August 2, 2000   VA401EAF

Mr. William Irby
State Corporation Commission
Division of Communications
P.O. Box 1197
Richmond, Virginia 23218

RE: COLLABORATIVE COMMITTEE CASE NO. PUC000026

Dear Mr. Irby:

As requested by your letter of June 28, 2000, enclosed is the proposed performance plan of Verizon
Virginia Inc. and Verizon South Inc. for use in the Virginia collaboratives.

Because these drafts are intended to be a vehicle for discussion and will be subject to comments from
other parties (as well as continuing internal review), the companies reserve the right to propose changes
to the draft plans during the Virginia collaborative process.

If you have any questions please fell free to call.

Very truly yours,

Stephen C. Spencer
Regulatory & Governmental Affairs
Assistant Vice President

SCS:jmd
Enclosures (1)

c: R. Woltz
    J. Knapp

PROPOSED

VERIZON PERFORMANCE PLAN

FOR THE STATE OF VIRGINIA

AUGUST 2000

TABLE OF CONTENT

PAGE

VERIZON PERFORMANCE PLAN

I.   SUMMARY

Verizon Virginia Inc.[1] and Verizon South Inc.[2] offer this proposal for a Performance Plan for Virginia ("Virginia Plan"). The proposed Virginia Plan is a self-executing financial incentive plan that will ensure that both companies provide quality wholesale services to competitive local exchange carriers ("CLECs"). The Plan places a total of $36.3 Million at risk annually, with $31.1 Million at risk for Verizon Virginia, and $5.2 Million at risk for Verizon South.

On July 19, 2000, Verizon Virginia and Verizon South each filed a proposed set of Carrier-to-Carrier Guidelines that include a comprehensive set of measures and standards.   The proposed Virginia Plan is intended to be an integral extension of these Guidelines. The Virginia Plan uses 241 of the Verizon Virginia Guidelines standards and 152 of the Verizon South Guidelines standards as the basis for performance incentive credits. A failure to meet any one of these standards will result in bill credits to affected CLECs.

The Virginia Plan uses one or the other of two methods for calculating incentive credits when Verizon's performance does not meet the applicable Guidelines standard. For most measures, incentive credits are computed on a "per unit" basis, with the total amount of the credit being based on the volume of sub-standard service transactions for each CLEC for which Verizon did not meet the standard. For a few measures, where assessing credits on a "per unit" basis is not feasible, if Verizon's performance does not meet the applicable standard, a pre-established total dollar amount is allocated among affected CLECs.

---

[1]   Formerly, Bell Atlantic-Virginia, Inc.
[2]   Formerly, GTE South, Incorporated.

Draft 8/2/00

Both the "per unit" and the "per measure" incentive credits increase as Verizon's service quality becomes worse, i.e., as the degree by which a standard is missed increases. The severity of a performance standard miss is categorized as "Minor," "Moderate" or "Major" based on the extent to which actual performance falls below standard.

Both the "per measure" and the "per unit" incentive credits increase with the frequency with which Verizon misses a performance standard. The incentive credit for a measure for which the standard is missed for two consecutive months will be 1.5 times the amount that would be due had the standard been missed for only one month. The incentive credit for a measure for which the standard is missed for three consecutive months will be two times the amount that would be due had the standard been missed for only one month.

In accordance with the Guidelines, each Verizon company will report its performance on a monthly basis. Incentive credits due to a CLEC under the Virginia Plan will appear on an appropriate CLEC bill within two months after the performance is reported. For example, January performance will be reported on February 25. Incentive credits will be processed in March and will appear on the CLEC's March or April bill.

The Virginia Plan will go into effect coincident with Verizon's entry into the long distance market in Virginia.

II.   MEASURES AND BILL CREDIT DETERMINATION

A. Measures Included in the Plan

The measures and standards in the Virginia Plan are taken from the Virginia Guidelines. The Plan covers a broad range of measures from the Pre-Ordering, Ordering, Provisioning, Maintenance, Network Performance, Billing, Operator Services & Databases, and General categories. Measures in the Plan are compared against one of two types of standards. For

measures where there is a Verizon Retail service that is comparable to the wholesale service, the standard will be Parity with Verizon Retail. For measures where the wholesale service lacks a comparable Verizon Retail service, performance will be compared with a benchmark standard.[3]

Appendices A-1 and A-2 provide a detailed list of measures included in the Plan and identify for each measure whether incentive credits are computed on a "per measure" or on a "per unit" basis. For Verizon Virginia, a total of 241 performance measures are eligible for incentive credits. For Verizon South, a total of 152 measures are eligible for incentive credits. Guidelines measures that are not eligible for incentive credits have been excluded from credit calculations because they either have no performance standard or they are redundant with other measures which are eligible for incentive credits.

B. Per Measure and Per Unit Incentive Credits

Each measure in the Virginia Plan has an incentive credit computed on either a "per unit" or a "per measure" basis, as listed in Appendix A. "Per unit" measures are assigned a fixed amount of incentive credit per affected unit of service for a CLEC in a given month. For those measures, a simple calculation is performed to determine credits due:

- Affected units are determined by multiplying the measured number of units of service activity for the CLEC for the month (observations for the month) by the difference between Verizon's actual performance for the CLEC and the applicable standard.

- Credits are calculated by multiplying the affected units by the fixed dollar amount per unit that corresponds to the severity level of the performance difference.

---

[3] The FCC's order approving the Bell Atlantic-GTE merger contemplates that Verizon Virginia and Verizon South will by the end of 2000 terminate provision of retail xDSL services and that thereafter other Verizon LECs will furnish retail xDSL services in the service territories of Verizon Virginia and Verizon South. Accordingly, at such time as Verizon Virginia and Verizon South begin to provide wholesale xDSL services to their affiliates for use in

Draft 8/2/00

For measures for which per unit calculation is not feasible, a fixed total amount of bill credit is assigned to each measure. When the standard is missed, this total credit amount will be allocated to all affected CLECs based on their relative volume of activity.[4]

C. Severity of the Miss

Each month, Verizon's performance for each incentive measure will be compared to the applicable standard. For measures for which Verizon missed the applicable standard, the severity of the miss will be categorized as "Minor," "Moderate" or "Major." Bill credits increase as the degree by which Verizon missed the standard increases.

Performance Differences for Absolute Standards

For measures with absolute (benchmark) standards, if performance does not meet the standard, the severity of the miss is determined by the difference between the standard and the actual Verizon performance.

Performance Differences for Parity Standards

For measures with Parity standards, as prescribed in the Guidelines, the Z-score will be used to determine if the standard has not been met. A Z-score of less (farther from zero) than –1.645 provides a 95% confidence level that the standard has been missed. In calculating the severity of failures to meet a Parity standard, Verizon will rely on differences in actual CLEC performance and Verizon Retail performance.[5]

---

providing service to the affiliates' customers, the standard for UNE 2 Wire xDSL Loops and UNE 2 Wire xDSL Line Sharing will become "Parity with Verizon Affiliate Aggregate."

[4] For example, if Verizon missed the standard for a Web GUI pre-order query response time measure, only those CLECs submitting this type of pre-order query through the Web GUI would be allocated credits.

[5] Verizon will not use the magnitude of the Z-score to determine the degree by which a Parity standard has been missed. Z-scores depend on factors unrelated to the degree of disparity between Verizon wholesale and Verizon Retail performance. For instance, Z-scores depend both on the difference in average Verizon wholesale and Verizon Retail performance (the numerator) and on the variability of this difference (the denominator). Z-scores increase as variability decreases (the denominator). The variability in turn decreases with larger sample sizes. Consequently, a larger Z-score may result from a larger sample size and not from a larger disparity in performance.

Draft 8/2/00

Credits

Table 3

Credits by Severity Level

Verizon Virginia Inc.

	Minor	Moderate	Major
$/UNIT	$11	$21	$42
$/Measure	$4,450	$8,900	$17,800

Verizon South Inc.

	Minor	Moderate	Major
$/UNIT	$9	$18	$35
$/Measure	$750	$1,500	$3,000

Table 4

Severity Scoring

	Minor	Moderate	Major
All Percent Measures	0.1% to < 5% Difference	5% to 15% Difference	> 15% Difference
OSS Response Time Differences (vs. Standard)	< 3 seconds	3 to 8 seconds	> 8 seconds
OSS Availability	< 99.5% to 98%	< 98% to 96.5%	< 96.5%
Report Rate	0.10 to .25	> 0.25 to 2.0	> 2.0
Trunk Blockage	1 trunk group	2 trunk groups	> 2 trunk groups
Notification of Outage (minutes)	21 to 30	>30 to 60	>60
Delay Days for Change Management Notice	9 to 15 days	16 to 25 days	> 25

D. Frequency of the Miss

If Verizon misses the standard for a measure for two or more consecutive months, the amount of the incentive credit will increase.

- A measure for which the standard is missed for two consecutive months will be subject to an incentive credit that is 1.5 times the amount of the incentive credit for the first month the standard is missed.

Draft 8/2/00

- A measure for which the standard is missed for three consecutive months will be subject to an incentive credit that is 2.0 times the amount of the incentive credit for the first month the standard is missed.

Table 5

Frequency Factor

Frequency Factor	2 Consecutive Months	3 Consecutive Months
Multiple of first month incentive credit	1.5	2.0

E. Annual Dollars At Risk

The maximum annual amount of incentive credits that will be paid will be $36.3 Million ($31.1 Million for Verizon Virginia and $5.2 Million for Verizon South). However, whenever Verizon Virginia incentive credits in a month exceed $1.1 million for any one CLEC, or $3.8 million for all CLECs in the aggregate, Verizon Virginia may commence a proceeding with the Commission to show cause why it should not have to provide credits in excess of these amounts. Likewise, whenever Verizon South credits in a month exceed $0.2 Million for any one CLEC, or $0.4 Million for all CLECs in the aggregate, Verizon South may commence a proceeding with the Commission to show cause why it should not have to provide credits in excess of these amounts. Pending resolution of the show cause proceeding, Verizon may hold in escrow the portion of any credit that exceeds the show cause amount.

F. Statistics

In general, the Virginia Plan in computing incentive credits will use the same statistical methodology as that set out in the Guidelines. However, in conjunction with introducing the

Draft 8/2/00

Plan, Verizon proposes revisions to the Guidelines statistical methodology to address small sample sizes.

Measures with a Parity Standard

Measures with a standard of Parity with BA Retail will use the "modified t and Z statistic" proposed by a number of CLECs. The threshold for determining service disparity and minimum sample sizes are as follows:

- A confidence level of 95% will be used as a threshold to determine when Parity has not been achieved. Measures with a Z-statistic of less (farther from zero) than -1.645 will be deemed not to have achieved the Parity standard, while those with a Z-statistic $\geq$ -1.645 will be deemed to have achieved Parity.

- If the Verizon Retail or CLEC sample size for a measure is less than 10 for a given month, performance will not be evaluated for that month.

- If the Verizon Retail or CLEC sample size for a measures is $\geq$10 and <30, the standard hyper-geometric formula will be used to determine the Z-statistic. It can be calculated using the Hyper-geometric Distribution function ("HYPGEOMDIST") in Microsoft Excel or SAS software.[6] An example of use of this function is set out in Appendix C.

Measures with a Benchmark Standard

Measures with benchmark standards will use the standards specified in the Guidelines.

- If the CLEC sample size for a measure is fewer than 10 for a given month, performance will not be evaluated for that month.

- If the CLEC sample size for a measures is $\geq$10 and <20,

Draft 8/2/00

< 2 misses will not generate any bill credits,

2 misses will be considered a miss at the "Moderate" level,

3 or more misses will be considered a miss at the "Major" level.

Type I Error - K Factor Offset

The Virginia Plan provides credits for measures with Parity standards when the Z-statistic indicates a 95% confidence level that wholesale and Retail performance results are different. This leaves a 5% probability of a Type I error, where the statistical methodology will indicate that Verizon has not met the Parity standard when Parity actually has been met. Using the K-factor as described in more detail in Appendix D provides a means of offsetting the 5% probability that Verizon will be found to be out of Parity when performance is actually in Parity. Based on the measures with a Parity standard reported for a CLEC in a given month, the methodology specifies a number of measures, K, that can miss performance targets before any bill credits are due.

G. Additional Provisions

The Virginia Plan is an integral part of the Guidelines and therefore will be subject to the provisions of the Guidelines, including the "Skewed Data" provisions set out in Appendix 1 of the Guidelines.

To the extent that a CLEC is entitled to performance assurance payments or credits under an interconnection agreement between the CLEC and Verizon, the amount of any such interconnection agreement payment or credit will be credited against and reduce any amount due

---

[6] In collaborative meetings in New York with statistical representatives from different CLECs, it was agreed that for measures of percentages, the hyper-geometric distribution provides the same results as permutation. Because this can be completed within Excel, exceptions for small sample size do not have to be run separately from the reports.

Draft 8/2/00

to the CLEC under the Virginia Plan.[7]

---

[7] The Virginia Plan does not supersede existing voluntarily negotiated interconnection agreement performance provisions. However, Verizon believes that the Carrier-to-Carrier Guidelines and the financial incentives of the Virginia Plan will be so comprehensive and substantial as to make it unnecessary to include performance provisions in future interconnection agreements (including new interconnection agreements with CLECs whose current interconnection agreements may include performance provisions). However, the question of the relationship between the Plan and performance provisions in new interconnection agreements is one that need not be decided in this proceeding and can be addressed in future interconnection agreement negotiations and arbitrations.

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Measure (M)
Ordering OSS Response Time					
PO-1-01	Customer Service Record	OSS	EDI	B	M
	Customer Service Record	OSS	CORBA	B	M
	Customer Service Record	OSS	WEBGUI	B	M
PO-1-02	Due Date Availability	OSS	EDI	B	M
	Due Date Availability	OSS	CORBA	B	M
	Due Date Availability	OSS	WEBGUI	B	M
PO-1-03	Address Validation	OSS	EDI	B	M
	Address Validation	OSS	CORBA	B	M
	Address Validation	OSS	WEBGUI	B	M
PO-1-05	TN Reservation	OSS	EDI	B	M
	TN Reservation	OSS	CORBA	B	M
	TN Reservation	OSS	WEBGUI	B	M
PO-1-06	Facility Avail./Loop Qual. (when avail)	OSS	EDI	B	M
	Facility Avail./Loop Qual. (when avail)	OSS	CORBA	B	M
	Facility Avail./Loop Qual. (when avail)	OSS	WEBGUI	B	M
OSS Availability					
PO-2-02	OSS Interface Availability - Prime	OSS	EDI	B	M
	OSS Interface Availability - Prime	OSS	WEBGUI (Pre-Order)	B	M
	OSS Interface Availability - Prime	OSS	CORBA	B	M
	OSS Interface Availability - Prime	OSS	WEBGUI (Maintenance)	B	M
	OSS Interface Availability - Prime	OSS	EB	B	M
Contact Center Availability					
PO-3-02	% Answer within 20 Seconds - Ordering			B	M
PO-3-04	% Answer within 20 Seconds - Repair			B	M
Change Management					
PO-4-01	% Change Management Notices sent on Time	OSS	All types	B	M
PO-4-03	Change Management Delay (8 + Days late)	OSS	All types	B	M
Notification of Interface Outages					
PO-5-01	Average Notification of Outages	OSS	OSS	B	M
Software Validation					
PO-6-01	Software Validation	OSS	OSS	B	M
Software Resolution Timeliness					
PO-7-01	% Software Resolution Timeliness	OSS	OSS	B	M
Manual Loop Qualification					
PO-8-01	% On Time Manual Loop Qualifications	OSS	OSS	B	U
PO-8-02	% On Time Engineering Record Request	OSS	OSS	B	U

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Order Confirmation Timeliness					
OR-1-02	% On Time LSRC - Flow Through	Resale	POTS	B	U
	% On Time LSRC - Flow Through	UNE	Loop/LNP	B	U
	% On Time LSRC - Flow Through	UNE	Platform	B	U
OR-1-04	% On Time LSRC - < 6 Lines (E)	Resale	POTS	B	U
	% On Time LSRC - < 6 Lines (E)	Resale	Spec. Other	B	U
	% On Time LSRC - < 6 Lines (E)	Resale	2Wire Digital	B	U
OR-1-04	% On Time LSRC - < 6 Lines (E)	UNE	Loop/LNP	B	U
	% On Time LSRC - < 6 Lines (E)	UNE	2Wire Digital	B	U
	% On Time LSRC - < 6 Lines (E)	UNE	2Wire xDSL Loop	B	U
	% On Time LSRC - < 6 Lines (E)	UNE	2Wire xDSL Line Sharing	B	U
	% On Time LSRC - < 6 Lines (E)	UNE	Spec. Other	B	U
	% On Time LSRC - < 6 Lines (E)	UNE	POTS-Platform	B	U
OR-1-06	% On Time LSRC - >/= 6 Lines (E)	Resale	POTS	B	U
	% On Time LSRC - >/= 6 Lines (E)	Resale	2Wire Digital	B	U
	% On Time LSRC - >/= 6 Lines (E)	Resale	Spec. Other	B	U
	% On Time LSRC - >/= 6 Lines (E)	Resale	Spec. DS0	B	U
	% On Time LSRC - >/= 6 Lines (E)	Resale	Spec. DS1	B	U
	% On Time LSRC - >/= 6 Lines (E)	Resale	Spec. DS3	B	U
OR-1-06	% On Time LSRC - >/= 6 Lines (E)	UNE	Loop/LNP	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	2Wire Digital	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	2Wire xDSL Loop	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	2Wire xDSL Line Sharing	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	Spec. Other	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	Spec. DS0	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	Spec. DS1	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	Spec. DS3	B	U
	% On Time LSRC - >/= 6 Lines (E)	UNE	POTS-Platform	B	U
OR-1-12	% On Time FOC	Interconn.	Trunks </=192	B	U
OR-1-13	% On Time DLR	Interconn.	All Trunks	B	U
OR-1-19	% On Time Response - Request for inbound (BA-CLEC) Augment Trunks	Interconn.	BA-CLEC Trunks	B	U
Reject Timeliness					
OR-2-02	% On Time LSR Reject - Flow Through	Resale	POTS	B	U
	% On Time LSR Reject - Flow Through	UNE	Loop/LNP	B	U
	% On Time LSR Reject - Flow Through	UNE	POTS-Platform	B	U
OR-2-04	% On Time LSR Reject - < 6 Lines (E)	Resale	POTS	B	U
	% On Time LSR Reject - < 6 Lines (E)	Resale	2Wire Digital	B	U
	% On Time LSR Reject - < 6 Lines (E)	Resale	Specials	B	U
OR-2-04	% On Time LSR Reject - < 6 Lines (E)	UNE	Loop/LNP	B	U

Draft 8/2/00

	% On Time LSR Reject - < 6 Lines (E)	UNE	POTS-Platform	B	U
	% On Time LSR Reject - < 6 Lines (E)	UNE	2Wire Digital	B	U
	% On Time LSR Reject - < 6 Lines (E)	UNE	2Wire xDSL Loop	B	U
	% On Time LSR Reject - < 6 Lines (E)	UNE	2Wire xDSL Line Sharing	B	U
	% On Time LSR Reject - < 6 Lines (E)	UNE	Specials	B	U

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
OR-2-06	% On Time LSR Reject - >/= 6 Lines (E)	Resale	POTS	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	Resale	2Wire Digital	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	Resale	Specials	B	U
OR-2-06	% On Time LSR Reject - >/= 6 Lines (E)	UNE	Loop/LNP	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	UNE	POTS-Platform	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	UNE	2Wire Digital	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	UNE	2Wire xDSL Loop	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	UNE	2Wire xDSL Line Sharing	B	U
	% On Time LSR Reject - >/= 6 Lines (E)	UNE	Specials	B	U
OR-2-12	% On Time Reject	Interconn.	Trunks </=192	B	U
Completion Notification					
OR-4-02	Completion Notice - % On Time	Resale	Resale	B	U
	Completion Notice - % On Time	UNE	UNE	B	U
OR-4-09	% SOP to Bill Completion w/in 3 Business Days	Resale	Resale	B	U
OR-4-09	% SOP to Bill Completion w/in 3 Business Days	UNE	UNE	B	U
Order Accuracy [8]					
OR-6-01	% Accuracy - Orders	Resale	Resale	B	U
	% Accuracy - Orders	UNE	UNE	B	U
OR-6-03	% Accuracy - LSRC	Resale	Resale	B	U
	% Accuracy - LSRC	UNE	UNE	B	U
% Order Confirmation/Rejects Sent Within 3 Business Days					
OR-7-01	% Order Confirmation/Rejects Sent Within 3 Business Days	Resale	POTS	B	U
OR-7-01	% Order Confirmation/Rejects Sent Within 3 Business Days	UNE	Loop/LNP	B	U
	% Order Confirmation/Rejects Sent Within 3 Business Days	UNE	Platform	B	U
Acknowledgement Timeliness					
OR-8-01	% Acknowledgements On Time	Resale	Resale	B	U
OR-8-01	% Acknowledgements On Time	UNE	UNE	B	U
Order Acknowledgement Completeness					
OR-9-01	% Acknowledgement Completeness	Resale	Resale	B	U
OR-9-01	% Acknowledgement Completeness	UNE	UNE	B	U
% Completed within Days					
PR-3-08	% Completed w/in 5 Days (1-5 lines) - No Dispatch	Resale	POTS	P	U
PR-3-08	% Completed w/in 5 Days (1-5 lines) - No Dispatch	UNE	Platform/Other	P	U

---

[8] While this performance measure is calculated using a sample, the entire percent accuracy will be applied to the LSRs placed by the CLEC for purposes of per unit calculation.

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
PR-3-09	% Completed w/in 5 Days (1-5 lines) - Dispatch	Resale	POTS	P	U
PR-3-09	% Completed w/in 5 Days (1-5 lines) - Dispatch	UNE	Platform/Other	P	U
PR-3-10	% Completed w/in 6 Days (1-5 lines) Total	UNE	2Wire Digital	P	U
	% Completed w/in 6 Days (1-5 lines) Total	UNE	2Wire xDSL Loop	P	U
	% Completed w/in 6 Days (1-5 lines) Total	UNE	2Wire xDSL Line Sharing	P	U
% Missed Appointments					
PR-4-01	% Missed Appt. - BA - Total	Resale	Specials	P	U
PR-4-01	% Missed Appt. - BA - Total	UNE	EEL	P	U
	% Missed Appt. - BA - Total	UNE	IOF	P	U
	% Missed Appt. - BA - Total	UNE	Specials	P	U
PR-4-01	% Missed Appt. - BA - Total	Interconn.	Trunks	P	U
PR-4-04	% Missed Appt. - Dispatch	Resale	POTS	P	U
	% Missed Appt. - Dispatch	Resale	2Wire Digital	P	U
PR-4-04	% Missed Appt. - Dispatch	UNE	POTS-Platform	P	U
	% Missed Appt. - Dispatch	UNE	Loop-New	P	U
	% Missed Appt. - Dispatch	UNE	2Wire Digital	P	U
PR-4-05	% Missed Appt. - No Dispatch	Resale	POTS	P	U
PR-4-05	% Missed Appt. - No Dispatch	UNE	POTS-Platform	P	U
	% Missed Appt. - No Dispatch	UNE	POTS-Other	P	U
	% Missed Appt. - No Dispatch	UNE	2Wire xDSL Loop	P	U
	% Missed Appt. - No Dispatch	UNE	2Wire xDSL Line Sharing	P	U
PR-4-07	% On Time - UNE LNP	UNE	LNP	B	U
PR-4-14	% Completed On Time-DD-2-Test & Serial#	UNE	2Wire xDSL Loop	B	U
% MA – Facilities					
PR-5-02	% Orders Missed for Facilities > 15 Days	Resale	POTS	P	U
	% Orders Missed for Facilities > 15 Days	Resale	Specials	P	U
	% Orders Missed for Facilities > 15 Days	Resale	2Wire Digital	P	U
PR-5-02	% Orders Missed for Facilities > 15 Days	UNE	Specials	P	U
	% Orders Missed for Facilities > 15 Days	UNE	2Wire Digital	P	U
	% Orders Missed for Facilities > 15 Days	UNE	2Wire xDSL Loop	P	U
	% Orders Missed for Facilities > 15 Days	UNE	2Wire xDSL Line Sharing	P	U
	% Orders Missed for Facilities > 15 Days	UNE	POTS-Loop	P	U
	% Orders Missed for Facilities > 15 Days	UNE	POTS-Platform	P	U
PR-5-02	% Orders Missed for Facilities > 15 Days	Interconn.	Trunks	P	U

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Installation Quality					
PR-6-01	% Installation Troubles Reported W/in 30 Days	Resale	2Wire Digital	P	U
	% Installation Troubles Reported W/in 30 Days	Resale	Specials	P	U
	% Installation Troubles Reported W/in 30 Days	UNE	2Wire Digital	P	U
	% Installation Troubles Reported W/in 30 Days	UNE	2Wire xDSL Loop	P	U
	% Installation Troubles Reported W/in 30 Days	UNE	2Wire xDSL Line Sharing	P	U
	% Installation Troubles Reported W/in 30 Days	UNE	Specials	P	U
PR-6-01	% Installation Troubles Reported W/in 30 Days	Interconn.	Trunks	P	U
PR-6-02	% Installation Troubles Reported W/in 7 Days	Resale	POTS	P	U
PR-6-02	% Installation Troubles Reported W/in 7 Days	UNE	POTS-Loop	P	U
	% Installation Troubles Reported W/in 7 Days	UNE	POTS-Platform	P	U
Average Days Held on Pending Orders					
PR-8-01	Open Orders in a Hold Status >30 Days	Resale	POTS	P	U
	Open Orders in a Hold Status >30 Days	Resale	2Wire Digital	P	U
	Open Orders in a Hold Status >30 Days	Resale	Specials	P	U
PR-8-01	Open Orders in a Hold Status >30 Days	UNE	POTS	P	U
	Open Orders in a Hold Status >30 Days	UNE	Specials	P	U
	Open Orders in a Hold Status >30 Days	UNE	2Wire Digital	P	U
	Open Orders in a Hold Status >30 Days	UNE	2Wire xDSL Loop	P	U
	Open Orders in a Hold Status >30 Days	UNE	2Wire xDSL Line Sharing	P	U
	Open Orders in a Hold Status >30 Days	UNE	EEL	P	U
	Open Orders in a Hold Status >30 Days	UNE	IOF	P	U
PR-8-01	Open Orders in a Hold Status >30 Days	Interconn.	Trunks	P	U
Hot Cuts					
PR-9-01	% On Time Performance	UNE	Hot Cut Loop	B	U
Response Times					
MR-1-01	Average Response Time - Create Trouble	OSS	Web GUI	B	M
	Average Response Time - Create Trouble	OSS	Elect Bond	B	M
MR-1-02	Average Response Time - Status Trouble	OSS	Web GUI	B	M
	Average Response Time - Status Trouble	OSS	Elect Bond	B	M
MR-1-03	Average Response Time - Modify Trouble	OSS	Web GUI	B	M
	Average Response Time - Modify Trouble	OSS	Elect Bond	B	M
MR-1-04	Average Response Time - Cancel Trouble	OSS	Web GUI	B	M
	Average Response Time - Cancel Trouble	OSS	Elect Bond	B	M
MR-1-05	Average Response Time - Trouble Report History	OSS	Web GUI	B	M
	Average Response Time - Trouble Report History	OSS	Elect Bond	B	M
MR-1-06	Average Response Time - Test Trouble	OSS	Web GUI	B	M
	Average Response Time - Test Trouble	OSS	Elect Bond	B	M

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Network Trouble Report Rate					
MR-2-01	Network Trouble Report Rate (Total)	Resale	Specials	P	U
MR-2-01	Network Trouble Report Rate (Total)	UNE	Specials	P	U
MR-2-01	Network Trouble Report Rate (Total)	Interconn.	Trunks	P	U
MR-2-02	Network Trouble Report Rate (Loop)	Resale	POTS	P	U
	Network Trouble Report Rate (Loop)	Resale	2Wire Digital	P	U
MR-2-02	Network Trouble Report Rate (Loop)	UNE	POTS-Platform	P	U
	Network Trouble Report Rate (Loop)	UNE	POTS/Loop	P	U
	Network Trouble Report Rate (Loop)	UNE	2Wire Digital	P	U
MR-2-03	Network Trouble Report Rate (Central Office)	Resale	POTS	P	U
	Network Trouble Report Rate (Central Office)	Resale	2Wire Digital	P	U
MR-2-03	Network Trouble Report Rate (Central Office)	UNE	2Wire Digital	P	U
	Network Trouble Report Rate (Central Office)	UNE	POTS-Platform	P	U
	Network Trouble Report Rate (Central Office)	UNE	POTS/Loop	P	U
% Missed Repair Appointments					
MR-3-01	% Missed Repair Appt. (Loop)	Resale	POTS	P	U
	% Missed Repair Appt. (Loop)	Resale	2Wire Digital	P	U
MR-3-01	% Missed Repair Appt. (Loop)	UNE	POTS-Platform	P	U
	% Missed Repair Appt. (Loop)	UNE	POTS/Loop	P	U
	% Missed Repair Appt. (Loop)	UNE	2Wire Digital	P	U
	% Missed Repair Appt. (Loop)	UNE	2Wire xDSL Loop	P	U
	% Missed Repair Appt. (Loop)	UNE	2Wire xDSL Line Sharing	P	U
MR-3-02	% Missed Repair Appt. (Central Office)	Resale	POTS	P	U
	% Missed Repair Appt. (Central Office)	Resale	2Wire Digital	P	U
MR-3-02	% Missed Repair Appt. (Central Office)	UNE	POTS-Platform	P	U
	% Missed Repair Appt. (Central Office)	UNE	POTS/Loop	P	U
	% Missed Repair Appt. (Central Office)	UNE	2Wire Digital	P	U
	% Missed Repair Appt. (Central Office)	UNE	2Wire xDSL Loop	P	U
	% Missed Repair Appt. (Central Office)	UNE	2Wire xDSL Line Sharing	P	U
Trouble Duration Intervals					
MR-4-04	% Cleared w/in 24 Hours (Total)	Resale	POTS	P	U
	% Cleared w/in 24 Hours (Total)	Resale	2Wire Digital	P	U
	% Cleared w/in 24 Hours (Total)	Resale	Specials	P	U
MR-4-04	% Cleared w/in 24 Hours (Total)	UNE	POTS-Platform	P	U
	% Cleared w/in 24 Hours (Total)	UNE	POTS/Loop	P	U
	% Cleared w/in 24 Hours (Total)	UNE	2Wire Digital	P	U
	% Cleared w/in 24 Hours (Total)	UNE	2Wire xDSL Loop	P	U
	% Cleared w/in 24 Hours (Total)	UNE	2Wire xDSL Line Sharing	P	U

Draft 8/2/00

% Cleared w/in 24 Hours (Total)	UNE	Specials	P	U

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
MR-4-04	% Cleared w/in 24 Hours (Total)	Interconn.	Trunks	P	U
	% OOS > 12 Hours	Resale	POTS	P	U
	% OOS > 12 Hours	Resale	2Wire Digital	P	U
	% OOS > 12 Hours	Resale	Specials	P	U
MR-4-07	% OOS > 12 Hours	UNE	POTS-Platform	P	U
	% OOS > 12 Hours	UNE	POTS/Loop	P	U
	% OOS > 12 Hours	UNE	2Wire Digital	P	U
	% OOS > 12 Hours	UNE	2Wire xDSL Loop	P	U
	% OOS > 12 Hours	UNE	2Wire xDSL Line Sharing	P	U
	% OOS > 12 Hours	UNE	Specials	P	U
MR-4-07	% OOS > 12 Hours	Interconn.	Trunks	P	U
Maintenance Quality					
MR-5-01	% Repeat Reports w/in 30 Days	Resale	POTS	P	U
	% Repeat Reports w/in 30 Days	Resale	Specials	P	U
	% Repeat Reports w/in 30 Days	Resale	2Wire Digital	P	U
MR-5-01	% Repeat Reports w/in 30 Days	UNE	POTS-Platform	P	U
	% Repeat Reports w/in 30 Days	UNE	POTS/Loop	P	U
	% Repeat Reports w/in 30 Days	UNE	2Wire Digital	P	U
	% Repeat Reports w/in 30 Days	UNE	2Wire xDSL Loop	P	U
	% Repeat Reports w/in 30 Days	UNE	2Wire xDSL Line Sharing	P	U
	% Repeat Reports w/in 30 Days	UNE	Specials	P	U
MR-5-01	% Repeat Reports w/in 30 Days	Interconn.	Trunks	P	U
Final Trunk Blockage					
NP-1-04	# of Final Trunk Groups Blocked 3 Months	Interconn.	Final Trunks	B	M
Collocation					
NP-2-01	%On Time Response - Collocation Request-Total	Collocation	New	B	U
NP-2-01	%On Time Response - Collocation Request-Total	Collocation	Augment	B	U
NP-2-07	% On Time - Total	Collocation	New	B	M
NP-2-07	% On Time - Total	Collocation	Augment	B	M
Network Outage Notification					
NP-5-01	% Network Outage Notice Sent w/in 30 Min	Ntwk Svc.		B	M
NXX Updates					
NP-6-01	% NXX Updates Installed By The LERG Eff. Date	NXX		B	U
DUF Timeliness					
BI-1-02	% DUF in 4 Business Days	DUF		B	M
Bill Timeliness					
BI-2-01	Timeliness of Carrier Bill	Bill		B	M
Bill Accuracy					
BI-3-03	% Billing Adjustments-Includes PCD	Bill		B	M
Usage Accuracy					

Draft 8/2/00

BI-4-01	% Usage Accuracy	DUF		B	M
Accuracy of Mechanized Bill Feed					
BI-5-01	% Accuracy of Mechanized Bill Feed	Bill		B	M

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Completeness of Usage Charges					
BI-6-02	% Completeness of Usage Charges	Bill		B	M
Completeness of Fractional Recurring Charges					
BI-7-02	% Completeness of Fractional Recurring Charges	Bill		B	M
Non-Recurring Charge Completeness					
BI-8-02	% Completeness of Non-Recurring Charges	Bill		B	M
Operator Services					
OD-1-03	% Calls Answered in 30 Seconds - Operator	OS/DA	BA/CLEC	B	M
OD-1-04	% Calls Answered in 30 Seconds - Directory	OS/DA	BA/CLEC	B	M
Directory Assistance Database Update Accuracy					
OD-3-02	% Directory Assistance Update Accuracy	DA Listing	Excl Errors	B	U
Directory Listing Verification Reports					
GE-1-01	% On Time Directory Listing Verification Reports	DA Listing	CLEC	B	U
Poles, Ducts, Conduit and Rights of Way					
GE-2-01	% On Time Access Request Response	Poles/ROW	CLEC	B	U

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Ordering OSS Response Time					
PO-1-02	Average Response Time – Service Appointment Scheduling	OSS	Electronic Interface	B	M
PO-1-03	Average Response Time – Address Verification	OSS	Electronic Interface	B	M
PO-1-04	Average Response Time –Service Availability	OSS	Electronic Interface	B	M
PO-1-05	Average Response Time – Request for Telephone Number	OSS	Electronic Interface	B	M
PO-1-07	% CSR Queries On Time – Manual	OSS	Manual	B	M
PO-1-08	% CSR Queries On Time – WISE	OSS	WISE	B	M
OSS Availability					
PO-2-01	OSS Interface Availability – Scheduled Hours	OSS	Email	B	M
	OSS Interface Availability – Scheduled Hours	OSS	FTP	B	M
	OSS Interface Availability – Scheduled Hours	OSS	NDM	B	M
	OSS Interface Availability – Scheduled Hours	OSS	WISE CSR Requests	B	M
	OSS Interface Availability – Scheduled Hours	OSS	WISE Pre-Order	B	M
	OSS Interface Availability – Scheduled Hours	OSS	WISE Order	B	M
	OSS Interface Availability – Scheduled Hours	OSS	WISE Repair	B	M
Contact Center Availability					
PO-3-01	Center Responsiveness (Ordering)		Ordering Center	B	M
PO-3-03	Center Responsiveness (Repair)		Repair Center	B	M
Order Confirmation Timeliness					
OR-1-02	% On time LSC – Flow Through	Resale	POTS	B	U
	% On time LSC – Flow Through	UNE	Loop – Non Designed	B	U
	% On time LSC – Flow Through	UNE	Port	B	U
	% On time LSC – Flow Through	UNE	Platform	B	U
OR-1-04	% On Time LSC < 10 Lines (No Flow Thru)	Resale	POTS	B	U
	% On Time LSC < 10 Lines (No Flow Thru)	UNE	Loop – Non Designed	B	U
	% On Time LSC < 10 Lines (No Flow Thru)	UNE	Port	B	U
	% On Time LSC < 10 Lines (No Flow Thru)	UNE	Platform	B	U
	% On Time LSC < 10 Lines (No Flow Thru)	UNE	DSL Loop	B	U
OR-1-05	% On Time LSC < 10 Lines (Specials)	Resale	Specials	B	U
	% On Time LSC < 10 Lines (Specials)	UNE	Loop–Designed	B	U
	% On Time LSC < 10 Lines (Specials)	UNE	Transport	B	U

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
OR-1-06	% On Time LSC >= 10 Lines (No Flow -Thru)	Resale	POTS	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	Resale	Specials	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	UNE	Loop Non-Designed	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	UNE	Loop – Designed	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	UNE	Transport	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	UNE	Port	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	UNE	Platform	B	U
	% On Time LSC >= 10 Lines (No Flow -Thru)	UNE	DSL Loop	B	U
OR-1-12	% On Time FOC	Interconn.	Trunks	B	U
Reject Timeliness					
OR-2-02	% On Time LSR Reject – Flow Through	Resale	POTS	B	U
	% On Time LSR Reject – Flow Through	UNE	Loop – Non Designed	B	U
	% On Time LSR Reject – Flow Through	UNE	Port	B	U
	% On Time LSR Reject – Flow Through	UNE	Platform	B	U
OR-2-04	% On Time LSR Reject < 10 Lines (No Flow Through)	Resale	POTS	B	U
	% On Time LSR Reject < 10 Lines (No Flow Through)	UNE	Loop – Non Designed	B	U
	% On Time LSR Reject < 10 Lines (No Flow Through)	UNE	Port	B	U
	% On Time LSR Reject < 10 Lines (No Flow Through)	UNE	Platform	B	U
	% On Time LSR Reject < 10 Lines (No Flow Through)	UNE	DSL Loop	B	U
OR-2-05	% On Time LSR Reject < 10 Lines (Specials)	Resale	Specials	B	U
	% On Time LSR Reject < 10 Lines (Specials)	UNE	Loop – Designed	B	U
OR-2-06	% On Time LSR Reject >= 10 Lines	Resale	POTS	B	U
	% On Time LSR Reject >= 10 Lines	Resale	Specials	B	U
	% On Time LSR Reject >= 10 Lines	UNE	Loop Non-Designed	B	U
	% On Time LSR Reject >= 10 Lines	UNE	Loop – Designed	B	U
	% On Time LSR Reject >= 10 Lines	UNE	Transport	B	U
	% On Time LSR Reject >= 10 Lines	UNE	Port	B	U
	% On Time LSR Reject >= 10 Lines	UNE	Platform	B	U
	% On Time LSR Reject >= 10 Lines	UNE	DSL Loop	B	U
OR-2-12	% on Time Interconnection Trunk and UNE Transport ASR Reject	Interconn.	Trunks	B	U
OR-2-13	% on Time LSR Reject >= 10 Lines -Specials	Resale	Specials	B	U
	% on Time LSR Reject >= 10 Lines -Specials	UNE	Loop – Designed	B	U

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
% Completed within Days					
PR-3-08	% Completed in 5 Days – No Dispatch	Resale	POTS	P	U
	% Completed in 5 Days – No Dispatch	UNE	Loop Non-Designed	P	U
PR-3-09	% Completed in 5 Days – Dispatch	Resale	POTS	P	U
	% Completed in 5 Days – Dispatch	UNE	Loop Non-Designed	P	U
% Missed Due Dates					
PR-4-01	% Missed Due Dates – Designed Services	Resale	Specials	P	U
	% Missed Due Dates – Designed Services	UNE	Loop – Designed	P	U
	% Missed Due Dates – Designed Services	UNE	Transport	P	U
	% Missed Due Dates – Designed Services	UNE	DSL Loop	P	U
	% Missed Due Dates – Designed Services	Intercon.	Trunks	P	U
PR-4-04	% Missed Due Dates – Dispatch	Resale	POTS	P	U
	% Missed Due Dates – Dispatch	UNE	Loop – Non-Designed	P	U
	% Missed Due Dates – Dispatch	UNE	Platform	P	U
PR-4-05	% Missed Due Dates – No Dispatch	Resale	Specials	P	U
	% Missed Due Dates – No Dispatch	UNE	Loop – Non-Designed	P	U
	% Missed Due Dates – No Dispatch	UNE	Port	P	U
	% Missed Due Dates – No Dispatch	UNE	Platform	P	U
	% Missed Due Dates – No Dispatch	UNE	Line Sharing	P	U
% MA - Facilities					
PR-5-03	% Orders Held for Facilities > 60 Days	Resale	POTS	P	U
	% Orders Held for Facilities > 60 Days	Resale	Specials	P	U
	% Orders Held for Facilities > 60 Days	UNE	Loop – Non-Designed	P	U
	% Orders Held for Facilities > 60 Days	UNE	Loop – Designed	P	U
	% Orders Held for Facilities > 60 Days	UNE	Port	P	U
	% Orders Held for Facilities > 60 Days	UNE	Transport	P	U
	% Orders Held for Facilities > 60 Days	UNE	Platform	P	U
	% Orders Held for Facilities > 60 Days	UNE	DSL Loop	P	U
	% Orders Held for Facilities > 60 Days	UNE	Line Sharing	P	U
	% Orders Held for Facilities > 60 Days	Interconn.	Trunks	P	U

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Installation Quality					
PR-6-01	% Installation Troubles reported w/in 30 Days	Resale	Specials	P	U
	% Installation Troubles reported w/in 30 Days	UNE	Loop – Designed	P	U
	% Installation Troubles reported w/in 30 Days	UNE	Port	P	U
	% Installation Troubles reported w/in 30 Days	UNE	Transport	P	U
	% Installation Troubles reported w/in 30 Days	UNE	DSL Loop	P	U
	% Installation Troubles reported w/in 30 Days	UNE	Line Sharing	P	U
	% Installation Troubles reported w/in 30 Days	Interconn.	Trunks	P	U
PR-6-02	% Installation Troubles reported within 7 Days	Resale	POTS	P	U
	% Installation Troubles reported within 7 Days	UNE	Loop – Non-Designed	P	U
	% Installation Troubles reported within 7 Days	UNE	Platform	P	U
Hot Cuts					
PR-9-01	% On Time Performance	UNE	Hot Cut Loops & LNP	B	U
Network Trouble Report Rate					
MR-2-01	Network Trouble Report Rate	Resale	POTS	P	U
	Network Trouble Report Rate	Resale	Specials	P	U
	Network Trouble Report Rate	UNE	Loop – Non-Designed	P	U
	Network Trouble Report Rate	UNE	Loop – Designed	P	U
	Network Trouble Report Rate	UNE	Port	P	U
	Network Trouble Report Rate	UNE	Transport	P	U
	Network Trouble Report Rate	UE	Platform	P	U
	Network Trouble Report Rate	UNE	DSL Loop	P	U
	Network Trouble Report Rate	UNE	Line Sharing	P	U
	Network Trouble Report Rate	Interconn.	Trunks	P	U
% Missed Repair Appointments					
MR-3-01	% Missed Repair Commitment	Resale	POTS	P	U
	% Missed Repair Commitment	UNE	Loop – Non-Designed	P	U
	% Missed Repair Commitment	UNE	Port	P	U
	% Missed Repair Commitment	UNE	Platform	P	U
	% Missed Repair Commitment	UNE	DSL Loop	P	U
	% Missed Repair Commitment	UNE	Line Sharing	P	U

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Trouble Duration Intervals					
MR-4-07	% Out of Service > 12 Hours	Interconn.	Trunks	P	U
MR-4-08	% Out of Service > 24 Hours	Resale	POTS	P	U
	% Out of Service > 24 Hours	Resale	Specials	P	U
	% Out of Service > 24 Hours	UNE	Loop – Non-designed	P	U
	% Out of Service > 24 Hours	UNE	Loop – Designed	P	U
	% Out of Service > 24 Hours	UNE	Port	P	U
	% Out of Service > 24 Hours	UNE	Transport	P	U
	% Out of Service > 24 Hours	UNE	Platform	P	U
	% Out of Service > 24 Hours	UNE	DSL Loop	P	U
	% Out of Service > 24 Hours	UNE	Line Sharing	P	U
Maintenance Quality					
MR-5-01	% Repeat Reports within 30 Days	Resale	POTS	P	U
	% Repeat Reports within 30 Days	Resale	Specials	P	U
	% Repeat Reports within 30 Days	UNE	Loop – Non-Designed	P	U
	% Repeat Reports within 30 Days	UNE	Loop – Designed	P	U
	% Repeat Reports within 30 Days	UNE	Port	P	U
	% Repeat Reports within 30 Days	UNE	Transport	P	U
	% Repeat Reports within 30 Days	UNE	Platform	P	U
	% Repeat Reports within 30 Days	UNE	DSL Loop	P	U
	% Repeat Reports within 30 Days	UNE	Line Sharing	P	U
	% Repeat Reports within 30 Days	Interconn.	Trunks	P	U
Final Trunk Blockage					
NP-1-04	Number Final Trunk Groups Exceeding 2% Blocking Standard – 3 Months	Interconn.	Trunks	B	M
Collocation					
NP-2-01	% On Time Response to Request for Physical Collocation	Collocation	Physical	B	U
NP-2-05	% On Time – Physical Collocation	Collocation	Physical	B	M
NXX Updates					
NP-6-01	NXX Loaded by LERG Effective Date	Interconn.	NXX	P	U
Bill Timeliness					
BI-2-01	Timeliness of Carrier Bill	Bill		B	M

Draft 8/2/00

Metric #	Metric	Service	Product	Parity (P) or Benchmark (B)	Per Unit (U) or Per Metric (M)
Bill Accuracy					
BI-3-02	Bill Accuracy	Resale	Usage	B	M
	Bill Accuracy	Resale	Recurring	B	M
	Bill Accuracy	Resale	Non-Recurring	B	M
	Bill Accuracy	UNE	Usage	B	M
	Bill Accuracy	UNE	Recurring	B	M
	Bill Accuracy	UNE	Non-Recurring	B	M
	Bill Accuracy	Interconn.	Usage	B	M
	Bill Accuracy	Interconn.	Recurring	B	M
	Bill Accuracy	Interconn.	Non-Recurring	B	M
Completeness of Fractional Recurring Charges					
BI-7-03	Completeness of Fractional Recurring Charges	Resale	Bill	P	M
	Completeness of Fractional Recurring Charges	UNE	Bill	P	M
	Completeness of Fractional Recurring Charges	Interconn.	Bill	B	M
Non-Recurring Charge Completeness					
BI-8-03	Non-Recurring Charge Completeness	Resale	Bill	P	M
	Non-Recurring Charge Completeness	UNE	Bill	P	M
	Non-Recurring Charge Completeness	Interconn.	Bill	B	M

Draft 8/2/00

Appendix B

Bill Credit Calculation

Performance incentive bill credits in the amount specified in the table below apply to all measures with sub-standard performance in excess of the applicable "K" number of exempt measures. Incentive credits apply on either a "per measure" or a "per unit" basis. The total amount of the incentive credit is a function of the severity of the miss ("Major," "Moderate" or "Minor"), the number of consecutive months for which Verizon has failed to meet the standard, in the case of "per measure" measures, the relative volume of CLEC activity, and in the case of "per unit" measures, the volume of "affected units".

Performance Differences for Absolute Standards

For measures with absolute (benchmark) standards, where performance does not meet the applicable standard, the severity of the miss is determined by the difference between the standard and the actual Verizon performance.

- If higher performance is better, subtract the actual Verizon performance for the CLEC from the standard.

- If lower performance is better, the calculation is reversed, subtracting the standard from the actual Verizon performance for the CLEC.

Example: If Metric OR-1-02, % On Time LSRC Flow Through, Resale, POTS/Pre-qualified Complex, had an actual performance of 94.5% against a standard of 95%, the difference would be 95%-94.5% or 0.5%. Since this is a "Percent Measure," the severity designation for the performance for Metric OR-1-02 is as follows:

Draft 8/2/00

	Minor	Moderate	Major
All Percent Measures	0.1 to < 5% Difference	5 to 15% Difference	> 15% Difference

The severity of this miss is "Minor."

Performance Differences for Parity Standards

For measures with Parity standards where the standard has not been met (i.e., the Z-score is less than -1.645), the severity of the miss is determined by the difference between the CLEC performance and the Verizon Retail performance.

- If higher performance is better, subtract the CLEC performance from the actual Verizon Retail performance.

- If lower performance is better, the calculation is reversed, subtracting the actual Verizon Retail performance from the CLEC performance.

Example: If Metric PR-4-05, % Missed Appointments No Dispatch, UNE Platform, had a Retail performance of 0.42% and a CLEC performance of 5.73%, the difference would be 5.73%-0.42% or 5.31%.   Since this is a "Percent Measure," the severity designation for the performance for Metric OR-4-05 would be as follows:

	Minor	Moderate	Major
All Percent Measures	0.1 to < 5% Difference	5 to 15% Difference	> 15% Difference

The severity of this miss is "Moderate."

Credits for Measures with "Per Measure" Incentives

For those measures listed in Appendices A-1 and A-2 as having "per measure"
incentives, bill credits will apply on a per measure basis, at the amounts set forth in the table
below.

Verizon Virginia Inc.

	Minor	**Moderate**	**Major**
$/Measure	$4,450	$8,900	$17,800

Verizon South Inc.

	Minor	**Moderate**	**Major**
$/Measure	$750	$1,500	$3,000

Example: If Metric PO-4-01, % Change Management Notices Sent on Time (Verizon
Virginia) has a "Minor" miss, credits in the amount of $4,450 would be allocated among the
CLECs based on their lines in service.

Credits for Measures with "Per Unit" Incentives

Most CLEC-specific measures are assigned a fixed amount of bill credit per affected unit
associated with the CLEC in a given month. For these measures, the following calculation is
performed to determine credits due.

- Affected units are determined by multiplying the number of units of measured service
  activity (observations for the month) by the performance difference.

- Credits are calculated by multiplying the affected units by the fixed dollar amount per
  unit that corresponds to the severity level of the performance difference.

	Minor	Moderate	Major
$/UNIT Measures	$11	$21	$42

Example: Metric PR-4-05, % Missed Appointments No Dispatch, UNE Platform, has a
moderate miss, with a 5.31% performance difference on a CLEC's volume of 12,500

Page 20

orders. First determine the "affected units" by multiplying 5.31% x 12,500 to obtain

663.75 affected units. Then, multiply the "Moderate" per unit credit amount of $21 by

663.75 to obtain a total $13,939 credit for the CLEC for that month.

Credits for Misses for Consecutive Multiple Months

For measures that miss the applicable standard for two or three consecutive months, a factor

is applied to increase the performance credit.

- A measure for which the standard is missed for two consecutive months will be

  subject to an incentive credit that is 1.5 times the amount of the incentive credit for

  the first month the standard is missed.

- A measure for which the standard is missed for three consecutive months will be

  subject to an incentive credit that is 2.0 times the amount of the incentive credit for

  the first month the standard is missed.

Frequency Factor

Frequency Factor	2 Consecutive Months	3 Consecutive Months
Multiple of first month incentive credit	1.5	2.0

Example: Metric PR-4-05, % Missed Appointments No Dispatch, UNE Platform, has a

"Moderate" miss with a 5.31% performance difference on a CLEC's volume of 12,500

orders, resulting in a $13,939 credit. If this were the second consecutive month that the

standard was missed for this measure, the credit would be 1.5 x $ 13,939 or $20,909. If it

is the third consecutive month that the standard is missed for this measure, the credit

would be 2 x $13,939 or $27,878.

Type I Error Offset Exclusions

The methodology for determining the Type I Error offset is addressed in Appendix D.

Draft 8/2/00

Appendix C

Statistical Methodologies

The statistical methodology for determining whether a Parity standard has been met is set out in Appendix J of the Guidelines. However, where statistically appropriate, Verizon proposes to replace the use of the Permutation method for determining whether Parity has been met for measures with a small sample size (Verizon Retail 10 to 29 or CLEC 10 to 29), with the use of a Hyper-geometric Formula.

Standard Hyper-geometric Formula (use for small sample size counted variables)

This substitute for the Permutation tests was proposed by AT&T in a statistical subgroup in New York as an alternative method of obtaining accurate results that requires far fewer computational resources than Permutation testing. A Hyper-geometric formula function is built into MS Excel or can be found in SAS software and has been found to provide accurate results. Probability of a given number of failures (x), for a given sample size (n), population failures (M), and population size (N),

$$P(x) = \{(_MC_x)\,(_{N-M}C_{n-x})\} / (_NC_n)$$
$$N = \text{total sample size (ILEC + CLEC)}$$
$$M = \text{total number of failures (ILEC + CLEC)}$$
$$n = \text{CLEC sample size}$$
$$x = \text{number of CLEC failures}$$

Where the function $(_MC_x)$ is the binomial coefficient function: $M!/((M-x)!x!)$

Example:

ILEC had 100 failures in 3350 while the CLEC had 3 misses in 35

$$N = 3350 + 35 = 3385$$
$$M = 100 + 3 = 103$$

Draft 8/2/00

n = 35

To compute the probability of the CLEC having three or more failures (x=>3) in a sample of 35, the probabilities of x = 0, 1 and 2 need to be summed and subtracted from 1.

For x = 0, $P(0) = \{103!/((103-0)!0!)\}*\{3282!/((3282-35)!35!)\} / \{3385!/((3385-35)!35!)\}$

$P(0) = 0.3371974$

Similarly $P(1) = 0.374260045$ and $P(2) = 0.199743588$

$P(x<3) = P(0) + P(1) + P(2) = 0.911201$

$P(x>=3) = 1-0.911201 = 0.088799$

This probability corresponds to a Z-score of:

$Z = -1.35$

Draft 8/2/00

Appendix D

Type I Error - K Factor Offset

Parity testing requires Verizon to perform a large number of statistical tests. Each individual test is performed at a 5% Type I error level. This means that there is a 5% chance that an individual test will indicate a failure to meet Parity when Parity service is actually being provided. As the number of tests performed increases, the expected number of false violations in any month also increases. Statisticians refer to this dilemma as the "multiple-testing" problem. To deal with this problem, Verizon proposes to employ a table that indicates the number of allowable misses per CLEC per month. This table is based on calculations of the number of false violations that can reasonably be expected when Verizon is providing Parity service to the CLEC. The following procedure provides an offset for this problem by specifying a number of measures that may miss their Parity standard before any bill credits are required.

Application of K Value Exclusions

For each month for each CLEC, determine the measures for which Verizon has failed to meet the standard ("non-compliant" measures). Sort all measures that are non-compliant in ascending order of deviation from Parity (in percentage terms) and exclude the first "K" measures (those with the smallest deviations). If a measure has been missed for three consecutive months, that measure will be subject to credits and will be excluded from the total number of tests used to determine the appropriate entry in the table. For the remaining non-compliant measures that are above the K number of measures, incentive credits per apply.

Draft 8/2/00

TABLE 1
Table of Allowable Misses for a Single CLEC
Individual Tests at a 5% Type I Error Level

Number of Measures for which there was Measured Performance for the CLEC		Number of Measures for which the Standard can be Missed with no Credit Applying
Lower Bound	Upper Bound	
15	20	3
21	30	4
31	41	5
42	52	6
53	64	7
65	77	8
78	90	9
91	103	10
104	116	11
117	130	12
131	144	13
145	158	14
159	173	15
174	187	16
188	202	17
203	217	18
218	232	19
233	247	20
248	262	21
263	277	22
278	292	23
293	308	24
309	324	25
325	339	26
340	355	27
356	371	28
372	387	29
388	402	30
403	418	31
419	435	32

436	451	33