

February 13, 2003

Mr. Joel H. Peck, Clerk
State Corporation Commission
Document Control Center
Post Office Box 2118
Richmond, Virginia 23216

Re: Docket No. PUC-2001-00226
Revisions to the Verizon Virginia Inc. Performance Assurance Plan

Dear Mr. Peck:

In accordance with the "Performance Assurance Plan Verizon Virginia Inc." ("VA PAP"), Verizon Virginia Inc. ("Verizon VA") hereby gives notice to the Virginia State Corporation Commission ("Commission") that on January 24, 2003 the New York State Public Service Commission adopted an order approving revisions to the "Performance Assurance Plan Verizon New York Inc." ("NY PAP"). *Petition Filed by Bell Atlantic-New York for Approval of a Performance Assurance Plan and Change Control Assurance Plan, filed in C 97-C-0271, Order Amending Performance Assurance Plan, NY PSC Case 99-C-0949 (1/24/03)*. On February 3, 2003, Verizon NY submitted to the New York PSC a revised NY PAP containing the New York PSC ordered revisions. On February 11, 2003, Verizon NY submitted to the New York PSC a few minor corrections to these revisions. A copy of the New York PSC's order and related documents can be found at http://www.dps.state.ny.us/Case_99C0949.htm (for the order, select PSC File Room).

Attached is a draft of a revised VA PAP that incorporates the NY PAP revisions into the VA PAP. The draft also makes changes to the VA PAP in connection with identifying the effective date of the revisions, removes the Flow-Through "ramp-up" footnotes because the "ramp-up" period has expired, and makes a small number of corrections to the document, such as correcting spacing and formatting errors, conforming the titles of metrics to the titles in the "Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports," and correcting the statement of the standards for Metrics PR-4-04 and PR-6-02 in Appendix C.

For ease of review, both a red-line version and a plain text version of the draft revised VA PAP are being provided. Because Verizon VA has had only a short interval since the revised NY PAP was submitted to the New York PSC to review the revisions to the NY PAP and prepare the draft revised VA PAP, Verizon VA reserves the right to submit changes to the draft revised VA PAP to address any points it may have overlooked in preparing the draft revised VA PAP.

Verizon VA hereby requests that the Commission establish a comment-reply comment cycle that will allow Verizon VA and other interested parties to comment on whether the draft revisions should be incorporated into the VA PAP and to comment on a proposed implementation date for any revisions that may be incorporated into the VA PAP.

Verizon VA notes that the Commission's Staff has scheduled a Collaborative session on February 20, 2003 to review the draft revisions to the VA PAP. Verizon VA recommends that comments not be due until at least a week after that session, in order to allow interested parties to incorporate into their comments the results of the review.

If you have any questions about this matter, please call me.

Very truly yours,

Copy to:
William Irby (letter only)
Kathleen Cummings
Service List

CERTIFICATE OF SERVICE

I hereby certify that on this 13th day of February, 2003, a copy of Revisions to Verizon Virginia Inc.'s Performance Assurance Plan in Case No. PUC-2001-00226 was sent as stated below:

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Performance Standards/Remedy Plans Subcommittee of the Collaborative
Committee
(E-Mail)

PERFORMANCE ASSURANCE PLAN

VERIZON VIRGINIA INC.

[Insert the date on which the revised VA PAP will go into effect (First day of the second calendar month after the month in which the Commission approves the revised VA PAP)]

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PERFORMANCE ASSURANCE PLAN

INTRODUCTION

The Virginia Performance Assurance Plan (“Virginia PAP”) is a self-executing remedy plan that will ensure Verizon Virginia Inc. (“Verizon VA”) provides quality wholesale services to competitive carriers after Verizon VA has gained entry into the long distance market pursuant to Section 271 of the Telecommunications Act of 1996. The Virginia PAP is in compliance with orders issued by the Virginia State Corporation Commission (“Commission”). The Change Control Assurance Plan (“CCAP”) contained in Appendix I is also in compliance with these orders.

A. The Virginia PAP

The Virginia PAP has three major components: (1) the metrics used to report performance; (2) the methodology used to determine billing credits, including service segmentation, scoring method, and other rules described in the plan document; and (3) the dollars at risk. Each of these components is summarized below and is discussed in more detail in the following sections and Appendices.

1. Measures and Standards

The Commission has adopted the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports” (“C2C”) for evaluating Verizon VA’s wholesale performance. The C2C measures include hundreds of individual data points that track and report on performance. Some metrics are compared with analogous Verizon retail services to ensure parity of service and others, where no retail analog exists, are reviewed on the basis of absolute standards. As in New York, where the C2C measures and standards were incorporated into the PAP, the Virginia PAP incorporates the same C2C measures and standards.

2. Methodology

(a) Service Segmentation

The Virginia PAP includes three service segmentations: Mode of Entry (“MOE”), Critical Measures, and Special Provisions.

The MOE segment measures the overall level of service on an industry-wide basis for each method or mode by which carriers can enter the local exchange market under the Telecommunications Act of 1996, *i.e.* Resale, Unbundled Network Elements – Platform (“UNE-Platform”), Unbundled Network Elements – Loop (“UNE-Loop”), Interconnection (“Trunks”) and Digital Subscriber Line (“DSL”). Any bill credits generated in any one of these modes are allocated to competitors purchasing those types of services. The MOE component of the Virginia PAP is fully described in Section II.C. and in Appendices A and E.

The Critical Measures component measures performance in critical areas that have been identified as most important to the provision of quality service. These measures are a subset of the measures included in the MOE segment measurements for Resale, UNE-Platform, UNE-Loop, Trunks and DSL, and include additional measures for Collocation, Specials, and Resolution Process. Additional bill credits will be provided for performance on these measures that fail to meet the standards. This segment provides a mechanism to assure that carriers are receiving non-discriminatory service on an individual basis. The complete list of Critical Measures is enumerated in Appendix B and scoring/credit calculations are in Appendix F.

The Special Provisions segment focuses on a number of measures that are viewed as measuring key aspects of Verizon VA’s performance. This segment establishes targets that Verizon VA must achieve for flow-through, order processing, hot-cuts, Local Service Request confirmations, and reject notices. Verizon VA will provide bill credits to those carriers who

received service below target levels. The Special Provisions measures are described in Section II.E. and Appendix H.

(b) Change Control Assurance

Verizon is also subject to a separate Change Control Assurance Plan (“CCAP”). Change Control is designed to measure Verizon’s performance in implementing revisions to OSS interfaces and business rules that affect CLECs. The Change Control process is common to carriers operating in Virginia and New York. Under the Change Control Assurance Plan, \$7.03 million in bill credits will be available to all CLECs in Virginia for unsatisfactory performance on four Change Control metrics. Change Control credits are described in Section II. B.2.

(c) Statistical Test

The Virginia PAP uses statistical methodologies as one means to determine if “parity” exists between Verizon VA’s wholesale and retail performance. The statistical methodology is described in Appendix D.

(d) Scoring

Each of the measures within the MOE segment is graded with a 0, -1, or -2 based on the statistical analysis and the magnitude of its Z-statistic for the month. The performance score for each metric is then weighted. These weights were developed to reflect the importance of that metric in determining that markets are open to competition. Critical Measures performance is scored against sliding scales based on the statistical score and the magnitude of the difference between wholesale service and the applicable standards. Special Provisions are scored against absolute standards of performance. Each of the scoring, weighting, and credit distribution processes is contained in the Appendices.

(e) Self-executing aspects

Verizon VA will report its performance on the Virginia PAP on a monthly basis. Within 30 days of the close of the second month after the month in which performance is being reviewed, PAP credits will be processed for each CLEC.

As used in this paragraph and Footnote 1, the term “Agreement” means and includes an agreement under 47 U.S.C. §§ 251 and 252, any other agreement for interconnection, network elements, or services, and an amendment to any of the foregoing agreements. With regard to an Agreement that becomes effective on or after April 1, 2002, if the Virginia PAP and the Agreement both grant a carrier bill credits, payments, or other financial benefits, incentives, remedies or penalties, against Verizon VA as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance, Verizon VA shall receive a credit against the amount due to the carrier under the Virginia PAP as a result of Verizon VA’s acts, omissions, performance, or failure or deficiency in performance, equal to the amount due to the carrier under the Agreement as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance.¹

The Virginia PAP first went into effect October 1, 2002. This revised version of the Virginia PAP dated [insert the date on which the revised VA PAP will go into effect] will go into effect [insert the date on which the revised VA PAP will go into effect].

3. Dollars at Risk

¹ With regard to an Agreement that becomes effective on or after April 1, 2002, the Commission has elected not to address at the time the Virginia PAP is initially being adopted, the questions of whether such an Agreement should include provisions that grant the CLEC service quality, warranty or performance related bill credits, payments, or other financial benefits, incentives, remedies or penalties, against Verizon VA, and, if such provisions are to be included, what the provisions should be. These questions may be raised by Verizon VA or CLECs at a later time in the Commission’s Virginia PAP proceeding. These questions may also be raised by Verizon VA or CLECs in the arbitration of Agreements, or in other appropriate proceedings.

The structure of the Virginia PAP includes three credit categories: Mode of Entry, Critical Measures, and Special Provisions. Each category has a Virginia-specific credit schedule and cap which are presented in greater detail in the Appendices. The Virginia PAP contains a maximum dollar amount at risk. The total cap for Verizon VA is \$205.96 million which is made up of a Virginia PAP cap of \$198.93 million and a CCAP cap of \$7.03 million. The distribution of dollars is as follows:

	Dollars at Risk (millions)
Mode of Entry	\$52.72
Doubling of MOE	\$52.72
Critical Measures	\$69.59
Special Provisions	
Flow Through	\$7.03
Hot Cut Performance	\$16.87
PAP Total	\$198.93
CCAP	\$7.03
Verizon Total	\$205.96

Conditions for doubling of the MOE dollars at risk are explained fully in Section II.C.2. In addition, there is an additional category for Special Provisions associated with ordering that provides for an additional \$16.87 million, paid from the MOE dollars at risk, if Verizon VA does not meet service standards and has not reached the cap level for MOE. If Verizon VA's performance results in payments that reach the overall monetary cap, the Commission, at its discretion, may open a proceeding to resolve the underlying service problem. The Commission retains the discretion to investigate extraordinary wholesale service performance issues and to take appropriate corrective action.

4. Accurate Reporting of Data

The validation of Verizon VA's performance reporting was included as part of the independent, third-party OSS testing conducted by KPMG. Going forward, the Virginia PAP reporting of results will be subject to an annual audit. The first audit will begin 6 months after long distance entry.

A. Measures, Methods of Analysis and Standards

1. Measures

The measures and standards in the Virginia PAP have been taken directly from the current version of the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports (the “Guidelines”), which were initially developed in Commission Case No. PUC-2001-00206 and cover the areas of Pre-order, Ordering, Provisioning, Maintenance and Repair, Billing and Network Performance ” The Commission has adopted the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports” for evaluating Verizon VA’s compliance with the requirements of the Telecommunications Act of 1996. The measures and standards in the Guidelines have been revised by the Commission since their initial adoption, and it is expected that further revisions will be adopted to reflect the needs of the competitive marketplace.

2. Methods of Analysis

Verizon VA will use two interrelated methods to monitor wholesale performance to CLECs on the performance measurements. The first method is designed to measure Verizon VA’s overall Section 271 performance in five categories that correspond to the methods or modes CLECs use to enter the local exchange market: Resale; UNE-Platform; UNE-Loop; Trunks; and DSL. This is referred to as the Mode of Entry (“MOE”) Measurements method, and a total of \$52.72 million in annual bill credits, with potential for doubling per the provisions in Section II.C.2, will be available to CLECs if Verizon VA provides the maximum allowable unsatisfactory performance in all five MOE categories. (See Appendix A.) The MOE measurements provide a mechanism to measure the overall level of Verizon VA’s service to the entire CLEC industry in the five areas.

The second method, referred to as the Critical Measures measurements, measures Verizon VA's performance in critical areas, on both a CLEC-specific and a CLEC-aggregate basis. The Critical Measures are also grouped by the five categories used in MOE and, in addition, include measures for Specials, Collocation and the Resolution Process.² These measures are a subset of the measures included in the MOE segment measurements for Resale, UNE-Platform, UNE-Loop, Trunks and DSL, and include additional measures for Collocation, Specials and Resolution Process. A total of \$69.59 million in annual bill credits will be available to CLECs if Verizon VA provides the maximum allowable out of parity performance on all Critical Measures. (See Appendix B.) The Critical Measures cover Verizon VA's service in areas critical to the CLECs and provide a mechanism to assure that CLECs on an individual basis are receiving non-discriminatory service.

In addition, this Plan contains a "Special Provisions" segment that focuses on a number of UNE measures that measure key aspects of Verizon VA's performance after it gains entry into the InterLATA long distance market. In order to assure that Verizon VA will provide satisfactory service in these key areas, *e.g.*, flow through and hot cuts, \$23.90 million is made available in addition to the \$122.31 million available under the MOE and Critical Measures for bill credits for measures in MOE and Critical Measures. In addition, \$16.87 million will be available for certain UNE ordering measures, to be paid from the MOE dollars at risk, if Verizon VA does not meet service standards and has not reached the cap level for MOE. (See Section II.E. *infra.*)

² [The Resolution Process includes measures for the resolution of PON related-trouble tickets and billing claims.](#)

3. Standards

Each measure will be evaluated according to one of two standards. For the measures where a Verizon VA retail analog exists, a “parity” standard will be applied.³ For those measures where no retail analogs are available, an absolute standard has been specified as a surrogate to determine whether Verizon VA is providing non-discriminatory service to the CLECs. The metrics with absolute standards are displayed in Appendix C.

B. Distribution Of The MOE and Critical Measures Credits

1. Distribution of Bill Credits

Annual bill credits totaling \$52.72 million are attributed to the MOE measures and are distributed to each of the MOE categories in amounts that reflect the importance of that MOE to the local exchange competition. These amounts can double to \$105.44 million in annual bill credits. (*See* section II.C.2 below.) Each month one-twelfth (1/12) of the annual amount will be available for bill credits. (*See* Appendix A.) An analogous principle has been applied to the \$69.59 million associated with Critical Measures bill credits. (*See* Appendix B.)

2. Reallocation of Potential Bill Credits

The Commission will have the authority to reallocate the monthly distribution of bill credits between and among any provisions of the Plan and the Change Control Assurance Plan, which is discussed below hereto. The Commission will give the Company 15 days notice prior to the beginning of the month in which the reallocation will occur. Any reallocation will be done pursuant to Commission order.

C. MOE Scoring And Bill Credit Calculations

1. Scoring

The measures and standards for the MOE measurements have been placed into five categories: Resale, UNE-Platform, UNE-Loop, Interconnection (Trunks) and DSL. Since the 1996 Act requires that Verizon VA provide interconnection “that is at least equal in quality” to that provided to itself, and “nondiscriminatory access” to unbundled elements, each month Verizon VA will apply statistical tests, which are described in Appendix D, to Verizon VA and CLEC performance data to develop t scores or equivalent permutation or Fisher’s Exact Test scores for the measures.⁴ These statistical scores will be converted into a performance score for each MOE measure as follows:

<u>Statistical Score</u>	<u>Performance Score</u>
$Z \leq -1.645$	-2
$-1.645 < Z \leq -0.8225$	-1
$-0.8225 < Z$	0

For small sample sizes of measures with a parity standard, the Permutation Test will be applied to obtain the statistical scores, which will be converted into a performance score. (See Appendix D.) For small sample sizes of measures with absolute standards, a small sample size table will be applied to obtain the performance scores. Measures with absolute standards

³ The parity measures in the Plan fall into two categories: Measured variables and Counted variables. Measured variables are metrics of means or averages, such as mean time to repair. Counted variables are metrics of proportions such as percent measures.

⁴ The statistical methodologies set forth in Appendix D were taken from the New York State Carrier-to-Carrier Guidelines Performance Standards and Reports in Case 97-C-0139.

will be given a performance score of 0, -1, or -2 depending on the performance for that measure. (See Appendix C.)

Thus, for each of the measures within the five MOE categories, Verizon VA's performance will be graded 0, -1, or -2. Each measure with a performance score of -1 in a given month will be subject to change, depending upon the score for that measure in the next two months. Should Verizon VA maintain a performance score of 0 for the next two months, then the score in the original month will be changed from -1 to 0.⁵ The 0 would then be used in conjunction with all of the other metrics in that MOE category to determine an aggregate score. A score of -2 in a given month will not be subject to change based upon performance in subsequent months. The performance score for each metric will then be weighted, based upon the importance of the metric in determining whether that MOE is open to competition. (See Appendix A, which lists the weights for the MOE measurements.) The weighted scores will then be aggregated (averaged) by each MOE category (Resale, UNE-Platform, UNE-Loop, Interconnection and DSL), producing an overall weighted score for each of the five categories.

2. Bill Credit Calculations

If Verizon VA's overall (aggregate) performance score in the five categories falls below a minimum score in any given month, wholesale price reductions in the form of bill credits will be implemented and remain in effect for one month.⁶ If an overall score falls to the maximum score or below, the maximum wholesale price reduction will be implemented. Scores between

⁵ [If there is no activity or insufficient sample for evaluation of a metric in either or both of the two subsequent months, the performance score from the previous month or scores from the previous 2 months will be used in that order to obtain two scores to determine the outcome of the -1 in the month under evaluation. If two scores cannot be obtained from the four months \(2 forward and 2 back\), the -1 in the month under evaluation will be changed to a 0.](#)

⁶ The intent is that the minimum score for each MOE category corresponds to the threshold at which there is a 95% certainty that parity does not exist.

the minimum and maximum scores will also be entitled to credits pursuant to a credit table for each MOE category. Credit Tables with the range of scores between the minimum and maximum and the applicable rates appear in Appendix A. The bill credits payable to the CLECs will be determined each month by dividing the amount from the table in Appendix A by the actual monthly volumes of the CLEC units in service. The measurement units for each of the MOEs is as follows:

1. UNE Loop – Lines in service at end of month;
2. UNE – Platform – Lines in service at end of month;
3. Resale – Lines in service at end of month;
4. Interconnection (Trunks) – Minutes of use in month; and
5. DSL – Lines in service at end of month.⁷

The maximum scores represent the maximum allowable out of parity condition. The minimum and maximum performance scores and the start point percentages are as follows:

⁷

For the purpose of the Plan:

- ~~1.~~ 1. Lines in service for UNE – Platform means UNE-Platform lines.
- ~~2.~~ 2. Lines in service for UNE-Loop means, all types of UNE 2-Wire analog loops and IOF.
- ~~32.~~ 32. Lines in service for Resale means Resale POTS lines plus circuits.
- ~~43.~~ 43. Trunks – minutes of use per month.
- ~~54.~~ 54. Lines in service for DSL means DSL-UNE Resale 2-Wire Digital Services, UNE 2-Wire Digital loops, UNE 2-Wire xDSL loops, and UNE line shared loops, and UNE Line Split loops.

	<u>Minimum Market Adj.</u>	<u>Maximum Market Adj.</u>	<u>% Market Adj. at Minimum</u> ⁸
UNE - Platform	-0.25292	-0.67000	20%
UNE - Loop	-0.24862	-0.67000	20%
Resale	-0.24715	-0.67000	20%
Interconnection	-0.21429	-1.0000	20%
DSL	-0.23024	-0.67000	20%

If an aggregate MOE score is less than one half the difference (*i.e.*, below the midpoint) between the minimum and maximum scores in any one of the five MOE categories for three consecutive months, the amounts in the credit tables in Appendix A for that same three-month period will be doubled for the applicable MOE category. (The midpoints for the MOEs are delineated in Appendix A.) The amounts in Appendix A will remain doubled until such time as Verizon VA achieves a score of one quarter (or greater) the difference between the minimum and maximum scores in that category in any given month. Appendix E provides a detailed step-by-step description of how the MOE performance scores and bill credits will be calculated and distributed to the CLECs.

3. The Domain Clustering Rule

Domain Clustering will provide CLECs with an additional layer of protection under the MOE mechanism. The term Domain refers to four service quality measures, (*i.e.*, Pre-Order, Ordering, Provisioning, and Maintenance and Repair)⁹ that are included in the UNE – Platform, UNE-Loop, Resale and DSL MOEs. Under the Domain Clustering Rule, each Domain will be reviewed each month. If 75% or more of the respective Ordering, Provisioning, or Maintenance

⁸ The “% Market Adj. At Minimum” indicates the amount of monthly bill credits that will be due to CLECs if Verizon VA trips the minimum score. For example, if Verizon VA were to score ~~-0.253473~~ on the UNE – Platform MOE in a month, 20% of the \$2,636,000 monthly amount would be due. (*See* Appendix A.)

⁹ The domains do not include billing.

and Repair Domain weights are tripped, the higher of the clustering overlay or overall market score will be used to determine the market adjustments for the UNE – Platform, UNE - Loop, Resale and DSL MOEs. The same rule will apply to the Pre-Ordering Domain, except that the clustering overlay would be effective if all Pre-Ordering response time measures failed at the -2 level, in which case 75% would be used in the overlay calculations. The Domain Clustering methodologies are set forth in detail in Appendix E.

D. Critical Measures Scoring And Bill Credit Calculations

1. Scoring

Verizon VA’s performance in these measurement categories is critical to the CLECs’ ability to compete in the Virginia local exchange market. Should Verizon VA performance miss the applicable performance standards for even *one* of these categories, eligible CLECs will be entitled to bill credits. (See Appendix B.) The statistical tests and performance scoring mechanism described in the MOE section also apply to these measures.¹⁰

2. Bill Credit Calculations

For each Critical Measure, Verizon VA’s performance for all CLECs during a given month will be averaged. Should the resulting performance score in any one category fall to -1 or below (“sub-standard performance”),¹¹ 50% of the maximum bill credits for that measure will be payable to eligible CLECs. The eligible CLECs are all those CLECs that received Sub-Standard Performance during that month (the “Aggregate Rule”). In addition, should any CLEC receive sub-standard performance for two consecutive months, bill credits for that CLEC will be implemented for the two month period,

¹⁰ To the extent that a Critical Measure contains more than one measure, the weights from Appendix A will be used to determine the amount of bill credits available for the individual measure.

¹¹ The ~~P~~permutations ~~F~~test will be used to derive Z and t scores for measures with small sample sizes as described in the Guidelines and Appendix D.

*notwithstanding the fact that all CLECs on average may have received satisfactory performance during the two months (the “Individual Rule”).*¹²

Bill credits will increase by ten incremental amounts for performance scores between -1 and -2, or Z or t scores between -0.8225 and -1.645. The amounts payable to each CLEC will be in direct proportion to the amount of service that CLEC receives from Verizon VA compared to the other CLECs who received sub-standard performance pursuant to the critical measure. For example, under Critical Measure % Repeat Reports within 30 days, the percent of bill credits for an unsatisfactory score would be calculated by determining the number of lines a CLEC had compared to other CLECs that received sub-standard performance.¹³ If a score falls to the maximum level, the maximum bill credits will be implemented for the Critical Measure in question.

Appendix F provides a detailed step-by-step description of how the Critical Measures scores and bill credits will be calculated and distributed to the CLECs.

E. Special Provisions – UNE Measures

A number of key measures have been identified that measure aspects of Verizon VA’s performance on service quality items that are viewed as essential for CLECs to ensure their ability to effectively compete in the local service market. Accordingly, additional funds will be made available for these measures under the subparagraphs described below.

¹² If all CLECs on average received an aggregate score below -1 for both months, the individual CLEC with the below average score would be entitled to bill credits for the Critical Measure in question under the Aggregate Rule. Likewise, if all CLECs on average received an aggregate score below -1 for the first of the two months and an aggregate score above -1 for the second month, the individual CLEC with sub-standard performance during both months would be entitled to receive bill credits pursuant to the Aggregate Rule for the first month and pursuant to the Individual Rule for the second month. A CLEC is only entitled to receive Bill Credits under the Individual Rule if it receives a score of -1 or less in a Critical Measure category and the CLEC group on average received a score greater than -1 for the Critical Measure.

¹³ For Collocation – bill credits distribution will be determined by the cages completed during month, *i.e.*, collocation arrangements completed: all arrangements including (a) physical, (b) virtual and (c) other collocation arrangements provided under tariff.

1. Flow Through Measures For UNEs

Verizon VA will make an additional \$7.03 million available for potential bill credits, which will be paid on a calendar quarterly basis, for the following flow through UNE metrics measured on a cumulative calendar quarterly basis: OR-5-01 “% Flow Through - Total” and OR-5-03 “% Flow Through Achieved.”¹⁴ A performance standard of 80% will apply to OR-5-01, and a performance standard of 95% will apply to OR-5-03. If at the end of any calendar quarter Verizon VA has not achieved one of these two performance standards, it will distribute one-quarter of the annual amount available under this subsection in bill credits.¹⁵ The bill credits will be available to all CLECs purchasing UNEs. Any amounts due will be credited based on the CLEC’s lines in service.¹⁶ The scoring methodology for this measure is set forth in more detail in Appendix H.

2. UNE Ordering Performance

An additional \$1,405,833 per month, or \$16.87 million annually, will be made available for bill credits for four non-flow through UNE performance measures:

OR-1-04 % On Time LSRC/ASRC – No Facility Check (Electronic – No Flow Through) – Platform and Loop/Pre-Qualified Complex/LNP ;
OR-1-06 % On Time LSRC/ASRC - Facility Check (Electronic – No Flow Through) – Platform and Loop/Pre-Qualified Complex/LNP;
OR-2-04 % On Time LSR/ASR Reject – No Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP; and,

¹⁴ The definition of “% Flow Through Achieved” and the appropriate exclusions for this measure will be as set out in the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports.”

¹⁵ For the calendar quarter in which the Virginia PAP first becomes effective, bill credits under this Section II.E.1 will be calculated based upon the performance for the calendar month in which the Virginia PAP becomes effective and the remaining calendar months (if any) in the calendar quarter in which the Virginia PAP becomes effective. Any bill credits due for such calendar quarter will be pro-rated based on the duration of the measurement period (i.e., if the measurement is based on one month of performance data, the amount that would be due would be one-third of the full quarterly amount that would have been due had Verizon VA’s measured performance for that month been Verizon VA’s measured performance for a full calendar quarter).

¹⁶ Lines in service will equal: UNE-Platform, and UNE Loops, IOE, and EEL Loops.

OR-2-06 % On Time LSR/ASR Reject – Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP.

Funding for these additional bill credits will come from any unused MOE funds in a month or the six prior months. \$351,458 in bill credits per metric will be distributed under this section to all CLECs ordering UNEs based on the CLEC’s lines in service if performance is less than 90% on the respective measures. These credits will be distributed like the bill credits under Critical Measures, Aggregate Rule. (See Appendix H.)

3. Additional Hot Cut Performance Measures

An additional \$16.87 million for bill credits will be made available for service quality related to two Hot Cut Performance Measures: PR-9-01 “Missed Appointment - % on Time Performance - Hot Cut” and PR-6-02 “Installation Quality - % Installation Troubles Reported Within 7 Days.” Bill credits will be paid under this section if either of two events occurs:

- (a) *If for any two consecutive months, Verizon VA fails to achieve either 90% on-time performance for Hot Cuts or has greater than a 3.00% rate for installation troubles within 7 days for hot cuts, Verizon VA will distribute \$702,917 in bill credits to the affected CLECs. These credits will be distributed like the bill credits under Critical Measures, Aggregate Rule. If Verizon VA fails to meet either of these measures in the first month, but meets them in the second month, no bill credits will be due.*
- (b) *If for any one month, Verizon VA fails to achieve 85% on-time performance for Hot Cuts or scores greater than a 4.00% rate for installation troubles within 7 days for hot cuts, Verizon VA will distribute \$1,405,833 in bill credits to the affected CLECs for that month. These credits will be distributed like the bill credits under Critical Measures, Aggregate Rule. (See Appendix H.)*

F. The Change Control Assurance Plan

A total of \$7.03 million will be placed at risk for the Change Control Process for those CLECs operating in Virginia. The credits will be made available using the same methodology used in New York. The Change Control process that is currently in place is common to systems in Virginia and New York. A copy of the currently effective CCAP is attached as Appendix I.

G. Monthly Reports

In order to ensure that there is timely information regarding Verizon VA's performance, Verizon VA will report its performance on a monthly basis. Each month, a report will be made available to all CLECs providing service in Virginia.

A sample copy of the report appears in Appendix G. The first five pages will provide information regarding the MOE measures and will include:

1. Verizon VA actual performance to its retail customers where such measures exist and to CLECs for each metric;
2. The number of observations for Verizon VA and the CLECs for each measure (where applicable);
3. The Verizon VA standard deviation (where applicable);
4. The sampling error (where applicable);
5. The appropriate statistical scores (where applicable)¹⁷ or the difference between Verizon VA's and the CLECs' actual performance on the measure (where applicable);
6. A performance score for each measure;
7. The weight for each measure;
8. The weighted performance score; and

¹⁷ ~~Refer to Appendix D for a discussion of the appropriate statistical tests. A Permutations Test will be applied to small sample sizes to obtain a probability. The probability will be converted to a Z or t score, which in turn will be converted to a performance score as described in the Guidelines and Appendix D.~~

9. An aggregation of the performance scores, weighted performance scores, and aggregate bill credits, if any, due under each MOE.

The sixth and seventh pages will list the Critical Measures and the bill credits, if any, that are due for these measures on an aggregate CLEC basis. The eighth page will include performance details for Critical Measures for Network Performance, Specials and Resolution Processes. The ninth page will include Special Provisions. The tenth page will include a summary of the CCAP measures and the bill credits due, if any. The eleventh page will provide a summary of the total bill credits, if any, due the CLEC industry. In addition, CLEC specific reports will include bill credit amounts, if any, due to the individual CLEC for the MOE, Critical Measures and Special Provisions.¹⁸ The monthly report will be provided within 29 days of the end of each month.¹⁹

Verizon VA will continue to provide a separate report on all measures established in the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports,” allowing for additions, deletions and other modifications ordered by the Commission. In addition, to the extent allowed by law, Verizon VA will make available CLEC-specific C2C electronic reports enabling those receiving the reports to evaluate performance at greater levels of detail.²⁰ The C2C reports will be made available to any CLEC requesting the reports.

¹⁸ The computer model that will be used to calculate the MOE and Critical Measures bill credits will be posted on Verizon VA’s [Wholesale Website](#) ~~after the Plan becomes effective.~~

¹⁹ [If the 29th day is a weekend or holiday, the monthly reports will be provided by the first subsequent business day.](#)

²⁰ [A two-year statute of limitation on challenges to PAP performance will be adopted and effective July 29, 2003 for the June 2003 performance report. The initiation of this provision is contingent upon Verizon VA providing the algorithms, in a structured format, related to the PAP metrics to the Commission Staff prior to July 29, 2003. Verizon VA will provide notice to CLECs receiving PAP reports that it has satisfied this obligation.](#)

H. Bill Credits Payment

As used in this paragraph and Footnote 1, the term “Agreement” means and includes an agreement under 47 U.S.C. §§ 251 and 252, any other agreement for interconnection, network elements, or services, and an amendment to any of the foregoing agreements. With regard to an Agreement that becomes effective on or after April 1, 2002, if the Virginia PAP and the Agreement both grant a carrier bill credits, payments, or other financial benefits, incentives, remedies or penalties, against Verizon VA as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance, Verizon VA shall receive a credit against the amount due to the carrier under the Virginia PAP as a result of Verizon VA’s acts, omissions, performance, or failure or deficiency in performance, equal to the amount due to the carrier under the Agreement as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance.²¹

Credit amounts will be applied to an appropriate CLEC bill within 30 days of the close of the second month after the month under review.

If the bill credits exceed the balance due Verizon VA on the CLEC’s bill, the net balance will be carried as a credit on to the CLEC’s next month’s bill.

Verizon VA will issue checks in lieu of outstanding bill credits to CLECs that discontinue taking service from Verizon VA. Verizon VA may, however, exercise ordinary commercial means to ensure that it will not issue such a check prior to receipt of a CLEC’s undisputed payments due Verizon VA.

²¹

See Footnote 1, above.

I. Term Of Performance Assurance Plan

The Plan first went into effect October 1, 2002. This revised version of the Plan dated [insert the date on which the revised VA PAP will go into effect] will go into effect [insert the date on which the revised VA PAP will go into effect] . The Commission will reevaluate the appropriateness of the Plan when Verizon VA eliminates its Section 272 affiliate. Until such time as a replacement mechanism is developed or the Plan is rescinded, the Plan will remain in effect, as it may be modified from time to time by the Commission.

J. Exceptions and Waiver Process

Recognizing that C2C service quality data may be influenced by factors beyond Verizon VA's control, Verizon VA may file Exception or Waiver petitions with the Commission seeking to have the monthly service quality results modified on three generic grounds. The first involves the potential for "clustering" of data, and the effect that such clustering has on the statistical models used in this Plan. The requirements of the clustering exception are set forth in Appendix D.

The second ground for filing an exception relates to CLEC behavior. If performance for any measure is impacted by unusual CLEC behavior, Verizon VA will bring such behavior to the attention of the CLEC and attempt to resolve the problem. Examples of CLEC behavior which may influence performance results include:

1. poor order quality, such as missing codes, incorrect codes or misspelled directory listings;
2. actions that cause excessive missed appointments, such as wrong addresses, wrong due dates or offered intervals shorter than the standard interval;
3. actions resulting in excessive multiple dispatch and repeat reports, such as incorrect dispatch information or inadequate testing by a CLEC;

4. inappropriate coding on orders, such as where extended due dates are desired and are not coded as such;
5. delays in rescheduling appointments when Verizon VA has missed an appointment.

If such action negatively influences Verizon VA's performance on any metric, Verizon VA will be permitted to petition for relief. The petition, which will be filed with the Commission and served on the CLEC, will provide appropriate, detailed documentation of the events, and will demonstrate that the CLEC behavior has caused Verizon VA to miss the service quality target. Verizon VA's petition must include all data that demonstrates how the measure was missed. It should also include information that excludes the data affected by the CLEC behavior. CLECs and other interested parties will be given an opportunity to respond to any Verizon VA petition for an Exception. If the Commission determines that the service results were influenced by inappropriate CLEC behavior, the data will be excluded from the monthly reports.

The third ground for filing a waiver relates to situations beyond Verizon VA's control that negatively affect its ability to satisfy only those measures with absolute standards. The performance requirements dictated by absolute standards establish the quality of service under normal operating conditions, and do not necessarily establish the level of performance to be achieved during periods of emergency, catastrophe, natural disaster, severe storms, work stoppage, or other events beyond Verizon VA's control.

Verizon VA may petition the Commission for a waiver of specific performance results for those metrics that have performance targets dictated by absolute standards, if Verizon VA's performance results do not meet the specific standard. This waiver process shall not be available

for those metrics for which Verizon VA's wholesale performance is measured by comparison to retail performance (parity metrics).

Any petition pursuant to this provision must demonstrate clearly and convincingly the extraordinary nature of the circumstances involved, the impact that the circumstances had on Verizon VA's service quality, why Verizon VA's normal, reasonable preparations for difficult situations proved inadequate, and the specific days affected by the event. The petition must also include an analysis of the extent to which the parity metrics (retail and wholesale) were affected by the subject event, and must be filed within 45 days from the end of month in which the event occurred.

The Commission will determine which, if any, of the daily and monthly results should be adjusted in light of the extraordinary event cited, and will have full discretion to consider all available evidence submitted. Insufficient filings may be dismissed for failure to make a *prima facie* showing that relief is justified.

K. Annual Review, Updates And Audits

1. Annual Review And Updates

Each year the Commission and Verizon VA will review the Performance Assurance Plan to determine whether any modifications or additions should be made. During this review, the Commission and Verizon VA can determine, among other things, whether: (1) measures and weights should be modified, added or deleted; (2) modifications should be made to the distribution of dollars at risk among the five MOE and Critical Measures categories; (3) geographic deaveraging should be adopted for reporting metric results; (4) the clustering and CLEC behavior exceptions included in Appendix D should be modified; (5) small sample size procedures should be modified; and (6) the methodologies used to calculate the bill credits should be modified.²² All aspects of the Plan, however, will be subject to review. The annual review process may be initiated no more than six months before the anniversary date of Verizon VA's entry into the long distance market pursuant to Section 271. Any modifications to the Plan will be implemented as soon as is reasonably practical after Commission approval of the modifications.

2. Changes to the New York Plan

Changes to the New York Plan adopted by the New York PSC will be submitted to the Commission by Verizon VA within 10 days of their filing with the New York PSC for consideration by the Commission for inclusion in the Virginia PAP. Verizon VA and all other interested persons shall have an opportunity to submit comments to the Commission on whether

²² In particular, during the first annual review, the methodology used to calculate amounts due to CLECs under the Individual Rule for bill credits under the Critical Measures category will be analyzed to determine whether the rule provides for an appropriate distribution of bill credits.

the changes to the New York Plan should be included in the Virginia PAP. Changes to the New York Plan will be included in the Virginia PAP only upon the Commission's approval.

3. Other Changes to the Virginia PAP

In addition to changes to the Virginia PAP that may be proposed for consideration by the Commission pursuant to Sections II.K.1 and 2, Verizon VA and any other interested person may at any time submit proposed changes to the Virginia PAP to the Commission for its consideration. Verizon VA and all other interested persons shall have an opportunity to submit comments to the Commission on whether the proposed changes should be included in the Virginia PAP. Changes will be included in the Virginia PAP only upon the Commission's approval.

4. Annual Audit

Each year the Commission will audit Verizon's data and reporting, with the first audit beginning 6 months after Verizon VA enters the Long Distance market in Virginia. The audits shall be performed, at the Commission's discretion, by either the Commission Staff or an independent auditor, selected by the Commission and paid for by Verizon. The first audit will include an examination of data reliability issues. Subsequent audits will include an examination of data reliability issues at the Commission's discretion. For at least the first six months after the Virginia PAP first becomes effective, the Commission Staff will replicate Verizon VA's performance reports to assure that the data in the reports accurately reflects the service quality being provided to the CLECs. The Commission may elect to continue the replication for as long as it deems necessary.

VERIZON VIRGINIA INC.

APPENDIX A

[Effective Date]

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2. Assignment of Dollars at Risk to MOE Categories on Monthly and Annual Basis
3. Minimum and Maximum Bill Credit Table

APPENDIX A – MODE OF ENTRY

1. Measures and Weights

Table A-1-1: Resale

Table A-1-2: Unbundled Network Elements – Platform

Table A-1-3: Unbundled Network Elements - Loop

Table A-1-4: Interconnection Trunks

Table A-1-5: DSL

Note: BOLD indicates Critical Measure

Table A-1-1: Resale - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-01-6020	Customer Service Record – EDI	2
PO-1-03-6020	Address Validation –EDI	2
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-01-6050	Customer Service Record - Web GUI	2
PO-1-03-6050	Address Validation - Web GUI	2
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	5
OR	Ordering	
OR-1-02-2320	% On Time LSRC -Flow Thru -POTS/Pre-Qualified Complex -2hrs	10
OR-2-02-2320	% On Time LSR Rej - Flow Thru - POTS/Pre-Qualified Complex	5
OR-4-11-2000	% Completed Orders with neither a PCN or BCN Sent	5
OR-4-16-2000	% On Time PCN - 1 Business Day	5
OR-4-17-2000	% On Time BCN - 2 Business Day	5
OR-5-03-2000	% Flow Through - Achieved – POTS	10
OR-6-03-2000	% Accuracy – LSRC	10
OR-1-04-2100	% OT LSRC -No Facil Ck(E -No Flow Thru)-POTS/Pre-Qual Cmplx	5
OR-1-06-2320	% OT LSRC/ASRC -Facil Ck(E -No F/T) -POTS/Pre-Qual Cmplx	2
OR-2-04-2320	% OT LSR Rej -No Facil Ck(E -No F/T) -POTS/Pre-Qual Cmplx	2
OR-2-06-2320	% OT LSR/ASR Rej -Facil Ck(E -No F/T) -POTS/Pre-Qual Cmplx	2
PR	Provisioning	
PR-3-01-2100	% Completed in 1 Day (1-5 lines - No Disp) - POTS Total	5
PR-4-05-2100	% Missed Appointment- VZ - No Dispatch - POTS	20
PR-4-04-2100	% Missed Appointment - VZ - Dispatch - POTS	10
PR-4-02-2100	Average Delay Days - Total – POTS	15
PR-5-01-2100	% Missed Appointment - Facilities - POTS	5
PR-5-02-2100	% Orders Held for Facilities > 15 days - POTS	5
PR-6-01-2100	% Installation Troubles within 30 days - POTS	15
MR	Maintenance & Repair	
MR-1-01-2000	Average Response Time - Create Trouble	2
MR-1-06-2000	Average Response Time - Test Trouble (POTS only)	2
MR-3-01-2110	% Missed Repair Appointments - Loop - Bus.	10
MR-3-02-2110	% Missed Repair Appointments - CO - Bus.	10
MR-4-02-2110	Mean Time To Repair - Loop Trouble - Bus.	5
MR-4-03-2110	Mean Time To Repair - CO Trouble - Bus.	5
MR-4-06-2110	% Out of Service > 4 Hours - POTS - Bus.	5
MR-4-07-2110	% Out of Service > 12 Hours - POTS - Bus.	5
MR-4-08-2110	% Out of Service > 24 Hours - POTS - Bus.	5
MR-3-01-2120	% Missed Repair Appointments - Loop - Res.	10
MR-3-02-2120	% Missed Repair Appointments - CO - Res.	10
MR-4-02-2120	Mean Time To Repair - Loop Trouble - Res.	5
MR-4-03-2120	Mean Time to Repair - CO Trouble - Res.	5
MR-4-06-2120	% Out of Service > 4 Hours - POTS – Res.	5
MR-4-07-2120	% Out of Service > 12 Hours - POTS - Res.	5
MR-4-08-2120	% Out of Service > 24 Hours - POTS - Res.	5
MR-5-01-2100	% Repeat Reports w/in 30 days - POTS	10
BI	Billing	
BI-1-02-2030	% DUF in 4 Business Days	5
Total Weights For Resale MOE		263

Table A-1-2: Unbundled Network Elements - Platform - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-01-6020	Customer Service Record – EDI	2
PO-1-03-6020	Address Validation –EDI	2
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-01-6030	Customer Service Record - CORBA	2
PO-1-03-6030	Address Validation - CORBA	2
PO-2-02-6030	OSS Interface Availability - Prime - CORBA	5
PO-1-01-6050	Customer Service Record - Web GUI	2
PO-1-03-6050	Address Validation - Web GUI	2
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	5
OR	Ordering	
OR-1-02-3143	% On Time LSRC - Flow Thru - Platform - 2hrs	10
OR-2-02-3143	% On Time LSR Reject - Flow Thu - Platform	5
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent	5
OR-4-16-3000	% On Time PCN - 1 Business Day	5
OR-4-17-3000	% On Time BCN - 2 Business Day	5
OR-5-03-3000	% Flow Through - Achieved - POTS	5
OR-6-03-3143	% Accuracy - LSRC - Platform	5
OR-1-04-3143	% OT LSRC -No Facil Check(Elec.-No Flow Thru) -Platform	5
OR-1-06-3143	% OT LSRC/ASRC -Facil Ck(Elec.-No Flow Thru) -Platform	2
OR-2-04-3143	% OT LSR Rej.-No Facil Ck (Elec.-No Flow Thru) -Platform	2
OR-2-06-3143	% OT LSR/ASR Rej. -Facil Ck(Elec.-No Flow Thru) -Platform	2
PR	Provisioning	
PR-3-01-3140	% Completed in 1 Day (1-5 Lines - No Disp) - Platform	5
PR-4-05-3140	% Missed Appointment- VZ - No Dispatch - Platform	20
PR-4-04-3140	% Missed Appointment - VZ - Dispatch - Platform	10
PR-4-02-3100	Average Delay Days - Total - POTS	15
PR-5-01-3140	% Missed Appointment - Facilities - Platform	5
PR-5-02-3140	% Orders Held for Facilities > 15 days - Platform	5
PR-6-01-3121	% Installation Troubles within 30 days - Platform	10
MR	Maintenance & Repair	
MR-1-01-2000	Avg. Response Time - Create Trouble	2
MR-1-06-2000	Avg. Response Time - Test Trouble (POTS only)	2
MR-3-01-3144	% Missed Repair Appointments - Loop - Platform - Bus	10
MR-3-02-3144	% Missed Repair Appointments - CO Platform - Bus	10
MR-4-02-3144	Mean Time to Repair - Loop Trouble - Platform - Bus	5
MR-4-03-3144	Mean Time to Repair - CO Trouble - Platform - Bus	5
MR-4-06-3144	% Out of Service > 4 Hours – Platform - Bus.	5
MR-4-07-3144	% Out of Service > 12 Hours - Platform - Bus.	5
MR-4-08-3144	% Out of Service > 24 Hours - Platform - Bus	5
MR-3-01-3145	% Missed Repair Appointments - Loop -Platform - Res	10
MR-3-02-3145	% Missed Repair Appointments - CO - Platform - Res	10
MR-4-02-3145	Mean Time to Repair - Loop Trouble - Platform - Res	5
MR-4-03-3145	Mean Time to Repair - CO Trouble - Platform - Res	5
MR-4-06-3145	% Out of Service > 4 Hours – Platform – Res.	5
MR-4-07-3145	% Out of Service > 12 Hours – Platform - Res.	5
MR-4-08-3145	% Out of Service > 24 Hours – Platform - Res	5
MR-5-01-3140	% Repeat Reports w/in 30 days - Platform	10
BI	Billing	
BI-1-02-2030	% DUF in 4 Business Days	5
Total Weights For UNE Platform MOE		257

Table A-1-5: DSL - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-06-6020	Mechanized Loop Qualification - EDI	5
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-06-6030	Mechanized Loop Qualification - CORBA	5
PO-2-02-6030	OSS Interface Availability - Prime - CORBA	2
PO-1-06-6050	Mechanized Loop Qualification - Web GUI	5
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	2
PO-8-01-2000	% On Time - Manual Loop Qualification	2
PO-8-02-2000	% On Time - Engineering Record Request	2
OR	Ordering	
OR-1-04	% On Time LSRC -No Facil Ck (E -No FT) -2W Digital -UNE/Resale	2
OR-1-06	% OT LSRC/ASRC -Facility Ck (E -No FT) -2W Digital -UNE/Resale	2
OR-2-04	% On Time LSR Rej -No Facil Ck(E- No FT) -2W Digital -UNE/Resale	2
OR-2-06	% OT LSR/ASR Rej -Facility Ck(E -No FT) -2W Digital -UNE/Resale	2
OR-1-04-3342	% On Time LSRC -No Facil Ck(E -No FT) -2W xDSL Loops	5
OR-1-06-3342	% On Time LSRC/ASRC -Facility Check(Elec) -2W xDSL Loops	5
OR-2-04-3342	% OT LSR Rej -No Facil Ck(E- No FT) -2W xDSL Loops	2
OR-2-06-3342	% On Time LSR/ASR Rej -Facility Check(Elec)-2W xDSL Loops	2
OR-1-04-3340	% OT LSRC -No Facility Check (E -No FT) -Line Share/Split	5
OR-1-06-3340	% On Time LSRC/ASRC -Facility Ck(E -No FT) -Line Share/Split	5
OR-2-04-3340	% OT LSR Rej -No Facil Ck(E- No FT) -Line Share/Split	2
OR-2-06-3340	% OT LSR/ASR Rej -Facility Ck(E- No FT) -Line Share/Split	2
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent	2
OR-4-16-3000	% On Time PCN - 1 Business Day	2
OR-4-17-3000	% On Time BCN - 2 Business Day	2
PR	Provisioning	
PR-4-02	Average Delay Days -Total -2W Digital -UNE/Resale	2
PR-4-04	% Missed Appointment -Dispatch -2W Digital -UNE/Resale	2
PR-4-05	% Missed Appointment -No Dispatch -2W Digital -UNE/Resale	2
PR-6-01	% Install. Troubles w/in 30 Days -2W Digital Loops -UNE/Resale	2
PR-8-01	Open Orders In Hold Status >30 Days -2W Digital -UNE/Resale	2
PR-3-10-3342	% Comp w/in 6 Days (1-5 lines) Tot -2W xDSL Loops	10
PR-4-02-3342	Average Delay Days -Total -2W xDSL Loops	10
PR-4-14-3342	% Completed On Time -2W xDSL Loops	10
PR-6-01-3342	% Installation Troubles w/in 30 Days -2W xDSL Loops	15
PR-8-01-3342	Open Orders in Hold Status >30 Days -2W xDSL Loops	5
PR-3-03	% Completed w/in 3 Days (1-5 lines) No Disp -Line Share/Split (**benchmark/parity)	10
PR-4-02	Average Delay Days -Total -Line Share/Split	10
PR-4-04	% Missed Appointment -Dispatch -Line Share/Split	5
PR-4-05	% Missed Appointment -No Dispatch -Line Share/Split	10
PR-6-01	% Installation Troubles w/in 30 Days -Line Share/Split	15
PR-8-01	Open Orders in Hold Status >30 Days -Line Share/Split	5
MR	Maintenance & Repair	
MR-1-01-2000	Average Response Time - Create Trouble	2
MR-3-01	% Missed Repair Appt -Loop -2W Digital -UNE/Resale	2
MR-3-02	% Missed Repair Appt -CO -2W Digital -UNE/Resale	2
MR-4-02	Mean Time To Repair -Loop -2W Digital -UNE/Resale	2
MR-4-03	Mean Time To Repair -CO Trouble -2W Digital -UNE/Resale	2
MR-4-04	% Cleared (all troubles) w/in 24 Hours -2W Digital -UNE/Resale	2
MR-4-07	% Out of Service > 12 Hours -2W Digital -UNE/Resale	2
MR-5-01	% Repeat Reports w/in 30 Days -2w Digital -UNE/Resale	2
MR-3-01-3342	% Missed Repair Appt -Loop -2W xDSL Loops	5
MR-3-02-3342	% Missed Repair Appointment -CO -2W xDSL Loops	5
MR-4-02-3342	Mean Time To Repair -Loop -2W xDSL Loops	5
MR-4-03-3342	Mean Time To Repair -CO -2W xDSL Loops	5
MR-4-04-3342	% Cleared (all troubles) w/in 24 Hours -2W xDSL Loops	5
MR-4-07-3342	% Out of Service > 12 Hours -2W xDSL Loops	10
MR-5-01-3342	% Repeat Reports w/in 30 Days -2W xDSL Loops	10
MR-3-01	% Missed Repair Appointment -Loop -Line Share/Split	5
MR-3-02	% Missed Repair Appointment -CO -Line Share/Split	5
MR-4-02	Mean Time To Repair -Loop -Line Share/Split	5
MR-4-03	Mean Time To Repair -CO -Line Share/Split	5
MR-4-04	% Cleared (all troubles) w/in 24 Hours -Line Share/Split	5

8/23/02[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

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MR-4-07	% Out of Service > 12 Hours - Line Share/Split	10
MR-5-01	% Repeat Reports w/in 30 Days -Line Share/Split	10
Total Weights For DSL MOE		291

2. **Mode of Entry: Dollars At Risk – \$52,720,000**

	Resale	UNE-Platform	UNE-Loop	Trunks	DSL
Monthly	\$292,889	\$2,636,000	\$585,778	\$292,889	\$585,778
Annual	\$3,514,667	\$31,632,000	\$7,029,333	\$3,514,667	\$7,029,333

3. **Minimum and Maximum Bill Credit Tables:**

Table A-3-1: Resale

Table A-3-2: Unbundled Network Elements–Platform

Table A-3-3: Unbundled Network Elements-Loop

Table A-3-4: Interconnection Trunks

Table A-3-5: DSL

Table A-3-1: Resale

- Maximum of \$3,514,667 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.24715
- Mid-point between minimum and maximum = -0.45858

Score Range		Monthly Dollars:
<	And ³	
	-0.24715	\$0
-0.24715	-0.26941	\$58,578
-0.26941	-0.29166	\$70,910
-0.29166	-0.31392	\$83,242
-0.31392	-0.33617	\$95,574
-0.33617	-0.35843	\$107,906
-0.35843	-0.38068	\$120,239
-0.38068	-0.40294	\$132,571
-0.40294	-0.42519	\$144,903
-0.42519	-0.44745	\$157,235
-0.44745	-0.46970	\$169,567
-0.46970	-0.49196	\$181,899
-0.49196	-0.51421	\$194,232
-0.51421	-0.53647	\$206,564
-0.53647	-0.55872	\$218,896
-0.55872	-0.58098	\$231,228
-0.58098	-0.60323	\$243,560
-0.60323	-0.62549	\$255,892
-0.62549	-0.64774	\$268,225
-0.64774	-0.67000	\$280,557
-0.67000		\$292,889

Table A-3-2: Unbundled Network Elements-Platform

- Maximum of \$31,632,000 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.25292
- Mid-point between minimum and maximum = -0.46146

Score Range		Monthly Dollars:
<	And ³	
	-0.25292	\$0
-0.25292	-0.27487	\$527,200
-0.27487	-0.29682	\$638,189
-0.29682	-0.31877	\$749,179
-0.31877	-0.34073	\$860,168
-0.34073	-0.36268	\$971,158
-0.36268	-0.38463	\$1,082,147
-0.38463	-0.40658	\$1,193,137
-0.40658	-0.42853	\$1,304,126
-0.42853	-0.45048	\$1,415,116
-0.45048	-0.47244	\$1,526,105
-0.47244	-0.49439	\$1,637,095
-0.49439	-0.51634	\$1,748,084
-0.51634	-0.53829	\$1,859,074
-0.53829	-0.56024	\$1,970,063
-0.56024	-0.58219	\$2,081,053
-0.58219	-0.60415	\$2,192,042
-0.60415	-0.62610	\$2,303,032
-0.62610	-0.64805	\$2,414,021
-0.64805	-0.67000	\$2,525,011
-0.67000		\$2,636,000

Table A-3-3: Unbundled Network Elements-Loop

- Maximum of \$ 7,029,333 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.24862
- Mid-point between minimum and maximum = -0.45931

Score Range		Monthly Dollars:
<	And ³	
	-0.24862	\$0
-0.24862	-0.27080	\$117,156
-0.27080	-0.29298	\$141,820
-0.29298	-0.31515	\$166,484
-0.31515	-0.33733	\$191,149
-0.33733	-0.35951	\$215,813
-0.35951	-0.38169	\$240,477
-0.38169	-0.40387	\$265,142
-0.40387	-0.42604	\$289,806
-0.42604	-0.44822	\$314,470
-0.44822	-0.47040	\$339,135
-0.47040	-0.49258	\$363,799
-0.49258	-0.51475	\$388,463
-0.51475	-0.53693	\$413,127
-0.53693	-0.55911	\$437,792
-0.55911	-0.58129	\$462,456
-0.58129	-0.60347	\$487,120
-0.60347	-0.62564	\$511,785
-0.62564	-0.64782	\$536,449
-0.64782	-0.67000	\$561,113
-0.67000		\$585,778

Table A-3-4: Interconnection Trunks

- Maximum of \$3,514,667 per year
- Maximum Credit Performance Score “X” = -1.00000
- Minimum threshold = -0.21429
- Mid-point between minimum and maximum = -0.60715

Score Range		Monthly Dollars:
<	And ³	
	-0.21429	\$0
-0.21429	-0.27473	\$58,578
-0.27473	-0.33517	\$76,602
-0.33517	-0.39561	\$94,626
-0.39561	-0.45605	\$112,650
-0.45605	-0.51649	\$130,674
-0.51649	-0.57693	\$148,697
-0.57693	-0.63736	\$166,721
-0.63736	-0.69780	\$184,745
-0.69780	-0.75824	\$202,769
-0.75824	-0.81868	\$220,793
-0.81868	-0.87912	\$238,817
-0.87912	-0.93956	\$256,841
-0.93956	-1.00000	\$274,865
-1.00000		\$292,889

Table A-3-5: DSL

- Maximum of \$7,029,333 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.23024
- Mid-point between minimum and maximum = -0.45012

Score Range		Monthly Dollars:
<	And ³	
	-0.23024	\$0
-0.23024	-0.25339	\$117,156
-0.25339	-0.27653	\$141,820
-0.27653	-0.29968	\$166,484
-0.29968	-0.32282	\$191,149
-0.32282	-0.34597	\$215,813
-0.34597	-0.36911	\$240,477
-0.36911	-0.39226	\$265,142
-0.39226	-0.41540	\$289,806
-0.41540	-0.43855	\$314,470
-0.43855	-0.46169	\$339,135
-0.46169	-0.48484	\$363,799
-0.48484	-0.50798	\$388,463
-0.50798	-0.53113	\$413,127
-0.53113	-0.55427	\$437,792
-0.55427	-0.57742	\$462,456
-0.57742	-0.60056	\$487,120
-0.60056	-0.62371	\$511,785
-0.62371	-0.64685	\$536,449
-0.64685	-0.67000	\$561,113
-0.67000		\$585,778

APPENDIX B

[Effective Date]

Critical Measures Table B-1

CRITICAL MEASURES		UNE-Platform	UNE-Loop	Resale	DSL	Trunks	Specials	Other	Total
PRE-ORDERING									
1	OSS Interface	\$658,996	\$187,448	\$146,444	\$146,444				\$1,139,331
	PO-1-06 Mechanized Loop Qualification - EDI				48,815				
	PO-1-06 Mechanized Loop Qualification - CORBA				48,815				
	PO-1-06 Mechanized Loop Qualification - Web GUI				48,815				
	PO-2-02 OSS Interface Availability - Prime - EDI	219,665	62,483	73,222					
	PO-2-02 OSS Interface Availability - Prime - CORBA	219,665	62,483						
	PO-2-02 OSS Interface Availability - Prime - Web GUI	219,665	62,483	73,222					
ORDERING									
2	% On Time Ordering Notification	\$658,996	\$187,448	\$146,444	\$146,444	\$140,586	\$28,652		\$1,308,569
	OR-1-02 % On Time LSRC -Flow Through	439,331	156,207	97,629					
	OR-1-04 %OT LSRC-No Fac Ck(E-No FT)-2Wdig-UNE/Rsl				16,272				
	OR-1-04 %OT LSRC-No Fac Ck(E-No FT)-2W xDSL Loops				40,679				
	OR-1-04 %OT LSRC-No Fac Ck(E -No FT)-Ln Share/Split				40,679				
	OR-1-12 % On Time FOC					35,146			
	OR-1-13 % On Time Design Layout Record					70,293			
	OR-1-19 % OT Resp. -Req. for Inbound Aug. (<=192)					35,146			
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT)-2Wdig-UNE/Rsl				16,272				
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT)-2W xDSL Loops				16,272				
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT) -Ln Share/Split				16,272				
	OR-4-16 % On Time PCN - 1 Bus. Day	219,665		48,815					
			31,241						
	OR-1-04 %OT LSRC-No Fac Ck(E-No FT)-All Spcls-UNE/Rsl						9,551		
	OR-1-06 %OT LSRC/ASRC- Fac Ck(E-No FT)-All Spcls-UNE/Rsl						9,551		
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT)-UNE/Resale						4,775		
	OR-2-06 %OT LSR/ASR Rej-Fac Ck (Elec) -UNE/Resale						4,775		
PROVISIONING									
3	Installation Performance	\$658,996	\$187,448	\$146,444	\$146,444	\$140,586	\$108,878		\$1,388,795
	PR-3-01 % Completed in 1 Day (1-5 lines No Disp.)	54,916		11,265					
	PR-4-02 Average Delay Days - Total	164,749	26,778	33,795					
	PR-4-02 Average Delay Days - Total - 2W Digital				3,529				
	PR-4-02 Average Delay Days - Total - 2W xDSL Loop				17,644				
	PR-4-02 Average Delay Days -Total -Line Share/Split				17,644				
	PR-4-04 Missed Appointments -Dispatch	109,833	107,113	22,530					
	PR-4-04 Missed Appts - Disp - 2W Digital UNE/Resale				3,529				
	PR-4-04 Missed Appts - Disp - Line Share/Split				8,822				
	PR-4-05 Missed Appointments - No Dispatch	219,665		45,060					
	PR-4-05 % Missed Appt -No Disp -2W Digital -UNE/Resale				3,529				
	PR-4-05 % Missed Appt -No Disp -Line Share/Split				17,644				
	PR-4-14 % Completed On Time - 2W xDSL Loops				17,644				
	PR-4-15 % On Time Provisioning - Trunks					93,724			
	PR-6-01 Installation Troubles w/in 30 Days	109,833	53,557	33,795		46,862			
	PR-6-01 % Install Trbls w/in 30 Days -2W Digital Loop -UNE/Resale				3,529				
	PR-6-01 % Install Trbls w/in 30 Days -2W xDSL Loops				26,466				
	PR-6-01 % Install Trbls w/in 30 Days -Line Share/Split				26,466				
	PR-4-01 % Missed Appointment -VZ -DSO -UNE/Resale						4,775		
	PR-4-01 % Missed Appointment -VZ -DS1 -UNE/Resale						4,775		
	PR-4-01 % Missed Appointment -VZ -DS3 -UNE/Resale						4,775		
	PR-4-01 % Missed Appointment -VZ -Other -UNE/Resale						4,775		

	PR-4-02	Average Delay Days - Total -UNE/Resale						4,775	
	PR-5-01	% Missed Appointment - Facilities -UNE/Resale						19,101	
	PR-5-02	% Orders Held for Facilities > 15 days -UNE/Resale						19,101	
	PR-6-01	% Installation Troubles within 30 days -UNE/Resale						9,551	
	PR-8-01	Open Orders in Hold Status>30 Days-UNE/Resale						4,775	
	PR-4-01	% Missed Appointment - VZ - Total - EEL						9,551	
	PR-4-02	Average Delay Days - Total - EEL						4,775	
	PR-8-01	Open Orders in a Hold Status >30 Days -EEL						1,910	
	PR-4-01	% Missed Appointment - VZ - Total - IOF						9,551	
	PR-4-02	Average Delay Days - IOF						4,775	
	PR-8-01	Open Orders in a Hold Status >30 Days -IOF						1,910	
4	PR-4-07	% On Time Performance - LNP					\$140,586		\$140,586
5		Hot Cut Performance		\$187,448					\$187,448
	PR-6-02	% Installation Troubles within 7 days - Hot Cut							
	PR-9-01	% On Time Performance - Hot Cut							
MAINTENANCE									
6		Maintenance Performance	\$ 658,996	\$187,448	\$146,444	\$146,444	\$140,586	\$38,203	\$1,318,120
	MR-3-01	Missed Repair Appointments - Loop - Bus.	164,749		36,611				
	MR-3-01	Missed Repair Appointments - Loop - Res.	164,749		36,611				
	MR-3-01	Missed Repair Appointments - Loop		74,979					
	MR-3-01	% Missed Repr Appt -Loop-2W Digtl-UNE/Resale				6,367			
	MR-3-01	% Missed Repr Appt -Loop -2W xDSL Loops				15,918			
	MR-3-01	% Missed Repair Appoint -Loop -Line Share/Split				15,918			
	MR-4-04	% Cleared(all trbls) w/in 24hrs-2W Dig-UNE/Resale				6,367			
	MR-4-04	% Cleared (all trbls) w/in 24hrs-2W xDSL Loops				15,918			
	MR-4-04	% Cleared (all troubles) w/in 24 Hours -Line Share/Split				15,918			
	MR-4-08	Out of Service >24Hrs. - Bus.	82,375		18,305		46,862		
	MR-4-08	Out of Service >24Hrs. - Res.	82,375		18,305				
	MR-4-08	Out of Service >24Hrs. - Total		37,490					
	MR-5-01	% Repeat Reports within 30 Days	164,749	74,979	36,611		93,724		
	MR-5-01	% Repeat Reports w/in 30 Days-2w Digital-UNE/Resale				6,367			
	MR-5-01	% Repeat Reports w/in 30 Days -2W xDSL Loops				31,836			
	MR-5-01	% Repeat Reports w/in 30 Days -Line Share/Split				31,836			
	MR-4-01	Mean Time to Repair - nonDS0 & DS0 -UNE/Resale						4,775	
	MR-4-01	Mean Time to Repair - DS1 & DS3 -UNE/Resale						4,775	
	MR-4-06	% Out of Service>4 Hrs - nonDS0 & DS0 -UNE/Resale						4,775	
	MR-4-08	%Out of Service>24 Hrs - nonDS0 & DS0 -UNE/Resale						4,775	
	MR-4-06	% Out of Service > 4 Hours - DS1 & DS3 -UNE/Resale						4,775	
	MR-4-08	% Out of Service > 24 Hours - DS1 & DS3 -UNE/Resale						4,775	
	MR-5-01	% Repeat Reports w/in 30 days -UNE/Resale						9,551	
NETWORK PERFORMANCE									
7	NP-1-04	Final Trunk Groups Blocked					\$140,586		\$140,586
NETWORK PERFORMANCE									

8/23/02 [Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

8	Collocation							\$117,155	\$117,155
	NP-2-01/2 % OT Response to Request for Collocation - Total							51,838	
	NP-2-05/6 % On Time - Physical Collocation - Total							60,133	
	NP-2-07/8 Average Delay Days - Total							5,184	
RESOLUTION PROCESS									
9	Resolution Process							\$58,577	\$58,577
	OR-10-01 % PON Exceptions Resolved w/in 3 Bus Days							32,568	
	OR-10-02 % PON Exceptions Resolved w/in 10 Bus Days							13,027	
	BI-3-04 % CLEC Billing Claims Acknwldgd w/ 2 Bus Days							1,222	
	BI-3-05 %CLEC Billing Claims Rslvd w/in 28 Cal. Days after Ack.							11,760	
Month Total		\$2,635,985	\$937,239	\$585,774	\$585,774	\$702,929	\$175,732	\$175,732	\$5,799,167
Annual Total		\$31,631,818	\$11,246,869	\$7,029,293	\$7,029,293	\$8,435,152	\$2,108,788	\$2,108,788	\$69,590,000

Under the provisions of the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Note B: All bill credits in this section are at risk each month. Any bill credits assigned to a sub-metric that has no activity or is under development will be divided proportionately among the sub-metrics in the respective critical measures.

Note C: For Critical Measure No. 5 "Hot Cut Performance." No allocation of available bill credits is made between the sub-measures. If one sub-measure warrants an adjustment, the market adjustment percentage is applied to the entire amount of bill credits available. If both sub-measures indicate that bill credits are due to CLECs, the lower score will be used to calculate the bill credits due.

CRITICAL MEASURES TABLE B-2

Weights for Network Performance, Resolution Timeliness and Specials

Network Performance		Weight
Maximum of \$1,405,859 at risk annually (1/12 in each month)		
NP-2-01/2	% OT Response to Request for Collocation – Total	5
NP-2-05/6	% On Time - Physical Collocation – Total	20
NP-2-07/8	Average Delay Days – Total	10
Total		35

Resolution Timeliness		Weight
Maximum of \$702,929 at risk annually (1/12 in each month)		
OR-10-01	% PON Exceptions Resolved w/in 3 Bus Days	5
OR-10-02	% PON Exceptions Resolved w/in 10 Bus Days	2
BI-3-04	% CLEC Billing Claims Acknowledged within Two Business Days	2
BI-3-05	% CLEC Billing Claims Resolved w/in 28 Calendar Days after Ack.	20
Total		29

Specials		Weight
Maximum of \$2,108,788 at risk annually (1/12 in each month)		
Ordering		
OR-1-04	% OT LSRC -No Facil Ck(Elec.-No FT) -All Specials -UNE/Resale	10
OR-1-06	% OT LSRC/ASRC -Facil Ck(E -No FT) -All Specials -UNE/Resale	10
OR-2-04	% OT LSR Rej -No Facil Ck (Elec.-No FT) -UNE/Resale	5
OR-2-06	% OT LSR/ASR Reject -Facil Check (Electronic) -UNE/Resale	5
Provisioning		
PR-4-01	% Missed Appointment -VZ -DSO -UNE/Resale	5
PR-4-01	% Missed Appointment -VZ -DS1 -UNE/Resale	5
PR-4-01	% Missed Appointment -VZ -DS3 -UNE/Resale	5
PR-4-01	% Missed Appointment -VZ -Other -UNE/Resale	5
PR-4-02	Average Delay Days - Total -UNE/Resale	5
PR-5-01	% Missed Appointment - Facilities -UNE/Resale	20
PR-5-02	% Orders Held for Facilities > 15 days -UNE/Resale	20
PR-6-01	% Installation Troubles within 30 days -UNE/Resale	10
PR-8-01	Open Orders in a Hold Status > 30 days -UNE/Resale	5
PR-4-01-3510	% Missed Appointment - VZ - Total – EEL	10
PR-4-02-3510	Average Delay Days - Total – EEL	5
PR-8-01-3510	Open Orders in a Hold Status >30 Days –EEL	2
PR-4-01-3530	% Missed Appointment - VZ - Total – IOF	10
PR-4-02-3530	Average Delay Days – IOF	5

PR-8-01-3530	Open Orders in a Hold Status >30 Days -IOF	2
	Maintenance & Repair	
MR-4-01	Mean Time to Repair - nonDS0 & DS0 -UNE/Resale	5
MR-4-01	Mean Time to Repair - DS1 & DS3 -UNE/Resale	5
MR-4-06	% Out of Service > 4 Hours - nonDS0 & DS0 -UNE/Resale	5
MR-4-08	% Out of Service > 24 Hours - nonDS0 & DS0 -UNE/Resale	5
MR-4-06	% Out of Service > 4 Hours - DS1 & DS3 -UNE/Resale	5
MR-4-08	% Out of Service > 24 Hours - DS1 & DS3 -UNE/Resale	5
MR-5-01	% Repeat Reports w/in 30 days -UNE/Resale	10
	Total	184

APPENDIX C

[Effective Date]

**Performance Scores for Measures with Absolute Standards:
Table C-1**

Metric #'s	Measure	0	-1	-2
PO-1 and MR-1 ²³	OSS Response Time Measures Excluding WEB GUI	≤ 4 second difference	> 4 and ≤ 6 second difference	> 6 second difference
PO-1 ²⁴	OSS Response Time Measures for WEB GUI	≤ 7 second difference	> 7 and ≤ 9 second difference	> 9 second difference
PO-2-02	OSS System Availability – Prime	≥ 99.5%	≥ 98 and < 99.5%	< 98%
See Table 25	Metrics with 95% standards	≥ 95%	≥ 90 and < 95%	< 90%
PO-3	% Answered within 30 Seconds – Ordering & Repair	≥ 80%	≥ 75 and < 80%	< 75%
OR-4-11	% Completed Orders with Neither a PCN or BCN Sent	≤ 0.25%	> 0.25% and ≤ 1%	> 1%
OR-10-02	% PON Exceptions Resolved w/in 10 Business Days	≥ 99%	≥ 94% and < 99%	< 94%
PR-4-04	% Missed Appointment - VZ – Dispatch - 2 Wire xDSL	≤ 5%	> 5% and ≤ 10%	> 10%
PR-6-02	% Installation Troubles Reported within 7 Days – Hot Cuts	≤ 2%	> 2% and ≤ 3%	> 3%
NP-2-07 NP-2-08	Collocation – Average Delay Days - Total	≤ 6 Days	> 6 and ≤ 15 Days	> 15 Days
NP-1-03 NP-1-04	# of Final Trunk Groups Blocked for 2 and 3 Months	Final Interconnection Trunks meeting or exceeding blocking	Any individual Final Interconnection Trunk group exceeding	Any individual Final Interconnection Trunk group exceeding

²³ Includes PO-1-01, PO-1-02, PO-1-03, PO-1-04, PO-1-05, PO-1-06, MR-1-01, MR-1-03, MR-1-04 and MR-1-06 for EDI and CORBA interfaces

²⁴ Includes PO-1-01, PO-1-02, PO-1-03, PO-1-04, PO-1-05, PO-1-06 for the WEB GUI interface

²⁵ The list of Metrics with a 95% Standard appears [on the following page in Table C-2.](#)

		standard for one month	blocking standard for 2 months in a row	blocking standard for 3 months in a row

Example: If Verizon VA were to perform at 97.0% for PO-2-02- OSS System Availability – Prime, in a month, then the performance score would be –2 for that measure.

Table C-2: Performance Metrics with 95% Performance Standard:

PO Pre-Ordering

- 8-01 Average Response Time – Manual Loop Qualification
- 8-02 Average Response Time – Engineering Record Response

OR Ordering

- 1-02 % On Time LSRC - Flow Through – POTS/Pre-qualified Complex – 2hrs
- 1-02 % On Time LSRC - Flow Through – Platform – 2hrs
- 1-02 % On Time LSRC - Flow Through – Loop/Pre-qualified – 2hrs
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) – POTS/Pre-qualified Complex
- 1-04 % OT LSRC/ASRC - No Facility Check (Elec.-No Flow Through) – Platform
- 1-04 % OT LSRC/ASRC - No Facility Check (Elec.-No Flow Through) – Loop/LNP
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) – Specials
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) - 2 Wire Digital-UNE/Resale
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) - 2 Wire xDSL Loops
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) - Line Share/Line Split
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – POTS/Pre-qualified Complex
- 1-06 % On Time LSRC/ASRC – Facility Check (Electronic-No Flow Through) – Platform
- 1-06 % On Time LSRC/ASRC – Facility Check (Electronic-No Flow Through) – Loop/LNP
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – Specials
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – 2 Wire Digital-UNE/Resale
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – 2 Wire xDSL-Loops
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – Line Share/Line Split
- 1-12 % On Time Firm Order Confirmations
- 1-13 % On Time Design Layout Record
- 1-19 % On Time Response - Request for Inbound Augment (<=192)
- 2-02 % On Time LSR Reject - Flow Through – POTS/Pre-qualified Complex
- 2-02 % On Time LSR Reject - Flow Through – Platform
- 2-02 % On Time LSR Reject - Flow Through – Loop/Pre-qualified
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) – POTS/Pre-qualified Complex
- 2-04 % OT LSR/ASR Rej. - No Facility Check (Elec.-No Flow Through) Platform
- 2-04 % OT LSR/ASR Rej. - No Facility Check (Elec.-No Flow Through) Loop/LNP
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) – Specials
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) - 2 Wire Digital -UNE/Resale
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) - 2 Wire xDSL-Loops
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) - Line Share/Line Split
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) – POTS/Pre-qualified Complex
- 2-06 % On Time LSR/ASR Reject - Facility Check (Electronic -No Flow Through) – Platform
- 2-06 % On Time LSR/ASR Reject - Facility Check (Electronic -No Flow Through) – Loop/LNP

- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) – Specials
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) - 2 Wire Digital - UNE/Resale
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) - 2 Wire xDSL – Loops
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) - Line Share/Line Split
- 2-12 % On Time Trunk ASR Reject
- 4-09 % SOP to Bill Completion Notice Sent Within 3 Business Days
- 4-11 % Completed Orders with Neither a PCN or BCN Sent
- 4-16 % On time PCN – 1 Business Day
- 4-17 % On time BCN – 2 Business Days
- 10-01 % PON Exceptions Resolved w/in 3 Business Days
- 5-03 % Flow Through Achieved - POTS
- 6-03 % Accuracy - LSRC – POTS
- 6-03 % Accuracy - LSRC - Platform
- 6-03 % Accuracy - LSRC - Loop

PR Provisioning

- 3-03 % Completed within 3 Days (1-5 lines) – Total - Line Share/Line Split
- 3-10 % Completed within 6 Days (1-5 lines) – Total - 2 Wire xDSL - Loops
- 4-07 % On Time Performance - LNP only
- 4-14 % Completed On Time -2W xDSL Loops

- 9-01 % On Time Performance - Hot Cut

BI Billing

- 1-02 % DUF in 4 Business Days
- 3-04 % CLEC Billing Claims Acknowledged within Two Business Days
- 3-05 % CLEC Billing Claims Resolved w/in 28 Calendar Days after Acknowledgement.

NP Network Performance

- 2-01 % OT Response to Request for Physical Collocation – New
- 2-01 % OT Response to Request for Physical Collocation – Augment
- 2-02 % OT Response to Request for Virtual Collocation – New
- 2-02 % OT Response to Request for Virtual Collocation – Augment
- 2-05 % On Time - Physical Location – New
- 2-05 % On Time - Physical Location – Augment
- 2-06 % On Time - Virtual Location – New
- 2-06 % On Time - Virtual Location – Augment

**Small Sample Size Scoring Procedures for
Counted Variable Performance Measures with Absolute Standards for Use on CLEC
Aggregate Results**

A. *Allowable Misses:*

For counted variables with benchmark standards, it is possible to have small sample sizes, such that just a single missed transaction within a report period can cause the measure to miss its benchmark. The plan recognizes that without an allowance for a single miss, the plan would effectively require perfection to avoid bill credits, which would be above the designated benchmark for the measure. Also, a single missed transaction does not demonstrate that the measure's performance warrants a performance score of either a "-1" or a "-2". Thus a "zero weight" will be assigned in any single miss situations as specified by the criteria below. This deems the measure as neither a "pass" nor a "miss" for the purposes of bill credit calculations. In addition, if there are only 2 missed transactions in any small sample situation described below, a performance score of -1 will be assigned to the measure, again due to the minimal number of missed transactions.

For Counted Variables with Benchmark Standards that have a small number of observations in a data month, the following scoring procedures will be used at the CLEC aggregate level only:

For counted variable metrics where higher performance is better ("HIB"), e.g., 95% on-time, or a 0.95 standard:

- for any HIB counted variable metric where $n < \{1/[1-\text{standard}]\}$, (for example, for a 95% standard, $n < (1/[1-0.95])$ or $n < 20$)
 - 0 misses is a "0" performance score
 - 1 miss is a zero weight with no performance score
 - 2 misses is a "-1" performance score
 - more than 2 misses is a "-2" performance score

For counted variable metrics where lower performance is better ("LIB"), e.g., 5% missed appts, or a 0.05 standard:

- for any LIB counted variable metric where $n < \{1/[\text{standard}]\}$, (for example, for a 5% standard, $n < (1/0.05)$ or $n < 20$)
 - 0 misses is a "0" performance score
 - 1 miss is a zero weight with no performance score
 - 2 misses is a "-1" performance score
 - more than 2 misses is a "-2" performance score

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B. CLEC Exception Process

Each month each CLEC will have the right to challenge the allowable misses or exclusions that Verizon VA may exercise pursuant to the small sample size table for performance measures with absolute standards. If a CLEC exercises this right, it must file a petition with the Commission demonstrating that the exclusion will have a significant impact on the operations of the CLEC's business and that Verizon VA should not be allowed to exclude the event pursuant to the above table. Verizon VA will have a right to respond to any such challenge by the CLEC. The Timeline for CLEC Exceptions will be the same as the Timeline for Verizon VA Exceptions under the small sample size section in Appendix D. If a CLEC's Exception Petition is granted, the appropriate bill credits will be reflected on the CLEC's bill as soon as is practical.

APPENDIX D

[Effective Date]

STATISTICAL ANALYSIS

A. Statistical Methodologies:

The Performance Assurance Plan uses statistical methodologies as one means to determine if “parity” exists, or if the wholesale service performance for CLECs is equivalent to the performance for Verizon VA (Incumbent LEC). Verizon VA may be required to use statistical methodologies as a means to determine if “parity” exists, or if the performance for competitive local exchange carriers (CLECs) is equivalent to the performance for Verizon VA. For performance measures where “parity” is the standard and sufficient sample size exists, Verizon VA will use the “modified t statistic” proposed by a number of CLECs in LCUG (Local Competitors User Group) for measured variables. For the evaluation of parity metrics involving counted variables, the permutation test, also known as Fisher’s exact test, will be used. The specific definitions and formulas are detailed below:²⁶

Definitions and Formulas:

Measured Variables are metrics of means or averages, such as mean time to repair, or average interval.

Counted Variables are metrics of proportions, such as percent measures.

\bar{X} denotes the average performance or mean of the sample

S denotes the standard deviation

n denotes the sample size

p denotes the proportion of failed performance, for percentages 10% translates to a 0.10 proportion

²⁶ Values calculated for a Z-statistic or t-statistic that are equal to or greater than 5.0000 will be displayed on monthly reports as 5.0000 and values for a Z-statistic or t-statistic that are equal to or less than -5.0000 will be displayed as -5.0000.

A statistical score below -1.645 is associated with a 5% percent or less chance that the performance for the CLEC will be incorrectly judged as being inferior to Verizon VA, when, in fact, the performance for the CLEC is superior (Type I error). Note: For the purposes of the statistical evaluation of measured variable sample sizes of 30 or more, the standard normal Z distribution is used as reasonably approximating Student's t distribution.

Counted Variables: The statistical score equivalent for counted variables is the standard normal Z score that has the same probability as the significance probability of the permutation test (a.k.a., Fisher's exact test). Specifically, the statistical score equivalent refers to the inverse of the standard normal cumulative distribution associated with the following hypergeometric distribution probability of seeing the number of failures, or greater in the CLEC sample.

$$1 - \left\{ \sum_{i=\max(0, \{[n_{inc}p_{inc}+n_{clec}p_{clec}] - [n_{clec}] - [n_{inc}+n_{clec}]\})}^{n_{clec}p_{clec}-1} \frac{\binom{[n_{clec}p_{clec} + n_{inc}p_{inc}]}{i} \binom{[n_{clec} + n_{inc}] - [n_{clec}p_{clec} + n_{inc}p_{inc}]}{n_{clec} - i}}{\binom{[n_{clec} + n_{inc}]}{n_{clec}}} \right\}$$

Measured Variables: The statistical score is the LCUG-t score

$$t = \frac{\bar{X}_{inc} - \bar{X}_{clec}}{\sqrt{S^2_{inc} \left(\frac{1}{n_{inc}} + \frac{1}{n_{clec}} \right)}}$$

Note: If the metric is one where a higher mean or higher percentage signifies better performance, the means (measured variables) in the numerator of the LCUG t formula should be reversed.

B. Sample Size Requirements:

SMALL SAMPLE SIZE

The assumptions that underlie the statistical models used here include the requirement that the two groups of data are comparable. With larger sample sizes, differences in characteristics associated with individual customers are more likely to average out. With smaller sample sizes, there may be an issue regarding whether or not the characteristics of the sample reasonably represent the population. In order to permit meaningful statistical analysis to be performed and confident conclusions to be drawn, the sample size must be sufficiently large to minimize the violations of the assumptions underlying the statistical model. This involves not only statistical considerations, but also requires some practical judgement. The following will indicate the minimum sample sizes below which parity metrics results (for both counted and measured variables) may not permit reasonable statistical conclusions.

Statistical tests of parity should be performed under the following conditions:

If there are only 6 of one group (Verizon VA or CLEC), the other must be at least 30.

If there are only 7 of one, the other must be at least 18.

If there are only 8 of one, the other must be at least 14.

If there are only 9 of one, the other must be at least 12.

Any sample of at least 10 of one and at least 10 of the other is to be used for statistical evaluation.

A parity metric comparison that does not meet the above sample size criteria may be taken to the Carrier Working Group for further evaluation. A statistical score will not be reported; however, the means (or proportions), number of observations, standard deviation (for means only) and sampling error will be reported.

MEASURED VARIABLES WITH SAMPLE SIZE LESS THAN 30

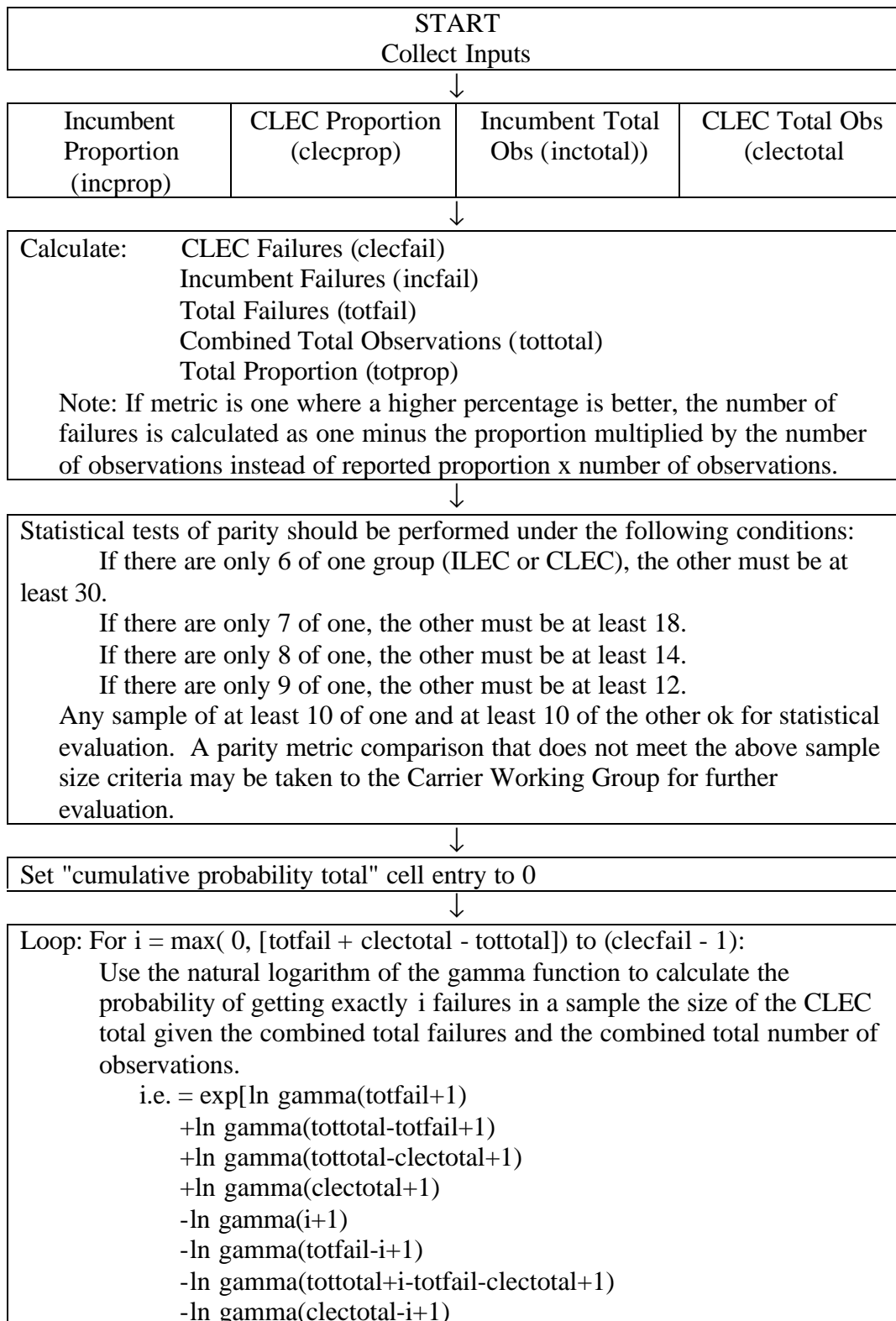
If either the CLEC or Verizon VA sample size is less than 30 for a measured variable and if the sample sizes exceed the minimum sample sizes described above, then the following statistical evaluation procedure will be used:

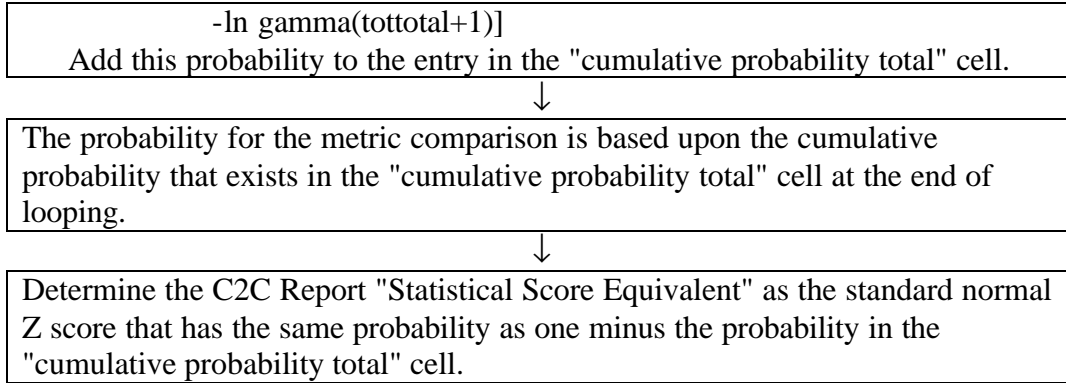
If the absolute performance for the CLEC is better than the Verizon VA performance, no statistical analysis is required. When a measured variable that is evaluated for parity does not require a permutation test because the number of Verizon or CLEC observations in a month is less than 30 and the CLEC performance is not worse than the corresponding Verizon retail performance, the LCUG-t scores will be displayed in the statistical score column.

- a.) If the performance is worse for the CLEC than for Verizon VA, Verizon VA may use the LCUG t score until such time as a permutation test can be run in an automated fashion. Once the permutation test can be run in an automated fashion, it should be performed for all measured variable statistical tests having a sample size of less than 30.
- b.) If the LCUG t score indicates an “out of parity” result, Verizon VA will run the permutation test.
- c.) If the permutation test shows an “out of parity” condition, Verizon VA may perform a root cause analysis to determine cause, or may be required by the Carrier Working Group to perform a root cause analysis. If the cause is the result of “clustering” within the data, Verizon VA will provide such documentation. The nature of the variables used in the performance measures is that they do not meet the requirements 100% of the time for any statistical testing. Individual data points are not independent. The primary example of such non-independence is a cable failure. If a particular CLEC has fewer than 30

troubles and all are within the same cable failure with long duration, the performance will appear out of parity. However, for all troubles, including Verizon VA's troubles, within that individual event, the trouble duration is identical. Another example of clustering is if a CLEC has a small number of orders in a single location, with a facility problem. If this facility problem exists for all customers served by that cable and is longer than the average facility problem, the orders are not independent and clustering occurs. Finally, if root cause shows that the difference in performance is the result of CLEC behavior, Verizon VA will identify such behavior and work with the respective CLEC on corrective action.

**Flow Chart of Log Gamma Based Hypergeometric
Routine for PAP Report
Counted Variable Metric Comparisons**





C. Verizon Exceptions Process:

1. Another assumption underlying the statistical models used here is the assumption that the data are independent. In some instances, events included in the performance measures of provisioning and maintenance of telecommunication services are not independent. The lack of independence is referred to as “clustering” of data. Clustering occurs when individual items (orders, troubles, *etc.*) are clustered together as one single event. This being the case, Verizon VA will have the right to file an exception to the performance scores in the Performance Assurance Plan if the following events occur:

- a.) **Event Driven Clustering - Cable Failure:** If a significant proportion (more than 30%) of a CLEC’s troubles are in a single cable failure, Verizon VA may provide data demonstrating that all troubles within that failure, including Verizon VA troubles were resolved in an equivalent manner. Then, Verizon VA also will provide the repair performance data with that cable failure performance excluded from the overall performance for both the CLEC and Verizon VA and the remaining troubles will be compared according to normal statistical methodologies.
- b.) **Location Driven Clustering - Facility Problems:** If a significant proportion (more than 30%) of a CLEC’s missed installation orders and resulting delay days were due to an individual location with a significant facility problem, Verizon VA will provide the data demonstrating that the orders were “clustered” in a single facility shortfall. Then, Verizon VA will provide the provisioning performance with that data excluded.

Additional location driven clustering may be demonstrated by disaggregating performance into smaller geographic areas.

- c.) **Time Driven Clustering - Single Day Events**: If a significant proportion (more than 30%) of CLEC activity, provisioning or maintenance, occurs on a single day within a month, and that day represents an unusual amount of activity in a single day, Verizon VA will provide the data demonstrating the activity is on that day. Verizon VA will compare that single day's performance for the CLEC to Verizon VA's own performance. Then, Verizon will provide data with that day excluded from overall performance to demonstrate "parity."
- d.) **CLEC Actions**: If performance for any measure is impacted by unusual CLEC behavior, Verizon VA will bring such behavior to the attention of the CLEC to attempt resolution. Examples of CLEC behavior impacting performance results include order quality, causing excessive missed appointments, incorrect dispatch identification, resulting in excessive multiple dispatch and repeat reports, inappropriate X coding on orders, where extended due dates are desired, and delays in rescheduling appointments, when Verizon has missed an appointment. If such action negatively impacts performance, Verizon will provide appropriate detail documentation of the events and communication to the individual CLEC and the Commission.

2. Documentation:

Verizon VA will provide all details, ensuring protection of customer proprietary

information, to the CLEC and Commission. Details include, individual trouble reports, and orders with analysis of Verizon VA and CLEC performance. For cable failures, Verizon VA will provide appropriate documentation detailing all other troubles associated with that cable failure.

3. Timeline for Exceptions Process:

The following is an example illustrating the timeline for the Exception Process.

Action	Date
January Performance Reports	February 29 th
Verizon Files Exceptions on January Performance	March 15 th
CLEC and other interested parties Files Reply to	April 1 st
Verizon Exceptions	
Commission Issues Ruling on Exceptions	April 15 th
February Performance Reports	March 29 th
March Performance Reports	April 29 th
Credits Processed for January Performance	By May 1 st

APPENDIX E

[Effective Date]

Mode of Entry Bill Credit Mechanism

The following are the steps that will be undertaken to determine whether Bill Credits are due to anyCLECs for the MOE categories.

1. For each MOE measure with a “parity” standard: Calculate Z or t score or perform permutation test (for small samples).²⁷
2. Convert Z, t or permutation equivalent score to performance score pursuant to the following table:

<u>Statistical Score</u>	<u>Performance Score</u>
£ -1.645	-2
£ -0.8225 and > -1.645	-1
> -0.8225	0 ²⁸

3. For each MOE measure with an absolute standard: Determine Performance Score using performance range for the applicable measure. For small sample sizes, the small sample size table for

²⁷ When “no activity occurs” in a metric [or when there is insufficient sample size for a metric as specified in Appendix D](#), the performance measure and its weight will be excluded from performance score. [Measures and weights will not be excluded when there is a combination of no CLEC activity on an “Average Delay Day” measure, and activity with 0% performance on the corresponding CLEC “% Missed Appointment” measure \(or 100% on a % On-Time measure\) in the same report period. The Average Delay Day measure receives a "0" performance score and retains its assigned weight for the month when these combinations occur. The following tables lists the measure combinations:](#)

Average Delay Day Measures			% Missed Appointment or %Complete On-Time Measures	
Resale	PR-4-02	Average Delay Days - Total – POTS	PR-4-04 PR-4-05	% Missed Appointment - VZ - Dispatch – POTS % Missed Appointment - VZ – No Dispatch - POTS
UNE - Platform	PR-4-02	Average Delay Days - Total – POTS	PR-4-04 PR-4-05	% Missed Appointment - VZ - Dispatch – Platform % Missed Appointment - VZ – No Dispatch - Platform
UNE – Loop	PR-4-02	Average Delay Days - Total – POTS	PR-4-04	% Missed Appointment - VZ - Dispatch - Loop-New
2 Wire Digital	PR-4-02	Average Delay Days -Total -2W Digital -UNE/Resale	PR-4-04 PR-4-05	% Missed Appointment -Dispatch -2W Digital -UNE/Resale % Missed Appointment -No Dispatch -2W Digital -UNE/Resale
2Wire DSL	PR-4-02	Average Delay Days -Total -2W xDSL Loops	PR-4-14	% Completed On Time -2W xDSL Loops
Line Share/Split	PR-4-02	Average Delay Days -Total -Line Share/Split	PR-4-04 PR-4-05	% Missed Appointment -Dispatch -Line Share/Split % Missed Appointment –No Dispatch -Line Share/Split
Collocation	NP-2-07/8	Average Delay Days - Total	NP-2-05/6	% On Time - Physical Collocation - Total

²⁸ For report rate measures – regardless of Zz or t score – if absolute difference is less than 0.1%, the performance score is a 0.

measures with absolute standards is used. (See Appendix C.)

4. If the Aggregate Total Performance Score for a MOE is greater than the minimum value allowable for the applicable MOE (See Minimum and Maximum Bill Credit Tables in Appendix A), no bill credits are due to the CLECs that received the particular MOE services in that month. If the value is equal to or less than a minimum value, CLECs will be paid Bill Credits pursuant to the Bill Credit Tables in Appendix A, which will be adjusted to reflect the monthly volumes or units being used by the CLECs.²⁹

5. The MOE Bill Credit Table reflects (1) the range of the aggregate performance scores from the minimum to maximum, (2) the monthly dollars attributable to each score, (3) the aggregate CLEC monthly volumes for the measure, and (4) the corresponding monthly rate that will be paid to each CLEC if Verizon VA’s performance is at that particular level. The individual CLEC’s Bill Credit will be determined by multiplying the CLEC’s monthly units in service by the applicable rate for the Aggregate MOE score.

6. For example, assume the first two steps of the UNE–Platform Bill Credit Table were as follows:

Score	Mon. \$	Mon. Vol.	Mon. Rate
-0.36268	\$1,082,147	100,000	\$10.82
-0.38463	\$1,193,137	100,000	\$11.93

Using the above Credit Table, if the Aggregate MOE score was -0.3700 and a CLEC had 5,000 UNE-Platform lines (at the end of the month), it would be entitled to a \$54,100 Bill Credit ($\$10.82 \times 5,000 = \$54,100$).

²⁹ The measurement units for UNE-Platform, UNE-Loop, and Resale are lines in service. For Interconnection, it is minutes in use. For Collocation, it is collocation cages installed in the month.

8. The Domain Clustering Rule

The Mode of Entry measures are classified into four key domains: Pre-Order, Ordering, Provisioning and Maintenance. To ensure that competition is not negatively influenced by poor performance on measures in any one of these domains, a Domain Clustering Rule has been established under this Plan. The rule, which applies only to the UNE-Platform, UNE-Loop, Resale and DSL MOEs, enables the entire mode of entry performance score to be modified if 75% or more of the total weights for the measures in any of the domains is tripped. For the Pre-Order domain, this percentage is reduced to 66.7%. Under this rule, the lower of the overall MOE score or the Domain score will be used to determine whether any bill credits are due. The domain score will be calculated as follows: First, determine the % of weights tripped, *e.g.*, if a domain contained a number of metrics with a total weight of 80, and 65 of the 80 weights were tripped, the domain percentage would be 81.2%. Since this is greater than 75%, the domain clustering rule will apply. Next, determine the difference between the minimum and maximum performance scores for the MOE, in which the domain appeared. For example, the minimum score for the UNE-Platform MOE is -0.25292 and the maximum score for the UNE- Platform MOE is -0.67000 , therefore, the difference is -0.41708 . This figure would be multiplied by the 81.2%. This equals -0.33867 . This number (-0.33867) would be added to the minimum score and would result in a domain clustering score of -0.59159 . If the MOE score were -0.388 , the performance score for the MOE would be replaced with the domain clustering score of -0.59159 based on the Domain Clustering Rule.

APPENDIX F

[Effective Date]

Critical Measures Performance Scoring

A. The following steps would be taken to determine which CLECs would be entitled to Bill Credits pursuant to the Aggregate Rule, *i.e.*, when aggregate CLEC performance falls below standard for a critical measure.

1. Calculate the total dollars available for Bill Credits per critical measure per month.

An increment table will be developed for each critical measure to determine the Bill Credits available for unsatisfactory performance, *i.e.*, at or less than performance scores of -1. The tables will range from 50% of the maximum monthly amount for -1 performance to 100% of the maximum monthly amount for -2 performance.³⁰ A sample table appears below for Z and t and performance scores where the maximum monthly amount for the measure is \$140,586.

**Table F-1-1
Allocation of Dollars for Critical Measures
Measures with Statistical Evaluation Standards**

Statistical Score		Performance	Increment	Dollars
From	To	Score		
	> -0.8225	0	0%	\$0
≤ -0.8225	> -0.9048	-1	50%	\$70,293
≤ -0.9048	> -0.9870	-1	55%	\$77,322
≤ -0.9870	> -1.0693	-1	60%	\$84,352
≤ -1.0693	> -1.1515	-1	65%	\$91,381
≤ -1.1515	> -1.2338	-1	70%	\$98,410
≤ -1.2338	> -1.3160	-1	75%	\$105,439
≤ -1.3160	> -1.3983	-1	80%	\$112,469
≤ -1.3983	> -1.4805	-1	85%	\$119,498
≤ -1.4805	> -1.5628	-1	90%	\$126,527
≤ -1.5628	> -1.6450	-1	95%	\$133,557
≤ -1.645		-2	100%	\$140,586

³⁰ For HotOT Cut Performance, if either metric is below standard, the entire critical measure is treated as below standard.

Table F-1-2
Allocation of Dollars for Critical Measures
Measures with 95% Standards³¹

<u>% Performance</u>		<u>Performance</u>	<u>Increment</u>	<u>Dollars</u>
<u>From</u>	<u>To</u>	<u>Score</u>		
	≥ 95.0	0	0%	\$0
< 95.0	≥ 94.5	-1	50%	\$70,293
< 94.5	≥ 94.0	-1	55%	\$77,322
< 94.0	≥ 93.5	-1	60%	\$84,352
< 93.5	≥ 93.0	-1	65%	\$91,381
< 93.0	≥ 92.5	-1	70%	\$98,410
< 92.5	≥ 92.0	-1	75%	\$105,439
< 92.0	≥ 91.5	-1	80%	\$112,469
< 91.5	≥ 91.0	-1	85%	\$119,498
< 91.0	≥ 90.5	-1	90%	\$126,527
< 90.5	≥ 90.0	-1	95%	\$133,557
< 90.0		-2	100%	\$140,586

- 2. The aggregate performance score would be used to determine the amount of Bill Credits available for CLECs who received unsatisfactory performance.**

Pursuant to table F-1-1, \$70,293 would be available if the aggregate Z-score equaled -0.823 and the performance score equaled -1.³²

- 3. Determine which CLECs qualify for the market adjustment.**

For measures where the statistical score is used, the cutoff point for qualification is Verizon VA's score on the critical measure +/- one sampling error (based upon the Verizon VA sampling error). Each CLEC's performance is compared to the cutoff point. Performance equal to or less than the cutoff qualifies for Bill Credits. For example, if

³¹ For Performance Measures with other % standards, the range of performance will be similarly distributed in 10 even increments.

³² When calculating a market adjustment for metrics that use absolute standards (generally a 95% standard) all CLECs at the -1 level or less would qualify. The calculation of the dollars is similar to the Z-score method.

Verizon VA's performance score was .13 and the sampling error was .03, all CLECs with scores equal to or greater than .16 would qualify.

4. Calculate the individual market adjustments for qualified CLECs.

- a. Determine each CLEC's allocated weight. Multiply the CLEC's score on the measure by the volume of its service to be credited.
- b. Determine each CLEC's weighted share. Aggregate the amounts from step "a" and divide each CLECs share by this total to determine each CLEC's weighted share.
- c. Determine each CLEC's dollar share. Multiply the CLEC's weighted share by the total amount available for market adjustment.

B. The following steps will be taken to determine whether any CLECs would be entitled to Bill Credits pursuant to the Individual Rule, *i.e.*, for CLECs who receive a performance score ≤ -1 for two consecutive months³³:

1. Determine if any CLECs qualify for Bill Credit Adjustment. CLECs qualify for a Bill Credit if they received a final score equal to or less than -.8225 for Z and t scores or equal to or less than -1 for absolute scores on any of the measures included in the critical measurements for the applicable month.
2. Determine each CLEC's Bill Credit Adjustment base. The CLEC's individual Z or t or performance score is used as a starting point to determine the monthly amount available for bill credits to that CLEC.
3. Calculate Bill Credit Adjustment to apply to the CLECs impacted. The monthly dollars available to the CLEC are converted to a rate

³³ [For the individual rule, if a CLEC has a performance score of -1 or less in the current month where Verizon passes a measure at the aggregate level and there is no activity in the previous month to determine the CLEC's eligibility for payment under the individual rule, VZ will instead look back one additional month for a performance score of -1 or less for the eligibility determination. If there is not activity in either of the two previous months, the individual rule will not be triggered.](#)

assuming that 1/3 of the market would receive a Z or t-score of -.8225 or less or a performance score of -1 or less. This rate is multiplied by the CLEC's qualified volume (*e.g.*, lines in service) to determine the amount to be credited to the CLEC for that critical measure.

APPENDIX G

[Effective Date]

APPENDIX H

[Effective Date]

Special Provisions

UNE Ordering Performance Measures:

Verizon VA will provide an additional \$1,405,833 in monthly bill credits for UNE Order Confirmation Performance based on four POTS metrics included in the MOE category. If on-time performance falls below 90% for any month, a credit of \$351,458 for each metric missing the standard will be distributed like the bill credits under Critical Measures.³⁴ Funding for these credits will be taken from funds that are unused in 6 previous months or from the current month. No new funds are available. The metrics and standards are as follows:

Metric #	POTS Electronically Submitted	Threshold
OR-1-04	% On Time LSRC/ASRC – No Facility Check (Electronic – No Flow Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%
OR-1-06	% On Time LSRC/ASRC – Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%
OR-2-04	% On Time LSR/ASR Reject – No Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%
OR-2-06	% On Time LSR/ASR Reject – Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%

³⁴ [Any bill credit amounts due for Special Provisions UNE Ordering are to be allocated between UNE-Platform and UNE-Loop in the same proportions as the totals at risk for the two modes in MOE. Then, within each mode, the amounts are to be allocated corresponding to each CLEC's UNE-Platform lines as a proportion of total UNE-Platform lines and each CLEC's UNE-Loops as a proportion of total UNE-Loops.](#)

Flow Through:

An additional \$7.03 million per year is available for flow through performance. Two performance measures for UNE from the Carrier to Carrier Performance Guidelines will be used to measure performance with the performance scores set forth below.

Metric #		Threshold
OR-5-01	% Flow Through – Total – UNE	≥ 80% ³⁵
OR-5-03	% Flow Through – Achieved – UNE	≥ 95% ³⁶

For each measure, the UNE scores will be combined and reviewed on a calendar quarterly basis. If the combined score meets either target, no additional credits are due. If the combined score meets neither metric target for that calendar quarter, then one-fourth (1/4) of the annual amount will be credited to all CLECs purchasing UNEs based on the number of lines in service. Lines in service will equal: UNE-Platform and UNE Loops.³⁷

³⁵ While the standard for OR-5-01 is 80%, for the purpose of assessing bill credits under the Virginia PAP, a “ramp-up” period will apply to OR-5-01, with a performance threshold for the assessment of bill credits that increases in equal quarterly increments as follows: 53% for the second calendar quarter of 2002; 62% for the third calendar quarter of 2002; 71% for the fourth calendar quarter of 2002; and, 80% for the first calendar quarter of 2003. During the “ramp-up” period, this performance threshold will be used to determine whether bill credits are due. This performance threshold will apply to the month in which the Virginia PAP becomes effective and thereafter; Verizon VA is not obligated to provide bill credits for months or quarters prior to the month in which the Virginia PAP becomes effective (see Appendix H, Note 3). The 80% standard will apply for the purpose of assessing bill credits under the Virginia PAP commencing with the first calendar quarter of 2003. If the Virginia PAP does not become effective until on or after January 1, 2003, the “ramp-up” period will not apply.

³⁶ While the standard for OR-5-03 is 95%, for the purpose of assessing bill credits under the Virginia PAP, a “ramp-up” period will apply to OR-5-03, with a performance threshold for the assessment of bill credits that increases in equal quarterly increments as follows: 74% for the second calendar quarter of 2002; 81% for the third calendar quarter of 2002; 88% for the fourth calendar quarter of 2002; and, 95% for the first calendar quarter of 2003. During the “ramp-up” period, this performance threshold will be used to determine whether bill credits are due. This performance threshold will apply to the month in which the Virginia PAP becomes effective and thereafter; Verizon VA is not obligated to provide bill credits for months or quarters prior to the month in which the Virginia PAP becomes effective (see Appendix H, Note 3). The 95% standard will apply for the purpose of assessing bill credits under the Virginia PAP commencing with the first calendar quarter of 2003. If the Virginia PAP does not become effective until on or after January 1, 2003, the “ramp-up” period will not apply.

³⁷ For the calendar quarter in which the Virginia PAP first becomes effective, bill credits under this section “Flow Through” will be calculated based upon the performance for the calendar month in which the Virginia PAP becomes effective and the remaining calendar months (if any) in the calendar quarter in which the Virginia PAP becomes effective. Any bill credits due for such calendar quarter will be pro-rated based on the duration of the measurement period (i.e., if the measurement is based on one month of performance data, the amount that would be due would be one-third of the full quarterly amount that [8/23/02](#)[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

The following table demonstrates the calculation of calendar quarterly flow through performance:

Quarterly Flow Through Performance:

	Month 1	Month 2	Month 3	Quarter Total
Total Orders that Flow Through <i>UNE</i>	15000	18000	17000	50000
Total Orders Processed <i>UNE</i>	25000	21000	22000	68000
Total % Flow Through - UNE Combined for Quarter:				73.5%
Total Orders Designed to Flow Through that Flow Through <i>UNE</i>	15000	18000	17000	50000
Total Orders Designed to Flow Through: <i>UNE</i>	18000	19000	18000	55000
Total % Achieved Flow Through – UNE Combined for Quarter:				90.9%

In this example, neither metric met the performance threshold, therefore, \$1.76 million would have been credited to all CLECs purchasing UNEs.

Additional Hot Cut Loop Performance Measures:

An additional \$16.87 Million per year is available for Hot Cut Loop performance. This measure will be composed of two performance metrics: PR-9-01 – “% On Time - Hot Cut Loop” and PR-6-02 – “% Installation Troubles Reported within 7 Days – Hot Cut Loop.”³⁸ If either one of these thresholds is missed, additional bill credits will be distributed to the CLECs.

would have been due had Verizon VA’s measured performance for that month been Verizon VA’s measured performance for a full calendar quarter).

³⁸ These two measures are also included in the Critical Measurements method, and additional bill credits may be due if Verizon-VA does not satisfy that Critical Measure.

[8/23/02 \[Draft 2/13/03\] \[In final document, insert the date on which the revised VA PAP will go into effect.\]](#)

This measure has two tiers of performance standards. Tier I will be applied to a two month scenario, and Tier II will be applied to a one month scenario. The Tier I threshold is measured based on two consecutive months of performance, while the Tier II threshold is measured based on an individual month's performance. The performance thresholds are contained in the table below:

Metric #		Tier I Threshold	Tier II
PR-9-01	% On Time Hot Cut Loop ³⁹	< 90%	< 85%
PR-6-02	% Installation Troubles Reported within 7 Days – Hot Cut Loop	≥ 3.00%	≥ 4.00%

Under Tier I, if Verizon VA does not satisfy the above standards for two consecutive months, it will distribute \$702,917 to the affected CLECs. Under Tier II, if Verizon VA does not satisfy the above standards for a single month, it will distribute \$1,405,833 to the affected CLECs. Below is an example of how this measure would work.

Example:

Metric #		Performance For Month 1	Performance for Month 2	Performance for Month 3	Performance for Month 4
PR-9-01	% On Time Hot Cut Loop	84%	91%	91%	91%
PR-6-02	% Installation Troubles Reported within 7 Days – Hot Cut Loop	2%	3.5%	2%	3.5%
	Credit for the Month	\$1,405,833	\$702,917	\$0	\$0

In month 1, Verizon VA did not satisfy the more stringent requirements of Tier II and \$1,405,833 in bill credits would be due.

In month 2, Verizon VA satisfied the performance standard under Tier II, but not the less severe standard under Tier I. Bill credits would be due, however, because Verizon VA failed to meet the Tier I standard two months in a row. (Month 1 counts against Verizon VA.) In month 3 both the Tier I and II standards were met, Verizon VA would owe nothing.

³⁹ % On Time – Hot Cut Loop performance will be adjusted such that any missed appointment for customer reasons – due to late FOC will be counted as a miss.

In month 4, the Tier I performance standard was not met, but no bill credits would be due since Tier I requires Verizon VA to fail these performance standards two months in a row. Verizon VA service in month 3 was satisfactory. Month 5 would determine whether bill credits would be due under either Tier I or Tier II.

APPENDIX I

[Effective Date]

[8/23/02](#)[\[Draft 2/13/03\]](#) [\[In final document, insert the date on which the revised VA PAP will go into effect.\]](#)

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CHANGE CONTROL ASSURANCE PLAN

VERIZON VIRGINIA INC.

[Effective Date]

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TABLE I-A – Change Control Measures

INTRODUCTION

To ensure that Verizon Virginia Inc. (“Verizon VA”), will execute the Change Control process in an expeditious and non-discriminatory manner, Verizon VA will undertake the actions set forth in this Change Control Assurance Plan (the “CCAP”). A total of \$17.58 million in bill credits will be at risk to CLECs if Verizon VA provides unsatisfactory service for the four measures in this Plan.

THE CHANGE CONTROL MEASURES AND BILL CREDITS

The following measures are included in this Plan:

1. PO-4-01: % Change Management Notices Sent on Time;
2. PO-4-03: Change Management Notice Delay 8 plus Days;
3. PO-6-01: % Software Validation; and
4. PO-7-04: Delay Hours - Failed/Rejected Test Transactions - No

Workaround.

Attached hereto as Appendix A is a chart that provides the standards that will be applied to each of the above measures and the total amount of bill credits associated with each standard. If a performance measure is missed according to its standards, bill credits will be paid to all CLECs purchasing Unbundled Network Elements (“UNEs”) or resold services. CLECs will receive bill credits on a prorated basis of the total credit determined using Appendix A based on their lines in service. This Plan will use the same mechanisms set forth in the Performance Assurance Plan for determining “lines in service.” (See PAP Section II (C)(2))

Under this Change Control Assurance Plan, Verizon VA will retain the right to

withdraw any proposed software release prior to the item being put into final production. If Verizon VA exercises this right, it will not be deemed to have violated the requirements set forth in PO-4-01, PO-4-03, PO-6-01 or PO-7-04 and will not be subject to the payment of bill credits under those measures.

The initial amount of annual bill credits for all CLECs will be \$7.03 million under this Plan. If, however, the bill credits due to the CLECs under this Plan exceed \$7.03 million in any year,⁴⁰ an additional amount of \$10.55 million will be at risk from the bill credit amounts allocated to the Mode of Entry Categories in the Performance Assurance Plan. Thus, a total of \$17.58 million will be available for bill credits for the Change Control measures. Bill credit payments for Change Control measures will be given priority over bill credits for the MOE categories.

The Commission will have the authority to reallocate the monthly distribution of bill credits between and among any provisions of the PAP and the CCAP. The Commission will give the Company 15 days notice prior to the beginning of the month in which the reallocation will occur. Any reallocation will be done pursuant to Commission order.

MONTHLY REPORTS

Each month Verizon VA will issue a report on its performance on the above measures to each CLEC providing service in Virginia.⁴¹ The reports will be CLEC specific and will indicate the scores on the measures, the aggregate amount of bill credits, if any, that Verizon VA must provide pursuant to the standards set forth in Table I-A, and the specific amount of bill credits

⁴⁰ The "year" will be measured from the first day that the Virginia PAP [first went into effect \(October 1, 2002\)](#) becomes effective.

that will appear on the individual CLEC's bill. All CLECs with multiple bill accounts must inform Verizon VA as to which of their accounts should receive any bill credits for the Change Control measures.

REVIEWS, UPDATES AND AUDITS

Annual reviews and updates will occur under this Plan until the Commission determines otherwise. However, Verizon VA and any other interested party, after consulting with Staff, may at any time recommend to the Commission modifications, additions, or deletions to the measures in this Plan or the bill credit allocations. Verizon VACLECs and any other interested parties will be given an opportunity to provide comments on any recommendations. In addition, Staff will have the right from time to time, on 60-days notice to Verizon VA, to conduct an audit of data reported in the monthly reports.⁴²

EXCEPTION PROCESS

Verizon VA will have the right to file a petition with the Commission seeking to have the standards contained in Table I-A waived or modified either for future or past periods. The Commission shall grant such a request if it determines that the application of one or more of the standards contained in Table I-A would not serve the public interest. The application of one or more parts of Table I-A would not serve the public interest if Verizon VA could not, through any reasonable efforts, prevent results that do not satisfy the standards. Verizon VA's petition must include all information that demonstrates how the measure was missed. It shall also include a recalculation of the measure with the challenged information excluded from the calculations. CLECs and other interested parties will be given an opportunity to respond to any Verizon VA petition for an Exception. In the event the Commission rules in Verizon VA's favor, Verizon VA will have the right to offset any paid bill credits against any future bill credits that may come due for either the Change Control measures or Performance Assurance Plan measures.

TERM OF PLAN FOR THE CHANGE CONTROL PROCESS

The Change Control Assurance Plan will have the same term as the Performance Assurance Plan. It will remain in effect, as modified from time to time by the Commission, until the Commission rescinds the Performance Assurance Plan or develops a replacement mechanism.

⁴¹ Verizon-VA's performance on the other Change Control metrics will be reported in the monthly C2C reports.

⁴² Unlike ~~the~~ most of the measures in the [PAPP-A-P](#), the recording of data for each of the measures in this Plan will be done manually.

FULLY INTEGRATED DOCUMENT

The terms and provisions of this Plan are submitted in their entirety to the Commission for approval. This Plan represents a fully integrated statement of the commitments Verizon VA will undertake, including the payment of bill credits for unsatisfactory performance under the measures. It is not offered to the Commission for approval on a piecemeal basis.

TABLE I-A
1 PAGE
1

Change Control Performance Assurance Plan Measures

PO-4-01	% Change Management Notices Sent on Time			
	Performance Range (Notification and Confirmation for Types 3, 4 and 5 only)	≥ 95%	90 to 94.9%	< 90%
	Performance Credit	\$0	\$175,750	\$351,500
PO-4-03	Change Management Notice Delay 8 plus Days (Notification and Confirmation for Type 1, 2, 3, 4 and 5)			
	Performance Credit	\$17,575 per day		
PO-6-01	% Software Validation (See Note 1)			
	Performance Range	≤ 5%	5.1 to 10%	> 10%
	Performance Credit	\$0	\$70,300	\$703,000
PO-7-04	Delay Hours – Failed/Rejected Test Transactions – No Workaround (See Note 2)			
	Performance Credit	\$35,150 per day Per Release		

Note 1: Measured against releases pursuant to Change Notice Types 3, 4 and 5.

Note 2: PO-7-04 applies to failed Test Deck items executed by Verizon VA in PO-6-01 and applies until all errors reported in PO-6-01 are fixed.

Verizon Virginia Performance Assurance Plan Report

UNE Platform

<Month>

PO	Pre-Ordering	Performance		Observations		Diff.	Perf. Score	Wgt.	Wgted. Score
		VZ	CLEC	VZ	CLEC				
PO-1-01-6020	Customer Service Record - EDI								
PO-1-03-6020	Address Validation - EDI								
PO-2-02-6020	OSS Interface Availability - Prime - EDI								
PO-1-01-6030	Customer Service Record - CORBA								
PO-1-03-6030	Address Validation - CORBA								
PO-2-02-6030	OSS Interface Availability - Prime - CORBA								
PO-1-01-6050	Customer Service Record - Web GUI								
PO-1-03-6050	Address Validation - Web GUI								
PO-2-02-6080	OSS Interface Availability - Prime - Web GUI								

OR	Ordering	Performance		Observations		Diff.	Perf. Score	Wgt.	Wgted. Score
		VZ	CLEC	VZ	CLEC				
OR-1-02-3143	% On Time LSRC - Flow Through - Platform - 2hrs								
OR-2-02-3143	% On Time LSR Reject - Flow Through - Platform								
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent								
OR-4-16-3000	% On Time PCN - 1 Business Day								
OR-4-17-3000	% On Time BCN - 2 Business Day								
OR-5-03-3143	% Flow Through - Achieved - POTS								
OR-6-03-3143	% Accuracy - LSRC - Platform								
OR-1-04-3143	% OT LSRC - No Facility Check - Platform								
OR-1-06-3143	% OT LSRC/ASRC - Facility Check - Platform								
OR-2-04-3143	% OT LSR Rej.- No Facility Check - Platform								
OR-2-06-3143	% OT LSR/ASR Rej. - Facility Check - Platform								

PR	Provisioning	Performance		Observations		VZ Std Deviation	Sampling Error	Diff.	Perf. Score	Wgt.	Wgted. Score
		VZ	CLEC	VZ	CLEC						
PR-3-01-3140	% Completed in 1 Day (1-5 Lines - No Disp) - Platform										
PR-4-05-3140	% Missed Appointment- VZ - No Dispatch - Platform										
PR-4-04-3140	% Missed Appointment - VZ - Dispatch - Platform										
PR-4-02-3100	Average Delay Days - Total - POTS										
PR-5-01-3140	% Missed Appointment - Facilities - Platform										
PR-5-02-3140	% Orders Held for Facilities > 15 days - Platform										
PR-6-01-3121	% Installation Troubles within 30 days - Platform										

MR	Maintenance & Repair	Performance		Observations		VZ Std Deviation	Sampling Error	Diff.	Perf. Score	Wgt.	Wgted. Score
		VZ	CLEC	VZ	CLEC						
MR-1-01-2000	Avg. Response Time - Create Trouble										
MR-1-06-2000	Avg. Response Time - Test Trouble (POTS only)										

MR-3-01-3144	% Missed Repair Appointments - Loop - Platform - Bus										
MR-3-02-3144	% Missed Repair Appointments - CO - Platform - Bus										
MR-4-02-3144	Mean Time to Repair - Loop Trouble - Platform - Bus										
MR-4-03-3144	Mean Time to Repair - CO Trouble - Platform - Bus										
MR-4-06-3144	% Out of Service >4 Hours - Platform - Bus										
MR-4-07-3144	% Out of Service >12 Hours - Platform - Bus										
MR-4-08-3144	% Out of Service > 24 Hours - Platform - Bus										
MR-3-01-3145	% Missed Repair Appointments - Loop -Platform - Res										
MR-3-02-3145	% Missed Repair Appointments - CO - Platform - Res										
MR-4-02-3145	Mean Time to Repair - Loop Trouble - Platform - Res										
MR-4-03-3145	Mean Time to Repair - CO Trouble - Platform - Res										
MR-4-06-3145	% Out of Service >4 Hours - Platform - Res										
MR-4-07-3145	% Out of Service >12 Hours - Platform - Res										
MR-4-08-3145	% Out of Service > 24 Hours - Platform - Res										
MR-5-01-3140	% Repeat Reports w/in 30 days - Platform										

BI	Billing	Performance		Observations		VZ Std Deviation	Sampling Error	Diff.	Perf. Score	Wgt.	Wgted. Score
		VZ	CLEC	VZ	CLEC						
BI-1-02-2030	% DUF in 4 Business Days										
"NA" - no activity "UD" - under development "SS" - Small Sample								Totals			

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

**Verizon Virginia
Performance Assurance Plan Report**

UNE LOOP

<Month>

PO	Pre-Ordering	Performance		Observations		Diff.	Perf. Score	Wgt.	Wgtd. Score
		VZ	CLEC	VZ	CLEC				
PO-1-01-6020	Customer Service Record - EDI								
PO-1-03-6020	Address Validation -EDI								
PO-2-02-6020	OSS Interface Availability - Prime - EDI								
PO-1-01-6030	Customer Service Record - CORBA								
PO-1-03-6030	Address Validation - CORBA								
PO-2-02-6030	OSS Interface Availability - Prime - CORBA								
PO-1-01-6050	Customer Service Record - Web GUI								
PO-1-03-6050	Address Validation - Web GUI								
PO-2-02-6080	OSS Interface Availability - Prime - Web GUI								
OR Ordering									
OR-1-02-3331	% On Time LSRC - Flow Thru - Loop/Pre-Qual - 2hrs								
OR-2-02-3331	% On Time LSR Reject - Flow Thru - Loop/Pre-Qual								
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent								
OR-4-16-3000	% On Time PCN - 1 Business Day								
OR-4-17-3000	% On Time BCN - 2 Business Day								
OR-5-03-3331	% Flow Through - Achieved - POTS								
OR-6-03-3331	% Accuracy - LSRC - Loop								
OR-1-04-3331	% OT LSRC - No Facility Check - Loop/LNP								
OR-1-06-3331	% OT LSRC/ASRC - Facility Check - Loop/LNP								
OR-2-04-3331	% OT LSR Rej - No Facility Check - Loop/LNP								
OR-2-06-3331	% OT LSR/ASR Rej - Facility Check - Loop/LNP								
PR Provisioning									
PR-4-02-3100	Average Delay Days - Total - POTS					VZ Std Deviation	Sampling Error	Stat. Score	
PR-4-04-3113	% Missed Appointment - VZ - Dispatch - Loop-New								
PR-5-01-3112	% Missed Appointment - Facilities - Loop								
PR-5-02-3112	% Orders Held for Facilities > 15 days - Loop								
PR-6-01-3112	% Installation Troubles within 30 days - Loop								
PR-6-02-3520	% Installation Troubles within 7 days - Hot Cut								
PR-9-01-3520	% On Time Performance - Hot Cut								
MR Maintenance & Repair									
MR-1-01-2000	Avg. Response Time - Create Trouble							Diff.	
Stat. Score									
MR-3-01-3550	% Missed Repair Appointments - Loop - Loop								
MR-4-02-3550	Mean Time to Repair - Loop Trouble - Loop								
MR-4-07-3550	% Out of Service > 12 Hours - Loop								
MR-4-08-3550	% Out of Service > 24 Hours - Loop								
MR-5-01-3550	% Repeat Reports w/in 30 days - Loop								
MR-3-02-3550	% Missed Repair Appointments - CO - Loop								
MR-4-03-3550	Mean Time to Repair - CO Trouble - Loop								
								Totals	

"NA" - no activity "UD" - under development "SS" - Small Sample

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

**Verizon Virginia
Performance Assurance Plan Report**

RESALE

<Month>

PO	Pre-Ordering	Performance		Observations		Diff.	Perf. Score	Wgt.	Wgtd. Score
		VZ	CLEC	VZ	CLEC				
PO-1-01-6020	Customer Service Record - EDI								
PO-1-03-6020	Address Validation -EDI								
PO-2-02-6020	OSS Interface Availability - Prime - EDI								
PO-1-01-6050	Customer Service Record - Web GUI								
PO-1-03-6050	Address Validation - Web GUI								
PO-2-02-6080	OSS Interface Availability - Prime - Web GUI								
OR Ordering									
OR-1-02-2320	% On Time LSRC -Flow Thru -POTS/Pre-Qualified Complex -2hrs								
OR-2-02-2320	% On Time LSR Rej - Flow Thru - POTS/Pre-Qualified Complex								
OR-4-11-2000	% Completed Orders with neither a PCN or BCN Sent								
OR-4-16-2000	% On Time PCN - 1 Business Day								
OR-4-17-2000	% On Time BCN - 2 Business Day								
OR-5-03-2000	% Flow Through - Achieved - POTS								
OR-6-03-2000	% Accuracy - LSRC								
OR-1-04-2100	% OT LSRC - No Facility Check - POTS/Pre-Qual Cmplx								
OR-1-06-2320	% OT LSRC/ASRC - Facility Check - POTS/Pre-Qual Cmplx								
OR-2-04-2320	% OT LSR Rej - No Facility Check - POTS/Pre-Qual Cmplx								
OR-2-06-2320	% OT LSR/ASR Rej - Facility Check - POTS/Pre-Qual Cmplx								
PR Provisioning									
		VZ	CLEC	VZ	CLEC	VZ Std Deviation	Sampling Error	Stat. Score	
PR-3-01-2100	% Completed in 1 Day (1-5 lines - No Disp) - POTS Total								
PR-4-05-2100	% Missed Appointment- VZ - No Dispatch - POTS								
PR-4-04-2100	% Missed Appointment - VZ - Dispatch - POTS								
PR-4-02-2100	Average Delay Days - Total - POTS								
PR-5-01-2100	% Missed Appointment - Facilities - POTS								
PR-5-02-2100	% Orders Held for Facilities > 15 days - POTS								
PR-6-01-2100	% Installation Troubles within 30 days - POTS								
MR Maintenance & Repair									
								Diff.	
MR-1-01-2000	Average Response Time - Create Trouble								
MR-1-06-2000	Average Response Time - Test Trouble (POTS only)								
								Stat Score	
MR-3-01-2110	% Missed Repair Appointments - Loop - Bus.								
MR-3-02-2110	% Missed Repair Appointments - CO - Bus.								
MR-4-02-2110	Mean Time To Repair - Loop Trouble - Bus.								
MR-4-03-2110	Mean Time To Repair - CO Trouble - Bus.								
MR-4-06-2110	% Out of Service > 4 Hours - POTS - Bus								
MR-4-07-2110	% Out of Service > 12 Hours - POTS - Bus.								
MR-4-08-2110	% Out of Service > 24 Hours - POTS - Bus.								
MR-3-01-2120	% Missed Repair Appointments - Loop - Res.								
MR-3-02-2120	% Missed Repair Appointments - CO - Res.								
MR-4-02-2120	Mean Time To Repair - Loop Trouble - Res.								
MR-4-03-2120	Mean Time to Repair - CO Trouble - Res.								
MR-4-06-2120	% Out of Service > 4 Hours - POTS - Res.								
MR-4-07-2120	% Out of Service > 12 Hours - POTS - Res.								
MR-4-08-2120	% Out of Service > 24 Hours - POTS - Res.								
MR-5-01-2100	% Repeat Reports w/in 30 days - POTS								
BI Billing									
BI-1-02-2030	% DUF in 4 Business Days								
	"NA" - no activity "UD" - under development "SS" - Small Sample							Totals	

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Verizon Virginia Performance Assurance Plan Report

DSL

<Month>

PO	Pre-Ordering	Performance		Observations		Diff.	Perf. Score	Wgt	Wgt'd Score
		VZ	CLEC	VZ	CLEC				
PO-1-06-6020	Mechanized Loop Qualification - EDI								
PO-2-02-6020	OSS Interface Availability - Prime - EDI								
PO-1-06-6030	Mechanized Loop Qualification - CORBA								
PO-2-02-6030	OSS Interface Availability - Prime - CORBA								
PO-1-06-6050	Mechanized Loop Qualification - Web GUI								
PO-2-02-6080	OSS Interface Availability - Prime - Web GUI								
PO-8-01-2000	% On Time - Manual Loop Qualification								
PO-8-02-2000	% On Time - Engineering Record Request								
OR Ordering									
OR-1-04-1341	% On Time LSRC - No Facility Check - 2W Digital -UNE/Resale								
OR-1-06-1341	% OT LSRC/ASRC - Facility Check - 2W Digital -UNE/Resale								
OR-2-04-1341	% On Time LSR Rej - No Facility Check - 2W Digital -UNE/Resale								
OR-2-06-1341	% OT LSR/ASR Rej - Facility Check - 2W Digital -UNE/Resale								
OR-1-04-3342	% On Time LSRC - No Facility Check - 2W xDSL Loops								
OR-1-06-3342	% On Time LSRC/ASRC - Facility Check - 2W xDSL Loops								
OR-2-04-3342	% OT LSR Rej - No Facility Check - 2W xDSL Loops								
OR-2-06-3342	% On Time LSR/ASR Rej - Facility Check - 2W xDSL Loops								
OR-1-04-3340	% OT LSRC - No Facility Check - Line Share/Split								
OR-1-06-3340	% On Time LSRC/ASRC - Facility Check - Line Share/Split								
OR-2-04-3340	% OT LSR Rej - No Facility Check - Line Share/Split								
OR-2-06-3340	% OT LSR/ASR Rej - Facility Check - Line Share/Split								
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent								
OR-4-16-3000	% On Time PCN - 1 Business Day								
OR-4-17-3000	% On Time BCN - 2 Business Day								
PR Provisioning									
PR-4-02-1341	Average Delay Days -Total -2W Digital -UNE/Resale								
PR-4-04-1341	% Missed Appointment -Dispatch -2W Digital -UNE/Resale								
PR-4-05-1341	% Missed Appointment -No Dispatch -2W Digital -UNE/Resale								
PR-6-01-1341	% Install. Troubles w/in 30 Days -2W Digital -UNE/Resale								
PR-8-01-1341	Open Orders In Hold Status >30 Days -2W Digital -UNE/Resale								
PR-3-10-3342	% Comp w/in 6 Days (1-5 lines) Tot -2W xDSL Loops								
PR-4-02-3342	Average Delay Days -Total -2W xDSL Loops								
PR-4-14-3342	% Completed On Time -2W xDSL Loops								
PR-6-01-3342	% Installation Troubles w/in 30 Days -2W xDSL Loops								
PR-8-01-3342	Open Orders in Hold Status >30 Days -2W xDSL Loops								
PR-3-03-3340	% Completed w/in 3 Days (1-5 lines) No Disp -Line Share/Split								
PR-3-03-3340	% Completed w/in 3 Days (1-5 lines) No Disp -Line Share/Split								
PR-4-02-3340	Average Delay Days -Total -Line Share/Split								
PR-4-04-3340	% Missed Appointment -Dispatch -Line Share/Split								
PR-4-05-3340	% Missed Appointment -No Dispatch -Line Share/Split								
PR-6-01-3340	% Installation Troubles w/in 30 Days -Line Share/Split								
PR-8-01-3340	Open Orders in Hold Status >30 Days -Line Share/Split								
MR Maintenance & Repair									
MR-1-01-2000	Average Response Time - Create Trouble								
MR-3-01-1341	% Missed Repair Appt -Loop -2W Digital -UNE/Resale								
MR-3-02-1341	% Missed Repair Appt -CO -2W Digital -UNE/Resale								
MR-4-02-1341	Mean Time To Repair -Loop -2W Digital -UNE/Resale								
MR-4-03-1341	Mean Time To Repair -CO Trouble -2W Digital -UNE/Resale								
MR-4-04-1341	% Cleared (all troubles) w/in 24 Hours -2W Digital -UNE/Resale								
MR-4-07-1341	% Out of Service >12 Hours -2W Digital -UNE/Resale								
MR-5-01-1341	% Repeat Reports w/in 30 Days -2w Digital -UNE/Resale								
MR-3-01-3342	% Missed Repair Appt -Loop -2W xDSL Loops								
MR-3-02-3342	% Missed Repair Appointment -CO -2W xDSL Loops								
MR-4-02-3342	Mean Time To Repair -Loop -2W xDSL Loops								
MR-4-03-3342	Mean Time To Repair -CO -2W xDSL Loops								
MR-4-04-3342	% Cleared (all troubles) w/in 24 Hours -2W xDSL Loops								
MR-4-07-3342	% Out of Service >12 Hours -2W xDSL Loops								
MR-5-01-3342	% Repeat Reports w/in 30 Days -2W xDSL Loops								
MR-3-01-3340	% Missed Repair Appointment -Loop -Line Share/Split								
MR-3-02-3340	% Missed Repair Appointment -CO -Line Share/Split								
MR-4-02-3340	Mean Time To Repair -Loop -Line Share/Split								
MR-4-03-3340	Mean Time To Repair -CO -Line Share/Split								
MR-4-04-3340	% Cleared (all troubles) w/in 24 Hours -Line Share/Split								
MR-4-07-3340	% Out of Service >12 Hours -Line Share/Split								
MR-5-01-3340	% Repeat Reports w/in 30 Days -Line Share/Split								
"NA" - no activity "UD" - under development "SS" - Small Sample							Totals		

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Verizon Virginia Performance Assurance Plan Report

TRUNKS

<Month>

OR Ordering	Performance CLEC		Observations VZ CLEC					Perf. Score	Wgt.	Wgtd. Score	
OR-1-12-5020 % OT Firm Order Confirmations (<=192 Forecasted Trunks)											
OR-1-13-5020 % On Time Design Layout Record											
OR-1-19-5020 % On Time Response - Request for Inbound Augment (<=192)											
OR-2-12-5000 % On TimeTrunk ASR Reject											
PR Provisioning	VZ	CLEC	VZ	CLEC	VZ Standard Deviation	Sample Error	Stat. Score				
PR-4-07-3540 % On Time Performance - LNP only											
PR-4-15-5000 % On Time Provisioning - Trunks											
PR-5-01-5000 % Missed Appointment - Facilities											
PR-5-02-5000 % Orders Held for Facilities >15 Days											
PR-6-01-5000 % Installation Troubles w/in 30 Days											
PR-8-01-5000 Open Orders in a Hold Status >30 Days											
MR Maintenance & Repair											
MR-4-01-5000 Mean Time to Repair - Total											
MR-4-05-5000 % Out of Service >2 Hours											
MR-4-06-5000 % Out of Service >4 Hours											
MR-4-07-5000 % Out of Service >12 Hours											
MR-4-08-5000 % Out of Service >24 Hours											
MR-5-01-5000 % Repeat Reports w/in 30 Days											
NP Network Performance											
NP-1-03-5000 # of Final Trunk Groups Blocked 2 months											
NP-1-04-5000 # of Final Trunk Groups Blocked 3 months											
"NA" - no activity "UD" - under development "SS" - Small Sample								Totals			

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Verizon Virginia			<Month>							
CRITICAL MEASURES			UNE-Platform	UNE-Loop	Resale	DSL	Trunks	Specials	Resolution	Total
4	PR-4-07	% On Time Performance - LNP								
5		Hot Cut Performance								
	PR-6-02	% Installation Troubles within 7 days - Hot Cut								
	PR-9-01	% On Time Performance - Hot Cut								
MAINTENANCE										
6		Maintenace Performance								
	MR-3-01	% Missed Repair Appointments - Loop - Bus.								
	MR-3-01	% Missed Repair Appointments - Loop - Res.								
	MR-3-01	% Missed Repair Appointments - Loop								
	MR-3-01	% Missed Repr Appt -Loop-2W Digtl-UNE/Resale								
	MR-3-01	% Missed Repr Appt -Loop -2W xDSL Loops								
	MR-3-01	% Missed Repair Appoint -Loop -Line Share/Split								
	MR-4-04	% Cleared(all trbls) w/in 24hrs-2W Dig-UNE/Resale								
	MR-4-04	% Cleared (all trbls) w/in 24hrs-2W xDSL Loops								
	MR-4-04	% Cleared (all troubles) w/in 24 Hours -Line Share/Split								
	MR-4-08	% Out of Service >24Hrs. - Bus.								
	MR-4-08	% Out of Service >24Hrs. - Res.								
	MR-4-08	% Out of Service >24Hrs. - Total								
	MR-5-01	% Repeat Reports within 30 Days								
	MR-5-01	% Repeat Reports w/in 30 Days-2w Digital-UNE/Resale								
	MR-5-01	% Repeat Reports w/in 30 Days -2W xDSL Loops								
	MR-5-01	% Repeat Reports w/in 30 Days -Line Share/Split								
	MR-4-01	Mean Time to Repair - nonDS0 & DS0 -UNE/Resale								
	MR-4-01	Mean Time to Repair - DS1 & DS3 -UNE/Resale								
	MR-4-06	% Out of Service>4 Hrs - nonDS0 & DS0 -UNE/Resale								
	MR-4-08	%Out of Service>24 Hrs - nonDS0 & DS0 -UNE/Resale								
	MR-4-06	% Out of Service > 4 Hours - DS1 & DS3 -UNE/Resale								
	MR-4-08	% Out of Service > 24 Hours - DS1 & DS3 -UNE/Resale								
	MR-5-01	% Repeat Reports w/in 30 days -Specials -UNE/Resale								
NETWORK PERFORMANCE										
7	NP-1-04	Final Trunk Groups Blocked								
8		Collocation								
	NP-2-01/2	% OT Response to Request for Collocation - Total								
	NP-2-05/6	% On Time - Physical Collocation - Total								
	NP-2-07/8	Average Delay Days - Total								
RESOLUTION PROCESS										
9		Resolution Process								
	OR-10-01	% PON Exceptions Resolved w/in 3 Bus Days								
	OR-10-02	% PON Exceptions Resolved w/in 10 Bus Days								
	BI-3-04	% CLEC Billing Claims Acknwldgd w/ 2 Bus Days								
	BI-3-05	%CLEC Billing Claims Rslvd w/in 28 Cal. Days after Ack.								
Month Total										

Under the provisions of the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Performance Report for Critical Measure # 8 - Collocation

NP	Network Performance	CLEC Perf.	CLEC Obs.	Perf. Score	Wgt.
NP-2-01/2	% OT Response to Request for Collocation - Total				
NP-2-05/6	% On Time - Physical Collocation - Total				
NP-2-07/8	Average Delay Days - Total				

Performance Report for Critical Measure # 9 - Resolution Performance

Resolution Timeliness		CLEC Perf.	CLEC Obs.	Perf. Score	Wgt.
OR-10-01	% PON Exceptions Resolved w/in 3 Bus Days				
OR-10-02	% PON Exceptions Resolved w/in 10 Bus Days				
BI-3-04	% CLEC Billing Claims Acknowledged within Two Business Days				
BI-3-05	% CLEC Billing Claims Resolved w/in 28 Calendar Days after Ack.				

Performance Report for Critical Measures - Specials

OR	Ordering	CLEC Perf.	CLEC Obs.	Perf. Score	Wgt.
OR-1-04-1200	% OT LSRC -No Facil Ck(Elec.-No FT) -All Specials -UNE/Resale				
OR-1-06-1200	% OT LSRC/ASRC -Facil Ck(E -No FT) -All Specials -UNE/Resale				
OR-2-04-1200	% OT LSR Rej -No Facil Ck (Elec.-No FT) -UNE/Resale				
OR-2-06-1200	% OT LSR/ASR Reject -Facil Check (Electronic) -UNE/Resale				

PR	Provisioning	VZ	VZ	Std Dev.	Sample Error	Stat. Score	Perf. Score	Wgt.
PR-4-01-1210	% Missed Appointment -VZ -DSO -UNE/Resale							
PR-4-01-1211	% Missed Appointment -VZ -DS1 -UNE/Resale							
PR-4-01-1213	% Missed Appointment -VZ -DS3 -UNE/Resale							
PR-4-01-1200	% Missed Appointment -VZ -Other -UNE/Resale							
PR-4-02-1200	Average Delay Days - Total -UNE/Resale							
PR-5-01-1200	% Missed Appointment - Facilities -UNE/Resale							
PR-5-02-1200	% Orders Held for Facilities > 15 days -UNE/Resale							
PR-6-01-1200	% Installation Troubles within 30 days -UNE/Resale							
PR-8-01-1200	Open Orders in a Hold Status > 30 Days -UNE/Resale							
PR-4-01-3510	% Missed Appointment - VZ - Total - EEL							
PR-4-02-3510	Average Delay Days - Total - EEL							
PR-8-01-3510	Open Orders in a Hold Status >30 Days -EEL							
PR-4-01-3530	% Missed Appointment - VZ - Total - IOF							
PR-4-02-3530	Average Delay Days - IOF							
PR-8-01-3530	Open Orders in a Hold Status >30 Days -IOF							

MR	Maintenance & Repair							
MR-4-01-1216	Mean Time to Repair - nonDS0 & DS0 -UNE/Resale							
MR-4-01-1217	Mean Time to Repair - DS1 & DS3 -UNE/Resale							
MR-4-06-1216	% Out of Service > 4 Hours - nonDS0 & DS0 -UNE/Resale							
MR-4-08-1216	% Out of Service > 24 Hours - nonDS0 & DS0 -UNE/Resale							
MR-4-06-1217	% Out of Service > 4 Hours - DS1 & DS3 -UNE/Resale							
MR-4-08-1217	% Out of Service > 24 Hours - DS1 & DS3 -UNE/Resale							
MR-5-01-1200	% Repeat Reports w/in 30 days -UNE/Resale							

"NA" - no activity "UD" - under development "SS" - Small Sample

Total

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Special Provision - UNE Ordering

<Month>

% On Time Observations Market Adj.

OR-1-04	% OT LSRC - No Facility Check - POTS
OR-1-06	% OT LSRC/ASRC - Facility Check - POTS
OR-2-04	% OT LSR Rej.- No Facility Check - POTS
OR-2-06	% OT LSR/ASR Rej. - Facility Check - POTS

Total Market Adj*

* For allocation, any UNE Ordering market adjustment is combined with the MOE UNE market adjustment allocation.

UNE Platform allocation

UNE Loop allocation

Special Provision - UNE Flow Through

OR-5-01-3000	% Flow Through - Total - POTS & Specials	OR-5-03-3143	% Flow Through - Achieved - POTS
--------------	--	--------------	----------------------------------

Month	%	Observations Gross #	Flow-thru	Month	%	Observations Gross #	Flow-thru
<Prior Prior>				<Prior Prior>			
<Prior>				<Prior>			
<Current>				<Current>			
Overall				Overall			

Market Adjustment *

* For allocation, any Flow Through market adjustment is combined with the MOE UNE market adjustment allocation.

UNE Platform allocation

UNE Loop allocation

Special Provision - Hot Cut - Loop Performance

	% On Time Current Mo.	Observations	% On Time Prior Month	Observations
PR-9-01-3520	% On Time Performance - Hot Cut			
	%Troubles		%Troubles Prior Month	
PR-6-02-3520	% Installation Troubles within 7 days - Hot Cut			

Greater of - Tier I (2 mo) or Tier II (1mo) Total

Market Adjustment *

* For allocation purposes, any Hot Cut market adjustment is combined with the Critical measure market adjustment allocation.

Special Provision - UNE Ordering

<Month>

% On Time Observations Market Adj.

OR-1-04	% OT LSRC - No Facility Check - POTS
OR-1-06	% OT LSRC/ASRC - Facility Check - POTS
OR-2-04	% OT LSR Rej.- No Facility Check - POTS
OR-2-06	% OT LSR/ASR Rej. - Facility Check - POTS

Total Market Adj*

* For allocation, any UNE Ordering market adjustment is combined with the MOE UNE market adjustment allocation.

UNE Platform allocation

UNE Loop allocation

Special Provision - UNE Flow Through

OR-5-01-3000	% Flow Through - Total - POTS & Specials	OR-5-03-3143	% Flow Through - Achieved - POTS
--------------	--	--------------	----------------------------------

Month	%	Observations Gross #	Flow-thru	Month	%	Observations Gross #	Flow-thru
<Prior Prior>				<Prior Prior>			
<Prior>				<Prior>			
<Current>				<Current>			
Overall				Overall			

Market Adjustment *

* For allocation, any Flow Through market adjustment is combined with the MOE UNE market adjustment allocation.

UNE Platform allocation

UNE Loop allocation

Special Provision - Hot Cut - Loop Performance

	% On Time Current Mo.	Observations	% On Time Prior Month	Observations
PR-9-01-3520	% On Time Performance - Hot Cut			
	%Troubles		%Troubles Prior Month	
PR-6-02-3520	% Installation Troubles within 7 days - Hot Cut			

Greater of - Tier I (2 mo) or Tier II (1mo) Total

Market Adjustment *

* For allocation purposes, any Hot Cut market adjustment is combined with the Critical measure market adjustment allocation.

Verizon Virginia

Change Control Assurance Plan

<Month>

% On Time Observations Mrkt Adj.

PO-4-01 % Change Management Notices sent on Time (type 3,4,5)

* Cumulative number of delay days greater than 8 standard **Delay Days*** Observations

PO-4-03 Change Management Notice Delay 8 plus Days (type 1-5)

% Test Deck Test Deck
Wgt. Failure Wgt.

PO-6-01 % Software Validation

* Cumulative number of delay hours greater than 48 hour standard **Delay Hours*** Observations

**PO-7-04 Delay Hours - Failed/Rejected Test Deck Transactions
Transactions failed, no workaround**

Total Market Adjustment

UNE Platform allocation

UNE Loop allocation

Resale allocation

DSL allocation

Verizon Virginia

PAP/CCAP Market Adjustment Summary

	<Month>	Weighted <u>Score</u>	Market <u>Adjustment</u>
MODE OF ENTRY			
Unbundled Network Elements - Platform			
Unbundled Network Elements - Loop			
Resale			
Digital Subscriber Lines			
Trunks			

Mode of Entry Total

CRITICAL MEASURES

- 1 OSS Interface
- 2 % On Time Ordering Notification
- 3 Installation Performance
- 4 % On Time Performance - LNP
- 5 Hot Cut Performance
- 6 Maintenance Performance
- 7 Final Trunk Groups Blocked
- 8 Collocation
- 9 Resolution Processes

Critical Measure Total

-

Individual Rule Payments:

Not Shown (needs two months of data)

SPECIAL PROVISIONS

- UNE Ordering
- UNE Flow Through
- UNE Hot Cut Loop

Special Provision Total

CHANGE CONTROL

Grand Total

Under the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

PERFORMANCE ASSURANCE PLAN

VERIZON VIRGINIA INC.

[Insert the date on which the revised VA PAP will go into effect (First day of the second calendar month after the month in which the Commission approves the revised VA PAP)]

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PERFORMANCE ASSURANCE PLAN

INTRODUCTION

The Virginia Performance Assurance Plan (“Virginia PAP”) is a self-executing remedy plan that will ensure Verizon Virginia Inc. (“Verizon VA”) provides quality wholesale services to competitive carriers after Verizon VA has gained entry into the long distance market pursuant to Section 271 of the Telecommunications Act of 1996. The Virginia PAP is in compliance with orders issued by the Virginia State Corporation Commission (“Commission”). The Change Control Assurance Plan (“CCAP”) contained in Appendix I is also in compliance with these orders.

A. The Virginia PAP

The Virginia PAP has three major components: (1) the metrics used to report performance; (2) the methodology used to determine billing credits, including service segmentation, scoring method, and other rules described in the plan document; and (3) the dollars at risk. Each of these components is summarized below and is discussed in more detail in the following sections and Appendices.

1. Measures and Standards

The Commission has adopted the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports” (“C2C”) for evaluating Verizon VA’s wholesale performance. The C2C measures include hundreds of individual data points that track and report on performance. Some metrics are compared with analogous Verizon retail services to ensure parity of service and others, where no retail analog exists, are reviewed on the basis of absolute standards. As in New York, where the C2C measures and standards were incorporated into the PAP, the Virginia PAP incorporates the same C2C measures and standards.

2. Methodology

(a) Service Segmentation

The Virginia PAP includes three service segmentations: Mode of Entry (“MOE”), Critical Measures, and Special Provisions.

The MOE segment measures the overall level of service on an industry-wide basis for each method or mode by which carriers can enter the local exchange market under the Telecommunications Act of 1996, *i.e.* Resale, Unbundled Network Elements – Platform (“UNE-Platform”), Unbundled Network Elements – Loop (“UNE-Loop”), Interconnection (“Trunks”) and Digital Subscriber Line (“DSL”). Any bill credits generated in any one of these modes are allocated to competitors purchasing those types of services. The MOE component of the Virginia PAP is fully described in Section II.C. and in Appendices A and E.

The Critical Measures component measures performance in critical areas that have been identified as most important to the provision of quality service. These measures are a subset of the measures included in the MOE segment measurements for Resale, UNE-Platform, UNE-Loop, Trunks and DSL, and include additional measures for Collocation, Specials, and Resolution Process. Additional bill credits will be provided for performance on these measures that fail to meet the standards. This segment provides a mechanism to assure that carriers are receiving non-discriminatory service on an individual basis. The complete list of Critical Measures is enumerated in Appendix B and scoring/credit calculations are in Appendix F.

The Special Provisions segment focuses on a number of measures that are viewed as measuring key aspects of Verizon VA’s performance. This segment establishes targets that Verizon VA must achieve for flow-through, order processing, hot-cuts, Local Service Request confirmations, and reject notices. Verizon VA will provide bill credits to those carriers who

received service below target levels. The Special Provisions measures are described in Section II.E. and Appendix H.

(b) Change Control Assurance

Verizon is also subject to a separate Change Control Assurance Plan (“CCAP”). Change Control is designed to measure Verizon’s performance in implementing revisions to OSS interfaces and business rules that affect CLECs. The Change Control process is common to carriers operating in Virginia and New York. Under the Change Control Assurance Plan, \$7.03 million in bill credits will be available to all CLECs in Virginia for unsatisfactory performance on four Change Control metrics. Change Control credits are described in Section II. B.2.

(c) Statistical Test

The Virginia PAP uses statistical methodologies as one means to determine if “parity” exists between Verizon VA’s wholesale and retail performance. The statistical methodology is described in Appendix D.

(d) Scoring

Each of the measures within the MOE segment is graded with a 0, -1, or -2 based on the statistical analysis and the magnitude of its Z-statistic for the month. The performance score for each metric is then weighted. These weights were developed to reflect the importance of that metric in determining that markets are open to competition. Critical Measures performance is scored against sliding scales based on the statistical score and the magnitude of the difference between wholesale service and the applicable standards. Special Provisions are scored against absolute standards of performance. Each of the scoring, weighting, and credit distribution processes is contained in the Appendices.

(e) *Self-executing aspects*

Verizon VA will report its performance on the Virginia PAP on a monthly basis. Within 30 days of the close of the second month after the month in which performance is being reviewed, PAP credits will be processed for each CLEC.

As used in this paragraph and Footnote 1, the term “Agreement” means and includes an agreement under 47 U.S.C. §§ 251 and 252, any other agreement for interconnection, network elements, or services, and an amendment to any of the foregoing agreements. With regard to an Agreement that becomes effective on or after April 1, 2002, if the Virginia PAP and the Agreement both grant a carrier bill credits, payments, or other financial benefits, incentives, remedies or penalties, against Verizon VA as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance, Verizon VA shall receive a credit against the amount due to the carrier under the Virginia PAP as a result of Verizon VA’s acts, omissions, performance, or failure or deficiency in performance, equal to the amount due to the carrier under the Agreement as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance.⁴³

The Virginia PAP first went into effect October 1, 2002. This revised version of the Virginia PAP dated [insert the date on which the revised VA PAP will go into effect] will go into effect [insert the date on which the revised VA PAP will go into effect].

⁴³ With regard to an Agreement that becomes effective on or after April 1, 2002, the Commission has elected not to address at the time the Virginia PAP is initially being adopted, the questions of whether such an Agreement should include provisions that grant the CLEC service quality, warranty or performance related bill credits, payments, or other financial benefits, incentives, remedies or penalties, against Verizon VA, and, if such provisions are to be included, what the provisions should be. These questions may be raised by Verizon VA or CLECs at a later time in the Commission’s Virginia PAP proceeding. These questions may also be raised by Verizon VA or CLECs in the arbitration of Agreements, or in other appropriate proceedings.

3. Dollars at Risk

The structure of the Virginia PAP includes three credit categories: Mode of Entry, Critical Measures, and Special Provisions. Each category has a Virginia-specific credit schedule and cap which are presented in greater detail in the Appendices. The Virginia PAP contains a maximum dollar amount at risk. The total cap for Verizon VA is \$205.96 million which is made up of a Virginia PAP cap of \$198.93 million and a CCAP cap of \$7.03 million. The distribution of dollars is as follows:

	Dollars at Risk (millions)
Mode of Entry	\$52.72
Doubling of MOE	\$52.72
Critical Measures	\$69.59
Special Provisions	
Flow Through	\$7.03
Hot Cut Performance	\$16.87
PAP Total	\$198.93
CCAP	\$7.03
Verizon Total	\$205.96

Conditions for doubling of the MOE dollars at risk are explained fully in Section II.C.2. In addition, there is an additional category for Special Provisions associated with ordering that provides for an additional \$16.87 million, paid from the MOE dollars at risk, if Verizon VA does not meet service standards and has not reached the cap level for MOE. If Verizon VA's performance results in payments that reach the overall monetary cap, the Commission, at its discretion, may open a proceeding to resolve the underlying service problem. The Commission retains the discretion to investigate extraordinary wholesale service performance issues and to take appropriate corrective action.

4. Accurate Reporting of Data

The validation of Verizon VA's performance reporting was included as part of the independent, third-party OSS testing conducted by KPMG. Going forward, the Virginia PAP reporting of results will be subject to an annual audit. The first audit will begin 6 months after long distance entry.

PROVISIONS OF THE PLAN

L. Measures, Methods of Analysis and Standards

1. Measures

The measures and standards in the Virginia PAP have been taken directly from the current version of the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports (the “Guidelines”), which were initially developed in Commission Case No. PUC-2001-00206 and cover the areas of Pre-order, Ordering, Provisioning, Maintenance and Repair, Billing and Network Performance ” The Commission has adopted the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports” for evaluating Verizon VA’s compliance with the requirements of the Telecommunications Act of 1996. The measures and standards in the Guidelines have been revised by the Commission since their initial adoption, and it is expected that further revisions will be adopted to reflect the needs of the competitive marketplace.

2. Methods of Analysis

Verizon VA will use two interrelated methods to monitor wholesale performance to CLECs on the performance measurements. The first method is designed to measure Verizon VA’s overall Section 271 performance in five categories that correspond to the methods or modes CLECs use to enter the local exchange market: Resale; UNE-Platform; UNE-Loop; Trunks; and DSL. This is referred to as the Mode of Entry (“MOE”) Measurements method, and a total of \$52.72 million in annual bill credits, with potential for doubling per the provisions in Section II.C.2, will be available to CLECs if Verizon VA provides the maximum allowable unsatisfactory performance in all five MOE categories. (See Appendix A.) The MOE measurements provide a mechanism to measure the overall level of Verizon VA’s service to the entire CLEC industry in the five areas.

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

The second method, referred to as the Critical Measures measurements, measures Verizon VA's performance in critical areas, on both a CLEC-specific and a CLEC-aggregate basis. The Critical Measures are also grouped by the five categories used in MOE and, in addition, include measures for Specials, Collocation and the Resolution Process.⁴⁴ These measures are a subset of the measures included in the MOE segment measurements for Resale, UNE-Platform, UNE-Loop, Trunks and DSL, and include additional measures for Collocation, Specials and Resolution Process. A total of \$69.59 million in annual bill credits will be available to CLECs if Verizon VA provides the maximum allowable out of parity performance on all Critical Measures. (See Appendix B.) The Critical Measures cover Verizon VA's service in areas critical to the CLECs and provide a mechanism to assure that CLECs on an individual basis are receiving non-discriminatory service.

In addition, this Plan contains a "Special Provisions" segment that focuses on a number of UNE measures that measure key aspects of Verizon VA's performance after it gains entry into the InterLATA long distance market. In order to assure that Verizon VA will provide satisfactory service in these key areas, *e.g.*, flow through and hot cuts, \$23.90 million is made available in addition to the \$122.31 million available under the MOE and Critical Measures for bill credits for measures in MOE and Critical Measures. In addition, \$16.87 million will be available for certain UNE ordering measures, to be paid from the MOE dollars at risk, if Verizon VA does not meet service standards and has not reached the cap level for MOE. (See Section II.E. *infra.*)

⁴⁴ The Resolution Process includes measures for the resolution of PON related-trouble tickets and billing claims.

3. Standards

Each measure will be evaluated according to one of two standards. For the measures where a Verizon VA retail analog exists, a “parity” standard will be applied.⁴⁵ For those measures where no retail analogs are available, an absolute standard has been specified as a surrogate to determine whether Verizon VA is providing non-discriminatory service to the CLECs. The metrics with absolute standards are displayed in Appendix C.

M. Distribution Of The MOE and Critical Measures Credits

1. Distribution of Bill Credits

Annual bill credits totaling \$52.72 million are attributed to the MOE measures and are distributed to each of the MOE categories in amounts that reflect the importance of that MOE to the local exchange competition. These amounts can double to \$105.44 million in annual bill credits. (*See* section II.C.2 below.) Each month one-twelfth (1/12) of the annual amount will be available for bill credits. (*See* Appendix A.) An analogous principle has been applied to the \$69.59 million associated with Critical Measures bill credits. (*See* Appendix B.)

2. Reallocation of Potential Bill Credits

The Commission will have the authority to reallocate the monthly distribution of bill credits between and among any provisions of the Plan and the Change Control Assurance Plan, which is discussed below hereto. The Commission will give the Company 15 days notice prior to the beginning of the month in which the reallocation will occur. Any reallocation will be done pursuant to Commission order.

N. MOE Scoring And Bill Credit Calculations

1. Scoring

The measures and standards for the MOE measurements have been placed into five categories: Resale, UNE-Platform, UNE-Loop, Interconnection (Trunks) and DSL. Since the 1996 Act requires that Verizon VA provide interconnection “that is at least equal in quality” to that provided to itself, and “nondiscriminatory access” to unbundled elements, each month Verizon VA will apply statistical tests, which are described in Appendix D, to Verizon VA and CLEC performance data to develop t scores or equivalent permutation or Fisher’s Exact Test scores for the measures.⁴⁶ These statistical scores will be converted into a performance score for each MOE measure as follows:

<u>Statistical Score</u>	<u>Performance Score</u>
$Z \leq -1.645$	-2
$-1.645 < Z \leq -0.8225$	-1
$-0.8225 < Z$	0

For small sample sizes of measures with a parity standard, the Permutation Test will be applied to obtain the statistical scores, which will be converted into a performance score. (See Appendix D.) For small sample sizes of measures with absolute standards, a small sample size table will be applied to obtain the performance scores. Measures with absolute standards

⁴⁵ The parity measures in the Plan fall into two categories: Measured variables and Counted variables. Measured variables are metrics of means or averages, such as mean time to repair. Counted variables are metrics of proportions such as percent measures.

⁴⁶ The statistical methodologies set forth in Appendix D were taken from the New York State Carrier-to-Carrier Guidelines Performance Standards and Reports in Case 97-C-0139.

will be given a performance score of 0, -1, or -2 depending on the performance for that measure. (See Appendix C.)

Thus, for each of the measures within the five MOE categories, Verizon VA's performance will be graded 0, -1, or -2. Each measure with a performance score of -1 in a given month will be subject to change, depending upon the score for that measure in the next two months. Should Verizon VA maintain a performance score of 0 for the next two months, then the score in the original month will be changed from -1 to 0.⁴⁷ The 0 would then be used in conjunction with all of the other metrics in that MOE category to determine an aggregate score. A score of -2 in a given month will not be subject to change based upon performance in subsequent months. The performance score for each metric will then be weighted, based upon the importance of the metric in determining whether that MOE is open to competition. (See Appendix A, which lists the weights for the MOE measurements.) The weighted scores will then be aggregated (averaged) by each MOE category (Resale, UNE-Platform, UNE-Loop, Interconnection and DSL), producing an overall weighted score for each of the five categories.

2. Bill Credit Calculations

If Verizon VA's overall (aggregate) performance score in the five categories falls below a minimum score in any given month, wholesale price reductions in the form of bill credits will be implemented and remain in effect for one month.⁴⁸ If an overall score falls to the maximum score or below, the maximum wholesale price reduction will be implemented. Scores between

⁴⁷ If there is no activity or insufficient sample for evaluation of a metric in either or both of the two subsequent months, the performance score from the previous month or scores from the previous 2 months will be used in that order to obtain two scores to determine the outcome of the -1 in the month under evaluation. If two scores cannot be obtained from the four months (2 forward and 2 back), the -1 in the month under evaluation will be changed to a 0.

⁴⁸ The intent is that the minimum score for each MOE category corresponds to the threshold at which there is a 95% certainty that parity does not exist.

the minimum and maximum scores will also be entitled to credits pursuant to a credit table for each MOE category. Credit Tables with the range of scores between the minimum and maximum and the applicable rates appear in Appendix A. The bill credits payable to the CLECs will be determined each month by dividing the amount from the table in Appendix A by the actual monthly volumes of the CLEC units in service. The measurement units for each of the MOEs is as follows:

1. UNE Loop – Lines in service at end of month;
2. UNE – Platform – Lines in service at end of month;
3. Resale – Lines in service at end of month;
4. Interconnection (Trunks) – Minutes of use in month; and
5. DSL – Lines in service at end of month.⁴⁹

The maximum scores represent the maximum allowable out of parity condition. The minimum and maximum performance scores and the start point percentages are as follows:

⁴⁹

For the purpose of the Plan:

- ~~1.3.~~ Lines in service for UNE – Platform means UNE-Platform lines.
- ~~2.4.~~ Lines in service for UNE-Loop means UNE 2-Wire analog loops.
3. Lines in service for Resale means Resale POTS lines.
4. Trunks – minutes of use per month.
5. Lines in service for DSL means Resale 2-Wire Digital Services, UNE 2-Wire Digital loops, UNE 2-Wire xDSL loops, UNE line shared loops, and UNE Line Split loops.

	<u>Minimum Market Adj.</u>	<u>Maximum Market Adj.</u>	<u>% Market Adj. at Minimum</u> ⁵⁰
UNE - Platform	-0.25292	-0.67000	20%
UNE - Loop	-0.24862	-0.67000	20%
Resale	-0.24715	-0.67000	20%
Interconnection	-0.21429	-1.00000	20%
DSL	-0.23024	-0.67000	20%

If an aggregate MOE score is less than one half the difference (*i.e.*, below the midpoint) between the minimum and maximum scores in any one of the five MOE categories for three consecutive months, the amounts in the credit tables in Appendix A for that same three-month period will be doubled for the applicable MOE category. (The midpoints for the MOEs are delineated in Appendix A.) The amounts in Appendix A will remain doubled until such time as Verizon VA achieves a score of one quarter (or greater) the difference between the minimum and maximum scores in that category in any given month. Appendix E provides a detailed step-by-step description of how the MOE performance scores and bill credits will be calculated and distributed to the CLECs.

3. The Domain Clustering Rule

Domain Clustering will provide CLECs with an additional layer of protection under the MOE mechanism. The term Domain refers to four service quality measures, (*i.e.*, Pre-Order, Ordering, Provisioning, and Maintenance and Repair)⁵¹ that are included in the UNE – Platform, UNE-Loop, Resale and DSL MOEs. Under the Domain Clustering Rule, each Domain will be reviewed each month. If 75% or more of the respective Ordering, Provisioning, or Maintenance

⁵⁰ The “% Market Adj. At Minimum” indicates the amount of monthly bill credits that will be due to CLECs if Verizon VA trips the minimum score. For example, if Verizon VA were to score -.253 on the UNE – Platform MOE in a month, 20% of the \$2,636,000 monthly amount would be due. (*See* Appendix A.)

and Repair Domain weights are tripped, the higher of the clustering overlay or overall market score will be used to determine the market adjustments for the UNE – Platform, UNE - Loop, Resale and DSL MOEs. The same rule will apply to the Pre-Ordering Domain, except that the clustering overlay would be effective if all Pre-Ordering response time measures failed at the -2 level, in which case 75% would be used in the overlay calculations. The Domain Clustering methodologies are set forth in detail in Appendix E.

O. Critical Measures Scoring And Bill Credit Calculations

1. Scoring

Verizon VA's performance in these measurement categories is critical to the CLECs' ability to compete in the Virginia local exchange market. Should Verizon VA performance miss the applicable performance standards for even *one* of these categories, eligible CLECs will be entitled to bill credits. (See Appendix B.) The statistical tests and performance scoring mechanism described in the MOE section also apply to these measures.⁵²

2. Bill Credit Calculations

For each Critical Measure, Verizon VA's performance for all CLECs during a given month will be averaged. Should the resulting performance score in any one category fall to -1 or below ("sub-standard performance"),⁵³ 50% of the maximum bill credits for that measure will be payable to eligible CLECs. The eligible CLECs are all those CLECs that received Sub-Standard Performance during that month (the "Aggregate Rule"). In addition, should

⁵¹ The domains do not include billing.

⁵² To the extent that a Critical Measure contains more than one measure, the weights from Appendix A will be used to determine the amount of bill credits available for the individual measure.

⁵³ The permutation test will be used to derive Z and t scores for measures with small sample sizes as described in the Guidelines and Appendix D.

*any CLEC receive sub-standard performance for two consecutive months, bill credits for that CLEC will be implemented for the two month period, notwithstanding the fact that all CLECs on average may have received satisfactory performance during the two months (the "Individual Rule").*⁵⁴

Bill credits will increase by ten incremental amounts for performance scores between -1 and -2, or Z or t scores between -0.8225 and -1.645. The amounts payable to each CLEC will be in direct proportion to the amount of service that CLEC receives from Verizon VA compared to the other CLECs who received sub-standard performance pursuant to the critical measure. For example, under Critical Measure % Repeat Reports within 30 days, the percent of bill credits for an unsatisfactory score would be calculated by determining the number of lines a CLEC had compared to other CLECs that received sub-standard performance.⁵⁵ If a score falls to the maximum level, the maximum bill credits will be implemented for the Critical Measure in question.

Appendix F provides a detailed step-by-step description of how the Critical Measures scores and bill credits will be calculated and distributed to the CLECs.

P. Special Provisions – UNE Measures

A number of key measures have been identified that measure aspects of Verizon VA's performance on service quality items that are viewed as essential for CLECs to ensure their ability to effectively compete in the local service market. Accordingly, additional funds will be made available for these measures under the subparagraphs described below.

⁵⁴ If all CLECs on average received an aggregate score below -1 for both months, the individual CLEC with the below average score would be entitled to bill credits for the Critical Measure in question under the Aggregate Rule. Likewise, if all CLECs on average received an aggregate score below -1 for the first of the two months and an aggregate score above -1 for the second month, the individual CLEC with sub-standard performance during both months would be entitled to receive bill credits pursuant to the Aggregate Rule for the first month and pursuant to the Individual Rule for the second month. A CLEC is only entitled to receive Bill Credits under the Individual Rule if it receives a score of -1 or less in a Critical Measure category and the CLEC group on average received a score greater than -1 for the Critical Measure.

1. Flow Through Measures For UNEs

Verizon VA will make an additional \$7.03 million available for potential bill credits, which will be paid on a calendar quarterly basis, for the following flow through UNE metrics measured on a cumulative calendar quarterly basis: OR-5-01 “% Flow Through - Total” and OR-5-03 “% Flow Through Achieved.”⁵⁶ A performance standard of 80% will apply to OR-5-01, and a performance standard of 95% will apply to OR-5-03. If at the end of any calendar quarter Verizon VA has not achieved one of these two performance standards, it will distribute one-quarter of the annual amount available under this subsection in bill credits.⁵⁷ The bill credits will be available to all CLECs purchasing UNEs. Any amounts due will be credited based on the CLEC’s lines in service.⁵⁸ The scoring methodology for this measure is set forth in more detail in Appendix H.

2. UNE Ordering Performance

An additional \$1,405,833 per month, or \$16.87 million annually, will be made available for bill credits for four non-flow through UNE performance measures:

OR-1-04 % On Time LSRC/ASRC – No Facility Check (Electronic – No Flow Through) – Platform and Loop/Pre-Qualified Complex/LNP ;

⁵⁵ For Collocation – bill credits distribution will be determined by the cages completed during month, *i.e.*, collocation arrangements completed: all arrangements including (a) physical, (b) virtual and (c) other collocation arrangements provided under tariff.

⁵⁶ The definition of “% Flow Through Achieved” and the appropriate exclusions for this measure will be as set out in the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports.”

⁵⁷ For the calendar quarter in which the Virginia PAP first becomes effective, bill credits under this Section II.E.1 will be calculated based upon the performance for the calendar month in which the Virginia PAP becomes effective and the remaining calendar months (if any) in the calendar quarter in which the Virginia PAP becomes effective. Any bill credits due for such calendar quarter will be pro-rated based on the duration of the measurement period (*i.e.*, if the measurement is based on one month of performance data, the amount that would be due would be one-third of the full quarterly amount that would have been due had Verizon VA’s measured performance for that month been Verizon VA’s measured performance for a full calendar quarter).

⁵⁸ Lines in service will equal: UNE-Platform, and UNE Loops.

OR-1-06 % On Time LSRC/ASRC - Facility Check (Electronic – No Flow Through) – Platform and Loop/Pre-Qualified Complex/LNP;
OR-2-04 % On Time LSR/ASR Reject – No Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP; and,
OR-2-06 % On Time LSR/ASR Reject – Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP.

Funding for these additional bill credits will come from any unused MOE funds in a month or the six prior months. \$351,458 in bill credits per metric will be distributed under this section to all CLECs ordering UNEs based on the CLEC’s lines in service if performance is less than 90% on the respective measures. These credits will be distributed like the bill credits under Critical Measures, Aggregate Rule. (See Appendix H.)

3. Additional Hot Cut Performance Measures

An additional \$16.87 million for bill credits will be made available for service quality related to two Hot Cut Performance Measures: PR-9-01 “Missed Appointment - % on Time Performance - Hot Cut” and PR-6-02 “Installation Quality - % Installation Troubles Reported Within 7 Days.” Bill credits will be paid under this section if either of two events occurs:

- (a) *If for any two consecutive months, Verizon VA fails to achieve either 90% on-time performance for Hot Cuts or has greater than a 3.00% rate for installation troubles within 7 days for hot cuts, Verizon VA will distribute \$702,917 in bill credits to the affected CLECs. These credits will be distributed like the bill credits under Critical Measures, Aggregate Rule. If Verizon VA fails to meet either of these measures in the first month, but meets them in the second month, no bill credits will be due.*

- (c) *If for any one month, Verizon VA fails to achieve 85% on-time performance for Hot Cuts or scores greater than a 4.00% rate for installation troubles within 7 days for hot cuts, Verizon VA will distribute \$1,405,833 in bill credits to the affected CLECs for that month. These credits will be distributed like the bill credits under Critical Measures, Aggregate Rule. (See Appendix H.)*

Q. The Change Control Assurance Plan

A total of \$7.03 million will be placed at risk for the Change Control Process for those CLECs operating in Virginia. The credits will be made available using the same methodology used in New York. The Change Control process that is currently in place is common to systems in Virginia and New York. A copy of the currently effective CCAP is attached as Appendix I.

R. Monthly Reports

In order to ensure that there is timely information regarding Verizon VA's performance, Verizon VA will report its performance on a monthly basis. Each month, a report will be made available to all CLECs providing service in Virginia.

A sample copy of the report appears in Appendix G. The first five pages will provide information regarding the MOE measures and will include:

10. Verizon VA actual performance to its retail customers where such measures exist and to CLECs for each metric;
11. The number of observations for Verizon VA and the CLECs for each measure (where applicable);
12. The Verizon VA standard deviation (where applicable);
13. The sampling error (where applicable);
14. The appropriate statistical scores (where applicable)⁵⁹ or the difference between Verizon VA's and the CLECs' actual performance on the measure (where applicable);
15. A performance score for each measure;
16. The weight for each measure;

⁵⁹ Refer to Appendix D for a discussion of the appropriate statistical tests.

17. The weighted performance score; and
18. An aggregation of the performance scores, weighted performance scores, and aggregate bill credits, if any, due under each MOE.

The sixth and seventh pages will list the Critical Measures and the bill credits, if any, that are due for these measures on an aggregate CLEC basis. The eighth page will include performance details for Critical Measures for Network Performance, Specials and Resolution Processes. The ninth page will include Special Provisions. The tenth page will include a summary of the CCAP measures and the bill credits due, if any. The eleventh page will provide a summary of the total bill credits, if any, due the CLEC industry. In addition, CLEC specific reports will include bill credit amounts, if any, due to the individual CLEC for the MOE, Critical Measures and Special Provisions.⁶⁰ The monthly report will be provided within 29 days of the end of each month.⁶¹

Verizon VA will continue to provide a separate report on all measures established in the “Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports,” allowing for additions, deletions and other modifications ordered by the Commission. In addition, to the extent allowed by law, Verizon VA will make available CLEC-specific C2C electronic reports enabling those receiving the reports to evaluate performance at greater levels of detail.⁶² The C2C reports will be made available to any CLEC requesting the reports.

⁶⁰ The computer model that will be used to calculate the MOE and Critical Measures bill credits will be posted on Verizon VA’s Wholesale Website.

⁶¹ If the 29th day is a weekend or holiday, the monthly reports will be provided by the first subsequent business day.

⁶² A two-year statute of limitation on challenges to PAP performance will be adopted and effective July 29, 2003 for the June 2003 performance report. The initiation of this provision is contingent upon Verizon VA providing the algorithms, in a structured format, related to the PAP metrics to the Commission Staff prior to July 29, 2003. Verizon VA will provide notice to CLECs receiving PAP reports that it has satisfied this obligation.

S. Bill Credits Payment

As used in this paragraph and Footnote 1, the term “Agreement” means and includes an agreement under 47 U.S.C. §§ 251 and 252, any other agreement for interconnection, network elements, or services, and an amendment to any of the foregoing agreements. With regard to an Agreement that becomes effective on or after April 1, 2002, if the Virginia PAP and the Agreement both grant a carrier bill credits, payments, or other financial benefits, incentives, remedies or penalties, against Verizon VA as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance, Verizon VA shall receive a credit against the amount due to the carrier under the Virginia PAP as a result of Verizon VA’s acts, omissions, performance, or failure or deficiency in performance, equal to the amount due to the carrier under the Agreement as a direct result of the same Verizon VA acts, omissions, performance, or failure or deficiency in performance.⁶³

Credit amounts will be applied to an appropriate CLEC bill within 30 days of the close of the second month after the month under review.

If the bill credits exceed the balance due Verizon VA on the CLEC’s bill, the net balance will be carried as a credit on to the CLEC’s next month’s bill.

Verizon VA will issue checks in lieu of outstanding bill credits to CLECs that discontinue taking service from Verizon VA. Verizon VA may, however, exercise ordinary commercial means to ensure that it will not issue such a check prior to receipt of a CLEC’s undisputed payments due Verizon VA.

⁶³ See Footnote 1, above.

T. Term Of Performance Assurance Plan

The Plan first went into effect October 1, 2002. This revised version of the Plan dated [insert the date on which the revised VA PAP will go into effect] will go into effect [insert the date on which the revised VA PAP will go into effect]. The Commission will reevaluate the appropriateness of the Plan when Verizon VA eliminates its Section 272 affiliate. Until such time as a replacement mechanism is developed or the Plan is rescinded, the Plan will remain in effect, as it may be modified from time to time by the Commission.

U. Exceptions and Waiver Process

Recognizing that C2C service quality data may be influenced by factors beyond Verizon VA's control, Verizon VA may file Exception or Waiver petitions with the Commission seeking to have the monthly service quality results modified on three generic grounds. The first involves the potential for "clustering" of data, and the effect that such clustering has on the statistical models used in this Plan. The requirements of the clustering exception are set forth in Appendix D.

The second ground for filing an exception relates to CLEC behavior. If performance for any measure is impacted by unusual CLEC behavior, Verizon VA will bring such behavior to the attention of the CLEC and attempt to resolve the problem. Examples of CLEC behavior which may influence performance results include:

6. poor order quality, such as missing codes, incorrect codes or misspelled directory listings;
7. actions that cause excessive missed appointments, such as wrong addresses, wrong due dates or offered intervals shorter than the standard interval;

8. actions resulting in excessive multiple dispatch and repeat reports, such as incorrect dispatch information or inadequate testing by a CLEC;
9. inappropriate coding on orders, such as where extended due dates are desired and are not coded as such;
10. delays in rescheduling appointments when Verizon VA has missed an appointment.

If such action negatively influences Verizon VA's performance on any metric, Verizon VA will be permitted to petition for relief. The petition, which will be filed with the Commission and served on the CLEC, will provide appropriate, detailed documentation of the events, and will demonstrate that the CLEC behavior has caused Verizon VA to miss the service quality target. Verizon VA's petition must include all data that demonstrates how the measure was missed. It should also include information that excludes the data affected by the CLEC behavior. CLECs and other interested parties will be given an opportunity to respond to any Verizon VA petition for an Exception. If the Commission determines that the service results were influenced by inappropriate CLEC behavior, the data will be excluded from the monthly reports.

The third ground for filing a waiver relates to situations beyond Verizon VA's control that negatively affect its ability to satisfy only those measures with absolute standards. The performance requirements dictated by absolute standards establish the quality of service under normal operating conditions, and do not necessarily establish the level of performance to be achieved during periods of emergency, catastrophe, natural disaster, severe storms, work stoppage, or other events beyond Verizon VA's control.

Verizon VA may petition the Commission for a waiver of specific performance results for those metrics that have performance targets dictated by absolute standards, if Verizon VA's

performance results do not meet the specific standard. This waiver process shall not be available for those metrics for which Verizon VA's wholesale performance is measured by comparison to retail performance (parity metrics).

Any petition pursuant to this provision must demonstrate clearly and convincingly the extraordinary nature of the circumstances involved, the impact that the circumstances had on Verizon VA's service quality, why Verizon VA's normal, reasonable preparations for difficult situations proved inadequate, and the specific days affected by the event. The petition must also include an analysis of the extent to which the parity metrics (retail and wholesale) were affected by the subject event, and must be filed within 45 days from the end of month in which the event occurred.

The Commission will determine which, if any, of the daily and monthly results should be adjusted in light of the extraordinary event cited, and will have full discretion to consider all available evidence submitted. Insufficient filings may be dismissed for failure to make a *prima facie* showing that relief is justified.

V. Annual Review, Updates And Audits

1. Annual Review And Updates

Each year the Commission and Verizon VA will review the Performance Assurance Plan to determine whether any modifications or additions should be made. During this review, the Commission and Verizon VA can determine, among other things, whether: (1) measures and weights should be modified, added or deleted; (2) modifications should be made to the distribution of dollars at risk among the five MOE and Critical Measures categories; (3) geographic deaveraging should be adopted for reporting metric results; (4) the clustering and CLEC behavior exceptions included in Appendix D should be modified; (5) small sample size procedures should be modified; and (6) the methodologies used to calculate the bill credits should be modified.⁶⁴ All aspects of the Plan, however, will be subject to review. The annual review process may be initiated no more than six months before the anniversary date of Verizon VA's entry into the long distance market pursuant to Section 271. Any modifications to the Plan will be implemented as soon as is reasonably practical after Commission approval of the modifications.

4. Changes to the New York Plan

Changes to the New York Plan adopted by the New York PSC will be submitted to the Commission by Verizon VA within 10 days of their filing with the New York PSC for consideration by the Commission for inclusion in the Virginia PAP. Verizon VA and all other interested persons shall have an opportunity to submit comments to the Commission on whether

⁶⁴ In particular, during the first annual review, the methodology used to calculate amounts due to CLECs under the Individual Rule for bill credits under the Critical Measures category will be analyzed to determine whether the rule provides for an appropriate distribution of bill credits.

the changes to the New York Plan should be included in the Virginia PAP. Changes to the New York Plan will be included in the Virginia PAP only upon the Commission's approval.

5. Other Changes to the Virginia PAP

In addition to changes to the Virginia PAP that may be proposed for consideration by the Commission pursuant to Sections II.K.1 and 2, Verizon VA and any other interested person may at any time submit proposed changes to the Virginia PAP to the Commission for its consideration. Verizon VA and all other interested persons shall have an opportunity to submit comments to the Commission on whether the proposed changes should be included in the Virginia PAP. Changes will be included in the Virginia PAP only upon the Commission's approval.

4. Annual Audit

Each year the Commission will audit Verizon's data and reporting, with the first audit beginning 6 months after Verizon VA enters the Long Distance market in Virginia. The audits shall be performed, at the Commission's discretion, by either the Commission Staff or an independent auditor, selected by the Commission and paid for by Verizon. The first audit will include an examination of data reliability issues. Subsequent audits will include an examination of data reliability issues at the Commission's discretion. For at least the first six months after the Virginia PAP first becomes effective, the Commission Staff will replicate Verizon VA's performance reports to assure that the data in the reports accurately reflects the service quality being provided to the CLECs. The Commission may elect to continue the replication for as long as it deems necessary.

VERIZON VIRGINIA INC.

APPENDIX A

[Effective Date]

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5. Assignment of Dollars at Risk to MOE Categories on Monthly and Annual Basis
6. Minimum and Maximum Bill Credit Table

APPENDIX A – MODE OF ENTRY

2. Measures and Weights

Table A-1-1: Resale

Table A-1-2: Unbundled Network Elements – Platform

Table A-1-3: Unbundled Network Elements - Loop

Table A-1-4: Interconnection Trunks

Table A-1-5: DSL

Note: BOLD indicates Critical Measure

Table A-1-1: Resale - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-01-6020	Customer Service Record – EDI	2
PO-1-03-6020	Address Validation –EDI	2
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-01-6050	Customer Service Record - Web GUI	2
PO-1-03-6050	Address Validation - Web GUI	2
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	5
OR	Ordering	
OR-1-02-2320	% On Time LSRC -Flow Thru -POTS/Pre-Qualified Complex -2hrs	10
OR-2-02-2320	% On Time LSR Rej - Flow Thru - POTS/Pre-Qualified Complex	5
OR-4-11-2000	% Completed Orders with neither a PCN or BCN Sent	5
OR-4-16-2000	% On Time PCN - 1 Business Day	5
OR-4-17-2000	% On Time BCN - 2 Business Day	5
OR-5-03-2000	% Flow Through - Achieved – POTS	10
OR-6-03-2000	% Accuracy – LSRC	10
OR-1-04-2100	% OT LSRC -No Facil Ck(E -No Flow Thru)-POTS/Pre-Qual Cmplx	5
OR-1-06-2320	% OT LSRC/ASRC -Facil Ck(E -No F/T) -POTS/Pre-Qual Cmplx	2
OR-2-04-2320	% OT LSR Rej -No Facil Ck(E -No F/T) -POTS/Pre-Qual Cmplx	2
OR-2-06-2320	% OT LSR/ASR Rej -Facil Ck(E -No F/T) -POTS/Pre-Qual Cmplx	2
PR	Provisioning	
PR-3-01-2100	% Completed in 1 Day (1-5 lines - No Disp) - POTS Total	5
PR-4-05-2100	% Missed Appointment- VZ - No Dispatch - POTS	20
PR-4-04-2100	% Missed Appointment - VZ - Dispatch - POTS	10
PR-4-02-2100	Average Delay Days - Total – POTS	15
PR-5-01-2100	% Missed Appointment - Facilities - POTS	5
PR-5-02-2100	% Orders Held for Facilities > 15 days - POTS	5
PR-6-01-2100	% Installation Troubles within 30 days - POTS	15
MR	Maintenance & Repair	
MR-1-01-2000	Average Response Time - Create Trouble	2
MR-1-06-2000	Average Response Time - Test Trouble (POTS only)	2
MR-3-01-2110	% Missed Repair Appointments - Loop - Bus.	10
MR-3-02-2110	% Missed Repair Appointments - CO - Bus.	10
MR-4-02-2110	Mean Time To Repair - Loop Trouble - Bus.	5
MR-4-03-2110	Mean Time To Repair - CO Trouble - Bus.	5
MR-4-06-2110	% Out of Service > 4 Hours - POTS - Bus.	5
MR-4-07-2110	% Out of Service > 12 Hours - POTS - Bus.	5
MR-4-08-2110	% Out of Service > 24 Hours - POTS - Bus.	5
MR-3-01-2120	% Missed Repair Appointments - Loop - Res.	10
MR-3-02-2120	% Missed Repair Appointments - CO - Res.	10
MR-4-02-2120	Mean Time To Repair - Loop Trouble - Res.	5
MR-4-03-2120	Mean Time to Repair - CO Trouble - Res.	5
MR-4-06-2120	% Out of Service > 4 Hours - POTS – Res.	5
MR-4-07-2120	% Out of Service > 12 Hours - POTS - Res.	5
MR-4-08-2120	% Out of Service > 24 Hours - POTS - Res.	5
MR-5-01-2100	% Repeat Reports w/in 30 days - POTS	10
BI	Billing	
BI-1-02-2030	% DUF in 4 Business Days	5
	Total Weights For Resale MOE	263

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

Table A-1-2: Unbundled Network Elements - Platform - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-01-6020	Customer Service Record – EDI	2
PO-1-03-6020	Address Validation –EDI	2
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-01-6030	Customer Service Record - CORBA	2
PO-1-03-6030	Address Validation - CORBA	2
PO-2-02-6030	OSS Interface Availability - Prime - CORBA	5
PO-1-01-6050	Customer Service Record - Web GUI	2
PO-1-03-6050	Address Validation - Web GUI	2
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	5
OR	Ordering	
OR-1-02-3143	% On Time LSRC - Flow Thru - Platform - 2hrs	10
OR-2-02-3143	% On Time LSR Reject - Flow Thu - Platform	5
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent	5
OR-4-16-3000	% On Time PCN - 1 Business Day	5
OR-4-17-3000	% On Time BCN - 2 Business Day	5
OR-5-03-3000	% Flow Through - Achieved - POTS	5
OR-6-03-3143	% Accuracy - LSRC - Platform	5
OR-1-04-3143	% OT LSRC -No Facil Check(Elec.-No Flow Thru) -Platform	5
OR-1-06-3143	% OT LSRC/ASRC -Facil Ck(Elec.-No Flow Thru) -Platform	2
OR-2-04-3143	% OT LSR Rej.-No Facil Ck (Elec.-No Flow Thru) -Platform	2
OR-2-06-3143	% OT LSR/ASR Rej. -Facil Ck(Elec.-No Flow Thru) -Platform	2
PR	Provisioning	
PR-3-01-3140	% Completed in 1 Day (1-5 Lines - No Disp) - Platform	5
PR-4-05-3140	% Missed Appointment- VZ - No Dispatch - Platform	20
PR-4-04-3140	% Missed Appointment - VZ - Dispatch - Platform	10
PR-4-02-3100	Average Delay Days - Total - POTS	15
PR-5-01-3140	% Missed Appointment - Facilities - Platform	5
PR-5-02-3140	% Orders Held for Facilities > 15 days - Platform	5
PR-6-01-3121	% Installation Troubles within 30 days - Platform	10
MR	Maintenance & Repair	
MR-1-01-2000	Avg. Response Time - Create Trouble	2
MR-1-06-2000	Avg. Response Time - Test Trouble (POTS only)	2
MR-3-01-3144	% Missed Repair Appointments - Loop - Platform - Bus	10
MR-3-02-3144	% Missed Repair Appointments - CO Platform - Bus	10
MR-4-02-3144	Mean Time to Repair - Loop Trouble - Platform - Bus	5
MR-4-03-3144	Mean Time to Repair - CO Trouble - Platform - Bus	5
MR-4-06-3144	% Out of Service > 4 Hours – Platform - Bus.	5
MR-4-07-3144	% Out of Service > 12 Hours - Platform - Bus.	5
MR-4-08-3144	% Out of Service > 24 Hours - Platform - Bus	5
MR-3-01-3145	% Missed Repair Appointments - Loop -Platform - Res	10
MR-3-02-3145	% Missed Repair Appointments - CO - Platform - Res	10
MR-4-02-3145	Mean Time to Repair - Loop Trouble - Platform - Res	5
MR-4-03-3145	Mean Time to Repair - CO Trouble - Platform - Res	5
MR-4-06-3145	% Out of Service > 4 Hours – Platform – Res.	5
MR-4-07-3145	% Out of Service > 12 Hours – Platform - Res.	5
MR-4-08-3145	% Out of Service > 24 Hours – Platform - Res	5
MR-5-01-3140	% Repeat Reports w/in 30 days - Platform	10
BI	Billing	
BI-1-02-2030	% DUF in 4 Business Days	5
Total Weights For UNE Platform MOE		257

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

Table A-1-3: Unbundled Network Elements – Loop - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-01-6020	Customer Service Record - EDI	2
PO-1-03-6020	Address Validation -EDI	2
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-01-6030	Customer Service Record - CORBA	2
PO-1-03-6030	Address Validation - CORBA	2
PO-2-02-6030	OSS Interface Availability - Prime - CORBA	5
PO-1-01-6050	Customer Service Record - Web GUI	2
PO-1-03-6050	Address Validation - Web GUI	2
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	5
OR	Ordering	
OR-1-02-3331	% On Time LSRC - Flow Thru - Loop/Pre-Qual - 2hrs	10
OR-2-02-3331	% On Time LSR Reject - Flow Thu - Loop/Pre-Qual	5
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent	2
OR-4-16-3000	% On Time PCN - 1 Business Day	2
OR-4-17-3000	% On Time BCN - 2 Business Day	2
OR-5-03-3000	% Flow Through - Achieved - POTS	5
OR-6-03-3331	% Accuracy - LSRC - Loop	5
OR-1-04-3331	% OT LSRC -No Facil Ck(E -No F/T) -Loop/LNP	5
OR-1-06-3331	% OT LSRC/ASRC -Facil Ck(E -No F/T) -Loop/LNP	2
OR-2-04-3331	% OT LSR Rej -No Facil Ck(E -No F/T) -Loop/LNP	2
OR-2-06-3331	% OT LSR/ASR Rej -Facil Ck(E -No F/T) -Loop/LNP	2
PR	Provisioning	
PR-4-02-3100	Average Delay Days - Total - POTS	5
PR-4-04-3113	% Missed Appointment - VZ - Dispatch - Loop-New	20
PR-5-01-3112	% Missed Appointment - Facilities - Loop	5
PR-5-02-3112	% Orders Held for Facilities > 15 days - Loop	5
PR-6-01-3112	% Installation Troubles within 30 days - Loop	10
PR-6-02-3520	% Installation Troubles within 7 days - Hot Cut	15
PR-9-01-3520	% On Time Performance - Hot Cut	
MR	Maintenance & Repair	
MR-1-01-2000	Avg. Response Time - Create Trouble	2
MR-3-01-3550	% Missed Repair Appointments - Loop - Loop	10
MR-4-02-3550	Mean Time to Repair - Loop Trouble - Loop	5
MR-4-07-3550	% Out of Service > 12 Hours - Loop	5
MR-4-08-3550	% Out of Service > 24 Hours - Loop	5
MR-5-01-3550	% Repeat Reports w/in 30 days - Loop	10
MR-3-02-3550	% Missed Repair Appointments - CO - Loop	10
MR-4-03-3550	Mean Time to Repair - CO Trouble - Loop	5
Total Weights For UNE Loop MOE		181

Table A-1-4: Interconnection - Mode of Entry Weights

OR	Ordering	Weight
OR-1-12-5020	% OT Firm Order Confirmations (<=192 Forecasted Trunks)	5
OR-1-13-5020	% On Time Design Layout Record	10
OR-1-19-5020	% On Time Response - Request for Inbound Augment (<=192)	5
OR-2-12-5000	% On Time Trunk ASR Reject	5
PR	Provisioning	
PR-4-07-3540	% On Time Performance - LNP only	20
PR-4-15-5000	% On Time Provisioning Trunks	20
PR-5-01-5000	% Missed Appointment – Facilities	5
PR-5-02-5000	% Orders Held for Facilities >15 Days	5
PR-6-01-5000	% Installation Troubles w/in 30 Days	10
PR-8-01-5000	Open Orders in a Hold Status >30 Days	5
MR	Maintenance & Repair	
MR-4-01-5000	Mean Time to Repair – Total	5
MR-4-05-5000	% Out of Service > 2 Hours	5
MR-4-06-5000	% Out of Service > 4 Hours	5
MR-4-07-5000	% Out of Service > 12 Hours	5
MR-4-08-5000	% OOS > 24 Hours	5
MR-5-01-5000	% Repeat Reports w/in 30 Days	10
NP	Network Performance	
NP-1-03-5000	# of Final Trunk Groups Blocked 2 months	5
NP-1-04-5000	# of Final Trunk Groups Blocked 3 months	10
	Total Weights For Interconnection MOE	140

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

Table A-1-5: DSL - Mode of Entry Weights

PO	Pre-Ordering	Weight
PO-1-06-6020	Mechanized Loop Qualification - EDI	5
PO-2-02-6020	OSS Interface Availability - Prime - EDI	5
PO-1-06-6030	Mechanized Loop Qualification - CORBA	5
PO-2-02-6030	OSS Interface Availability - Prime - CORBA	2
PO-1-06-6050	Mechanized Loop Qualification - Web GUI	5
PO-2-02-6050	OSS Interface Availability - Prime - Web GUI	2
PO-8-01-2000	% On Time - Manual Loop Qualification	2
PO-8-02-2000	% On Time - Engineering Record Request	2
OR	Ordering	
OR-1-04	% On Time LSRC -No Facil Ck (E -No FT) -2W Digital -UNE/Resale	2
OR-1-06	% OT LSRC/ASRC -Facility Ck (E -No FT) -2W Digital -UNE/Resale	2
OR-2-04	% On Time LSR Rej -No Facil Ck(E- No FT) -2W Digital -UNE/Resale	2
OR-2-06	% OT LSR/ASR Rej -Facility Ck(E -No FT) -2W Digital -UNE/Resale	2
OR-1-04-3342	% On Time LSRC -No Facil Ck(E -No FT) -2W xDSL Loops	5
OR-1-06-3342	% On Time LSRC/ASRC -Facility Check(Elec) -2W xDSL Loops	5
OR-2-04-3342	% OT LSR Rej -No Facil Ck(E- No FT) -2W xDSL Loops	2
OR-2-06-3342	% On Time LSR/ASR Rej -Facility Check(Elec)-2W xDSL Loops	2
OR-1-04-3340	% OT LSRC -No Facility Check (E -No FT) -Line Share/Split	5
OR-1-06-3340	% On Time LSRC/ASRC -Facility Ck(E -No FT) -Line Share/Split	5
OR-2-04-3340	% OT LSR Rej -No Facil Ck(E- No FT) -Line Share/Split	2
OR-2-06-3340	% OT LSR/ASR Rej -Facility Ck(E- No FT) -Line Share/Split	2
OR-4-11-3000	% Completed Orders with Neither a PCN or BCN Sent	2
OR-4-16-3000	% On Time PCN - 1 Business Day	2
OR-4-17-3000	% On Time BCN - 2 Business Day	2
PR	Provisioning	
PR-4-02	Average Delay Days -Total -2W Digital -UNE/Resale	2
PR-4-04	% Missed Appointment -Dispatch -2W Digital -UNE/Resale	2
PR-4-05	% Missed Appointment -No Dispatch -2W Digital -UNE/Resale	2
PR-6-01	% Install. Troubles w/in 30 Days -2W Digital Loops -UNE/Resale	2
PR-8-01	Open Orders In Hold Status >30 Days -2W Digital -UNE/Resale	2
PR-3-10-3342	% Comp w/in 6 Days (1-5 lines) Tot -2W xDSL Loops	10
PR-4-02-3342	Average Delay Days -Total -2W xDSL Loops	10
PR-4-14-3342	% Completed On Time -2W xDSL Loops	10
PR-6-01-3342	% Installation Troubles w/in 30 Days -2W xDSL Loops	15
PR-8-01-3342	Open Orders in Hold Status >30 Days -2W xDSL Loops	5
PR-3-03	% Completed w/in 3 Days (1-5 lines) No Disp -Line Share/Split (**benchmark/parity)	10
PR-4-02	Average Delay Days -Total -Line Share/Split	10
PR-4-04	% Missed Appointment -Dispatch -Line Share/Split	5
PR-4-05	% Missed Appointment -No Dispatch -Line Share/Split	10
PR-6-01	% Installation Troubles w/in 30 Days -Line Share/Split	15
PR-8-01	Open Orders in Hold Status >30 Days -Line Share/Split	5
MR	Maintenance & Repair	
MR-1-01-2000	Average Response Time - Create Trouble	2
MR-3-01	% Missed Repair Appt -Loop -2W Digital -UNE/Resale	2
MR-3-02	% Missed Repair Appt -CO -2W Digital -UNE/Resale	2
MR-4-02	Mean Time To Repair -Loop -2W Digital -UNE/Resale	2
MR-4-03	Mean Time To Repair -CO Trouble -2W Digital -UNE/Resale	2
MR-4-04	% Cleared (all troubles) w/in 24 Hours -2W Digital -UNE/Resale	2
MR-4-07	% Out of Service > 12 Hours -2W Digital -UNE/Resale	2
MR-5-01	% Repeat Reports w/in 30 Days -2w Digital -UNE/Resale	2
MR-3-01-3342	% Missed Repair Appt -Loop -2W xDSL Loops	5
MR-3-02-3342	% Missed Repair Appointment -CO -2W xDSL Loops	5
MR-4-02-3342	Mean Time To Repair -Loop -2W xDSL Loops	5
MR-4-03-3342	Mean Time To Repair -CO -2W xDSL Loops	5
MR-4-04-3342	% Cleared (all troubles) w/in 24 Hours -2W xDSL Loops	5
MR-4-07-3342	% Out of Service > 12 Hours -2W xDSL Loops	10
MR-5-01-3342	% Repeat Reports w/in 30 Days -2W xDSL Loops	10
MR-3-01	% Missed Repair Appointment -Loop -Line Share/Split	5
MR-3-02	% Missed Repair Appointment -CO -Line Share/Split	5
MR-4-02	Mean Time To Repair -Loop -Line Share/Split	5
MR-4-03	Mean Time To Repair -CO -Line Share/Split	5
MR-4-04	% Cleared (all troubles) w/in 24 Hours -Line Share/Split	5

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MR-4-07	% Out of Service > 12 Hours - Line Share/Split	10
MR-5-01	% Repeat Reports w/in 30 Days -Line Share/Split	10
	Total Weights For DSL MOE	291

4. Mode of Entry: Dollars At Risk – \$52,720,000

	Resale	UNE-Platform	UNE-Loop	Trunks	DSL
Monthly	\$292,889	\$2,636,000	\$585,778	\$292,889	\$585,778
Annual	\$3,514,667	\$31,632,000	\$7,029,333	\$3,514,667	\$7,029,333

5. Minimum and Maximum Bill Credit Tables:

Table A-3-1: Resale

Table A-3-2: Unbundled Network Elements–Platform

Table A-3-3: Unbundled Network Elements-Loop

Table A-3-4: Interconnection Trunks

Table A-3-5: DSL

Table A-3-1: Resale

- Maximum of \$3,514,667 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.24715
- Mid-point between minimum and maximum = -0.45858

Score Range		Monthly Dollars:
<	And ³	
	-0.24715	\$0
-0.24715	-0.26941	\$58,578
-0.26941	-0.29166	\$70,910
-0.29166	-0.31392	\$83,242
-0.31392	-0.33617	\$95,574
-0.33617	-0.35843	\$107,906
-0.35843	-0.38068	\$120,239
-0.38068	-0.40294	\$132,571
-0.40294	-0.42519	\$144,903
-0.42519	-0.44745	\$157,235
-0.44745	-0.46970	\$169,567
-0.46970	-0.49196	\$181,899
-0.49196	-0.51421	\$194,232
-0.51421	-0.53647	\$206,564
-0.53647	-0.55872	\$218,896
-0.55872	-0.58098	\$231,228
-0.58098	-0.60323	\$243,560
-0.60323	-0.62549	\$255,892
-0.62549	-0.64774	\$268,225
-0.64774	-0.67000	\$280,557
-0.67000		\$292,889

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

Table A-3-2: Unbundled Network Elements-Platform

- Maximum of \$31,632,000 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.25292
- Mid-point between minimum and maximum = -0.46146

Score Range		Monthly Dollars:
<	And ³	
	-0.25292	\$0
-0.25292	-0.27487	\$527,200
-0.27487	-0.29682	\$638,189
-0.29682	-0.31877	\$749,179
-0.31877	-0.34073	\$860,168
-0.34073	-0.36268	\$971,158
-0.36268	-0.38463	\$1,082,147
-0.38463	-0.40658	\$1,193,137
-0.40658	-0.42853	\$1,304,126
-0.42853	-0.45048	\$1,415,116
-0.45048	-0.47244	\$1,526,105
-0.47244	-0.49439	\$1,637,095
-0.49439	-0.51634	\$1,748,084
-0.51634	-0.53829	\$1,859,074
-0.53829	-0.56024	\$1,970,063
-0.56024	-0.58219	\$2,081,053
-0.58219	-0.60415	\$2,192,042
-0.60415	-0.62610	\$2,303,032
-0.62610	-0.64805	\$2,414,021
-0.64805	-0.67000	\$2,525,011
-0.67000		\$2,636,000

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

Table A-3-3: Unbundled Network Elements-Loop

- Maximum of \$ 7,029,333 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.24862
- Mid-point between minimum and maximum = -0.45931

Score Range		Monthly Dollars:
<	And ³	
	-0.24862	\$0
-0.24862	-0.27080	\$117,156
-0.27080	-0.29298	\$141,820
-0.29298	-0.31515	\$166,484
-0.31515	-0.33733	\$191,149
-0.33733	-0.35951	\$215,813
-0.35951	-0.38169	\$240,477
-0.38169	-0.40387	\$265,142
-0.40387	-0.42604	\$289,806
-0.42604	-0.44822	\$314,470
-0.44822	-0.47040	\$339,135
-0.47040	-0.49258	\$363,799
-0.49258	-0.51475	\$388,463
-0.51475	-0.53693	\$413,127
-0.53693	-0.55911	\$437,792
-0.55911	-0.58129	\$462,456
-0.58129	-0.60347	\$487,120
-0.60347	-0.62564	\$511,785
-0.62564	-0.64782	\$536,449
-0.64782	-0.67000	\$561,113
-0.67000		\$585,778

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

Table A-3-4: Interconnection Trunks

- Maximum of \$3,514,667 per year
- Maximum Credit Performance Score “X” = -1.00000
- Minimum threshold = -0.21429
- Mid-point between minimum and maximum = -0.60715

Score Range		Monthly Dollars:
<	And ³	
	-0.21429	\$0
-0.21429	-0.27473	\$58,578
-0.27473	-0.33517	\$76,602
-0.33517	-0.39561	\$94,626
-0.39561	-0.45605	\$112,650
-0.45605	-0.51649	\$130,674
-0.51649	-0.57693	\$148,697
-0.57693	-0.63736	\$166,721
-0.63736	-0.69780	\$184,745
-0.69780	-0.75824	\$202,769
-0.75824	-0.81868	\$220,793
-0.81868	-0.87912	\$238,817
-0.87912	-0.93956	\$256,841
-0.93956	-1.00000	\$274,865
-1.00000		\$292,889

Table A-3-5: DSL

- Maximum of \$7,029,333 per year
- Maximum Credit Performance Score “X” = -0.67000
- Minimum threshold = -0.23024
- Mid-point between minimum and maximum = -0.45012

Score Range		Monthly Dollars:
<	And ³	
	-0.23024	\$0
-0.23024	-0.25339	\$117,156
-0.25339	-0.27653	\$141,820
-0.27653	-0.29968	\$166,484
-0.29968	-0.32282	\$191,149
-0.32282	-0.34597	\$215,813
-0.34597	-0.36911	\$240,477
-0.36911	-0.39226	\$265,142
-0.39226	-0.41540	\$289,806
-0.41540	-0.43855	\$314,470
-0.43855	-0.46169	\$339,135
-0.46169	-0.48484	\$363,799
-0.48484	-0.50798	\$388,463
-0.50798	-0.53113	\$413,127
-0.53113	-0.55427	\$437,792
-0.55427	-0.57742	\$462,456
-0.57742	-0.60056	\$487,120
-0.60056	-0.62371	\$511,785
-0.62371	-0.64685	\$536,449
-0.64685	-0.67000	\$561,113
-0.67000		\$585,778

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

APPENDIX B

[Effective Date]

Critical Measures Table B-1

CRITICAL MEASURES		UNE-Platform	UNE-Loop	Resale	DSL	Trunks	Specials	Other	Total
PRE-ORDERING									
1	OSS Interface	\$658,996	\$187,448	\$146,444	\$146,444				\$1,139,331
	PO-1-06 Mechanized Loop Qualification - EDI				48,815				
	PO-1-06 Mechanized Loop Qualification - CORBA				48,815				
	PO-1-06 Mechanized Loop Qualification - Web GUI				48,815				
	PO-2-02 OSS Interface Availability - Prime - EDI	219,665	62,483	73,222					
	PO-2-02 OSS Interface Availability - Prime - CORBA	219,665	62,483						
	PO-2-02 OSS Interface Availability - Prime - Web GUI	219,665	62,483	73,222					
ORDERING									
2	% On Time Ordering Notification	\$658,996	\$187,448	\$146,444	\$146,444	\$140,586	\$28,652		\$1,308,569
	OR-1-02 % On Time LSRC -Flow Through	439,331	156,207	97,629					
	OR-1-04 %OT LSRC-No Fac Ck(E-No FT)-2Wdig-UNE/Rsl				16,272				
	OR-1-04 %OT LSRC-No Fac Ck(E-No FT)-2W xDSL Loops				40,679				
	OR-1-04 %OT LSRC-No Fac Ck(E -No FT)-Ln Share/Split				40,679				
	OR-1-12 % On Time FOC					35,146			
	OR-1-13 % On Time Design Layout Record					70,293			
	OR-1-19 % OT Resp. -Req. for Inbound Aug. (<=192)					35,146			
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT)-2Wdig-UNE/Rsl				16,272				
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT)-2W xDSL Loops				16,272				
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT) -Ln Share/Split				16,272				
	OR-4-16 % On Time PCN - 1 Bus. Day	219,665		48,815					
			31,241						
	OR-1-04 %OT LSRC-No Fac Ck(E-No FT)-All Spcls-UNE/Rsl						9,551		
	OR-1-06 %OT LSRC/ASRC- Fac Ck(E-No FT)-All Spcls-UNE/Rsl						9,551		
	OR-2-04 %OT LSR Rej-No Fac Ck(E-No FT)-UNE/Resale						4,775		
	OR-2-06 %OT LSR/ASR Rej-Fac Ck (Elec) -UNE/Resale						4,775		
PROVISIONING									
3	Installation Performance	\$658,996	\$187,448	\$146,444	\$146,444	\$140,586	\$108,878		\$1,388,795
	PR-3-01 % Completed in 1 Day (1-5 lines No Disp.)	54,916		11,265					
	PR-4-02 Average Delay Days - Total	164,749	26,778	33,795					
	PR-4-02 Average Delay Days - Total - 2W Digital				3,529				
	PR-4-02 Average Delay Days - Total - 2W xDSL Loop				17,644				
	PR-4-02 Average Delay Days -Total -Line Share/Split				17,644				
	PR-4-04 Missed Appointments -Dispatch	109,833	107,113	22,530					
	PR-4-04 Missed Appts - Disp - 2W Digital UNE/Resale				3,529				
	PR-4-04 Missed Appts - Disp - Line Share/Split				8,822				
	PR-4-05 Missed Appointments - No Dispatch	219,665		45,060					
	PR-4-05 % Missed Appt -No Disp -2W Digital -UNE/Resale				3,529				
	PR-4-05 % Missed Appt -No Disp -Line Share/Split				17,644				
	PR-4-14 % Completed On Time - 2W xDSL Loops				17,644				
	PR-4-15 % On Time Provisioning - Trunks					93,724			
	PR-6-01 Installation Troubles w/in 30 Days	109,833	53,557	33,795		46,862			
	PR-6-01 % Install Trbls w/in 30 Days -2W Digital Loop -UNE/Resale				3,529				
	PR-6-01 % Install Trbls w/in 30 Days -2W xDSL Loops				26,466				
	PR-6-01 % Install Trbls w/in 30 Days -Line Share/Split				26,466				
	PR-4-01 % Missed Appointment -VZ -DSO -UNE/Resale						4,775		
	PR-4-01 % Missed Appointment -VZ -DS1 -UNE/Resale						4,775		
	PR-4-01 % Missed Appointment -VZ -DS3 -UNE/Resale						4,775		
	PR-4-01 % Missed Appointment -VZ -Other -UNE/Resale						4,775		

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	PR-4-02	Average Delay Days - Total -UNE/Resale						4,775		
	PR-5-01	% Missed Appointment - Facilities -UNE/Resale						19,101		
	PR-5-02	% Orders Held for Facilities > 15 days -UNE/Resale						19,101		
	PR-6-01	% Installation Troubles within 30 days -UNE/Resale						9,551		
	PR-8-01	Open Orders in Hold Status>30 Days-UNE/Resale						4,775		
	PR-4-01	% Missed Appointment - VZ - Total - EEL						9,551		
	PR-4-02	Average Delay Days - Total - EEL						4,775		
	PR-8-01	Open Orders in a Hold Status >30 Days -EEL						1,910		
	PR-4-01	% Missed Appointment - VZ - Total - IOF						9,551		
	PR-4-02	Average Delay Days - IOF						4,775		
	PR-8-01	Open Orders in a Hold Status >30 Days -IOF						1,910		
4	PR-4-07	% On Time Performance - LNP						\$140,586		\$140,586
5		Hot Cut Performance		\$187,448						\$187,448
	PR-6-02	% Installation Troubles within 7 days - Hot Cut								
	PR-9-01	% On Time Performance - Hot Cut								
MAINTENANCE										
6		Maintenance Performance	\$ 658,996	\$187,448	\$146,444	\$146,444	\$140,586	\$38,203		\$1,318,120
	MR-3-01	Missed Repair Appointments - Loop - Bus.	164,749		36,611					
	MR-3-01	Missed Repair Appointments - Loop - Res.	164,749		36,611					
	MR-3-01	Missed Repair Appointments - Loop		74,979						
	MR-3-01	% Missed Repr Appt -Loop-2W Digtl-UNE/Resale				6,367				
	MR-3-01	% Missed Repr Appt -Loop -2W xDSL Loops				15,918				
	MR-3-01	% Missed Repair Appoint -Loop -Line Share/Split				15,918				
	MR-4-04	% Cleared(all trbls) w/in 24hrs-2W Dig-UNE/Resale				6,367				
	MR-4-04	% Cleared (all trbls) w/in 24hrs-2W xDSL Loops				15,918				
	MR-4-04	% Cleared (all troubles) w/in 24 Hours -Line Share/Split				15,918				
	MR-4-08	Out of Service >24Hrs. - Bus.	82,375		18,305		46,862			
	MR-4-08	Out of Service >24Hrs. - Res.	82,375		18,305					
	MR-4-08	Out of Service >24Hrs. - Total		37,490						
	MR-5-01	% Repeat Reports within 30 Days	164,749	74,979			93,724			
	MR-5-01	% Repeat Reports w/in 30 Days-2w Digital-UNE/Resale			36,611					
	MR-5-01	% Repeat Reports w/in 30 Days -2W xDSL Loops				6,367				
	MR-5-01	% Repeat Reports w/in 30 Days -Line Share/Split				31,836				
	MR-4-01	Mean Time to Repair - nonDS0 & DS0 -UNE/Resale				31,836		4,775		
	MR-4-01	Mean Time to Repair - DS1 & DS3 -UNE/Resale						4,775		
	MR-4-06	% Out of Service>4 Hrs - nonDS0 & DS0 -UNE/Resale						4,775		
	MR-4-08	%Out of Service>24 Hrs - nonDS0 & DS0 -UNE/Resale						4,775		
	MR-4-06	% Out of Service > 4 Hours - DS1 & DS3 -UNE/Resale						4,775		
	MR-4-08	% Out of Service > 24 Hours - DS1 & DS3 -UNE/Resale						4,775		
	MR-5-01	% Repeat Reports w/in 30 days -UNE/Resale						9,551		
NETWORK PERFORMANCE										
7	NP-1-04	Final Trunk Groups Blocked					\$140,586			\$140,586
NETWORK PERFORMANCE										

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8	Collocation								\$117,155	\$117,155
	NP-2-01/2 % OT Response to Request for Collocation - Total								51,838	
	NP-2-05/6 % On Time - Physical Collocation - Total								60,133	
	NP-2-07/8 Average Delay Days - Total								5,184	
RESOLUTION PROCESS										
9	Resolution Process								\$58,577	\$58,577
	OR-10-01 % PON Exceptions Resolved w/in 3 Bus Days								32,568	
	OR-10-02 % PON Exceptions Resolved w/in 10 Bus Days								13,027	
	BI-3-04 % CLEC Billing Claims Acknwldgd w/ 2 Bus Days								1,222	
	BI-3-05 %CLEC Billing Claims Rslvd w/in 28 Cal. Days after Ack.								11,760	
Month Total		\$2,635,985	\$937,239	\$585,774	\$585,774	\$702,929	\$175,732	\$175,732	\$175,732	\$5,799,167
Annual Total		\$31,631,818	\$11,246,869	\$7,029,293	\$7,029,293	\$8,435,152	\$2,108,788	\$2,108,788	\$2,108,788	\$69,590,000

Under the provisions of the Plan, -1 performance scores are subject to adjustment based on the next two month's performance.

Note B: All bill credits in this section are at risk each month. Any bill credits assigned to a sub-metric that has no activity or is under development will be divided proportionately among the sub-metrics in the respective critical measures.

Note C: For Critical Measure No. 5 "Hot Cut Performance." No allocation of available bill credits is made between the sub-measures. If one sub-measure warrants an adjustment, the market adjustment percentage is applied to the entire amount of bill credits available. If both sub-measures indicate that bill credits are due to CLECs, the lower score will be used to calculate the bill credits due.

CRITICAL MEASURES TABLE B-2

Weights for Network Performance, Resolution Timeliness and Specials

Network Performance		Weight
Maximum of \$1,405,859 at risk annually (1/12 in each month)		
NP-2-01/2	% OT Response to Request for Collocation – Total	5
NP-2-05/6	% On Time - Physical Collocation – Total	20
NP-2-07/8	Average Delay Days – Total	10
Total		35

Resolution Timeliness		Weight
Maximum of \$702,929 at risk annually (1/12 in each month)		
OR-10-01	% PON Exceptions Resolved w/in 3 Bus Days	5
OR-10-02	% PON Exceptions Resolved w/in 10 Bus Days	2
BI-3-04	% CLEC Billing Claims Acknowledged within Two Business Days	2
BI-3-05	% CLEC Billing Claims Resolved w/in 28 Calendar Days after Ack.	20
Total		29

Specials		Weight
Maximum of \$2,108,788 at risk annually (1/12 in each month)		
Ordering		
OR-1-04	% OT LSRC -No Facil Ck(Elec.-No FT) -All Specials -UNE/Resale	10
OR-1-06	% OT LSRC/ASRC -Facil Ck(E-No FT) -All Specials -UNE/Resale	10
OR-2-04	% OT LSR Rej -No Facil Ck (Elec.-No FT) -UNE/Resale	5
OR-2-06	% OT LSR/ASR Reject -Facil Check (Electronic) -UNE/Resale	5
Provisioning		
PR-4-01	% Missed Appointment -VZ -DSO -UNE/Resale	5
PR-4-01	% Missed Appointment -VZ -DS1 -UNE/Resale	5
PR-4-01	% Missed Appointment -VZ -DS3 -UNE/Resale	5
PR-4-01	% Missed Appointment -VZ -Other -UNE/Resale	5
PR-4-02	Average Delay Days - Total -UNE/Resale	5
PR-5-01	% Missed Appointment - Facilities -UNE/Resale	20
PR-5-02	% Orders Held for Facilities > 15 days -UNE/Resale	20
PR-6-01	% Installation Troubles within 30 days -UNE/Resale	10
PR-8-01	Open Orders in a Hold Status > 30 days -UNE/Resale	5
PR-4-01-3510	% Missed Appointment - VZ - Total – EEL	10
PR-4-02-3510	Average Delay Days - Total – EEL	5
PR-8-01-3510	Open Orders in a Hold Status >30 Days –EEL	2
PR-4-01-3530	% Missed Appointment - VZ - Total – IOF	10
PR-4-02-3530	Average Delay Days – IOF	5

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PR-8-01-3530	Open Orders in a Hold Status >30 Days -IOF	2
	Maintenance & Repair	
MR-4-01	Mean Time to Repair - nonDS0 & DS0 -UNE/Resale	5
MR-4-01	Mean Time to Repair - DS1 & DS3 -UNE/Resale	5
MR-4-06	% Out of Service > 4 Hours - nonDS0 & DS0 -UNE/Resale	5
MR-4-08	% Out of Service > 24 Hours - nonDS0 & DS0 -UNE/Resale	5
MR-4-06	% Out of Service > 4 Hours - DS1 & DS3 -UNE/Resale	5
MR-4-08	% Out of Service > 24 Hours - DS1 & DS3 -UNE/Resale	5
MR-5-01	% Repeat Reports w/in 30 days -UNE/Resale	10
	Total	184

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APPENDIX C

[Effective Date]

Performance Scores for Measures with Absolute Standards:

Table C-1

Metric #'s	Measure	0	-1	-2
PO-1 and MR-1 ⁶⁵	OSS Response Time Measures Excluding WEB GUI	≤ 4 second difference	> 4 and ≤ 6 second difference	> 6 second difference
PO-1 ⁶⁶	OSS Response Time Measures for WEB GUI	≤ 7 second difference	> 7 and ≤ 9 second difference	> 9 second difference
PO-2-02	OSS System Availability – Prime	≥ 99.5%	≥ 98 and < 99.5%	< 98%
See Table 67	Metrics with 95% standards	≥ 95%	≥ 90 and < 95%	< 90%
PO-3	% Answered within 30 Seconds – Ordering & Repair	≥ 80%	≥ 75 and < 80%	< 75%
OR-4-11	% Completed Orders with Neither a PCN or BCN Sent	≤ 0.25%	> 0.25% and ≤ 1%	> 1%
OR-10-02	% PON Exceptions Resolved w/in 10 Business Days	≥ 99%	≥ 94% and < 99%	< 94%
PR-4-04	% Missed Appointment - VZ – Dispatch - 2 Wire xDSL	≤ 5%	> 5% and ≤ 10%	> 10%
PR-6-02	% Installation Troubles Reported within 7 Days – Hot Cuts	≤ 2%	> 2% and ≤ 3%	> 3%
NP-2-07 NP-2-08	Collocation – Average Delay Days - Total	≤ 6 Days	> 6 and ≤ 15 Days	> 15 Days
NP-1-03 NP-1-04	# of Final Trunk Groups Blocked for 2 and 3 Months	Final Interconnection Trunks meeting or exceeding blocking standard for one month	Any individual Final Interconnection Trunk group exceeding blocking standard for 2 months in a row	Any individual Final Interconnection Trunk group exceeding blocking standard for 3 months in a row

⁶⁵ Includes PO-1-01, PO-1-02, PO-1-03, PO-1-04, PO-1-05, PO-1-06, MR-1-01, MR-1-03, MR-1-04 and MR-1-06 for EDI and CORBA interfaces

⁶⁶ Includes PO-1-01, PO-1-02, PO-1-03, PO-1-04, PO-1-05, PO-1-06 for the WEB GUI interface

⁶⁷ The list of Metrics with a 95% Standard appears in Table C-2.

Example: If Verizon VA were to perform at 97.0% for PO-2-02- OSS System Availability – Prime, in a month, then the performance score would be –2 for that measure.

Table C-2: Performance Metrics with 95% Performance Standard:

PO Pre-Ordering

- 8-01 Average Response Time – Manual Loop Qualification
- 8-02 Average Response Time – Engineering Record Response

OR Ordering

- 1-02 % On Time LSRC - Flow Through – POTS/Pre-qualified Complex – 2hrs
- 1-02 % On Time LSRC - Flow Through – Platform – 2hrs
- 1-02 % On Time LSRC - Flow Through – Loop/Pre-qualified – 2hrs
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) – POTS/Pre-qualified Complex
- 1-04 % OT LSRC/ASRC - No Facility Check (Elec.-No Flow Through) – Platform
- 1-04 % OT LSRC/ASRC - No Facility Check (Elec.-No Flow Through) – Loop/LNP
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) – Specials
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) - 2 Wire Digital-UNE/Resale
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) - 2 Wire xDSL Loops
- 1-04 % OT LSRC/ASRC-No Facility Check (Elec.-No Flow Through) - Line Share/Line Split
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – POTS/Pre-qualified Complex
- 1-06 % On Time LSRC/ASRC – Facility Check (Electronic-No Flow Through) – Platform
- 1-06 % On Time LSRC/ASRC – Facility Check (Electronic-No Flow Through) – Loop/LNP
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – Specials
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – 2 Wire Digital-UNE/Resale
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – 2 Wire xDSL-Loops
- 1-06 % On Time LSRC/ASRC-Facility Check (Electronic-No Flow Through) – Line Share/Line Split
- 1-12 % On Time Firm Order Confirmations
- 1-13 % On Time Design Layout Record
- 1-19 % On Time Response - Request for Inbound Augment (<=192)
- 2-02 % On Time LSR Reject - Flow Through – POTS/Pre-qualified Complex
- 2-02 % On Time LSR Reject - Flow Through – Platform
- 2-02 % On Time LSR Reject - Flow Through – Loop/Pre-qualified
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) – POTS/Pre-qualified Complex
- 2-04 % OT LSR/ASR Rej. - No Facility Check (Elec.-No Flow Through) Platform
- 2-04 % OT LSR/ASR Rej. - No Facility Check (Elec.-No Flow Through) Loop/LNP
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) – Specials
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) - 2 Wire Digital -UNE/Resale
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) - 2 Wire xDSL-Loops
- 2-04 % OT LSR/ASR Rej.-No Facility Check (Elec.-No Flow Through) - Line Share/Line Split
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) – POTS/Pre-qualified Complex
- 2-06 % On Time LSR/ASR Reject - Facility Check (Electronic -No Flow Through) – Platform
- 2-06 % On Time LSR/ASR Reject - Facility Check (Electronic -No Flow Through) – Loop/LNP

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- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) – Specials
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) - 2 Wire Digital - UNE/Resale
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) - 2 Wire xDSL – Loops
- 2-06 % On Time LSR/ASR Reject-Facility Check (Electronic-No Flow Through) - Line Share/Line Split
- 2-12 % On Time Trunk ASR Reject
- 4-09 % SOP to Bill Completion Notice Sent Within 3 Business Days
- 4-11 % Completed Orders with Neither a PCN or BCN Sent
- 4-16 % On time PCN – 1 Business Day
- 4-17 % On time BCN – 2 Business Days
- 10-01 % PON Exceptions Resolved w/in 3 Business Days
- 5-03 % Flow Through Achieved - POTS
- 6-03 % Accuracy - LSRC – POTS
- 6-03 % Accuracy - LSRC - Platform
- 6-03 % Accuracy - LSRC - Loop

PR Provisioning

- 3-03 % Completed within 3 Days (1-5 lines) – Total - Line Share/Line Split
- 3-10 % Completed within 6 Days (1-5 lines) – Total - 2 Wire xDSL - Loops
- 4-07 % On Time Performance - LNP only
- 4-14 % Completed On Time -2W xDSL Loops

- 9-01 % On Time Performance - Hot Cut

BI Billing

- 1-02 % DUF in 4 Business Days
- 3-04 % CLEC Billing Claims Acknowledged within Two Business Days
- 3-05 % CLEC Billing Claims Resolved w/in 28 Calendar Days after Acknowledgement.

NP Network Performance

- 2-01 % OT Response to Request for Physical Collocation – New
- 2-01 % OT Response to Request for Physical Collocation – Augment
- 2-02 % OT Response to Request for Virtual Collocation – New
- 2-02 % OT Response to Request for Virtual Collocation – Augment
- 2-05 % On Time - Physical Location – New
- 2-05 % On Time - Physical Location – Augment
- 2-06 % On Time - Virtual Location – New
- 2-06 % On Time - Virtual Location – Augment

**Small Sample Size Scoring Procedures for
Counted Variable Performance Measures with Absolute Standards for Use on CLEC
Aggregate Results**

A. *Allowable Misses:*

For counted variables with benchmark standards, it is possible to have small sample sizes, such that just a single missed transaction within a report period can cause the measure to miss its benchmark. The plan recognizes that without an allowance for a single miss, the plan would effectively require perfection to avoid bill credits, which would be above the designated benchmark for the measure. Also, a single missed transaction does not demonstrate that the measure's performance warrants a performance score of either a "-1" or a "-2". Thus a "zero weight" will be assigned in any single miss situations as specified by the criteria below. This deems the measure as neither a "pass" nor a "miss" for the purposes of bill credit calculations. In addition, if there are only 2 missed transactions in any small sample situation described below, a performance score of -1 will be assigned to the measure, again due to the minimal number of missed transactions.

For Counted Variables with Benchmark Standards that have a small number of observations in a data month, the following scoring procedures will be used at the CLEC aggregate level only:

For counted variable metrics where higher performance is better ("HIB"), e.g., 95% on-time, or a 0.95 standard:

- for any HIB counted variable metric where $n < \{1/[1-\text{standard}]\}$, (for example, for a 95% standard, $n < (1/[1-0.95])$ or $n < 20$)

- 0 misses is a "0" performance score
- 1 miss is a zero weight with no performance score
- 2 misses is a "-1" performance score
- more than 2 misses is a "-2" performance score

For counted variable metrics where lower performance is better ("LIB"), e.g., 5% missed appts, or a 0.05 standard:

- for any LIB counted variable metric where $n < \{1/[\text{standard}]\}$, (for example, for a 5% standard, $n < (1/0.05)$ or $n < 20$)

- 0 misses is a "0" performance score
- 1 miss is a zero weight with no performance score
- 2 misses is a "-1" performance score
- more than 2 misses is a "-2" performance score

Examples of what should be reported in the performance scores column for measures with a 95% or a 5% standard are shown in the table below for different combinations of misses and sample sizes:

Sample Size	Number of Misses			
	0	1	2	3 or more
1	0	Blank, Zero weight	NA	NA
2	0	Blank, Zero weight	-1	NA
3	0	Blank, Zero weight	-1	-2
4	0	Blank, Zero weight	-1	-2
5	0	Blank, Zero weight	-1	-2
6	0	Blank, Zero weight	-1	-2
7	0	Blank, Zero weight	-1	-2
8	0	Blank, Zero weight	-1	-2
9	0	Blank, Zero weight	-1	-2
10	0	Blank, Zero weight	-1	-2
11	0	Blank, Zero weight	-1	-2
12	0	Blank, Zero weight	-1	-2
13	0	Blank, Zero weight	-1	-2
14	0	Blank, Zero weight	-1	-2
15	0	Blank, Zero weight	-1	-2
16	0	Blank, Zero weight	-1	-2
17	0	Blank, Zero weight	-1	-2
18	0	Blank, Zero weight	-1	-2
19	0	Blank, Zero weight	-1	-2

B. CLEC Exception Process

Each month each CLEC will have the right to challenge the allowable misses or exclusions that Verizon VA may exercise pursuant to the small sample size table for performance measures with absolute standards. If a CLEC exercises this right, it must file a petition with the Commission demonstrating that the exclusion will have a significant impact on the operations of the CLEC’s business and that Verizon VA should not be allowed to exclude the event pursuant to the above table. Verizon VA will have a right to respond to any such challenge by the CLEC. The Timeline for CLEC Exceptions will be the same as the Timeline for Verizon VA Exceptions under the small sample size section in Appendix D. If a CLEC’s Exception

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Petition is granted, the appropriate bill credits will be reflected on the CLEC's bill as soon as is practical.

APPENDIX D

[Effective Date]

STATISTICAL ANALYSIS

A. Statistical Methodologies:

The Performance Assurance Plan uses statistical methodologies as one means to determine if “parity” exists, or if the wholesale service performance for CLECs is equivalent to the performance for Verizon VA (Incumbent LEC). Verizon VA may be required to use statistical methodologies as a means to determine if “parity” exists, or if the performance for competitive local exchange carriers (CLECs) is equivalent to the performance for Verizon VA. For performance measures where “parity” is the standard and sufficient sample size exists, Verizon VA will use the “modified t statistic” proposed by a number of CLECs in LCUG (Local Competitors User Group) for measured variables. For the evaluation of parity metrics involving counted variables, the permutation test, also known as Fisher’s exact test, will be used. The specific definitions and formulas are detailed below:⁶⁸

Definitions and Formulas:

Measured Variables are metrics of means or averages, such as mean time to repair, or average interval.

Counted Variables are metrics of proportions, such as percent measures.

\bar{X} denotes the average performance or mean of the sample

S denotes the standard deviation

n denotes the sample size

p denotes the proportion of failed performance, for percentages 10% translates to a 0.10 proportion

⁶⁸ Values calculated for a Z-statistic or t-statistic that are equal to or greater than 5.0000 will be displayed on monthly reports as 5.0000 and values for a Z-statistic or t-statistic that are equal to or less than -5.0000 will be displayed as -5.0000.

A statistical score below -1.645 is associated with a 5% percent or less chance that the performance for the CLEC will be incorrectly judged as being inferior to Verizon VA, when, in fact, the performance for the CLEC is superior (Type I error). Note: For the purposes of the statistical evaluation of measured variable sample sizes of 30 or more, the standard normal Z distribution is used as reasonably approximating Student's t distribution.

Counted Variables: The statistical score equivalent for counted variables is the standard normal Z score that has the same probability as the significance probability of the permutation test (a.k.a., Fisher's exact test). Specifically, the statistical score equivalent refers to the inverse of the standard normal cumulative distribution associated with the following hypergeometric distribution probability of seeing the number of failures, or greater in the CLEC sample.

$$1 - \left\{ \sum_{i=\max(0, \{[n_{inc}p_{inc} + n_{clec}p_{clec}] - [n_{clec}] - [n_{inc} + n_{clec}]\})}^{n_{clec}p_{clec} - 1} \frac{\binom{[n_{clec}p_{clec} + n_{inc}p_{inc}]}{i} \binom{[n_{clec} + n_{inc}] - [n_{clec}p_{clec} + n_{inc}p_{inc}]}{n_{clec} - i}}{\binom{[n_{clec} + n_{inc}]}{n_{clec}}} \right\}$$

Measured Variables: The statistical score is the LCUG-t score

$$t = \frac{\bar{X}_{inc} - \bar{X}_{clec}}{\sqrt{S^2_{inc} \left(\frac{1}{n_{inc}} + \frac{1}{n_{clec}} \right)}}$$

Note: If the metric is one where a higher mean or higher percentage signifies better performance, the means (measured variables) in the numerator of the LCUG t formula should be reversed.

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B. Sample Size Requirements:

SMALL SAMPLE SIZE

The assumptions that underlie the statistical models used here include the requirement that the two groups of data are comparable. With larger sample sizes, differences in characteristics associated with individual customers are more likely to average out. With smaller sample sizes, there may be an issue regarding whether or not the characteristics of the sample reasonably represent the population. In order to permit meaningful statistical analysis to be performed and confident conclusions to be drawn, the sample size must be sufficiently large to minimize the violations of the assumptions underlying the statistical model. This involves not only statistical considerations, but also requires some practical judgement. The following will indicate the minimum sample sizes below which parity metrics results (for both counted and measured variables) may not permit reasonable statistical conclusions.

Statistical tests of parity should be performed under the following conditions:

If there are only 6 of one group (Verizon VA or CLEC), the other must be at least 30.

If there are only 7 of one, the other must be at least 18.

If there are only 8 of one, the other must be at least 14.

If there are only 9 of one, the other must be at least 12.

Any sample of at least 10 of one and at least 10 of the other is to be used for statistical evaluation.

A parity metric comparison that does not meet the above sample size criteria may be taken to the Carrier Working Group for further evaluation. A statistical score will not be reported; however, the means (or proportions), number of observations, standard deviation (for means only) and sampling error will be reported.

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

MEASURED VARIABLES WITH SAMPLE SIZE LESS THAN 30

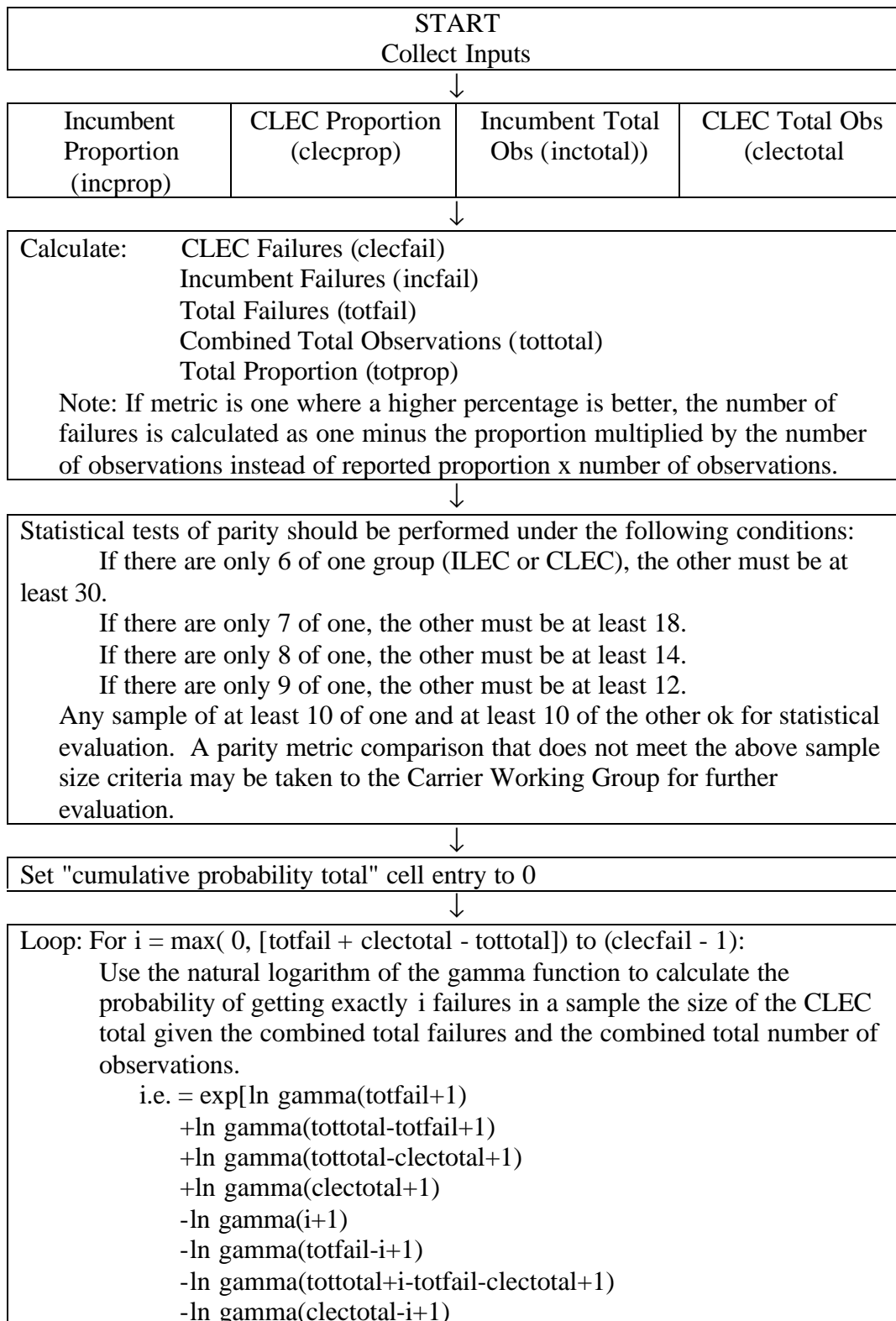
If either the CLEC or Verizon VA sample size is less than 30 for a measured variable and if the sample sizes exceed the minimum sample sizes described above, then the following statistical evaluation procedure will be used:

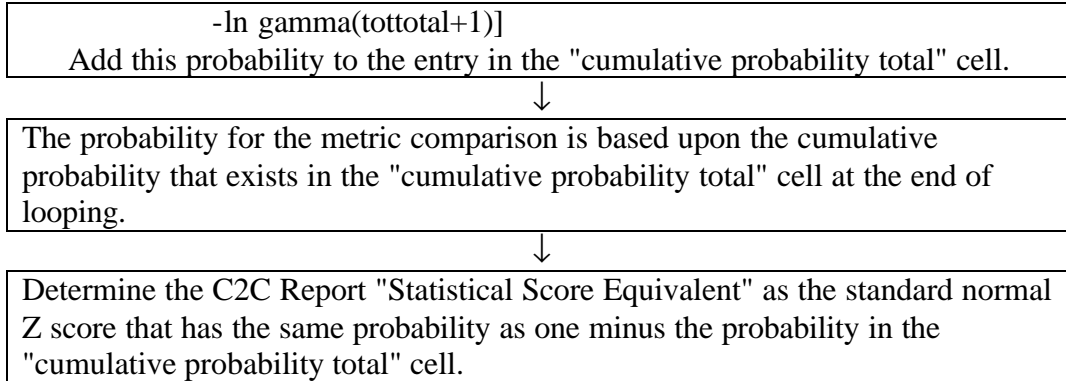
If the absolute performance for the CLEC is better than the Verizon VA performance, no statistical analysis is required. When a measured variable that is evaluated for parity does not require a permutation test because the number of Verizon or CLEC observations in a month is less than 30 and the CLEC performance is not worse than the corresponding Verizon retail performance, the LCUG-t scores will be displayed in the statistical score column.

- a.) If the performance is worse for the CLEC than for Verizon VA, Verizon VA may use the LCUG t score until such time as a permutation test can be run in an automated fashion. Once the permutation test can be run in an automated fashion, it should be performed for all measured variable statistical tests having a sample size of less than 30.
- b.) If the LCUG t score indicates an “out of parity” result, Verizon VA will run the permutation test.
- c.) If the permutation test shows an “out of parity” condition, Verizon VA may perform a root cause analysis to determine cause, or may be required by the Carrier Working Group to perform a root cause analysis. If the cause is the result of “clustering” within the data, Verizon VA will provide such documentation. The nature of the variables used in the performance measures is that they do not meet the requirements 100% of the time for any statistical testing. Individual data points are not independent. The primary example of such non-independence is a cable failure. If a particular CLEC has fewer than 30

troubles and all are within the same cable failure with long duration, the performance will appear out of parity. However, for all troubles, including Verizon VA's troubles, within that individual event, the trouble duration is identical. Another example of clustering is if a CLEC has a small number of orders in a single location, with a facility problem. If this facility problem exists for all customers served by that cable and is longer than the average facility problem, the orders are not independent and clustering occurs. Finally, if root cause shows that the difference in performance is the result of CLEC behavior, Verizon VA will identify such behavior and work with the respective CLEC on corrective action.

**Flow Chart of Log Gamma Based Hypergeometric
Routine for PAP Report
Counted Variable Metric Comparisons**





C. Verizon Exceptions Process:

1. Another assumption underlying the statistical models used here is the assumption that the data are independent. In some instances, events included in the performance measures of provisioning and maintenance of telecommunication services are not independent. The lack of independence is referred to as “clustering” of data. Clustering occurs when individual items (orders, troubles, *etc.*) are clustered together as one single event. This being the case, Verizon VA will have the right to file an exception to the performance scores in the Performance Assurance Plan if the following events occur:

- e.) **Event Driven Clustering - Cable Failure**: If a significant proportion (more than 30%) of a CLEC’s troubles are in a single cable failure, Verizon VA may provide data demonstrating that all troubles within that failure, including Verizon VA troubles were resolved in an equivalent manner. Then, Verizon VA also will provide the repair performance data with that cable failure performance excluded from the overall performance for both the CLEC and Verizon VA and the remaining troubles will be compared according to normal statistical methodologies.
- f.) **Location Driven Clustering - Facility Problems**: If a significant proportion (more than 30%) of a CLEC’s missed installation orders and resulting delay days were due to an individual location with a significant facility problem, Verizon VA will provide the data demonstrating that the orders were “clustered” in a single facility shortfall. Then, Verizon VA will provide the provisioning performance with that data excluded.

Additional location driven clustering may be demonstrated by disaggregating performance into smaller geographic areas.

- g.) **Time Driven Clustering - Single Day Events**: If a significant proportion (more than 30%) of CLEC activity, provisioning or maintenance, occurs on a single day within a month, and that day represents an unusual amount of activity in a single day, Verizon VA will provide the data demonstrating the activity is on that day. Verizon VA will compare that single day's performance for the CLEC to Verizon VA's own performance. Then, Verizon will provide data with that day excluded from overall performance to demonstrate "parity."
- h.) **CLEC Actions**: If performance for any measure is impacted by unusual CLEC behavior, Verizon VA will bring such behavior to the attention of the CLEC to attempt resolution. Examples of CLEC behavior impacting performance results include order quality, causing excessive missed appointments, incorrect dispatch identification, resulting in excessive multiple dispatch and repeat reports, inappropriate X coding on orders, where extended due dates are desired, and delays in rescheduling appointments, when Verizon has missed an appointment. If such action negatively impacts performance, Verizon will provide appropriate detail documentation of the events and communication to the individual CLEC and the Commission.

2. Documentation:

Verizon VA will provide all details, ensuring protection of customer proprietary

information, to the CLEC and Commission. Details include, individual trouble reports, and orders with analysis of Verizon VA and CLEC performance. For cable failures, Verizon VA will provide appropriate documentation detailing all other troubles associated with that cable failure.

3. Timeline for Exceptions Process:

The following is an example illustrating the timeline for the Exception Process.

Action	Date
January Performance Reports	February 29 th
Verizon Files Exceptions on January Performance	March 15 th
CLEC and other interested parties Files Reply to	April 1 st
Verizon Exceptions	
Commission Issues Ruling on Exceptions	April 15 th
February Performance Reports	March 29 th
March Performance Reports	April 29 th
Credits Processed for January Performance	By May 1 st

APPENDIX E

[Effective Date]

Mode of Entry Bill Credit Mechanism

The following are the steps that will be undertaken to determine whether Bill Credits are due to anyCLECs for the MOE categories.

7. For each MOE measure with a “parity” standard: Calculate Z or t score or perform permutation test (for small samples).⁶⁹

8. Convert Z, t or permutation equivalent score to performance score pursuant to the following table:

<u>Statistical Score</u>	<u>Performance Score</u>
£ -1.645	-2
£ -0.8225 and > -1.645	-1
> -0.8225	0 ⁷⁰

9. For each MOE measure with an absolute standard: Determine Performance Score using performance range for the applicable measure. For small sample sizes, the small sample size table for

⁶⁹ When “no activity occurs” in a metric or when there is insufficient sample size for a metric as specified in Appendix D, the performance measure and its weight will be excluded from performance score. Measures and weights will not be excluded when there is a combination of no CLEC activity on an “Average Delay Day” measure, and activity with 0% performance on the corresponding CLEC “% Missed Appointment” measure (or 100% on a % On-Time measure) in the same report period. The Average Delay Day measure receives a “0” performance score and retains its assigned weight for the month when these combinations occur. The following tables lists the measure combinations:

<u>Average Delay Day Measures</u>			<u>% Missed Appointment or %Complete On-Time Measures</u>	
Resale	PR-4-02	Average Delay Days - Total – POTS	PR-4-04 PR-4-05	% Missed Appointment - VZ - Dispatch – POTS % Missed Appointment - VZ – No Dispatch - POTS
UNE - Platform	PR-4-02	Average Delay Days - Total – POTS	PR-4-04 PR-4-05	% Missed Appointment - VZ - Dispatch – Platform % Missed Appointment - VZ – No Dispatch - Platform
UNE – Loop	PR-4-02	Average Delay Days - Total – POTS	PR-4-04	% Missed Appointment - VZ - Dispatch - Loop-New
2 Wire Digital	PR-4-02	Average Delay Days -Total -2W Digital -UNE/Resale	PR-4-04 PR-4-05	% Missed Appointment -Dispatch -2W Digital -UNE/Resale % Missed Appointment –No Dispatch -2W Digital -UNE/Resale
2Wire DSL	PR-4-02	Average Delay Days -Total -2W xDSL Loops	PR-4-14	% Completed On Time -2W xDSL Loops
Line Share/Split	PR-4-02	Average Delay Days -Total -Line Share/Split	PR-4-04 PR-4-05	% Missed Appointment -Dispatch -Line Share/Split % Missed Appointment –No Dispatch -Line Share/Split
Collocation	NP-2-07/8	Average Delay Days - Total	NP-2-05/6	% On Time - Physical Collocation - Total

:

⁷⁰ For report rate measures – regardless of Z or t score – if absolute difference is less than 0.1%, the performance score is a 0.

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

measures with absolute standards is used. (See Appendix C.)

10. If the Aggregate Total Performance Score for a MOE is greater than the minimum value allowable for the applicable MOE (See Minimum and Maximum Bill Credit Tables in Appendix A), no bill credits are due to the CLECs that received the particular MOE services in that month. If the value is equal to or less than a minimum value, CLECs will be paid Bill Credits pursuant to the Bill Credit Tables in Appendix A, which will be adjusted to reflect the monthly volumes or units being used by the CLECs.⁷¹

11. The MOE Bill Credit Table reflects (1) the range of the aggregate performance scores from the minimum to maximum, (2) the monthly dollars attributable to each score, (3) the aggregate CLEC monthly volumes for the measure, and (4) the corresponding monthly rate that will be paid to each CLEC if Verizon VA's performance is at that particular level. The individual CLEC's Bill Credit will be determined by multiplying the CLEC's monthly units in service by the applicable rate for the Aggregate MOE score.

12. For example, assume the first two steps of the UNE-Platform Bill Credit Table were as follows:

Score	Mon. \$	Mon. Vol.	Mon. Rate
-0.36268	\$1,082,147	100,000	\$10.82
-0.38463	\$1,193,137	100,000	\$11.93

Using the above Credit Table, if the Aggregate MOE score was -0.3700 and a CLEC had 5,000 UNE-Platform lines (at the end of the month), it would be entitled to a \$54,100 Bill Credit ($\$10.82 \times 5,000 = \$54,100$).

⁷¹ The measurement units for UNE-Platform, UNE-Loop, and Resale are lines in service. For Interconnection, it is minutes in use.

8. The Domain Clustering Rule

The Mode of Entry measures are classified into four key domains: Pre-Order, Ordering, Provisioning and Maintenance. To ensure that competition is not negatively influenced by poor performance on measures in any one of these domains, a Domain Clustering Rule has been established under this Plan. The rule, which applies only to the UNE-Platform, UNE-Loop, Resale and DSL MOEs, enables the entire mode of entry performance score to be modified if 75% or more of the total weights for the measures in any of the domains is tripped. For the Pre-Order domain, this percentage is reduced to 66.7%. Under this rule, the lower of the overall MOE score or the Domain score will be used to determine whether any bill credits are due. The domain score will be calculated as follows: First, determine the % of weights tripped, *e.g.*, if a domain contained a number of metrics with a total weight of 80, and 65 of the 80 weights were tripped, the domain percentage would be 81.2%. Since this is greater than 75%, the domain clustering rule will apply. Next, determine the difference between the minimum and maximum performance scores for the MOE, in which the domain appeared. For example, the minimum score for the UNE-Platform MOE is -0.25292 and the maximum score for the UNE-Platform MOE is -0.67000 , therefore, the difference is -0.41708 . This figure would be multiplied by the 81.2%. This equals -0.33867 . This number (-0.33867) would be added to the minimum score and would result in a domain clustering score of -0.59159 . If the MOE score were -0.388 , the performance score for the MOE would be replaced with the domain clustering score of -0.59159 based on the Domain Clustering Rule.

APPENDIX F

[Effective Date]

Critical Measures Performance Scoring

- A. The following steps would be taken to determine which CLECs would be entitled to Bill Credits pursuant to the Aggregate Rule, *i.e.*, when aggregate CLEC performance falls below standard for a critical measure.

1. Calculate the total dollars available for Bill Credits per critical measure per month.

An increment table will be developed for each critical measure to determine the Bill Credits available for unsatisfactory performance, *i.e.*, at or less than performance scores of -1. The tables will range from 50% of the maximum monthly amount for -1 performance to 100% of the maximum monthly amount for -2 performance.⁷² A sample table appears below for Z and t and performance scores where the maximum monthly amount for the measure is \$140,586.

**Table F-1-1
Allocation of Dollars for Critical Measures
Measures with Statistical Evaluation Standards**

Statistical Score		Performance	Increment	Dollars
From	To	Score		
	> -0.8225	0	0%	\$0
≤ -0.8225	> -0.9048	-1	50%	\$70,293
≤ -0.9048	> -0.9870	-1	55%	\$77,322
≤ -0.9870	> -1.0693	-1	60%	\$84,352
≤ -1.0693	> -1.1515	-1	65%	\$91,381
≤ -1.1515	> -1.2338	-1	70%	\$98,410
≤ -1.2338	> -1.3160	-1	75%	\$105,439
≤ -1.3160	> -1.3983	-1	80%	\$112,469
≤ -1.3983	> -1.4805	-1	85%	\$119,498
≤ -1.4805	> -1.5628	-1	90%	\$126,527
≤ -1.5628	> -1.6450	-1	95%	\$133,557
≤ -1.645		-2	100%	\$140,586

⁷² For Hot Cut Performance, if either metric is below standard, the entire critical measure is treated as below standard.

Table F-1-2
Allocation of Dollars for Critical Measures
Measures with 95% Standards⁷³

<u>% Performance</u>		<u>Performance</u>	<u>Increment</u>	<u>Dollars</u>
<u>From</u>	<u>To</u>	<u>Score</u>		
	≥ 95.0	0	0%	\$0
< 95.0	≥ 94.5	-1	50%	\$70,293
< 94.5	≥ 94.0	-1	55%	\$77,322
< 94.0	≥ 93.5	-1	60%	\$84,352
< 93.5	≥ 93.0	-1	65%	\$91,381
< 93.0	≥ 92.5	-1	70%	\$98,410
< 92.5	≥ 92.0	-1	75%	\$105,439
< 92.0	≥ 91.5	-1	80%	\$112,469
< 91.5	≥ 91.0	-1	85%	\$119,498
< 91.0	≥ 90.5	-1	90%	\$126,527
< 90.5	≥ 90.0	-1	95%	\$133,557
< 90.0		-2	100%	\$140,586

- 2. The aggregate performance score would be used to determine the amount of Bill Credits available for CLECs who received unsatisfactory performance.**

Pursuant to table F-1-1, \$70,293 would be available if the aggregate Z-score equaled -0.823 and the performance score equaled -1.⁷⁴

- 3. Determine which CLECs qualify for the market adjustment.**

For measures where the statistical score is used, the cutoff point for qualification is Verizon VA's score on the critical measure +/- one sampling error (based upon the Verizon VA sampling error). Each CLEC's performance is compared to the cutoff point. Performance equal to or less than the cutoff qualifies for Bill Credits. For example, if

⁷³ For Performance Measures with other % standards, the range of performance will be similarly distributed in 10 even increments.

⁷⁴ When calculating a market adjustment for metrics that use absolute standards (generally a 95% standard) all CLECs at the -1 level or less would qualify. The calculation of the dollars is similar to the Z-score method.

Verizon VA's performance score was .13 and the sampling error was .03, all CLECs with scores equal to or greater than .16 would qualify.

4. Calculate the individual market adjustments for qualified CLECs.

- a. Determine each CLEC's allocated weight. Multiply the CLEC's score on the measure by the volume of its service to be credited.
- b. Determine each CLEC's weighted share. Aggregate the amounts from step "a" and divide each CLECs share by this total to determine each CLEC's weighted share.
- c. Determine each CLEC's dollar share. Multiply the CLEC's weighted share by the total amount available for market adjustment.

B. The following steps will be taken to determine whether any CLECs would be entitled to Bill Credits pursuant to the Individual Rule, i.e., for CLECs who receive a performance score ≤ -1 for two consecutive months⁷⁵:

1. Determine if any CLECs qualify for Bill Credit Adjustment. CLECs qualify for a Bill Credit if they received a final score equal to or less than -.8225 for Z and t scores or equal to or less than -1 for absolute scores on any of the measures included in the critical measurements for the applicable month.
2. Determine each CLEC's Bill Credit Adjustment base. The CLEC's individual Z or t or performance score is used as a starting point to determine the monthly amount available for bill credits to that CLEC.
3. Calculate Bill Credit Adjustment to apply to the CLECs impacted. The monthly dollars available to the CLEC are converted to a rate

⁷⁵ For the individual rule, if a CLEC has a performance score of -1 or less in the current month where Verizon passes a measure at the aggregate level and there is no activity in the previous month to determine the CLEC's eligibility for payment under the individual rule, VZ will instead look back one additional month for a performance score of -1 or less for the eligibility determination. If there is not activity in either of the two previous months, the individual rule will not be triggered.

assuming that 1/3 of the market would receive a Z or t-score of -.8225 or less or a performance score of -1 or less. This rate is multiplied by the CLEC's qualified volume (*e.g.*, lines in service) to determine the amount to be credited to the CLEC for that critical measure.

APPENDIX G

[Effective Date]

APPENDIX H

[Effective Date]

Special Provisions

UNE Ordering Performance Measures:

Verizon VA will provide an additional \$1,405,833 in monthly bill credits for UNE Order Confirmation Performance based on four POTS metrics included in the MOE category. If on-time performance falls below 90% for any month, a credit of \$351,458 for each metric missing the standard will be distributed like the bill credits under Critical Measures.⁷⁶ Funding for these credits will be taken from funds that are unused in 6 previous months or from the current month. No new funds are available. The metrics and standards are as follows:

Metric #	POTS Electronically Submitted	Threshold
OR-1-04	% On Time LSRC/ASRC – No Facility Check (Electronic – No Flow Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%
OR-1-06	% On Time LSRC/ASRC – Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%
OR-2-04	% On Time LSR/ASR Reject – No Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%
OR-2-06	% On Time LSR/ASR Reject – Facility Check (Electronic-No Flow-Through) – Platform and Loop/Pre-Qualified Complex/LNP	< 90%

⁷⁶ Any bill credit amounts due for Special Provisions UNE Ordering are to be allocated between UNE-Platform and UNE-Loop in the same proportions as the totals at risk for the two modes in MOE. Then, within each mode, the amounts are to be allocated corresponding to each CLEC's UNE-Platform lines as a proportion of total UNE-Platform lines and each CLEC's UNE-Loops as a proportion of total UNE-Loops.

Flow Through:

An additional \$7.03 million per year is available for flow through performance. Two performance measures for UNE from the Carrier to Carrier Performance Guidelines will be used to measure performance with the performance scores set forth below.

Metric #		Threshold
OR-5-01	% Flow Through – Total – UNE	≥ 80% ⁷⁷
OR-5-03	% Flow Through – Achieved – UNE	≥ 95% ⁷⁸

For each measure, the UNE scores will be combined and reviewed on a calendar quarterly basis. If the combined score meets either target, no additional credits are due. If the combined score meets neither metric target for that calendar quarter, then one-fourth (1/4) of the annual amount will be credited to all CLECs purchasing UNEs based on the number of lines in service. Lines in service will equal: UNE-Platform and UNE Loops.⁷⁹

The following table demonstrates the calculation of calendar quarterly flow through performance:

Quarterly Flow Through Performance:

	Month 1	Month 2	Month 3	Quarter Total
Total Orders that Flow Through <i>UNE</i>	15000	18000	17000	50000
Total Orders Processed <i>UNE</i>	25000	21000	22000	68000
Total % Flow Through - UNE Combined for Quarter:				73.5%

⁷⁹ For the calendar quarter in which the Virginia PAP first becomes effective, bill credits under this section “Flow Through” will be calculated based upon the performance for the calendar month in which the Virginia PAP becomes effective and the remaining calendar months (if any) in the calendar quarter in which the Virginia PAP becomes effective. Any bill credits due for such calendar quarter will be pro-rated based on the duration of the measurement period (i.e., if the measurement is based on one month of performance data, the amount that would be due would be one-third of the full quarterly amount that would have been due had Verizon VA’s measured performance for that month been Verizon VA’s measured performance for a full calendar quarter).

**Total Orders Designed to Flow Through that Flow Through
UNE**

15000	18000	17000	50000
-------	-------	-------	-------

**Total Orders Designed to Flow Through:
UNE**

18000	19000	18000	55000
-------	-------	-------	-------

Total % Achieved Flow Through – UNE Combined for Quarter:

90.9%

In this example, neither metric met the performance threshold, therefore, \$1.76 million would have been credited to all CLECs purchasing UNEs.

Additional Hot Cut Loop Performance Measures:

An additional \$16.87 Million per year is available for Hot Cut Loop performance. This measure will be composed of two performance metrics: PR-9-01 – “% On Time - Hot Cut Loop” and PR-6-02 – “% Installation Troubles Reported within 7 Days – Hot Cut Loop.”⁸⁰ If either one of these thresholds is missed, additional bill credits will be distributed to the CLECs.

This measure has two tiers of performance standards. Tier I will be applied to a two month scenario, and Tier II will be applied to a one month scenario. The Tier I threshold is measured based on two consecutive months of performance, while the Tier II threshold is measured based on an individual month’s performance. The performance thresholds are contained in the table below:

Metric #		Tier I Threshold	Tier II
PR-9-01	% On Time Hot Cut Loop ⁸¹	< 90%	< 85%
PR-6-02	% Installation Troubles Reported within 7 Days – Hot Cut Loop	≥ 3.00%	≥ 4.00%

Under Tier I, if Verizon VA does not satisfy the above standards for two consecutive months, it

⁸⁰ These two measures are also included in the Critical Measurements method, and additional bill credits may be due if Verizon VA does not satisfy that Critical Measure.

will distribute \$702,917 to the affected CLECs. Under Tier II, if Verizon VA does not satisfy the above standards for a single month, it will distribute \$1,405,833 to the affected CLECs. Below is an example of how this measure would work.

Example:

Metric #		Performance For Month 1	Performance for Month 2	Performance for Month 3	Performance for Month 4
PR-9-01	% On Time Hot Cut Loop	84%	91%	91%	91%
PR-6-02	% Installation Troubles Reported within 7 Days – Hot Cut Loop	2%	3.5%	2%	3.5%
	Credit for the Month	\$1,405,833	\$702,917	\$0	\$0

In month 1, Verizon VA did not satisfy the more stringent requirements of Tier II and \$1,405,833 in bill credits would be due.

In month 2, Verizon VA satisfied the performance standard under Tier II, but not the less severe standard under Tier I. Bill credits would be due, however, because Verizon VA failed to meet the Tier I standard two months in a row. (Month 1 counts against Verizon VA.) In month 3 both the Tier I and II standards were met, Verizon VA would owe nothing.

In month 4, the Tier I performance standard was not met, but no bill credits would be due since Tier I requires Verizon VA to fail these performance standards two months in a row. Verizon VA service in month 3 was satisfactory. Month 5 would determine whether bill credits would be due under either Tier I or Tier II.

⁸¹ % On Time – Hot Cut Loop performance will be adjusted such that any missed appointment for customer reasons

– due to late FOC will be counted as a miss.

[Draft 2/13/03] [In final document, insert the date on which the revised VA PAP will go into effect.]

APPENDIX I

[Effective Date]

CHANGE CONTROL ASSURANCE PLAN

VERIZON VIRGINIA INC.

[Effective Date]

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TABLE I-A – Change Control Measures

INTRODUCTION

To ensure that Verizon Virginia Inc. (“Verizon VA”), will execute the Change Control process in an expeditious and non-discriminatory manner, Verizon VA will undertake the actions set forth in this Change Control Assurance Plan (the “CCAP”). A total of \$17.58 million in bill credits will be at risk to CLECs if Verizon VA provides unsatisfactory service for the four measures in this Plan.

THE CHANGE CONTROL MEASURES AND BILL CREDITS

The following measures are included in this Plan:

1. PO-4-01: % Change Management Notices Sent on Time;
2. PO-4-03: Change Management Notice Delay 8 plus Days;
3. PO-6-01: % Software Validation; and
4. PO-7-04: Delay Hours - Failed/Rejected Test Transactions - No

Workaround.

Attached hereto as Appendix A is a chart that provides the standards that will be applied to each of the above measures and the total amount of bill credits associated with each standard. If a performance measure is missed according to its standards, bill credits will be paid to all CLECs purchasing Unbundled Network Elements (“UNEs”) or resold services. CLECs will receive bill credits on a prorated basis of the total credit determined using Appendix A based on their lines in service. This Plan will use the same mechanisms set forth in the Performance Assurance Plan for determining “lines in service.” (See PAP Section II (C)(2))

Under this Change Control Assurance Plan, Verizon VA will retain the right to

withdraw any proposed software release prior to the item being put into final production. If Verizon VA exercises this right, it will not be deemed to have violated the requirements set forth in PO-4-01, PO-4-03, PO-6-01 or PO-7-04 and will not be subject to the payment of bill credits under those measures.

The initial amount of annual bill credits for all CLECs will be \$7.03 million under this Plan. If, however, the bill credits due to the CLECs under this Plan exceed \$7.03 million in any year,⁸² an additional amount of \$10.55 million will be at risk from the bill credit amounts allocated to the Mode of Entry Categories in the Performance Assurance Plan. Thus, a total of \$17.58 million will be available for bill credits for the Change Control measures. Bill credit payments for Change Control measures will be given priority over bill credits for the MOE categories.

The Commission will have the authority to reallocate the monthly distribution of bill credits between and among any provisions of the PAP and the CCAP. The Commission will give the Company 15 days notice prior to the beginning of the month in which the reallocation will occur. Any reallocation will be done pursuant to Commission order.

MONTHLY REPORTS

Each month Verizon VA will issue a report on its performance on the above measures to each CLEC providing service in Virginia.⁸³ The reports will be CLEC specific and will indicate the scores on the measures, the aggregate amount of bill credits, if any, that Verizon VA must provide pursuant to the standards set forth in Table I-A, and the specific amount of bill credits

⁸² The “year” will be measured from the first day that the Virginia PAP first went into effect (October 1, 2002).

⁸³ Verizon VA’s performance on the other Change Control metrics will be reported in the monthly C2C reports.

that will appear on the individual CLEC's bill. All CLECs with multiple bill accounts must inform Verizon VA as to which of their accounts should receive any bill credits for the Change Control measures.

REVIEWS, UPDATES AND AUDITS

Annual reviews and updates will occur under this Plan until the Commission determines otherwise. However, Verizon VA and any other interested party, after consulting with Staff, may at any time recommend to the Commission modifications, additions, or deletions to the measures in this Plan or the bill credit allocations. Verizon VA, CLECs and any other interested parties will be given an opportunity to provide comments on any recommendations. In addition, Staff will have the right from time to time, on 60-days notice to Verizon VA, to conduct an audit of data reported in the monthly reports.⁸⁴

EXCEPTION PROCESS

Verizon VA will have the right to file a petition with the Commission seeking to have the standards contained in Table I-A waived or modified either for future or past periods. The Commission shall grant such a request if it determines that the application of one or more of the standards contained in Table I-A would not serve the public interest. The application of one or more parts of Table I-A would not serve the public interest if Verizon VA could not, through any reasonable efforts, prevent results that do not satisfy the standards. Verizon VA's petition must include all information that demonstrates how the measure was missed. It shall also include a recalculation of the measure with the challenged information excluded from the calculations. CLECs and other interested parties will be given an opportunity to respond to any Verizon VA petition for an Exception. In the event the Commission rules in Verizon VA's favor, Verizon VA will have the right to offset any paid bill credits against any future bill credits that may come due for either the Change Control measures or Performance Assurance Plan measures.

TERM OF PLAN FOR THE CHANGE CONTROL PROCESS

The Change Control Assurance Plan will have the same term as the Performance Assurance Plan. It will remain in effect, as modified from time to time by the Commission, until the Commission rescinds the Performance Assurance Plan or develops a replacement mechanism.

⁸⁴ Unlike most of the measures in the PAP, the recording of data for each of the measures in this Plan will be done manually.

FULLY INTEGRATED DOCUMENT

The terms and provisions of this Plan are submitted in their entirety to the Commission for approval. This Plan represents a fully integrated statement of the commitments Verizon VA will undertake, including the payment of bill credits for unsatisfactory performance under the measures. It is not offered to the Commission for approval on a piecemeal basis.

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Change Control Performance Assurance Plan Measures

PO-4-01	% Change Management Notices Sent on Time			
	Performance Range (Notification and Confirmation for Types 3, 4 and 5 only)	≥ 95%	90 to 94.9%	< 90%
	Performance Credit	\$0	\$175,750	\$351,500
PO-4-03	Change Management Notice Delay 8 plus Days (Notification and Confirmation for Type 1, 2, 3, and 5)			
	Performance Credit	\$17,575 per day		
PO-6-01	% Software Validation (See Note 1)			
	Performance Range	≤ 5%	5.1 to 10%	> 10%
	Performance Credit	\$0	\$70,300	\$703,000
PO-7-04	Delay Hours – Failed/Rejected Test Transactions – No Workaround (See Note 2)			
	Performance Credit	\$35,150 per day Per Release		

Note 1: Measured against releases pursuant to Change Notice Types 3, 4 and 5.

Note 2: PO-7-04 applies to failed Test Deck items executed by Verizon VA in PO-6-01 and applies until all errors reported in PO-6-01 are fixed.