Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Application by Verizon New England Inc.,	)	
Bell Atlantic Communications, Inc. (d/b/a	)	CC Docket No. 02-7
Verizon Long Distance), NYNEX Long	)	
Distance Company (d/b/a Verizon Enterprise	)	
Solutions), Verizon Global Networks Inc.,	)	
and Verizon Select Services Inc., for	)	
Authorization To Provide In-Region,	)	
InterLATA Services in Vermont	)	

MEMORANDUM OPINION AND ORDER

Adopted: April 17, 2002 **Released:** April 17, 2002

By the Commission: Commissioner Copps issuing a statement.

Paragraph

I. INTRODUCTION

1. On January 17, 2002, Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc. (Verizon) filed this application pursuant to section 271 of the Communications Act of 1934, as amended,[1] for authority to provide in-region, interLATA service originating in the State of Vermont. We grant the application in this Order based on our conclusion that Verizon has taken the statutorily required steps to open its local exchange markets in Vermont to competition.

2. This application demonstrates that even in very rural states, competition in the market for local telecommunications can develop. According to Verizon, competing carriers in Vermont serve approximately 21,500 lines using all three entry paths available under the Act (resale, unbundled network elements, and competitor-owned facilities).[2] Across the state, competitors serve approximately 15,900 lines through resale and approximately 5,600 lines using unbundled network elements or their own facilities.[3]

3. We wish to acknowledge the effort and dedication of the Vermont Public Service Board (Vermont Board). We recognize that in smaller, more rural states, the section 271 process taxes the resources of the state commissions, which regulate many vital areas in addition to local

[1] We refer to the Communications Act of 1934, as amended by the Telecommunications Act of 1996 and other statutes, as the Communications Act, or the Act. *See* 47 U.S.C. §§ 151 *et seq*. We refer to the Telecommunications Act of 1996 as the 1996 Act. *See* Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

[2] *See* Verizon Application App. A, Vol. 3, Tab F, Declaration of Paula L. Brown (Verizon Brown Decl.) Attach. 1 at para. 3.

[3] Verizon Brown Decl. Attach 1 at para. 6.

telephone service. Yet, by diligently and actively conducting proceedings beginning in 1997 to set TELRIC prices, implement performance measures, develop a Performance Assurance Plan (PAP), and gauge Verizon's compliance with section 271 of the Act, the Vermont Board has laid the necessary foundation for our review and approval. We are confident that the Board's efforts, which made it possible for us to grant this application, will reward Vermont consumers by making increased competition in telecommunications possible in the state.

II. BACKGROUND

4. In the 1996 amendments to the Communications Act, Congress required that the BOCs demonstrate compliance with certain market-opening requirements contained in section 271 of the Act before providing in-region, interLATA long distance service. Congress provided for Commission review of BOC applications to provide such service in consultation with the affected state and the Attorney General.[4]

5. We rely heavily in our examination of this application on the work completed by the Vermont Board. Beginning in 1995, the Vermont Board conducted its own proceeding to require unbundling of network elements and combinations of network elements.[5] The Vermont Board also conducted a series of pricing proceedings to set the rates for those elements.[6] In July 1999, the Vermont Board opened a proceeding to adopt performance measures for use in Vermont, and in December 2001 the Vermont Board adopted the New York Commission's guidelines with minor modifications.[7] Verizon must amend its Vermont guidelines within 30 days to conform to any changes that the New York Commission requires.[8]

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[4] The Commission has summarized the relevant statutory framework in prior orders. *See, e.g.*, *Joint Application by SBC Communications Inc., Southwestern Bell Tel. Co., and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance for Provision of In-Region, InterLATA Services in Kansas and Oklahoma*, Memorandum Opinion and Order, 16 FCC Rcd 6237, 6241-42, paras. 7-10 (2001) (*SWBT Kansas/Oklahoma Order*), *aff'd in part*, *remanded in part sub nom. Sprint Communications Co. v. FCC*, 274 F.3d 549 (D.C. Cir. 2001) (*Sprint v. FCC*); *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*, Memorandum Opinion and Order, 15 FCC Rcd 3953, 3961-63, paras. 17-20 (1999) (*Bell Atlantic New York Order*), *aff'd sub nom. AT&T Corp. v. FCC*, 220 F.3d 607 (D.C. Cir. 2000).

[5] *See* Vermont Board Comments App. B.

[6] *See id.* The history of UNE pricing in Vermont is set forth in more detail *infra* part III.B.1.a.

[7] *See* Verizon Application App. I, Tab 3, Vermont PSB, *Investigation into the Establishment of Wholesale Service Quality Standards for Providers of Telecommunications Services: Phase I (standards)*, Order Approving Carrier to Carrier Standards, Docket No. 6255 (Dec. 12, 2001) (Vermont PSB Performance Measures Order); Verizon Application App. L, Tab 11, State of New York Public Service Commission Order Modifying Existing and Establishing Additional Inter-Carrier Service Quality Guidelines (Oct. 29, 2001) (New York PSC October Order).

[8] *See* Vermont PSB Performance Measures Order at 3.

6. On August 7, 2001, Verizon formally asked the Vermont Board to consider whether Verizon is complying with the requirements of section 271.[9] The Vermont Board opened a docket to consider Verizon's request, and conducted a comprehensive evaluation of Verizon's compliance with section 271. The Vermont Board accepted comments, declarations, exhibits, and briefs of all interested parties, and also conducted five days of evidentiary hearings.[10] On completion of its proceeding, the Vermont Board sent a letter to Verizon expressing its conclusion that "Verizon VT has taken the appropriate steps to open the local exchange and exchange access markets in Vermont to competition in accordance with standards set forth in the Act."[11] The Board's recommendation, however, was conditioned on Verizon taking several actions, including lowering its nonrecurring charges for DSL installation and instituting a document retention policy relating to wholesale billing disputes.[12] In this proceeding, the Vermont Board filed a more detailed recommendation, in which it "supports Verizon's application under Section 271 of the Communications Act for authority to provide in-region inter-LATA service."[13] The Board expressly finds, in addition, that "Verizon has already complied with all of the conditions that were imposed by this Board."[14]

7. The Department of Justice filed its recommendation on February 21, 2002.[15] We note, significantly, that the Department of Justice recommends approval of Verizon's application for section 271 authority in Vermont, stating that:

> Although there is significantly less competition to serve residential customers [than business customers], the Department does not believe there are any material non-price obstacles to competition in Vermont created by Verizon. Verizon has submitted evidence to show that its Vermont OSS are the same as those that the Commission found satisfactory in Massachusetts. Moreover, the record indicates few complaints regarding Verizon's Vermont OSS. [16]

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9 *See* Vermont Board Comments at 4.

10 *See id.* at 4-5.

11 Verizon Application App. L, Tab 21, Letter from Vermont Public Service Board to V. Louise McCarren, President & CEO, Verizon New England, Inc., *Application of Verizon New England Inc., d/b/a Verizon Vermont, for a Favorable Recommendation To Offer InterLATA Service under 47 U.S.C. 271*, PSB Docket No. 6533, at 2 (Jan. 16, 2002) (Vermont PSB Section 271 Approval Letter).

12 *See id.* at 3-5.

13 Vermont Board Comments at 36.

14 Vermont Board Comments at 4.

15 Section 271(d)(2)(A) requires us to give "substantial weight" to the Department's evaluation. 47 U.S.C. § 271(d)(2)(A).

16 Department of Justice Evaluation at 5-6 (footnotes omitted).

While the Department of Justice does not believe that there exist non-price obstacles to competition in Vermont, "[t]he Department urges the Commission to look carefully at . . . comments in determining whether Verizon's prices are cost-based."[17]

III. PRIMARY ISSUES IN DISPUTE

8. As in recent section 271 orders, we will not repeat here the analytical framework and particular legal showing required to establish compliance with every checklist item. Rather, we rely on the legal and analytical precedent established in prior section 271 orders, and we attach comprehensive appendices containing performance data and the statutory framework for evaluating section 271 applications.[18] Our conclusions in this Order are based on performance data as reported in carrier-to-carrier reports reflecting service in the most recent months before filing (September 2001 through January 2002).[19]

9. We focus in this Order on the issues in controversy in the record. Accordingly, we begin by addressing whether the application qualifies for consideration under section 271(c)(1)(A) (Track A) and checklist item two (unbundled network elements, or UNEs). Next, we address checklist items one (interconnection), four (unbundled local loops), five (transport), and thirteen (reciprocal compensation). The remaining checklist items are discussed briefly. We find, based on our review of the evidence in the record, that Verizon satisfies all the checklist requirements.

A. Section 271(c)(1)(A)

10. In order for the Commission to approve a BOC's application to provide in-region, interLATA services, a BOC must first demonstrate that it satisfies the requirements of either

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[17] *Id.* at 6-7 (footnote omitted).

[18] Appendices B (Vermont Performance Data), C (Massachusetts Performance Data), and D (Statutory Requirements); *see Application by Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization To Provide In-Region, InterLATA Services in Rhode Island*, Memorandum Opinion and Order, 17 FCC Rcd 3300, Apps. B, C, and D (2002) (*Verizon Rhode Island Order*); *Joint Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 To Provide In-Region, InterLATA Services in Arkansas and Missouri*, 16 FCC Rcd 20719, Apps. B, C, and D (*SWBT Arkansas/Missouri Order*); *Application of Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization To Provide In-Region, InterLATA Services in Pennsylvania*, Memorandum Opinion and Order, 16 FCC Rcd 17419, 17508-545, Apps. B and C (2001) (*Verizon Pennsylvania Order*).

[19] We examine data through January 2002 because they describe performance that occurred before comments were due in this proceeding on February 6, 2002. *See Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 To Provide In-Region, InterLATA Services in Texas*, Memorandum Opinion and Order, 15 FCC Rcd 18354, 18372, para. 39 (2000) (*SWBT Texas Order*).

section 271(c)(1)(A) (Track A) or section 271(c)(1)(B) (Track B).[20] To meet the requirements of Track A, a BOC must have interconnection agreements with "one or more unaffiliated competing providers of telephone exchange service . . . to residential and business customers."[21] The Commission has further held that a BOC must show that at least one "competing provider" constitutes "an actual commercial alternative to the BOC,"[22] which a BOC can do by demonstrating that the provider serves "more than a *de minimis* number" of subscribers.[23] The Commission has interpreted Track A not to require any particular level of market penetration, however, and the D.C. Circuit has affirmed that the Act "imposes no volume requirements for satisfaction of Track A."[24]

11. We conclude that Verizon satisfies the requirements of Track A in Vermont. Verizon relies on interconnection agreements with SoVerNet, Z-Tel, and Adelphia in support of its Track A showing, and we find that each of these carriers serves more than a *de minimis* number of end users predominantly over its own facilities and represents an "actual commercial alternative" to Verizon in Vermont.[25] Specifically, SoVerNet provides telephone exchange service to both residential and business subscribers in Vermont using UNEs and its own facilities. SoVerNet is expanding its footprint in the state with additional collocation arrangements, and is actively pursuing new customers through advertising and marketing.[26] Z-Tel provides services to residential subscribers over the UNE-Platform.[27] Adelphia, the largest facilities-based competitive provider in Vermont, serves business customers using UNEs and its

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[20] 47 U.S.C. § 271(c)(1).

[21] *Id.* § 271(c)(1)(A).

[22] *Application by SBC Communications Inc., Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in Oklahoma*, Memorandum Opinion and Order, 12 FCC Rcd 8685, 8695, para. 14 (1997) (*SWBT Oklahoma Order*).

[23] *SWBT Kansas/Oklahoma Order*, 15 FCC Rcd at 6257, para. 42; *see also Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in Michigan*, Memorandum Opinion and Order, 12 FCC Rcd 20543, 20585, para. 78 (1997) (*Ameritech Michigan Order*).

[24] *Sprint v. FCC*, 274 F.3d 549, 553-54 (D.C. Cir. 2001); *see also SBC Communications Inc. v. FCC*, 138 F.3d 410, 416 (D.C. Cir. 1998) ("Track A does not indicate just how much competition a provider must offer in either the business or residential markets before it is deemed a 'competing' provider.").

[25] *SWBT Oklahoma Order*, 12 FCC Rcd at 8695, para. 14.

[26] Verizon Application at 8-9; Verizon Brown Decl. Attach. 1 (*citing confidential portion*) para. 28; Letter from Richard T. Ellis, Director - Federal Affairs, to William Cannon [sic], Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed Feb. 11, 2001) (Verizon Feb. 11 *Ex Parte* Letter) (*citing confidential portion).* In its comments in this proceeding, SoVerNet confirmed and slightly augmented Verizon's estimate of its facilities-based residential end user count. *See* SoVerNet Comments at 3.

[27] Verizon Brown Decl. Attach 1 (*citing confidential portion*) para. 30.

own facilities.[28] Competitors have penetrated the business market to a notable extent, considering Vermont's largely rural nature. While there is less facilities-based competition for residential customers than for business customers, the level of facilities-based competition in the residential market is comparable to other largely rural states where the Commission has granted section 271 authority, and, in any event, satisfies the minimum requirements of Track A.[29]

12. We disagree with commenters who contend that the generally low levels of residential facilities-based competition in Vermont must result in a finding that Verizon does not meet the requirements of Track A.[30] Sprint, for example, argues that the generally low levels of residential facilities-based competition mean that the carriers described above are not "competing providers."[31] Congress specifically declined to adopt a volume requirement, market share, or other similar test for BOC entry into long distance,[32] and, as stated above, we find that each of the carriers described above is actively providing facilities-based service to more than a *de minimis* number of customers.

B. Checklist Item 2 – Unbundled Network Elements

1. Pricing of Unbundled Network Elements

a. Background

13. Checklist item two of section 271 states that a BOC must provide "nondiscriminatory access to network elements in accordance with sections 251(c)(3) and 252(d)(1)" of the Act.[33] Section 251(c)(3) requires incumbent LECs to provide "nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms, and conditions that are just, reasonable, and nondiscriminatory."[34] Section

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[28] Verizon Application at 8-9; Verizon Brown Decl. Attach. 1 (*citing confidential portion*) para. 23; Verizon Feb. 11 *Ex Parte* Letter (*citing confidential portion*). Verizon argues that Adelphia also serves some residential customers. Adelphia, however, argues that those lines, which serve senior living centers and more closely resemble a shared tenant service, or which serve small businesses where the business is located at the owner's home, should not be counted as residential. *See* Adelphia Comments at 2; Adelphia Reply at 2. We need not resolve this question because we find that even excluding from our analysis these disputed customers, Verizon satisfies the requirements of Track A because SoVerNet and Z-Tel each serve a sufficient number of residential customers.

[29] *See SWBT Arkansas/Missouri Order*, 16 FCC Rcd at 20778-80, paras. 117-21; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6256-59, paras. 40-44.

[30] Sprint Comments at 9-10; SoVerNet Comments at 3.

[31] Sprint Comments at 10.

[32] *Sprint v. FCC*, 274 F.3d at 553-54; *Ameritech Michigan Order*, 12 FCC Rcd at 20585, para. 77. We further address parties' arguments regarding the general levels of competition in Vermont in our discussion of the public interest requirement, *infra* part VI.

[33] 47 U.S.C. § 271(B)(ii).

[34] *Id*. § 251(c)(3).

252(d)(1) requires that a state commission's determination of the just and reasonable rates for network elements shall be based on the cost of providing the network elements, shall be nondiscriminatory, and may include a reasonable profit.[35] Pursuant to this statutory mandate, the Commission has determined that prices for unbundled network elements (UNEs) must be based on the total element long run incremental cost (TELRIC) of providing those elements.[36]

14. Although the U.S. Court of Appeals for the Eighth Circuit stayed the Commission's pricing rules in 1996 and vacated them in 1997,[37] the U.S. Supreme Court restored the Commission's pricing authority on January 25, 1999, and remanded to the Eighth Circuit for consideration of the merits of the challenged rules.[38] On remand from the Supreme Court, the Eighth Circuit concluded that, while a forward-looking cost methodology is an acceptable method for determining costs, certain specific Commission pricing rules were contrary to Congressional intent.[39] The Eighth Circuit stayed the issuance of its mandate pending review by the Supreme Court.[40] Accordingly, the Commission's rules remain in effect for purposes of this application.[41]

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[35] *Id*. § 252(d)(1).

[36] *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket 96-98, First Report and Order, 11 FCC Rcd 15499, 15844-46, paras. 674-79 (1996) (*Local Competition Order*) (subsequent history omitted); 47 C.F.R. §§ 51.501 *et seq*. *See also Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147, and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98,* Third Report and Order and Fourth Report and Order, 14 FCC Rcd 20912, 20974, para. 135 (1999) (*Line Sharing Order*), *pets. for review pending sub nom. USTA, et al. v. FCC*, D.C. Cir. No. 00-1012 and consolidated cases (filed Jan. 18, 2000) (concluding that states should set the prices for line sharing as a new network element in the same manner as states set prices for other UNEs).

[37] *Iowa Utils. Bd. v. FCC*, 120 F.3d 753, 800, 804, 805-06 (8th Cir. 1997).

[38] *AT&T v. Iowa Utils. Bd.*, 525 U.S. 366 (1999). In reaching its decision, the Court acknowledged that section 201(b) "explicitly grants the FCC jurisdiction to make rules governing matters to which the 1996 Act applies." *Id.* at 380. The Court determined that section 251(d) provides evidence of an express jurisdictional grant by requiring that "the Commission [shall] complete all actions necessary to establish regulations to implement the requirements of this section." *Id.* at 382. The pricing provisions implemented under the Commission's rulemaking authority, according to the Court, do not inhibit the establishment of rates by the states. The Court concluded that the Commission has jurisdiction to design a pricing methodology to facilitate local competition under the 1996 Act, including pricing for interconnection and unbundled access, as "it is the States that will apply those standards and implement that methodology, determining the concrete result." *Id*.

[39] *Iowa Utils. Bd. v. FCC*, 219 F.3d 744 (8th Cir. 2000), *cert. granted sub nom. Verizon Communications, Inc. v. FCC*, 531 U.S. 1124 (2001).

[40] *Iowa Utils. Bd. v. FCC*, No. 96-3321 (8th Cir. Sept. 25, 2000).

[41] *See* App. D, section IV.B.3, *infra*.

15. The Commission has previously held that it will not conduct a *de novo* review of a state's pricing determinations.[42] We will not reject an application "because isolated factual findings by a commission might be different from what we might have found if we were arbitrating the matter. . . ."[43] We will, however, reject an application if "basic TELRIC principles are violated or the state commission makes clear errors in factual findings on matters so substantial that the end result falls outside the range that the reasonable application of TELRIC principles would produce."[44]

16. In July 1997, the Vermont Public Service Board (Vermont Board) began what would become a lengthy, two and one half-year proceeding to set rates for unbundled network elements (UNEs). Even though it had the limited resources typical for many small states, the Vermont Board conducted a detailed scrutiny of the many complex issues presented in a UNE rate proceeding, particularly in light of the legal uncertainties then surrounding the Commission's TELRIC methodology. In July 1997, Verizon filed a Statement of Generally Available Terms (SGAT) setting the terms, conditions, and prices for UNEs and cost studies supporting its recurring and nonrecurring rates.[45] Those rates took effect in September 1997. Thereafter, in October 1997, Verizon and other parties, including AT&T, MCI Corporation (now WorldCom), and the Vermont Department of Public Service (Vermont Department), filed written testimony regarding the rates and cost studies. In December 1997, the Vermont Board conducted seven days of hearings on recurring costs, with an additional day of hearings in April 1998. The Vermont Board also conducted four days of hearings on nonrecurring costs in March 1998. At the close of the hearings, all parties had an opportunity to file briefs on all cost-related issues.[46] On October 15, 1999, a hearing officer issued a Proposal for Decision evaluating all testimony and briefs and recommending various resolutions for the issues raised in the proceedings.[47] On February 4, 2000, the Vermont Board issued an order accepting almost all of

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[42] *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244, *aff'd*, *AT&T Corp v. FCC*, 220 F.3d at 615-16; *SWBT Kansas /Oklahoma Order*, 16 FCC Rcd at 6266, para. 59, *aff'd*, *Sprint v. FCC*, 274 F.3d at 556 ("When the Commission adjudicates § 271 applications, it does not – and cannot – conduct *de novo* review of state rate-setting determinations. Instead, it makes a general assessment of compliance with TELRIC principles."); *Verizon Pennsylvania Order*, 16 FCC Rcd at 17453, para. 55.

[43] *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244, *aff'd*, *AT&T Corp v. FCC*, 220 F.3d at 615-16.

[44] *Id. See also SWBT Kansas /Oklahoma Order*, 16 FCC Rcd at 6266, para. 59, *aff'd*, *Sprint v. FCC*, 274 F.3d at 556; *Verizon Pennsylvania Order*, 16 FCC Rcd at 17453, para. 55.

[45] Verizon Application at 81; Verizon Application App. A, Vol. 3, Tab D, Joint Declaration of V. Louise McCarren, Patrick A. Garzillo, and Michael J. Anglin (Verizon McCarren/Garzillo/Anglin Decl.) at 3-4, para. 13.

[46] *Id*.; Verizon McCarren/Garzillo/Anglin Decl. at 4, paras. 14-15.

[47] Vermont PSB, *Investigation into New England Telephone and Telegraph Company's (NET's) tariff filing re: Open Network Architecture, including the unbundling of NET's network, expanded interconnection, and intelligent networks in re: Phase II, Module 2 – Cost Studies*, Proposal for Decision, Docket No. 5713 (rel. Oct. 15, 1999) (*Vermont UNE Rate Proposal for Decision*).

the hearing officer's recommendations and formally adopting the TELRIC methodology.[48] The Board also adopted Verizon's recurring cost model, with revised inputs, and AT&T's competing, nonrecurring cost model, with revised inputs.[49] The Board found that Verizon's rates, as modified by the revised inputs mandated by the Board, complied with basic TELRIC principles.[50] Verizon filed revised rates and cost studies for recurring charges to comply with the Vermont Board's order on April 4, 2000, and the revised rates became effective on June 4, 2000.[51] Verizon filed revised rates and cost studies for nonrecurring charges to comply with the Vermont Board's order on May 25, 2000, and they became effective on August 2, 2000.[52] The Vermont Board formally adopted the revised rates on August 23, 2000.[53]

17. On August 7, 2001, Verizon asked the Vermont Board to determine whether Verizon met the requirements of section 271 to provide in-region, interLATA service in Vermont.[54] The Vermont Board considered Verizon's request in a separate docket in which it examined the declarations, exhibits, briefs, and comments submitted by numerous parties, including the Vermont Department, AT&T, WorldCom, Sprint, and Adelphia Business Solutions.[55] The Vermont Board conducted five days of hearings for cross-examination of declarations and exhibits.[56] According to the Vermont Board, "[W]ith minor exceptions, no party raised concern over Verizon's pricing of unbundled network elements."[57] On January 16, 2002, the Vermont Board found that Verizon satisfied the requirements of section 271, conditioned on several changes to Verizon's proposed offerings for Digital Subscriber Line

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[48] Vermont PSB, *Investigation into New England Telephone and Telegraph Company's (NET's) tariff filing re: Open Network Architecture, including the unbundling of NET's network, expanded interconnection, and intelligent networks in re: Phase II, Module 2 – Cost Studies*, Order, Docket No. 5713 (rel. Feb. 4, 2000) (*Vermont UNE Rate Order.*)

[49] *See Vermont UNE Rate Proposal for Decision* at 14-47, 69-73.

[50] *Vermont PSB Section 271 Approval Letter* at 2; Vermont Board Comments at 27.

[51] Verizon Application at 82; Verizon McCarren/Garzillo/Anglin Decl. at 4-5, paras. 16-17.

[52] Verizon McCarren/Garzillo/Anglin Decl. at 5, para. 18.

[53] Vermont PSB, *Investigation into New England Telephone and Telegraph Company's (NET's) tariff filing re: Open Network Architecture, including the unbundling of NET's network, expanded interconnection, and intelligent networks in re: Phase II, Module 2 – Cost Studies*, Order, Docket No. 5713 (rel. Aug. 23, 2000). On October 12, 2000, in a separate docket, the Vermont Board also ordered Verizon to deaverage loop rates. Vermont PSB, *Investigation of Geographically Deaveraged Unbundled Network Prices*, Order, Docket No. 6318, (rel. Oct. 12, 2000)(*Vermont Loop Deaveraging Order*). These deaveraged loop rates took effect on February 11, 2001. *See also* Verizon McCarren/Garzillo/Anglin Decl. at 5-6, para. 21.

[54] Vermont Board Comments at 4.

[55] *Id*. at 4-5.

[56] *Id*. at 5.

[57] *Id*.

(DSL) services.[58] Verizon notified the Commission that it had satisfied these conditions on January 30, 2002.[59]

b. Discussion

18. Based on the evidence in the record, we find that Verizon's Vermont UNE rates are just, reasonable, and nondiscriminatory as required by section 251(c)(3), and are based on cost plus a reasonable profit as required by section 252(d)(1). Thus, Verizon's Vermont UNE rates satisfy checklist item two. The Commission has previously held that it will not conduct a *de novo* review of a state's pricing determinations and will reject an application only if either "basic TELRIC principles are violated or the state commission makes clear errors in factual findings on matters so substantial that the end result falls outside the range that the reasonable application of TELRIC principles would produce."[60] The Vermont Board concluded that Verizon's Vermont UNE rates satisfied the requirements of checklist item two.[61] While we have not conducted a *de novo* review of the Vermont Board's pricing determinations, we have followed the urging of the Department of Justice that we examine commenters' complaints regarding UNE pricing.[62] After carefully reviewing these complaints, we conclude that the Vermont Board followed basic TELRIC principles and the complaints do not support a finding that the Vermont Board committed any clear error. Thus, we conclude that Verizon's Vermont UNE rates satisfy the requirements of checklist item two.

19. We commend the Vermont Board for the prodigious effort of its small staff to establish TELRIC-compliant rates and note that its orders in the Vermont UNE rate proceeding correctly apply basic TELRIC principles. After two and one-half years of discovery, briefings, and hearings, which included the examination of competing cost studies filed by Verizon and AT&T, the Vermont Board adopted UNE rates that incorporated many of the TELRIC-compliant assumptions recommended by the Vermont Department of Public Service.[63]

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[58] *Vermont PSB Section 271 Approval Letter* at 2.

[59] Letter from Richard T. Ellis, Director—Federal Affairs, Verizon to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed Jan. 30, 2002.)

[60] *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244, *aff'd*, *AT&T Corp. v. FCC*, 220 F.3d at 615-16; SWBT *Kansas/Oklahoma Order*, 16 FCC Rcd at 6266, para. 59, *aff'd*, *Sprint v. FCC*, 274 F.3d at 556; *Verizon Pennsylvania Order*, 16 FCC Rcd at 17453, para. 55.

[61] *Vermont PSB Section 271 Approval Letter* at 2; Vermont Board Comments at 27.

[62] Department of Justice Evaluation at 6-7.

[63] While not specifically addressing pricing issues, we note that the Vermont Supreme Court recently affirmed Vermont Board decisions regarding combining UNEs and resale that Verizon had challenged. *Petition of Verizon New England Inc*., No. 2000-118, 2002 WL253771 (Vt. Feb. 22, 2002).

(i) Scope of Review

20. *Age of Data*. Virtually all pricing complaints from commenters relate to Verizon's switching and Daily Usage File (DUF) rates.[64] At the outset we note that, despite the fact that AT&T and WorldCom participated in the Vermont UNE rate proceeding, many of the problems with Verizon's switching and DUF rates raised here were never raised in Vermont.[65] Therefore, on a number of complex and fact-specific issues, we are being asked to reject the Vermont Board's factual findings on cost study inputs on the basis of conflicting assertions by the parties that they did not make in the Vermont rate proceeding. Previously we have explained that our role in considering a section 271 application is to review the record in the state UNE rate proceeding to determine whether the state commission correctly applied TELRIC principles in adopting UNE rates and made no clear error which causes the rates to fall outside a reasonable TELRIC range.[66] While we are not requiring parties to raise all pricing issues at the state level before raising them in a section 271 proceeding, it is both impracticable and inappropriate for us to make many of the fact-specific findings the parties seek in this section 271 review, when many of the Vermont Board's fact-specific findings have not been challenged below.[67] As we have previously stated, we cannot conduct a *de novo* rate proceeding in a section 271 review.[68] Here, AT&T and WorldCom raise new complaints that they never brought before the Vermont Board, and have failed to demonstrate that the Vermont Board committed any clear error.[69]

21. Much of the underpinning of complaints by AT&T and WorldCom regarding Verizon's switching rates is that the data underlying the inputs into Verizon's switching cost studies is old.[70] AT&T and WorldCom do not attack the TELRIC compliance of Verizon's

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[64] DUFs contain information recorded by the switch during the call that is used to bill customers. Commenters do not raise substantive concerns regarding Verizon's loop rates or nonrecurring charges. Loop rates refer to wholesale prices for the connection from the end user premises to a Verizon central office. Nonrecurring charges refer to one-time charges for requesting and providing UNEs.

[65] The issues raised here that were never raised in Vermont include complaints regarding Verizon's minute-of-use calculation for spreading its switch investment cost over switch usage, DUF rates, and switching related fill factors. *See* Verizon Reply at 11, 10, and 5. *See also* Letter from Richard T. Ellis, Director—Federal Affairs, Verizon to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed March 18, 2002) (Verizon March 18 *Ex Parte* Letter).

[66] *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244, *aff'd*, *AT&T Corp. v. FCC*, 220 F.3d at 615-16. *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6266, para. 59, *aff'd*, *Sprint v. FCC*, 274 F.3d at 556; *Verizon Pennsylvania Order*, 16 FCC Rcd at 17453, para. 55.

[67] *See SWBT Missouri/Arkansas Order*, 16 FCC Rcd at 20754-55, para. 73.

[68] *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244, *aff'd*, *AT&T Corp. v. FCC*, 220 F.3d at 615-16; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6266, para. 59, *aff'd*, *Sprint v. FCC*, 274 F.3d at 556; *Verizon Pennsylvania Order*, 16 FCC Rcd at 17453, para. 55.

[69] Of course, if we note a patent TELRIC error in the course of a section 271 review, we will not ignore it simply because it was not raised before the state commission.

[70] AT&T makes this claim regarding Verizon's switch discount, switch installation and power factors, and DUF rate. AT&T Comments at 6, 9-11, 15, 17; AT&T Comments, Declaration of Catherine E. Pitts (AT&T Pitts Decl.) (continued….)

switching cost model, the Switch Cost Investment System (SCIS) model developed by Telcordia Technologies (formerly Bellcore) to assist BOCs in developing their switching costs and resulting rates.[71] Instead, AT&T and WorldCom dispute the inputs Verizon used in running the model to produce switching costs, primarily because of their age. These allegedly outdated inputs, according to AT&T and WorldCom, produced switching rates that are too high to be TELRIC compliant. The evidence shows that the Vermont Board considered and addressed concerns regarding the age of the data and, with AT&T's support, adopted a six percent across the board reduction in Verizon's UNE rates, in part to address concerns about the age of the data in Verizon's cost studies.[72]

22. Further, the basis of AT&T and WorldCom's complaints about the age of the data is that fact that, in more recent rate proceedings in other Verizon states, newer switching cost data and inputs have resulted in lower switching rates.[73] Despite this fact, neither AT&T nor WorldCom have asked the Vermont Board to require Verizon to update the data and inputs for its switching cost studies. The Act imposes no obligation on Verizon to update data in Vermont each time it files a newer cost study in another state, particularly when it has never been asked to do so.

23. The Commission has recognized that rates may well evolve over time to reflect new information on cost study inputs and changes in technology, engineering practices, or market conditions.[74] The United States Court of Appeals for the District of Columbia Circuit agrees:

> [W]e suspect that rates may often need adjustment to reflect newly discovered information. . . . If new information automatically required rejection of section 271 applications, we cannot imagine

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at 3, para. 5, 5-6, para. 10, 11-12, paras. 21-22; AT&T Comments, Declaration of Michael Lieberman on behalf of AT&T Corp. (AT&T Lieberman Decl.) at 11-12, paras. 29-31; AT&T Reply at 4; Letter from Robert W. Quinn, Jr., Vice President, Federal Government Affairs, AT&T to William F. Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 at 6 (filed March 25, 2002) (AT&T March 25 *Ex Parte* Letter). WorldCom makes this claim regarding Verizon's DUF rate. WorldCom Reply at 5.

[71] AT&T disputed the validity of the SCIS model before the Vermont Board, claiming that AT&T's competing Hatfield model better predicted switching costs. After careful consideration, the Vermont Board rejected AT&T's claim, finding that the SCIS model, with adjustments mandated by the Vermont Board, satisfied TELRIC principles. *Vermont UNE Proposal for Decision* at 55-56, 58-60; *Vermont UNE Rate Order* at 88. In contrast, the Vermont Board adopted AT&T's competing model for predicting nonrecurring costs. *Vermont UNE Proposal for Decision* at 69-73; *Vermont UNE Rate Order* at 95.

[72] *Vermont UNE Rate Order* at 93.

[73] Thus AT&T and WorldCom continually compare Verizon's Vermont switching rates to newer rates in New York and proposed rates in Massachusetts. *See, e.g.*, AT&T Comments at 9-10, 15; AT&T Pitts Decl. at 2-3, para 14, 7, para. 13, 11-12, paras. 21-22; AT&T Reply at 4; AT&T March 25 *Ex Parte* Letter at 6; WorldCom Comments at 3, 7; WorldCom Reply at 2, 4-5.

[74] *Bell Atlantic New York Order*, 15 FCC Rcd at 4085-86, para. 247.

> how such applications could ever be approved in this context of rapid regulatory and technological change.[75]

Further, when the Vermont Board adopted UNE rates in February 2000, it expressly recognized that they might require adjustment in the near future:

> [A]ll rates that we set are at once final and interim, since, one, any change to them must be authorized by Board order and, two, any of them can be changed on a forward-looking basis pursuant to future Board orders based on an appropriate record . . . . We recognize, however, that this was in many ways a first effort . . . and therefore that the rates that emerge from this docket may have a limited life span. We fully expect – and encourage – [Verizon, the] Department, and other interested parties to bring to our attention changes in the industry, new functionalities, innovative modeling techniques, etc., that may warrant a reevaluation of the prices for wholesale UNEs and services.[76]

Also in February 2000, the Vermont Board adopted a six percent across-the-board reduction in UNE rates, in part to compensate for the age of the data.[77] The Vermont Board also is considering its hearing officer's recommendation for a triennial review of UNE rates, which, if adopted, would result in a new rate proceeding early next year.[78] We find, for the reasons explained more fully below, that the new information on which AT&T and WorldCom rely fails to demonstrate that the Vermont Board committed any clear error. We further recognize that the Vermont Board has shown its willingness to update Vermont UNE rates as new information may warrant.

24. Another circumstance unique to the Vermont section 271 application is that Vermont is a small state with limited resources. The Vermont Board cannot be expected to undertake a continuous cycle of resource-intensive, full-blown rate proceedings, especially where no party has sought such a proceeding. If the parties bring new developments significantly affecting cost study output to the Vermont Board's attention, however, it can consider how best to address such issues, which may or may not require the undertaking of a full, new rate proceeding. Such actions would allow the Vermont Board to best weigh the significance of commenters' concerns against the burdens of a full rate proceeding without requiring the Vermont Board or smaller competitive LECs with similarly limited resources to litigate full rate cases.

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[75] *AT&T Corp. v. FCC*, 220 F.3d at 617.

[76] *Vermont UNE Rate Order* at 101.

[77] *Id.* at 93.

[78] *Vermont Loop Deaveraging Order* at 9.

25. For these reasons, in the circumstances present here, where AT&T and WorldCom participated in the Vermont rate proceeding and could have raised their concerns to the Vermont Board but never did so, the Vermont Board never considered many of the complex and fact-specific questions presented for the first time in this section 271 proceeding, and commenters have presented no evidence to us that adequately demonstrates that the Vermont Board committed a clear error, we decline to overrule state factual determinations regarding specific cost study inputs that are more appropriately decided in a state rate proceeding.[79]

26. *Rate Comparisons*. AT&T and WorldCom also dispute the TELRIC compliance of specific Vermont switching and DUF rates by claiming that they are higher than the comparable New York rates.[80] We are not examining Verizon's Vermont rates using our benchmark analysis, and an unfavorable comparison to New York rates, old or new, does not prove that Verizon's Vermont rates violate TELRIC principles.[81] We have previously held that we will not apply our benchmark analysis to reject UNE rates arrived at through a proceeding that correctly applied TELRIC principles.[82] Further, as both the United States Court of Appeals for the District of Columbia Circuit and the Commission have recognized, "application of TELRIC principles can result in different rates in different states."[83]

27. *Cost Studies*. AT&T and WorldCom further claim that they cannot adequately evaluate the TELRIC compliance of Verizon's Vermont switching rates because Verizon has not made its cost studies available for examination.[84] During the Vermont rate proceeding, Verizon provided information regarding the inputs underlying its cost studies to the Vermont Board and all parties to the proceeding, including AT&T and WorldCom.[85] While the hearing officer

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[79] This holding is consistent with the Commission's holding in the *Bell Atlantic New York Order* where the Commission deferred to the New York Public Service Commission on a factual dispute regarding the appropriate switch discount. *Bell Atlantic New York Order*, 15 FCC Rcd at 4083-84, para. 242; 4084-85, para. 245, *aff'd*, *AT&T Corp. v. FCC*, 220 F. 2d at 617-18. *See also Verizon Rhode Island Order*, 17 FCC Rcd at 3321-22, para 43. The parties then returned to New York with their dispute, which the New York Commission resolved in the competitive LECs favor, ultimately adopting lower switching rates. New York PSC, *Proceeding on Motion of the Commission to Examine New York Telephone Company's Rates for Unbundled Network Elements*, Case 98-1357, Order on Unbundled Network Element Rates at 20-32 (rel. Jan. 28, 2002).

[80] *See, e.g.*, AT&T Comments at 10; AT&T Pitts Decl. at 2-3, para. 14, 7, para. 13; AT&T Reply at 4; AT&T March 25 *Ex Parte* Letter at 6; WorldCom Comments at 3, 7; WorldCom Reply at 2, 4-5.

[81] *See, e.g. Verizon Pennsylvania Order*, 16 FCC Rcd at 17456-57, para. 63; *SWBT Missouri/Arkansas Order*, 16 FCC Rcd at 20746, para. 56.

[82] *Verizon Rhode Island Order*, 17 FCC Rcd at 3320, para. 39.

[83] *AT&T Corp. v FCC*, 220 F.3d at 615, upholding *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244.

[84] AT&T Comments at 10; AT&T Pitts Decl. at 3-4, paras. 5-6; Letter from Amy Alvarez, District Manager—Federal Government Affairs, AT&T to William F. Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7; Supplemental Declaration of Catherine E. Pitts (AT&T Supplemental Pitts Decl.) at 2-4, paras. 3-7, (filed March 15, 2002); AT&T March 25 *Ex Parte* Letter at 2; WorldCom Comments at 5.

[85] Verizon Reply at App. A, Tab B, Reply Declaration of V. Louise McCarren, Patrick A. Garzillo, and Michael J. Anglin (Verizon McCarren/Garzillo/Anglin Reply Decl.) at 15, para. 40. Letter from Richard T. Ellis, Director—(continued….)

reviewing Verizon's cost information expressed regret in his Proposal for Decision that the proprietary nature of the Telcordia Technologies (now Bellcore) SCIS model prevented him from more closely examining all inputs underlying Verizon's proposed rates,[86] Verizon provided access to the SCIS model to the Vermont Department's consultant during the Vermont rate proceeding.[87] Thus, the Vermont Board determined that it had sufficient information to find that Verizon's Vermont rates satisfied TELRIC principles.[88] Significantly, AT&T did not seek access to Verizon's cost studies during the Vermont rate proceeding.[89] Further, despite the fact that Verizon has been supplying far more detail regarding its cost studies in more recent rate proceedings and section 271 applications, until now AT&T and WorldCom have not sought such additional detail for Vermont.[90] Now that they have sought it here, Verizon has provided it.[91] AT&T and WorldCom present no evidence here based on Verizon's cost studies that demonstrates that the Vermont Board committed clear error when it adopted Verizon's UNE rates.

(ii) Switching Cost Study Inputs

28. We now turn to criticisms by AT&T and WorldCom of specific cost study inputs underlying the Vermont switching rates.

29. *Minute-of-Use Calculation*. AT&T and WorldCom contend that Verizon improperly derives its per-minute switching rate by spreading its total switch investment cost over switch usage on 251 business days per year rather than all 365 calendar days per year.[92] This practice, according to AT&T and WorldCom, does not accurately spread switch investment cost over usage for the entire year, and enables Verizon to recover its switching costs in 251

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Federal Regulatory, to William Caton, Acting Secretary, Federal Communication Commission, CC Docket No. 02-7 at 3-4 (filed April 10, 2002) (Verizon April 10 *Ex Parte* Letter).

86 *Vermont UNE Rate Proposal for Decision* at 23.

87 Letter from Richard T. Ellis, Director—Federal Affairs, Verizon to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed March 25, 2002) (Verizon March 25 *Ex Parte* Letter); Letter from Richard T. Ellis, Director—Federal Regulatory, Verizon to William Caton, Acting Secretary, Federal Communication Commission, CC Docket No. 02-7 at 3-4 (filed April 10, 2002) (Verizon April 10 *Ex Parte* Letter).

88 *Vermont PSB Section 271 Approval Letter at 2*; Vermont Board Comments at 27.

89 Verizon March 25 *Ex Parte* Letter; Verizon April 10 *Ex Parte* Letter at 3-4.

90 Verizon March 18 *Ex Parte* Letter.

91 Letter from Richard T. Ellis, Director—Federal Affairs, Verizon, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed Feb. 26, 2002); Verizon March 18 and March 25 *Ex Parte* Letters.

92 AT&T Comments at 15-16; AT&T Pitts Decl. at 12-13, paras. 23-24; AT&T March 25 *Ex Parte* Letter at 10; WorldCom Comments at 6-7; WorldCom Reply at 3-4; Letter from Chris Frentrup, WorldCom to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed March 25, 2002) (WorldCom March 25 *Ex Parte* Letter).

days, turning any revenue generated on the remaining 114 days into over recovery.[93] Thus, according to AT&T and WorldCom, Verizon's per-minute switching rates over-recover its switch investment costs and are not TELRIC compliant. Both AT&T and WorldCom assert that Verizon should spread its costs over all 365 days per year.[94] In contrast, Verizon contends that it calculates switching costs in this way because it must size its switches to accommodate peak levels of demand.[95] Verizon further contends that using 365 days in its calculation would "substantially overstate the number of minutes over which Verizon will be able to recover switching-related costs and would result in substantial under-recovery of switching investment."[96]

30. To examine these conflicting assertions, we first explain the minute of use calculation. To derive its per-minute switching rate, Verizon uses the SCIS model that it also uses to determine the sizes of the switches it will need. Verizon first determines a busy hour minute-of-use figure from actual, measured minutes of use on the busiest hour of a business day.[97] Verizon then divides the busy hour minutes of use by the total minutes of use for that business day to derive a busy hour to day ratio (BHDR). Next Verizon divides the BHDR by 251 to derive a busy hour to annual ratio (BHAR). Verizon then multiplies the BHAR by its initial investment per busy hour minutes-of-use figure to derive per-minute switching investment cost, from which it determines a per-minute switching rate.[98]

31. There is no Vermont rate proceeding record for us to review on this issue because, while the Vermont Board adopted switching rates which incorporate this calculation, neither AT&T nor WorldCom raised this concern in the underlying rate proceeding. Similarly, neither AT&T nor WorldCom have subsequently asked the Vermont Board to address this issue.[99] Therefore, we do not have the benefit of any Vermont Board findings to assist us. While the record here creates some question regarding Verizon's practice, it is insufficient for us to conclude that the Vermont Board committed error in adopting rates incorporating Verizon's calculation. Moreover, because of the complexity of the formula, while fine-tuning might be merited from time to time, the record here is insufficient to determine that specific adjustments are warranted. The SCIS model is too complex to be totally reevaluated based on an allegation that one input is wrong. In the past we have declined such single substitutions in "a complex analysis that does not lend itself to simple arithmetic correction through the adjustment of a

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93 *Id*.

94 AT&T Pitts Decl. at 13, para. 24; WorldCom Comments at 7.

95 Verizon Reply at 23; Verizon McCarren/Garzillo/Anglin Reply Decl. at 11, para. 31.

96 Verizon McCarren/Garzillo/Anglin Reply Decl. at 12, para. 33; Verizon March 18 *Ex Parte* Letter; Verizon April 10 *Ex Part*e Letter at 6.

97 Verizon McCarren/Garzillo/Anglin Reply Decl. at 11-12, paras. 32-33.

98 *Id*.

99 Verizon McCarren/Garzillo/Anglin Reply Decl. at 11, para. 30; Verizon April 10 *Ex Parte* Letter at 6.

single input."[100] Here, for example, to determine that it is appropriate to divide the BHDR by 365 days instead of 251 days to reflect weekend and holiday usage would also require us to make corresponding changes to the BHDR to reflect the correct relationship between the busy hour minutes on a busy day to the busy hour minutes on an average day. The record here is insufficient for us to make such further changes, and they are precisely the kind of fact-specific findings that are best made by the state commission as an initial matter.[101] The Vermont Board has expressed a willingness to consider the effect of developments in, among other things, modeling techniques, when parties bring them to its attention. In particular, the Vermont Board noted that the proceeding adopting Verizon's switching rates was "in many ways a first effort . . . and therefore that the rates that [emerged] from [that] docket may have a limited life span."[102] Accordingly, we find that the Vermont Board committed no error with regard to this input on this record.[103]

32. *Intraswitch Calls*. WorldCom claims that Verizon's switching rates are not TELRIC compliant because Verizon charges for both originating and terminating minutes of use on intraswitch calls.[104] WorldCom did not raise this issue in the Vermont rate proceeding, waiting to argue the question during the Vermont Board's consideration of Verizon's section 271 application. WorldCom failed to provide evidence sufficient to demonstrate that Verizon should change its practice, and, therefore, the Vermont Board declined to require Verizon to do so.[105] The record here is also insufficient for us to answer such a fact-specific question, which, as discussed above, is best resolved in a state rate proceeding rather than a section 271 review. Whether or not recovery of both originating and terminating minutes of use on intraswitch calls is a violation of TELRIC principles or clear error is a question that turns on whether the practice

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[100] *Bell Atlantic New York Order*, 15 FCC Rcd at 4085, para. 245, *aff'd*, *AT&T Corp. v. FCC*, 220 F.3d at 617. *See also*, *Sprint v. FCC*, 274 F.3d at 559.

[101] Further, the positions asserted by AT&T and WorldCom have evolved on this issue, and they have sometimes made inconsistent statements regarding the appropriate adjustment. *See, e.g.*, New York PSC, *Proceeding on Motion of the Commission to Examine New York Telephone Company's Rates for Unbundled Network Elements*, Case 98-1357, Order on Unbundled Network Element Rates at 38 (rel. Jan 28, 2002); WorldCom March 25 *Ex Parte* Letter; New Jersey BPU, *Review of Unbundled Network Elements, Rates, Terms, and Conditions of Bell Atlantic New Jersey, Inc.*, Docket No. TO00060356, Decision and Order at 122 (rel. March 6, 2002). *See also* AT&T's assertion, without factual support, that in Vermont it is likely that weekend and holiday call volumes are the same as business day call volumes due to Internet usage. AT&T March 25 *Ex Parte* Letter at 10.

[102] *Vermont UNE Rate Order* at 101.

[103] We do not address whether we would reach a different conclusion based on different evidence presented in a different section 271proceeding.

[104] WorldCom Comments at 7; WorldCom Reply at 4; WorldCom March 25 *Ex Parte* Letter. An intraswitch call requires a single switch to originate and terminate, such as a typical call within the same exchange. An interswitch call requires more than one switch to originate and terminate.

[105] Vermont Comments at 27. Verizon asserts in this proceeding that it " has to perform both [originating and terminating] functions on an intra-switch call, and therefore incurs both costs for such calls, just as it does for an inter-switch call." Verizon Reply at 23; Verizon McCarren/Garzillo/Anglin Reply Decl. at 13-15, paras. 35-39.

is inconsistent with how the BOC derives the rates for these minutes of use. WorldCom has not demonstrated such an inconsistency here, and has not shown that the Vermont Board committed clear error by allowing Verizon to charge an inappropriate rate. Indeed, in rate proceedings where this issue was fully litigated, state commissions have reached different conclusions on whether or not to allow charging for originating and terminating minutes of use on intraswitch calls.[106] Thus, WorldCom has made no demonstration that the Vermont Board committed clear error when it allowed Verizon to charge for originating and terminating minutes of use on intraswitch calls. We do not address here whether, on the basis of different evidence, we would reach a different conclusion when considering a different section 271 application.

33. *Switch Discounts*. The Vermont Board required Verizon to assume that Verizon would receive only the larger discounts that switch vendors offer on new switches (100 percent new switch discount), rather than any mix of larger new switch discounts and smaller discounts offered for growth additions to existing switches.[107] AT&T claims that if Verizon had properly applied the 100 percent new switch discount when it filed new rates to comply with the Vermont Board's February 2000 *UNE Rate Order*, Verizon's switching rates would be lower than New York switching rates.[108] AT&T concedes that Verizon's Vermont switch investment per line decreased substantially from $400 to $160, but complains that the $160 figure is still too high because New York switch investment per line is $105.[109] According to the Commission's Synthesis Model,[110] Vermont non-loop costs are approximately 55 percent greater than New York non-loop costs, which could explain why Verizon's Vermont switch investment per line of $160 is roughly 55 percent greater than Verizon's New York switch investment per line of $105. Further, as we have stated, a mere difference in Vermont switching rates and another state's switching rates does not demonstrate that the Vermont Board committed clear error in adopting the switch discount.

34. Indeed, AT&T alleges no such error, and we find none. The Vermont Board adopted the switch discount AT&T advocated in the Vermont rate proceeding, and that AT&T

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[106] New York does not allow Verizon to charge for terminating minutes of use on intraswitch calls, but Rhode Island and Pennsylvania do. *See* WorldCom Comments at 7; WorldCom Reply at 4; Verizon Reply at 22.

[107] *Vermont UNE Proposal for Decision* at 27-28; *Vermont UNE Rate Order* at 88-90. For further discussion of new and growth addition switch discounts, *see Verizon Rhode Island Order*, 17 FCC Rcd at 3318, para. 34.

[108] AT&T Comments at 11-12; AT&T Pitts Decl. at 3-8, paras. 6-14; AT&T Reply at 5; AT&T March 25 *Ex Parte* Letter at 7; Letter from David L. Lawson, Sidley & Austin to William F. Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 at 2-3 (filed April 15, 2002) (AT&T April 15 *Ex Parte* Letter); Letter from David L. Lawson, Sidley & Austin to Marlene H. Dortch, Federal Communications Commission, CC Docket No. 02-7 (filed April 17, 2002). *See also Verizon Rhode Island Order*, 17 FCC Rcd at 3318, para. 34.

[109] AT&T Pitts Decl. at 4-5, para. 8; AT&T March 25 *Ex Parte* Letter at 8. *See also* AT&T April 15 *Ex Parte* Letter at 2-3.

[110] The Commission's Synthesis Model is used to compare costs of UNE rate elements among the several states to determine Universal Service Fund (USF) support.

and WorldCom have advocated in other section 271 proceedings.[111] Specifically, the Vermont Board ordered Verizon to assume that it would receive the greater new switch discounts on 100 percent of its switches, an assumption which resulted in lower switch costs and lower switching rates.[112] The Vermont Board adopted Verizon's new switching rates, which presumably incorporated this assumption, in April 2000. Here, AT&T does not complain that the Vermont Board adopted a flawed input. AT&T merely asserts that it cannot verify that Verizon's Vermont switching rates reflect a 100 percent new switch discount. If AT&T has evidence indicating that Verizon failed to apply the correct discount, it should bring this evidence to the Vermont Board, which can compel Verizon to respond to such evidence and commence an enforcement action if necessary.[113]

35. *Switch Installation Factor*. AT&T and WorldCom claim that Verizon's switch installation factor of 54.4 percent is too high to produce TELRIC compliant switching rates.[114] In the Vermont rate proceeding, Verizon stated that its installation factor was based on its actual cost of installing its switches itself.[115] The Vermont Board accepted Verizon's installation factor because, while AT&T alleged that it was too high, AT&T presented no alternative installation factor or evidence to support a different factor.[116] The only new evidence that AT&T and WorldCom now provide is that Verizon's Vermont installation factor is higher than installation factors adopted by state commissions in other Verizon states in more recent rate proceedings. As we have stated, mere comparisons are insufficient to demonstrate a TELRIC violation.[117]

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[111] *Vermont UNE Rate Order* at 88-90. *See also Verizon Rhode Island Order*, 17 FCC Rcd at 3318, para. 34.

[112] *Vermont UNE Rate Order* at 88-90.

[113] Again, using only the comparative difference in Vermont and New York switching rates as evidence, AT&T claims that Verizon's switching rates do not reflect the lower prices that Verizon receives on newer Nortel switches or through the competitive bid process. AT&T Pitts Decl. at 6-7, paras. 12-13; AT&T March 25 *Ex Parte* Letter at 8; AT&T April 15 *Ex Parte* Letter at 2-3. Verizon counters that it does not and will not use Nortel switches in Vermont, and that the switch prices used to calculate its Vermont switching rates were based on a competitive bid process. Verizon March 18 *Ex Parte* Letter. *See also* Letter from Richard T. Ellis, Director—Federal Affairs, Verizon to Marlene H. Dortch, Acting [sic] Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed April 16, 2002). AT&T's evidence is insufficient to demonstrate that the Vermont Board committed error or that Verizon failed to implement properly the Board's order regarding switch discounts.

[114] AT&T Comments at 14-15; AT&T Pitts Decl. at 11-12, para. 21; AT&T Reply at 5; AT&T March 25 *Ex Parte* Letter at 10; WorldCom Reply at 3; WorldCom March 25 *Ex Parte* Letter. The switch installation factor is a percentage amount of the original switch price added to the switch price to recover the costs of installation.

[115] Verizon Reply at 21. Verizon adds here that its installation costs in West Virginia, a state whose network configuration and demographics are similar to Vermont's, are higher, even though its switch vendor installs the switch. *Id. See also* Verizon April 10 *Ex Parte* Letter at 8.

[116] *Vermont UNE Proposal for Decision* at 25.

[117] WorldCom notes that we expressed concern about Verizon's installation factor of more than 60 percent in the *Verizon Rhode Island Order*. WorldCom Reply at 3. The Rhode Island Commission had found Verizon's basis for that factor to be unreliable and had specifically directed Verizon to provide better evidence in an upcoming new rate proceeding. This finding, coupled with the fact that the 60 percent installation factor, a multiplier, was applied to (continued….)

Therefore, based on the record before us, we are unable to determine that the Vermont Board committed a clear TELRIC error in accepting Verizon's installation factor.[118] We do not determine whether we would reach a different conclusion based on different evidence presented in a different section 271 application.

36. *Other Inputs*. AT&T disputes here the TELRIC compliance of Verizon's cost study inputs for integrated digital loop carrier and switching-related fill factors.[119] While AT&T states that these loop issues affect port rates and, therefore, switching rates, it provides no information to enable us to assess the extent to which these alleged flaws affect switching rates, or to determine appropriate alternative inputs. With respect to integrated digital loop carrier, Verizon responds, as it did when AT&T raised this issue before the Vermont Board, that it assumes TR-008 integrated digital loop carrier because the allegedly more efficient GR-303 carrier "places substantial limits on the number of carriers that can operate from a single remote terminal."[120] AT&T presents insufficient evidence here on this state-specific factual issue for us to conclude that the Vermont Board committed clear error in adopting this approach. With respect to switching-related fill factors, an issue that AT&T never raised before the Vermont Board, AT&T asserts merely that Verizon's assumed factors of 72 percent for IDLC lines and 81 percent for analog lines are too low.[121] AT&T's only evidence to support this claim is that "the Synthesis Model uses a 94 percent fill factor."[122] This record is insufficient for us to determine whether AT&T is making a valid comparison between Verizon's Vermont fill factors and the Synthesis Model fill factors, which we have indicated should not be used for setting rates.[123] Similarly, the record is insufficient for us to make a fact-specific determination of the appropriate Vermont fill factors, or conclude that the Vermont Board committed clear error when it adopted switching rates that incorporate Verizon's fill factors. Finally, again with no explanation of these rate elements or their effect on switching rates, AT&T argues that Verizon failed to make Vermont Board-ordered adjustments in rates for Integrated Services Digital

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switch costs based on an assumption of 100 percent smaller growth addition switch discounts, led to our concern. *See Verizon Rhode Island Order*, 17 FCC Rcd at 3318-19, para. 35. Here the installation factor is not only lower, but the switch discount problem that it magnified and that we found to violate TELRIC principles is absent.

[118] AT&T also claims that Verizon's power factor is too high because it is higher than New York and Massachusetts power factors. AT&T Comments at 15, AT&T Pitts Decl. at 12, para. 22. As we have stated, the mere fact that another state's power factor is lower does not demonstrate that the Vermont Board committed clear TELRIC error when it adopted rates incorporating Verizon's power factor.

[119] AT&T Comments at 13-14; AT&T Pitts Decl. at 9-10, para. 17. While integrated digital loop carrier prices would normally be considered as part of loop pricing, AT&T appears to be discussing the interface between the integrated digital loop carrier and the switch, which is part of switch pricing.

[120] Verizon McCarren/Garzillo/Anglin Reply Decl. at 6, para. 17.

[121] AT&T Comments at 14; AT&T Pitts Decl. at 10, para. 19.

[122] *Id.*

[123] *Bell Atlantic New York Order*, 15 FCC Rcd at 4085, para. 245; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd. at 6277, para. 84.

Network (ISDN) BRI ports and ISDN trunk Primary Rate Interfaces (PRIs).[124] Verizon counters that it made the appropriate reductions when it filed new rates in April 2000, to comply with the Vermont Board's *UNE Rate Order*.[125] If AT&T develops further support for its claim that Verizon has failed to comply with the Vermont Board's *UNE Rate Order*, it should bring this evidence to the Vermont Board. In conclusion, with respect to all these inputs, we note that, despite the fact that Vermont switching rates incorporating these inputs have been in effect for almost two years, AT&T has not complained about them to the Vermont Board, but has waited to challenge them here in our review of Verizon's Vermont section 271 application. At this late date and without further evidence, we cannot substitute the findings AT&T urges for those of the Vermont Board, or conclude that the Vermont Board committed clear error in adopting switching rates incorporating these assumptions.

(iii) DUF Rate

37. AT&T and WorldCom complain that Verizon's Vermont DUF rate is based on outdated data and, because it is four times higher than the more recent New York DUF rate, too high to be TELRIC compliant.[126] AT&T and WorldCom did not challenge the DUF rate in the Vermont rate proceeding, and have not asked Verizon to update its Vermont DUF rate or the Vermont Board to require Verizon to update its Vermont DUF rate.[127] As we stated above, mere evidence that the data underlying a rate is old or that a Vermont rate is higher than the comparable New York rate does not demonstrate that the Vermont Board committed any clear error when it adopted the rate. Further, AT&T and WorldCom have presented no evidence to allow us to make a state-specific determination of the appropriate Vermont DUF rate, a determination more appropriately made by the Vermont Board. We also note that, while the Vermont DUF rate is higher than the New York DUF rate, WorldCom's own compilation of DUF rates shows even higher DUF rates in some other section 271-approved states.[128] Therefore, we conclude that the Vermont Board did not commit any error when it adopted Verizon's DUF rate.

38. For the foregoing reasons, we conclude that Verizon has demonstrated that its Vermont UNE rates satisfy the requirements of checklist item two.[129]

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[124] AT&T Comments at 13; AT&T Pitts Decl. at 8, para. 15.

[125] Verizon McCarren/Garzillo/Anglin Reply Decl. at 3-4, para. 10.

[126] AT&T Comments at 17-18; AT&T Lieberman Decl. at 11-12, paras. 29-31; AT&T Reply at 4; AT&T March 25 Ex Parte Letter at 5-6; WorldCom Reply at 5. See also, AT&T April 9 *Ex Parte* Letter.

[127] Verizon Reply at 23.

[128] For example, Massachusetts and Rhode Island DUF rates are higher than Vermont DUF rates. WorldCom Reply at Attach. 1.

[129] AT&T also argues that Verizon's Vermont UNE rates create a price squeeze which makes them discriminatory in violation of checklist item two. AT&T Comments at 18-20; AT&T Reply at 6. We discuss this claim, which has not been raised to the Vermont Board, at Section IV.A, *infra*.

2. Operations Support Systems

39. Based on the evidence in the record, we find, as the Vermont Board did,[130] that Verizon provides nondiscriminatory access to its operations support systems (OSS) in Vermont.[131] As we discuss below, Verizon has shown that evidence concerning its OSS in Massachusetts, which the Commission previously found satisfy the requirements of checklist item 2, should be considered in this proceeding.[132] No commenter has raised any concerns with Verizon's Vermont OSS or with Verizon's reliance on evidence concerning its OSS in Massachusetts in this proceeding. We therefore discuss here only the relevance of Verizon's Massachusetts systems, and those performance areas involving minor discrepancies that require explanation.

a. Relevance of Verizon's Massachusetts OSS

40. Consistent with our precedent, Verizon relies in this application on evidence concerning its Massachusetts OSS.[133] Specifically, Verizon asserts that its OSS in Massachusetts are substantially the same as the OSS in Vermont and, therefore, evidence concerning its OSS in Massachusetts is relevant and should be considered in our evaluation of the Vermont OSS.[134] To support its claim, Verizon submits a report from Pricewaterhouse Coopers (PwC).[135] PwC evaluated the five OSS domains made available to support competing LEC activity in Vermont and Massachusetts in order to attest to Verizon's assertions that its interfaces in Massachusetts and Vermont are identical, and the personnel and work center facilities supporting its OSS "employ the same processes" in Vermont as in Massachusetts.[136] Verizon also submits declaratory evidence that its "interfaces, gateway systems, and underlying OSS used for Vermont are the same interfaces, gateway systems, and underlying OSS that serve Massachusetts and the other New England states."[137] We note that no commenter has suggested that evidence of its Massachusetts OSS should not be considered in this proceeding. We find that Verizon,

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[130] *See* Vermont Board Comments at 22.

[131] *See* Verizon Application at 56-69; *see generally* Verizon Application App. A, Vol. 2, Joint Declaration of Kathleen McLean and Raymond Wierzbicki (Verizon McLean/Wierzbicki Decl.).

[132] *See Verizon Massachusetts Order*, 16 FCC Rcd at 9010-52, paras. 43-116; *see also Verizon Rhode Island Order*, 17 FCC Rcd at 3329-35, paras. 58-71.

[133] *See* Appendix D, para. 32.

[134] Verizon Application at 57-58; Verizon McLean/Wierzbicki Decl. at paras. 5, 8-20, 26, 29, 35, 39, 47, 67, 80, 82-86, 98, 111, 113, 130, and Tab 2.

[135] *See* Verizon Application App. C, Tab 1, part a, Joint Declaration of Russell Sapienza and Catherine Bluvol, in *Verizon New England Inc., d/b/a Verizon Vermont, Section 271 of the Telecommunications Act of 1996 Compliance Filing*, Vermont Public Service Board, Attach. (filed Aug. 7, 2001) (PwC Report).

[136] *See* PwC Report at 7-9.

[137] Verizon McLean/Wierzbicki Decl. at para. 11; *see id.* paras. 12-16.

through the PwC report and its declarations, provides evidence that its OSS in Massachusetts are substantially the same as the OSS in Vermont and, therefore, evidence concerning its OSS in Massachusetts is relevant and should be considered in our evaluation of Verizon's OSS in Vermont. Verizon's showing enables us to rely, for instance, on findings relating to Verizon's OSS from the *Verizon Massachusetts Order* in our analysis of Verizon's OSS in Vermont. In addition, we can examine data reflecting Verizon's performance in Massachusetts where low volumes in Vermont yield inconclusive or inconsistent information concerning Verizon's compliance with the competitive checklist.

b. Order Accuracy

41. We find that Verizon manually processes competing carriers' orders accurately, affording them a meaningful opportunity to compete. The Vermont Board has followed the lead of the New York Commission in changing the performance metrics relating to order accuracy. Verizon is no longer required to report under metric OR-6-02, which measured the percentage of accurately populated fields in a random sample of orders.[138] Verizon will, however, continue to report the percentage of actual orders that it processes accurately, and the percentage of order confirmations that its sends accurately. The Vermont Board has also adopted the New York Commission's change to the accuracy standard from 95 percent of confirmations without error to not more than 5 percent of confirmations resent due to Verizon error.[139] We find that Verizon's performance data reflect that it manually process orders for UNE loops consistently within these benchmarks.[140] Verizon processed orders for UNE-Platform generally within the established benchmark, with exceptions in October and November.[141] Verizon processed between 90 and 97 percent of resale orders accurately, and sent accurate confirmations to competing carriers.[142] Given the upward trend in Verizon's performance, and in the absence of comment on the issue or other evidence showing that the relatively few instances of inaccurate orders are competitively significant, we find that Verizon processes orders accurately enough to provide competing LECs a meaningful opportunity to compete.[143]

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[138] New York PSC October Order at Attach. 1, at 22.

[139] *See* Verizon Application App. I, Vol. 2, Tab 4, State of Vermont Carrier-to-Carrier Guidelines Performance Standards and Reports at 38-39 (Jan. 11, 2002).

[140] *See* OR-6-01-3332 (% accuracy - orders) (metric in effect September and October); OR-6-01-3331 (% accuracy - orders) (metric in effect November, December, and January); OR-6-03-3332 (% accuracy - LSRC) (metric in effect September and October); OR-6-03-3331 (% accuracy - LSRC) (metric in effect starting in November).

[141] *See* OR-6-01-3143 (% accuracy - orders) (98%, 93%, 90%, and 100%). Data for January were "under review" for this metric due to a programming error. *See* Letter from Richard T. Ellis, Director - Federal Affairs, Verizon, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed Mar. 18, 2002). *See* OR-6-03-3143 (% accuracy - LSRC) (achieving benchmark every month).

[142] *See* OR-6-01-2000 (% accuracy - orders) (93%, 94%, 90%, 93%, and 97%); OR-6-03-2000 (100%, 100% for September and October under old standard of 95% accuracy, and 0% for November, December, and January under new standard of not more than 5% resent due to Verizon error).

[143] *Compare* data in nn.141 & 142 *with Verizon Massachusetts Order*, 16 FCC Rcd at 9032, para. 81 n.251.

c. Completion Notifiers

42. We find that Verizon provides billing and provisioning completion notifiers in a timely fashion that affords competing LECs a meaningful opportunity to compete. The Vermont Board has followed the lead of the New York Commission to change the metrics that capture this performance.[144] While Verizon is no longer required to report under the metrics this Commission has relied on in the past – percent of billing completion notices sent on time and percent of provisioning completion notices sent on time – Verizon is not yet reporting under the new metrics, either. In order to demonstrate satisfactory performance in this area for this proceeding, Verizon provided data calculated under the old metrics.[145] Verizon met the Vermont Board's former benchmark of 95 percent timeliness consistently, except for two minor exceptions that do not appear to be competitively significant.[146] No commenter raised any concerns with regard to completion notifiers.

d. Provisioning

43. As in previous section 271 orders, we give substantial weight to the missed appointments measure as an indicator of provisioning timeliness.[147] Under this metric, Verizon timely provisions resale and UNE-Platform orders.[148] The Commission has also considered Verizon's performance under the average completed interval series of metrics.[149] Where, as here, however, the evidence shows that the average completed interval metrics are flawed, we give

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[144] *See* Verizon Application App. A, Vol. 3, Tab C, Joint Declaration of Elaine M. Guerard, Julie A. Canny, and Beth A. Abesamis at para. 41 (Verizon Guerard/Canny/Abesamis Decl.); New York PSC October Order at 12-17.

[145] *See* Verizon Feb. 19 *Ex Parte* Letter at 2-3 & Attach. (calculating performance using former metrics OR-4-02 and OR-4-05).

[146] Verizon sent only 88% of billing completion notifiers on time in November, and 94% on time in December. *See id*. Verizon explains that its performance for these months was affected by "a one-time clean-up activity undertaken in association with the retirement of LSOG 2." *Id.* Verizon's performance in January met the 95% benchmark for both resale and UNE billing completion notifiers. *See* Letter from Richard T. Ellis, Director - Federal Affairs, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7, at 1 (filed Mar. 5, 2002) (special study of billing and provisioning completion notifier timeliness for January using same methodology as former OR-4-02 and OR-4-05 metrics).

[147] *See Bell Atlantic New York Order*, 15 FCC Rcd at 4057, para. 194, 4065, para. 209; *see also Verizon Massachusetts Order*, 16 FCC Rcd at 9039, para. 92.

[148] *See* PR-4-04-2100 (% missed appointment - Verizon - dispatch - resale POTS); PR-4-05-2100 (% missed appointment - Verizon - no dispatch - resale POTS); PR-4-04-2341 (% missed appointment - Verizon - dispatch - 2-wire digital services); PR-4-05-2341 (% missed appointment - Verizon - no dispatch - 2-wire digital services); PR-4-04-3140 (% missed appointment - Verizon - dispatch - Platform); PR-4-05-3140 (% missed appt. - Verizon - no dispatch - Platform).

[149] *See, e.g.*, *Verizon Massachusetts Order*, 16 FCC Rcd at 9038-39, para. 92, and 9040, para. 94 n.299; *Application of BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, InterLATA Services in Louisiana*, Memorandum Opinion and Order, 13 FCC Rcd 20599, 20682-85, paras. 124-28 (1998).

these metrics less weight.[150] No commenter raised any issue with regard to Verizon's provisioning of UNE-Platform or resale orders.

3. UNE Combinations

44. In order to comply with checklist item 2, a BOC also must demonstrate that it provides nondiscriminatory access to network elements in a manner that allows requesting carriers to combine such elements and that the BOC does not separate already-combined elements, except at the specific request of the competitive carrier.[151] Based upon the evidence in the record, we conclude that Verizon demonstrates that it provides nondiscriminatory access to network element combinations as required by the Act and our rules.[152] Additionally, no commenter raised any concerns with Verizon providing nondiscriminatory access to UNE combinations.

IV. OTHER ITEMS

A. Checklist item 1 – Interconnection

45. Section 271(c)(2)(B)(i) requires the BOC to provide equal-in-quality interconnection on terms and conditions that are just, reasonable and nondiscriminatory in accordance with the requirements of sections 251 and 252.[153] Based on our review of the record, we conclude, as did the Vermont Board, that Verizon complies with the requirements of this checklist item.[154] In reaching this conclusion, we have examined Verizon's performance with respect to collocation and interconnection trunks, as the Commission has done in prior section 271 proceedings.[155] When analyzing Verizon's showing, we first review Vermont performance data for measures where there are sufficient commercial volumes. However, for other measures, where volumes are low, we look to Massachusetts data. We find that Verizon's performance for competitive LECs under these measures has generally met the benchmark and parity standards established in Vermont and Massachusetts.[156]

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150 *See infra* para. 50.

151 47 U.S.C. § 271(c)(2)(B)(ii); 47 C.F.R. § 51.315(b).

152 *See* Verizon Application App. A, Vol. 1, Declaration of Paul A. Lacouture and Virginia P. Ruesterholz at paras. 233-43 (Verizon Lacouture/Ruesterholz Decl.). We take note of the recent opinion of the Vermont Supreme Court affirming the Vermont Board's requirement, based on state law, that Verizon make available combinations of network elements that are ordinarily combined, but not currently physically combined in Verizon's network. *Petition of Verizon New England, Inc.*, No. 2000-118 (Vt. S. Ct. Feb. 22, 2002).

153 *See* Appendix D at paras. 17-24.

154 *See* Vermont Board Comments at 23-25.

155 *See e.g.*, *Verizon Massachusetts Order*, 16 FCC Rcd at 9092-95, paras. 183-87, 9097-98, paras. 194-95.

156 *See* Appendices B and C.

46. We note that two commenters question Verizon's performance under this checklist item. First, CTC asserts that Verizon has failed to provide collocation services in a just and reasonable manner.[157] We find, however, that Verizon demonstrates that its collocation offerings in Vermont satisfy the requirements of sections 251 and 271 of the Act. Specifically, CTC asserts that Verizon has billed CTC, and continues to demand payment, for numerous collocation arrangements in Vermont and other states for which Verizon is not entitled to payment under its own tariffs and other written commitments.[158] Verizon claims, however, that CTC has misrepresented the facts and misinterpreted its federal tariff.[159] CTC's claim does not suggest a systemic failure, but instead appears to be a carrier-specific dispute concerning Verizon's conduct. On or about August 2001, Verizon made available its Notice of Termination/Reduction Form, a standard form to be used to reduce or terminate collocation orders.[160] Verizon has also stated that it is unaware of any competitive LEC in Vermont, other than CTC, that has had a dispute with Verizon within the last year regarding the termination of collocation space.[161] Moreover, as the Commission has found in prior proceedings, we find that the section 208 complaint process is the more appropriate forum to examine this type of carrier-specific allegation.[162] Indeed, CTC has recently filed an informal complaint with the Commission, and we have no reason to believe CTC will not be able to obtain a resolution of its dispute through this process.[163]

47. Second, DIRECTV argues that Verizon must provide it with a single point of interconnection for "contiguous LATAs in states or regions where an ILEC has obtained Section 271 authority."[164] We note that the Commission has never articulated such a requirement. Accordingly, it would be inappropriate in this application to conclude that Verizon does not

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[157] *See* CTC Comments at 2.

[158] *Id.*

[159] *See* Verizon Lacouture/Ruesterholz Decl. at para. 69.

[160] Vermont Board Comments at 24; *see also* CTC Comments at 5, n.14. CTC argued that when it sought to terminate many of the collocation arrangements at issue, Verizon was unable to provide specific guidance on how CTC could terminate these arrangements. *See* CTC Comments at 5. Subsequently, Verizon adopted its Notice of Termination/Reduction Form.

[161] *See* Letter from Richard T. Ellis, Director - Federal Affairs, Verizon, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 at 4 (filed Mar. 8, 2002) (Verizon Mar. 8 *Ex Parte* Letter).

[162] As the Commission has found in past proceedings, the section 271 process simply could not function if we were required to resolve every interpretive dispute between a BOC and each competitive LEC about the precise content of the BOC's obligations to its competitors. *See e.g.*, *SWBT Texas Order*, 15 FCC Rcd at 18366-67, paras. 22-27 and at 18541, para. 383; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6355, para. 230.

[163] CTC's informal complaint remains pending in IC Number EB-02-MDIC-0001 (Jan. 9, 2002).

[164] DIRECTV Comments at 2-3.

comply with this checklist item for failure to provide interconnection on such terms. Therefore, we decline to resolve DIRECTV's argument in this order.

B. Checklist Item 4 – Unbundled Local Loops

48. Section 271(c)(2)(B)(iv) of the Act requires that a BOC provide "[l]ocal loop transmission from the central office to the customer's premises, unbundled from local switching or other services."[165] Based on the evidence in the record, we conclude, as did the Vermont Board, that Verizon provides unbundled local loops in accordance with the requirements of section 271 and our rules.[166] Our conclusion is based on our review of Verizon's performance for all loop types, which include, as in past section 271 orders, voice grade loops, xDSL-capable loops, digital loops, and high capacity loops, and our review of Verizon's processes for hot cuts, line sharing and line splitting. As of November 2001, competitors have acquired and placed into use approximately 750 stand-alone loops (including DSL loops) from Verizon in Vermont.[167] Finally, we note that commenters have not raised any issues with respect to any aspect of Verizon's loop performance in Vermont.

49. Consistent with prior section 271 orders, we do not address every aspect of Verizon's loop performance where our review of the record satisfies us that Verizon's performance is in compliance with the parity and benchmark measures established in Vermont.[168] Instead, we focus our discussion on those areas where the record indicates discrepancies in performance between Verizon and its competitors. As in past section 271 proceedings, in the course of our review, we look for patterns of systemic performance disparities that have resulted in competitive harm or that have otherwise denied new entrants a meaningful opportunity to compete.[169] Isolated cases of performance disparity, especially when the margin of disparity is small, generally will not result in a finding of checklist noncompliance.[170] In analyzing Verizon's compliance with this checklist item, we note that order volumes for unbundled loops

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[165] 47 U.S.C. § 271(c)(2)(B)(iv); *see* Appendix D at paras. 49-53 (regarding requirements under checklist item 4).

[166] *See* Vermont Board Comments at 29-31. The Department of Justice concluded that "Verizon has generally succeeded in opening its local markets in Vermont to competition." Department of Justice Evaluation at 2. The Department cites Verizon's estimate that using all modes of entry, for business and residential customers combined, competitors serve approximately 21,500 lines in Vermont, around 6% of all lines in the state. *Id.* at 4.

[167] *See* Verizon Lacouture/Ruesterholz Decl. at para. 81. As of November 2001, Verizon had provisioned approximately 750 stand-alone loops (including DSL loops), 14 high capacity DS1 loops, approximately 2 digital loops (from September-December), and no line sharing or line splitting arrangements. *See* Verizon Lacouture/Ruesterholz Decl. at paras. 81, 111, 154, and 165.

[168] *See, e.g.*, *Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization to Provide In-Region, InterLATA Services in Connecticut*, Memorandum Opinion and Order, 16 FCC Rcd 14147, 14151-52, para. 9 (2001) (*Verizon Connecticut Order*).

[169] *See Verizon Massachusetts Order*, 16 FCC Rcd at 9055-56, para. 122.

[170] *See id.*

in Vermont are extremely low.[171] Given these low volumes, Verizon relies mainly on Massachusetts performance data to support its application in Vermont, and our analysis is based primarily on those data.[172]

50. As an initial matter, we recognize that for several loop types,[173] Verizon's performance with respect to the average completed interval, which measures the time it takes Verizon to complete competing LEC orders for service, appears to be out of parity in Vermont and Massachusetts for the last two months it was reported: September and October.[174] However, we find that Verizon's performance with regard to this metric does not warrant a finding of checklist noncompliance. Specifically, we conclude, as the Commission has in prior section 271 orders, that the PR-2 average completed interval metric should not be relied on as the most accurate measure of provisioning timeliness.[175] We instead find that the PR 4-04 missed appointment metric is a more reliable indicator of provisioning timeliness because, unlike the average completed interval measurement, it cannot be skewed by competitive LEC customers that request installation intervals beyond the standard interval.[176] In fact, in its October 2001 Order, the New York Commission eliminated the average completed PR-2 measure from the Carrier-to-Carrier Performance Reports.[177] We therefore place greater weight on Verizon's performance under the missed appointment metric as a measure of provisioning timeliness as the Commission has in previous section 271 orders.[178] For the relevant five month period, Verizon

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[171] In Vermont, between September and November 2001, Verizon provisioned for competitive LECs a total of 9 stand-alone POTS loops, 30 hot cut loops, 14 high capacity DS1 loops, and 0 line sharing and line splitting arrangements.

[172] Because we find that Verizon uses the same provisioning and maintenance and repair processes in Massachusetts and Vermont, we may look to Verizon's performance in Massachusetts to inform our analysis. *See supra* part III.A.2.a.

[173] Verizon missed parity performance under the PR-2 metric in either September or October for voice grade loops, digital loops, and high capacity loops.

[174] In its October 2001 Order, the New York Commission eliminated the average interval completed PR-2 measure from the Carrier-to-Carrier Performance Reports in accordance with the New York Carrier Working Group. *See* New York PSC October Order at 3. As a result, beginning with the November 2001 reporting month, Verizon no longer reports its performance under this measure in Vermont and Massachusetts. *See* Verizon Guerard/Canny/Abesamis Decl. at para. 48.

[175] *See Verizon Massachusetts Order*, 16 FCC Rcd at 9038-39, para. 92; *Bell Atlantic New York Order*, 15 FCC Rcd at 4061-62, paras. 203-05, and at 4103, para. 288.

[176] *See, e.g.*, Letter from Richard T. Ellis, Director, Federal Affairs, Verizon, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 at 2 (filed Feb. 26, 2002) (Verizon Feb. 26 *Ex Parte* Letter). We note that for similar reasons we do not rely, in our analysis, on the average offered interval as the most appropriate measure of provisioning timeliness.

[177] *See supra* n.174.

[178] *See Verizon Massachusetts Order*, 16 FCC Rcd at 9038-39, para. 92; *Bell Atlantic New York Order*, 15 FCC Rcd at 4061-62, paras. 203-05 and at 4103, para. 288. In the *Bell Atlantic New York Order*, the Commission found the rate of missed installation appointments to be the most accurate indicator of Bell Atlantic's ability to provision (continued….)

met the benchmark or parity standard under the missed appointment metric for all loop types.[179] We note that no commenter raised any issues with regard to this particular metric.

51. *xDSL-Capable Loops, Digital Loops, Voice Grade Loops, High Capacity Loops and Hot Cuts*. Based on the evidence in the record, we find, as did the Vermont Board, that Verizon demonstrates that it provides xDSL-capable loops, digital loops, voice grade loops, high capacity loops, and hot cuts in accordance with the requirements of checklist item 4.[180] We address below several limited and minor discrepancies, but find that none warrants a finding of checklist noncompliance. Commenters in this proceeding do not criticize Verizon's performance with regard to these specific loops.

52. First, we note that Verizon's data involving Installation Troubles for digital loops, which measures the percentage of problems on a line within the first 30 days after installation, suggest that more problems occur for lines ordered by competitive LECs than for the retail comparison group.[181] According to Verizon, however, the disparate performance results are not the result of discriminatory conduct, but rather the result of a flawed metric. Verizon argues that, although the retail comparison group for the Installation Trouble measure was recently changed, this measure may still not be an accurate indicator of Verizon's performance because this metric still does not provide an "apples-to-apples" comparison.[182] For example, according to Verizon competitive LEC 2-wire digital loops are provisioned using fiber, while most orders in the retail comparison group are provisioned using copper.[183] As Verizon explains, cooperative testing of the 2-wire digital loops provided over fiber that competitors purchase has proved more difficult than testing of loops provided over copper.[184] According to Verizon, this difficulty arises because digital loops provided over fiber are provided through a plug-in card in the central office and another card at the remote terminal. Thus, Verizon states that "it is not possible for

(Continued from previous page)
unbundled loops. *See Bell Atlantic New York Order*, 15 FCC Rcd at 4103, para. 288. We note that the rate of on time performance under PR 9-01 captures provisioning timeliness for hot cuts in essentially the same manner as missed appointments under PR 4. *See* PR 9-01 (% On Time Performance – Hot Cut).

[179] *See* PR-4-04-3113 (% Missed Appointment – Verizon – Dispatch – Loop New); PR-9-01-3520 (% On Time Performance – Hot Cut); PR-4-04-3341, PR-4-04-3342, and PR-4-04-3343 (% Missed Appointment – Verizon – Dispatch); and PR-4-01-3200 (% Missed Appointment – Verizon – Total).

[180] Vermont Board Comments at 29-31.

[181] PR 6-01-3341 (% Installation Troubles Within 30 Days). The September-January average for this measure in Massachusetts is 16.08% for competitive LECs and 5.75% for Verizon retail.

[182] In its October 2001 order, the New York Commission changed the retail comparison group to Retail POTS – Dispatched. *See* Verizon Feb. 26 *Ex Parte* Letter at 9; *see also* Verizon Lacouture/Ruesterholz/Webster Reply Decl. at paras. 49-51; Letter from Richard T. Ellis, Director, Federal Affairs, Verizon, to William Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 at 1 (filed Apr. 12, 2002) (*erratum*). In the *Verizon Rhode Island Order*, we found that this metric may appear to suggest unequal treatment simply because of the comparison group used. *See Verizon Rhode Island Order*, 17 FCC Rcd at 3340, para. 81.

[183] Verizon Feb. 26 *Ex Parte* Letter at 9.

[184] *Id.*

any of the test equipment used by the [competitive LECs] to test beyond the card in the central office."[185] Consequently, Verizon indicates that, even though it now has the ability to test dispatched retail POTS loops to identify potential problems prior to provisioning, it cannot do so for 2-wire digital loops provided over fiber.[186] In light of this explanation, and given Verizon's generally acceptable performance for all other categories of loops, and recognizing that digital loops represent only a small percentage of overall loop orders in Vermont,[187] we do not believe that the disparities in performance for digital loops discussed above merit a finding of checklist noncompliance.

53. We also recognize that Verizon's performance with respect to a maintenance and repair measure for voice grade loops suggests non-parity performance. We find, however, that this performance does not warrant a finding of checklist noncompliance. Specifically, Verizon's data involving Repeat Trouble Reports, which measures additional troubles reported on a line within 30 days from the first reported trouble, suggest that additional problems have occurred more often for competitive LECs than for Verizon retail.[188] However, consistent with statements made in Verizon's Rhode Island section 271 application,[189] Verizon explains that in October 2001, the New York Commission revised the repeat trouble report rate to account for misdirected dispatches that skew performance results by overstating repeat troubles.[190] Verizon began reporting its performance under these new business rules beginning with the November reporting month.[191] In November, December, and January, Verizon's data reported under the revised metric reflects parity performance.[192] Furthermore, according to Verizon, when its performance under this metric for September and October is recalculated under the new guidelines, it too is at parity.[193]

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[185] *Id.*

[186] *Id.*

[187] In September and October, Verizon provisioned approximately one digital loop for competitors per month; and in November, December, and January Verizon provisioned no digital loops for competitors.

[188] For MR 5-01-3550 (% Repeat Troubles Within 30 Days) Verizon did not achieve parity in September and October in Massachusetts.

[189] *Verizon Rhode Island Order*, 17 FCC Rcd at 3342, para. 85.

[190] *See supra* para. 5. In its order, the New York Commission modified the guidelines for the MR-5 measure to eliminate the so-called "double-trouble" phenomenon, which occurs when the competitive LEC misdirects Verizon to dispatch a technician either inside or outside the central office and no trouble is found. Verizon explains that when this occurs, the trouble ticket must be closed and the competitive LEC must initiate a second "double-trouble" ticket directing dispatch in the opposite direction. *See* New York PSC October Order at 4.

[191] *See* Verizon Lacouture/Ruesterholz Decl. at para. 99.

[192] *See* MR 5-01-3550 (% Repeat Troubles Within 30 Days).

[193] During September, October, and November 2001, Verizon's repeat trouble report rate in Massachusetts under the new business rules was 17.40% for competitive LECs and 18.68% for the retail comparison group. *See* Verizon Lacouture/Ruesterholz Decl. at para. 99.

54. In addition, we recognize that Verizon's installation troubles reported and the network trouble report rate for high capacity loops have been out of parity for several of the most recent months. We note, however, that the disparity in each instance has been slight and thus does not appear to be competitively significant.[194] Given Verizon's generally acceptable performance for all other categories of loops, and recognizing that high capacity loops represent only a small percentage of overall loop orders in Vermont, we find that Verizon's performance is in compliance with checklist item four.[195]

55. *Line Sharing and Line Splitting*. Based on the evidence in the record, we find, as did the Vermont Board, that Verizon demonstrates that it provides nondiscriminatory access to the high frequency portion of the loop.[196] For the relevant five month period,[197] Verizon's performance data for line shared DSL loops demonstrates that it is generally in compliance with the parity and benchmark measures established in Vermont and Massachusetts.[198] Verizon also complies with its line-splitting obligations and provides access to network elements necessary for competing carriers to provide line splitting.[199] Although we recognize that no competitive

[194] In Massachusetts, for PR 6-01-3200 (% Installation Troubles Within 30 Days), Verizon performance was out of parity in September and November. In December and January, it performed at parity. In Massachusetts, for MR 2-01-3200 (Network Trouble Report Rate), Verizon states that during September, October, and November, the percentages have generally been under 2%. In December and January, the percentages were under 2% as well. *See also* Verizon Lacouture/Ruesterholz Decl. at para. 118.

[195] High capacity loops in Vermont represent approximately 1% of all unbundled loops provisioned to competitors. *See* Verizon Lacouture/Ruesterholz Decl. at para. 111.

[196] *See* Vermont Board Comments at 29-31.

[197] Although there has been little to no ordering activity in Vermont for line sharing for the months reported, there has been much ordering activity in Massachusetts during the same period of time. *See* Verizon Lacouture/Ruesterholz Decl. at paras. 154-55. Accordingly, we look to Massachusetts data to inform our decision. According to Verizon, the line sharing performance measures in Vermont are the same as those in Massachusetts. These measurements are the consensus line sharing measurements that were developed by the New York Carrier-to-Carrier Working Group and approved by the New York Public Service Commission (New York Commission). The Vermont Board has approved these measures. *See* Verizon Lacouture/Ruesterholz Decl. at para. 156.

[198] For PR 6-01-3343 (Percent Installation Troubles Reported Within 30 Days),Verizon's performance in Massachusetts is out of parity for September, October, and December. According to Verizon, the disparate performance under this measure in September and October was affected by the actions of a technician in a central office in Boston, who did not understand the proper way to record the status of line sharing orders in the system. As a result, the service order processor recorded a number of orders as complete when they had not yet been finished. *See* Verizon Feb. 26 *Ex Parte* Letter at 8. When Verizon's performance for September and October are excluded, the rate of installation troubles was less than 2% for competitive LECs and Verizon retail alike (1.35% for competitors and 0.59% for Verizon retail).

[199] *See Deployment of Wireline Services Offering Advanced Telecommunications Capabilities and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order on Reconsideration, CC Docket No. 98-147; Fourth Report and Order on Reconsideration, CC Docket No. 96-98; Third Further Notice of Proposed Rulemaking, CC Docket No. 98-147; Sixth Further Notice of Proposed Rulemaking, CC Docket No. 96-98, 16 FCC Rcd 2101, 2111, para. 20 (2001). Verizon states, however, that it is not aware of any competitive LECs that are engaging in line splitting in Vermont or Massachusetts using existing network elements. *See* Verizon Lacouture/Ruesterholz Decl. at para. 165.

LECs have ordered line splitting arrangements in Vermont, we note that Verizon permits competitive LECs to engage in line splitting in Vermont in the same manner that it permits them to do so in Massachusetts.[200] In addition, we note that Verizon has implemented new line splitting measures in its Carrier-to-Carrier Performance Reports in Vermont and Massachusetts beginning with the November 2001 report month.[201] Competitive LECs have raised no complaints about Verizon's provision of line splitting. We find, therefore, given the record before us, that Verizon's process for line-splitting orders is in compliance with the requirements of this checklist item.

C. Checklist Item 5 – Transport

56. Section 271(c)(2)(B)(v) of the competitive checklist requires a BOC to provide "[l]ocal transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services."[202] The Commission has required that BOCs provide both dedicated and shared transport to requesting carriers.[203] Verizon states that its transport offerings are substantially the same as its offerings in Massachusetts, and its dark fiber offering is substantially the same as its offering in Pennsylvania and Connecticut – all states where the Commission has granted section 271 authority already.[204] Based on our review of the record, we conclude, as did the Vermont Board,[205] that Verizon complies with the requirements of this checklist item.[206]

57. CTC argues generally that Verizon's dark fiber offering is less favorable to CTC than Verizon's dark fiber offering in Massachusetts and some other states.[207] We find, however, that CTC's argument does not warrant a finding of checklist noncompliance. The record indicates that Verizon's existing dark fiber offering is consistent with Commission precedent.[208]

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200 Verizon Lacouture/Ruesterholz Decl. at para. 165.

201 *See* Verizon Lacouture/Ruesterholz Decl. at para. 174. In its October Order, the New York Commission approved new line splitting measures for the Carrier-to-Carrier Performance Reports. *See* New York PSC October Order at 5. However, there was no competitive LEC activity under these new measures in November and December in Vermont or Massachusetts. *See* the PR-4 provisioning metrics.

202 47 U.S.C. § 271(c)(2)(B)(v); *see also* Appendix D at para. 53.

203 *See, e.g.*, *Verizon Massachusetts Order*, 16 FCC Rcd at 9105, para. 207.

204 *See* Verizon Lacouture/Ruesterholz Decl. paras. 209, 223; *Verizon Pennsylvania Order*, 16 FCC Rcd at 17478-81, paras. 109-13; *Verizon Connecticut Order*, 16 FCC Rcd at 14174-76, paras. 62-66.

205 Vermont Board Comments at 31-34

206 *See* Verizon Application at 43-45 & Exh. A; Verizon Lacouture/Ruesterholz Decl. at paras. 209-32; Appendices B & C.

207 *See* CTC Comments at 2.

208 *See* Verizon Application at 44-45; Verizon Lacouture/Ruesterholz Decl. paras. 221-32; *Verizon Pennsylvania Order*, 16 FCC Rcd at 17481, para. 113.

Moreover, we note, as did the Vermont Board, that CTC and Verizon are currently negotiating a new interconnection agreement, and "[i]f the parties are unable to reach agreement, the Board may be able to address many of these dark fiber issues soon in an arbitration proceeding under the terms of the [1996 Act]."[209] Absent evidence that Verizon's offering violates Commission rules or precedent, we find that the interconnection agreement negotiation and arbitration process is the proper forum for resolving operational details for CTC's access to dark fiber.

D. Checklist Item 13 – Reciprocal Compensation

58. Adelphia claims that Verizon fails to meet the requirements of checklist item 13 to provide reciprocal compensation for transport and termination of local calls to competing carriers.[210] According to Adelphia, Verizon has not met the requirements of this checklist item because it has failed to pay Adelphia invoices for reciprocal compensation for Internet-bound traffic.[211] We find Adelphia's claim is a billing dispute, and not appropriately resolved in a section 271 proceeding. Adelphia acknowledges that it has filed a complaint against Verizon in Vermont,[212] and we find the state commission to be the appropriate forum for resolving Adelphia's claims.

E. Remaining Checklist Items (3, 6-12, 14)

59. In addition to showing that it is in compliance with the requirements discussed above, an applicant under section 271 must demonstrate that it complies with checklist item 3 (access to poles, ducts, conduits, and rights-of-way),[213] item 6 (unbundled local switching),[214] item 7 (911/E911 access and directory assistance/operator services),[215] item 8 (white pages directory listings),[216] item 9 (numbering administration),[217] item 10 (databases and associated signaling),[218] item 11 (number portability),[219] item 12 (local dialing parity),[220] and item 14

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[209] Vermont Board Comments at 32-33 & n.44. Absent an opportunity to arbitrate the dispute, the Vermont Board has suggested that it may conduct a separate proceeding on dark fiber issues. *See* Vermont Board Comments at 32-33.

[210] Adelphia Comments at 2.

[211] *Id.*

[212] *Id.*

[213] 47 U.S.C. § 271(c)(2)(B)(iii).

[214] *Id.* § 271(c)(2)(B)(vi).

[215] *Id.* § 271(c)(2)(B)(vii).

[216] *Id.* § 271(c)(2)(B)(viii).

[217] *Id.* § 271(c)(2)(B)(ix).

[218] *Id.* § 271(c)(2)(B)(x).

[219] *Id.* § 271(c)(2)(B)(xi).

(resale).[221] Based on the evidence in the record, we conclude, as does the Vermont Board, that Verizon demonstrates that it is in compliance with these checklist items in Vermont.[222] None of the commenting parties challenges Verizon's compliance with these checklist items.

V. SECTION 272 COMPLIANCE

60. Section 271(d)(3)(B) provides that the Commission shall not approve a BOC's application to provide interLATA services unless the BOC demonstrates that the "requested authorization will be carried out in accordance with the requirements of section 272."[223] Based on the record, we conclude that Verizon has demonstrated that it will comply with the requirements of section 272.[224] Significantly, Verizon provides evidence that it maintains the same structural separation and nondiscrimination safeguards in Vermont as it does in Pennsylvania, New York, Connecticut, and Massachusetts — states in which Verizon has already received section 271 authority.[225] No party challenges Verizon's section 272 showing.[226]

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[220] *Id.* § 271(c)(2)(B)(xii).

[221] *Id.* § 271(c)(2)(B)(xiv).

[222] *See* Verizon Application at 47-48 (checklist item 3), 42-43 (checklist item 6), 48-50 (checklist item 7), 50-51 (checklist item 8), 51 (checklist item 9), 52 (checklist item 10), 53 (checklist item 11), 53 (checklist item 12), and 54-56 (checklist item 14); Lacouture/Ruesterholz Decl. paras. 244-69 (checklist item 3), paras. 185-208 (checklist item 6), paras. 270-302 (checklist item 7), paras. 303-19 (checklist item 8), paras. 320-24 (checklist item 9), paras. 325-50 (checklist item 10), paras. 351-55 (checklist item 11), paras. 356-61 (checklist item 12), paras. 366-91 (checklist item 14); *see also* Appendices B and C; Vermont Board Comments at 28-29 (checklist item 3), 34 (checklist item 6), 34 (checklist item 7), 34 (checklist item 8), 34 (checklist item 9), 34 (checklist item 10), 35 (checklist item 11), 35 (checklist item 12), 36 (checklist item 14).

[223] 47 U.S.C. § 271(d)(3)(B); Appendix D at paras. 68-69.

[224] *See* Verizon Application at 69-73; Verizon Application App. A, Vol. 3, Tab E, Declaration of Susan C. Browning at para. 4. (Verizon Browning Decl.).

[225] V*erizon Pennsylvania Order*, 16 FCC Rcd at 17486, para. 124; *Verizon Connecticut Order*, 16 FCC Rcd at 14178-79, para. 73; *Verizon Massachusetts Order*, 16 FCC Rcd at 9114-17, paras. 226-31; *Bell Atlantic New York Order*, 15 FCC Rcd at 4152-61, paras. 401-21; Verizon Browning Decl. at paras. 4-17.

[226] We recognize that the first independent audit of Verizon's section 272 compliance conducted pursuant to section 53.209 of the Commission's rules is now complete. *See* Letter from Pricewaterhouse Coopers LLP to Magalie Roman Salas, Secretary, Federal Communications Commission (June 11, 2001) (transmitting audit report). While the audit raises issues that may require further investigation, the audit results, standing alone, are insufficient to establish whether Verizon is in compliance with section 272. Parties were required to submit comments on the audit report no later than January 24, 2002. *See Accounting Safeguards Under the Telecommunications Act of 1996*, CC Docket No. 96-150, DA 01-2670, Order (rel. Nov. 15, 2001) (extending deadline for filing comments). On February 6, 2002, the independent auditor submitted the unredacted audit report and supplemental report. The Commission granted an extension of time until April 8, 2002 for submitting comments on Verizon's section 272(d) biennial audit report. *See Accounting Safeguards Under the Telecommunications Act of 1996*, CC Docket No. 96-150, DA 02-372, Order (rel. Feb. 15, 2002) (extending deadline for filing comments). Because the Commission will not have had the opportunity to complete its own review of the audit results before it is required to issue a decision (continued….)

VI. PUBLIC INTEREST ANALYSIS

61. Apart from determining whether a BOC satisfies the competitive checklist and will comply with section 272, Congress directed the Commission to assess whether the requested authorization would be consistent with the public interest, convenience, and necessity.[227] At the same time, section 271(d)(4) of the Act states in full that "[t]he Commission may not, by rule or otherwise, limit or extend the terms used in the competitive checklist set forth in subsection (c)(2)(B)."[228] Accordingly, although the Commission must make a separate determination that approval of a section 271 application is "consistent with the public interest, convenience, and necessity," it may neither limit nor extend the terms of the competitive checklist of section 271(c)(2)(B). The Commission views the public interest requirement as an opportunity to review the circumstances presented by the application to ensure that no other relevant factors exist that would frustrate the congressional intent that markets be open, as required by the competitive checklist, and that entry will serve the public interest as Congress expected.

62. We conclude that approval of this application is consistent with the public interest. From our extensive review of the competitive checklist, which embodies the critical elements of market entry under the Act, we find that barriers to competitive entry in the local exchange markets have been removed and the local exchange markets today are open to competition. We further find that the record confirms our view, as noted in prior section 271 orders, that BOC entry into the long distance market will benefit consumers and competition if the relevant local exchange market is open to competition consistent with the competitive checklist.[229]

63. We disagree with commenters that low levels of facilities-based residential competition in Vermont indicate that it would be inconsistent with the public interest to grant this application.[230] Given an affirmative showing that the competitive checklist has been satisfied, low customer volumes in any one particular mode of entry or in general do not necessarily undermine that showing. Indeed, the Department of Justice concluded that opportunities to serve business customers via the facilities-based modes of entry are available in Vermont and that there do not appear to be any material non-price obstacles to residential competition in Vermont.[231] As the Commission has said in previous section 271 orders, factors

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on this section 271 application, it would be premature to consider the audit as evidence of shortcomings in Verizon's section 272 compliance.

[227] 47 U.S.C. § 271(d)(3)(C); Appendix D at paras. 70-71.

[228] *Id.* § 271(d)(4).

[229] *See SWBT Texas Order*, 15 FCC Rcd at 18558-89, para. 419.

[230] *See* AT&T Comments at 4, 27, 40; SoVerNet Comments at 4; Sprint Comments at 9-10; AT&T Reply at 7-8.

[231] Department of Justice Evaluation at 5-6.

beyond the control of the BOC, such as individual competitive LEC entry strategies, might explain a low residential customer base.[232]

64. Sprint also argues that the other Regional Bell Operating Companies' (RBOCs) choice to not compete against each other outside of their respective regions, and the financial difficulties of some competitive LECs (in particular Adelphia), suggest that the public interest is not served by granting Verizon section 271 approval in Vermont.[233] We reject these arguments. Again, factors beyond the control of the applicant, such as a weak economy or individual competing LEC and out-of-region RBOC business plans can explain the lack of entry into a particular market.

A. Price Squeeze Analysis

65. AT&T and WorldCom contend that they cannot profitably enter the Vermont residential telephone market using the UNE-Platform in roughly half the state because Verizon's UNE rates are allegedly inflated.[234] Before analyzing these contentions, we begin with a discussion of a pending remand on the issue of how allegations of a price squeeze should be considered under the public interest standard of section 271(d)(3)(C). In the Commission's *SWBT Kansas/Oklahoma Order*, the subject of the *Sprint v. FCC* ruling, the Commission declined to consider allegations that a section 271 applicant should fail the 14-point checklist because competitors are unable to make a profit in the residential market using the UNE-platform.[235] The Commission concluded that the Act requires a consideration of whether rates are cost-based, not whether market entry is profitable.[236] The Commission also stated that if it were to focus on profitability, it would have to consider a state's retail rates,[237] which are generally outside its jurisdictional authority. Appellants asserted that their inability to make a profit in the residential market showed that granting the BOC's section 271 application was not in the public interest.[238] The court concluded that the Commission's rejection of the appellants' profitability argument was not responsive.[239] The court did not, however, vacate the order.

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232 *See, e.g.*, *Verizon Pennsylvania Order*, 16 FCC Rcd at 17487, para. 126.

233 Sprint Comments at 4-6.

234 AT&T Comments at 2-3, 19-20; AT&T Lieberman Decl. at 13-18, paras. 32-47, AT&T Reply at 6 and 8; WorldCom Comments at 7-8; Declaration of Vijetha Huffman on Behalf of WorldCom, Inc. (WorldCom Huffman Decl.) at 3-5, paras. 7-13.

235 *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6269, para. 65 and 6280-81, para. 92.

236 *Id.* at 6280-81, para. 92.

237 *Id*.

238 *Sprint v. FCC*, 274 F.3d at 553.

239 *Id.* at 554.

Instead, it remanded the Commission's rejection of the price squeeze issue for reconsideration.[240]

66. The Commission intends to issue an order addressing the questions posed in the *Sprint v. FCC* ruling about how we should consider allegations of a price squeeze that are raised in section 271 proceedings. Because we have not yet addressed the issues remanded by the court, we consider the specific allegations presented by the parties in this case. Verizon disputes both whether a price squeeze analysis is a relevant consideration under the public interest requirement and, if so, the required scope of such an inquiry.[241] AT&T and WorldCom argue that the analysis is relevant and that the appropriate test is whether a price squeeze exists for competitive LECs using the UNE-Platform to provide residential service in Vermont.[242] We conclude that AT&T and WorldCom have not established the existence of a price squeeze because they have not shown that "the UNE pricing [at issue] *doom[s]* competitors to failure."[243]

67. AT&T and WorldCom assert that evidence of a minimal statewide average margin between the costs associated with providing service utilizing the UNE-Platform and the revenues available from potential customers is sufficient to demonstrate that a price squeeze exists in the Vermont residential market.[244] AT&T contends that *FPC v. Conway*,[245] the Supreme Court decision cited by the District of Columbia Circuit Court of Appeals in its comments on price squeeze in *Sprint v. FCC*, requires this result.[246] Based on differences between the circumstances before us here and those circumstances that were before the Federal Power Commission in *Conway*, we disagree. First, in C*onway* the competitive product at issue was an undifferentiated commodity, electricity. Here, the competitive product at issue is phone service that can be provided with or without numerous differentiated products, at the choice of the competitor and consumers. Thus, the wholesale price at issue in *Conway* was for exactly the same product that the wholesaler was selling at retail, and the ability of a competitor to distinguish itself based on products or prices offered was minimal. The wholesale prices at issue here are for the piece parts that a competitor can use to sell a product of the competitor's design, which may or may not be the same product as that sold by the wholesaler at retail, all of which may affect the price a customer will pay the competitor. Second, in *Conway* the wholesale price

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240 *Id*. at 556.

241 Verizon Application at 88-91; Verizon Reply at 2, 29-30.

242 AT&T Comments at 18-19, 36-38; AT&T Lieberman Decl. at 22-23; AT&T Reply at 7; WorldCom Huffman Decl. at 2-3, paras. 5-6 and Attach. 1.

243 *Sprint v. FCC*, 274 F.3d at 554 (emphasis in original).

244 AT&T Comments at 18-19; 36-38; AT&T Lieberman Decl. at 22-23; AT&T Reply at 7; WorldCom Huffman Decl. at Attach. 1. The lowest statewide average margin alleged is $1.35. *See* AT&T Lieberman Decl. at 18, Exhibit B-1.

245 *FPC v. Conway Corp.*, 426 U.S. 271 (1976).

246 AT&T Comments at 36-37.

for electricity did not vary based on location of the retail customer. Here, the prices for the piece parts, or network elements, vary based on cost-related differences arising from the distances between the customers being served and the BOC or competitive LEC switches. These cost differences directly affect the amount of achievable profit in certain locations in the state. The fact that retail prices in some areas are lower than the wholesale prices of the piece parts used to provide competitive service is not the result of a mistake or oversight by the Vermont Board. Rather, it is the result of an intentional state policy to keep retail rates affordable. Third, in the context where phone service is most like the commodity at issue in *Conway* because wholesalers and retailers are selling exactly the same thing, i.e., resale, the Act protects against a price squeeze by requiring that the BOC sell each service that it offers at retail at a wholesale discount that excludes avoided costs.[247] Accordingly, we find *Conway* distinguishable, and consider issues beyond the amount of the statewide average margin utilizing the UNE-Platform here.

68. We find first that AT&T and WorldCom have not established that their higher costs of providing residential service in the more rural areas of Vermont are due to the pricing of UNEs at too high a point in the TELRIC band. The clear cost difference between zone one, where AT&T and WorldCom assert a margin of at least $8.32 or 31 percent, and zone three, where AT&T and WorldCom assert a margin of at most negative $5.59 or negative 21 percent, is the difference in the prices they pay Verizon for the loop.[248] Notably, neither AT&T nor WorldCom challenge the reasonableness of Verizon's Vermont loop rates. Accordingly, it is likely that here, any difficulty entering the residential market profitably through the UNE-Platform may be the result of subsidized local residential rates in one or more zones and not the fact that UNE rates are not at an appropriate point in the TELRIC range.[249] In many states, particularly rural states such as Vermont,[250] higher business rates subsidize some residential rates, and, consequently, certain residential services are priced below cost.[251] We do not believe that it would be in the public interest to deny a section 271 application simply because the local telephone rates are low. If UNE-Platform rates are priced at cost, we believe competitors will

[247] 47 U.S.C. § 252(d)(3).

[248] *See* AT&T Lieberman Declaration at 18, Exhibit B-1. WorldCom admits to margins of $9.49 in zone one and negative $4.42 in zone three. WorldCom Huffman Decl. at Attach. 1. On the 82nd of the 90 days permitted for review of Verizon's application, AT&T submitted new price squeeze data taking available universal service support into account. Letter from Robert W. Quinn, Jr., Vice President, Federal Government Affairs, AT&T to William F. Caton, Acting Secretary, Federal Communications Commission, CC Docket No. 02-7 (filed April 9, 2001). This late submission indicates that higher margins are available for qualifying carriers in zone three. This new information does not, however, change our conclusion.

[249] The Court of Appeals for the District of Columbia Circuit noted this argument as a potential basis for declining to find a price squeeze. The Court did not address this argument because the Commission did not rely on it in the underlying *SWBT Kansas/Oklahoma Order*. *Sprint v. FCC*, 274 F.3d at 555.

[250] Parties to this proceeding recognize that Vermont has a highly rural population. *See* Verizon Application at 75-77 and Attach. A, Exhibits 4 and 5; Verizon Reply at 7- 8 and n.11; Verizon March 18 *Ex Parte* Letter, establishing that Vermont is the most rural state in the country. According to AT&T, Vermont is so rural that weekend and business day traffic are equal. AT&T March 25 *Ex Parte* Letter at 10. *See also* AT&T Comments at 38-39.

[251] *See Sprint v. FCC*, 274 F.3d at 555.

have the opportunity to make competitive entry. The existence of local rate subsidies might mean that, initially, the competition would be most prevalent in business markets and for higher-margin residential customers. This competition, however, will eventually erode the subsidies and create pressure to rebalance local rates. Thus, we will look beyond a negative margin for the provision of residential service in high-cost areas using the UNE-Platform when examining allegations of price squeeze.

69. We find that the Act contemplates the existence of subsidized local rates in high-cost areas and addresses such potential price squeezes through the availability of resale. AT&T and WorldCom contend that it is inappropriate to consider the availability of resale as a competitive option because the margin is insufficient.[252] We disagree. The distinction between how UNEs and resale are priced is significant here. UNEs are priced from the "bottom up," that is beginning with a BOC's costs plus a reasonable profit, whereas resale is priced from the "top down," that is, beginning with a BOC's retail rate and deducting avoided costs. Such differing price structures are evidence that Congress envisioned competitors entering the market through different entry mechanisms under different circumstances. Such a distinction ensures that resale provides a profit margin where, as is the case here, the costs of individual elements exceed the retail rate. Accordingly, we conclude that it is appropriate to consider the effect of resale on whether a price squeeze exists. Neither AT&T nor WorldCom, however, has provided an analysis of how using a mix of the UNE-Platform and resale to provide service would affect its price squeeze arguments.

70. We find AT&T and WorldCom's evidence and analyses asserting the existence of a price squeeze lacking in several additional respects. For example, AT&T and WorldCom argue that they must earn at least $10.00 to cover their internal costs to enter the Vermont residential market, but provide no cost and other data to support that assertion.[253] As we have noted previously, conducting a price squeeze analysis requires a determination of what a "sufficient" profit margin is.[254] Resolving the issue of what is a sufficient profit requires far more than determining what is sufficient for a particular carrier to make a profit. Although AT&T and WorldCom allege that they need to make at least $10.00 per line, the pertinent question here is what is a sufficient profit for an efficient competitor. The evidence demonstrates that competitive LECs in Vermont can achieve margins of 31 percent in zone one and 29 percent in zone two. The record evidence does not establish that these profit margins are inadequate for an efficient competitor. Thus, the evidence submitted by AT&T and WorldCom is an inadequate basis for us to determine that a price squeeze exists in the Vermont residential market.

71. AT&T and WorldCom also fail to present other evidence that would be relevant in a residential-only price squeeze analysis, such as the incremental toll revenues that would be

[252] AT&T Comments at 18-19; 36-38; AT&T Lieberman Decl. at 22-23; AT&T Reply at 7; WorldCom Huffman Decl. at 2-3, paras. 5-6 and Attach. 1.

[253] AT&T Reply at 6; WorldCom Huffman Decl. at 3, para. 8 and Attach. 1.

[254] *Verizon Massachusetts Order*, 16 FCC Rcd at 9008-09, para. 41.

generated by winning the local, intrastate, and interstate toll business of customers that currently use other carriers for these services. There is also no evidence in the record concerning the ability of competitors such as AT&T and WorldCom to leverage their presence in the long-distance or business markets, together with expected net access revenues and savings, into an economically viable residential telephone service business. For these reasons and all the other factors discussed above, we conclude that AT&T and WorldCom have not demonstrated that a price squeeze exists in the Vermont residential market.

72. AT&T contends as a separate claim that the evidence it provides of a price squeeze also establishes that Verizon's Vermont UNE rates are discriminatory in violation of checklist item two.[255] As discussed above, we conclude that AT&T has not established the existence of a price squeeze in the residential market. AT&T submits no separate price squeeze analysis in support of this claim. Accordingly, we need not decide whether the existence of a price squeeze in the residential market would constitute a separate violation of checklist item two.

73. For the reasons stated above, we reject the contentions of AT&T and WorldCom regarding an alleged price squeeze, and conclude that there is no evidence in the record that warrants disapproval of this application based on allegations of a price squeeze, whether couched as discrimination in violation of checklist item two, or under the public interest standard.

B. Assurance of Future Compliance

74. As set forth below, we find that the PAP currently in place in Vermont will provide assurance that the local market will remain open after Verizon receives section 271 authorization.[256] We have examined certain key aspects of Verizon's PAP and we find that the plan falls within a zone of reasonableness and is likely to provide incentives that are sufficient to foster post-entry checklist compliance. The Vermont Board adopted a self-executing PAP, modeled on the PAPs adopted in New York, Massachusetts and Connecticut.[257] The Vermont PAP uses the standards and measures set forth in the New York Carrier-to-Carrier Guidelines.[258] The Vermont PAP exposes Verizon to the same level of liability as in the Massachusetts PAP.[259]

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[255] AT&T Comments at 18-20, AT&T Reply at 6.

[256] *Ameritech Michigan Order*, 12 FCC Rcd at 20748-50, paras. 393-98. In all of the previous applications that the Commission has granted to date, the applicant was subject to an enforcement plan administered by the relevant state commission to protect against backsliding after BOC entry into the long distance market.

[257] Verizon Application at 93.

[258] *See* Letter from Richard T. Ellis, Director - Federal Regulatory, Verizon, to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket No. 02-7 Attach. (filed Jan. 30, 2002) (Verizon Vermont PAP); Verizon Application at 93-94.

[259] Verizon Application at 93-94. The Massachusetts and Vermont PAPs place 39% of Verizon's yearly net income for each state at risk. Vermont Board Comments at 16.

75. While the New York PAP forms the basis for the Vermont PAP, the Vermont PAP differs from that PAP in certain details to reflect the specific concerns of the Vermont Board.[260] The Vermont Board expressly conditioned its recommendation on "several changes designed to make possible effective DSL offerings by Verizon's competitors,"[261] including adding several metrics to the three portions of the PAP.[262] The Vermont Board modified the New York PAP method for curing small sample sizes.[263] Finally, unlike other PAPs in Verizon's region, the Vermont PAP requires Verizon to make payments for Mode of Entry measures to the Vermont Universal Service Fund.[264]

76. As in prior section 271 orders, our conclusions are based on a review of several key elements in the PAP: total liability at risk; the definitions of the performance measurement and standards; the structure of the plan; the self-executing nature of remedies in the plan; the plan's data validation and audit procedures; and the plan's accounting requirements.[265] We find generally that the Vermont PAP satisfies our analysis in each of these respects, and we discuss in detail only those elements that commenters have raised in the record before us.

77. We disagree with AT&T that the Vermont PAP does not adequately detect discrimination.[266] AT&T raised concerns about the relative tradeoff between a Type I error (a finding that discrimination has occurred when it has not) and a Type II error (a finding that discrimination has not occurred when it has), particularly given the small sample sizes observed in Vermont.[267] We find that the statistical methodology chosen by the Vermont Board is like that

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[260] Vermont Board Comments at 7.

[261] Vermont Board Comments at 8, n.8.

[262] The Vermont Board added a number of performance metrics including: performance metrics to cover DSL services in the Critical Measures; performance metrics to examine Open Orders on Hold Status for POTS and Specials in the Mode of Entry Measures; and billing metrics in the Special Provisions Measures. Letter to V. Louis McCarren, President and CEO Verizon Vermont, Jan. 16, 2002, at 5, Verizon Application, Appendix L, Tab 21; Vermont Board Comments at 10. The Department of Justice takes note of the Vermont PAP's incorporation of the billing metrics in response to concerns raised by the Vermont Department of Public Service. Department of Justice Evaluation at 6, n.21.

[263] Vermont Board Comments at 15, 19-20.

[264] Verizon Vermont PAP at 10, 18.

[265] *See, e.g.*, *Verizon Massachusetts Order*, 16 FCC Rcd at 9121-25, paras. 240-49; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6377-81, paras. 273-80.

[266] AT&T Comments at 22; AT&T Comments Tab C, Declaration of Michael Kalb on Behalf of AT&T Corp. at paras. 25-30 (AT&T Kalb Decl.).

[267] AT&T argues that the fixed critical value of –1.645 which results from the 95% confidence interval is unsound because the Type I error rate (5%) chosen by the Vermont Board is too small. AT&T argues that the critical value should vary with the sample size in the same way as the modified z score. AT&T Kalb Decl. at paras. 25-30, Exh. 1.

used in other states in which Verizon has received section 271 approval. We also note that the Vermont Board has promised to reconsider this issue, if necessary, in the future.

78. We also disagree with AT&T that the Vermont PAP cannot effectively promote market entry and deter anticompetitive conduct because the Mode of Entry Measure payments are made to the Vermont Universal Fund rather than to the competitive LECs.[268] While the competitive LECs will not receive payment for failure on these metrics, any failure of Verizon to meet these metrics will result in penalty payments by Verizon. The Vermont Board reasoned that making all PAP payments to competitive LECs would not compensate the general harm to society from Verizon's failure to meet the Mode of Entry Measures, and that the Vermont Universal Service Fund is an appropriate repository for payments that accrue when competition is generally harmed.[269] We find the Vermont Board's decision to direct funds to the Vermont Universal Service Fund to be reasonable and does not detract from the overall effectiveness of the plan.[270]

C. Other Issues

79. We find that DIRECTV's requests that the Commission negotiate commitments from Verizon to provide tariffed interLATA ATM transport services to ISPs on reasonable terms and conditions, or obtain information from Verizon regarding any plans to degrade its tariffed DSL offering, are beyond the scope of this section 271 proceeding.[271]

VII. SECTION 271(d)(6) ENFORCEMENT AUTHORITY

80. Section 271(d)(6) of the Act requires Verizon to continue to satisfy the "conditions required for . . . approval" of its section 271 application after the Commission approves its application.[272] Thus, the Commission has a responsibility not only to ensure that Verizon is in compliance with section 271 today, but also that it remains in compliance in the future. As the Commission has already described the post-approval enforcement framework and

[268] AT&T Comments at 22-23; AT&T Kalb Decl. at paras. 16, 18-24; AT&T Reply at 8-9.

[269] Vermont Board Comments at 18-19.

[270] We note that in three prior SWBT applications (Texas, Kansas and Oklahoma), certain penalties were paid into the respective State treasury rather than to competitive LECs. As we find with regard to Verizon, the Commission found that SWBT would face other consequences if it fails to sustain a high level of service to competing carriers, including: federal enforcement action pursuant to section 271(d)(6); liquidated damages under interconnection agreements; and remedies associated with antitrust and other legal actions. *See SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6379, para. 274; *SWBT Texas Order*, 15 FCC Rcd at 18562, para. 424.

[271] DIRECTV Comments at 1-2, 4-7.

[272] 47 U.S.C. § 271(d)(6).

its section 271(d)(6) enforcement powers in detail in prior orders, it is unnecessary to do so again here.[273]

81. Working in concert with the Vermont Board, we intend to monitor closely Verizon's post-approval compliance for Vermont to ensure that Verizon does not "cease[] to meet any of the conditions required for [section 271] approval."[274] We stand ready to exercise our various statutory enforcement powers quickly and decisively in appropriate circumstances to ensure that the local market remains open in Vermont. We are prepared to use our authority under section 271(d)(6) if evidence shows market opening conditions have not been maintained.

82. We require Verizon to report to the Commission all Vermont carrier-to-carrier performance metrics results and Performance Assurance Plan monthly reports beginning with the first full month after the effective date of this Order, and for each month thereafter for one year unless extended by the Commission. These results and reports will allow us to review, on an ongoing basis, Verizon's performance to ensure continued compliance with the statutory requirements. We are confident that cooperative state and federal oversight and enforcement can address any backsliding that may arise with respect to Verizon's entry into the Vermont long distance market.[275]

VIII. CONCLUSION

83. For the reasons discussed above, we grant Verizon's application for authorization under section 271 of the Act to provide in-region, interLATA services in the State of Vermont.

IX. ORDERING CLAUSES

84. Accordingly, IT IS ORDERED that, pursuant to sections 4(i), 4(j), and 271 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), and 271, Verizon's application to provide in-region, interLATA service in the State of Vermont, filed on January 17, 2002, IS GRANTED.

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[273] *See, e.g.*, *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6382-84, paras. 283-85; *SWBT Texas Order*, 15 FCC Rcd at 18567-68, paras. 434-36; *Bell Atlantic New York Order*, 15 FCC Rcd at 4174, paras. 446-53.

[274] 47 U.S.C. § 271(d)(6)(A).

[275] *See, e.g.*, *Bell Atlantic-New York, Authorization Under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York*, Order, 15 FCC Rcd 5413-23 (2000) (adopting consent decree between the Commission and Bell Atlantic that included provisions for Bell Atlantic to make a voluntary payment of $3,000,000 to the United States Treasury, with additional payments if Bell Atlantic failed to meet specific performance standards and weekly reporting requirements to gauge Bell Atlantic's performance in correcting the problems associated with its electronic ordering systems).

85. IT IS FURTHER ORDERED that this Order SHALL BECOME EFFECTIVE April 29, 2002.

FEDERAL COMMUNICATIONS COMMISSION

William F. Caton
Acting Secretary

Appendix A

Commenters in CC Docket No. 02-7

Comments	Abbreviation
Adelphia Business Solutions & Adelphia Business Solutions of Vermont	Adelphia
AT&T Corporation	AT&T
CTC Communications Corporation	CTC
DIRECTV	DIRECTV
National Mobile Communications Corporation d/b/a SoVerNet Communications	SoVerNet
Sprint Communications, Inc	Sprint
State of Vermont Public Service Board	Vermont Board
WorldCom	WorldCom

Replies

Adelphia Business Solutions & Adelphia Business Solutions of Vermont	Adelphia
AT&T Corporation	AT&T
Verizon	Verizon
WorldCom	WorldCom

Appendix B

Vermont Performance Metrics

All data included here are taken from the Vermont Carrier-to-Carrier Reports. This table is provided as a reference tool for the convenience of the reader. No conclusions are to be drawn from the raw data contained in this table. Our analysis is based on the totality of the circumstances, such that we may use non-metric evidence, and may rely more heavily on some metrics more than others, in making our determination. The inclusion of these particular metrics in this table does not necessarily mean that we relied on all of these metrics or that other metrics may not also be important in our analysis. Some metrics that we have relied on in the past and may rely on for a future application were not included here because there was no data provided for them (usually either because there was no activity, or because the metrics are still under development). Metrics with no retail analogue provided are usually compared with a benchmark. Note that for some metrics during the period provided there may be changes in the metric definition, or changes in the retail analogue applied, making it difficult to compare the data over time.

AGGREGATE METRICS

Metric No.	Metric Name
Preorder and OSS Availability:	
MR-1-01	Create Trouble
MR-1-02	Status Trouble
MR-1-03	Modify Trouble
MR-1-04	Request Cancellation of Trouble
MR-1-05	Trouble Report History (by TN/Circuit)
MR-1-06	Test Trouble (POTS Only)
OR-1-02	% On Time LSRC – Flow Through
OR-1-04	% On Time LSRC/ASRC No Facility Check
OR-1-06	% On Time LSRC/ASRC - Facility Check
OR-1-08	% On Time ASRC No Facility Check (Non DS0, DS1 & DS3)
OR-1-10	% On Time ASRC Facility Check DS0
OR-1-12	% On Time FOC
OR-1-13	% On Time Design Layout Record (DLR)
OR-1-19	% On Time Resp. - Request for Inbound Augment Trunks
PO-1-01	Customer Service Record
PO-1-02	Due Date Availability
PO-1-03	Address Validation
PO-1-04	Product & Service Availability
PO-1-05	Telephone Number Availability & Reservation
PO-1-06	Facility Availability (Loop Qualification)
PO-1-07	Rejected Query
PO-1-08	% Timeouts
PO-1-09	Parsed CSR
PO-2-01	OSS Interf. Avail. – Total
PO-2-02	OSS Interf. Avail - Prime Time - Electronic Bonding
PO-2-03	OSS Interf. Avail - Non-Prime - Electronic Bonding
PO-4-01	% Notices Sent on Time - CLEC Orig.
PO-4-02	Change Mgmt. Notice - Delay 1-7 Days - CLEC Orig.

Metric No.	Metric Name
PO-8-01	Average Response Time - Manual Loop Qualification
PO-8-02	Average Response Time - Engineering Record Request
Change Management, Billing, OS/DA, Interconnection and Collocation:	
BI-1-02	% DUF in 4 Business Days
BI-2-01	Timeliness of Carrier Bill
BI-3-01	% Billing Adjustments - Dollars Adjusted
BI-3-02	% Billing Adjustments - Number of Adjustments
NP-1-01	% Final Trunk Groups Exceeding Blocking Standard
NP-1-02	% FTG Exceeding Blocking Std. –(No Exceptions)
NP-1-03	Number FTG Exceeding Blocking Std. – 2 Months
NP-1-04	Number FTG Exceeding Blocking Std. – 3 Months
NP-2-01	% On Time Response to Request for Physical Collocation
NP-2-02	% On Time Response to Request for Virtual Collocation
NP-2-03	Average Interval – Physical Collocation
NP-2-04	Average Interval – Virtual Collocation
NP-2-05	% On Time – Physical Collocation
NP-2-06	% On Time – Virtual Collocation
NP-2-07	Average Delay Days – Physical Collocation
NP-2-08	Average Delay Days – Virtual Collocation
Ordering:	
OR-2-02	% On Time LSR Reject – Flow Through
OR-2-04	% On Time LSR/ASR Reject No Facility Check
OR-2-06	% On Time LSR/ASR Reject Facility Check
OR-2-08	% On Time ASR Reject No Facility Check
OR-2-10	% On Time ASR Reject Facility Check
OR-2-11	Average Trunk ASR Reject Time
OR-2-12	% On Time Trunk ASR Reject
OR-3-01	% Rejects
OR-4-02	Completion Notice (BCN) – % On Time

Metric No.	Metric Name
OR-4-05	Work Completion Notice (PCN) – % On Time
OR-5-01	% Flow Through - Total
OR-5-03	% Flow Through Achieved
OR-6-01	% Accuracy – Order
OR-6-02	% Accuracy – Opportunities
OR-6-03	% Accuracy – LSRC
OR-7-01	% Order Confirmation/Rejects sent within 3 Business Days
Provisioning:	
PR-1-09	Av. Interval Offered – Total - EEL – Backbone
PR-2-01	Av. Interval Completed – Total No Dispatch
PR-2-02	Av. Interval Completed – Total Dispatch
PR-2-03	Average Interval Completed – Dispatch (1-5 Lines)
PR-2-04	Average Interval Completed - Dispatch (6-9 Lines)
PR-2-05	Average Interval Completed - Dispatch (>= 10 Lines)
PR-2-06	Av. Interval Completed – DS0
PR-2-07	Av. Interval Completed – DS1
PR-2-08	Av. Interval Completed – DS3
PR-2-09	Av. Interval Completed – Total - EEL – Loop
PR-2-18	Av. Interval Completed – Disconnects
PR-4-01	% Missed Appointment – Verizon – DS0
PR-4-02	Average Delay Days – Total
PR-4-03	% Missed Appointment – Customer
PR-4-04	% Missed Appointment – Verizon – Dispatch
PR-4-05	% Missed Appointment – Verizon – No Dispatch
PR-4-07	% On Time Performance – LNP Only
PR-4-08	% Missed Appt. – Customer – Due to Late Order Conf.
PR-4-14	% Completed On Time (with Serial Number)
PR-5-01	% Missed Appointment – Verizon – Facilities
PR-5-02	% Orders Held for Facilities > 15 Days
PR-5-03	% Orders Held for Facilities > 60 Days
PR-6-01	% Installation Troubles reported within 30 Days
PR-6-02	% Installation Troubles reported within 7 Days
PR-6-03	% Inst. Troubles reported w/ in 30 Days – FOK/TOK/CPE
PR-8-01	Open Orders in a Hold Status > 30 Days
PR-8-02	Open Orders in a Hold Status > 90 Days

Metric No.	Metric Name
PR-9-01	% On Time Performance – Hot Cut
PR-9-08	Average Duration of Service Interruption
Maintenance and Repair:	
MR-2-01	Network Trouble Report Rate
MR-2-02	Network Trouble Report Rate - Loop
MR-2-03	Network Trouble Report Rate - Central Office
MR-2-04	% Subsequent Reports
MR-2-05	% CPE/TOK/FOK Trouble Report Rate
MR-3-01	% Missed Repair Appointment – Loop
MR-3-02	% Missed Repair Appointment – Central Office
MR-3-03	% CPE/TOK/FOK - Missed Appointment
MR-3-04	% Missed Repair Appointment - No Double Dispatch
MR-3-05	% Missed Repair Appointment - Double Dispatch
MR-4-01	Mean Time To Repair – Total
MR-4-02	Mean Time To Repair – Loop Trouble
MR-4-03	Mean Time To Repair – Central Office Trouble
MR-4-04	% Cleared (all troubles) within 24 Hours
MR-4-05	% Out of Service > 2 Hours
MR-4-06	% Out of Service > 4 Hours
MR-4-07	% Out of Service > 12 Hours
MR-4-08	% Out of Service > 24 Hours
MR-5-01	% Repeat Reports within 30 Days

DISAGGREGATED METRICS

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OSS & BILLING (Pre-Ordering) - POTS/Special Services												
PRE-ORDERING												
PO-1 - Response Time OSS Pre-Ordering Interface												
PO-1-01-6020	Customer Service Record – EDI	1.41	3.06	1.31	2.89	1.33	2.97	1.32	2.8	1.42	3.16	
PO-1-01-6030	Customer Service Record – CORBA	1.41	0.81	1.31	0.75	1.33	1.05	1.32	0.68	1.42	2.52	c,d
PO-1-01-6050	Customer Service Record -Web GUI	1.41	3.37	1.31	3.01	1.33	2.93	1.32	2.71	1.42	2.98	
PO-1-02-6020	Due Date Availability – EDI	0.09	NA	0.07	NA	0.07	NA	0.06	NA	0.06	NA	
PO-1-02-6030	Due Date Availability – CORBA	0.09	NA	0.07	NA	0.07	NA	0.06	NA	0.06	NA	
PO-1-02-6050	Due Date Availability - Web GUI	0.09	2.26	0.07	2.12	0.07	2.21	0.06	2.41	0.06	2.19	
PO-1-03-6020	Address Validation – EDI	4.34	3.8	4.07	6.17	3.85	8.68	3.67	10.21	3.85	NA	a,b,c,d
PO-1-03-6030	Address Validation – CORBA	4.34	3.76	4.07	2.97	3.85	2.86	3.67	3.62	3.85	2.45	
PO-1-03-6050	Address Validation - Web GUI	4.34	5.04	4.07	4.89	3.85	4.84	3.67	5.23	3.85	4.59	
PO-1-04-6020	Product & Service Availability – EDI	10.07	NA	9.02	NA	8.48	NA	8.2	NA	8.5	NA	
PO-1-04-6030	Product & Service Availability – CORBA	10.07	NA	9.02	NA	8.48	NA	8.2	NA	8.5	NA	
PO-1-04-6050	Product & Service Availability - Web GUI	10.07	8.17	9.02	6.21	8.48	6.5	8.2	6.5	8.5	NA	a,b,c,d
PO-1-05-6020	Telephone Number Availability & Reservation - EDI	5.23	NA	4.95	NA	5.37	NA	4.47	NA	4.66	NA	
PO-1-05-6030	Telephone Number Availability & Reservation - CORBA	5.23	NA	4.95	NA	5.37	3.96	4.47	NA	4.66	4.19	c
PO-1-05-6050	Telephone Number Availability & Reservation - Web GUI	5.23	7.24	4.95	7.23	5.37	7.04	4.47	7.57	4.66	6.48	
PO-1-06-6020	Average Response Time – Mechanized Loop Qualification - DSL – EDI	2.58	NA	3.02	NA	3.51	NA	1.69	NA	2.97	NA	
PO-1-06-6030	Average Response Time – Mechanized Loop Qualification - DSL – CORBA	2.58	NA	3.02	NA	3.51	NA	1.69	NA	2.97	NA	
PO-1-06-6050	Average Response Time – Mechanized Loop Qualification - DSL - Web GUI	2.58	3.97	3.02	3.81	3.51	4.07	1.69	3.91	2.97	3.74	
PO-1-07-6020	Rejected Query - EDI	0.05	2.69	0.04	2.62	0.04	2.14	0.04	2.17	0.03	2.28	
PO-1-07-6030	Rejected Query - CORBA	0.05	0.68	0.04	0.6	0.04	0.61	0.04	0.64	0.03	0.62	
PO-1-07-6050	Rejected Query - Web GUI	0.05	3.52	0.04	3.38	0.04	3.2	0.04	2.86	0.03	2.92	
PO-1-08-6020	% Timeouts – EDI		0.69		0		0		0.83		0	
PO-1-08-6030	% Timeouts – CORBA		0		0		0		0		0	
PO-1-08-6050	% Timeouts - Web GUI		0.4		0.24		0.11		0		0.04	
PO-1-09-6020	Parsed CSR – EDI	1.41	1.94	1.31	1.81	1.33	1.69	1.32	2.08	1.42	1.87	b,e

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PO-1-09-6030	Parsed CSR – CORBA	1.41	0.35	1.31	0.26	1.33	0.26	1.32	0.36	1.42	0.32	a,b,c,d,e
PO-2 - OSS Interface Availability												
PO-2-01-6020	OSS Interf. Avail. – Total – EDI		99.97		99.97							a,b
PO-2-01-6030	OSS Interf. Avail. – Total – CORBA		99.9		99.95							a,b
PO-2-01-6040	OSS Interf. Avail. – Total – Maint. Web GUI (RETAS)		96.05		99.4							b
PO-2-01-6050	OSS Interf. Avail. – Total - Pre-order/Order WEB GUI		96.05		99.4							b
PO-2-01-6060	OSS Interf. Avail. - Total – Electronic Bonding		100		100							
PO-2-02-6020	OSS Interf. Avail. – Prime Time - EDI		99.99		100		100		100		100	a
PO-2-02-6030	OSS Interf. Avail. – Prime Time - CORBA		99.99		100		100		99.96		100	a,d
PO-2-02-6040	OSS Interf. Avail. – Prime Time - Maint. Web GUI (RETAS)		98.12		99.54		100		99.93		99.83	a,b,d,e
PO-2-02-6050	OSS Interf. Avail. – Prime Time - Pre-order/Order WEB GUI		98.12		99.54		100		99.93		99.83	a,b,d,e
PO-2-02-6060	OSS Interf. Avail. – Prime Time - Electronic Bonding		100		100		100		100		100	
PO-2-03-6020	OSS Interf. Avail. – Non-Prime - EDI		99.93		99.91		100		99.71		99.91	a,b,d,e
PO-2-03-6030	OSS Interf. Avail. – Non-Prime - CORBA		99.76		99.86		99.89		99.13		99.86	a,b,c,d,e
PO-2-03-6040	OSS Interf. Avail. – Non-Prime - Maint. Web GUI (RETAS)		92.94		99.14		99.59		98.43		99.82	b,c,d,e
PO-2-03-6050	OSS Interf. Avail. – Non-Prime - Pre-order/Order WEB GUI		92.94		99.14		99.59		98.43		99.82	b,c,d,e
PO-2-03-6060	OSS Interf. Avail. – Non-Prime - Electronic Bonding		100		100		100		100		100	
PO-8 - Manual Loop Qualification												
PO-8-01-2000	% On Time - Manual Loop Qualification		NEF		NEF		UD		UD		UD	
PO-8-02-2000	% On Time - Engineering Record Request		NA		NA		NA		NA		NA	
Change Notification												
PO-4 - Timeliness of Change Management Notice												
PO-4-01-6611	% Notices Sent on Time - Emergency Maint.		100		100							a,b
PO-4-01-6621	% Notices Sent on Time - Regulatory		NA		NA							
PO-4-01-6631	% Notices Sent on Time - Industry Standard		NA		NA							
PO-4-01-6641	% Notices Sent on Time - Verizon Orig.		NA		NA							
PO-4-01-6651	% Notices Sent on Time - CLEC Orig.		NA		NA							
PO-4-01-6660	% Notices Sent on Time - Industry Standard, Verizon Orig. & CLEC Orig.						NA		100		NA	
PO-4-01-6671	% Notices Sent on Time - Emergency Maint. & Regulatory						100		100		100	e

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
Change Confirmation												
PO-4 - Timeliness of Change Management Notice												
PO-4-01-6622	% Notices Sent on Time – Regulatory		100		NA		NA		NA		100	a
PO-4-01-6632	% Notices Sent on Time - Ind. Std.		100		NA							
PO-4-01-6642	% Notices Sent on Time - Verizon Orig.		100		NA							a
PO-4-01-6652	% Notices Sent on Time - CLEC Orig.		NA		NA							
PO-4-01-6662	% Notices Sent on Time - Ind. Std., Verizon Orig. & CLEC Orig.						NA		NA		100	
TROUBLE REPORTING (OSS)												
MR-1 - Response Time OSS Maintenance Interface												
MR-1-01-2000	Create Trouble	5.65	6.37	5.81	5.86	5.79	3.55	5.52	3.74	6.26	3.08	
MR-1-02-2000	Status Trouble	4.55	NA	4.27	NA	4.97	NA	4.66	NA	6.37	NA	
MR-1-03-2000	Modify Trouble	5.62	NA	5.99	NA	5.73	NA	5.42	NA	6.06	NA	
MR-1-04-2000	Request Cancellation of Trouble	6.8	NA	6.91	1	7.04	NA	6.63	3.41	7.32	NA	b,d
MR-1-05-2000	Trouble Report History (by TN/Circuit)	0.38	1.8	0.35	1.75	0.41	1.25	0.31	1	0.43	0.72	
MR-1-06-2000	Test Trouble (POTS Only)-RETAIL only	62.41	71.09	62.6	58.91	56.04	51.15	56.18	44.46	56.86	45.86	
BILLING												
BI-1 - Timeliness of Daily Usage Feed												
BI-1-02-2030	% DUF in 4 Business Days		99.95		99.96		99.74		99.96		99.96	
BI-2 - Timeliness of Carrier Bill												
BI-2-01-2030	Timeliness of Carrier Bill		99.58		100		100		100		98.94	
BI-3 - Billing Accuracy												
BI-3-01-2030	% Billing Adjustments - Dollars Adjusted	0.28	0.01	0.48	0.19							
BI-3-02-2030	% Billing Adjustments - Number of Adjustments	0.19	0.02	0.22	0.05							
RESALE (ORDERING)												
POTS & Pre-qualified Complex - Electronically Submitted												
OR-1 - Order Confirmation Timeliness												
OR-1-02-2320	% On Time LSRC – Flow Through		100		99.65		100		100		100	
OR-1-04-2100	% On Time LSRC No Facility Check		91.5		98.96		98.2		99.28		100	
OR-1-06-2320	% On Time LSRC/ASRC Facility Check		95		100		100		97.22		100	
OR-2 - Reject Timeliness												
OR-2-02-2320	% On Time LSR Reject – Flow Through		100		99.3		100		100		100	
OR-2-04-2320	% On Time LSR Reject No Facility Check		92.86		89.36		98.98		99.44		100	

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-2-06-2320	% On Time LSR/ASR Reject Facility Check		100		100		100		100		100	a
2 Wire Digital Services												
OR-1 - Order Confirmation Timeliness – Requiring Loop Qualification												
OR-1-04-2341	% On Time LSRC No Facility Check		100		100		100		100		100	a,e
OR-1-06-2341	% On Time LSRC/ASRC Facility Check		NA		100		0		100		100	b,c,d,e
OR-2 - Reject Timeliness – Requiring Loop Qualification												
OR-2-04-2341	% On Time LSR Reject No Facility Check		100		100		100		100		100	e
OR-2-06-2341	% On Time LSR/ASR Reject Facility Check		NA		100		100		100		100	b,c,d,e
POTS / Special Services – Aggregate												
OR-3 - Percent Rejects												
OR-3-01-2000	% Rejects		70.59		59.91		50.72		47.36		44.16	
OR-4 - Timeliness of Completion Notification												
OR-4-02-2000	Completion Notice (BCN) – % On Time		97.46		95.83							
OR-4-05-2000	Work Completion Notice (PCN) – % On Time		100		100							
OR-5 - Percent Flow-Through												
OR-5-01-2000	% Flow Through – Total		43.77		51.36		44.18		41.54		47.61	
OR-5-03-2000	% Flow Through Achieved		90		87.35		93.94		93.22		90.87	
OR-6 - Order Accuracy												
OR-6-01-2000	% Accuracy – Orders		93.31		93.7		90.29		92.98		96.58	
OR-6-02-2000	% Accuracy – Opportunities		99.23		99.2							
OR-6-03-2000	% Accuracy – LSRC		100		99.77		0.62		0		0	
OR-7 - Order Completeness												
OR-7-01-2000	% Order Confirmation/Rejects sent within 3 Business Days		98.5		98.66		98.78		99.43		99.73	
Special Services – Electronically Submitted												
OR-1 - Order Confirmation Timeliness												
OR-1-04-2210	% On Time LSRC No Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-04-2211	% On Time LSRC No Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-04-2213	% On Time LSRC No Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-04-2214	% On Time LSRC No Facility Check (Non DS0, DS1, & DS3)		100		100		100		100		100	a
OR-1-06-2210	% On Time LSRC/ASRC Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-06-2211	% On Time LSRC/ASRC Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-06-2213	% On Time LSRC/ASRC Facility Check DS3		NA		NA		NA		NA		NA	

Metric Number	Metric Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
OR-1-06-2214	% On Time LSRC/ASRC Facility Check (Non DS0, DS1, & DS3)		100		100		100		NA		NA	a,b,c
OR-2 - Reject Timeliness												
OR-2-04-2200	% On Time LSR Reject No Facility Check		81.25		100		100		100		100	b
OR-2-06-2200	% On Time LSR/ASR Reject Facility Check		NA		NA		NA		100		100	d,e
RESALE (PROVISIONING)												
POTS - Provisioning – Total												
PR-2 - Average Completed Interval												
PR-2-04-2100	Average Interval Completed - Dispatch (6-9 Lines)	3.5	7.67	3.2	4.5							a,b
PR-2-05-2100	Average Interval Completed - Dispatch (>= 10 Lines)	NA	NA	5	NA							
PR-4 - Missed Appointments												
PR-4-02-2100	Average Delay Days – Total	8.25	13	10.69	5.67	7.82	5	6.13	16	7.14	1	a,b,c,d,e
PR-4-03-2100	% Missed Appointment – Customer	1.7	4.4	1.48	2.64	1.29	3.59		1.21		1.23	
PR-4-04-2100	% Missed Appointment – Verizon – Dispatch	9.1	6.25	6.41	5.56	10.86	4.44	11.64	5	7.42	3.45	
PR-4-05-2100	% Missed Appointment – Verizon – No Dispatch	0.28	0	0.04	0	0.07	0	0.03	0	0.02	0	
PR-4-08-2100	% Missed Appt. – Customer – Late Order Conf.		0		0							
PR-6 - Installation Quality												
PR-6-01-2100	% Installation Troubles reported within 30 Days	2.59	3.37	2.31	1.06	1.98	2.14	2.27	0.64	1.87	3.55	
PR-6-02-2100	% Installation Troubles reported within 7 Days	1.47	2.02	1.41	0.71							
PR-6-03-2100	% Inst. Troubles reported w/ in 30 Days - FOK/TOK/CPE	2.28	0.9	2.19	1.95	1.88	0.46		0.64		1.55	
PR-8 - Open Orders in a Hold Status												
PR-8-01-2100	Open Orders in a Hold Status > 30 Days	0.02	0	0.01	0	0.01	0	0.01	0	0	0	
PR-8-02-2100	Open Orders in a Hold Status > 90 Days	0	0	0.01	0	0.01	0	0.01	0	0	0	
POTS – Business												
PR-2 - Average Completed Interval												
PR-2-01-2110	Average Interval Completed – Total No Dispatch	0.78	1.4	0.65	1.43							
PR-2-03-2110	Average Interval Completed – Dispatch (1-5 Lines)	2.9	4.53	2.82	3.71							
POTS – Residence												
PR-2 - Average Completed Interval												
PR-2-01-2120	Average Interval Completed – Total No Dispatch	0.71	0	0.57	0.43							a,b
PR-2-03-2120	Average Interval Completed – Dispatch (1-5 Lines)	4.49	NA	4.55	11							b
POTS & Complex Aggregate												

Metric Number	Metric Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-2 - Average Completed Interval												
PR-2-18-2103	Average Interval Completed – Disconnects	2.92	2.19	2.72	3.37							
2-Wire Digital Services												
PR-2 - Average Completed Interval												
PR-2-01-2341	Average Interval Completed – Total No Dispatch	1.63	2.67	1.92	1.36							a
PR-2-02-2341	Average Interval Completed – Total Dispatch	5	NA	5.8	4							b
PR-4 - Missed Appointments												
PR-4-02-2341	Average Delay Days – Total	3.67	NA	6	NA	NA	NA	30	NA	2	NA	
PR-4-03-2341	% Missed Appointment – Customer	4.44	0	20.88	0	26.79	11.11		5.88		0	
PR-4-04-2341	% Missed Appointment – Verizon – Dispatch	5	NA	1.69	0	0	0	0	0	6.67	0	b,c,d,e
PR-4-05-2341	% Missed Appointment – Verizon – No Dispatch	0	0	0	0	0	0	0	0	0	0	a,c,e
PR-4-08-2341	% Missed Appt. – Customer – Late Order Conf.		0		0		0		0		0	a
PR-6 - Installation Quality												
PR-6-01-2341	% Install. Troubles Reported within 30 Days	0.28	0	1.27	0	0.88	0	0.85	0	0.37	0	
PR-6-03-2341	% Install. Troubles Reported w/in 30 Days - FOK/TOK/CPE	3.07	0	0.72	0	0.59	0		3.57		4.88	
PR-8 - Open Orders in a Hold Status												
PR-8-01-2341	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	0	0	0	0	0	a
PR-8-02-2341	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	0	0	0	0	a
Special Services - Provisioning												
PR-2 - Average Completed Interval												
PR-2-01-2200	Average Interval Completed – Total No Dispatch	10	2	10.5	1.67							a,b
PR-2-02-2200	Average Interval Completed – Total Dispatch	12.5	NA	10.45	NA							
PR-2-06-2200	Average Interval Completed – DS0	12.55	NA	14	5							b
PR-2-07-2200	Average Interval Completed – DS1	12.4	NA	8	NA							
PR-2-08-2200	Average Interval Completed – DS3	NA	NA	NA	NA							
PR-2-18-2200	Average Interval Completed – Disconnects	17.31	4	14.92	4.33							a,b
PR-4 - Missed Appointments												
PR-4-01-2200	% Missed Appointment – Verizon – Total											
PR-4-01-2210	% Missed Appointment – Verizon – DS0	8.33	0	0	0	0	NA	0	0	0	0	a,b,d,e
PR-4-01-2211	% Missed Appointment – Verizon – DS1	0	NA	0	NA	30	NA	66.67	NA	50	NA	
PR-4-01-2213	% Missed Appointment – Verizon – DS3	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
PR-4-01-2214	% Missed Appointment – Verizon – Special Other	0	0	0	0	0	0	0	0	0	0	a,b,c,d,e
PR-4-02-2200	Average Delay Days – Total	16	NA	NA	NA	89	NA	30	NA	6	NA	

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-4-03-2200	% Missed Appointment – Customer	8.33	0	44.44	0	42.5	50		0		0	
PR-4-08-2200	% Missed Appt. – Customer – Due to Late Order Conf.		0		0		0		0		0	a,b,c,d,e
PR-6- Installation Quality												
PR-6-01-2200	% Installation Troubles reported within 30 Days	0.59	0	0.36	0	2.09	0	12	0	0.91	0	a,b,c,d
PR-6-03-2200	% Inst. Troubles reported w/ in 30 Days - FOK/TOK/CPE	2.35	0	0.24	0	0.52	0		0		9.09	a,b,c,d
PR-8 - Open Orders in a Hold Status												
PR-8-01-2200	Open Orders in a Hold Status > 30 Days	12.5	0	11.11	0	2.5	0	0	0	0	0	a,b,c,d,e
PR-8-02-2200	Open Orders in a Hold Status > 90 Days	4.17	0	0	0	0	0	0	0	0	0	a,b,c,d,e
RESALE (MAINTENANCE)												
POTS – Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-2100	Network Trouble Report Rate – Loop	0.92	0.26	0.77	0.29	0.57	0.24	0.67	0.2	0.58	0.25	
MR-2-03-2100	Network Trouble Report Rate – Central Office	0.14	0.15	0.06	0.04	0.04	0.03	0.05	0.06	0.06	0.1	
MR-2-04-2100	% Subsequent Reports	11.59	9.64	10.31	0	11.71	1.92		3.92		2.9	
MR-2-05-2100	% CPE/TOK/FOK Trouble Report Rate	0.82	0.28	0.65	0.31	0.51	0.15		0.26		0.26	
MR-3 – Missed Repair Appointments												
MR-3-01-2110	% Missed Repair Appointment – Loop Bus.	16.4	9.76	10.75	8	10.65	13.95	13.94	5.56	16.72	4.76	
MR-3-01-2120	% Missed Repair Appointment – Loop Res.	9.27	0	7.58	0	8.44	0	8.24	0	8.01	0	a,b,c,d,e
MR-3-02-2110	% Missed Repair Appointment – Central Office Bus.	1.81	3.85	0	0	2.22	0	6.25	0	4.11	5.26	b,c
MR-3-02-2120	% Missed Repair Appointment – Central Office Res.	0.95	0	2.24	NA	5.21	0	3.54	NA	1.47	NA	a,c
MR-3-03-2100	% CPE/TOK/FOK - Missed Appointment	4.12	3.92	4.08	7.02	2.85	0		2.08		0	
MR-3-04-2100	% Missed Repair Appointment - No Double Dispatch	8.13	6.9	5.52	3.7							
MR-3-05-2100	% Missed Repair Appointment - Double Dispatch	39.38	20	40.16	33.33							a,b
MR-4 – Trouble Duration Intervals												
MR-4-01-2100	Mean Time To Repair – Total	17.29	7.62	15.5	6.64	17.03	7.97	18.6	8.33	16.74	8.92	
MR-4-02-2110	Mean Time To Repair – Loop Trouble - Bus.	10.36	7.9	11.02	7.38	8.24	8.64	11.32	10.46	10.37	11.29	
MR-4-02-2120	Mean Time To Repair – Loop Trouble - Res.	20.49	27.35	16.96	9.41	19.37	10.58	20.7	5.07	19.38	12.32	a,b,c,d,e
MR-4-03-2110	Mean Time To Repair – Central Office Trouble - Bus.	2.42	2.12	1.34	0.99	3.82	0.7	3.39	2.2	4.07	2.62	b,c
MR-4-03-2120	Mean Time To Repair – Central Office Trouble - Res.	4	1.02	4.66	NA	7.18	0.57	5.42	NA	6.05	NA	a,c
MR-4-04-2100	% Cleared (all troubles) within 24 Hours	73.36	93.33	81.24	98.36	77.24	94.12	71.12	95.92	78.18	95.52	
MR-4-06-2100	% Out of Service > 4 Hours	75.66	42.59	80.36	37.78	79.97	41.94	82.35	40.74	81.7	69.23	

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-4-07-2100	% Out of Service > 12 Hours	54.06	22.22	50.58	13.33	54.5	29.03	59.67	29.63	55.48	46.15	
MR-4-08-2110	% Out of Service > 24 Hours - Bus.	5.3	0	4.55	2.38	2.81	6.9	8.09	7.41	5.95	5.88	
MR-4-08-2120	% Out of Service > 24 Hours - Res.	29.18	60	20.52	0	24.9	0	31.72	NA	26.66	0	a,b,c
MR-5 – Repeat Trouble Reports												
MR-5-01-2100	% Repeat Reports within 30 Days	15.94	8	14.64	9.84	13.37	9.8	13.86	6.12	13.56	13.43	
2-Wire Digital Services - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-2341	Network Trouble Report Rate – Loop	0.48	0	0.79	0	1.18	1.2	0.23	0	0.36	0	
MR-2-03-2341	Network Trouble Report Rate – Central Office	0.38	0	0.23	0.65	0.32	1.2	0.27	0	0.36	0	
MR-2-04-2341	% Subsequent Reports	21.74	NA	21.43	0	13.16	20		NA		NA	b,c
MR-2-05-2341	% CPE/TOK/FOK Trouble Report Rate	2.42	1.38	2.32	3.25	1.59	0		3.77		5.29	
MR-3 – Missed Repair Appointments												
MR-3-01-2341	% Missed Repair Appointment – Loop	30	NA	17.65	NA	30.77	0	60	NA	37.5	NA	c
MR-3-02-2341	% Missed Repair Appointment – Central Office	0	NA	40	0	14.29	0	0	NA	25	NA	b,c
MR-3-03-2341	% CPE/TOK/FOK - Missed Appointment	13.73	0	14	0	8.57	NA		0		0	a,b,d
MR-3-04-2341	% Missed Repair Appointment - No Double Dispatch	20	NA	21.43	0							b
MR-3-05-2341	% Missed Repair Appointment - Double Dispatch	20	NA	33.33	NA							
MR-4 – Trouble Duration Intervals												
MR-4-01-2341	Mean Time To Repair – Total	9.49	NA	7.61	1.93	8.62	7.1	9.72	NA	15.42	NA	b,c
MR-4-02-2341	Mean Time To Repair – Loop Trouble	12.38	NA	8.48	NA	9.19	13.13	17.76	NA	12.1	NA	c
MR-4-03-2341	Mean Time To Repair – Central Office Trouble	5.87	NA	4.65	1.93	6.52	1.08	3.02	NA	18.75	NA	b,c
MR-4-04-2341	% Cleared (all troubles) within 24 Hours	94.44	NA	95.45	100	93.94	100	90.91	NA	87.5	NA	b,c
MR-4-07-2341	% Out of Service > 12 Hours	40	NA	21.43	NA	35.71	0	40	NA	44.44	NA	c
MR-4-08-2341	% Out of Service > 24 Hours	10	NA	7.14	NA	7.14	0	10	NA	22.22	NA	c
MR-5 – Repeat Trouble Reports												
MR-5-01-2341	% Repeat Reports within 30 Days	5.56	NA	27.27	0	9.09	25	18.18	NA	18.75	NA	b,c
Special Services - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-01-2200	Network Trouble Report Rate	0.2	0.19	0.18	0.14	0.17	0.14	0.14	0.09	0.12	0.19	
MR-2-05-2200	% CPE/TOK/FOK Trouble Report Rate	0.2	0.19	0.23	0.1	0.19	0.51		0.32		0.38	
MR-4 – Trouble Duration Intervals												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-4-01-2200	Mean Time To Repair – Total	5.25	5.2	5.04	4.31							a,b
MR-4-01-2216	Mean Time To Repair – Total - Non DS0 & DS0					4.57	1.91	4.39	8.28	2.96	2.72	c,d,e
MR-4-01-2217	Mean Time To Repair – Total - DS1 & DS3					3.61	NA	4.61	NA	3.89	NA	
MR-4-04-2200	% Cleared (all troubles) within 24 Hours	100	100	97.83	100							a,b
MR-4-04-2216	% Cleared (all troubles) within 24 Hours - Non DS0 & DS0					100	100	100	100	100	100	c,d,e
MR-4-04-2217	% Cleared (all troubles) within 24 Hours - DS1 & DS3					100	NA	100	NA	100	NA	
MR-4-06-2200	% Out of Service > 4 Hours	46.15	50	40	50							a,b
MR-4-06-2216	% Out of Service > 4 Hours - Non DS0 & DS0					50	0	53.57	100	27.59	33.33	c,d,e
MR-4-06-2217	% Out of Service > 4 Hours - DS1 & DS3					38.46	NA	70	NA	20	NA	
MR-4-08-2200	% Out of Service > 24 Hours	0	0	2.22	0							a,b
MR-4-08-2216	% Out of Service > 24 Hours - Non DS0 & DS0					0	0	0	0	0	0	c,d,e
MR-4-08-2217	% Out of Service > 24 Hours - DS1 & DS3					0	NA	0	NA	0	NA	
MR-5 - Repeat Trouble Reports												
MR-5-01-2200	% Repeat Reports within 30 Days	25	75	21.74	66.67	21.28	66.67	21.05	50	11.76	50	a,b,c,d,e
UNE (ORDERING)												
Platform												
OR-1 - Order Confirmation Timeliness												
OR-1-02-3143	% On Time LSRC – Flow Through		100		100		86.67		100		100	
OR-1-04-3143	% On Time LSRC No Facility Check		100		100		100		100		100	a,b,c,d,e
OR-1-06-3143	% On Time LSRC/ASRC Facility Check		100		NA		100		100		NA	a,c,d
OR-2 - Reject Timeliness												
OR-2-02-3143	% On Time LSR Reject – Flow Through		100		90.91		100		100		100	c,e
OR-2-04-3143	% On Time LSR Reject No Facility Check		100		100		NA		100		100	a,b,d,e
OR-2-06-3143	% On Time LSR/ASR Reject Facility Check		NA		NA		100		NA		NA	c
OR-6 - Order Accuracy												
OR-6-01-3143	% Accuracy – Orders		97.64		93.4		90.28		100		UR	d
OR-6-02-3143	% Accuracy – Opportunities		99.75		98.97							
OR-6-03-3143	% Accuracy – LSRC		99.42		98.62		0		0		0	c,d,e
OR-7 - Order Completeness												
OR-7-01-3143	% Order Confirmation/Rejects sent within 3 Business Days		100		100		100		100		100	
Loop/Pre-qualified Complex/LNP												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-1 - Order Confirmation Timeliness												
OR-1-02-3331	% On Time LSRC – Flow Through		100		100		100		100		98.65	
OR-1-04-3331	% On Time LSRC No Facility Check		91.89		100		98.41		100		100	
OR-1-06-3331	% On Time LSRC/ASRC Facility Check		100		100		100		96.43		97.22	
OR-2 - Reject Timeliness												
OR-2-02-3331	% On Time LSR Reject – Flow Through		100		100		100		100		100	
OR-2-04-3331	% On Time LSR Reject No Facility Check		93.94		100		100		100		100	
OR-2-06-3331	% On Time LSR/ASR Reject Facility Check		100		100		100		100		100	a,b
OR-6 - Order Accuracy												
OR-6-01-3331	% Accuracy - Orders						95.47		99.26		98.37	
OR-6-01-3332	% Accuracy - Orders		98.56		98.27							
OR-6-02-3332	% Accuracy – Opportunities		99.79		99.63							
OR-6-03-3331	% Accuracy – LSRC						0.78		0		1.15	
OR-6-03-3332	% Accuracy – LSRC		99.74		99.54							
OR-7 - Order Completeness												
OR-7-01-3331	% Order Confirmation/Rejects sent within 3 Business Days		99.35		100		100		99.27		100	
2 Wire Digital Services												
OR-1 - Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3341	% On Time LSRC No Facility Check		100		100		NA		NA		NA	a,b
OR-1-06-3341	% On Time LSRC/ASRC Facility Check		NA		NA		NA		NA		NA	
OR-2 - Reject Timeliness – Requiring Loop Qualification												
OR-2-04-3341	% On Time LSR Reject No Facility Check		NA		NA		NA		NA		NA	
OR-2-06-3341	% On Time LSR/ASR Reject Facility Check		NA		NA		NA		NA		NA	
2 Wire xDSL Loops												
OR-1 - Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3342	% On Time LSRC - No Facility Check		100		100		100		100		100	
OR-1-06-3342	% On Time LSRC/ASRC - Facility Check		NA		NA		NA		NA		NA	
OR-2 - Reject Timeliness – Requiring Loop Qualification												
OR-2-04-3342	% On Time LSR Reject- No Facility Check		100		100		100		100		100	a,b,c,d,e
OR-2-06-3342	% On Time LSR/ASR Reject Facility Check		NA		NA		NA		NA		NA	
2 Wire xDSL Line Sharing												

Metric Number	Metric Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
OR-1 - Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3343	% On Time LSRC/ASRC- No Facility Check		NA		NA							
OR-1-06-3343	% On Time LSRC/ASRC - Facility Check		NA		NA							
OR-2 - Reject Timeliness - Requiring Loop Qualification												
OR-2-04-3343	% On Time LSR/ASR Reject- No Facility Check		NA		NA							
OR-2-06-3343	% On Time LSR/ASR Reject Facility Check		NA		NA							
2 Wire xDSL Line Sharing & Line Splitting												
OR-1 - Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3340	% On Time LSRC - No Facility Check						NA		NA		NA	
OR-1-06-3340	% On Time LSRC/ASRC - Facility Check						NA		NA		NA	
OR-2 - Reject Timeliness - Requiring Loop Qualification												
OR-2-04-3340	% On Time LSR Reject- No Facility Check						NA		NA		NA	
OR-2-06-3340	% On Time LSR/ASR Reject Facility Check						NA		NA		NA	
POTS / Special Services – Aggregate												
OR-3 - Percent Rejects												
OR-3-01-3000	% Rejects (ASRs + LSRs)		55.09		40.74		37.63		31.52		27.13	
OR-4 - Timeliness of Completion Notification												
OR-4-02-3000	Completion Notice (BCN) – % On Time		100		96							
OR-4-05-3000	Work Completion Notice (PCN) – % On Time		100		100							
OR-5 - Percent Flow-Through												
OR-5-01-3000	% Flow Through - Total		45.11		57.97		50.22		55.65		47.7	
OR-5-03-3000	% Flow Through Achieved		85.57		90.91		91.34		90.14		85.44	
Special Services - Electronically Submitted												
OR-1 - Order Confirmation Timeliness (ASRs + LSRs)												
OR-1-04-3210	% On Time LSRC No Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-04-3211	% On Time LSRC No Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-04-3213	% On Time LSRC No Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-04-3214	% On Time LSRC No Facility Check (Non DS0, DS1, & DS3)		NA		NA		100		100		94.74	
OR-1-06-3210	% On Time LSRC/ASRC Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-06-3211	% On Time LSRC/ASRC Facility Check DS1		100		88.24		100		100		75	a
OR-1-06-3213	% On Time LSRC/ASRC Facility Check DS3		87.5		100		100		50		71.43	a,b,c,d,e

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-1-06-3214	% On Time LSRC/ASRC Facility Check (Non DS0, DS1 & DS3)		NA		NA		100		100		100	c,d,e
OR-2 - Reject Timeliness (ASRs + LSRs)												
OR-2-04-3200	% On Time LSR Reject No Facility Check		NA		NA		100		100		100	c,d,e
OR-2-06-3200	% On Time LSR/ASR Reject Facility Check		100		100		100		100		100	c,e
Special Services - FAX/MAIL Submitted												
OR-1 - Order Confirmation Timeliness												
OR-1-08-3210	% On Time ASRC No Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-08-3211	% On Time ASRC No Facility Check DS1		NA		NA							
OR-1-08-3213	% On Time ASRC No Facility Check DS3		NA		NA							
OR-1-08-3214	% On Time ASRC No Facility Check (Non DS0, DS1 & DS3)		NA		NA							
OR-1-10-3210	% On Time ASRC Facility Check DS0		NA		NA							
OR-1-10-3211	% On Time ASRC Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-10-3213	% On Time ASRC Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-10-3214	% On Time ASRC Facility Check (Non DS0, DS1 & DS3)		NA		NA		NA		NA		NA	
OR-2 - Reject Timeliness												
OR-2-08-3200	% On Time ASR Reject No Facility Check		NA		NA		NA		NA		NA	
OR-2-10-3200	% On Time ASR Reject Facility Check		NA		NA		NA		NA		NA	
UNE (PROVISIONING)												
POTS - Provisioning												
PR-2 - Average Completed Interval												
PR-2-01-3111	Av. Completed Interval - Total No Dispatch – Hot Cut Loop		NA		5							b
PR-2-01-3122	Av. Completed Interval - Total No Dispatch - Other (UNE Switch & INP)	0.78	NA	0.65	NA							
PR-2-01-3140	Av. Completed Interval - Total No Dispatch - Platform	0.78	0.45	0.65	0.22							
PR-2-03-3112	Av. Completed Interval - Dispatch (1-5 Lines) – Loop	2.9	NA	2.82	NA							
PR-2-03-3140	Av. Completed Interval - Dispatch (1-5 Lines) - Platform	2.9	NA	2.82	3							b
PR-2-04-3112	Av. Completed Interval - Dispatch (6-9 Lines) – Loop	3.5	NA	3.2	NA							
PR-2-04-3140	Av. Completed Interval - Dispatch (6-9 Lines) - Platform	3.5	NA	3.2	NA							
PR-2-05-3112	Av. Completed Interval - Dispatch (>= 10 Lines) – Loop	NA	NA	5	NA							
PR-2-05-3140	Av. Completed Interval - Dispatch (>= 10 Lines) - Platform	NA	NA	5	NA							

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-4 - Missed Appointments												
PR-4-02-3100	Average Delay Days – Total	8.25	NA	10.69	NA	7.82	NA	6.13	NA	7.14	3	
PR-4-03-3100	% Missed Appt. – Customer	1.7	0	1.48	0	1.29	0		0		2.5	
PR-4-04-3113	% Missed Appt. – Verizon – Dispatch - Loop New	9.1	0	6.41	NA	10.86	0	11.64	0	7.42	6.67	a,c
PR-4-04-3140	% Missed Appt. – Verizon – Dispatch - Platform	9.1	0	6.41	0	10.86	0	11.64	0	7.42	0	a,b,c,d,e
PR-4-04-3520	% Missed Appt. – Verizon – Dispatch - Hot Cut Loop	9.1	0	6.41	0							a,b
PR-4-05-3111	% Missed Appt. – Verizon – No Dispatch - Hot Cut Loop	0.28	0	0.04	0							a,b
PR-4-05-3121	% Missed Appt. – Verizon – No Dispatch – Other	0.28	NA	0.04	NA							
PR-4-05-3140	% Missed Appt. – Verizon – No Dispatch - Platform	0.28	0	0.04	0	0.07	0	0.03	0	0.02	0	
PR-6 - Installation Quality												
PR-6-01-3100	% Installation Troubles reported within 30 Days - Loop	2.59	0	2.31	0							
PR-6-01-3112	% Installation Troubles reported within 30 Days - Loop					1.98	1.11	2.27	3.23	1.87	0.93	
PR-6-01-3121	% Installation Troubles reported within 30 Days - Platform	2.59	0	2.31	0	1.98	0	2.27	2.29	1.87	0	
PR-6-02-3112	% Installation Troubles reported within 7 Days - Loop	1.47	0	1.41	0							
PR-6-02-3121	% Installation Troubles reported within 7 Days - Platform	1.47	0	1.41	0							
PR-6-02-3520	% Installation Troubles reported within 7 Days - Hot Cut Loop		0		0		0		0		0	a
PR-6-03-3112	% Installation Troubles reported within 30 Days - FOK/TOK/CPE – Loop	2.28	0	2.19	0	1.88	2.22		0		0	
PR-6-03-3121	% Installation Troubles reported within 30 Days - FOK/TOK/CPE – Platform	2.28	2.56	2.19	0	1.88	0		0		0	
PR-8 - Open Orders in a Hold Status												
PR-8-01-3100	Open Orders in a Hold Status > 30 Days	0.02	0	0.01	0	0.01	0	0.01	0	0	0	
PR-8-02-3100	Open Orders in a Hold Status > 90 Days	0	0	0.01	0	0.01	0	0.01	0	0	0	
PR-9-01-3520	% On Time Performance – Hot Cut		100		100		100		100		100	a,b
PR-9-08-3520	Average Duration of Service Interruption		NA		NA		NA		NA		NA	
POTS & Complex Aggregate												
2-Wire Digital Services												

Metric Number	Metric Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-2 - Average Completed Interval												
PR-2-01-3341	Av. Interval Completed – Total No Dispatch	1.63	NA	1.92	NA							
PR-2-02-3341	Av. Interval Completed – Total Dispatch	5	NA	5.8	NA							
PR-4 - Missed Appointments												
PR-4-02-3341	Average Delay Days – Total	3.67	NA	6	NA	NA	NA	30	NA	2	NA	
PR-4-03-3341	% Missed Appointment – Customer	4.44	0	20.88	0	26.79	NA		NA		NA	
PR-4-04-3341	% Missed Appointment – Verizon – Dispatch	5	0	1.69	0	0	NA	0	NA	6.67	NA	a,b
PR-4-05-3341	% Missed Appointment – Verizon – No Dispatch	0	NA	0	NA	0	NA	0	NA	0	NA	
PR-6 - Installation Quality												
PR-6-01-3341	% Install. Troubles Reported within 30 Days	0.28	0	1.27	0	3.51	NA	4.16	NA	3.74	NA	a,b
PR-6-03-3341	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE	3.07	0	0.72	0	0.59	NA		NA		NA	a,b
PR-8 - Open Orders in a Hold Status												
PR-8-01-3341	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	NA	0	NA	0	NA	a,b
PR-8-02-3341	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	NA	0	NA	0	NA	a,b
2-Wire xDSL Loops												
PR-2 - Average Completed Interval												
PR-2-01-3342	Av. Interval Completed – Total No Dispatch		NA		NA							
PR-2-02-3342	Av. Interval Completed – Total Dispatch		6		7.67							a,b
PR-4 - Missed Appointments												
PR-4-02-3342	Average Delay Days – Total	16	2	NA	3.5	NA	NA	NA	NA	NA	NA	a,b
PR-4-03-3342	% Missed Appointment – Customer	0.43	3.57	0	0	0.86	0		0		0	
PR-4-04-3342	% Missed Appointment – Verizon – Dispatch		0		0		0		0		0	
PR-4-14-3342	% Completed On Time (with Serial Number)		NA		NA		NA		NA		NA	
PR-6 - Installation Quality												
PR-6-01-3342	% Install. Troubles Reported within 30 Days	2.59	0	2.31	0	3.51	2.63	4.16	0	3.74	3.85	
PR-6-03-3342	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE	2.4	0	2.28	10.81	1.96	2.63		7.14		0	
PR-8 - Open Orders in a Hold Status												
PR-8-01-3342	Open Orders in a Hold Status > 30 Days	8.33	0	11.11	0	0	0	0	0	0	0	
PR-8-02-3342	Open Orders in a Hold Status > 90 Days	8.33	0	0	0	0	0	0	0	0	0	
2-Wire xDSL Line Sharing												
PR-2 - Average Completed Interval												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-2-01-3343	Av. Interval Completed – Total No Dispatch	3.02	NA	2.97	NA							
PR-2-02-3343	Av. Interval Completed – Total Dispatch	3	NA	3.13	NA							
PR-4 - Missed Appointments												
PR-4-02-3343	Average Delay Days – Total	2	NA	NA	NA	3	NA	NA	NA	1	NA	
PR-4-03-3343	% Missed Appointment – Customer	0.43	NA	0	NA	0.86	NA		NA		NA	
PR-4-04-3343	% Missed Appointment – Verizon – Dispatch	0	NA	0	NA	0	NA	0	NA	0	NA	
PR-4-05-3343	% Missed Appointment – Verizon – No Dispatch	0.88	NA	0	NA	0.31	NA	0	NA	0.34	NA	
PR-6 - Installation Quality												
PR-6-01-3343	% Install. Troubles Reported within 30 Days	0.43	NA	0.33	NA	0.29	NA	0.25	NA	0.65	NA	
PR-6-03-3343	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE	2.99	NA	4	NA	2.58	NA		NA		NA	
PR-8 - Open Orders in a Hold Status												
PR-8-01-3343	Open Orders in a Hold Status > 30 Days	0	NA	0	NA	0	NA	0	NA	0	NA	
PR-8-02-3343	Open Orders in a Hold Status > 90 Days	0	NA	0	NA	0	NA	0	NA	0	NA	
2-Wire xDSL Line Splitting												
PR-4 Missed Appointments												
PR-4-02-3345	Average Delay Days – Total					3	NA	NA	NA	1	NA	
PR-4-04-3345	% Missed Appointment – Verizon – Dispatch					0	NA	0	NA	0	NA	
PR-4-05-3345	% Missed Appointment – Verizon – No Dispatch					0.31	NA	0	NA	0.34	NA	
PR-6 - Installation Quality												
PR-6-01-3345	% Install. Troubles Reported within 30 Days					0.29	NA	0.25	NA	0.65	NA	
PR-6-03-3345	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE					2.58	NA		NA		NA	
PR-8 - Open Orders in a Hold Status												
PR-8-01-3345	Open Orders in a Hold Status > 30 Days					0	NA	0	NA	0	NA	
PR-8-02-3345	Open Orders in a Hold Status > 90 Days					0	NA	0	NA	0	NA	
Special Services - Provisioning												
PR-2 - Average Completed Interval												
PR-2-01-3200	Av. Interval Completed – Total No Dispatch	10	NA	10.5	22.17							b
PR-2-02-3200	Av. Interval Completed – Total Dispatch	12.5	14	10.45	28.5							a,b
PR-2-06-3200	Av. Interval Completed – DS0	12.55	NA	14	7.5							b
PR-2-07-3200	Av. Interval Completed – DS1	12.4	12.33	8	11							a,b
PR-2-08-3200	Av. Interval Completed – DS3	NA	NA	NA	NA							

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-2-09-3512	Av. Interval Completed – Total - EEL – Loop		19		48							a,b
PR-4 - Missed Appointments												
PR-4-01-3200	% Missed Appointment – Verizon – Total											
PR-4-01-3210	% Missed Appointment – Verizon – DS0	8.33	NA	0	NA	0	0	0	NA	0	NA	c
PR-4-01-3211	% Missed Appointment – Verizon – DS1	0	0	0	0	30	0	66.67	0	50	14.29	a,b,c,d,e
PR-4-01-3213	% Missed Appointment – Verizon – DS3	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
PR-4-01-3214	% Missed Appointment – Verizon – Special Other	0	NA	0	NA	0	NA	0	NA	0	NA	
PR-4-01-3510	% Missed Appointment – Verizon – Total - EEL	0	33.33	0	16.67	30	25	66.67	0	50	0	a,b,c,d,e
PR-4-01-3530	% Missed Appointment – Verizon – Total- IOF	NA	0	NA	60	NA	NA	NA	0	NA	50	a,b,d,e
PR-4-02-3200	Average Delay Days – Total	16	NA	NA	1	89	NA	30	NA	6	21	b
PR-4-02-3510	Average Delay Days – Total - EEL	NA	1	NA	26	89	49	30	NA	6	NA	a,b,c
PR-4-02-3530	Average Delay Days – Total - IOF	NA	NA	NA	21	NA	NA	NA	NA	NA	72	b
PR-4-03-3200	% Missed Appointment – Customer	8.33	25	44.44	10	42.5	66.67		90		63.64	
PR-4-03-3510	% Missed Appointment – Customer - EEL	NA	66.67	NA	33.33	20	0		100		33.33	
PR-4-08-3200	% Missed Appt. – Customer – Late Order Conf.		0		0		14.29		0		0	a,c
PR-6 - Installation Quality												
PR-6-01-3200	% Installation Troubles reported within 30 Days	0.59	0	0.36	6.25	2.09	28.57	12	7.69	0.91	0	a,c
PR-6-03-3200	% Inst. Troubles reported w/ in 30 Days - FOK/TOK/CPE	2.35	0	0.24	0	0.52	0		0		0	a,c
PR-8 - Open Orders in a Hold Status												
PR-8-01-3200	Open Orders in a Hold Status > 30 Days	12.5	0	11.11	0	2.5	0	0	0	0	0	a,b,c,d,e
PR-8-02-3200	Open Orders in a Hold Status > 90 Days	4.17	0	0	0	0	0	0	0	0	0	
UNE (MAINTENANCE)												
Maintenance - POTS Loop												
MR-2 - Trouble Report Rate												
MR-2-02-3550	Network Trouble Report Rate – Loop	0.92	0	0.77	0.21	0.57	0.4	0.67	0.74	0.58	0.33	
MR-2-03-3550	Network Trouble Report Rate – Central Office	0.14	0	0.06	0	0.04	0.2	0.05	0	0.06	0	
MR-3 - Missed Repair Appointments												
MR-3-01-3550	% Missed Repair Appointment – Loop	10.14	NA	7.91	0	8.84	0	8.94	0	9.36	0	b,c,d,e
MR-3-02-3550	% Missed Repair Appointment – Central Office	1.24	NA	1.58	NA	4.26	0	4.35	NA	2.39	NA	c
MR-4 - Trouble Duration Intervals												
MR-4-01-3550	Mean Time To Repair – Total	17.29	NA	15.5	0.68	17.03	7.11	18.6	5.2	16.74	2.91	b,c,d,e

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-4-02-3550	Mean Time To Repair – Loop Trouble	19.44	NA	16.36	0.68	17.83	8.35	19.59	5.2	17.97	2.91	b,c,d,e
MR-4-03-3550	Mean Time To Repair – Central Office Trouble	3.46	NA	3.68	NA	6.11	4.62	4.81	NA	5.36	NA	c
MR-4-07-3550	% Out of Service > 12 Hours	54.06	NA	50.58	0	54.5	50	59.67	0	55.48	0	b,c,d,e
MR-4-08-3550	% Out of Service > 24 Hours	25.77	NA	18.83	0	21.65	0	28.76	0	23.04	0	b,c,d,e
MR-5 - Repeat Trouble Reports												
MR-5-01-3550	% Repeat Reports within 30 Days	15.94	NA	14.64	0	13.37	0	13.86	25	13.56	0	b,c,d,e
Maintenance - POTS Platform												
MR-2 - Trouble Report Rate												
MR-2-02-3140	Network Trouble Report Rate – Platform	0.92	0.5	0.77	0.64	0.57	1.11	0.67	1.13	0.58	0.18	
MR-2-03-3140	Network Trouble Report Rate – Central Office	0.14	0.17	0.06	0	0.04	0	0.05	0.19	0.06	0	
MR-2-04-3140	% Subsequent Reports	11.59	20	10.31	0	11.71	0		22.22		0	a,b,c,e
MR-2-05-3140	% CPE/TOK/FOK Trouble Report Rate	0.82	0.66	0.65	0.32	0.51	0.16		0.57		0.54	
MR-3 - Missed Repair Appointments												
MR-3-01-3144	% Missed Repair Appointment – Platform Bus.	16.4	33.33	10.75	0	10.65	0	13.94	0	16.72	100	a,b,c,d,e
MR-3-01-3145	% Missed Repair Appointment – Platform Res.	9.27	NA	7.58	0	8.44	0	8.24	0	8.01	NA	b,c,d
MR-3-02-3144	% Missed Repair Appointment – Central Office Bus.	1.81	0	0	NA	2.22	NA	6.25	NA	4.11	NA	a
MR-3-02-3145	% Missed Repair Appointment – Central Office Res.	0.95	NA	2.24	NA	5.21	NA	3.54	0	1.47	NA	d
MR-3-03-3140	% CPE/TOK/FOK - Missed Appointment - Platform	4.12	0	4.08	0	2.85	0		0		0	a,b,c,d,e
MR-3-04-3140	% Missed Repair Appointment - No Double Dispatch	8.13	25	5.52	0							a,b
MR-3-05-3140	% Missed Repair Appointment - Double Dispatch	39.38	NA	40.16	NA							
MR-4 - Trouble Duration Intervals												
MR-4-01-3140	Mean Time To Repair – Total	17.29	8.5	15.5	4.02	17.03	10.31	18.6	7.76	16.74	23.73	a,b,c,d,e
MR-4-02-3144	Mean Time To Repair – Loop Trouble - Platform - Bus.	10.36	11.08	11.02	2.9	8.24	6.4	11.32	6.77	10.37	23.73	a,b,c,d,e
MR-4-02-3145	Mean Time To Repair – Loop Trouble - Platform - Res.	20.49	NA	16.96	5.15	19.37	15.54	20.7	12.36	19.38	NA	b,c,d
MR-4-03-3144	Mean Time To Repair – Central Office Trouble - Bus.	2.42	0.73	1.34	NA	3.82	NA	3.39	NA	4.07	NA	a
MR-4-03-3145	Mean Time To Repair – Central Office Trouble - Res.	4	NA	4.66	NA	7.18	NA	5.42	2.5	6.05	NA	d
MR-4-04-3140	% Cleared (all troubles) within 24 Hours	73.36	100	81.24	100	77.24	100	71.12	100	78.18	100	a,b,c,d,e
MR-4-06-3140	% Out of Service > 4 Hours	75.66	33.33	80.36	33.33	79.97	50	82.35	40	81.7	NA	a,b,c,d
MR-4-07-3140	% Out of Service > 12 Hours	54.06	33.33	50.58	0	54.5	50	59.67	40	55.48	NA	a,b,c,d
MR-4-08-3144	% Out of Service > 24 Hours - Bus.	5.3	0	4.55	0	2.81	0	8.09	0	5.95	NA	a,b,c,d
MR-4-08-3145	% Out of Service > 24 Hours - Res.	29.18	NA	20.52	0	24.9	0	31.72	0	26.66	NA	b,c,d
MR-5 - Repeat Trouble Reports												

Metric Number	Metric Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
MR-5-01-3140	% Repeat Reports within 30 Days	15.94	0	14.64	0	13.37	0	13.86	28.57	13.56	0	a,b,c,d,e
2-Wire Digital Services - Maintenance												
MR-2 - Trouble Report Rate												
MR-2-02-3341	Network Trouble Report Rate - Loop	0.48	0	0.79	0	0.58	0	0.67	0	0.58	0	a,b,c,d,e
MR-2-03-3341	Network Trouble Report Rate - Central Office	0.38	0	0.23	0	0.04	0	0.05	0	0.06	0	a,b,c,d,e
MR-2-04-3341	% Subsequent Reports	21.74	NA	21.43	NA	11.74	NA		NA		NA	
MR-3 - Missed Repair Appointments												
MR-3-01-3341	% Missed Repair Appointment – Loop	30	NA	17.65	NA	9.13	NA	9.05	NA	9.47	NA	
MR-3-02-3341	% Missed Repair Appointment – Central Office	0	NA	40	NA	4.73	NA	4.19	NA	3.23	NA	
MR-4 - Trouble Duration Intervals												
MR-4-01-3341	Mean Time To Repair - Total	9.49	NA	7.61	NA	16.9	NA	18.56	NA	16.73	NA	
MR-4-02-3341	Mean Time To Repair - Loop Trouble	12.38	NA	8.48	NA	17.72	NA	19.59	NA	17.94	NA	
MR-4-03-3341	Mean Time To Repair - Central Office Trouble	5.87	NA	4.65	NA	6.13	NA	4.75	NA	5.85	NA	
MR-4-07-3341	% Out of Service > 12 Hours	40	NA	21.43	NA	54.34	NA	59.56	NA	55.42	NA	
MR-4-08-3341	% Out of Service > 24 Hours	10	NA	7.14	NA	21.52	NA	28.66	NA	23.03	NA	
MR-5 - Repeat Trouble Reports												
MR-5-01-3341	% Repeat Reports within 30 Days	5.56	NA	27.27	NA	13.3	NA	13.88	NA	13.59	NA	
2-Wire xDSL Loops - Maintenance												
MR-2 - Trouble Report Rate												
MR-2-02-3342	Network Trouble Report Rate - Loop	0.17	0	0.15	0.44	0.58	0.38	0.67	0.35	0.58	0.32	
MR-2-03-3342	Network Trouble Report Rate - Central Office	0.06	0	0	0.44	0.04	0	0.05	0.35	0.06	0	
MR-3 - Missed Repair Appointments												
MR-3-01-3342	% Missed Repair Appointment – Loop	0	NA	0	0	9.13	0	9.05	0	9.47	0	b,c,d,e
MR-3-02-3342	% Missed Repair Appointment – Central Office	0	NA	0	0	4.73	NA	4.19	0	3.23	NA	b,d
MR-4 - Trouble Duration Intervals												
MR-4-02-3342	Mean Time To Repair - Loop Trouble	7.72	NA	19.59	2.9	17.72	1.6	19.59	0.02	17.94	4.55	b,c,d,e
MR-4-03-3342	Mean Time To Repair - Central Office Trouble	11.08	NA	14.98	1.6	6.13	NA	4.75	1.82	5.85	NA	b,d
MR-4-07-3342	% Out of Service > 12 Hours	25	NA	100	0	54.34	0	59.56	0	55.42	0	b,c,d,e
MR-4-08-3342	% Out of Service > 24 Hours	0	NA	0	0	21.52	0	28.66	0	23.03	0	b,c,d,e
MR-5 - Repeat Trouble Reports												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-5-01-3342	% Repeat Reports within 30 Days	40	NA	75	33.33	13.3	50	13.88	0	13.59	0	b,c,d,e
2-Wire xDSL Line Sharing - Maintenance												
MR-2 - Trouble Report Rate												
MR-2-02-3343	Network Trouble Report Rate - Loop	0.17	NA	0.15	NA	0.27	NA	0.08	NA	0.12	NA	
MR-2-03-3343	Network Trouble Report Rate - Central Office	0.06	NA	0	NA	0	NA	0	NA	0	NA	
MR-3 - Missed Repair Appointments												
MR-3-01-3343	% Missed Repair Appointment – Loop	0	NA	0	NA	0	NA	33.33	NA	0	NA	
MR-3-02-3343	% Missed Repair Appointment – Central Office	0	NA	0	NA	0	NA	NA	NA	0	NA	
MR-4 - Trouble Duration Intervals												
MR-4-02-3343	Mean Time To Repair - Loop Trouble	7.72	NA	19.59	NA	16.36	NA	9.95	NA	4.21	NA	
MR-4-03-3343	Mean Time To Repair - Central Office Trouble	11.08	NA	14.98	NA	25.88	NA	NA	NA	12.78	NA	
MR-4-04-3343	% Cleared (all troubles) within 24 Hours	100	NA	100	NA	57.14	NA	100	NA	100	NA	
MR-4-07-3343	% Out of Service > 12 Hours	25	NA	100	NA	71.43	NA	33.33	NA	40	NA	
MR-4-08-3343	% Out of Service > 24 Hours	0	NA	0	NA	42.86	NA	0	NA	0	NA	
MR-5 - Repeat Trouble Reports												
MR-5-01-3343	% Repeat Reports within 30 Days	40	NA	75	NA	85.71	NA	66.67	NA	60	NA	
2-Wire xDSL Line Splitting - Maintenance												
MR-2 - Trouble Report Rate												
MR-2-02-3345	Network Trouble Report Rate - Loop					0.27	NA	0.08	NA	0.12	NA	
MR-2-03-3345	Network Trouble Report Rate - Central Office					0	NA	0	NA	0	NA	
MR-3 - Missed Repair Appointments												
MR-3-01-3345	% Missed Repair Appointment – Loop					0	NA	33.33	NA	0	NA	
MR-3-02-3345	% Missed Repair Appointment – Central Office					0	NA	NA	NA	0	NA	
MR-4 - Trouble Duration Intervals												
MR-4-02-3345	Mean Time To Repair - Loop Trouble					16.36	NA	9.95	NA	4.21	NA	
MR-4-03-3345	Mean Time To Repair - Central Office Trouble					25.88	NA	NA	NA	12.78	NA	
MR-4-04-3345	% Cleared (all troubles) within 24 Hours					57.14	NA	100	NA	100	NA	
MR-4-07-3345	% Out of Service > 12 Hours					71.43	NA	33.33	NA	40	NA	
MR-4-08-3345	% Out of Service > 24 Hours					42.86	NA	0	NA	0	NA	
MR-5 - Repeat Trouble Reports												
MR-5-01-3345	% Repeat Reports within 30 Days					85.71	NA	66.67	NA	60	NA	
Special Services - Maintenance												
MR-2 - Trouble Report Rate												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-2-01-3200	Network Trouble Report Rate	0.2	0	0.18	1.89	0.17	2.56	0.14	1.6	0.12	0	
MR-2-05-3200	% CPE/TOK/FOK Trouble Report Rate	0.2	0	0.23	1.89	0.19	0		0.8		1.5	
MR-4 - Trouble Duration Intervals												
MR-4-01-3200	Mean Time To Repair – Total	5.25	NA	5.04	5.36							b
MR-4-01-3216	Mean Time To Repair – Total - Non DS0 & DS0					4.57	NA	4.39	NA	2.96	NA	
MR-4-01-3217	Mean Time To Repair – Total - DS1 & DS3					3.61	9.77	4.61	4.42	3.89	NA	c,d
MR-4-04-3200	% Cleared (all troubles) within 24 Hours	100	NA	97.83	100							b
MR-4-04-3216	% Cleared (all troubles) within 24 Hours - Non DS0 & DS0					100	NA	100	NA	100	NA	
MR-4-04-3217	% Cleared (all troubles) within 24 Hours - DS1 & DS3					100	100	100	100	100	NA	c,d
MR-4-06-3200	% Out of Service > 4 Hours	46.15	NA	40	50							b
MR-4-06-3216	% Out of Service > 4 Hours - Non DS0 & DS0					50	NA	53.57	NA	27.59	NA	
MR-4-06-3217	% Out of Service > 4 Hours - DS1 & DS3					38.46	100	70	100	20	NA	c,d
MR-4-08-3200	% Out of Service > 24 Hours	0	NA	2.22	0							b
MR-4-08-3216	% Out of Service > 24 Hours - Non DS0 & DS0					0	NA	0	NA	0	NA	
MR-4-08-3217	% Out of Service > 24 Hours - DS1 & DS3					0	0	0	0	0	NA	c,d
MR-5 - Repeat Trouble Reports												
MR-5-01-3200	% Repeat Reports within 30 Days	25	NA	21.74	0	21.28	0	21.05	0	11.76	NA	b,c,d
TRUNKS												
ORDERING												
OR 1 - Order Confirmation Timeliness												
OR-1-12-5020	% On Time FOC (<= 192 Forecasted Trunks)		NA		NA		NA		NA		NA	
OR-1-12-5030	% On Time FOC (> 192 and Unforecasted Trunks)		NA		NA		100		100		100	c,d,e
OR-1-13-5020	% On Time Design Layout Record (DLR)		NA		NA		100		100		100	c,d,e
OR-1-19-5020	% On Time Resp. - Request for Inbound Augment Trunks (<= 192 Forecasted Trunks)		NA		100		100		100		100	b,c,d,e
OR-1-19-5030	% On Time Resp. - Request for Inbound Augment Trunks (> 192 Forecasted Trunks)		100		NA		NA		NA		NA	a
OR-2 - Reject Timeliness												
OR-2-11-5000	Average Trunk ASR Reject Time (<= 192 Forecasted Trunks)		NA		NA							
OR-2-12-5000	% On Time Trunk ASR Reject (<= 192 Forecasted Trunks)		NA		NA		NA		NA		NA	
PROVISIONING												
PR-1 - Average Interval Offered												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-1-09-5020	Av. Interval Offered – Total (<= 192 Forecasted Trunks)	25	NA	NA	NA	NA	NA	18	NA	18	NA	
PR-1-09-5030	Av. Interval Offered – Total (> 192 & Unforecasted Trunks)	NA	NA	NA	NA	18	NA	NA	NA	15.67	NA	
PR-2 - Average Interval Completed												
PR-2-09-5020	Av. Interval Completed – Total (<= 192 Forecasted Trunks)	NA	NA	NA	NA							
PR-2-09-5030	Av. Interval Completed – Total (> 192 & Unforecasted Trunks)	NA	NA	NA	NA							
PR-4 - Missed Appointment												
PR-4-01-5000	% Missed Appointment – Verizon – Total	0	0	0.43	0	0	0	0	0	0	0	
PR-4-02-5000	Average Delay Days - Total	NA	NA	14	NA	NA	NA	NA	NA	NA	NA	
PR-4-03-5000	% Missed Appointment – Customer	7.32	0	20.6	28.57	13.75	38.78		38.83		70.3	
PR-4-07-3540	% On Time Performance – LNP Only		100		100		100		96.97		100	
PR-5 – Facility Missed Orders												
PR-5-01-5000	% Missed Appointment – Verizon – Facilities	0	NA	0	NA	0	0	0	0	0	0	
PR-5-02-5000	% Orders Held for Facilities > 15 Days	0	NA	0	NA	0	0	0	0	0	0	
PR-5-03-5000	% Orders Held for Facilities > 60 Days	0	NA	0	NA	0	0	0	0	0	0	
PR-6 – Installation Quality												
PR-6-01-5000	% Installation Troubles reported within 30 Days	0	0	0	0	0	0	0	0.11	0	0.04	
PR-6-03-5000	% Inst. Troubles reported within 30 Days - FOK/TOK/CPE	0	0	0	0	0	0		0		0	
PR-8 – Open Orders in a Hold Status												
PR-8-01-5000	Open Orders in a Hold Status > 30 Days	0	0	0	0	1.72	0	11.58	0	7.08	0	
PR-8-02-5000	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	11.58	0	4.18	0	
MAINTENANCE												
MR-2 – Trouble Report Rate												
MR-2-01-5000	Network Trouble Report Rate	0	0	0	0	0	0	0	0.02	0	0.03	
MR-4 – Trouble Duration Intervals												
MR-4-01-5000	Mean Time To Repair – Total	NA	NA	NA	NA	NA	NA	NA	1.22	NA	2.06	d,e
MR-4-04-5000	% Cleared (all troubles) within 24 Hours	NA	NA	NA	NA	NA	NA	NA	100	NA	100	d,e
MR-4-05-5000	% Out of Service > 2 Hours	NA	NA	NA	NA	NA	NA	NA	0	NA	33.33	d,e
MR-4-06-5000	% Out of Service > 4 Hours	NA	NA	NA	NA	NA	NA	NA	0	NA	0	d,e
MR-4-07-5000	% Out of Service > 12 Hours	NA	NA	NA	NA	NA	NA	NA	0	NA	0	d,e
MR-4-08-5000	% Out of Service > 24 Hours	NA	NA	NA	NA	NA	NA	NA	0	NA	0	d,e
MR-5 – Repeat Trouble Report Rates												

Metric	Metric	September		October		November		December		January		Notes
Number	Name	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-5-01-5000	% Repeat Reports within 30 Days	NA	NA	NA	NA	NA	NA	NA	0	NA	0	d,e
NETWORK PERFORMANCE												
NP-1 – Percent Final Trunk Group Blockage												
NP-1-01-5000	% Final Trunk Groups Exceeding Blocking Standard	6.67	0	0	0	0	0	0	0	0	0	a,b
NP-1-02-5000	% FTG Exceeding Blocking Std. –(No Exceptions)	6.67	0	0	0	0	0	0	0	0	9.09	a,b
NP-1-03-5000	Number FTG Exceeding Blocking Std. – 2 Months		0		0		0		0		0	a,b
NP-1-04-5000	Number FTG Exceeding Blocking Std. – 3 Months		0		0		0		0		0	a,b
NP-2 – Collocation Performance - New												
NP-2-01-6701	% On Time Response to Request for Physical Collocation		NA		NA		100		NA		NA	c
NP-2-02-6701	% On Time Response to Request for Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-03-6701	Average Interval – Physical Collocation		76		NA		61		76		NA	
NP-2-04-6701	Average Interval – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-05-6701	% On Time – Physical Collocation		100		NA		100		100		NA	a,c,d
NP-2-06-6701	% On Time – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-07-6701	Average Delay Days – Physical Collocation		NA		NA		NA		NA		NA	
NP-2-08-6701	Average Delay Days – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2 – Collocation Performance - Augment												
NP-2-01-6702	% On Time Response to Request for Physical Collocation		100		NA		NA		NA		100	a
NP-2-02-6702	% On Time Response to Request for Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-03-6702	Average Interval – Physical Collocation - 76 days		67		71		66		51		NA	
NP-2-03-6712	Average Interval – Physical Collocation - 45 Days						66		NA		NA	
NP-2-04-6702	Average Interval – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-05-6702	% On Time – Physical Collocation - 76 days		100		100		100		100		NA	a,b,c,d
NP-2-05-6712	% On Time - Physical Collocation - 45 Days						100		NA		NA	c
NP-2-06-6702	% On Time – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-07-6702	Average Delay Days – Physical Collocation		NA		NA		NA		NA		NA	
NP-2-08-6702	Average Delay Days – Virtual Collocation		NA		NA		NA		NA		NA	

Abbreviations:
NA = No Activity.
UD = Under Development.
NEF = No Existing Functionality
blank cell = No data provided.
VZ = Verizon retail analog. If no data was provided, the metric may have a benchmark.

Notes:
a = Sample Size under 10 for September.
b = Sample Size under 10 for October.
c = Sample Size under 10 for November.
d = Sample Size under 10 for December.
e = Sample Size under 10 for January.

Appendix C

Massachusetts Performance Metrics

All data included here are taken from the Massachusetts Carrier-to-Carrier Reports. This table is provided as a reference tool for the convenience of the reader. No conclusions are to be drawn from the raw data contained in this table. Our analysis is based on the totality of the circumstances, such that we may use non-metric evidence, and may rely more heavily on some metrics more than others, in making our determination. The inclusion of these particular metrics in this table does not necessarily mean that we relied on all of these metrics or that other metrics may not also be important in our analysis. Some metrics that we have relied on in the past and may rely on for a future application were not included here because there was no data provided for them (usually either because there was no activity, or because the metrics are still under development). Metrics with no retail analogue provided are usually compared with a benchmark. Note that for some metrics during the period provided there may be changes in the metric definition, or changes in the retail analogue applied, making it difficult to compare the data over time.

AGGREGATE METRICS

Metric No.	Metric Name
Preorder and OSS Availability:	
MR-1-01	Create Trouble
MR-1-02	Status Trouble
MR-1-03	Modify Trouble
MR-1-04	Request Cancellation of Trouble
MR-1-05	Trouble Report History (by TN/Circuit)
MR-1-06	Test Trouble (POTS Only)
OR-1-02	% On Time LSRC – Flow Through
OR-1-04	% On Time LSRC/ASRC No Facility Check
OR-1-06	% On Time LSRC/ASRC - Facility Check
OR-1-08	% On Time ASRC No Facility Check (Non DS0, DS1 & DS3)
OR-1-10	% On Time ASRC Facility Check DS0
OR-1-12	% On Time FOC
OR-1-13	% On Time Design Layout Record (DLR)
OR-1-19	% On Time Resp. - Request for Inbound Augment Trunks
PO-1-01	Customer Service Record
PO-1-02	Due Date Availability
PO-1-03	Address Validation
PO-1-04	Product & Service Availability
PO-1-05	Telephone Number Availability & Reservation
PO-1-06	Facility Availability (Loop Qualification)
PO-1-07	Rejected Query
PO-1-08	% Timeouts
PO-1-09	Parsed CSR

Metric No.	Metric Name
PO-2-01	OSS Interf. Avail. – Total
PO-2-02	OSS Interf. Avail - Prime Time - Electronic Bonding
PO-2-03	OSS Interf. Avail - Non-Prime - Electronic Bonding
PO-4-01	% Notices Sent on Time - CLEC Orig.
PO-4-02	Change Mgmt. Notice - Delay 1-7 Days - CLEC Orig.
PO-8-01	Average Response Time - Manual Loop Qualification
PO-8-02	Average Response Time - Engineering Record Request
Change Management, Billing, OS/DA, Interconnection and Collocation:	
BI-1-02	% DUF in 4 Business Days
BI-2-01	Timeliness of Carrier Bill
BI-3-01	% Billing Adjustments - Dollars Adjusted
BI-3-02	% Billing Adjustments - Number of Adjustments
NP-1-01	% Final Trunk Groups Exceeding Blocking Standard
NP-1-02	% FTG Exceeding Blocking Std. –(No Exceptions)
NP-1-03	Number FTG Exceeding Blocking Std. – 2 Months
NP-1-04	Number FTG Exceeding Blocking Std. – 3 Months
NP-2-01	% On Time Response to Request for Physical Collocation

Metric No.	Metric Name
NP-2-02	% On Time Response to Request for Virtual Collocation
NP-2-03	Average Interval – Physical Collocation
NP-2-04	Average Interval – Virtual Collocation
NP-2-05	% On Time – Physical Collocation
NP-2-06	% On Time – Virtual Collocation
NP-2-07	Average Delay Days – Physical Collocation
NP-2-08	Average Delay Days – Virtual Collocation
Ordering:	
OR-2-02	% On Time LSR Reject – Flow Through
OR-2-04	% On Time LSR/ASR Reject No Facility Check
OR-2-06	% On Time LSR/ASR Reject Facility Check
OR-2-08	% On Time ASR Reject No Facility Check
OR-2-10	% On Time ASR Reject Facility Check
OR-2-11	Average Trunk ASR Reject Time
OR-2-12	% On Time Trunk ASR Reject
OR-3-01	% Rejects
OR-4-02	Completion Notice (BCN) – % On Time
OR-4-05	Work Completion Notice (PCN) – % On Time
OR-5-01	% Flow Through - Total
OR-5-03	% Flow Through Achieved
OR-6-01	% Accuracy – Order
OR-6-02	% Accuracy – Opportunities
OR-6-03	% Accuracy – LSRC
OR-7-01	% Order Confirmation/Rejects sent within 3 Business Days
Provisioning:	
PR-1-09	Av. Interval Offered – Total - EEL – Backbone
PR-2-01	Av. Interval Completed – Total No Dispatch
PR-2-02	Av. Interval Completed – Total Dispatch

Metric No.	Metric Name
PR-2-03	Average Interval Completed – Dispatch (1-5 Lines)
PR-2-04	Average Interval Completed - Dispatch (6-9 Lines)
PR-2-05	Average Interval Completed - Dispatch (>= 10 Lines)
PR-2-06	Av. Interval Completed – DS0
PR-2-07	Av. Interval Completed – DS1
PR-2-08	Av. Interval Completed – DS3
PR-2-09	Av. Interval Completed – Total - EEL – Loop
PR-2-18	Av. Interval Completed – Disconnects
PR-4-01	% Missed Appointment – Verizon – DS0
PR-4-02	Average Delay Days – Total
PR-4-03	% Missed Appointment – Customer
PR-4-04	% Missed Appointment – Verizon – Dispatch
PR-4-05	% Missed Appointment – Verizon – No Dispatch
PR-4-07	% On Time Performance – LNP Only
PR-4-08	% Missed Appt. – Customer – Due to Late Order Conf.
PR-4-14	% Completed On Time (with Serial Number)
PR-5-01	% Missed Appointment – Verizon – Facilities
PR-5-02	% Orders Held for Facilities > 15 Days
PR-5-03	% Orders Held for Facilities > 60 Days
PR-6-01	% Installation Troubles reported within 30 Days
PR-6-02	% Installation Troubles reported within 7 Days
PR-6-03	% Inst. Troubles reported w/ in 30 Days – FOK/TOK/CPE
PR-8-01	Open Orders in a Hold Status > 30 Days
PR-8-02	Open Orders in a Hold Status > 90 Days
PR-9-01	% On Time Performance – Hot Cut
PR-9-08	Average Duration of Service Interruption

Metric No.	Metric Name
Maintenance and Repair:	
MR-2-01	Network Trouble Report Rate
MR-2-02	Network Trouble Report Rate - Loop
MR-2-03	Network Trouble Report Rate - Central Office
MR-2-04	% Subsequent Reports
MR-2-05	% CPE/TOK/FOK Trouble Report Rate
MR-3-01	% Missed Repair Appointment – Loop
MR-3-02	% Missed Repair Appointment – Central Office
MR-3-03	% CPE/TOK/FOK - Missed Appointment
MR-3-04	% Missed Repair Appointment - No Double Dispatch
MR-3-05	% Missed Repair Appointment - Double Dispatch
MR-4-01	Mean Time To Repair – Total
MR-4-02	Mean Time To Repair – Loop Trouble
MR-4-03	Mean Time To Repair – Central Office Trouble
MR-4-04	% Cleared (all troubles) within 24 Hours
MR-4-05	% Out of Service > 2 Hours
MR-4-06	% Out of Service > 4 Hours
MR-4-07	% Out of Service > 12 Hours
MR-4-08	% Out of Service > 24 Hours
MR-5-01	% Repeat Reports within 30 Days

DISAGGREGATED METRICS

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OSS & BILLING (Pre-Ordering) - POTS/Special Services												
PRE-ORDERING												
PO-1 – Response Time OSS Ordering Interface												
PO-1-01-6020	Customer Service Record - EDI	1.41	3.1	1.31	2.73	1.33	2.78	1.32	2.82	1.42	4.48	
PO-1-01-6030	Customer Service Record - CORBA	1.41	0.9	1.31	0.73	1.33	0.78	1.32	0.73	1.42	0.85	
PO-1-01-6050	Customer Service Record -Web GUI	1.41	2.89	1.31	2.6	1.33	2.62	1.32	2.46	1.42	2.53	
PO-1-02-6020	Due Date Availability - EDI	0.09	2.22	0.07	1.65	0.07	2.75	0.06	1.9	0.06	2.5	a,b,c,d,e
PO-1-02-6030	Due Date Availability - CORBA	0.09	NA	0.07	NA	0.07	NA	0.06	NA	0.06	0.6	
PO-1-02-6050	Due Date Availability - Web GUI	0.09	2.32	0.07	2.2	0.07	2.18	0.06	2.16	0.06	2.18	
PO-1-03-6020	Address Validation - EDI	4.34	4.84	4.07	4.65	3.85	5.42	3.67	5.1	3.85	4.81	
PO-1-03-6030	Address Validation - CORBA	4.34	4.08	4.07	3.47	3.85	3.71	3.67	3.71	3.85	2.9	
PO-1-03-6050	Address Validation - Web GUI	4.34	5.04	4.07	4.79	3.85	5.42	3.67	5.38	3.85	5.31	
PO-1-04-6020	Product & Service Availability - EDI	10.07	NA	9.02	NA	8.48	NA	8.2	NA	8.5	NA	
PO-1-04-6030	Product & Service Availability - CORBA	10.07	NA	9.02	NA	8.48	NA	8.2	NA	8.5	NA	
PO-1-04-6050	Product & Service Availability - Web GUI	10.07	7.74	9.02	5.51	8.48	5.75	8.2	5.57	8.5	5.79	
PO-1-05-6020	Telephone Number Availability & Reservation - EDI	5.23	NA	4.95	4.93	5.37	10.25	4.47	5.89	4.66	7.03	b,c,d,e
PO-1-05-6030	Telephone Number Availability & Reservation - CORBA	5.23	3.52	4.95	3.65	5.37	4.28	4.47	4.1	4.66	4.19	a
PO-1-05-6050	Telephone Number Availability & Reservation - Web GUI	5.23	5.8	4.95	5.69	5.37	5.97	4.47	5.89	4.66	5.64	
PO-1-06-6020	Facility Availability (Loop Qualification) - EDI	2.58	4.06	3.02	3.62	3.51	3.98	1.69	4.06	2.97	3.8	
PO-1-06-6030	Facility Availability (Loop Qualification) - CORBA	2.58	NA	3.02	NA	3.51	NA	1.69	NA	2.97	NA	
PO-1-06-6050	Facility Availability (Loop Qualification) - Web GUI	2.58	4.61	3.02	5.21	3.51	4.61	1.69	4.25	2.97	4.06	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PO-1-07-6020	Rejected Query - EDI	0.05	2.69	0.04	2.62	0.04	2.14	0.04	2.17	0.03	2.28	
PO-1-07-6030	Rejected Query - CORBA	0.05	0.68	0.04	0.6	0.04	0.61	0.04	0.64	0.03	0.62	
PO-1-07-6050	Rejected Query - Web GUI	0.05	3.52	0.04	3.38	0.04	3.2	0.04	2.86	0.03	2.92	
PO-1-08-6020	% Timeouts - EDI		0.9		0.17		0.09		1.01		1.57	
PO-1-08-6030	% Timeouts - CORBA		0		0		0.05		0.02		0.21	
PO-1-08-6050	% Timeouts - Web GUI		1.23		0.21		0.09		0.01		0.01	
PO-1-09-6020	Parsed CSR - EDI	1.41	2.07	1.31	1.88	1.33	1.91	1.32	1.85	1.42	1.79	
PO-1-09-6030	Parsed CSR - CORBA	1.41	0.36	1.31	0.31	1.33	0.29	1.32	0.28	1.42	0.31	
PO-2 - OSS Interface Availability												
PO-2-01-6020	OSS Interf. Avail. – Total - EDI		99.97		99.97							a,b
PO-2-01-6030	OSS Interf. Avail. – Total - CORBA		99.9		99.95							a,b
PO-2-01-6040	OSS Interf. Avail. – Total - Maint. Web GUI (RETAS)		96.05		99.4							b
PO-2-01-6050	OSS Interf. Avail. – Total - Pre-order/Order WEB GUI		96.05		99.4							b
PO-2-01-6060	OSS Interf. Avail. - Total - Electronic Bonding		100		100							a,b
PO-2-02-6020	OSS Interf. Avail. – Prime Time - EDI		99.99		100		100		100		100	a,b,c,d,e
PO-2-02-6030	OSS Interf. Avail. – Prime Time - CORBA		99.99		100		100		99.96		100	a,b,c,d,e
PO-2-02-6040	OSS Interf. Avail. – Prime Time - Maint. Web GUI (RETAS)		98.12		99.54		100		99.93		99.83	a,b,c,d,e
PO-2-02-6050	OSS Interf. Avail. – Prime Time - Pre-order/Order WEB GUI		98.12		99.54		100		99.93		99.83	a,b,c,d,e
PO-2-02-6060	OSS Interf. Avail - Prime Time - Electronic Bonding		100		100		100		100		100	a,b,c,d,e
PO-2-03-6020	OSS Interf. Avail. – Non-Prime - EDI		99.93		99.91		100		99.71		99.91	a,b,c,d,e
PO-2-03-6030	OSS Interf. Avail. – Non-Prime - CORBA		99.76		99.86		99.89		99.13		99.86	a,b,c,d,e
PO-2-03-6040	OSS Interf. Avail. – Non-Prime - Maint. Web GUI (RETAS)		92.94		99.14		99.59		98.43		99.82	b,c,d,e

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
PO-2-03-6050	OSS Interf. Avail. – Non-Prime - Pre-order/Order WEB GUI		92.94		99.14		99.59		98.43		99.82	b,c,d,e
PO-2-03-6060	OSS Interf. Avail - Non-Prime - Electronic Bonding		100		100		100		100		100	a,b,c,d,e
PO-8 - Manual Loop Qualification												
PO-8-01-2000	Average Response Time - Manual Loop Qualification		NEF		NEF		UD		UD		UD	a,b,c,d,e
PO-8-02-2000	Average Response Time - Engineering Record Request		NA		NA		NA		NA		NA	
Change Notification												
PO-4 - Timeliness of Change Management Notice												
PO-4-01-6611	% Notices Sent on Time - Emergency Maint.		100		100							a,b
PO-4-01-6621	% Notices Sent on Time - Regulatory		NA		NA							
PO-4-01-6631	% Notices Sent on Time - Industry Standard		NA		NA							
PO-4-01-6641	% Notices Sent on Time - Verizon Orig.		NA		NA							
PO-4-01-6651	% Notices Sent on Time - CLEC Orig.		NA		NA							
PO-4-01-6660	% Notices Sent on Time - Industry Standard, Verizon Orig. & CLEC Orig.						NA		100		NA	
PO-4-01-6671	% Notices Sent on Time - Emergency Maint. & Regulatory						100		100		100	
Change Confirmation												
PO-4 – Timeliness of Change Management Notice												
PO-4-01-6622	% Notices Sent on Time - Regulatory						NA		NA		100	a,e
PO-4-01-6632	% Notices Sent on Time - Ind. Std.											
PO-4-01-6642	% Notices Sent on Time - Verizon Orig.											a
PO-4-01-6652	% Notices Sent on Time - CLEC Orig.											
PO-4-01-6662	% Notices Sent on Time - Ind. Std., Verizon Orig. & CLEC Orig.						NA		NA		100	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
TROUBLE REPORTING (OSS)												
MR-1 - Response Time OSS Maintenance Interface												
MR-1-01-2000	Create Trouble	5.93	6.3	6.07	5.72	5.97	3.92	5.72	3.69	6.22	3.6	
MR-1-02-2000	Status Trouble	4.7	3.24	5.01	1.45	5.56	0.45	5.57	0.45	5.43	0.39	
MR-1-03-2000	Modify Trouble	5.86	6	6.02	8.03	5.9	8.62	5.67	0.46	6.24	NA	a,b,c,d
MR-1-04-2000	Request Cancellation of Trouble	7	8.13	7.17	7.97	7.14	6.02	6.76	2.42	7.43	2.22	d
MR-1-05-2000	Trouble Report History (by TN/Circuit)	0.55	2.59	0.39	1.75	0.33	1.01	0.32	1.16	0.52	0.99	
MR-1-06-2000	Test Trouble (POTS Only)-RETAIL only	62.41	47.15	62.6	45.25	56.04	44.96	56.18	44	56.88	46.33	
BILLING												
BI-1 - Timeliness of Daily Usage Feed												
BI-1-02-2030	% DUF in 4 Business Days		99.88		99.54		99.87		99.75		99.91	a,b
BI-2 – Timeliness of Carrier Bill												
BI-2-01-2030	Timeliness of Carrier Bill		98.46		98.78		99.09		99.32		95.54	
BI-3 - Billing Accuracy												
BI-3-01-2030	% Billing Adjustments - Dollars Adjusted	0.6	0.02	1.25	0.79							
BI-3-02-2030	% Billing Adjustments - Number of Adjustments	0.23	0.01	0.27	0.01							
RESALE (ORDERING)												
POTS & Pre-qualified Complex - Electronically Submitted												
OR-1 – Order Confirmation Timeliness												
OR-1-02-2320	% On Time LSRC – Flow Through		99.55		99.72		99.61		99.87		99.9	
OR-1-04-	% On Time LSRC/ASRC No Facility Check		95.35		97.44		99.41		99.29		99.34	

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
2100												
OR-1-06-2320	% On Time LSRC/ASRC Facility Check		98.9		99.36		99.73		99.68		100	
OR-2 – Reject Timeliness												
OR-2-02-2320	% On Time LSR Reject – Flow Through		99.53		99.92		99.78		99.9		99.96	
OR-2-04-2320	% On Time LSR/ASR Reject No Facility Check		92.58		93.72		99.88		99.26		99.61	
OR-2-06-2320	% On Time LSR/ASR Reject Facility Check		100		98.3		100		100		100	a
2 Wire Digital Services												
OR-1 – Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-2341	% On Time LSRC/ASRC No Facility Check		100		98.15		100		99.31		100	
OR-1-06-2341	% On Time LSRC/ASRC Facility Check		100		100		100		100		100	a
OR-2 – Reject Timeliness - Requiring Loop Qualification												
OR-2-04-2341	% On Time LSR/ASR Reject No Facility Check		100		98.91		100		100		100	
OR-2-06-2341	% On Time LSR/ASR Reject Facility Check		NA		100		100		100		100	b,d
POTS / Special Services - Aggregate												
OR-3 - Percent Rejects												
OR-3-01-2000	% Rejects		46.19		40.85		34.94		32.87		31.96	
OR-4 – Timeliness of Completion Notification												
OR-4-02-2000	Completion Notice (BCN) – % On Time		98.78		84.65							

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-4-05-2000	Work Completion Notice (PCN) – % On Time		99.79		100							
OR-5 - Percent Flow-Through												
OR-5-01-2000	% Flow Through - Total		52.47		52.11		48.48		43.16		48.27	
OR-5-03-2000	% Flow Through Achieved		94.58		94.47		96.64		93.78		95	
OR-6 - Order Accuracy												
OR-6-01-2000	% Accuracy - Orders		93.31		93.7		90.29		92.98		96.58	
OR-6-02-2000	% Accuracy – Opportunities		99.23		99.2							
OR-6-03-2000	% Accuracy – LSRC		100		99.77		0.1		0.17		0.13	
OR-7 - Order Completeness												
OR-7-01-2000	% Order Confirmation/Rejects sent within 3 Business Days		99.42		99.6		99.46		99.45		99.57	
Special Services – Electronically Submitted												
OR-1 – Order Confirmation Timeliness												
OR-1-04-2210	% On Time LSRC/ASRC No Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-04-2211	% On Time LSRC/ASRC No Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-04-2213	% On Time LSRC/ASRC No Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-04-2214	% On Time LSRC/ASRC No Facility Check (Non DS0, DS1, & DS3)		96.73		97.12		99.18		100		99.41	
OR-1-06-2210	% On Time LSRC/ASRC Facility Check DS0		NA		NA		NA		NA		NA	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-1-06-2211	% On Time LSRC/ASRC Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-06-2213	% On Time LSRC/ASRC Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-06-2214	% On Time LSRC/ASRC Facility Check (Non DS0, DS1, & DS3)		100		100		94.44		94.59		97.14	
OR-2 – Reject Timeliness												
OR-2-04-2200	% On Time LSR/ASR Reject No Facility Check		96.82		96.95		100		100		100	
OR-2-06-2200	% On Time LSR/ASR Reject Facility Check		100		100		100		96.97		100	a,b
RESALE (PROVISIONING)												
POTS – Provisioning - Total												
PR-2 - Average Completed Interval												
PR-2-04-2100	Average Interval Completed - Dispatch (6-9 Lines)	4.65	4.5	4.16	3.4							a,b
PR-2-05-2100	Average Interval Completed - Dispatch (>= 10 Lines)	3.5	7	5.33	8.83							
PR-4 - Missed Appointments												
PR-4-02-2100	Average Delay Days – Total	3.11	2.08	3.25	3.42	2.83	2.5	2.74	4.17	3.07	2.22	
PR-4-03-2100	% Missed Appointment – Customer	1.77	2.65	1.5	1.91	1.57	2.61		2.24		2.22	a,b,c,d,e
PR-4-04-2100	% Missed Appointment – Verizon – Dispatch	5.96	5.21	5.8	5.63	5.17	3.58	5.03	3.81	5.07	4.66	
PR-4-05-2100	% Missed Appointment – Verizon – No Dispatch	0.03	0.04	0.02	0.03	0.01	0	0.01	0	0.01	0	
PR-4-08-2100	% Missed Appt. – Customer – Late Order Conf.		0		0.04							
PR-6 – Installation Quality												
PR-6-01-2100	% Installation Troubles reported within 30 Days	4.04	2.65	3.31	2.22	3.12	2.45	3.06	1.65	2.66	2.31	
PR-6-02-2100	% Installation Troubles reported within 7 Days	2.59	1.5	2.05	1.51							
PR-6-03-2100	% Inst. Troubles reported w/ in 30 Days -	3.13	2.07	2.73	1.32	2.53	1.92		1.34		1.65	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
	FOK/TOK/CPE											
PR-8 – Open Orders in a Hold Status												
PR-8-01-2100	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	0	0	0	0	0	
PR-8-02-2100	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	0	0	0	0	
POTS – Business												
PR-2 – Average Completed Interval												
PR-2-01-2110	Average Interval Completed – Total No Dispatch	0.65	1.26	0.57	0.86							
PR-2-03-2110	Average Interval Completed – Dispatch (1-5 Lines)	3.66	4.57	3.62	3.95							
POTS – Residence												
PR-2 – Average Completed Interval												
PR-2-01-2120	Average Interval Completed – Total No Dispatch	0.49	1.27	0.37	1.22							
PR-2-03-2120	Average Interval Completed – Dispatch (1-5 Lines)	3.72	4.38	3.49	4.31							
POTS & Complex Aggregate												
PR-2 – Average Completed Interval												
PR-2-18-2103	Average Interval Completed – Disconnects	3.76	3.42	3.4	2.4							
2-Wire Digital Services												
PR-2 – Average Completed Interval												
PR-2-01-2341	Average Interval Completed – Total No Dispatch	1.75	1.65	1.84	2.28							
PR-2-02-2341	Average Interval Completed – Total Dispatch	4.4	5.63	4.46	6.43							a,b
PR-4 - Missed Appointments												
PR-4-02-2341	Average Delay Days – Total	7.35	NA	6.26	3	4.31	3.5	4.62	NA	4.74	85.67	b,c,e
PR-4-03-2341	% Missed Appointment – Customer	11.27	3.33	8.79	1.69	10.34	0		4.81		5.71	a,b,c,d,e
PR-4-04-2341	% Missed Appointment – Verizon – Dispatch	9.92	0	7.1	5.26	5.46	10	12.2	0	5.29	0	
PR-4-05-2341	% Missed Appointment – Verizon – No Dispatch	0.37	0	0	0	0	1.69	0	0	0	2.04	
PR-4-08-2341	% Missed Appt. – Customer – Late Order Conf.		0		0		0		0		0	
PR-6 – Installation Quality												

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-6-01-2341	% Install. Troubles Reported within 30 Days	1.94	2.76	1.41	2.06	1.3	1.18	1.04	0	0.61	1	
PR-6-03-2341	% Install. Troubles Reported w/in 30 Days - FOK/TOK/CPE	4.07	1.66	3.72	3.09	2.44	0.59		1.46		2.67	
PR-8 – Open Orders in a Hold Status												
PR-8-01-2341	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	0	0	0	0	0	
PR-8-02-2341	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	0	0	0	0	
Special Services – Provisioning												
PR-2 – Average Completed Interval												
PR-2-01-2200	Average Interval Completed – Total No Dispatch	14.67	7.86	29.63	9.83							a,b
PR-2-02-2200	Average Interval Completed – Total Dispatch	17.3	15.56	15.62	21.91							
PR-2-06-2200	Average Interval Completed – DS0	12.97	9.69	15.78	9.77							
PR-2-07-2200	Average Interval Completed – DS1	21.92	17.8	17.38	29.31							
PR-2-08-2200	Average Interval Completed – DS3	99.25	NA	53.08	NA							
PR-2-18-2200	Average Interval Completed – Disconnects	11.08	6.5	10.33	6.65							
PR-4 - Missed Appointments												
PR-4-01-2200	% Missed Appointment – Verizon – Total											
PR-4-01-2210	% Missed Appointment – Verizon – DS0	2.87	0	10.96	0	3.49	5	2.22	0	4.63	0	
PR-4-01-2211	% Missed Appointment – Verizon – DS1	24.03	6.25	21.86	5.56	14.88	0	11.61	0	15.68	0	d
PR-4-01-2213	% Missed Appointment – Verizon – DS3	80	NA	66.67	NA	57.14	NA	85.71	NA	83.33	NA	
PR-4-01-2214	% Missed Appointment – Verizon – Special Other	5.41	0	18.03	0	7.32	0	10.26	0	1.56	0	a,b,c,d
PR-4-02-2200	Average Delay Days – Total	22.58	7	19.66	146	10.45	16	14.85	NA	10.71	NA	a,b,c
PR-4-03-2200	% Missed Appointment – Customer	21.66	11.11	21.78	15.38	21.25	24.24		6.67		14	a,b,c,d,e
PR-4-08-2200	% Missed Appt. – Customer – Due to Late Order Conf.		0		0		3.03		0		0	
PR-6- Installation Quality												
PR-6-01-2200	% Installation Troubles reported within 30 Days	2.12	4.95	2.33	7.69	1.81	4.01	2.75	1.68	1.65	1.95	
PR-6-03-2200	% Inst. Troubles reported w/ in 30 Days - FOK/TOK/CPE	0.98	0	1.02	5.13	1.86	2.19		0.72		0.65	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-8 – Open Orders in a Hold Status												
PR-8-01-2200	Open Orders in a Hold Status > 30 Days	4.64	2.78	1.38	0	0.66	0	0.44	0	0.21	0	
PR-8-02-2200	Open Orders in a Hold Status > 90 Days	2.81	2.78	0.88	0	0.16	0	0	0	0	0	
RESALE (MAINTENANCE)												
POTS – Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-2100	Network Trouble Report Rate – Loop	1.12	0.39	1.02	0.37	0.8	0.34	0.91	0.3	0.84	0.33	
MR-2-03-2100	Network Trouble Report Rate – Central Office	0.1	0.05	0.1	0.06	0.09	0.05	0.08	0.04	0.09	0.06	
MR-2-04-2100	% Subsequent Reports	18.33	4.92	17.13	5.96	15.06	8.72		7.67		6.86	
MR-2-05-2100	% CPE/TOK/FOK Trouble Report Rate	0.92	0.36	0.83	0.32	0.65	0.29		0.27		0.3	
MR-3 – Missed Repair Appointments												
MR-3-01-2110	% Missed Repair Appointment – Loop Bus.	12.17	5.87	12.78	7.14	9.59	9.83	13.06	10.74	12.2	7.51	
MR-3-01-2120	% Missed Repair Appointment – Loop Res.	9.09	4.11	8.19	3.4	8.29	4.78	9.07	6.64	7.61	6.22	
MR-3-02-2110	% Missed Repair Appointment – Central Office Bus.	12.34	13.13	14.46	11.57	14.51	13.04	9.04	8.08	9.64	8.53	
MR-3-02-2120	% Missed Repair Appointment – Central Office Res.	6.49	3.23	8.48	3.33	8.73	11.11	6.59	0	5.73	14.29	
MR-3-03-2100	% CPE/TOK/FOK - Missed Appointment	5.86	6.79	5.68	10.53	5.89	7.31		4.2		4.73	
MR-3-04-2100	% Missed Repair Appointment - No Double Dispatch	5.48	3.11	4.85	3.32							
MR-3-05-	% Missed Repair Appointment - Double Dispatch	43.07	30.09	40.88	30.97							

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
2100												
MR-4 – Trouble Duration Intervals												
MR-4-01-2100	Mean Time To Repair – Total	20.94	13.91	18.83	13.22	17.12	12.96	18.31	13.1	16.74	12.31	
MR-4-02-2110	Mean Time To Repair – Loop Trouble - Bus.	14.28	13.07	13.54	12.48	12.01	12.88	13.09	12.38	12.18	10.85	
MR-4-02-2120	Mean Time To Repair – Loop Trouble - Res.	23.23	17.63	20.63	15.8	19.03	15.36	20.01	16.53	18.74	19.15	
MR-4-03-2110	Mean Time To Repair – Central Office Trouble - Bus.	11.4	9.74	10.21	10.91	9.15	9.6	8.69	9.01	6.78	8.9	
MR-4-03-2120	Mean Time To Repair – Central Office Trouble - Res.	12.37	11.28	12.73	16.48	10.83	6.44	10.53	8.05	9.03	7.11	
MR-4-04-2100	% Cleared (all troubles) within 24 Hours	69.5	85.1	73.81	87.32	78.44	87.32	75.58	87.84	79.8	89.16	
MR-4-06-2100	% Out of Service > 4 Hours	81.75	71.83	79.73	70.45	77.11	68.84	78.18	66.42	76.25	62.55	
MR-4-07-2100	% Out of Service > 12 Hours	60.94	46.05	58	42.73	55.55	41.26	56.89	43.48	54.33	39.51	
MR-4-08-2110	% Out of Service > 24 Hours - Bus.	16.15	12.67	13.53	10.53	10.44	10.83	13.13	9.93	11.49	8.52	
MR-4-08-2120	% Out of Service > 24 Hours - Res.	32.84	21.54	28.29	17.48	23.73	16.98	26.15	16.82	21.88	22.63	
MR-5 – Repeat Trouble Reports												
MR-5-01-2100	% Repeat Reports within 30 Days	19.53	17.84	19.09	14.25	16.97	18.01	18.93	16.96	17.67	15.44	
2-Wire Digital Services - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-2341	Network Trouble Report Rate – Loop	0.3	0.58	0.31	0.48	0.21	0.53	0.17	0.23	0.22	0.53	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-2-03-2341	Network Trouble Report Rate – Central Office	0.17	0.07	0.14	0.11	0.16	0.23	0.08	0.12	0.1	0.38	
MR-2-04-2341	% Subsequent Reports	27.41	18.18	27.72	20	31.16	0		18.18		20	
MR-2-05-2341	% CPE/TOK/FOK Trouble Report Rate	0.93	1.26	0.99	1.99	0.75	0.94		0.58		1.85	
MR-3 – Missed Repair Appointments												
MR-3-01-2341	% Missed Repair Appointment – Loop	35.83	37.5	41.97	23.08	48.09	21.43	28.57	16.67	41.04	42.86	d
MR-3-02-2341	% Missed Repair Appointment – Central Office	34.58	0	45.35	33.33	22.77	33.33	27.66	33.33	44.44	30	a,b,c,d
MR-3-03-2341	% CPE/TOK/FOK - Missed Appointment	22.13	31.43	27.32	48.15	17.24	12		13.33		12.24	
MR-3-04-2341	% Missed Repair Appointment - No Double Dispatch	22.47	20	22.14	25							b
MR-3-05-2341	% Missed Repair Appointment - Double Dispatch	66.67	50	68.8	40							a,b
MR-4 – Trouble Duration Intervals												
MR-4-01-2341	Mean Time To Repair – Total	26.72	30.05	35.34	17.96	24.94	35.63	25.59	42.4	28.97	21.14	d
MR-4-02-2341	Mean Time To Repair – Loop Trouble	28.68	32.75	36.14	19.21	30.45	25.52	28.83	46.34	30.9	26.75	d
MR-4-03-2341	Mean Time To Repair – Central Office Trouble	23.3	8.45	33.54	12.54	17.78	59.22	18.36	34.5	24.87	13.28	a,b,c,d
MR-4-04-2341	% Cleared (all troubles) within 24 Hours	66.33	61.11	57.71	75	68.1	65	69.08	55.56	57.87	66.67	d
MR-4-07-2341	% Out of Service > 12 Hours	40.58	70	46.24	40	45.65	66.67	32.2	50	47.95	88.89	c,d,e
MR-4-08-	% Out of Service > 24 Hours	26.81	40	27.96	10	20.65	66.67	22.03	25	34.25	22.22	c,d,e

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
2341												
MR-5 – Repeat Trouble Reports												
MR-5-01-2341	% Repeat Reports within 30 Days	18.03	33.33	14.34	25	19.83	5	13.82	22.22	16.24	16.67	d
Special Services - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-01-2200	Network Trouble Report Rate	0.24	0.19	0.24	0.2	0.2	0.16	0.21	0.17	0.21	0.14	
MR-2-05-2200	% CPE/TOK/FOK Trouble Report Rate	0.29	0.23	0.31	0.33	0.27	0.23		0.23		0.26	
MR-4 – Trouble Duration Intervals												
MR-4-01-2200	Mean Time To Repair – Total	6.9	7.87	7.76	7.01							
MR-4-01-2216	Mean Time To Repair – Total - Non DS0 & DS0					6.52	8.01	5.77	6.11	6.45	6.16	
MR-4-01-2217	Mean Time To Repair – Total - DS1 & DS3					6.99	6.67	6.68	4.31	5.99	8.02	
MR-4-04-2200	% Cleared (all troubles) within 24 Hours	97.82	98.67	97.44	97.4							
MR-4-04-2216	% Cleared (all troubles) within 24 Hours - Non DS0 & DS0					97.99	95.12	98.07	100	97.85	95.56	
MR-4-04-2217	% Cleared (all troubles) within 24 Hours - DS1 & DS3					97.4	100	97.03	100	98.2	100	
MR-4-06-2200	% Out of Service > 4 Hours	61.32	73.77	58.91	75.41							
MR-4-06-2216	% Out of Service > 4 Hours - Non DS0 & DS0					57.42	75	50.81	62.5	59.75	52.63	
MR-4-06-2217	% Out of Service > 4 Hours - DS1 & DS3					61.78	57.89	59.7	46.67	53.18	87.5	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-4-08-2200	% Out of Service > 24 Hours	2.08	1.64	2.5	0							
MR-4-08-2216	% Out of Service > 24 Hours - Non DS0 & DS0					1.96	6.25	1.89	0	2.07	2.63	
MR-4-08-2217	% Out of Service > 24 Hours - DS1 & DS3					2.62	0	2.99	0	1.82	0	
MR-5 – Repeat Trouble Reports												
MR-5-01-2200	% Repeat Reports within 30 Days	18.18	14.67	16.89	19.48	18.25	22.58	13.38	22.39	17.79	12.96	
UNE (ORDERING)												
Platform												
OR-1 – Order Confirmation Timeliness												
OR-1-02-3143	% On Time LSRC – Flow Through		99.64		99.94		97.4		99.76		99.88	
OR-1-04-3143	% On Time LSRC/ASRC No Facility Check		92.66		96.96		98.02		95.79		96.74	
OR-1-06-3143	% On Time LSRC/ASRC Facility Check		96.15		100		99.4		99.17		98.95	
OR-2 – Reject Timeliness												
OR-2-02-3143	% On Time LSR Reject – Flow Through		99.14		99.93		99.34		99.72		99.92	
OR-2-04-3143	% On Time LSR/ASR Reject No Facility Check		95.34		98.44		99.79		99.75		99.75	
OR-2-06-3143	% On Time LSR/ASR Reject Facility Check		100		100		100		100		100	a
OR-6 - Order Accuracy												
OR-6-01-3143	% Accuracy - Orders		97.64		93.4		90.28		100		UR	d,e

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
OR-6-02-3143	% Accuracy – Opportunities		99.75		98.97							
OR-6-03-3143	% Accuracy – LSRC		99.42		98.62		0		0		0.11	
OR-7 - Order Completeness												
OR-7-01-3143	% Order Confirmation/Rejects sent within 3 Business Days		99.86		99.89		99.87		99.6		99.8	
Loop/Pre-qualified Complex/LNP												
OR-1 – Order Confirmation Timeliness												
OR-1-02-3331	% On Time LSRC – Flow Through		99.06		99.76		99.73		99.88		99.9	
OR-1-04-3331	% On Time LSRC/ASRC No Facility Check		94.19		98.88		99.32		99.26		99.45	
OR-1-06-3331	% On Time LSRC/ASRC Facility Check		93.1		99		99.24		99.63		99.57	
OR-2 – Reject Timeliness												
OR-2-02-3331	% On Time LSR Reject – Flow Through		99.88		99.95		99.83		99.88		100	
OR-2-04-3331	% On Time LSR/ASR Reject No Facility Check		91.98		98.72		99.64		99.37		99.45	
OR-2-06-3331	% On Time LSR/ASR Reject Facility Check		96.15		100		100		100		100	
OR-6 - Order Accuracy												
OR-6-01-3331	% Accuracy - Orders						95.47		99.26		98.37	
OR-6-01-3332	% Accuracy - Orders		98.56		98.27							
OR-6-02-3332	% Accuracy – Opportunities		99.79		99.63							

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
OR-6-03-3331	% Accuracy – LSRC						0.58		0.5		0.38	
OR-6-03-3332	% Accuracy – LSRC		99.74		99.54							
OR-7 - Order Completeness												
OR-7-01-3331	% Order Confirmation/Rejects sent within 3 Business Days		99.8		99.82		99.83		99.87		99.88	
2 Wire Digital Services												
OR-1 – Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3341	% On Time LSRC/ASRC No Facility Check		98.72		98.7		99.44		100		98.67	
OR-1-06-3341	% On Time LSRC/ASRC Facility Check		NA		NA		NA		NA		NA	
OR-2 – Reject Timeliness - Requiring Loop Qualification												
OR-2-04-3341	% On Time LSR/ASR Reject No Facility Check		100		99		100		100		98.28	
OR-2-06-3341	% On Time LSR/ASR Reject Facility Check		NA		NA		NA		NA		NA	
2 Wire xDSL Loops												
OR-1 – Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3342	% On Time LSRC/ASRC- No Facility Check		98.9		98.05		98.98		98.96		100	
OR-1-06-3342	% On Time LSRC/ASRC - Facility Check		NA		100		NA		NA		NA	b
OR-2 – Reject Timeliness - Requiring Loop Qualification												
OR-2-04-3342	% On Time LSR/ASR Reject- No Facility Check		100		100		100		100		100	

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
OR-2-06-3342	% On Time LSR/ASR Reject Facility Check		NA		NA		NA		NA		NA	
2 Wire xDSL Line Sharing												
OR-1 – Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3343	% On Time LSRC/ASRC- No Facility Check		100		95.12							a
OR-1-06-3343	% On Time LSRC/ASRC - Facility Check		NA		NA							
OR-2 – Reject Timeliness - Requiring Loop Qualification												
OR-2-04-3343	% On Time LSR/ASR Reject- No Facility Check		100		100							a,b
OR-2-06-3343	% On Time LSR/ASR Reject Facility Check		NA		NA							
2 Wire xDSL Line Sharing & Line Splitting												
OR-1 – Order Confirmation Timeliness - Requiring Loop Qualification												
OR-1-04-3340	% On Time LSRC - No Facility Check						100		100		100	
OR-1-06-3340	% On Time LSRC/ASRC - Facility Check						NA		NA		NA	
OR-2 – Reject Timeliness - Requiring Loop Qualification												
OR-2-04-3340	% On Time LSR Reject- No Facility Check						100		100		100	
OR-2-06-3340	% On Time LSR/ASR Reject Facility Check						NA		NA		NA	
POTS / Special Services - Aggregate												
OR-3 - Percent Rejects												
OR-3-01-	% Rejects (ASRs + LSRs)		27.72		23.24		19.9		18.25		18.74	

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
3000												
OR-4 – Timeliness of Completion Notification												
OR-4-02-3000	Completion Notice (BCN) – % On Time		99.2		98.65							
OR-4-05-3000	Work Completion Notice (PCN) – % On Time		99.99		100							
OR-5 - Percent Flow-Through												
OR-5-01-3000	% Flow Through - Total (ASRs + LSRs)		59.19		73.51		72.89		72.64		74.04	
OR-5-03-3000	% Flow Through Achieved		97.1		96.87		97.52		96.73		96.94	
Special Services - Electronically Submitted												
OR-1 – Order Confirmation Timeliness (ASRs + LSRs)												
OR-1-04-3210	% On Time LSRC/ASRC No Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-04-3211	% On Time LSRC/ASRC No Facility Check DS1		NA		NA		NA		NA		NA	
OR-1-04-3213	% On Time LSRC/ASRC No Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-04-3214	% On Time LSRC/ASRC No Facility Check (Non DS0, DS1, & DS3)		98.92		96.13		98.82		99.4		99.08	
OR-1-06-3210	% On Time LSRC/ASRC Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-06-3211	% On Time LSRC/ASRC Facility Check DS1		74.05		86.88		91.19		93.2		81.1	
OR-1-06-3213	% On Time LSRC/ASRC Facility Check DS3		100		42.86		83.33		75		80	a,c,d
OR-1-06-3214	% On Time LSRC/ASRC Facility Check (Non DS0, DS1 & DS3)		100		96.34		98.2		94.9		98.67	a

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-2 – Reject Timeliness (ASRs + LSRs)												
OR-2-04-3200	% On Time LSR/ASR Reject No Facility Check		100		100		100		100		99.19	
OR-2-06-3200	% On Time LSR/ASR Reject Facility Check		92.16		95.21		96.49		96.67		99.44	
Special Services - FAX/MAIL Submitted												
OR-1 – Order Confirmation Timeliness												
OR-1-08-3210	% On Time ASRC No Facility Check DS0		NA		NA		NA		NA		NA	
OR-1-08-3211	% On Time ASRC No Facility Check DS1		NA		NA							
OR-1-08-3213	% On Time ASRC No Facility Check DS3		NA		NA							
OR-1-08-3214	% On Time ASRC No Facility Check (Non DS0, DS1 & DS3)		NA		NA							
OR-1-10-3210	% On Time ASRC Facility Check DS0		NA		NA							
OR-1-10-3211	% On Time ASRC Facility Check DS1		NA		100		NA		NA		100	b,e
OR-1-10-3213	% On Time ASRC Facility Check DS3		NA		NA		NA		NA		NA	
OR-1-10-3214	% On Time ASRC Facility Check (Non DS0, DS1 & DS3)		NA		NA		NA		NA		NA	
OR-2 – Reject Timeliness												
OR-2-08-3200	% On Time ASR Reject No Facility Check		NA		NA		NA		NA		NA	
OR-2-10-3200	% On Time ASR Reject Facility Check		NA		NA		NA		NA		NA	
UNE (PROVISIONING)												

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
POTS – Provisioning												
PR-2 - Average Completed Interval												
PR-2-01-3111	Av. Completed Interval - Total No Dispatch – Hot Cut Loop		7.62		5.68							
PR-2-01-3122	Av. Completed Interval - Total No Dispatch - Other (UNE Switch & INP)	0.65	NA	0.57	NA							
PR-2-01-3140	Av. Completed Interval - Total No Dispatch - Platform	0.65	1.57	0.57	2.19							
PR-2-03-3112	Av. Completed Interval - Dispatch (1-5 Lines) – Loop	3.66	4.28	3.62	5.02							
PR-2-03-3140	Av. Completed Interval - Dispatch (1-5 Lines) - Platform	3.66	4.51	3.62	4.17							
PR-2-04-3112	Av. Completed Interval - Dispatch (6-9 Lines) – Loop	4.65	NA	4.16	7.5							b
PR-2-04-3140	Av. Completed Interval - Dispatch (6-9 Lines) - Platform	4.65	8.5	4.16	4.67							a,b
PR-2-05-3112	Av. Completed Interval - Dispatch (>= 10 Lines) – Loop	3.5	4.5	5.33	10							a,b
PR-2-05-3140	Av. Completed Interval - Dispatch (>= 10 Lines) - Platform	3.5	NA	5.33	NA							
PR-4 - Missed Appointments												
PR-4-02-3100	Average Delay Days – Total	3.11	2	3.25	2.19	2.83	2.31	2.74	2.86	3.07	2.2	
PR-4-03-3100	% Missed Appt. – Customer	1.77	1.08	1.5	1.01	1.57	2.81		3.24		3.58	a,b,c,d,e
PR-4-04-3113	% Missed Appt. – Verizon – Dispatch - Loop New	5.96	3.2	5.8	1.21	5.17	0.72	5.03	0.66	5.07	1.56	
PR-4-04-3140	% Missed Appt. – Verizon – Dispatch - Platform	5.96	2.62	5.8	5.77	5.17	4.26	5.03	7.48	5.07	5.28	
PR-4-04-3520	% Missed Appt. – Verizon – Dispatch - Hot Cut Loop	5.96	0.32	5.8	0.71							
PR-4-05-3111	% Missed Appt. – Verizon – No Dispatch - Hot Cut Loop	0.03	0	0.02	0.33							

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-4-05-3121	% Missed Appt. – Verizon – No Dispatch – Other	0.03	NA	0.02	NA							
PR-4-05-3140	% Missed Appt. – Verizon – No Dispatch - Platform	0.03	0	0.02	0	0.01	0	0.01	0	0.01	0	
PR-6 – Installation Quality												
PR-6-01-3100	% Installation Troubles reported within 30 Days - Loop	4.04	1.26	3.31	1.56							
PR-6-01-3112	% Installation Troubles reported within 30 Days - Loop					3.12	1.73	3.06	1.93	2.66	2.01	
PR-6-01-3121	% Installation Troubles reported within 30 Days - Platform	4.04	1.1	3.31	1.32	3.12	1.06	3.06	1.41	2.66	1.07	
PR-6-02-3112	% Installation Troubles reported within 7 Days - Loop	2.59	0.72	2.05	0.79							
PR-6-02-3121	% Installation Troubles reported within 7 Days - Platform	2.59	0.45	2.05	0.62							
PR-6-02-3520	% Installation Troubles reported within 7 Days - Hot Cut Loop		0.38		0.37		0.44		0.73		0.49	
PR-6-03-3112	% Installation Troubles reported within 30 Days – FOK/TOK/CPE – Loop	3.13	1.92	2.73	2.29	2.53	2.16		2.14		2.15	
PR-6-03-3121	% Installation Troubles reported within 30 Days – FOK/TOK/CPE – Platform	3.13	0.87	2.73	1.19	2.53	0.82		1.16		0.88	
PR-8 – Open Orders in a Hold Status												
PR-8-01-3100	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	0	0	0	0	0	
PR-8-02-3100	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	0	0	0	0	
PR-9- Hot Cuts												
PR-9-01-3520	% On Time Performance – Hot Cut		98.02		97.24		98.28		NA		99.31	
PR-9-08-3520	Average Duration of Service Interruption		16.61		12.25		13.8		12.98		11.52	
POTS & Complex Aggregate												

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-2 – Average Completed Interval												
2-Wire Digital Services												
PR-2 – Average Completed Interval												
PR-2-01-3341	Av. Interval Completed – Total No Dispatch	1.75	6.02	1.84	3.67							b
PR-2-02-3341	Av. Interval Completed – Total Dispatch	4.4	5.82	4.46	6.29							
PR-4 - Missed Appointments												
PR-4-02-3341	Average Delay Days – Total	7.35	17.5	6.26	4.5	4.31	2.33	4.62	3	4.74	NA	a,b,c,d
PR-4-03-3341	% Missed Appointment – Customer	11.27	5.08	8.79	8.33	10.34	13.16		3.95		7.81	a,b,c,d,e
PR-4-04-3341	% Missed Appointment – Verizon – Dispatch	9.92	0.9	7.1	0	5.46	0	12.2	0	5.29	0	
PR-4-05-3341	% Missed Appointment – Verizon – No Dispatch	0.37	1.22	0	0	0	NA	0	NA	0	0	b,e
PR-6 – Installation Quality												
PR-6-01-3341	% Install. Troubles Reported within 30 Days	1.94	15.27	1.41	14.19	6.21	26.58	6.05	11.54	5.59	15.63	
PR-6-03-3341	% Install. Troubles Reported within 30 Days – FOK/TOK/CPE	4.07	12.32	3.72	16.22	2.44	11.39		6.41		21.88	
PR-8 – Open Orders in a Hold Status												
PR-8-01-3341	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	0	0	0	0	0	
PR-8-02-3341	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	0	0	0	0	
2-Wire xDSL Loops												
PR-2 – Average Completed Interval												
PR-2-01-3342	Av. Interval Completed – Total No Dispatch		5.47		5.71							b
PR-2-02-3342	Av. Interval Completed – Total Dispatch		5.82		6.14							
PR-4 - Missed Appointments												
PR-4-02-3342	Average Delay Days – Total	6.4	2.38	20.88	5.09	5.33	2.75	8.25	1.83	5.7	4.67	a,c,d,e
PR-4-03-3342	% Missed Appointment – Customer	0.2	4.95	0.28	8.3	0.64	7.97		6.25		10.3	a,b,c,d,e
PR-4-04-3342	% Missed Appointment – Verizon – Dispatch		0.37		0.95		0.56		0.53		0	
PR-4-05-3342	% Missed Appointment – Verizon – No Dispatch											
PR-4-14-3342	% Completed On Time (with Serial Number)		97.27		97.99		98.51		97.44		98.55	
PR-6 – Installation Quality												

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-6-01-3342	% Install. Troubles Reported within 30 Days	4.04	5.98	3.31	1.79	6.21	6.97	6.05	5.15	5.59	3.81	
PR-6-03-3342	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE	3.32	10.54	3.04	11.27	2.85	8.31		6.96		8.21	
PR-8 – Open Orders in a Hold Status												
PR-8-01-3342	Open Orders in a Hold Status > 30 Days	1.72	0	0	0	0	0	0.56	0	0	0	
PR-8-02-3342	Open Orders in a Hold Status > 90 Days	1.72	0	0	0	0	0	0	0	0	0	
2-Wire xDSL Line Sharing												
PR-2 – Average Completed Interval												
PR-2-01-3343	Av. Interval Completed – Total No Dispatch	2.99	3.03	2.95	2.83							
PR-2-02-3343	Av. Interval Completed – Total Dispatch	3.11	3	3.05	3							a,b
PR-4 - Missed Appointments												
PR-4-02-3343	Average Delay Days – Total	2.63	1	1.5	NA	3.54	NA	1.5	NA	1.64	NA	a
PR-4-03-3343	% Missed Appointment – Customer	0.2	0.23	0.28	1.24	0.64	0.63		2.38		2.6	a,b,c,d,e
PR-4-04-3343	% Missed Appointment – Verizon – Dispatch	0.89	0	1.72	0	1.2	0	1.68	0	1.94	0	c
PR-4-05-3343	% Missed Appointment – Verizon – No Dispatch	0.42	0.25	0.03	0	0.36	0	0.04	0	0.05	0	
PR-6 – Installation Quality												
PR-6-01-3343	% Install. Troubles Reported within 30 Days	0.91	3.05	0.63	1.87	0.67	1.24	0.61	1.8	0.47	1.04	
PR-6-03-3343	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE	3.05	4.46	3.53	6.85	3.51	8.07		6.59		6.25	
PR-8 – Open Orders in a Hold Status												
PR-8-01-3343	Open Orders in a Hold Status > 30 Days	0	0	0	0	0	0	0	0	0	0	
PR-8-02-3343	Open Orders in a Hold Status > 90 Days	0	0	0	0	0	0	0	0	0	0	
2-Wire xDSL Line Splitting and Line Sharing												
PR-4 - Missed Appointments												
PR-4-02-3345	Average Delay Days – Total					3.54	NA	1.5	NA	1.64	NA	
PR-4-04-3345	% Missed Appointment – Verizon – Dispatch					1.2	NA	1.68	NA	1.94	NA	
PR-4-05-3345	% Missed Appointment – Verizon – No Dispatch					0.36	NA	0.04	NA	0.05	NA	
PR-6 – Installation Quality												

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-6-01-3345	% Install. Troubles Reported within 30 Days					0.67	NA	0.61	NA	0.47	NA	
PR-6-03-3345	% Install. Troubles Reported within 30 Days - FOK/TOK/CPE					3.51	NA		NA		NA	
PR-8 – Open Orders in a Hold Status												
PR-8-01-3345	Open Orders in a Hold Status > 30 Days					0	NA	0	NA	0	NA	
PR-8-02-3345	Open Orders in a Hold Status > 90 Days					0	NA	0	NA	0	NA	
Special Services - Provisioning												
PR-2 – Average Completed Interval												
PR-2-01-3200	Av. Interval Completed – Total No Dispatch	14.67	NA	29.63	18.5							b
PR-2-02-3200	Av. Interval Completed – Total Dispatch	17.3	28.88	15.62	19.64							
PR-2-06-3200	Av. Interval Completed – DS0	12.97	NA	15.78	6.89							b
PR-2-07-3200	Av. Interval Completed – DS1	21.92	29.48	17.38	19.34							
PR-2-08-3200	Av. Interval Completed – DS3	99.25	NA	53.08	NA							
PR-2-09-3512	Av. Interval Completed – Total - EEL – Loop		27.27		19.57							b
PR-4 - Missed Appointments												
PR-4-01-3200	% Missed Appointment – Verizon – Total											
PR-4-01-3210	% Missed Appointment – Verizon – DS0	2.87	NA	10.96	0	3.49	0	2.22	NA	4.63	NA	b,c
PR-4-01-3211	% Missed Appointment – Verizon – DS1	24.03	7.32	21.86	5.61	14.88	0.89	11.61	1.94	15.68	1.56	
PR-4-01-3213	% Missed Appointment – Verizon – DS3	80	0	66.67	NA	57.14	NA	85.71	NA	83.33	NA	a
PR-4-01-3214	% Missed Appointment – Verizon –Special Other	5.41	NA	18.03	NA	7.32	NA	10.26	NA	1.56	0	
PR-4-01-3510	% Missed Appointment – Verizon – Total - EEL	24.03	12.5	21.86	11.54	14.88	7.69	11.61	0	15.68	6.94	
PR-4-01-3530	% Missed Appointment – Verizon – Total- IOF	80	0	66.67	0	57.14	16.67	85.71	28.57	83.33	0	d
PR-4-02-3200	Average Delay Days – Total	22.58	7.44	19.66	15.83	10.45	3	14.85	5	10.71	19.5	a,b,c,d,e
PR-4-02-3510	Average Delay Days – Total - EEL	23.12	10	7.72	16.67	9.19	16.33	12	NA	9.28	13.2	a,b,c,e
PR-4-02-3530	Average Delay Days – Total - IOF	60.25	NA	75.36	NA	37.75	63	38.5	28.5	30.8	NA	c,d
PR-4-03-3200	% Missed Appointment – Customer	21.66	49.67	21.78	42.86	21.25	35.34		38.18		48.98	a,b,c,d,e
PR-4-03-3510	% Missed Appointment – Customer - EEL	19.79	29.17	19.35	34.62	22.33	79.49		85.19		77.78	a,b,c,d,e
PR-4-08-3200	% Missed Appt. – Customer – Late Order Conf.		0		0		9.88		5.24		4.57	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-6 – Installation Quality												
PR-6-01-3200	% Installation Troubles reported within 30 Days	2.12	7.34	2.33	3.77	1.81	6.98	2.75	4.71	1.65	2.74	
PR-6-03-3200	% Inst. Troubles reported w/ in 30 Days - FOK/TOK/CPE	0.98	1.69	1.02	0	1.86	1.16		0		0	
PR-8 – Open Orders in a Hold Status												
PR-8-01-3200	Open Orders in a Hold Status > 30 Days	4.64	0	1.38	0	0.66	0	0.44	0	0.21	0	
PR-8-02-3200	Open Orders in a Hold Status > 90 Days	2.81	0	0.88	0	0.16	0	0	0	0	0	
UNE (MAINTENANCE)												
Maintenance - POTS Loop												
MR-2 – Trouble Report Rate												
MR-2-02-3550	Network Trouble Report Rate – Loop	1.12	0.54	1.02	0.6	0.8	0.5	0.91	0.51	0.84	0.49	
MR-2-03-3550	Network Trouble Report Rate – Central Office	0.1	0.05	0.1	0.06	0.09	0.04	0.08	0.05	0.09	0.06	
MR-3 – Missed Repair Appointments												
MR-3-01-3550	% Missed Repair Appointment – Loop	9.62	3.8	8.94	4	8.51	2.52	9.65	4.28	8.42	2.71	
MR-3-02-3550	% Missed Repair Appointment – Central Office	8.28	12	10.33	6.15	10.47	4.65	7.34	10.71	6.9	12.9	
MR-4 – Trouble Duration Intervals												
MR-4-01-3550	Mean Time To Repair – Total	20.94	14.51	18.83	14.22	17.12	12.35	18.31	13.62	16.74	13.18	
MR-4-02-3550	Mean Time To Repair – Loop Trouble	21.73	15.15	19.51	14.65	17.84	12.72	19.05	14.29	17.62	13.72	
MR-4-03-3550	Mean Time To Repair – Central Office Trouble	12.13	7.7	11.98	10.2	10.36	7.87	10.02	7.19	8.38	8.71	
MR-4-07-3550	% Out of Service > 12 Hours	60.94	48.36	58	45.85	55.55	44.81	56.89	44.19	54.33	48.06	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-4-08-3550	% Out of Service > 24 Hours	29.92	11.68	25.72	13.49	21.27	8.2	24.15	9.53	19.99	12.38	
MR-5 – Repeat Trouble Reports												
MR-5-01-3550	% Repeat Reports within 30 Days	19.53	25.69	19.09	22.11	16.97	17.2	18.93	16.5	17.67	17.79	
Maintenance - POTS Platform												
MR-2 – Trouble Report Rate												
MR-2-02-3140	Network Trouble Report Rate – Platform	1.12	0.92	1.02	0.86	0.8	0.63	0.91	0.61	0.84	0.79	
MR-2-03-3140	Network Trouble Report Rate – Central Office	0.1	0.14	0.1	0.15	0.09	0.17	0.08	0.14	0.09	0.16	
MR-2-04-3140	% Subsequent Reports	18.33	8.76	17.13	7.12	15.06	8.42		9.09		6.08	
MR-2-05-3140	% CPE/TOK/FOK Trouble Report Rate	0.92	0.76	0.83	0.86	0.65	0.64		0.62		0.7	
MR-3 – Missed Repair Appointments												
MR-3-01-3144	% Missed Repair Appointment – Platform Bus.	12.17	9.39	12.78	10.77	9.59	11.94	13.06	8.57	12.2	12.5	
MR-3-01-3145	% Missed Repair Appointment – Platform Res.	9.09	7.46	8.19	4.23	8.29	6.45	9.07	3.7	7.61	2.78	
MR-3-02-3144	% Missed Repair Appointment – Central Office Bus.	12.34	8.57	14.46	16.22	14.51	13.95	9.04	12.2	9.64	11.11	
MR-3-02-3145	% Missed Repair Appointment – Central Office Res.	6.49	25	8.48	0	8.73	0	6.59	0	5.73	0	a,d,e
MR-3-03-3140	% CPE/TOK/FOK - Missed Appointment - Platform	5.86	7.79	5.68	8.3	5.89	6.5		7.11		8.77	
MR-3-04-3140	% Missed Repair Appointment - No Double Dispatch	5.48	3.45	4.85	5.22							
MR-3-05-	% Missed Repair Appointment - Double Dispatch	43.07	40.91	40.88	38.1							

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
3140												
MR-4 – Trouble Duration Intervals												
MR-4-01-3140	Mean Time To Repair – Total	20.94	15.55	18.83	14.77	17.12	13.13	18.31	10.71	16.74	11.92	
MR-4-02-3144	Mean Time To Repair – Loop Trouble - Platform - Bus.	14.28	13.49	13.54	13.99	12.01	11.72	13.09	11.11	12.18	11.29	
MR-4-02-3145	Mean Time To Repair – Loop Trouble - Platform - Res.	23.23	24.67	20.63	19.03	19.03	17.85	20.01	11.34	18.74	17.03	
MR-4-03-3144	Mean Time To Repair – Central Office Trouble - Bus.	11.4	9.31	10.21	10.93	9.15	10.82	8.69	8.44	6.78	7.23	
MR-4-03-3145	Mean Time To Repair – Central Office Trouble - Res.	12.37	21.3	12.73	13.73	10.83	12.82	10.53	11.29	9.03	6.67	a,d,e
MR-4-04-3140	% Cleared (all troubles) within 24 Hours	69.5	86.38	73.81	84.35	78.44	86.8	75.58	93.75	79.8	90.61	
MR-4-06-3140	% Out of Service > 4 Hours	81.75	75.77	79.73	72.44	77.11	72.11	78.18	59.06	76.25	69.16	
MR-4-07-3140	% Out of Service > 12 Hours	60.94	47.31	58	46.85	55.55	49.47	56.89	35.67	54.33	40.97	
MR-4-08-3144	% Out of Service > 24 Hours - Bus.	16.15	7.11	13.53	13.66	10.44	13.85	13.13	4.88	11.49	7.88	
MR-4-08-3145	% Out of Service > 24 Hours - Res.	32.84	33.33	28.29	19.72	23.73	23.33	26.15	6.25	21.88	12.9	
MR-5 – Repeat Trouble Reports												
MR-5-01-3140	% Repeat Reports within 30 Days	19.53	16.41	19.09	16.61	16.97	22.4	18.93	14.17	17.67	17.8	
2-Wire Digital Services - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-3341	Network Trouble Report Rate - Loop	0.3	1.33	0.31	1.45	0.79	1.52	0.9	0.62	0.83	0.97	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-2-03-3341	Network Trouble Report Rate - Central Office	0.17	0.26	0.14	0.47	0.09	0.1	0.08	0.23	0.09	0.29	
MR-2-04-3341	% Subsequent Reports	27.41	26.09	27.72	14.29	15.19	11.11		17.5		20	
MR-3 – Missed Repair Appointments												
MR-3-01-3341	% Missed Repair Appointment – Loop	35.83	10.53	41.97	15.25	8.68	3.33	9.71	0	8.55	5.41	
MR-3-02-3341	% Missed Repair Appointment – Central Office	34.58	0	45.35	10.53	10.84	0	7.64	0	7.6	0	c,d
MR-4 – Trouble Duration Intervals												
MR-4-01-3341	Mean Time To Repair - Total	26.72	19.05	35.34	19.48	17.17	10.5	18.34	10.81	16.81	8.56	
MR-4-02-3341	Mean Time To Repair - Loop Trouble	28.68	20.81	36.14	22.46	17.9	11.04	19.08	13.96	17.67	10.38	
MR-4-03-3341	Mean Time To Repair - Central Office Trouble	23.3	9.91	33.54	10.2	10.58	2.42	10.15	2.4	8.69	2.46	c,d
MR-4-07-3341	% Out of Service > 12 Hours	40.58	44.23	46.24	55.56	55.51	35.29	56.84	34.48	54.31	22.86	
MR-4-08-3341	% Out of Service > 24 Hours	26.81	17.31	27.96	25.4	21.27	11.76	24.15	10.34	20.03	5.71	
MR-5 – Repeat Trouble Reports												
MR-5-01-3341	% Repeat Reports within 30 Days	18.03	22.06	14.34	41.03	16.99	21.88	18.91	9.09	17.66	20.83	
2-Wire xDSL Loops - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-3342	Network Trouble Report Rate - Loop	0.17	0.8	0.21	0.74	0.79	0.58	0.9	0.42	0.83	0.64	
MR-2-03-3342	Network Trouble Report Rate - Central Office	0.1	0.12	0.08	0.11	0.09	0.06	0.08	0.04	0.09	0.07	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-3 – Missed Repair Appointments												
MR-3-01-3342	% Missed Repair Appointment – Loop	26.28	11.36	29.06	6.52	8.68	8.49	9.71	6.67	8.55	5.94	
MR-3-02-3342	% Missed Repair Appointment – Central Office	7.78	6.25	7.25	0	10.84	0	7.64	0	7.6	0	
MR-4 – Trouble Duration Intervals												
MR-4-02-3342	Mean Time To Repair - Loop Trouble	30.4	19.76	30.39	19.48	17.9	16.17	19.08	14.87	17.67	12.7	
MR-4-03-3342	Mean Time To Repair - Central Office Trouble	11.49	9.4	11.89	10.03	10.58	2.54	10.15	3.71	8.69	3.53	
MR-4-07-3342	% Out of Service > 12 Hours	60.06	48.55	67.05	52.52	55.51	46	56.84	38.89	54.31	39.6	
MR-4-08-3342	% Out of Service > 24 Hours	24.68	26.01	25.57	28.78	21.27	15	24.15	8.33	20.03	11.88	
MR-5 – Repeat Trouble Reports												
MR-5-01-3342	% Repeat Reports within 30 Days	46.13	22.6	51.88	26.22	16.99	15.25	18.91	12.94	17.66	12.39	
2-Wire xDSL Line Sharing - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-3343	Network Trouble Report Rate - Loop	0.17	0	0.21	0	0.2	0	0.19	0	0.18	0.11	
MR-2-03-3343	Network Trouble Report Rate - Central Office	0.1	0.17	0.08	0.04	0.04	0.12	0.04	0.04	0.03	0.11	
MR-3 – Missed Repair Appointments												
MR-3-01-3343	% Missed Repair Appointment – Loop	26.28	NA	29.06	NA	17.83	NA	18.58	NA	19.3	33.33	
MR-3-02-3343	% Missed Repair Appointment – Central Office	7.78	5.88	7.25	0	11.38	0	6.6	0	8.05	0	b,c,d,e
MR-4 – Trouble Duration Intervals												

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
MR-4-02-3343	Mean Time To Repair - Loop Trouble	30.4	NA	30.39	NA	25.41	NA	26.9	NA	24.77	23.43	
MR-4-03-3343	Mean Time To Repair - Central Office Trouble	11.49	5.98	11.89	6.49	12.21	10.84	11.63	2.27	10.26	7.22	b,c,d,e
MR-4-04-3343	% Cleared (all troubles) within 24 Hours	73.99	94.12	73.39	100	75.64	80	74.7	100	72.06	87.5	b,c,d,e
MR-4-07-3343	% Out of Service > 12 Hours	60.06	5.88	67.05	14.29	64.45	20	73.67	0	68.59	50	b,c,d,e
MR-4-08-3343	% Out of Service > 24 Hours	24.68	5.88	25.57	0	24.86	20	25.39	0	27.56	12.5	b,c,d,e
MR-5 – Repeat Trouble Reports												
MR-5-01-3343	% Repeat Reports within 30 Days	46.13	17.65	51.88	14.29	55.52	20	57.53	25	56.83	50	b,c,d,e
2-Wire xDSL Line Splitting - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-02-3345	Network Trouble Report Rate - Loop					0.2	NA	0.19	NA	0.18	NA	
MR-2-03-3345	Network Trouble Report Rate - Central Office					0.04	NA	0.04	NA	0.03	NA	
MR-3 – Missed Repair Appointments												
MR-3-01-3345	% Missed Repair Appointment – Loop					17.83	NA	18.58	NA	19.3	NA	
MR-3-02-3345	% Missed Repair Appointment – Central Office					11.38	NA	6.6	NA	8.05	NA	
MR-4 – Trouble Duration Intervals												
MR-4-02-3345	Mean Time To Repair - Loop Trouble					25.41	NA	26.9	NA	24.77	NA	
MR-4-03-3345	Mean Time To Repair - Central Office Trouble					12.21	NA	11.63	NA	10.26	NA	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
MR-4-04-3345	% Cleared (all troubles) within 24 Hours					75.64	NA	74.7	NA	72.06	NA	
MR-4-07-3345	% Out of Service > 12 Hours					64.45	NA	73.67	NA	68.59	NA	
MR-4-08-3345	% Out of Service > 24 Hours					24.86	NA	25.39	NA	27.56	NA	
MR-5 – Repeat Trouble Reports												
MR-5-01-3345	% Repeat Reports within 30 Days					55.52	NA	57.53	NA	56.83	NA	
Special Services - Maintenance												
MR-2 – Trouble Report Rate												
MR-2-01-3200	Network Trouble Report Rate	0.24	1.45	0.24	1.49	0.2	1.62	0.21	1.8	0.21	1.54	
MR-2-05-3200	% CPE/TOK/FOK Trouble Report Rate	0.29	1.94	0.31	2.66	0.27	2.63		2.57		2.94	
MR-4 – Trouble Duration Intervals												
MR-4-01-3200	Mean Time To Repair – Total	6.9	7.23	7.76	7.45							
MR-4-01-3216	Mean Time To Repair – Total - Non DS0 & DS0					6.52	NA	5.77	NA	6.45	2.25	
MR-4-01-3217	Mean Time To Repair – Total - DS1 & DS3					6.99	7.13	6.68	6.82	5.99	6.61	
MR-4-04-3200	% Cleared (all troubles) within 24 Hours	97.82	98	97.44	100							
MR-4-04-3216	% Cleared (all troubles) within 24 Hours - Non DS0 & DS0					97.99	NA	98.07	NA	97.85	100	
MR-4-04-3217	% Cleared (all troubles) within 24 Hours - DS1 & DS3					97.4	100	97.03	100	98.2	98.21	
MR-4-06-	% Out of Service > 4 Hours	61.32	61.22	58.91	72.92							

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
3200												
MR-4-06-3216	% Out of Service > 4 Hours - Non DS0 & DS0					57.42	NA	50.81	NA	59.75	0	
MR-4-06-3217	% Out of Service > 4 Hours - DS1 & DS3					61.78	63.79	59.7	79.37	53.18	68.52	
MR-4-08-3200	% Out of Service > 24 Hours	2.08	2.04	2.5	0							
MR-4-08-3216	% Out of Service > 24 Hours - Non DS0 & DS0					1.96	NA	1.89	NA	2.07	0	
MR-4-08-3217	% Out of Service > 24 Hours - DS1 & DS3					2.62	0	2.99	0	1.82	1.85	
MR-5 – Repeat Trouble Reports												
MR-5-01-3200	% Repeat Reports within 30 Days	18.18	10	16.89	13.46	18.25	6.9	13.38	12.31	17.79	17.54	
TRUNKS												
ORDERING												
OR 1 – Order Confirmation Timeliness												
OR-1-12-5020	% On Time FOC (<= 192 Forecasted Trunks)		62.5		100		90.91		60		100	a,b,d,e
OR-1-12-5030	% On Time FOC (> 192 and Unforecasted Trunks)		55.06		66.46		85.39		96.15		59.09	
OR-1-13-5020	% On Time Design Layout Record (DLR)		100		100		100		100		100	
OR-1-19-5020	% On Time Resp. - Request for Inbound Augment Trunks (<= 192 Forecasted Trunks)		100		100		100		100		100	a,b,d,e
OR-1-19-5030	% On Time Resp. - Request for Inbound Augment Trunks (> 192 Forecasted Trunks)		100		NA		100		100		NA	a,c,d
OR-2 - Reject Timeliness												

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
OR-2-11-5000	Average Trunk ASR Reject Time (<= 192 Forecasted Trunks)		6.17		21							a,b
OR-2-12-5000	% On Time Trunk ASR Reject (<= 192 Forecasted Trunks)		83.33		50		100		100		100	a,b,c,d,e
PROVISIONING												
PR-1 - Average Interval Offered												
PR-1-09-5020	Av. Interval Offered – Total (<= 192 Forecasted Trunks)	56.78	22.67	18.35	34.5	23.21	18.75	17.29	34	22.56	19	a,b,c,d,e
PR-1-09-5030	Av. Interval Offered – Total (> 192 & Unforecasted Trunks)	24.92	25	17.64	21.47	16.09	21.56	34.78	18.27	18	13.88	
PR-2 - Average Interval Completed												
PR-2-09-5020	Av. Interval Completed – Total (<= 192 Forecasted Trunks)	32	24	21.07	35.75							a,b
PR-2-09-5030	Av. Interval Completed – Total (> 192 & Unforecasted Trunks)	34.9	29.06	23.13	21.24							
PR-4 - Missed Appointment												
PR-4-01-5000	% Missed Appointment – Verizon – Total	18.98	7.19	3.52	0.47	0	0	0	0	0	0	
PR-4-02-5000	Average Delay Days - Total	7.7	10.9	6	18.67	NA	NA	NA	NA	NA	NA	
PR-4-03-5000	% Missed Appointment – Customer	20.15	32.1	39.17	21.71	22.98	21.51		13.7		22.7	a,b,c,d,e
PR-4-07-3540	% On Time Performance – LNP Only		99.36		99.1		99.5		99.32		99.76	
PR-5 – Facility Missed Orders												
PR-5-01-5000	% Missed Appointment – Verizon – Facilities	0	0	0	0	0	0	0	0	0	0	
PR-5-02-5000	% Orders Held for Facilities > 15 Days	0	0	0	0	0	0	0	0	0	0	
PR-5-03-5000	% Orders Held for Facilities > 60 Days	0	0	0	0	0	0	0	0	0	0	
PR-6 – Installation Quality												
PR-6-01-5000	% Installation Troubles reported within 30 Days	0	0	0.02	0.01	0	0	0	0	0	0	
PR-6-03-5000	% Inst. Troubles reported within 30 Days - FOK/TOK/CPE	0	0	0.02	0.01	0.05	0		0.02		0	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
PR-8 – Open Orders in a Hold Status												
PR-8-01-5000	Open Orders in a Hold Status > 30 Days	2.51	0.66	5.04	0	0	0	0	0	0	0	
PR-8-02-5000	Open Orders in a Hold Status > 90 Days	0	0.12	0	0	0	0	0	0	0	0	
MAINTENANCE												
MR-2 – Trouble Report Rate												
MR-2-01-5000	Network Trouble Report Rate	0	0	0	0	0	0	0	0	0	0	
MR-4 – Trouble Duration Intervals												
MR-4-01-5000	Mean Time To Repair – Total	23.4	0.75	2.13	1.55	1.66	1.56	0.98	0.82	1.29	1.08	a,b,c,d
MR-4-04-5000	% Cleared (all troubles) within 24 Hours	66.67	100	100	100	100	100	100	100	100	100	a,b,c,d
MR-4-05-5000	% Out of Service > 2 Hours	33.33	0	50	28.57	14.29	16.67	0	0	0	6.25	a,b,c,d
MR-4-06-5000	% Out of Service > 4 Hours	33.33	0	0	0	14.29	16.67	0	0	0	0	a,b,c,d
MR-4-07-5000	% Out of Service > 12 Hours	33.33	0	0	0	0	0	0	0	0	0	a,b,c,d
MR-4-08-5000	% Out of Service > 24 Hours	33.33	0	0	0	0	0	0	0	0	0	a,b,c,d
MR-5 – Repeat Trouble Report Rates												
MR-5-01-5000	% Repeat Reports within 30 Days	33.33	20	33.33	0	0	0	20	0	10	6.25	a,b,c,d
NETWORK PERFORMANCE												
NP-1 – Percent Final Trunk Group Blockage												
NP-1-01-5000	% Final Trunk Groups Exceeding Blocking Standard	1.22	0	1.83	0	0.62	0	0.31	0	0.65	0	
NP-1-02-5000	% FTG Exceeding Blocking Std. –(No	3.95	5.65	1.83	1.7	0.62	1.69	0.31	1.65	0.65	1.71	

Metric Number	Metric Full Name	September VZ	September CLEC	October VZ	October CLEC	November VZ	November CLEC	December VZ	December CLEC	January VZ	January CLEC	Notes
	Exceptions)											
NP-1-03-5000	Number FTG Exceeding Blocking Std. – 2 Months		0		0		0		0		0	
NP-1-04-5000	Number FTG Exceeding Blocking Std. – 3 Months		0		0		0		0		0	
NP-2 – Collocation Performance - New												
NP-2-01-6701	% On Time Response to Request for Physical Collocation		100		NA		100		100		100	a,c,d,e
NP-2-02-6701	% On Time Response to Request for Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-03-6701	Average Interval – Physical Collocation		109.9		95		76		105		165.5	a,b,c,d,e
NP-2-04-6701	Average Interval – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-05-6701	% On Time – Physical Collocation		100		100		100		100		100	b,c,d,e
NP-2-06-6701	% On Time – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2-07-6701	Average Delay Days – Physical Collocation		NA		NA		NA		NA		NA	
NP-2-08-6701	Average Delay Days – Virtual Collocation		NA		NA		NA		NA		NA	
NP-2 – Collocation Performance - Augment												
NP-2-01-6702	% On Time Response to Request for Physical Collocation		100		100		100		100		100	a,c
NP-2-02-6702	% On Time Response to Request for Virtual Collocation		NA		NA		100		NA		NA	c
NP-2-03-6702	Average Interval – Physical Collocation		49.25		65		64.6		60.38		60.63	a,b,c,d,e
NP-2-03-6712	Average Interval – Physical Collocation - 45 Days						NA		NA		NA	
NP-2-04-6702	Average Interval – Virtual Collocation		76		NA		59		36.5		NA	a,c,d
NP-2-05-6702	% On Time – Physical Collocation		100		100		100		100		100	c,d
NP-2-05-6712	% On Time – Physical Collocation - 45 Days						NA		NA		NA	
NP-2-06-6702	% On Time – Virtual Collocation		100		NA		100		100		NA	a,c,d
NP-2-07-6702	Average Delay Days – Physical Collocation		NA		NA		NA		NA		NA	

Metric Number	Metric Full Name	September		October		November		December		January		Notes
		VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	VZ	CLEC	
NP-2-08-6702	Average Delay Days – Virtual Collocation		NA		NA		NA		NA		NA	

Abbreviations:
NA = No Activity.
UD = Under Development.
NEF = No Existing Functionality
blank cell = No data provided.
VZ = Verizon retail analog. If no data was provided, the metric may have a benchmark.

Notes:
a = Sample Size under 10 for September.
b = Sample Size under 10 for October.
c = Sample Size under 10 for November.
d = Sample Size under 10 for December.
e = Sample Size under 10 for January.

Appendix D
Statutory Requirements

I. STATUTORY FRAMEWORK

1. The 1996 Act conditions BOC entry into the market for provision of in-region interLATA services on compliance with certain provisions of section 271.[1] BOCs must apply to the Federal Communications Commission (Commission or FCC) for authorization to provide interLATA services originating in any in-region state.[2] The Commission must issue a written determination on each application no later than 90 days after receiving such application.[3] Section 271(d)(2)(A) requires the Commission to consult with the Attorney General before making any determination approving or denying a section 271 application. The Attorney General is entitled to evaluate the application "using any standard the Attorney General considers appropriate," and the Commission is required to "give substantial weight to the Attorney General's evaluation."[4]

2. In addition, the Commission must consult with the relevant state commission to verify that the BOC has one or more state-approved interconnection agreements with a facilities-based competitor, or a Statement of Generally Available Terms and Conditions (SGAT), and that either the agreement(s) or general statement satisfy the "competitive checklist."[5] Because the Act does not prescribe any standard for the consideration of a state commission's verification under section 271(d)(2)(B), the Commission has discretion in each section 271 proceeding to

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[1] For purposes of section 271 proceedings, the Commission uses the definition of the term "Bell Operating Company" contained in 47 U.S.C. § 153(4).

[2] 47 U.S.C. § 271(d)(1). For purposes of section 271 proceedings, the Commission utilizes the definition of the term "in-region state" that is contained in 47 U.S.C. § 271(i)(1). Section 271(j) provides that a BOC's in-region services include 800 service, private line service, or their equivalents that terminate in an in-region state of that BOC and that allow the called party to determine the interLATA carrier, even if such services originate out-of-region. *Id.* § 271(j). The 1996 Act defines "interLATA services" as "telecommunications between a point located in a local access and transport area and a point located outside such area." *Id.* § 153(21). Under the 1996 Act, a "local access and transport area" (LATA) is "a contiguous geographic area (A) established before the date of enactment of the [1996 Act] by a [BOC] such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or (B) established or modified by a [BOC] after such date of enactment and approved by the Commission." *Id.* § 153(25). LATAs were created as part of the Modification of Final Judgment's (MFJ) "plan of reorganization." *United States v. Western Elec. Co.*, 569 F. Supp. 1057 (D.D.C. 1983), *aff'd sub nom. California v. United States*, 464 U.S. 1013 (1983). Pursuant to the MFJ, "all [BOC] territory in the continental United States [was] divided into LATAs, generally centering upon a city or other identifiable community of interest." *United States v. Western Elec. Co.*, 569 F. Supp. 990, 993-94 (D.D.C. 1983).

[3] 47 U.S.C. § 271(d)(3).

[4] *Id*. § 271(d)(2)(A).

[5] *Id*. § 271(d)(2)(B).

determine the amount of weight to accord the state commission's verification.[6] The Commission has held that, although it will consider carefully state determinations of fact that are supported by a detailed and extensive record, it is the FCC's role to determine whether the factual record supports the conclusion that particular requirements of section 271 have been met.[7]

3. Section 271 requires the Commission to make various findings before approving BOC entry. In order for the Commission to approve a BOC's application to provide in-region, interLATA services, a BOC must first demonstrate, with respect to each state for which it seeks authorization, that it satisfies the requirements of either section 271(c)(1)(A) (Track A) or 271(c)(1)(B) (Track B).[8] In order to obtain authorization under section 271, the BOC must also show that: (1) it has "fully implemented the competitive checklist" contained in section 271(c)(2)(B);[9] (2) the requested authorization will be carried out in accordance with the requirements of section 272;[10] and (3) the BOC's entry into the in-region interLATA market is "consistent with the public interest, convenience, and necessity."[11] The statute specifies that, unless the Commission finds that these criteria have been satisfied, the Commission "shall not approve" the requested authorization.[12]

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6 *Bell Atlantic New York Order*, 15 FCC Rcd at 3962, para. 20; *Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended*, CC Docket No. 97-137, 12 FCC Rcd 20543, 20559-60 (1997) (*Ameritech Michigan Order*). As the D.C. Circuit has held, "[a]lthough the Commission must consult with the state commissions, the statute does not require the Commission to give State Commissions' views any particular weight." *SBC Communications Inc. v. FCC*, 138 F.3d 410, 416 (D.C. Cir. 1998).

7 *Ameritech Michigan Order*, 12 FCC Rcd at 20560; *SBC Communications v. FCC*, 138 F.3d at 416-17.

8 47 U.S.C. § 271(d)(3)(A). See Section III, *infra*, for a complete discussion of Track A and Track B requirements.

9 *Id.* §§ 271(c)(2)(B), 271(d)(3)(A)(i).

10 *Id.* § 272; *see Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended*, CC Docket No. 96-149, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 21905 (1996) (*Non-Accounting Safeguards Order*), *recon.*, Order on Reconsideration, 12 FCC Rcd 2297 (1997), *review pending sub nom.*, *SBC Communications v. FCC*, No. 97-1118 (D.C. Cir., filed Mar. 6, 1997) (held in abeyance pursuant to court order filed May 7, 1997), *remanded in part sub nom.*, *Bell Atlantic Telephone Companies v. FCC*, No. 97-1067 (D.C. Cir., filed Mar. 31, 1997), *on remand*, Second Order on Reconsideration, FCC 97-222 (rel. June 24, 1997), *petition for review denied sub nom. Bell Atlantic Telephone Companies v. FCC*, 113 F.3d 1044 (D.C. Cir. 1997); *Implementation of the Telecommunications Act of 1996; Accounting Safeguards Under the Telecommunications Act of 1996*, Report and Order, 11 FCC Rcd 17539 (1996).

11 47 U.S.C. § 271(d)(3)(C).

12 *Id*. § 271(d)(3); *see SBC Communications, Inc. v. FCC*, 138 F.3d at 416.

II. PROCEDURAL AND ANALYTICAL FRAMEWORK

4. To determine whether a BOC applicant has met the prerequisites for entry into the long distance market, the Commission evaluates its compliance with the competitive checklist, as developed in the FCC's local competition rules and orders in effect at the time the application was filed. Despite the comprehensiveness of these rules, there will inevitably be, in any section 271 proceeding, disputes over an incumbent LEC's precise obligations to its competitors that FCC rules have not addressed and that do not involve *per se* violations of self-executing requirements of the Act. As explained in prior orders, the section 271 process simply could not function as Congress intended if the Commission were required to resolve all such disputes as a precondition to granting a section 271 application.[13] In the context of section 271's adjudicatory framework, the Commission has established certain procedural rules governing BOC section 271 applications.[14] The Commission has explained in prior orders the procedural rules it has developed to facilitate the review process.[15] Here we describe how the Commission considers the evidence of compliance that the BOC presents in its application.

5. As part of the determination that a BOC has satisfied the requirements of section 271, the Commission considers whether the BOC has fully implemented the competitive checklist in subsection (c)(2)(B). The BOC at all times bears the burden of proof of compliance with section 271, even if no party challenges its compliance with a particular requirement.[16] In demonstrating its compliance, a BOC must show that it has a concrete and specific legal obligation to furnish the item upon request pursuant to state-approved interconnection agreements that set forth prices and other terms and conditions for each checklist item, and that it is currently furnishing, or is ready to furnish, the checklist items in quantities that competitors may reasonably demand and at an acceptable level of quality.[17] In particular, the BOC must

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[13] *See SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6246, para. 19; *see also American Tel. & Tel. Co. v. FCC*, 220 F.3d 607, 631 (D.C. Cir. 2000).

[14] *See Procedures for Bell Operating Company Applications Under New Section 271 of the Communications Act*, Public Notice, 11 FCC Rcd 19708, 19711 (1996); *Revised Comment Schedule For Ameritech Michigan Application, as amended, for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Services in the State of Michigan*, Public Notice, DA 97-127 (rel. Jan. 17, 1997); *Revised Procedures for Bell Operating Company Applications Under Section 271 of the Communications Act*, Public Notice, 13 FCC Rcd 17457 (1997); *Updated Filing Requirements for Bell Operating Company Applications Under Section 271 of the Communications Act*, Public Notice, DA 99-1994 (rel. Sept. 28, 1999); *Updated Filing Requirements for Bell Operating Company Applications Under Section 271 of the Communications Act*, Public Notice, DA 01-734 (CCB rel. Mar. 23, 2001) (collectively "271 Procedural Public Notices").

[15] *See, e.g.*, *SWBT Kansas/Oklahoma Order* 16 FCC Rcd at 6247-50, paras. 21-27; *SWBT Texas Order*, 15 FCC Rcd at 18370-73, paras. 34-42; *Bell Atlantic New York Order*, 15 FCC Rcd at 3968-71, paras. 32-42.

[16] *See SWBT Texas Order*, 15 FCC Rcd at 18374, para. 46; *Bell Atlantic New York Order*, 15 FCC Rcd at 3972, para. 46.

[17] *See Bell Atlantic New York Order*, 15 FCC Rcd at 3973-74, para. 52.

demonstrate that it is offering interconnection and access to network elements on a nondiscriminatory basis.[18] Previous Commission orders addressing section 271 applications have elaborated on this statutory standard.[19] First, for those functions the BOC provides to competing carriers that are analogous to the functions a BOC provides to itself in connection with its own retail service offerings, the BOC must provide access to competing carriers in "substantially the same time and manner" as it provides to itself.[20] Thus, where a retail analogue exists, a BOC must provide access that is equal to (i.e., substantially the same as) the level of access that the BOC provides itself, its customers, or its affiliates, in terms of quality, accuracy, and timeliness.[21] For those functions that have no retail analogue, the BOC must demonstrate that the access it provides to competing carriers would offer an efficient carrier a "meaningful opportunity to compete."[22]

6. The determination of whether the statutory standard is met is ultimately a judgment the Commission must make based on its expertise in promoting competition in local markets and in telecommunications regulation generally.[23] The Commission has not established, nor does it believe it appropriate to establish, specific objective criteria for what constitutes "substantially the same time and manner" or a "meaningful opportunity to compete."[24] Whether this legal standard is met can only be decided based on an analysis of specific facts and circumstances. Therefore, the Commission looks at each application on a case-by-case basis and considers the totality of the circumstances, including the origin and quality of the information in the record, to determine whether the nondiscrimination requirements of the Act are met.

A. Performance Data

7. As established in prior section 271 orders, the Commission has found that performance measurements provide valuable evidence regarding a BOC's compliance or noncompliance with individual checklist items. The Commission expects that, in its *prima facie* case in the initial application, a BOC relying on performance data will:

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[18] *See* 47 U.S.C. § 271(c)(2)(B)(i), (ii).

[19] *See SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6250-51, paras. 28-29; *Bell Atlantic New York Order*, 15 FCC Rcd at 3971-72, paras. 44-46.

[20] *SWBT Texas Order*, 15 FCC Rcd at 18373, para. 44; *Bell Atlantic New York Order*, 15 FCC Rcd at 3971, para. 44.

[21] *Bell Atlantic New York Order*, 15 FCC Rcd at 3971, para. 44; *Ameritech Michigan Order*, 12 FCC Rcd at 20618-19.

[22] *Id.*

[23] *SWBT Texas Order*, 15 FCC Rcd at 18374, para. 46; *Bell Atlantic New York Order*, 15 FCC Rcd at 3972, para. 46.

[24] *Id.*

a) provide sufficient performance data to support its contention that the statutory requirements are satisfied;

b) identify the facial disparities between the applicant's performance for itself and its performance for competitors;

c) explain why those facial disparities are anomalous, caused by forces beyond the applicant's control (e.g., competing carrier-caused errors), or have no meaningful adverse impact on a competing carrier's ability to obtain and serve customers; and

d) provide the underlying data, analysis, and methodologies necessary to enable the Commission and commenters meaningfully to evaluate and contest the validity of the applicant's explanations for performance disparities, including, for example, carrier specific carrier-to-carrier performance data.

8. The Commission has explained in prior orders that parity and benchmark standards established by state commissions do not represent absolute maximum or minimum levels of performance necessary to satisfy the competitive checklist. Rather, where these standards are developed through open proceedings with input from both the incumbent and competing carriers, these standards can represent informed and reliable attempts to objectively approximate whether competing carriers are being served by the incumbent in substantially the same time and manner, or in a way that provides them a meaningful opportunity to compete.[25] Thus, to the extent there is no statistically significant difference between a BOC's provision of service to competing carriers and its own retail customers, the Commission generally need not look any further. Likewise, if a BOC's provision of service to competing carriers satisfies the performance benchmark, the analysis is usually done. Otherwise, the Commission will examine the evidence further to make a determination whether the statutory nondiscrimination requirements are met.[26] Thus, the Commission will examine the explanations that a BOC and others provide about whether these data accurately depict the quality of the BOC's performance. The Commission also may examine how many months a variation in performance has existed and what the recent trend has been. The Commission may find that statistically significant differences exist, but conclude that such differences have little or no competitive significance in the marketplace. In such cases, the Commission may conclude that the differences are not meaningful in terms of statutory compliance. Ultimately, the determination of whether a BOC's performance meets the statutory requirements necessarily is a contextual decision based on the totality of the circumstances and information before the Commission.

9. Where there are multiple performance measures associated with a particular checklist item, the Commission would consider the performance demonstrated by all the

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[25] *See SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6252, para. 31; *SWBT Texas Order*, 15 FCC Rcd at 18377, para. 55 & n.102.

[26] *See Bell Atlantic New York Order*, 15 FCC Rcd at 3970, para. 59.

measurements as a whole. Accordingly, a disparity in performance for one measure, by itself, may not provide a basis for finding noncompliance with the checklist. The Commission may also find that the reported performance data are affected by factors beyond a BOC's control, a finding that would make it less likely to hold the BOC wholly accountable for the disparity. This is not to say, however, that performance discrepancies on a single performance metric are unimportant. Indeed, under certain circumstances, disparity with respect to one performance measurement may support a finding of statutory noncompliance, particularly if the disparity is substantial or has endured for a long time, or if it is accompanied by other evidence of discriminatory conduct or evidence that competing carriers have been denied a meaningful opportunity to compete.

10. In sum, the Commission does not use performance measurements as a substitute for the 14-point competitive checklist. Rather, it uses performance measurements as valuable evidence with which to inform the judgment as to whether a BOC has complied with the checklist requirements. Although performance measurements add necessary objectivity and predictability to the review, they cannot wholly replace the Commission's own judgment as to whether a BOC has complied with the competitive checklist.

B. Relevance of Previous Section 271 Approvals

11. In some section 271 applications, the volumes of the BOC's commercial orders may be significantly lower than they were in prior proceedings. In certain instances, volumes may be so low as to render the performance data inconsistent and inconclusive.[27] Performance data based on low volumes of orders or other transactions are not as reliable an indicator of checklist compliance as performance based on larger numbers of observations. Indeed, where performance data are based on a low number of observations, small variations in performance may produce wide swings in the reported performance data. It is thus not possible to place the same evidentiary weight upon – and to draw the same types of conclusions from – performance data where volumes are low, as for data based on more robust activity.

12. In such cases, findings in prior, related section 271 proceedings may be a relevant factor in the Commission's analysis. Where a BOC provides evidence that a particular system reviewed and approved in a prior section 271 proceeding is also used in the proceeding at hand, the Commission's review of the same system in the current proceeding will be informed by the findings in the prior one. Indeed, to the extent that issues have already been briefed, reviewed and resolved in a prior section 271 proceeding, and absent new evidence or changed circumstances, an application for a related state should not be a forum for re-litigating and reconsidering those issues. Appropriately employed, such a practice can give us a fuller picture

[27] The Commission has never required, however, an applicant to demonstrate that it processes and provisions a substantial commercial volume of orders, or has achieved a specific market share in its service area, as a prerequisite for satisfying the competitive checklist. *See Ameritech Michigan Order*, 12 FCC Rcd at 20585, para. 77 (explaining that Congress had considered and rejected language that would have imposed a "market share" requirement in section 271(c)(1)(A)).

of the BOC's compliance with the section 271 requirements while avoiding, for all parties involved in the section 271 process, the delay and expense associated with redundant and unnecessary proceedings and submissions.

13. However, the statute requires the Commission to make a separate determination of checklist compliance for each state and, accordingly, we do not consider any finding from previous section 271 orders to be dispositive of checklist compliance in current proceedings. While the Commission's review may be informed by prior findings, the Commission will consider all relevant evidence in the record, including state-specific factors identified by commenting parties, the states, the Department of Justice. However, the Commission has always held that an applicant's performance towards competing carriers in an actual commercial environment is the best evidence of nondiscriminatory access to OSS and other network elements.[28] Thus, the BOC's actual performance in the applicant state may be relevant to the analysis and determinations with respect to the 14 checklist items. Evidence of satisfactory performance in another state cannot trump convincing evidence that an applicant fails to provide nondiscriminatory access to a network element in the applicant state.

14. Moreover, because the Commission's review of a section 271 application must be based on a snapshot of a BOC's recent performance at the time an application is filed, the Commission cannot simply rely on findings relating to an applicant's performance in an anchor state at the time it issued the determination for that state. The performance in that state could change due to a multitude of factors, such as increased order volumes or shifts in the mix of the types of services or UNEs requested by competing carriers. Thus, even when the applicant makes a convincing showing of the relevance of anchor state data, the Commission must examine how recent performance in that state compares to performance at the time it approved that state's section 271 application, in order to determine if the systems and processes continue to perform at acceptable levels.

III. COMPLIANCE WITH ENTRY REQUIREMENTS — SECTIONS 271(c)(1)(A) & 271(c)(1)(B)

15. As noted above, in order for the Commission to approve a BOC's application to provide in-region, interLATA services, a BOC must first demonstrate that it satisfies the requirements of either section 271(c)(1)(A) (Track A) or 271(c)(1)(B) (Track B).[29] To qualify for Track A, a BOC must have interconnection agreements with one or more competing providers of "telephone exchange service . . . to residential and business subscribers."[30] The Act states that "such telephone service may be offered . . . either exclusively over [the competitor's]

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[28] *See SWBT Texas Order*, 15 FCC Rcd at 18376, para. 53; *Bell Atlantic New York Order*, 15 FCC Rcd at 3974, para. 53.

[29] *See* 47 U.S.C. § 271(d)(3)(A).

[30] *Id*.

own telephone exchange service facilities or predominantly over [the competitor's] own telephone exchange facilities in combination with the resale of the telecommunications services of another carrier."[31] The Commission concluded in the *Ameritech Michigan Order* that section 271(c)(1)(A) is satisfied if one or more competing providers collectively serve residential and business subscribers.[32]

16. As an alternative to Track A, Section 271(c)(1)(B) permits BOCs to obtain authority to provide in-region, interLATA services if, after 10 months from the date of enactment, no facilities-based provider, as described in subparagraph (A), has requested the access and interconnection arrangements described therein (referencing one or more binding agreements approved under Section 252), but the state has approved an SGAT that satisfies the competitive checklist of subsection (c)(2)(B). Under section 271(d)(3)(A)(ii), the Commission shall not approve such a request for in-region, interLATA service unless the BOC demonstrates that, "with respect to access and interconnection generally offered pursuant to [an SGAT], such statement offers all of the items included in the competitive checklist."[33] Track B, however, is not available to a BOC if it has already received a request for access and interconnection from a prospective competing provider of telephone exchange service.[34]

IV. COMPLIANCE WITH THE COMPETITIVE CHECKLIST – SECTION 271(c)(2)(B)

A. Checklist Item 1– Interconnection

17. Section 271(c)(2)(B)(i) of the Act requires a section 271 applicant to provide "[i]nterconnection in accordance with the requirements of sections 251(c)(2) and 252(d)(1)."[35] Section 251(c)(2) imposes a duty on incumbent LECs "to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network . . . for the transmission and routing of telephone exchange service and exchange access."[36] In the *Local Competition First Report and Order*, the Commission

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[31] *Id*.

[32] *See Ameritech Michigan Order*, 12 FCC Rcd at 20589, para. 85; *see also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20633-35, paras. 46-48.

[33] 47 U.S.C. § 271(d)(3)(A)(ii).

[34] *See Ameritech Michigan Order*, 12 FCC Rcd at 20561-62, para. 34. Nevertheless, the above-mentioned foreclosure of Track B as an option is subject to limited exceptions. *See* 47 U.S.C. § 271(c)(1)(B); *see also Ameritech Michigan Order*, 12 FCC Rcd at 20563-64, paras. 37-38.

[35] 47 U.S.C. § 271(c)(2)(B)(i); *see Bell Atlantic New York Order*, 15 FCC Rcd at 3977-78, para. 63; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20640, para. 61; *Ameritech Michigan Order*, 12 FCC Rcd at 20662, para. 222.

[36] 47 U.S.C. § 251(c)(2)(A).

concluded that interconnection referred "only to the physical linking of two networks for the mutual exchange of traffic."[37] Section 251 contains three requirements for the provision of interconnection. First, an incumbent LEC must provide interconnection "at any technically feasible point within the carrier's network."[38] Second, an incumbent LEC must provide interconnection that is "at least equal in quality to that provided by the local exchange carrier to itself."[39] Finally, the incumbent LEC must provide interconnection "on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, in accordance with the terms of the agreement and the requirements of [section 251] and section 252."[40]

18. To implement the equal-in-quality requirement in section 251, the Commission's rules require an incumbent LEC to design and operate its interconnection facilities to meet "the same technical criteria and service standards" that are used for the interoffice trunks within the incumbent LEC's network.[41] In the *Local Competition First Report and Order*, the Commission identified trunk group blockage and transmission standards as indicators of an incumbent LEC's technical criteria and service standards.[42] In prior section 271 applications, the Commission concluded that disparities in trunk group blockage indicated a failure to provide interconnection to competing carriers equal-in-quality to the interconnection the BOC provided to its own retail operations.[43]

19. In the *Local Competition First Report and Order*, the Commission concluded that the requirement to provide interconnection on terms and conditions that are "just, reasonable, and nondiscriminatory" means that an incumbent LEC must provide interconnection to a competitor in a manner no less efficient than the way in which the incumbent LEC provides the

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[37] *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15499, 15590, para. 176 (1996) (*Local Competition First Report and Order*). Transport and termination of traffic are therefore excluded from the Commission's definition of interconnection. *See id.*

[38] 47 U.S.C. § 251(c)(2)(B). In the *Local Competition First Report and Order*, the Commission identified a minimum set of technically feasible points of interconnection. *See Local Competition First Report and Order*, 11 FCC Rcd at 15607-09, paras. 204-11.

[39] 47 U.S.C. § 251(c)(2)(C).

[40] *Id*. § 251(c)(2)(D).

[41] *Local Competition First Report and Order*, 11 FCC Rcd at 15613-15, paras. 221-225; *see Bell Atlantic New York Order*, 15 FCC Rcd at 3978, para. 64; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20641-42, paras. 63-64.

[42] *Local Competition First Report and Order*, 11 FCC Rcd at 15614-15, paras. 224-25.

[43] *See Bell Atlantic New York Order*, 15 FCC Rcd at 3978, para. 64; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20648-50, paras. 74-77; *Ameritech Michigan Order*, 12 FCC Rcd at 20671-74, paras. 240-45. The Commission has relied on trunk blockage data to evaluate a BOC's interconnection performance. Trunk group blockage indicates that end users are experiencing difficulty completing or receiving calls, which may have a direct impact on the customer's perception of a competitive LEC's service quality.

comparable function to its own retail operations.[44] The Commission's rules interpret this obligation to include, among other things, the incumbent LEC's installation time for interconnection service[45] and its provisioning of two-way trunking arrangements.[46] Similarly, repair time for troubles affecting interconnection trunks is useful for determining whether a BOC provides interconnection service under "terms and conditions that are no less favorable than the terms and conditions" the BOC provides to its own retail operations.[47]

20. Competing carriers may choose any method of technically feasible interconnection at a particular point on the incumbent LEC's network.[48] Incumbent LEC provision of interconnection trunking is one common means of interconnection. Technically feasible methods also include, but are not limited to, physical and virtual collocation and meet point arrangements.[49] The provision of collocation is an essential prerequisite to demonstrating compliance with item 1 of the competitive checklist.[50] In the *Advanced Services First Report and Order*, the Commission revised its collocation rules to require incumbent LECs to include shared cage and cageless collocation arrangements as part of their physical collocation offerings.[51] In response to a remand from the D.C. Circuit, the Commission adopted the *Collocation Remand Order*, establishing revised criteria for equipment for which incumbent LECs must permit collocation, requiring incumbent LECs to provide cross-connects between

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[44] *Local Competition First Report and Order*, 11 FCC Rcd at 15612, para. 218; *see also Bell Atlantic New York* Order, 15 FCC Rcd at 3978, para. 65; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20642, para. 65.

[45] 47 C.F.R. § 51.305(a)(5).

[46] The Commission's rules require an incumbent LEC to provide two-way trunking upon request, wherever two-way trunking arrangements are technically feasible. 47 C.F.R. § 51.305(f); *see also Bell Atlantic New York Order*, 15 FCC Rcd at 3978-79, para. 65; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20642, para. 65; *Local Competition First Report and Order*, 11 FCC Rcd 15612-13, paras. 219-20.

[47] 47 C.F.R. § 51.305(a)(5).

[48] *Local Competition First Report and Order*, 11 FCC Rcd at 15779, paras. 549-50; *see Bell Atlantic New York Order*, 15 FCC Rcd at 3979, para. 66; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20640-41, para. 61.

[49] 47 C.F.R. § 51.321(b); *Local Competition First Report and Order*, 11 FCC Rcd at 15779-82, paras. 549-50; *see also Bell Atlantic New York Order*, 15 FCC Rcd at 3979, para. 66; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20640-41, para. 62.

[50] 47 U.S.C. § 251(c)(6) (requiring incumbent LECs to provide physical collocation); *Bell Atlantic New York Order*, 15 FCC Rcd at 3979, para. 66; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20640-41, paras. 61-62.

[51] *Deployment of Wireline Services offering Advanced Telecommunications Capability*, First Report and Order and Further Notice of Proposed Rulemaking, 14 FCC Rcd 4761, 4784-86, paras. 41-43 (1999), *aff'd in part and vacated and remanded in part sub nom. GTE Service Corp. v. FCC*, 205 F.3d 416 (D.C. Cir. 2000), *on recon.*, *Collocation Reconsideration Order*, 15 FCC Rcd 17806 (2000); *on remand*, *Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Fourth Report and Order, 16 FCC Rcd 15435 (2001) (*Collocation Remand Order*), *petition for recon. pending*.

collocated carriers, and establishing principles for physical collocation space and configuration.[52] To show compliance with its collocation obligations, a BOC must have processes and procedures in place to ensure that all applicable collocation arrangements are available on terms and conditions that are "just, reasonable, and nondiscriminatory" in accordance with section 251(c)(6) and the FCC's implementing rules.[53] Data showing the quality of procedures for processing applications for collocation space, as well as the timeliness and efficiency of provisioning collocation space, help the Commission evaluate a BOC's compliance with its collocation obligations.[54]

21. As stated above, checklist item 1 requires a BOC to provide "interconnection in accordance with the requirements of sections 251(c)(2) *and* 252(d)(1)."[55] Section 252(d)(1) requires state determinations regarding the rates, terms, and conditions of interconnection to be based on cost and to be nondiscriminatory, and allows the rates to include a reasonable profit.[56] The Commission's pricing rules require, among other things, that in order to comply with its collocation obligations, an incumbent LEC provide collocation based on TELRIC.[57]

22. To the extent pricing disputes arise, the Commission will not duplicate the work of the state commissions. As noted in the *SWBT Texas Order*, the Act authorizes the state commissions to resolve specific carrier-to-carrier disputes arising under the local competition provisions, and it authorizes the federal district courts to ensure that the results of the state arbitration process are consistent with federal law.[58] Although the Commission has an independent statutory obligation to ensure compliance with the checklist, section 271 does not compel us to preempt the orderly disposition of intercarrier disputes by the state commissions, particularly now that the Supreme Court has restored the Commission's pricing jurisdiction and has thereby directed the state commissions to follow FCC pricing rules in their disposition of those disputes.[59]

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[52] *See Collocation Remand Order*, 16 FCC Rcd at 15441-42, para. 12.

[53] *Bell Atlantic New York Order*, 15 FCC Rcd at 3979, para. 66; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20643, para. 66; *BellSouth Carolina Order*, 13 FCC Rcd at 649-51, para. 62.

[54] *Bell Atlantic New York Order*, 15 FCC Rcd at 3979, para. 66; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20640-41, paras. 61-62.

[55] 47 U.S.C. § 271(c)(2)(B)(i) (emphasis added).

[56] *Id*. § 252(d)(1).

[57] *See* 47 C.F.R. §§ 51.501-07, 51.509(g); *Local Competition First Report and Order*, 11 FCC Rcd at 15812-16, 15844-61, 15874-76, 15912, paras. 618-29, 674-712, 743-51, 826.

[58] *See SWBT Texas Order*, 15 FCC Rcd at 18394, para. 88; *see also* 47 U.S.C. §§ 252(c), (e)(6); *American Tel. & Tel Co. v. Iowa Utils. Bd.*, 525 U.S. 366 (1999) (*AT&T v. Iowa Utils. Bd*.).

[59] *SWBT Texas Order*, 15 FCC Rcd at 18394, para. 88; *AT&T Corp. v. Iowa Utils. Bd*., 525 U.S. at 377-86.

23. Consistent with the Commission's precedent, the mere presence of interim rates will not generally threaten a section 271 application so long as: (1) an interim solution to a particular rate dispute is reasonable under the circumstances; (2) the state commission has demonstrated its commitment to the Commission's pricing rules; and (3) provision is made for refunds or true-ups once permanent rates are set.[60] In addition, the Commission has determined that rates contained within an approved section 271 application, including those that are interim, are reasonable starting points for interim rates for the same carrier in an adjoining state.[61]

24. Although the Commission has been willing to grant a section 271 application with a limited number of interim rates where the above-mentioned three-part test is met, it is clearly preferable to analyze a section 271 application on the basis of rates derived from a permanent rate proceeding.[62] At some point, states will have had sufficient time to complete these proceedings. The Commission will, therefore, become more reluctant to continue approving section 271 applications containing interim rates. It would not be sound policy for interim rates to become a substitute for completing these significant proceedings.

B. Checklist Item 2 – Unbundled Network Elements

1. Access to Operations Support Systems

25. Incumbent LECs use a variety of systems, databases, and personnel (collectively referred to as OSS) to provide service to their customers.[63] The Commission consistently has found that nondiscriminatory access to OSS is a prerequisite to the development of meaningful local competition.[64] For example, new entrants must have access to the functions performed by the incumbent's OSS in order to formulate and place orders for network elements or resale services, to install service to their customers, to maintain and repair network facilities, and to bill customers.[65] The Commission has determined that without nondiscriminatory access to the BOC's OSS, a competing carrier "will be severely disadvantaged, if not precluded altogether, from fairly competing" in the local exchange market.[66]

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60 *SWBT Texas Order*, 15 FCC Rcd at 18394, para. 88; *see also Bell Atlantic New York Order*, 15 FCC Rcd at 4091, para. 258 (explaining the Commission's case-by-case review of interim prices).

61 *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6359-60, para. 239.

62 *See Bell Atlantic New York Order*, 15 FCC Rcd at 4091, para. 260.

63 *Id*. at 3989-90, para. 83; *BellSouth South Carolina Order*, 13 FCC Rcd at 585.

64 *See Bell Atlantic New York Order*, 15 FCC Rcd at 3990, para. 83; *BellSouth South Carolina Order*, 13 FCC Rcd at 547-48, 585; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20653.

65 *See Bell Atlantic New York Order*, 15 FCC Rcd at 3990, para. 83.

66 *Id.*

26. Section 271 requires the Commission to determine whether a BOC offers nondiscriminatory access to OSS functions. Section 271(c)(2)(B)(ii) requires a BOC to provide "nondiscriminatory access to network elements in accordance with the requirements of sections 251(c)(3) and 252(d)(1)."[67] The Commission has determined that access to OSS functions falls squarely within an incumbent LEC's duty under section 251(c)(3) to provide unbundled network elements (UNEs) under terms and conditions that are nondiscriminatory and just and reasonable, and its duty under section 251(c)(4) to offer resale services without imposing any limitations or conditions that are discriminatory or unreasonable.[68] The Commission must therefore examine a BOC's OSS performance to evaluate compliance with section 271(c)(2)(B)(ii) and (xiv).[69] In addition, the Commission has also concluded that the duty to provide nondiscriminatory access to OSS functions is embodied in other terms of the competitive checklist as well.[70] Consistent with prior orders, the Commission examines a BOC's OSS performance directly under checklist items 2 and 14, as well as other checklist terms.[71]

27. As part of its statutory obligation to provide nondiscriminatory access to OSS functions, a BOC must provide access that sufficiently supports each of the three modes of competitive entry envisioned by the 1996 Act – competitor-owned facilities, UNEs, and resale.[72] For OSS functions that are analogous to those that a BOC provides to itself, its customers or its affiliates, the nondiscrimination standard requires the BOC to offer requesting carriers access that is equivalent in terms of quality, accuracy, and timeliness.[73] The BOC must provide access that permits competing carriers to perform these functions in "substantially the same time and manner" as the BOC.[74] The Commission has recognized in prior orders that there may be situations in which a BOC contends that, although equivalent access has not been achieved for

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[67] 47 U.S.C. § 271(c)(2)(B)(ii).

[68] *Bell Atlantic New York Order*, 15 FCC Rcd at 3990, para. 84.

[69] *Id.*

[70] *Id.* As part of a BOC's demonstration that it is "providing" a checklist item (*e.g.*, unbundled loops, unbundled local switching, resale services), it must demonstrate that it is providing nondiscriminatory access to the systems, information, and personnel that support that element or service. An examination of a BOC's OSS performance is therefore integral to the determination of whether a BOC is offering all of the items contained in the competitive checklist. *Id*.

[71] *Id.* at 3990-91, para. 84.

[72] *Id.* at 3991, para. 85.

[73] *Id.*

[74] *Id.* For example, the Commission would not deem an incumbent LEC to be providing nondiscriminatory access to OSS if limitations on the processing of information between the interface and the back office systems prevented a competitor from performing a specific function in substantially the same time and manner as the incumbent performs that function for itself.

an analogous function, the access that it provides is nonetheless nondiscriminatory within the meaning of the statute.[75]

28. For OSS functions that have no retail analogue, the BOC must offer access "sufficient to allow an efficient competitor a meaningful opportunity to compete."[76] In assessing whether the quality of access affords an efficient competitor a meaningful opportunity to compete, the Commission will examine, in the first instance, whether specific performance standards exist for those functions.[77] In particular, the Commission will consider whether appropriate standards for measuring OSS performance have been adopted by the relevant state commission or agreed upon by the BOC in an interconnection agreement or during the implementation of such an agreement.[78] If such performance standards exist, the Commission will evaluate whether the BOC's performance is sufficient to allow an efficient competitor a meaningful opportunity to compete.[79]

29. The Commission analyzes whether a BOC has met the nondiscrimination standard for each OSS function using a two-step approach. First, the Commission determines "whether the BOC has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and whether the BOC is adequately assisting competing carriers to understand how to implement and use all of the OSS functions available to them."[80] The Commission next assesses "whether the OSS functions that the BOC has deployed are operationally ready, as a practical matter."[81]

30. Under the first inquiry, a BOC must demonstrate that it has developed sufficient electronic (for functions that the BOC accesses electronically) and manual interfaces to allow

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[75] *See id.*

[76] *Id.* at 3991, para. 86.

[77] *Id.*

[78] *Id.* As a general proposition, specific performance standards adopted by a state commission in an arbitration decision would be more persuasive evidence of commercial reasonableness than a standard unilaterally adopted by the BOC outside of its interconnection agreement. *Id*. at 20619-20.

[79] *See id.* at 3991-92, para. 86.

[80] *Id.* at 3992, para. 87; *Ameritech Michigan Order*, 12 FCC Rcd at 20616; s*ee also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20654; *BellSouth South Carolina Order*, 13 FCC Rcd at 592-93. In making this determination, the Commission "consider[s] all of the automated and manual processes a BOC has undertaken to provide access to OSS functions," including the interface (or gateway) that connects the competing carrier's own operations support systems to the BOC; any electronic or manual processing link between that interface and the BOC's OSS (including all necessary back office systems and personnel); and all of the OSS that a BOC uses in providing network elements and resale services to a competing carrier. *Ameritech Michigan Order*, 12 FCC Rcd at 20615; s*ee also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20654 n.241.

[81] *See Bell Atlantic New York Order*, 15 FCC Rcd at 3992, para. 88.

competing carriers equivalent access to all of the necessary OSS functions.[82] For example, a BOC must provide competing carriers with the specifications necessary for carriers to design or modify their systems in a manner that will enable them to communicate with the BOC's systems and any relevant interfaces.[83] In addition, a BOC must disclose to competing carriers any internal business rules[84] and other formatting information necessary to ensure that a carrier's requests and orders are processed efficiently.[85] Finally, a BOC must demonstrate that its OSS is designed to accommodate both current demand and projected demand for competing carriers' access to OSS functions.[86] Although not a prerequisite, the Commission continues to encourage the use of industry standards as an appropriate means of meeting the needs of a competitive local exchange market.[87]

31. Under the second inquiry, the Commission examines performance measurements and other evidence of commercial readiness to ascertain whether the BOC's OSS is handling current demand and will be able to handle reasonably foreseeable future volumes.[88] The most probative evidence that OSS functions are operationally ready is actual commercial usage.[89] Absent sufficient and reliable data on commercial usage, the Commission will consider the results of carrier-to-carrier testing, independent third-party testing, and internal testing in assessing the commercial readiness of a BOC's OSS.[90] Although the Commission does not require OSS testing, a persuasive test will provide us with an objective means by which to evaluate a BOC's OSS readiness where there is little to no evidence of commercial usage, or may otherwise strengthen an application where the BOC's evidence of actual commercial usage is weak or is otherwise challenged by competitors. The persuasiveness of a third-party review,

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[82] *Id*. at 3992, para. 87; *see also Ameritech Michigan Order*, 12 FCC Rcd at 20616, para. 136 (The Commission determines "whether the BOC has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and whether the BOC is adequately assisting competing carriers to understand how to implement and use all of the OSS functions available to them."). For example, a BOC must provide competing carriers the specifications necessary to design their systems interfaces and business rules necessary to format orders, and demonstrate that systems are scalable to handle current and projected demand. *Id.*

[83] *Id.*

[84] Business rules refer to the protocols that a BOC uses to ensure uniformity in the format of orders and include information concerning ordering codes such as universal service ordering codes (USOCs) and field identifiers (FIDs). *Id.*; *see also Ameritech Michigan Order*, 12 FCC Rcd at 20617 n.335.

[85] *Bell Atlantic New York Order*, 15 FCC Rcd at 3992, para. 88.

[86] *Id.*

[87] *See id.*

[88] *Id.* at 3993, para. 89.

[89] *Id.*

[90] *Id.*

however, is dependent upon the qualifications, experience and independence of the third party and the conditions and scope of the review itself.[91] If the review is limited in scope or depth or is not independent and blind, the Commission will give it minimal weight. As noted above, to the extent the Commission reviews performance data, it looks at the totality of the circumstances and generally does not view individual performance disparities, particularly if they are isolated and slight, as dispositive of whether a BOC has satisfied its checklist obligations.[92] Individual performance disparities may, nevertheless, result in a finding of checklist noncompliance, particularly if the disparity is substantial or has endured for a long time, or if it is accompanied by other evidence of discriminatory conduct or evidence that competing carriers have been denied a meaningful opportunity to compete.

a. Relevance of a BOC's Prior Section 271 Orders

32. The *SWBT Kansas/Oklahoma Order* specifically outlined a non-exhaustive evidentiary showing that must be made in the initial application when a BOC seeks to rely on evidence presented in another application.[93] First, a BOC's application must explain the extent to which the OSS are "the same" – that is, whether it employs the shared use of a single OSS, or the use of systems that are identical, but separate.[94] To satisfy this inquiry, the Commission looks to whether the relevant states utilize a common set of processes, business rules, interfaces, systems and, in many instances, even personnel.[95] The Commission will also carefully examine third party reports that demonstrate that the BOC's OSS are the same in each of the relevant states.[96] Finally, where a BOC has discernibly separate OSS, it must demonstrate that its OSS reasonably can be expected to behave in the same manner.[97] Second, unless an applicant seeks to establish only that certain discrete components of its OSS are the same, an applicant must submit evidence relating to *all* aspects of its OSS, including those OSS functions performed by BOC personnel.

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[91] *See id.*; *Ameritech Michigan Order*, 12 FCC Rcd at 20659 (emphasizing that a third-party review should encompass the entire obligation of the incumbent LEC to provide nondiscriminatory access, and, where applicable, should consider the ability of actual competing carriers in the market to operate using the incumbent's OSS access).

[92] *See SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6301-02, para. 138.

[93] *See id*. at 6286-91, paras. 107-18

[94] *See id*. at 6288, para. 111.

[95] The Commission has consistently held that a BOC's OSS includes both mechanized systems and manual processes, and thus the OSS functions performed by BOC personnel have been part of the FCC's OSS functionality and commercial readiness reviews.

[96] *See SWBT Kansas/Oklahoma Order*, *id*. at 6287, para. 108.

[97] *See id*. at 6288, para. 111.

b. Pre-Ordering

33. A BOC must demonstrate that: (i) it offers nondiscriminatory access to OSS pre-ordering functions associated with determining whether a loop is capable of supporting xDSL advanced technologies; (ii) competing carriers successfully have built and are using application-to-application interfaces to perform pre-ordering functions and are able to integrate pre-ordering and ordering interfaces; [98] and (iii) its pre-ordering systems provide reasonably prompt response times and are consistently available in a manner that affords competitors a meaningful opportunity to compete.[99]

34. The pre-ordering phase of OSS generally includes those activities that a carrier undertakes to gather and verify the information necessary to place an order.[100] Given that pre-ordering represents the first exposure that a prospective customer has to a competing carrier, it is critical that a competing carrier is able to accomplish pre-ordering activities in a manner no less efficient and responsive than the incumbent.[101] Most of the pre-ordering activities that must be undertaken by a competing carrier to order resale services and UNEs from the incumbent are analogous to the activities a BOC must accomplish to furnish service to its own customers. For these pre-ordering functions, a BOC must demonstrate that it provides requesting carriers access that enables them to perform pre-ordering functions in substantially the same time and manner as its retail operations.[102] For those pre-ordering functions that lack a retail analogue, a BOC must provide access that affords an efficient competitor a meaningful opportunity to compete.[103] In

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[98] In prior orders, the Commission has emphasized that providing pre-ordering functionality through an application-to-application interface is essential in enabling carriers to conduct real-time processing and to integrate pre-ordering and ordering functions in the same manner as the BOC. *SWBT Texas Order*, 15 FCC Rcd at 18426, para. 148.

[99] The Commission has held previously that an interface that provides responses in a prompt timeframe and is stable and reliable, is necessary for competing carriers to market their services and serve their customers as efficiently and at the same level of quality as a BOC serves its own customers. *See Bell Atlantic New York Order*, 15 FCC Rcd at 4025 and 4029, paras. 145 and 154.

[100] *See Bell Atlantic New York Order*, 15 FCC Rcd at 4014, para. 129; *see also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20660, para. 94 (referring to "pre-ordering and ordering" collectively as "the exchange of information between telecommunications carriers about current or proposed customer products and services or unbundled network elements or some combination thereof"). In prior orders, the Commission has identified the following five pre-order functions: (1) customer service record (CSR) information; (2) address validation; (3) telephone number information; (4) due date information; (5) services and feature information. *See Bell Atlantic New York Order*, 15 FCC Rcd at 4015, para. 132; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20660, para. 94; *BellSouth South Carolina Order*, 13 FCC Rcd at 619, para. 147.

[101] *Bell Atlantic New York Order*, 15 FCC Rcd at 4014, para. 129.

[102] *Id.*; *see also BellSouth South Carolina Order*, 13 FCC Rcd at 623-29 (concluding that failure to deploy an application-to-application interface denies competing carriers equivalent access to pre-ordering OSS functions).

[103] *Bell Atlantic New York Order*, 15 FCC Rcd at 4014, para. 129.

prior orders, the Commission has emphasized that providing pre-ordering functionality through an application-to-application interface is essential in enabling carriers to conduct real-time processing and to integrate pre-ordering and ordering functions in the same manner as the BOC.[104]

(i) Access to Loop Qualification Information

35. In accordance with the *UNE Remand Order*,[105] the Commission requires incumbent carriers to provide competitors with access to all of the same detailed information about the loop that is available to the incumbents,[106] and in the same time frame, so that a competing carrier can make an independent judgment at the pre-ordering stage about whether an end user loop is capable of supporting the advanced services equipment the competing carrier intends to install.[107] Under the *UNE Remand Order*, the relevant inquiry is not whether a BOC's retail arm accesses such underlying information but whether such information exists anywhere in a BOC's back office and can be accessed by any of a BOC's personnel.[108] Moreover, a BOC may not "filter or digest" the underlying information and may not provide only information that is useful in provisioning of a particular type of xDSL that a BOC offers.[109] A BOC must also provide loop qualification information based, for example, on an individual address or zip code of the end users in a particular wire center, NXX code or on any other basis that the BOC provides such information to itself. Moreover, a BOC must also provide access for competing carriers to the loop qualifying information that the BOC can itself access manually or electronically. Finally, a BOC must provide access to loop qualification information to competitors within the same time intervals it is provided to the BOC's retail operations or its

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[104] *See id.* at 4014, para. 130; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20661-67, para. 105.

[105] *UNE Remand Order*, 15 FCC Rcd at 3885, para. 426 (determining "that the pre-ordering function includes access to loop qualification information").

[106] *See id.* At a minimum, a BOC must provide (1) the composition of the loop material, including both fiber and copper; (2) the existence, location and type of any electronic or other equipment on the loop, including but not limited to, digital loop carrier or other remote concentration devices, feeder/distribution interfaces, bridge taps, load coils, pair-gain devices, disturbers in the same or adjacent binder groups; (3) the loop length, including the length and location of each type of transmission media; (4) the wire gauge(s) of the loop; and (5) the electrical parameters of the loop, which may determine the suitability of the loop for various technologies. *Id.*

[107] As the Commission has explained in prior proceedings, because characteristics of a loop, such as its length and the presence of various impediments to digital transmission, can hinder certain advanced services technologies, carriers often seek to "pre-qualify" a loop by accessing basic loop makeup information that will assist carriers in ascertaining whether the loop, either with or without the removal of the impediments, can support a particular advanced service. *See id.*, 15 FCC Rcd at 4021, para. 140.

[108] *UNE Remand Order*, 15 FCC Rcd at 3885-3887, paras. 427-431 (noting that "to the extent such information is not normally provided to the incumbent's retail personnel, but can be obtained by contacting back office personnel, it must be provided to requesting carriers within the same time frame that any incumbent personnel are able to obtain such information.").

[109] *See SWBT Kansas Oklahoma Order*, 16 FCC Rcd at 6292-93, para. 121.

advanced services affiliate.[110] As the Commission determined in the *UNE Remand Order*, however, "to the extent such information is not normally provided to the incumbent's retail personnel, but can be obtained by contacting back office personnel, it must be provided to requesting carriers within the same time frame that any incumbent personnel are able to obtain such information."[111]

c. Ordering

36. Consistent with section 271(c)(2)(B)(ii), a BOC must demonstrate its ability to provide competing carriers with access to the OSS functions necessary for placing wholesale orders. For those functions of the ordering systems for which there is a retail analogue, a BOC must demonstrate, with performance data and other evidence, that it provides competing carriers with access to its OSS in substantially the same time and manner as it provides to its retail operations. For those ordering functions that lack a direct retail analogue, a BOC must demonstrate that its systems and performance allow an efficient carrier a meaningful opportunity to compete. As in prior section 271 orders, the Commission looks primarily at the applicant's ability to return order confirmation notices, order reject notices, order completion notices and jeopardies, and at its order flow-through rate.[112]

d. Provisioning

37. A BOC must provision competing carriers' orders for resale and UNE-P services in substantially the same time and manner as it provisions orders for its own retail customers.[113] Consistent with the approach in prior section 271 orders, the Commission examines a BOC's provisioning processes, as well as its performance with respect to provisioning timeliness (i.e., missed due dates and average installation intervals) and provisioning quality (i.e., service problems experienced at the provisioning stage).[114]

e. Maintenance and Repair

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[110] *Id.*

[111] *UNE Remand Order*, 15 FCC Rcd at 3885-3887, paras. 427-31.

[112] *See SWBT Texas Order*, 15 FCC Rcd at 18438, para. 170; *Bell Atlantic New York Order*, 15 FCC Rcd at 4035-39, paras. 163-66. The Commission examines (i) order flow-through rates, (ii) jeopardy notices and (iii) order completion notices using the "same time and manner" standard. The Commission examines order confirmation notices and order rejection notices using the "meaningful opportunity to compete" standard.

[113] *See Bell Atlantic New York*, 15 FCC Rcd at 4058, para. 196. For provisioning timeliness, the Commission looks to missed due dates and average installation intervals; for provisioning quality, the Commission looks to service problems experienced at the provisioning stage.

[114] *Id.*

38. A competing carrier that provides service through resale or UNEs remains dependent upon the incumbent LEC for maintenance and repair. Thus, as part of its obligation to provide nondiscriminatory access to OSS functions, a BOC must provide requesting carriers with nondiscriminatory access to its maintenance and repair systems.[115] To the extent a BOC performs analogous maintenance and repair functions for its retail operations, it must provide competing carriers access that enables them to perform maintenance and repair functions "in substantially the same time and manner" as a BOC provides its retail customers.[116] Equivalent access ensures that competing carriers can assist customers experiencing service disruptions using the same network information and diagnostic tools that are available to BOC personnel.[117] Without equivalent access, a competing carrier would be placed at a significant competitive disadvantage, as its customer would perceive a problem with a BOC's network as a problem with the competing carrier's own network.[118]

f. Billing

39. A BOC must provide nondiscriminatory access to its billing functions, which is necessary to enable competing carriers to provide accurate and timely bills to their customers.[119] In making this determination, the Commission assesses a BOC's billing processes and systems, and its performance data. Consistent with prior section 271 orders, a BOC must demonstrate that it provides competing carriers with complete and accurate reports on the service usage of competing carriers' customers in substantially the same time and manner that a BOC provides such information to itself, and with wholesale bills in a manner that gives competing carriers a meaningful opportunity to compete.[120]

g. Change Management Process

40. Competing carriers need information about, and specifications for, an incumbent's systems and interfaces to develop and modify their systems and procedures to access the incumbent's OSS functions.[121] Thus, in order to demonstrate that it is providing

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[115] *Id*. at 4067, para. 212; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20692; *Ameritech Michigan Order*, 12 FCC Rcd at 20613, 20660-61.

[116] *Bell Atlantic New York Order*, 15 FCC Rcd at 4058, para. 196; *see also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20692-93.

[117] *Bell Atlantic New York Order*, 15 FCC Rcd at 4058, para. 196.

[118] *Id*.

[119] *See SWBT Texas Order*, 15 FCC Rcd at 18461, para. 210.

[120] *See id.*; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6316-17, at para. 163.

[121] *Bell Atlantic New York Order*, 15 FCC Rcd at 3999-4000, para. 102; *First BellSouth Louisiana Order*, 13 FCC Rcd at 6279 n.197; *BellSouth South Carolina Order*, 13 FCC Rcd at 625 n.467; *Ameritech Michigan Order*, 12 FCC Rcd at 20617 n.334; *Local Competition Second Report and Order*, 11 FCC Rcd at 19742.

nondiscriminatory access to its OSS, a BOC must first demonstrate that it "has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and . . . is adequately assisting competing carriers to understand how to implement and use all of the OSS functions available to them."[122] By showing that it adequately assists competing carriers to use available OSS functions, a BOC provides evidence that it offers an efficient competitor a meaningful opportunity to compete.[123] As part of this demonstration, the Commission will give substantial consideration to the existence of an adequate change management process and evidence that the BOC has adhered to this process over time.[124]

41. The change management process refers to the methods and procedures that the BOC employs to communicate with competing carriers regarding the performance of, and changes in, the BOC's OSS.[125] Such changes may include updates to existing functions that impact competing carrier interface(s) upon a BOC's release of new interface software; technology changes that require competing carriers to meet new technical requirements upon a BOC's software release date; additional functionality changes that may be used at the competing carrier's option, on or after a BOC's release date for new interface software; and changes that may be mandated by regulatory authorities.[126] Without a change management process in place, a BOC can impose substantial costs on competing carriers simply by making changes to its systems and interfaces without providing adequate testing opportunities and accurate and timely notice and documentation of the changes.[127] Change management problems can impair a competing carrier's ability to obtain nondiscriminatory access to UNEs, and hence a BOC's compliance with section 271(2)(B)(ii).[128]

42. In evaluating whether a BOC's change management plan affords an efficient competitor a meaningful opportunity to compete, the Commission first assesses whether the plan is adequate. In making this determination, it assesses whether the evidence demonstrates: (1) that information relating to the change management process is clearly organized and readily accessible to competing carriers;[129] (2) that competing carriers had substantial input in the design and continued operation of the change management process;[130] (3) that the change management

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122 *Bell Atlantic New York Order*, 15 FCC Rcd at 3999, para. 102.

123 *Id.* at 3999-4000, para. 102

124 *Id.* at 4000, para. 102.

125 *Id.* at 4000, para. 103.

126 *Id.*

127 *Id.* at 4000, para. 103.

128 *Id.*

129 *Id.* at 4002, para. 107.

130 *Id.* at 4000, para. 104.

plan defines a procedure for the timely resolution of change management disputes;[131] (4) the availability of a stable testing environment that mirrors production;[132] and (5) the efficacy of the documentation the BOC makes available for the purpose of building an electronic gateway.[133] After determining whether the BOC's change management plan is adequate, the Commission evaluates whether the BOC has demonstrated a pattern of compliance with this plan.[134]

2. UNE Combinations

43. In order to comply with the requirements of checklist item 2, a BOC must show that it is offering "[n]ondiscriminatory access to network elements in accordance with the requirements of section 251(c)(3)."[135] Section 251(c)(3) requires an incumbent LEC to "provide, to any requesting telecommunications carrier . . . nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms and conditions that are just, reasonable, and nondiscriminatory."[136] Section 251(c)(3) of the Act also requires incumbent LECs to provide UNEs in a manner that allows requesting carriers to combine such elements in order to provide a telecommunications service.[137]

44. In the *Ameritech Michigan Order*, the Commission emphasized that the ability of requesting carriers to use UNEs, as well as combinations of UNEs, is integral to achieving Congress' objective of promoting competition in local telecommunications markets.[138] Using combinations of UNEs provides a competitor with the incentive and ability to package and market services in ways that differ from the BOCs' existing service offerings in order to compete in the local telecommunications market.[139] Moreover, combining the incumbent's UNEs with their own facilities encourages facilities-based competition and allows competing providers to

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[131] *Id.* at 4002, para. 108.

[132] *Id.* at 4002-03, paras. 109-10.

[133] *Id.* at 4003-04, para. 110. In the *Bell Atlantic New York Order*, the Commission used these factors in determining whether Bell Atlantic had an adequate change management process in place. *See id.* at 4004, para. 111. The Commission left open the possibility, however, that a change management plan different from the one implemented by Bell Atlantic may be sufficient to demonstrate compliance with the requirements of section 271. *Id.*

[134] *Id.* at 3999, para. 101, 4004-05, para. 112.

[135] 47 U.S.C. § 271(c)(2)(B)(ii).

[136] *Id*. § 251(c)(3).

[137] *Id.*

[138] *Ameritech Michigan Order*, 12 FCC Rcd at 20718-19; *BellSouth South Carolina Order*, 13 FCC Rcd at 646.

[139] *BellSouth South Carolina Order*, 13 FCC Rcd at 646; *see also Local Competition First Report and Order*, 11 FCC Rcd at 15666-68.

provide a wide array of competitive choices.[140] Because the use of combinations of UNEs is an important strategy for entry into the local telecommunications market, as well as an obligation under the requirements of section 271, the Commission examines section 271 applications to determine whether competitive carriers are able to combine network elements as required by the Act and the Commission's regulations.[141]

3. Pricing of Network Elements

45. Checklist item 2 of section 271 states that a BOC must provide "nondiscriminatory access to network elements in accordance with sections 251(c)(3) and 252(d)(1)" of the Act.[142] Section 251(c)(3) requires incumbent LECs to provide "nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms, and conditions that are just, reasonable, and nondiscriminatory."[143] Section 252(d)(1) requires that a state commission's determination of the just and reasonable rates for network elements shall be based on the cost of providing the network elements, shall be nondiscriminatory, and may include a reasonable profit.[144] Pursuant to this statutory mandate, the Commission has determined that prices for UNEs must be based on the total element long run incremental cost (TELRIC) of providing those elements.[145] The Commission also promulgated rule 51.315(b), which prohibits incumbent LECs from separating already combined elements before providing them to competing carriers, except on request.[146] The Commission has previously held that it will not conduct a *de novo* review of a state's pricing determinations and will reject an application only if "basic TELRIC principles are violated or the state commission makes clear errors in factual findings on matters so substantial that the end result falls outside the range that the reasonable application of TELRIC principles would produce."[147]

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[140] *Bell Atlantic New York Order*, 15 FCC Rcd at 4077-78, para. 230.

[141] *Id.*

[142] 47 U.S.C. § 271(c)(2)(B)(ii).

[143] *Id*. § 251(c)(3).

[144] 47 U.S.C. § 252(d)(1).

[145] *Local Competition First Report and Order*, 11 FCC Rcd at 15844-46, paras. 674-79; 47 C.F.R. §§ 51.501 *et seq*.; *see also Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147, and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98*, Third Report and Order and Fourth Report and Order, 14 FCC Rcd 20912, 20974, para. 135 (*Line Sharing Order*) (concluding that states should set the prices for line sharing as a new network element in the same manner as the state sets prices for other UNEs).

[146] *See* 47 C.F.R. § 51.315(b).

[147] *Bell Atlantic New York Order*, 15 FCC Rcd at 4084, para. 244; *SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6266, para. 59.

46. Although the U.S. Court of Appeals for the Eighth Circuit stayed the Commission's pricing rules in 1996,[148] the Supreme Court restored the Commission's pricing authority on January 25, 1999, and remanded to the Eighth Circuit for consideration of the merits of the challenged rules.[149] On remand from the Supreme Court, the Eighth Circuit concluded that while TELRIC is an acceptable method for determining costs, certain specific requirements contained within the Commission's pricing rules were contrary to Congressional intent.[150] The Eighth Circuit has stayed the issuance of its mandate pending review by the Supreme Court.[151] Accordingly, the Commission's pricing rules remain in effect.

C. Checklist Item 3 – Poles, Ducts, Conduits and Rights of Way

47. Section 271(c)(2)(B)(iii) requires BOCs to provide "[n]ondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by the [BOC] at just and reasonable rates in accordance with the requirements of section 224."[152] Section 224(f)(1) states that "[a] utility shall provide a cable television system or any telecommunications carrier with nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by it."[153] Notwithstanding this requirement, section 224(f)(2) permits a utility providing electric service to deny access to its poles, ducts, conduits, and rights-of-way, on a nondiscriminatory basis, "where there is insufficient capacity and for reasons of safety, reliability and generally

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[148] *Iowa Utils. Bd. v. FCC*, 120 F.3d 753, 800, 804, 805-06 (8th Cir. 1997).

[149] *AT&T Corp. v. Iowa Utils. Bd.*, 525 U.S. 366 (1999). In reaching its decision, the Court acknowledged that section 201(b) "explicitly grants the FCC jurisdiction to make rules governing matters to which the 1996 Act applies." *Id.* at 380. Furthermore, the Court determined that section 251(d) also provides evidence of an express jurisdictional grant by requiring that "the Commission [shall] complete all actions necessary to establish regulations to implement the requirements of this section." *Id.* at 382. The Court also held that the pricing provisions implemented under the Commission's rulemaking authority do not inhibit the establishment of rates by the states. The Court concluded that the Commission has jurisdiction to design a pricing methodology to facilitate local competition under the 1996 Act, including pricing for interconnection and unbundled access, as "it is the States that will apply those standards and implement that methodology, determining the concrete result." *Id*.

[150] *Iowa Utils. Bd. v. FCC*, 219 F.3d 744 (8th Cir. 2000), *petition for cert. granted sub nom. Verizon Communications v. FCC*, 121 S. Ct. 877 (2001).

[151] *Iowa Utils. Bd. v. FCC*, No. 96-3321 *et al.* (8th Cir. Sept. 25, 2000).

[152] 47 U.S.C. § 271(c)(2)(B)(iii). As originally enacted, section 224 was intended to address obstacles that cable operators encountered in obtaining access to poles, ducts, conduits, or rights-of-way owned or controlled by utilities. The 1996 Act amended section 224 in several important respects to ensure that telecommunications carriers as well as cable operators have access to poles, ducts, conduits, or rights-of-way owned or controlled by utility companies, including LECs. *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20706, n.574.

[153] 47 U.S.C. § 224(f)(1). Section 224(a)(1) defines "utility" to include any entity, including a LEC, that controls "poles, ducts, conduits, or rights-of-way used, in whole or in part, for any wire communications." 47 U.S.C. § 224(a)(1).

applicable engineering purposes."[154] Section 224 also contains two separate provisions governing the maximum rates that a utility may charge for "pole attachments."[155] Section 224(b)(1) states that the Commission shall regulate the rates, terms, and conditions governing pole attachments to ensure that they are "just and reasonable."[156] Notwithstanding this general grant of authority, section 224(c)(1) states that "[n]othing in [section 224] shall be construed to apply to, or to give the Commission jurisdiction with respect to the rates, terms, and conditions, or access to poles, ducts, conduits and rights-of-way as provided in [section 224(f)], for pole attachments in any case where such matters are regulated by a State."[157] As of 1992, nineteen states, including Connecticut, had certified to the Commission that they regulated the rates, terms, and conditions for pole attachments.[158]

D. Checklist Item 4 – Unbundled Local Loops

48. Section 271(c)(2)(B)(iv) of the Act, item 4 of the competitive checklist, requires that a BOC provide "[l]ocal loop transmission from the central office to the customer's premises, unbundled from local switching or other services."[159] The Commission has defined the loop as a transmission facility between a distribution frame, or its equivalent, in an incumbent LEC central office, and the demarcation point at the customer premises. This definition includes different types of loops, including two-wire and four-wire analog voice-grade loops, and two-wire and

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[154] 47 U.S.C. § 224(f)(2). In the *Local Competition First Report and Order*, the Commission concluded that, although the statutory exception enunciated in section 224(f)(2) appears to be limited to utilities providing electrical service, LECs should also be permitted to deny access to their poles, ducts, conduits, and rights-of-way because of insufficient capacity and for reasons of safety, reliability and generally applicable engineering purposes, provided the assessment of such factors is done in a nondiscriminatory manner. *Local Competition First Report and Order*, 11 FCC Rcd at 16080-81, paras. 1175-77.

[155] Section 224(a)(4) defines "pole attachment" as "any attachment by a cable television system or provider of telecommunications service to a pole, duct, conduit, or right-of-way owned or controlled by a utility." 47 U.S.C. § 224(a)(4).

[156] 47 U.S.C. § 224(b)(1).

[157] *Id*. § 224(c)(1). The 1996 Act extended the Commission's authority to include not just rates, terms, and conditions, but also the authority to regulate nondiscriminatory access to poles, ducts, conduits, and rights-of-way. *Local Competition First Report and Order*, 11 FCC Rcd at 16104, para. 1232; 47 U.S.C. § 224(f). Absent state regulation of terms and conditions of nondiscriminatory attachment access, the Commission retains jurisdiction. *Local Competition First Report and Order*, 11 FCC Rcd at 16104, para. 1232; 47 U.S.C. § 224(c)(1); *see also Bell Atlantic New York Order*, 15 FCC Rcd at 4093, para. 264.

[158] *See States That Have Certified That They Regulate Pole Attachments*, Public Notice, 7 FCC Rcd 1498 (1992); 47 U.S.C. § 224(f).

[159] 47 U.S.C. § 271(c)(2)(B)(iv).

four-wire loops that are conditioned to transmit the digital signals needed to provide service such as ISDN, ADSL, HDSL, and DS1-level signals.[160]

49. In order to establish that it is "providing" unbundled local loops in compliance with checklist item 4, a BOC must demonstrate that it has a concrete and specific legal obligation to furnish loops and that it is currently doing so in the quantities that competitors demand and at an acceptable level of quality. A BOC must also demonstrate that it provides nondiscriminatory access to unbundled loops.[161] Specifically, the BOC must provide access to any functionality of the loop requested by a competing carrier unless it is not technically feasible to condition the loop facility to support the particular functionality requested. In order to provide the requested loop functionality, such as the ability to deliver xDSL services, the BOC may be required to take affirmative steps to condition existing loop facilities to enable competing carriers to provide services not currently provided over the facilities. The BOC must provide competitors with access to unbundled loops regardless of whether the BOC uses digital loop carrier (DLC) technology or similar remote concentration devices for the particular loops sought by the competitor.

50. On December 9, 1999, the Commission released the *Line Sharing Order*, which introduced new rules requiring BOCs to offer requesting carriers unbundled access to the high-frequency portion of local loops (HFPL).[162] HFPL is defined as "the frequency above the voiceband on a copper loop facility that is being used to carry traditional POTS analog circuit-switched voiceband transmissions." This definition applies whether a BOC's voice customers are served by cooper or by digital loop carrier equipment. Competing carriers should have access to the HFPL at either a central office or at a remote terminal. However, the HFPL network element is *only* available on a copper loop facility.[163]

51. To determine whether a BOC makes line sharing available consistent with Commission rules set out in the *Line Sharing Order*, the Commission examines categories of performance measurements identified in the Bell Atlantic New York and SWBT Texas Orders. Specifically, a successful BOC applicant could provide evidence of BOC-caused missed installation due dates, average installation intervals, trouble reports within 30 days of

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[160] *Local Competition First Report and Order*, 11 FCC Rcd at 15691, para. 380; *UNE Remand Order*, 15 FCC Rcd at 3772-73, paras. 166-67, n.301 (retaining definition of the local loop from the *Local Competition First Report and Order*, but replacing the phrase "network interconnection device" with "demarcation point," and making explicit that dark fiber and loop conditioning are among the features, functions and capabilities of the loop).

[161] *SWBT Texas Order*, 15 FCC Rcd at 18481-81, para. 248; *Bell Atlantic New York Order*, 15 FCC Rcd at 4095, para. 269; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20637, para. 185.

[162] *See Line Sharing Order*, 14 FCC Rcd at 20924-27, paras. 20-27.

[163] *See Deployment of Wireline Services offering Advanced Telecommunications Capability and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order on Reconsideration in CC Docket No. 98-147, Fourth Report and Order on Reconsideration in CC Docket No. 96-98, 16 FCC Rcd 2101, 2106-07, para. 10 (2001).

installation, mean time to repair, trouble report rates, and repeat trouble report rates. In addition, a successful BOC applicant should provide evidence that its central offices are operationally ready to handle commercial volumes of line sharing and that it provides competing carriers with nondiscriminatory access to the pre-ordering and ordering OSS functions associated with the provision of line shared loops, including access to loop qualification information and databases.

52. Section 271(c)(2)(B)(iv) also requires that a BOC demonstrate that it makes line splitting available to competing carriers so that competing carriers may provide voice and data service over a single loop.[164] In addition, a BOC must demonstrate that a competing carrier, either alone or in conjunction with another carrier, is able to replace an existing UNE-P configuration used to provide voice service with an arrangement that enables it to provide voice and data service to a customer. To make such a showing, a BOC must show that it has a legal obligation to provide line splitting through rates, terms, and conditions in interconnection agreements and that it offers competing carriers the ability to order an unbundled xDSL-capable loop terminated to a collocated splitter and DSLAM equipment, and combine it with unbundled switching and shared transport.[165]

E. Checklist Item 5 – Unbundled Local Transport

53. Section 271(c)(2)(B)(v) of the competitive checklist requires a BOC to provide "[l]ocal transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services."[166] The Commission has required that BOCs provide both dedicated and shared transport to requesting carriers.[167] Dedicated transport consists of BOC transmission facilities dedicated to a particular customer or carrier that provide telecommunications between wire centers owned by BOCs or requesting telecommunications carriers, or between switches owned by BOCs or requesting telecommunications carriers.[168] Shared transport consists of

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[164] *See generally SWBT Texas Order*, 15 FCC Rcd at 18515-17, paras. 323-329 (describing line splitting); 47 C.F.R. § 51.703(c) (requiring that incumbent LECs provide competing carriers with access to unbundled loops in a manner that allows competing carriers "to provide any telecommunications service that can be offered by means of that network element").

[165] *See SWBT Kansas/Oklahoma Order*, 16 FCC Rcd at 6348, para. 220.

[166] 47 U.S.C. § 271(c)(2)(B)(v).

[167] *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20719, para. 201.

[168] *Id.* A BOC has the following obligations with respect to dedicated transport: (a) provide unbundled access to dedicated transmission facilities between BOC central offices or between such offices and serving wire centers (SWCs); between SWCs and interexchange carriers points of presence (POPs); between tandem switches and SWCs, end offices or tandems of the BOC, and the wire centers of BOCs and requesting carriers; (b) provide all technically feasible transmission capabilities such as DS1, DS3, and Optical Carrier levels that the competing carrier could use to provide telecommunications; (c) not limit the facilities to which dedicated interoffice transport facilities are connected, provided such interconnections are technically feasible, or restrict the use of unbundled transport facilities; and (d) to the extent technically feasible, provide requesting carriers with access to digital cross-connect (continued….)

transmission facilities shared by more than one carrier, including the BOC, between end office switches, between end office switches and tandem switches, and between tandem switches, in the BOC's network.[169]

F. Checklist Item 6 – Unbundled Local Switching

54. Section 271(c)(2)(B)(vi) of the 1996 Act requires a BOC to provide "[l]ocal switching unbundled from transport, local loop transmission, or other services."[170] In the *Second BellSouth Louisiana Order*, the Commission required BellSouth to provide unbundled local switching that included line-side and trunk-side facilities, plus the features, functions, and capabilities of the switch.[171] The features, functions, and capabilities of the switch include the basic switching function as well as the same basic capabilities that are available to the incumbent LEC's customers.[172] Additionally, local switching includes all vertical features that the switch is capable of providing, as well as any technically feasible customized routing functions.[173]

55. Moreover, in the *Second BellSouth Louisiana Order*, the Commission required BellSouth to permit competing carriers to purchase UNEs, including unbundled switching, in a manner that permits a competing carrier to offer, and bill for, exchange access and the termination of local traffic.[174] The Commission also stated that measuring daily customer usage for billing purposes requires essentially the same OSS functions for both competing carriers and incumbent LECs, and that a BOC must demonstrate that it is providing equivalent access to

(Continued from previous page)
system functionality in the same manner that the BOC offers such capabilities to interexchange carriers that purchase transport services. *Id.* at 20719.

[169] *Id.* at 20719, n.650. The Commission also found that a BOC has the following obligations with respect to shared transport: (a) provide shared transport in a way that enables the traffic of requesting carriers to be carried on the same transport facilities that a BOC uses for its own traffic; (b) provide shared transport transmission facilities between end office switches, between its end office and tandem switches, and between tandem switches in its network; (c) permit requesting carriers that purchase unbundled shared transport and unbundled switching to use the same routing table that is resident in the BOC's switch; and (d) permit requesting carriers to use shared (or dedicated) transport as an unbundled element to carry originating access traffic from, and terminating traffic to, customers to whom the requesting carrier is also providing local exchange service. *Id.* at 20720, n.652.

[170] 47 U.S.C. § 271(c)(2)(B)(vi); *see also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20722. A switch connects end user lines to other end user lines, and connects end user lines to trunks used for transporting a call to another central office or to a long-distance carrier. Switches can also provide end users with "vertical features" such as call waiting, call forwarding, and caller ID, and can direct a call to a specific trunk, such as to a competing carrier's operator services.

[171] *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20722, para. 207.

[172] *Id*.

[173] *Id.* at 20722-23, para. 207.

[174] *Id.* at 20723, para. 208.

billing information.[175] Therefore, the ability of a BOC to provide billing information necessary for a competitive LEC to bill for exchange access and termination of local traffic is an aspect of unbundled local switching.[176] Thus, there is an overlap between the provision of unbundled local switching and the provision of the OSS billing function.[177]

56. To comply with the requirements of unbundled local switching, a BOC must also make available trunk ports on a shared basis and routing tables resident in the BOC's switch, as necessary to provide access to shared transport functionality.[178] In addition, a BOC may not limit the ability of competitors to use unbundled local switching to provide exchange access by requiring competing carriers to purchase a dedicated trunk from an interexchange carrier's point of presence to a dedicated trunk port on the local switch.[179]

G. Checklist Item 7 – 911/E911 Access and Directory Assistance/Operator Services

57. Section 271(c)(2)(B)(vii) of the Act requires a BOC to provide "[n]ondiscriminatory access to – (I) 911 and E911 services."[180] In the *Ameritech Michigan Order*, the Commission found that "section 271 requires a BOC to provide competitors access to its 911 and E911 services in the same manner that a BOC obtains such access, *i.e.*, at parity."[181] Specifically, the Commission found that a BOC "must maintain the 911 database entries for competing LECs with the same accuracy and reliability that it maintains the database entries for its own customers."[182] For facilities-based carriers, the BOC must provide "unbundled access to [its] 911 database and 911 interconnection, including the provision of dedicated trunks from the requesting carrier's switching facilities to the 911 control office at parity with what [the BOC] provides to itself."[183] Section 271(c)(2)(B)(vii)(II) and section 271(c)(2)(B)(vii)(III) require a BOC to provide nondiscriminatory access to "directory assistance services to allow the other

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[175] *Id.* at 20723, para. 208 (citing *Ameritech Michigan Order*, 12 FCC Rcd at 20619, para. 140).

[176] *Id.*

[177] *Id.*

[178] *Id.* at 20723, para. 209 (citing the *Ameritech Michigan Order*, 12 FCC Rcd at 20705, para. 306).

[179] *Id.* (citing the *Ameritech Michigan Order*, 12 FCC Rcd at 20714-15, paras. 324-25).

[180] 47 U.S.C. § 271(c)(2)(B)(vii). 911 and E911 services transmit calls from end users to emergency personnel. It is critical that a BOC provide competing carriers with accurate and nondiscriminatory access to 911/E911 services so that these carriers' customers are able to reach emergency assistance. Customers use directory assistance and operator services to obtain customer listing information and other call completion services.

[181] *Ameritech Michigan Order*, 12 FCC Rcd at 20679, para. 256.

[182] *Id.*

[183] *Id.*

carrier's customers to obtain telephone numbers" and "operator call completion services," respectively.[184] Section 251(b)(3) of the Act imposes on each LEC "the duty to permit all [competing providers of telephone exchange service and telephone toll service] to have nondiscriminatory access to . . . operator services, directory assistance, and directory listing, with no unreasonable dialing delays."[185] The Commission concluded in the *Second BellSouth Louisiana Order* that a BOC must be in compliance with the regulations implementing section 251(b)(3) to satisfy the requirements of sections 271(c)(2)(B)(vii)(II) and 271(c)(2)(B)(vii)(III).[186] In the *Local Competition Second Report and Order*, the Commission held that the phrase "nondiscriminatory access to directory assistance and directory listings" means that "the customers of all telecommunications service providers should be able to access each LEC's directory assistance service and obtain a directory listing on a nondiscriminatory basis, notwithstanding: (1) the identity of a requesting customer's local telephone service provider; or (2) the identity of the telephone service provider for a customer whose directory listing is requested."[187] The Commission concluded that nondiscriminatory access to the dialing

[184] 47 U.S.C. §§ 271(c)(2)(B)(vii)(II), (III).

[185] *Id*. § 251(b)(3). The Commission implemented section 251(b)(3) in the *Local Competition Second Report and Order*. 47 C.F.R. § 51.217; *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Second Report and Order and Memorandum Opinion and Order, 11 FCC Rcd 19392 (1996) (*Local Competition Second Report and Order*) *vacated in part sub nom. People of the State of California v. FCC*, 124 F.3d 934 (8th Cir. 1997), *overruled in part*, *AT&T Corp. v. Iowa Utils. Bd.*, 525 U.S. 366 (1999); *see also Implementation of the Telecommunications Act of 1996: Provision of Directory Listings Information under the Telecommunications Act of 1934*, Notice of Proposed Rulemaking, 14 FCC Rcd 15550 (1999) (*Directory Listings Information NPRM*).

[186] While both sections 251(b)(3) and 271(c)(2)(B)(vii)(II) refer to nondiscriminatory access to "directory assistance," section 251(b)(3) refers to nondiscriminatory access to "operator services," while section 271(c)(2)(B)(vii)(III) refers to nondiscriminatory access to "operator call completion services." 47 U.S.C. §§ 251(b)(3), 271(c)(2)(B)(vii)(III). The term "operator call completion services" is not defined in the Act, nor has the Commission previously defined the term. However, for section 251(b)(3) purposes, the term "operator services" was defined as meaning "any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call." *Local Competition Second Report and Order*, 11 FCC Rcd at 19448, para. 110. In the same order the Commission concluded that busy line verification, emergency interrupt, and operator-assisted directory assistance are forms of "operator services," because they assist customers in arranging for the billing or completion (or both) of a telephone call. *Id.* at 19449, para. 111. All of these services may be needed or used to place a call. For example, if a customer tries to direct dial a telephone number and constantly receives a busy signal, the customer may contact the operator to attempt to complete the call. Since billing is a necessary part of call completion, and busy line verification, emergency interrupt, and operator-assisted directory assistance can all be used when an operator completes a call, the Commission concluded in the *Second BellSouth Louisiana Order* that for checklist compliance purposes, "operator call completion services" is a subset of or equivalent to "operator service." *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20740, n.763. As a result, the Commission uses the nondiscriminatory standards established for operator services to determine whether nondiscriminatory access is provided.

[187] 47 C.F.R. § 51.217(c)(3); *Local Competition Second Report and Order*, 11 FCC Rcd at 19456-58, paras. 130-35. The *Local Competition Second Report and Order's* interpretation of section 251(b)(3) is limited "to access to each LEC's directory assistance service." *Id.* at 19456, para. 135. However, section 271(c)(2)(B)(vii) is not limited to the LEC's systems but requires "nondiscriminatory access to . . . directory assistance to allow the other carrier's (continued….)

patterns of 4-1-1 and 5-5-5-1-2-1-2 to access directory assistance were technically feasible, and would continue.[188] The Commission specifically held that the phrase "nondiscriminatory access to operator services" means that "a telephone service customer, regardless of the identity of his or her local telephone service provider, must be able to connect to a local operator by dialing '0,' or '0 plus' the desired telephone number."[189]

58. Competing carriers may provide operator services and directory assistance by reselling the BOC's services, outsourcing service provision to a third-party provider, or using their own personnel and facilities. The Commission's rules require BOCs to permit competitive LECs wishing to resell the BOC's operator services and directory assistance to request the BOC to brand their calls.[190] Competing carriers wishing to provide operator services or directory assistance using their own or a third party provider's facilities and personnel must be able to obtain directory listings either by obtaining directory information on a "read only" or "per dip" basis from the BOC's directory assistance database, or by creating their own directory assistance database by obtaining the subscriber listing information in the BOC's database.[191] Although the Commission originally concluded that BOCs must provide directory assistance and operator services on an unbundled basis pursuant to sections 251 and 252, the Commission removed directory assistance and operator services from the list of required UNEs in the *UNE Remand Order*.[192] Checklist item obligations that do not fall within a BOC's obligations under section

(Continued from previous page)

customers to obtain telephone numbers." 47 U.S.C. § 271(c)(2)(B)(vii). Combined with the Commission's conclusion that "incumbent LECs must unbundle the facilities and functionalities providing operator services and directory assistance from resold services and other unbundled network elements to the extent technically feasible," *Local Competition First Report and Order*, 11 FCC Rcd at 15772-73, paras. 535-37, section 271(c)(2)(B)(vii)'s requirement should be understood to require the BOCs to provide nondiscriminatory access to the directory assistance service provider selected by the customer's local service provider, regardless of whether the competitor; provides such services itself; selects the BOC to provide such services; or chooses a third party to provide such services. *See Directory Listings Information NPRM*.

188 *Local Competition Second Report and Order*, 11 FCC Rcd at 19464, para. 151.

189 *Id*. at 19464, para. 151.

190 47 C.F.R. § 51.217(d); *Local Competition Second Report and Order*, 11 FCC Rcd at 19463, para. 148. For example, when customers call the operator or calls for directory assistance, they typically hear a message, such as "thank you for using XYZ Telephone Company." Competing carriers may use the BOC's brand, request the BOC to brand the call with the competitive carriers name or request that the BOC not brand the call at all. 47 C.F.R. § 51.217(d).

191 47 C.F.R. § 51.217(C)(3)(ii); *Local Competition Second Report and Order*, 11 FCC Rcd at 19460-61, paras. 141-44; *Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Provision of Directory Listing Information Under the Communications Act of 1934, as amended*, Third Report and Order, Second Order on Reconsideration, and Notice of Proposed Rulemaking, 14 FCC Rcd 15550, 15630-31, paras. 152-54 (1999); *Provision of Directory Listing Information Under the Communications Act of 1934, as amended*, First Report and Order, 16 FCC Rcd 2736, 2743-51 (2001).

192 *UNE Remand Order*, 15 FCC Rcd at 3891-92, paras. 441-42.

251(c)(3) are not subject to the requirements of sections 251 and 252 that rates be based on forward-looking economic costs.[193] Checklist item obligations that do not fall within a BOC's UNE obligations, however, still must be provided in accordance with sections 201(b) and 202(a), which require that rates and conditions be just and reasonable, and not unreasonably discriminatory.[194]

H. Checklist Item 8 – White Pages Directory Listings

59. Section 271(c)(2)(B)(viii) of the 1996 Act requires a BOC to provide "[w]hite pages directory listings for customers of the other carrier's telephone exchange service."[195] Section 251(b)(3) of the 1996 Act obligates all LECs to permit competitive providers of telephone exchange service and telephone toll service to have nondiscriminatory access to directory listing.[196]

60. In the *Second BellSouth Louisiana Order*, the Commission concluded that, "consistent with the Commission's interpretation of 'directory listing' as used in section 251(b)(3), the term 'white pages' in section 271(c)(2)(B)(viii) refers to the local alphabetical directory that includes the residential and business listings of the customers of the local exchange provider."[197] The Commission further concluded, "the term 'directory listing,' as used in this section, includes, at a minimum, the subscriber's name, address, telephone number, or any combination thereof."[198] The Commission's *Second BellSouth Louisiana Order* also held that a BOC satisfies the requirements of checklist item 8 by demonstrating that it: (1) provided nondiscriminatory appearance and integration of white page directory listings to competitive

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[193] *UNE Remand Order*, 15 FCC Rcd at 3905, para. 470; *see generally* 47 U.S.C. §§ 251-52; *see also* 47 U.S.C. § 252(d)(1)(A)(i) (requiring UNE rates to be "based on the cost (determined without reference to a rate-of-return or other rate-based proceeding) of providing the … network element").

[194] *UNE Remand Order*, 15 FCC Rcd at 3905-06, paras. 470-73; *see also* 47 U.S.C. §§ 201(b), 202(a).

[195] 47 U.S.C. § 271(c)(2)(B)(viii).

[196] *Id*. § 251(b)(3).

[197] *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20748, para. 255.

[198] *Id*. In the *Second BellSouth Louisiana Order*, the Commission stated that the definition of "directory listing" was synonymous with the definition of "subscriber list information." *Id.* at 20747 (citing the *Local Competition Second Report and Order*, 11 FCC Rcd at 19458-59). However, the Commission's decision in a later proceeding obviates this comparison, and supports the definition of directory listing delineated above. *See Implementation of the Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information*, CC Docket No. 96-115, Third Report and Order; *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Second Order on Reconsideration; *Provision of Directory Listing Information under the Telecommunications Act of 1934, As Amended*, CC Docket No. 99-273, FCC 99-227, Notice of Proposed Rulemaking, para. 160 (rel. Sept. 9, 1999).

LECs' customers; and (2) provided white page listings for competitors' customers with the same accuracy and reliability that it provides its own customers.[199]

I. Checklist Item 9 – Numbering Administration

61. Section 271(c)(2)(B)(ix) of the 1996 Act requires a BOC to provide "nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers," until "the date by which telecommunications numbering administration, guidelines, plan, or rules are established."[200] The checklist mandates compliance with "such guidelines, plan, or rules" after they have been established.[201] A BOC must demonstrate that it adheres to industry numbering administration guidelines and Commission rules.[202]

J. Checklist Item 10 – Databases and Associated Signaling

62. Section 271(c)(2)(B)(x) of the 1996 Act requires a BOC to provide "nondiscriminatory access to databases and associated signaling necessary for call routing and completion."[203] In the *Second BellSouth Louisiana Order*, the Commission required BellSouth to demonstrate that it provided requesting carriers with nondiscriminatory access to: "(1) signaling networks, including signaling links and signaling transfer points; (2) certain call-related databases necessary for call routing and completion, or in the alternative, a means of physical access to the signaling transfer point linked to the unbundled database; and (3) Service Management Systems (SMS)."[204] The Commission also required BellSouth to design, create, test, and deploy Advanced Intelligent Network (AIN) based services at the SMS through a Service Creation Environment (SCE).[205] In the *Local Competition First Report and Order*, the Commission defined call-related databases as databases, other than operations support systems, that are used in signaling networks for billing and collection or the transmission, routing, or

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[199] *Id.*

[200] 47 U.S.C. § 271(c)(2)(B)(ix).

[201] *Id.*

[202] *See Second Bell South Louisiana Order*, 13 FCC Rcd at 20752; *see also Numbering Resource Optimization*, Report and Order and Further Notice of Proposed Rulemaking, 15 FCC Rcd 7574 (2000); *Numbering Resource Optimization*, Second Report and Order, Order on Reconsideration in CC Docket No. 99-200 and Second Further Notice of Proposed Rulemaking in CC Docket No. 99-200, CC Docket Nos. 96-98; 99-200 (rel. Dec. 29, 2000); *Numbering Resource Optimization*, Third Report and Order and Second Order on Reconsideration in CC Docket No. 96-98 and CC Docket No. 99-200 (rel. Dec. 28, 2001).

[203] 47 U.S.C. § 271(c)(2)(B)(x).

[204] *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20753, para. 267.

[205] *Id.* at 20755-56, para. 272.

other provision of telecommunications service.[206] At that time the Commission required incumbent LECs to provide unbundled access to their call-related databases, including but not limited to: the Line Information Database (LIDB), the Toll Free Calling database, the Local Number Portability database, and Advanced Intelligent Network databases.[207] In the *UNE Remand Order*, the Commission clarified that the definition of call-related databases "includes, but is not limited to, the calling name (CNAM) database, as well as the 911 and E911 databases."[208]

K. Checklist Item 11 – Number Portability

63. Section 271(c)(2)(B) of the 1996 Act requires a BOC to comply with the number portability regulations adopted by the Commission pursuant to section 251.[209] Section 251(b)(2) requires all LECs "to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the Commission."[210] The 1996 Act defines number portability as "the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another."[211] In order to prevent the cost of number portability from thwarting local competition, Congress enacted section 251(e)(2), which requires that "[t]he cost of establishing telecommunications numbering administration arrangements and number portability shall be borne by all telecommunications carriers on a competitively neutral basis as determined by the Commission."[212] Pursuant to these statutory provisions, the Commission requires LECs to offer interim number portability "to the extent technically feasible."[213] The Commission also requires LECs to gradually replace interim

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[206] *Local Competition First Report and Order*, 11 FCC Rcd at 15741, n.1126; *UNE Remand Order*, 15 FCC Rcd at 3875, para. 403.

[207] *Id*. at 15741-42, para. 484.

[208] *UNE Remand Order*, 15 FCC Rcd at 3875, para. 403.

[209] 47 U.S.C. § 271(c)(2)(B)(xii).

[210] *Id.* at § 251(b)(2).

[211] *Id.* at § 153(30).

[212] *Id.* at § 251(e)(2); *see also Second BellSouth Louisiana Order*, 13 FCC Rcd at 20757, para. 274; *In the Matter of Telephone Number Portability*, Third Report and Order, 13 FCC Rcd 11701, 11702-04 (1998) (*Third Number Portability Order*); *In the Matter of Telephone Number Portability*, Fourth Memorandum Opinion and Order on Reconsideration, 15 FCC Rcd 16459, 16460, 16462-65, paras. 1, 6-9 (1999) (*Fourth Number Portability Order*).

[213] *Fourth Number Portability Order*, 15 FCC Rcd at 16465, para. 10; *Telephone Number Portability*, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 8352, 8409-12, paras. 110-16 (1996) (*First Number Portability Order*); *see also* 47 U.S.C. § 251(b)(2).

number portability with permanent number portability.[214] The Commission has established guidelines for states to follow in mandating a competitively neutral cost-recovery mechanism for interim number portability,[215] and created a competitively neural cost-recovery mechanism for long-term number portability.[216]

L. Checklist Item 12 – Local Dialing Parity

64. Section 271(c)(2)(B)(xii) requires a BOC to provide "[n]ondiscriminatory access to such services or information as are necessary to allow the requesting carrier to implement local dialing parity in accordance with the requirements of section 251(b)(3)."[217] Section 251(b)(3) imposes upon all LECs "[t]he duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service with no unreasonable dialing delays."[218] Section 153(15) of the Act defines "dialing parity" as follows:

> [A] person that is not an affiliate of a local exchange carrier is able to provide telecommunications services in such a manner that customers have the ability to route automatically, without the use of any access code, their telecommunications to the telecommunications services provider of the customer's designation.[219]

65. The rules implementing section 251(b)(3) provide that customers of competing carriers must be able to dial the same number of digits the BOC's customers dial to complete a local telephone call.[220] Moreover, customers of competing carriers must not otherwise suffer

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[214] *See* 47 C.F.R. §§ 52.3(b)-(f); *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20758, para. 275; *First Number Portability Order*, 11 FCC Rcd at 8355, 8399-8404, paras. 3, 91; *Third Number Portability Order*, 13 FCC Rcd at 11708-12, paras. 12-16.

[215] *See* 47 C.F.R. § 52.29; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20758, para. 275; *First Number Portability Order*, 11 FCC Rcd at 8417-24, paras. 127-40.

[216] *See* 47 C.F.R. §§ 52.32, 52.33; *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20758, para. 275; *Third Number Portability Order*, 13 FCC Rcd at 11706-07, para. 8; *Fourth Number Portability Order* at 16464-65, para. 9.

[217] Based on the Commission's view that section 251(b)(3) does not limit the duty to provide dialing parity to any particular form of dialing parity (*i.e.*, international, interstate, intrastate, or local), the Commission adopted rules in August 1996 to implement broad guidelines and minimum nationwide standards for dialing parity. *Local Competition Second Report and Order*, 11 FCC Rcd at 19407; *Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, CC Docket No. 95-185, Further Order On Reconsideration, FCC 99-170 (rel. July 19, 1999).

[218] 47 U.S.C. § 251(b)(3).

[219] *Id.* § 153(15).

[220] 47 C.F.R §§ 51.205, 51.207.

inferior quality service, such as unreasonable dialing delays, compared to the BOC's customers.[221]

M. Checklist Item 13 – Reciprocal Compensation

66. Section 271(c)(2)(B)(xiii) of the Act requires that a BOC enter into "[r]eciprocal compensation arrangements in accordance with the requirements of section 252(d)(2)."[222] In turn, pursuant to section 252(d)(2)(A), "a state commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless (i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier; and (ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls."[223]

N. Checklist Item 14 – Resale

67. Section 271(c)(2)(B)(xiv) of the Act requires a BOC to make "telecommunications services . . . available for resale in accordance with the requirements of sections 251(c)(4) and 252(d)(3)."[224] Section 251(c)(4)(A) requires incumbent LECs "to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers."[225] Section 252(d)(3) requires state commissions to "determine wholesale rates on the basis of retail rates charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier."[226] Section 251(c)(4)(B) prohibits "unreasonable or discriminatory conditions or limitations" on service resold under section 251(c)(4)(A).[227] Consequently, the Commission concluded in the *Local Competition First Report and Order* that resale restrictions are presumed to be unreasonable unless the LEC proves to the state commission that the restriction is reasonable and nondiscriminatory.[228] If an incumbent LEC makes a service available only to a

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[221] *See* 47 C.F.R. § 51.207 (requiring same number of digits to be dialed); *Local Competition Second Report and Order*, 11 FCC Rcd at 19400, 19403.

[222] 47 U.S.C. § 271(c)(2)(B)(xiii).

[223] *Id*. § 252(d)(2)(A).

[224] *Id*. § 271(c)(2)(B)(xiv).

[225] *Id*. § 251(c)(4)(A).

[226] *Id*. § 252(d)(3).

[227] *Id*. § 251(c)(4)(B).

[228] *Local Competition First Report and Order*, 11 FCC Rcd at 15966, para. 939; 47 C.F.R. § 51.613(b). The Eighth Circuit acknowledged the Commission's authority to promulgate such rules, and specifically upheld the sections of the Commission's rules concerning resale of promotions and discounts in *Iowa Utilities Board*. *Iowa* (continued….)

specific category of retail subscribers, however, a state commission may prohibit a carrier that obtains the service pursuant to section 251(c)(4)(A) from offering the service to a different category of subscribers.[229] If a state creates such a limitation, it must do so consistent with requirements established by the Federal Communications Commission.[230] In accordance with sections 271(c)(2)(B)(ii) and 271(c)(2)(B)(xiv), a BOC must also demonstrate that it provides nondiscriminatory access to operations support systems for the resale of its retail telecommunications services.[231] The obligations of section 251(c)(4) apply to the retail telecommunications services offered by a BOC's advanced services affiliate.[232]

V. COMPLIANCE WITH SEPARATE AFFILIATE REQUIREMENTS – SECTION 272

68. Section 271(d)(3)(B) requires that the Commission shall not approve a BOC's application to provide interLATA services unless the BOC demonstrates that the "requested authorization will be carried out in accordance with the requirements of section 272."[233] The Commission set standards for compliance with section 272 in the *Accounting Safeguards Order* and the *Non-Accounting Safeguards Order*.[234] Together, these safeguards discourage and facilitate the detection of improper cost allocation and cross-subsidization between the BOC and

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Utils. Bd. v. FCC, 120 F.3d at 818-19, *aff'd in part and remanded on other grounds*, *AT&T v. Iowa Utils. Bd.*, 525 U.S. 366 (1999). *See also* 47 C.F.R. §§ 51.613-51.617.

229 47 U.S.C. § 251(c)(4)(B).

230 *Id.*

231 *See, e.g.*, *Bell Atlantic New York Order*, 15 FCC Rcd at 4046-48, paras. 178-81 (Bell Atlantic provides nondiscriminatory access to its OSS ordering functions for resale services and therefore provides efficient competitors a meaningful opportunity to compete).

232 *See Verizon Connecticut Order*, 16 FCC Rcd 14147, 14160-63, paras. 27-33 (2001); *Association of Communications Enterprises v. FCC*, 235 F.3d 662 (D.C. Cir. 2001).

233 47 U.S.C. § 271(d)(3)(B).

234 *See Implementation of the Accounting Safeguards Under the Telecommunications Act of 1996*, CC Docket No. 96-150, Report and Order, 11 FCC Rcd 17539 (1996) (*Accounting Safeguards Order*), Second Order On Reconsideration, FCC 00-9 (rel. Jan. 18, 2000); *Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended*, CC Docket No. 96-149, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 21905 (1996) (*Non-Accounting Safeguards Order*), *petition for review pending sub nom. SBC Communications v. FCC*, No. 97-1118 (filed D.C. Cir. Mar. 6, 1997) (held in abeyance May 7, 1997), First Order on Reconsideration, 12 FCC Rcd 2297 (1997) (*First Order on Reconsideration*), Second Order on Reconsideration, 12 FCC Rcd 8653 (1997) (*Second Order on Reconsideration*), *aff'd sub nom. Bell Atlantic Telephone Companies v. FCC*, 131 F.3d 1044 (D.C. Cir. 1997), Third Order on Reconsideration, FCC 99-242 (rel. Oct. 4, 1999) (*Third Order on Reconsideration*).

its section 272 affiliate.[235] In addition, these safeguards ensure that BOCs do not discriminate in favor of their section 272 affiliates.[236]

69. As the Commission stated in the *Ameritech Michigan Order*, compliance with section 272 is "of crucial importance" because the structural, transactional, and nondiscrimination safeguards of section 272 seek to ensure that BOCs compete on a level playing field.[237] The Commission's findings regarding section 272 compliance constitute independent grounds for denying an application.[238] Past and present behavior of the BOC applicant provides "the best indicator of whether [the applicant] will carry out the requested authorization in compliance with section 272."[239]

VI. COMPLIANCE WITH THE PUBLIC INTEREST – SECTION 271(D)(3)(C)

70. In addition to determining whether a BOC satisfies the competitive checklist and will comply with section 272, Congress directed the Commission to assess whether the requested authorization would be consistent with the public interest, convenience, and necessity.[240] Compliance with the competitive checklist is itself a strong indicator that long distance entry is consistent with the public interest. This approach reflects the Commission's many years of experience with the consumer benefits that flow from competition in telecommunications markets.

71. Nonetheless, the public interest analysis is an independent element of the statutory checklist and, under normal canons of statutory construction, requires an independent determination.[241] Thus, the Commission views the public interest requirement as an opportunity to review the circumstances presented by the application to ensure that no other relevant factors exist that would frustrate the congressional intent that markets be open, as required by the competitive checklist, and that entry will therefore serve the public interest as Congress

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[235] *Non-Accounting Safeguards Order*, 11 FCC Rcd at 21914; *Accounting Safeguards Order*, 11 FCC Rcd at 17550; *Ameritech Michigan Order*, 12 FCC Rcd at 20725.

[236] *Non-Accounting Safeguards Order*, 11 FCC Rcd at 21914, paras. 15-16; *Ameritech Michigan Order*, 12 FCC Rcd at 20725, para. 346.

[237] *Ameritech Michigan Order*, 12 FCC Rcd at 20725, para. 346; *Bell Atlantic New York Order*, 15 FCC Rcd at 4153, para. 402.

[238] *Second BellSouth Louisiana Order*, 13 FCC Rcd at 20785-86, para. 322; *Bell Atlantic New York Order*, 15 FCC Rcd at 4153, para. 402.

[239] *Bell Atlantic New York Order*, 15 FCC Rcd at 4153, para. 402.

[240] 47 U.S.C. § 271(d)(3)(C).

[241] In addition, Congress specifically rejected an amendment that would have stipulated that full implementation of the checklist necessarily satisfies the public interest criterion. *See Ameritech Michigan Order*, 12 FCC Rcd at 20747 at para. 360-66; *see also* 141 Cong. Rec. S7971, S8043 (June. 8, 1995).

expected. Among other things, the Commission may review the local and long distance markets to ensure that there are not unusual circumstances that would make entry contrary to the public interest under the particular circumstances of the application at issue.[242] Another factor that could be relevant to the analysis is whether the Commission has sufficient assurance that markets will remain open after grant of the application. While no one factor is dispositive in this analysis, the overriding goal is to ensure that nothing undermines the conclusion, based on the Commission's analysis of checklist compliance, that markets are open to competition.

[242] *See Second BellSouth Louisiana Order*, 13 FCC Rcd at 20805-06, para. 360 (the public interest analysis may include consideration of "whether approval . . . will foster competition in all relevant telecommunications markets").

Statement of
Commissioner Michael J. Copps

Re: Application by Verizon New England, Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks, Inc., and Verizon Select Services Inc., for Authorization to Provide In-Region InterLATA Services in Vermont (CC Docket No. 02-7)

I commend the Vermont Board and Verizon for the steps they have taken to open the local markets in Vermont to competition. Today's decision demonstrates once again that consumers in rural states can benefit from the expanded competition contemplated by the Telecommunications Act of 1996.

The major issue in this proceeding has been the pricing of network elements, and in particular the rates for unbundled switching. The Commission grants this application due to the unique circumstances here. In this instance, opponents did not raise these issues with the Vermont Board in the underlying proceeding, have not subsequently asked the Vermont Board to reevaluate the switching rates – notwithstanding the expressed willingness of the Vermont Board to do so – and have not presented adequate evidence in this proceeding to demonstrate that the Vermont Board committed a clear error. Under these procedural circumstances, I agree that we should grant this application. Importantly, however, the Commission makes clear in this Order that the pricing decision does not serve as precedent for other section 271 applications. These issues may be presented in future applications and I look forward to addressing them there on the basis of a fuller record.

In addition, we should remain mindful that the grant of a section 271 application is not the end of the road. This Commission and our state colleagues must remain vigilant to ensure that parties meet their obligations under the statute. By taking this shared responsibility seriously, we can ensure that consumers continue to reap the benefits of enduring competition as envisioned by Congress in the 1996 Act.