel-capable capacity in 1998.

Bell Atlantic-NY will strive to provision all future clear channel service requests (excluding complex jobs and orders greater than 192 trunks) within the standard intervals prevailing for all other trunk types.

5. Tandem Sector Routing

Particular calls can take either a “direct” route or a “tandem” route from one switching center to another. These direct routes are high usage groups that allow the routing of calls directly from the originating to the terminating point. When all trunks in a high usage group are busy, calls attempting to access that high usage group are directed as overflow to other alternate routes, normally through the tandem. A high usage group is always engineered to be backed by an alternate route via a tandem connection which acts as a final trunk group for call completion. This interchange and overflow of calls between direct end office trunks and alternate tandem connections is the normal and customary way of providing efficient routing within the Bell Atlantic-NY network.

The access tandem as an intermediate switching system interconnects a large number of switches with a geographic community of interest by trunk group. This integration of local end offices and a serving access tandem with geographic communities of interest is called tandem sector routing. However, because the cost of routing a call through an access tandem is greater than that for routing a call directly, a direct path (direct end office trunks) may satisfy demand

more economically if the community of interest is high between two points. In these circumstances only the overflow would then be handled through the serving access tandem.

In other circumstances, there is a community of interest between two points that lie outside of the normal tandem serving sector. Where there are large volumes of calls, for example, between Fire Island or South Hampton, Long Island (two vacation spots popular with NYC residents) and locations in New York City, a different routing plan is employed called alternate tandem sector routing. Alternate tandem sector routing works on the same theory as direct end office trunking, which is to complete calls in the most efficient manner possible.

Bell Atlantic-NY will provide similar routing, upon request, to CLECs for their trunking. Since current trunks are paid for based on per-minute usage charges, Bell Atlantic-NY may propose an additional charge for trunks deployed to provide diversity or alternate tandem sector routing.

B. Collocation

Before it can be considered to have achieved the collocation requirements of the §271 checklist, Bell Atlantic-NY will demonstrate to the satisfaction of the DPS staff, that it is able to provision virtual collocation within the prescribed 105 day time interval, and that the installations will function as intended, by July 1, 1998. In addition, CLECs will be able to obtain smaller collocation cages and to share collocation space.

1. Forecasting

Bell Atlantic-NY's ability to meet the provisioning intervals for both physical and virtual collocation is related to its ability to schedule the work and appropriately size its work force. Therefore, Bell Atlantic-NY will request forecasts of anticipated collocation requirements from requesting carriers. This section spells out a forecasting procedure which will be followed

initially. Bell Atlantic-NY recognizes, however, that the procedure set out here may need to be modified because it is not compatible with the forecasting capabilities of the CLECs, the way the local competitive market will develop, or other reasons. Bell Atlantic-NY agrees that, no later than after receipt of the initial forecasts and assessment by Bell Atlantic-NY of its ability to meet forecasted demand based on the forecasts, Bell Atlantic-NY will meet with DPS staff and interested CLECs to consider possible revisions to the forecasting process and resulting actions and obligations. Bell Atlantic-NY agrees that it will meet sooner if, in DPS staff's view, circumstances warrant. If the timing permits, the revisions will be considered in the context of Public Service Commission Case 97-C-0139.

Bell Atlantic-NY will request forecasts on a semi-annual basis, with each forecast covering a two-year period. Information requested will include central office, month applications are expected to be sent, requested in-service month, preference for virtual or physical, and square footage required (physical) or high-level list of equipment to be installed (virtual).¹²

With regard to the use of forecasting data, Bell Atlantic-NY will post aggregate forecasting data on the Website within three weeks of the close of the forecasting window. Posting will include the COs requested, the number of virtual and physical applications for each CO, and any known space constraints. In addition, the Company will perform initial reviews of requested COs to identify potential problem sites based on the next six months of forecasts, consider forecasts in staffing decisions, and enter into planning discussions with forecasting CLECs to validate forecasts, discuss flexibility in potential trouble areas and assist in application preparation.

¹² Bell Atlantic-NY will treat these forecasts as confidential, and will not share them with Bell Atlantic-NY retail marketing personnel or outside parties.

Formal forecast requests will be sent to the CLECs semi-annually, as indicated above. The first forecast will be used to gauge whether demand is greater than current estimated Bell Atlantic-NY capacity (i.e., more than 20 per month, more than 8 in a geographical area, or more than 3 on a single day). Bell Atlantic-NY will provide a written report in May to the Public Service Commission regarding the analysis of the forecasts, subsequent discussions with the CLECs, and resulting action plans for both Bell Atlantic-NY and the CLECs. Several scenarios could develop:

- a. If the near-term (6-month) forecast is within Bell Atlantic-NY's current capacity, Bell Atlantic-NY will be accountable for meeting standard intervals subject to the limitations described in the Space Limitations and the Collocation Process sections of this document.
- b. If the overall forecast indicates spikes in demand, Bell Atlantic-NY will attempt to smooth the demand (by mutually agreeing to schedule jobs in months with less demand) through discussions and negotiations with the CLECs.
- c. Should Bell Atlantic-NY and the CLECs fail to agree to smooth demand, Bell Atlantic-NY will estimate the increase in cost and capacity, both internal and external (vendors), within three weeks of the disagreement and work with DPS staff to determine whether such additional expenditure is warranted and to evaluate cost recovery options.
- d. If the forecasts indicate a sustained need to provide more than Bell Atlantic-NY's current capacity, Bell Atlantic-NY will need to augment its workforce and work with the various vendors to prepare for the increase in demand. Bell Atlantic-NY will ramp up its workforce based on forecasts if it is assured that the CLECs are similarly held accountable for the accuracy of their forecasts. The Public Service Commission will examine the issue of accountability following the May 1998 report to the Public Service Commission.

DPS staff and Bell Atlantic-NY acknowledge that the forecasting process for collocation arrangements is new. Therefore, after the initial forecasts are received from CLECs, and Bell Atlantic-NY has assessed its ability to meet the forecasted demand, DPS staff and Bell Atlantic-

NY will meet to consider possible revisions to the forecasting process and resulting actions and obligations.

Unforecasted demand will be given a lower priority than forecasted demand. Bell Atlantic-NY will make every attempt to meet standard intervals for unforecasted requests; however, should unanticipated requests push demand beyond Bell Atlantic-NY's capacity limits, Bell Atlantic-NY will negotiate longer intervals as required (and within reason). As a rule of thumb, forecasts received less than three months prior to the application date may postpone the interval start date as follows:

<u>Forecast Received</u>	<u>Interval Start Date Commences</u>
No Forecast Received	3 months after application date
Forecast received 1 month prior to application date	2 months after application date
Forecast received 2 months prior to application date	1 month after application date
Forecast received 3 months prior to application date	On the application date

All such interval adjustments will be discussed with the CLEC at the time the application is received. Although formal forecast requests will be submitted on a semi-annual basis, the CLECs should update the near-term (6-month) forecasted application date going forward.

Where Bell Atlantic-NY has a written guarantee of reimbursement, it will examine forecasts for offices in which it is necessary to condition space, and discuss these forecasts with CLECs to determine the required space to be conditioned. If Bell Atlantic-NY commits to condition space based on forecasts, CLECs assigned space will give Bell Atlantic-NY a non-refundable deposit equal to the application fee, with a signed commitment to fund its proportionate share of the conditioning costs for its space and for unused space, consistent with

the Public Service Commission's March 2, 1998 Order in Case 95-C-0657, et al., on non-price terms and conditions for collocation (March 2 Order).

2. Space Limitations

When no space is available for physical collocation, Bell Atlantic-NY will inform the Public Service Commission as soon as it knows it will be unable to fulfill a request, based on applications, 6-month forecasts, or as soon as it otherwise becomes aware that there is no further space available for physical collocation. Bell Atlantic-NY will post a list of all such sites on its Website, and will update the list as additional constraints become known.

When forecasts indicate that all requests cannot be fulfilled in a particular central office due to limited available space, Bell Atlantic-NY will inform all forecasting CLECs of the total square footage available and the total number of CLECs requesting space in that CO. It will offer each CLEC an equal share of the central office space, and request applications immediately, with appropriate fees, to reserve the space. Each CLEC will have one month to respond. If a CLEC does not respond within the specified time, its apportioned share will be allocated evenly among those that do respond.

If there is not enough space available to provide all requesting CLECs with a minimum configuration (i.e., 25 sq. ft. for recombinations, 100 sq. ft. for standard transmission equipment), a drawing will be held for the space, with appropriate guidance and participation from the Public Service Commission. Bell Atlantic-NY will inform each CLEC of the number of requesting CLECs and the quantity of CLECs that can be accommodated in the available space. It will request applications immediately, with appropriate fees, to enter the drawing. Each CLEC will have one month to respond or be ineligible for the drawing. Bell Atlantic-NY will then forward

the list of qualifying applications to the DPS staff. Applications and associated fees will be returned to those not selected in the drawing.

3. Verification of Space Limitations Claims

Bell Atlantic-NY will provide the DPS staff with floor plans, future use information, site visits, etc., as requested by the DPS staff. Bell Atlantic-NY will provide an escort who will be able to answer questions about present and future use of space, and will provide construction plans for empty space upon DPS staff request. Staff walk-throughs of offices may include a CLEC representative, either the requesting CLEC or a neutral CLEC, upon the signing of a confidentiality agreement. If, after the walk-through and analysis, there is a disagreement about the space constraint, DPS staff will discuss with Bell Atlantic-NY and may at that time bring in a neutral third party for technical assistance.

4. Cost Recovery for Conditioning Space

In an attempt to meet the interests of the CLECs in reducing the up-front space preparation costs associated with physical collocation, and in accordance with the March 2 Order, Bell Atlantic-NY will implement the following two-step cost recovery mechanism:

- a. A CLEC interested in collocating in a Bell Atlantic-NY central office with no conditioned space available will only be required to pay for the costs Bell Atlantic-NY incurs to condition the amount of space needed to provide collocation to that CLEC. For instance, if Bell Atlantic-NY incurs \$250,000 in order to condition the appropriate amount of common space as well as providing for 1,000 sq. ft. of usable space which will be available for collocation, and a given CLEC only requires 1/10 of that space or 100 sq. ft., that CLEC would pay Bell Atlantic-NY a non-recurring charge of \$25,000. (If the collocator has under \$2 billion in revenues per year, it may pay this non-recurring charge on an installment basis pursuant to the non-recurring amortization plan filed with the Public Service Commission in November 1997). CLEC concerns regarding what amount of space Bell Atlantic-NY deems appropriate for conditioning will be brought to the Public Service Commission for resolution.

- b. The unrecovered costs for both the common space and non-subscribed space (\$225,000 for this example) would be recovered as follows:
- i) These unrecovered costs should be amortized over a five year period. The amortization and recovery of these costs will begin the next calendar year and will be adjusted year-to-year as required.
 - ii) The amortized unrecovered costs will be calculated by LATA (LATA 132, however, will be subdivided into Manhattan, Long Island, and the rest of the NY Metro LATA).
 - iii) All CLECs physically collocated in the specific LATA, or the specified area in the 132 LATA, will be required to pay Bell Atlantic-NY a portion of the amortized unrecovered costs based upon their percentage of the total square feet of collocation space in that LATA or area. If, for example, there were four CLECs physically collocated in a given LATA and each had an equal portion of the provided square footage, then each CLEC would pay 1/4 of the amortized unrecovered costs for that year.
 - iv) The amortized amount to be recovered from these CLECs would be reduced each year if subsequent collocators or Bell Atlantic-NY occupy the prepared collocation space.
 - v) The amount to be recovered will be adjusted to reflect uncollectible revenues.
 - vi) If Bell Atlantic-NY uses any of the space so conditioned, it will bear the same share of the costs that would otherwise have been borne by the CLECs.

The amount paid by subsequent collocators would also be reduced by the non-subscribed and common space costs already recovered from other CLECs. Recalculating the initial cost for future collocators will eliminate the possibility of double recovery. Using the above example, the initial collocator utilizing 100 square feet of this prepared space during the first year of the recovery period would pay Bell Atlantic-NY \$250 per foot. If a subsequent collocator requests 100 square feet of this prepared space during the first year of the recovery period, it would be

charged only \$210 per square foot, reflecting the fact that a portion of the non-subscribed and common space costs has already been recovered from other CLECs.

5. When Raw Space Is Available At Additional Cost

Raw space conversion timeframes fall outside the normal intervals and are negotiated on an individual case basis based on negotiations with the site preparation vendor(s). Bell Atlantic-NY will use its best efforts to minimize the additional time required to condition collocation space, and will inform the CLECs of the time estimates as soon as possible.

Bell Atlantic-NY will inform the Public Service Commission as soon as it knows it will require raw space conversion to fulfill a request based on application or forecast. Bell Atlantic-NY will post a list of all such sites on its Website, and will update the list as additional locations become known.

6. Bell Atlantic-NY Capacity

Bell Atlantic-NY's estimate of its present capacity of 15 to 20 collocation arrangements per month is based on current staffing and current vendor arrangements. As discussed in the forecasting section of this document, Bell Atlantic-NY will evaluate the first forecast results (expected in April), to determine if this capacity is sufficient. If it is insufficient, Bell Atlantic-NY will attempt to smooth spikes in demand via negotiations with the forecasting CLECs, and/or augment its workforce for sustained demand beyond its capacity if demand is tied to binding forecasts.

7. Vendor Capacity

Bell Atlantic-NY will continuously seek to improve vendor performance for all central office work, including collocation. Since the vendors require notice in order to meet increases in demand, Bell Atlantic-NY will share CLEC demand with appropriate vendors as required, subject

to the appropriate confidentiality safeguards. Bell Atlantic-NY will seek assistance from the CLECs to resolve vendor inability to meet demands. CLECs may also contract with vendors directly, for a variety of the functions required:

- a. Physical Collocation: The CLECs can contract directly for cage construction, electrical outlets, lighting and POT bay installation in their cages.
- b. Virtual Collocation: The CLECs can contract directly for transmission equipment engineering and installation including Interconnection Access Cabling and fiber splicing.

Bell Atlantic-NY may be excused for vendor delays, due to circumstances beyond Bell Atlantic-NY's or the vendor's control, as established in a reasonable force majeure clause.

8. Responsibility for Vendor Delays

No party shall be excused from their obligations due to the acts or omissions of a party's subcontractors, material men, suppliers or other third persons providing such products or services to such party unless such acts or omissions are the product of a force majeure event, or unless such delay or failure and the consequences thereof are beyond the reasonable control and without the fault or negligence of the party claiming excusable delay or failure to perform.

9. Measured Intervals

Bell Atlantic-NY will meet the 76/105 day intervals for all requests which were properly forecast 6 months prior to the application date, subject to the conditions described thus far, as well as the limitations below.

- a. In both virtual and physical collocation, the CLEC and Bell Atlantic-NY control various interim milestones they must meet to meet the overall intervals. The interval clock will stop, and the final due date adjusted accordingly, for each milestone the CLEC misses (day for day). Interim milestones were depicted in Attachment 6 of the first Maguire affidavit issued on November 3, 1997, for both virtual and physical. Virtual interim milestones were discussed in the second Maguire affidavit, issued on January 6, 1998.

- b. When Bell Atlantic-NY becomes aware of the possibility of vendor delays, it will first contact the CLEC(s) involved to attempt to negotiate a new interval. If Bell Atlantic-NY and the CLEC cannot agree, the dispute will be submitted to the Director of the Communications Division of the DPS for prompt resolution.

C. Unbundled Elements

Bell Atlantic-NY commits to provide all Unbundled Network Elements in accordance with the requirements of the Act, particularly with regard to §§ 251 and 252.

1. Hot Cut and Loop Provisioning Intervals and Performance

The current standard offered intervals are as follows:

LINKS:	
Basic Link (SVGAL) - Hot Cut	5 business days
Basic Line (SVGAL)(2 Wire Analog) - New Line: (a) 1-5 lines (b) 6-9 lines (c) 10+ lines	Smarts Clock ¹³ 10 business days Negotiated
Premium LINK (Two-Wire Digital) - New Line: (a) 1-5 lines (b) 6-9 lines (c) 10+ lines	Smarts Clock 10 business days Negotiated

Bell Atlantic-NY reports, on a monthly basis, the intervals offered and met, and will meet all stated intervals at the levels established in the service quality collaborative.

2. Premium Loops: Availability and Verification Process

Bell Atlantic-NY will provision, in the Public Service Commission-established intervals, the following premium types: 2-wire digital loop - ISDN qualified, 4-wire digital loop, 1.544

¹³ The Smarts Clock provides the next available appointment date for residential or business customers based on force availability. The same Smarts Clock is used for both Bell Atlantic-NY orders and CLEC orders.

MBPS channel, 45 MBPS channel. The process to verify availability of ISDN qualified loops is as follows:

- a. The CLEC initiates a pre-order request for Loop Qualification through Direct Customer Access System (DCAS). This request flows through Bell Atlantic-NY's Phoenix system which queries the loop inventory database to determine whether the necessary loop is ISDN qualified. The response is sent back through Phoenix and back through DCAS to the CLEC. This process can also be performed manually if a Pre-Order Loop Qualification request is not received via DCAS.
- b. The process to verify availability of 1.544 MBPS or 45 MBPS channels will follow the same process Bell Atlantic-NY utilizes for its own services. Once a request is received by Bell Atlantic-NY, notification of the request is sent to the appropriate engineering office, where an engineer researches the facility records and responds back to the TISOC whether facilities are available.
- c. The verification process for these services is the same for both CLEC and Bell Atlantic-NY customers. This process is built into the established intervals for all retail and wholesale customers.

3. Installation of UNE Loop Currently on Bell Atlantic-NY Integrated Subscriber Loop Carrier (IDLC)

If an existing Bell Atlantic-NY customer chooses to take service from a CLEC and the CLEC wants to use the existing Bell Atlantic-NY equipment and facilities as separate UNEs, Bell Atlantic-NY will make every effort to reuse elements of those existing facilities to the extent they meet CLEC order specifications. At this time, this is not possible when a CLEC orders a loop to serve a customer that Bell Atlantic-NY currently serves using Integrated Subscriber Loop Carrier. In such a case, Bell Atlantic-NY will assign other existing plant or provide new facilities (consistent with the terms in the CLEC's interconnection agreement) to provide UNE service. Appropriate service order notations and facility assignment processes assure that this transaction occurs. A change to other existing plant to provide this CLEC service will have no impact on the Public Service Commission-established interval.

4. Unbundled Local Switching

The purpose of the Network Design Request Process (NDR) is to provide a means to design, order and implement a CLEC's network in an unbundled environment. This network establishes the CLEC's presence in the Bell Atlantic-NY network and creates a platform upon which end-user services will be overlaid.

In general, the NDR process provides a means to create the CLECs switch presence and a network over which the CLECs end-user traffic will be processed. In addition, the NDR negotiations clarify the Bell Atlantic-NY/CLEC relationship, respective responsibilities and how business will be conducted with one another.

Bell Atlantic-NY has established intervals for the creation of office dialing plans and line class codes when customized routing is not requested, and for the unbundled network elements requested by the CLEC during the NDR process itself.

Bell Atlantic has committed to meet the following intervals for provisioning unbundled local switching ports, once the NDR process is complete:

- Unbundled analog switch ports alone (1-19 lines): 2 days
- Switch port and loop (platform - POTS):
 - Existing facilities (Hot Cut Basis): 5 days
 - New order (1-5 lines): Smarts clock
(6-9 lines): 10 business days
(> 10 lines): negotiated.

5. Signaling and Call-related Databases

Bell Atlantic-NY provides CLEC access to its call-related databases and signaling systems in accordance with the checklist. Bell Atlantic-NY has the capability to exchange TCAP

messages for AIN services, provide CLEC access to its service creation environment, or certify a service that was developed by a CLEC using its own databases and service logic.

IV. OPERATIONS SUPPORT SYSTEMS (OSS)

A. Standards

Bell Atlantic-NY will provide non-discriminatory access to its operational support systems (OSS) on appropriate terms and conditions. In furtherance of this goal, Bell Atlantic-NY will make available, for CLECs using interconnection, unbundled network elements and total service resale, electronic OSS for pre-ordering, ordering, provisioning, maintenance and repair, and billing. Bell Atlantic-NY's OSS interfaces will provide the necessary access to its legacy systems. Among other things, these systems will permit competitors to obtain pre-ordering information, submit service orders for resold services and unbundled network elements (UNEs), submit trouble reports, and obtain billing information. Access to the electronic OSS will include both application-to-application interfaces for pre-ordering and ordering, which will allow CLECs to tie their OSS directly to Bell Atlantic-NY's OSS via this interface, and, as an alternative, a graphical user interface (GUI) for pre-ordering, ordering and maintenance for the use of CLECs who do not find it feasible to use an application-to-application interface.

The OSS will be fully integratable for the pre-ordering and ordering functions. To this end, Bell Atlantic-NY will design an application-to-application interface for pre-ordering, using a format which will enable CLECs to build to it. This will be available in time so that it can be tested, in the context of the independent, third-party test described herein.¹⁴ To the extent that

¹⁴ The application-to-application pre-order interface available for the independent third-party test need not include a structured, formatted CSR provided by Bell Atlantic-NY. Bell Atlantic-NY will provide a structured, formatted CSR for such an interface within 120 days of the completion

the design criteria and business rules to be applied to this interface have not been fully developed by the Alliance for Telecommunications Industry Solutions, or if there are industry standards, but modifications may be appropriate, Bell Atlantic-NY will work collaboratively with the CLECs in the ongoing proceedings in Case 97-C-0271 (as well as with interested CLECs) to develop and disseminate them. Before the interface is adopted for use in the independent, third-party test, the DPS staff shall ascertain that such use is appropriate.

Bell Atlantic-NY will provide for the independent, third-party test an application-to-application ordering interface meeting EDI Version 8 and ANSI 3072 standards. This ordering interface will implement the decisions made by the Administrative Law Judges on February 25, 1998, in the ongoing collaborative sessions, and (except as noted below) the resolution of the 55 “open” issues in that collaborative process as of March 27, 1998.¹⁵ If, during Phase I of the independent, third-party test, the consultant or consultants performing that Phase of the work determines that additional ordering functionality is material to the CLECs’ ability to compete, then Bell Atlantic-NY will make this additional functionality available for the test.

With respect to maintenance and repair functions, Bell Atlantic-NY provides access through RETAS and, alternatively, through EIF. Bell Atlantic-NY will demonstrate through the independent third-party test that these systems can process reasonably foreseeable volumes for

of the specifications for such a CSR. Bell Atlantic-NY will also provide the “pseudo- CLEC” engaged in the third-party test (and any CLEC) with information needed to permit these entities to parse for themselves the information in an unstructured, unformatted CSR.

¹⁵ Bell Atlantic-NY is not required to implement in time for the third-party test collaborative items numbered 87, 97, 99, 101, 112, 135, 137, 194 and 198. Bell Atlantic-NY commits to completing the implementation of these items within 180 days of closing these items in the collaborative process. Bell Atlantic-NY commits to continuing in the collaborative process and to implementing issues finally resolved there within 180 days of resolution. Resolutions that do not involve software development are expected to be implemented well within the 180 days.

Resale and UNEs in a non-discriminatory manner. In addition, Bell Atlantic-NY will deploy maintenance and repair OSS interfaces in conformance with industry standards, within 180 days of their adoption.

Bell Atlantic-NY will provide necessary technical support to assist CLECs in building to each interface, as well as in understanding how to implement and use the OSS functions available to them. Bell Atlantic-NY will provide CLECs with the information necessary to format and process their electronic requests so that these requests flow through the interfaces, the transmission links, and into Bell Atlantic-NY's legacy systems as quickly and efficiently as possible. Such support will consist of appropriate documentation, including:

- technical reference manuals and users' guides;
- specifications enabling CLECs to modify or design their systems to communicate with Bell Atlantic-NY's interfaces and OSS, including full documentation for all application-to-application interfaces;
- information necessary to format and process their electronic requests so as to enhance complete flow-through of information, including syntactical requirements, internal business rules, ordering codes [including information concerning universal service ordering codes (USOCs) and field identifiers (FIDs) used by Bell Atlantic-NY], and other information necessary to submit an accurate and complete orders;
- a procedure for updating all documentation.

In addition, Bell Atlantic-NY will provide technical support for CLECs experiencing difficulty with these interfaces and has established a change management process for dealing with changes to the OSS interfaces. Bell Atlantic-NY will provide an electronic method for disseminating information regarding such changes. When an OSS interface or system is updated or replaced, Bell Atlantic-NY will maintain backward compatibility for a commercially reasonable period of time, as defined by the established change management process or otherwise established by the Public Service Commission.

Bell Atlantic-NY will maintain one or more service centers or help desks that CLECs can contact for support purposes; the centers will have sufficient hours of operation, including outside of regular business hours, and will be staffed by an adequate number of persons with the appropriate expertise to provide the necessary support.

Bell Atlantic-NY's support processes will accommodate reasonably foreseeable transaction quantities, and will be scaleable to meet increases in demand over time. The OSS will provide CLEC representatives with equivalent functionality to that provided to Bell Atlantic-NY's retail representatives. For those services which have no Bell Atlantic-NY retail analog, Bell Atlantic-NY shall provide necessary data and specifications, in accordance with the resolution of these issues in the collaborative process. Bell Atlantic-NY will provide order flow through for the types of orders (at the dates specified) in Appendix 2, for the independent, third-party test. Bell Atlantic-NY also commits to achieving flow through of the order types listed in Appendix 3, and to continue to modify its OSS systems to flow through all but the least frequently requested types of orders at rates which are at parity with the rates at which analogous orders provided by Bell Atlantic-NY's own retail operations flow through. If, during Phase I of the independent, third-party test, the consultant or consultants performing that Phase of the work determines that additional order flow through is material to the CLECs' ability to compete, then Bell Atlantic-NY will make flow through for these additional order types available for the test. Consistent with the foregoing, the types of orders that are expected to flow through, and the requisite flow-through rates, will be determined in the test plan to be developed for the third party test. For purposes of determining the rate or percent of orders that flow through, "flow through" in the case of Bell Atlantic-NY orders means orders that require no manual entry into the service order processor,

and in the case of CLEC orders means those received electronically through the ordering interface and requiring no manual entry into the service order processor.

Before Bell Atlantic-NY will be considered to have met these standards, it will have instituted the performance measures required by the Public Service Commission, and will demonstrate that it is able to generate meaningful performance reports.

Bell Atlantic-NY's OSS interfaces will operate and be designed, to the extent possible, and consistent with industry standards and the proceedings in Case 97-C-0271, to streamline forms and fields, minimize repetition of information to be submitted by the CLECs which is already known to Bell Atlantic-NY, and to minimize disruption of an end-user's service. In particular, Bell Atlantic-NY will provide migration "as is" and migration "as specified" as set forth in Appendix 2.

In sum, Bell Atlantic-NY will demonstrate its compliance with requirements as set forth below:

- where there is commercial usage, using actual performance data; and
- an independent third-party test as described below.

In addition, the results of any internal testing and carrier-to-carrier testing completed prior to the third-party test may also be considered.

Further, Bell Atlantic-NY understands that as CLECs are ready to begin operating their OSS systems, it will be necessary to perform carrier-to-carrier testing. Bell Atlantic-NY commits to engage in and provide full cooperation for such carrier-to-carrier testing. The results of such tests will be relevant to the continuing assessment of whether Bell Atlantic-NY's OSS is providing competitors with parity access.

B. Independent Third Party Test

Bell Atlantic-NY acknowledges that it will not be considered to have met the OSS standards described above until it has provided evidence that its OSS systems are operationally ready and provide the appropriate level of performance. As part of the demonstration that it has achieved the standards described above, Bell Atlantic-NY will provide full cooperation to a third party test of its systems, consistent with the commitments herein. Bell Atlantic-NY understands and agrees that this test will be conducted under the supervision of DPS staff, with the assistance of an independent consultant or consultants selected by DPS staff, in accordance with the RFP issued by the DPS on March 6, 1998 and attached hereto as Appendix 4. Although Bell Atlantic-NY commits to paying the costs of the third party test, the consultant(s) will report directly to DPS staff, and will have no reporting relationship with Bell Atlantic-NY.

As set forth in the RFP, Bell Atlantic-NY's cooperation in the test will include, but not be limited to:

- provision to the consultant of the documentation and support which would be necessary for a CLEC to access and use the Bell Atlantic-NY OSS systems;
- demonstration that Bell Atlantic-NY's systems provide all requisite functionalities, are operationally ready, provide a level of performance which is, at a minimum, equivalent to that specified in the interim carrier-to-carrier service standards developed in the context of Case 97-C-0139, to the satisfaction of DPS staff, and are scaleable to reasonably foreseeable volumes of orders; and
- demonstration that Bell Atlantic-NY is able to generate meaningful reports of its performance pursuant to these standards.

If a Bell Atlantic-NY interface fails to achieve the required level of performance, Bell Atlantic-NY may, if agreed by DPS staff, cure the defect and continue the test beyond its initial testing period. In all events, the Public Service Commission retains the discretion to withhold its

positive recommendation if it concludes that Bell Atlantic-NY's OSS does not provide CLECs with a meaningful opportunity to compete.

C. Post Entry Commitments

Bell Atlantic-NY commits to cooperate with semi-annual audits of its OSS interfaces under the supervision of DPS staff to ascertain whether they continue to meet applicable standards for flow-through and other performance standards for processing CLEC orders, are able to accommodate the anticipated volumes of CLEC orders and trouble reports, and adhere to change management protocols.

V. ENSURING CONTINUED PERFORMANCE AFTER INTERLATA ENTRY

To ensure Bell Atlantic-NY will continue after § 271 entry to provide service to competitors at the levels the FCC and Public Service Commission deem appropriate, Bell Atlantic-NY agrees to undertake the commitments set out below at and after that time.

The Public Service Commission would retain the first line of authority for enforcing these provisions, while the FCC has authority for preventing Bell Atlantic-NY from future marketing in long distance should post-entry developments so warrant.

Bell Atlantic-NY recognizes that interconnection agreements between Bell Atlantic-NY and the CLECs remain an essential part of the statutory scheme. Although the performance provisions of those agreements will remain in effect during the term of the agreements, Bell Atlantic-NY reiterates its commitment to engage in good faith negotiations on new performance provisions when the current interconnection agreements expire.

A. Standards

Bell Atlantic-NY's performance will be monitored in two tracks; the first is designed to measure the Company's overall §271 performance, while the second will measure performance in a more limited number of critical areas, on both a CLEC-specific and an aggregate basis. With the exception of several additions, the measurements and standards are taken directly from the Interim Guidelines for Carrier-to-Carrier Performance Standards and Reports (Case 97-C-0139), which were established in the collaborative effort involving Bell Atlantic-NY, the CLECs, and representatives of various state agencies and consumer groups, under the supervision of the Public Service Commission. These standards, which were approved by the Public Service Commission as Interim Guidelines, have also been reviewed by the Department of Justice. These standards, which are set forth in Appendix 5, therefore represent the interests of a broad body of stakeholders.

1. Overall Performance

The numerous individual standards have been aggregated into three overall categories, which correspond to the three methods CLECs will use to enter the market: Resale, UNE and Interconnection. The individual standards have been weighted to emphasize individual metrics, which will be aggregated to produce an overall score in each of the categories.

2. Critical Measure Performance

Bell Atlantic-NY recognizes that its performance in twelve particular categories is critical to the CLECs' ability to compete in New York. The Company has therefore agreed that, should its performance miss the standard in even *one* of these categories, the market adjustments set out herein will be triggered. These corrective actions will inure to the benefit of the CLEC that received performance below the standards set.

B. Measurement

In order to ensure that there is timely information regarding Bell Atlantic-NY's performance under these standards, the Company will report its performance for each metric on a monthly basis. Reporting will be accomplished through the following actions, which are designed to ensure that any lack of parity can be determined with a 95% level of confidence:

1. Bell Atlantic-NY will report the actual performance to its retail customers where such measures exist and to the CLEC customers for each metric associated with each mode of entry category and for each critical measure. A statistical test will then be performed in order to determine whether the CLEC measurement could be viewed as coming from a sample of the underlying process that produced the Bell Atlantic-NY measurement.¹⁶
2. A performance score for each metric will be calculated as follows:
 - a) The difference between the CLEC measurement and the Bell Atlantic-NY measurement will be calculated.
 - b) The appropriate Z-Score will be calculated in accordance with standard statistical methodologies.
3. A performance score will be created based upon the Z-score.
4. The performance score will then be weighted, based on the importance of the metric to the functioning of the competitive market.
5. The weighted scores shall then be aggregated by the mode of competitive entry (Resale, UNE, Interconnection), producing an overall score in each of the three classifications.
6. Twelve highly significant categories have been added to a separate list of "Critical Measures," which will each carry its own corrective action.¹⁷

¹⁶ For the OSS pre-ordering metrics; order confirmation timeliness (%), rejection notice timeliness (%) and daily usage feed, the performance scores of 0, -1 and -2 will be based on a defined range for each measurement, not on a statistical test. After three months of results, Bell Atlantic-NY will propose a range to convert these results into these performance scores.

¹⁷ For the critical measures, performance will be measured on both CLEC-specific and aggregate bases.

C. Mode of Entry Measurement

Since the Act requires that the Company provide interconnection “that is at least equal in quality” to that provided to itself, and “nondiscriminatory access” to unbundled elements, DPS staff will insert a performance score for each metric in each mode of entry category of the spreadsheet model as follows¹⁸:

<u>Z Score</u>	<u>Staff Performance Score</u>
$Z \leq -2$	-2
$-2 < Z \leq -1$	-1
$-1 < Z \leq +1$	0
$+1 < Z$	0

Each measure with a performance score of -1 in a given month, however, will be subject to change, depending upon the score for that measure in the subsequent two months. Should Bell Atlantic-NY maintain a performance score of 0 for those two months, then the score in the original month will be changed from -1 to 0. A score of -2 in a given month, however, will not be subject to change based upon performance in subsequent months.

Therefore, for each of the metrics within the three mode of entry categories, the Company’s performance will be graded 0 (parity achieved), -1 (parity in question), or -2 (parity not achieved). If the Company scores -1, but in the following 2 months scores 0, the -1 will be changed to 0 and the 0 would then be used in conjunction with all of the other metrics in that category. The performance score for each metric will then be weighted, based upon the importance of the metric in determining whether that mode of entry is open to competition. The

¹⁸ For sample sizes of less than 30, the -2 and -1 Z score thresholds will be determined from the t-table.

weighted scores shall then be aggregated by each mode of entry category (Resale, UNE, Interconnection), producing an overall score in each of the three categories. If the Company's average score for all of the metrics in any one category is -0.2,¹⁹ wholesale price reductions will result. Additional price reductions occur if performance declines further.

D. Critical Measures Measurement

DPS staff will insert performance scores, based on service to each individual CLEC, for each critical measure on the spreadsheet model as follows:

<u>Z Score</u>	<u>Staff Performance Score</u>
$Z \leq -2$	-2
$-2 < Z \leq -1$	-1
$-1 < Z \leq +1$	0
$+1 < Z$	0

Each measure with a performance score of -1 in a given month, however, will be subject to change, depending upon the score for that measure in the subsequent two months. Should Bell Atlantic-NY maintain a performance score of 0 for those two months, then the score in the original month will be changed from -1 to 0. A score of -2 in a given month, however, will not be subject to change based upon performance in subsequent months.

E. Corrective Action

Should Bell Atlantic-NY's performance not meet the agreed upon standards, corrective action in the form of reduced wholesale prices will be taken. Unsatisfactory performance for three consecutive months will result in additional corrective action. The score of -X should

¹⁹ The intent is that -0.2 corresponds to the threshold at which one can be 95% certain that parity does not exist.

represent the maximum allowable out of parity condition that would significantly limit a mode of entry as a competitively viable option.²⁰

1. Mode of Entry Category

If Bell Atlantic-NY's overall score in one of these three categories falls below -0.2 in any given month, wholesale price reductions, in the form of bill credits, will be implemented and remain in effect for one month. If an overall score falls to -X or below, the maximum wholesale price reduction will be implemented.

- At -0.2, the then-prevailing TSR discount will be increased by 0.294%. For each of the 19 Resale category overall performance score increments between -0.2 and -X, the then-prevailing TSR discount will be increased by 0.147%.
- At -0.2, the then-prevailing UNE link rate will be decreased by \$0.68. For each of the 19 UNE category overall performance score increments between -0.2 and -X, the then-prevailing UNE link rate will be decreased by \$0.34.
- At -0.2, the then-prevailing reciprocal compensation rate paid by the CLEC will be decreased by \$0.0000250. For each of the 19 Interconnection category overall performance score increments between -0.2 and -X, the then-prevailing reciprocal compensation rate will be decreased by \$0.0000125 per minute.

2. Critical Measures Category

For each critical measure, Bell Atlantic-NY's performance to all CLECs during a given month will be averaged. Should the resulting performance score in any one category fall to -1, 50% of the maximum wholesale price reductions for that measure will be implemented, and will inure to the benefit of the CLEC or CLECs that received below-standard performance based on the level of service provisioned to each CLEC. Should any CLEC receive sub-standard performance for two consecutive months, however, regardless of whether all CLECs on average

²⁰ After three months of results, Bell Atlantic-NY will propose a value for X.

received satisfactory performance, wholesale price reductions for that CLEC will be implemented for a period of two months.

For performance scores between -1 and -2, the price reduction will increase by an additional 5% of the maximum, for each .1 decrease in the Z-Score. Stated another way, for each -0.1 performance score increment between -1 and -2, depending on whether the critical measure affects resale, UNE or interconnection,

- the then-prevailing TSR discount will be increased by 0.12%,
- the then-prevailing UNE link rate will be decreased by \$0.32, and
- the then-prevailing reciprocal compensation rate paid by the CLEC will be decreased by \$0.00001563 per minute.

If the scores fall to -2.0, the maximum wholesale price reduction will have been implemented.

3. Continued Unsatisfactory Performance

Unsatisfactory performance for three consecutive months will result in additional corrective action. Should Bell Atlantic-NY provision performance at one half the difference between -0.2 and -X in any one of the three modes of entry categories (Resale, UNE and Interconnection) for three consecutive months, the resultant wholesale price reductions for that same three month period will be doubled. The doubling of the wholesale price reductions will continue until such time as the Company achieves one quarter the difference between -0.2 and -X or better failure rate in that category in any given month.

Performance at -X for three consecutive months in any one of the three modes of entry categories will result in an extension of the original duration of the UNE-P offering of two years for every geographic area.

F. Term of Backslide Measures

At such time as Bell Atlantic-NY eliminates its Section 272 affiliate, the parties will reconvene for purposes of reevaluating the appropriateness of the standards, measurements and corrective action. Until such time as a replacement mechanism is developed, this plan, as it may be modified before such time, shall remain in effect.

G. Adjustment

A separate milestone has been created, for July 31, 1998, to ensure compliance with all of the Company's reporting obligations. At this milestone, the Public Service Commission will examine actual data, to ensure that any statistical system is valid and reasonable and to make appropriate adjustments if necessary. At least one quarter's worth of actual and statistical data, including number of observations and calculated standard deviations, will be provided by Bell Atlantic-NY, in accordance with all of the principles that may have been established by the Public Service Commission and FCC prior to that time. The plan set forth herein envisions that a performance score of -X, which would result in the maximum penalty, should represent the maximum allowable out of parity condition that would significantly limit a mode of entry as a competitively viable option. At the milestone, actual data will be examined in order to determine the value of X. At this review, DPS staff shall engage in a root cause analysis and, if necessary, make the appropriate changes, including, but not limited to, adjustments for geographic and other characteristic differences between Bell Atlantic-NY and CLEC customers on average.

H. Reporting

In addition to providing monthly performance measures, Bell Atlantic-NY shall make available, in electronic format, the data underlying these measures. All data and measures shall be provided within 15 days of the end of each month, beginning with the July 1998 results. Bell

Atlantic-NY will report data on the categories set forth in Appendix 5, and will continue to report on all measures established in the carrier-to-carrier service quality collaborative, allowing for additions, deletions and other modifications made through the collaborative process and/or by the Public Service Commission. In addition, to the extent allowed by law, the Company will make available CLEC-specific electronic reports enabling those receiving the reports to evaluate performance at greater levels of detail, including but not limited to residential and business, geographic and class of service performance.

Should the disaggregated reports reveal that Bell Atlantic-NY has failed to provide parity performance in the disaggregated areas, in a competitively significant degree, the Company acknowledges that the Public Service Commission may need to change the market adjustments to encompass the disaggregated reports. Bell Atlantic-NY's plans to comply with the reporting capabilities, including the Company's ability to provide this electronic reporting, will be measured at the July 31, 1998 milestone. This milestone represents an opportunity to ensure that all important implementation issues regarding the definitional and other reporting issues are satisfactorily resolved by that time.

VI. ADDITIONAL STEPS TO OPEN THE LOCAL MARKET

A. Number Portability

With the move to full number portability, 109 Bell Atlantic-NY central offices in LATA 132 are now able to accommodate long-term number portability. All upstate MSAs on the FCC's original schedule will be able to accommodate long-term number portability by the end of 1998. Bell Atlantic-NY will adhere to the current schedule established by the FCC for the 100 largest

MSAs in the country, and the requirements associated with requests for other areas of the State as established by the FCC.

Paul A. Crotty
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List of Milestones

I. Account Servicing

- April 15: Account Managers will receive laptop computers, pagers and cell phones.
- April 15: Bell Atlantic will provide to both CLECs and the Public Service Commission, and will post on the Website, the list of central offices that have known physical collocation space constraints, as well as those that have only unconditioned space remaining.
- April 30: Additional technical support staff in place.
- April 30: Bell Atlantic-NY will facilitate sponsorship in a users group for facilities-based CLECs.
- April 30: Bell Atlantic-NY will implement a “Single Point of Contact” program for the CATC.
- May 31: Bell Atlantic-NY will have completed all end office switch upgrades in current round.

II. Combination of Elements

Demonstration that CLECs have reasonable and non-discriminatory access to unbundled elements.

III. Interconnection, Collocation and UNEs

- July 1: Bell Atlantic-NY must demonstrate that it is able to provision virtual collocation within the prescribed 105 day time interval, and that the installations will function as intended.
- August 31: Bell Atlantic-NY will have a general service offering of two-way trunks, to both end offices and tandems, on a measured-use basis.

IV. OSS

RFP Milestones for OSS Test, consistent with this Pre-Filing Statement.

V. Ensuring Continued Performance After InterLATA Entry

- July 31: Data and methodology evaluation.

1. LSR/EDI resale order flow through capability available as of April 6, 1998:

Conversion with and without changes – Bell Atlantic-NY retail to reseller and reseller to reseller.

PIC modifications including PIC freeze.

LPIC modifications including LPIC freeze.

Changes, adds and deletes to Custom Calling Features – Call Waiting, 3-Way Calling, Call Forwarding, Speed Calling 8 and 30, and Touch Tone.

Full Disconnects.

Optional Calling Plans

Convert as specified.

Class of service.

Customer/Company initiated blocking.

Remarks data on resale form only delete an auxiliary line.

Phonesmart.

Operator Services.

2. The following additional order types will be flow through in April 1998 (except where noted):

Resale

New line.

Simple listings.

Valuflex (May 1998).

Call Forwarding II.

UNE

New Basic and Premium Links

Basic Links:

Partial migration of existing service without INP.

Partial migration of existing service with INP using RCF arrangement.

Full migration of existing service without INP.

Full migration of existing service with INP using RCF arrangement.

Addition of new link to existing account.

3. The following additional order types will be flow through in August 1998:

Platform

Migration of existing account “as-is” (check the box).

Migration of existing account “as specified” (“as-is” plus or minus the following features):

Call Waiting, 3-Way Calling, Call Forwarding, Speed Calling 8 and 30, and Touch Tone.

PIC modifications including PIC freeze.

LPIC modifications including LPIC freeze.

Customer/Company initiated blocking.

Remarks data only delete an auxiliary line.

Phonesmart.

Call Forwarding II.

Bell Atlantic-NY will provide flow through for the following order types after August 1998:

Resale

Hunting

Partial Acquisition

Complex listings

Outside moves

Call Answering

Modifications/cancels

Suspensions

Restorals

Intellidial

Direct Inward Dialing

Ringmate

Flexpath

UNE

New Link

10 new links or greater completed in Level 4

If SBN in not established

Expedites

Supplemental activities

Partial Migration

Premium links

If SBN is not established

Complex and additional listings

Any listings other than NLST for INP, and that is changing from existing listings

Migrate BTN and create new BTN

Hunting

DPA's

Contractual agreements

Expedites

Supplemental activities

Full Migration

Premium links

If SBN is not established

Complex and additional listings

Any listings other than NLST for INP, and that is changing from additional listings

Hunting

DPA's

Contractual agreements

Expedites

Supplemental activities