

March 1, 2002

EXCEPTION #6 DISPOSITION REPORT

On November 27, 2001, KPMG Consulting issued Exception #6, which indicated that Verizon did not meet the Carrier-to-Carrier (C2C) standard for Telephone Number Availability & Reservation (TNA) pre-order responses submitted via the Electronic Data Interchange (EDI) as part of the Volume Performance Tests, using the September 2001 C2C report for metric PO-1-05,¹ Average Response Time – Telephone Number Availability & Reservation. The TNA pre-order responses had an average response time of 13.62 seconds, exceeding the retail standard of 4.93 seconds (parity plus four seconds).

Verizon's response to Exception #6, dated November 28, 2001, stated that the Virginia Metrics Collaborative had reached consensus to adopt language from the New York Metrics Collaborative that allows TNA and Address Validation transactions to be combined for the calculation of retail parity. As proposed by the Virginia Metrics Collaborative, the revised TNA standard, derived by adding four seconds to the sum of Verizon Virginia retail averages for TNA and ADR in October 2001, is 9.93 seconds.

On December 28, 2001, KPMG Consulting issued an updated version of Exception #6, which indicated that additional TNA pre-order transactions had been submitted as part of the Volume Performance Tests. The cumulative data had an average response time of 14.00 seconds, exceeding both the October 2001 retail standard of 5.24 seconds and the proposed combined standard of 9.93 seconds.

Verizon's response to the revised exception, dated January 4, 2002, stated that a minor degradation of database performance was created by repeatedly executing TNA transactions within the same wire center, allowing for a disproportionate number of transactions accessing data in the same area of the database. Verizon further stated that this condition does not represent the distribution of actual production activity across the Maryland, District of Columbia, Virginia, and West Virginia (MDVW) jurisdictions.

KPMG Consulting agrees that the TNA transactions submitted as part of the Volume Performance Tests were not distributed among wire centers in a manner that may reflect the actual distribution of TN reservations in the CLEC environment. This limited distribution was an artifact of the original Volume Performance Tests.

In further discussions with Verizon and the Virginia State Corporation Commission, Verizon also contended that the significant difference in response time between KPMG Consulting TNA transactions submitted during Volume Testing and wholesale transactions is attributable to the exclusion of address unit information on KPMG Consulting transactions. As the basic addresses used in KPMG Consulting transactions contain 400-500 supplemental addresses in the form of specific unit information (e.g., suite number, apartment number), Verizon attributes the increase in response time to the retrieval and reading of these supplemental addresses. It is Verizon's position that KPMG Consulting TNA response times are not comparable to the actual experience

¹ *Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports*, dated August 11, 2000.

This exception report is for discussion purposes only and is subject to change without notice.

of the CLEC community, which typically requests a telephone number for a specific unit in a building, rather than the entire building.

To verify the impact of the exclusion of address unit information on TNA response time, KPMG Consulting conducted a one-hour retest of TNA transactions in which 150% of the maximum normal hour volume was submitted. TNA transactions were submitted requesting telephone numbers in multiple wire centers, with the address unit information populated.

The TNA transactions submitted via the EDI during the one-hour retest had an average response time of 7.67 seconds, which is below the proposed combined retail standard of 11.43 seconds. The updated TNA standard is derived by adding four seconds to the sum of the Verizon VA EnView retail averages of TNA and ADR on the three volume test days. The results of the one-hour retest appeared to indicate that the wire center distribution and address unit information exclusion caused the degradation in TNA response times experienced by KPMG Consulting during the original Volume Performance Tests.

Based on the results of the TNA retest, KPMG Consulting considers this exception closed as of March 1, 2002.