

January 15, 2002

EXCEPTION #14 DISPOSITION REPORT

KPMG Consulting observed that, with the exception of Unbundled Network Elements (UNE) Specials, Verizon had inaccurately reported either "NA" or "0" for Provisioning (PR) metrics results in the July, August, September and October 2001 KPMG CLEC Specific Carrier-to-Carrier (C2C) reports. These reports should have contained values based on transactions submitted by the KPMG Consulting Test CLEC.

In response to the exception, Verizon provided KPMG Consulting with the processed data for the November 2001 PR metrics along with the November 2001 KPMG CLEC Specific C2C reports. KPMG Consulting successfully replicated Verizon's metrics results, confirming that the KPMG CLEC Specific C2C reports contained all of the Provisioning transactions submitted in November by the KPMG Consulting Test CLEC.

KPMG Consulting does not have additional analysis to conduct and considers this exception closed as of January 15, 2002.