

**Virginia SCC/Verizon  
Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
001	KPMG Consulting observed discrepancies in the February 2001 release of the Verizon progression test deck version 3.5 LSOG4 documentation	Closed	Discussion Complete	<p>05/22/01: Opened; Verizon agreed with the findings except the Item 2, the LSR listing in DL form issue. Verizon indicated that the findings they agree with have been corrected with the new release of the CTE Test Deck (May 7).</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> is to further investigate the Item 2 and address Verizon’s comments at the next meeting.</li> </ul> <p>06/05/01: Verizon indicated they no longer disagree with KPMG Consulting regarding Item 2. Further, Verizon indicated that Item 2 is corrected with the May 31 publication of CTE Test Deck.</p> <p>KPMG Consulting verified that the CTE Test Deck (Version 4.0) fixed the issues noted in Table 1 (as Verizon indicated in the previous meeting), except for Item 2. In addition, KPMG Consulting noted that the latest CTE Test Deck (Version 4.2, published May 31, 2001) partially fixed issues noted in Item 2. While the latest release fixed the DIRQTYNC &amp; DIRTYYP fields in DL form, the LSR continues to incorrectly list YPHV/YPH fields in DIR group.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate LSR listing of YPHV/YPH fields and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/12/01: Verizon indicated that Item #2 regarding YPHV/YPH fields in DIR group has been corrected with the updated CTE Test Deck release (June 11).</p> <p>KPMG Consulting asked a clarification question regarding Item #1, as to where the manual input error occurred during the process. Verizon indicated the manual error occurred at EDI where the tester entered the wrong telephone number.</p> <p>KPMG Consulting indicated that issues noted in Item #5 regarding CKR &amp; PORTED NBR fields in test case #31</p>	

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				<p>reappeared in CTE Test Deck Version 4.2.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate LSR listing of YPHV/YPH fields in the updated release and address any follow-up questions at the next Observation meeting.</li> <li>▪ <b>Verizon</b> will investigate the reappearance of issue Item #5 regarding CKR &amp; PORTED NBR fields in CTE Test Deck Version 4.2 and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/19/01: KPMG Consulting confirmed that Item #2 regarding YPHV/YPH fields in DIR group has been corrected with the updated CTE Test Deck release (June 11). Verizon indicated that issues noted in Item #5 regarding CKR &amp; PORTED NBR fields in scenario #31, which reappeared in the CTE Test Deck Version 4.2, have been corrected in the CTE Test Deck Version 4.4 (June 15).</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate issue Item #5 in the updated release and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/26/01: KPMG Consulting confirmed that the issues have been corrected in the CTE Test Deck Version 4.4 (June 15) and proposed to close the observation next week</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>07/03/01: Closed</p>	

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002	KPMG Consulting observed that Verizon's Product Interval Guides do not provide provisioning intervals for Directory Listing (DL) orders for either Resale or UNE products	Closed	Discussion Complete	<p>5/22/01: Opened; Verizon disagreed with the findings.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> is to provide information as to where the information regarding provisioning intervals can be located (website address, page number, line number, etc.).</li> <li>▪ <b>Verizon</b> is to provide a date as to when the two versions of the Interval Guides will have consistent information at the next meeting.</li> <li>▪ <b>KPMG Consulting</b> is to further investigate the issue and address Verizon's comments at the next meeting.</li> </ul> <p>06/05/01: Verizon indicated that page 2 of the Resale Standard Intervals is changed to reflect the Directory Listing (DL) information. However, KPMG Consulting noted that the change provides intervals for Residential customers only, and not for Business customers. In addition, KPMG Consulting noted that while the <i>Resale Standard Intervals</i> references DL orders under <b>Directory Listing Changes and Adds</b>, the <i>Intervals for Unbundled Network Elements</i> references DL orders under <b>Directory Assistance</b>.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate provisioning intervals for DL activities for business customers and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/12/01: Verizon indicated that the Product Interval Guides for North and South are consistent. Verizon's website has been updated to include both residence and business Directory Assistance interval information as follows:  Verizon South – Residence, Pg 2; Business, Pg 4  Verizon North – Residence, Pg 18; Business, Pg 20  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the updated Product Interval Guides regarding residential and business Directory Listing intervals and address any follow-up questions at the next Observation meeting.</li> </ul>	

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				<p>06/19/01: KPMG Consulting indicated that the changes to the Product Interval Guides for North and South do not appear in the documents posted on the website. Verizon indicated that the updates are available on the website referenced in the Observation itself.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will reinvestigate the Product Interval Guides and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/26/01: Verizon indicated that the changes to the Product Interval Guides for North and South had been made to one of the two Verizon websites which is the reason why KPMG Consulting was not able to verify the changes last week. Verizon indicated that they updated the link so that both websites point to the same file. KPMG Consulting confirmed that the changes have been verified and proposed to close the observation next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>07/03/01: Closed</p>	
003	KPMG Consulting observed conflicting product intervals in documentation found on the Verizon web site for Resale service requests	Closed	Discussion Complete	<p>5/22/01: Opened; Verizon agreed with the findings with an exception of the first item in Exhibit 1. KPMG Consulting may have transposed columns of Exhibit 1. Verizon indicated they would add disclaimer in the 'Resale Handbook' to indicate that the official Interval Guide is in the 'Resale Standard Intervals.'</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> is to provide a date as to when they will add the disclaimer at the next meeting.</li> <li>▪ <b>KPMG Consulting</b> is to further investigate this issue and determine whether to issue amended observation.</li> </ul> <p>06/05/01: Verizon indicated they will eliminate all intervals in the Resale Handbook and include a link in the website to the Resale Standard Intervals by June 15, 2001.</p>	VA Observation Report 03 v2.pdf

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				<p>KPMG Consulting indicated the columns in Exhibit 1 were transposed and the observation will be amended accordingly. This observation is deferred until June 19, 2001 for further verification. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will report on the status re the Resale Handbook changes at the June 19 Observation meeting.</li> </ul> <p>06/12/01: Deferred until June 19, 2001. Amended observation VA Observation Report 03 v2.doc is posted on the website. 06/19/01: Verizon indicated that they removed the intervals in the 'Resale Handbook' and added a link pointing to the 'Resale Standard Intervals.' <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the updates in the 'Resale Handbook' and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/26/01: KPMG Consulting confirmed that the changes have been verified and proposed to close the observation next week. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>07/03/01: Closed</p>	
004	KPMG Consulting received late Due Date Availability (DDA) responses	Closed	Discussion Complete	<p>06/12/01: Opened; Verizon indicated that they need additional information such as date and time of the transactions noted in the observation. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will provide the submission date-time group of the transactions to Verizon, and address any follow-up questions at the next Observation meeting.</li> </ul> <p>06/19/01: KPMG Consulting discovered an error in the observation and issued an amendment, VA Observation Report 04 v2.pdf. KPMG Consulting issued supporting</p>	<p>VA Observation Report 04 v2</p> <p>VA Observation Report 04 detail</p>

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				<p>documentation for the transactions noted in the observation, VA Observation Report 04 detail.pdf. Verizon indicated that they are conducting an analysis of KPMG Consulting’s experience against other CLECs’ experience during the same period.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>06/26/01: Verizon indicated that they had experienced a system condition on May 9, 2001 between 4:45 – 5:30 pm, which caused delays for other CLECs as well. On May 26, 2001, a software fix has been applied to the system to address this particular system condition. However, this system condition and its fix were not posted since CLECs did not report a problem.</p> <p>Verizon also indicated that two of the forty DDA transactions occurred during this system condition and that the average response time excluding the two transactions would be 5.08 seconds. AT&amp;T asked if KPMG Consulting is planning to normalize the statistics for the observation, or if KPMG Consulting is planning to retest. KPMG Consulting indicated that DDA Response time would be retested during production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will request necessary information to investigate and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/03/01: KPMG Consulting asked about the system notification process of “non-reported” system conditions when the system condition affects the entire CLEC community. Verizon indicated that it is industry practice that “non-reported” system conditions are not reported to CLECs. AT&amp;T asked how the system condition would affect the Late DDA metrics. KPMG Consulting responded that the observation will not change based on the system</p>	

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				<p>condition that occurred on May 26, 2001. The two transactions that occurred during the system condition will not be excluded for calculating the average response time; rather, DDA timeliness will be tested and carefully observed during production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will follow-up and address any questions at the next Observation meeting.</li> </ul> <p>07/10/01: KPMG Consulting indicated that DDA timeliness would be tested during production and proposed to defer this observation until August 21, 2001. In addition, KPMG Consulting confirmed that Verizon provided a reference to a new document for Verizon East Wholesale Customer Care Center, which details processes related to system conditions.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the August 21 Observation meeting.</li> </ul> <p>07/17/01: Deferred until August 21, 2001.            07/24/01: Deferred until August 21, 2001.            07/31/01: Deferred until August 21, 2001.            08/07/01: Deferred until August 21, 2001.            08/14/01: Deferred until August 21, 2001.</p> <p>08/21/01: KPMG Consulting indicated that we are conducting the production test and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p>	

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				<ul style="list-style-type: none"> <li>09/04/01: KPMG Consulting will address the issue and ask any clarification questions at the next Observation meeting.</li> <li>09/04/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</li> <li><u>Action Items:</u></li> <li>09/11/01: Meeting cancelled.</li> <li>09/18/01: Meeting cancelled.</li> <li>09/25/01: Meeting cancelled.</li> <li>10/02/01: KPMG Consulting indicated that in production DDA was tested and is currently passing the requisite standard and proposed to close the observation.</li> <li><u>Action Items:</u></li> <li>10/09/01: Closed</li> </ul>	
005	KPMG Consulting received late Telephone Number Availability & Reservation (TNA) pre-order responses	Closed	Discussion Complete	<ul style="list-style-type: none"> <li>06/12/01: Opened; Verizon indicated that they need additional information such as date and time of the transactions noted in the observation.</li> <li><u>Action Items:</u></li> <li>06/19/01: KPMG Consulting will provide the submission date-time group of the transactions to Verizon, and address any follow-up questions at the next Observation meeting.</li> <li>06/19/01: KPMG Consulting issued supporting documentation for the transactions noted in the observation, VA Observation Report 05 detail.pdf. Verizon indicated that they are conducting an analysis of KPMG Consulting’s experience against other CLECs’ experience during the same period.</li> <li><u>Action Items:</u></li> <li>Verizon will address the issue and any follow-up</li> </ul>	VA Observation Report 05 detail



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				<p style="text-align: center;">questions at the next Observation meeting.</p> <p>06/26/01: Verizon indicated that they had experienced a system condition on May 9, 2001 between 4:45 – 5:30 pm, which caused delays for other CLECs as well. On May 26, 2001, a software fix has been applied to the system to address this particular system condition. However, this system condition and its fix were not posted since CLECs did not report a problem.</p> <p>Verizon also indicated that four of the fifty-nine TNA transactions (Items 34, 35, 38, and 40) occurred during this system condition and that the average response time excluding the four transactions would be 8.84 seconds. In addition, Verizon indicated that the standard that should be used as the Telephone Number Availability &amp; Reservation is a combination of ADR and TNA measures, which reflects a Retail composite metric. VA Commission asked why a composite should be used and not just PO-1-05.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will request necessary information to investigate and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/03/01: Verizon reiterated their response from last week indicating that four of the fifty-nine TNA transactions (Items 34, 35, 38, and 40) occurred during this system condition and that the average response time excluding the four transactions would be 8.84 seconds. In addition, Verizon reiterated that the measurement of Telephone Number Availability &amp; Reservation standard is a combination of Address Validation and Telephone Number measures, which reflects a Retail composite metric. April 2001 Retail Composite would be 9.99 seconds (Address Validation (4.86 seconds) plus Telephone Number (1.13 seconds) plus parity (4 seconds)). KPMG Consulting responded that TNA</p>	

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				<p>timeliness would be tested and carefully observed during production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate and address any questions at the next Observation meeting.</li> </ul> <p>07/10/01: KPMG Consulting indicated that the C2C Guidelines do not specify the use a Retail Composite metric to measure Telephone Number Availability timeliness, rather it states to use the metric, PO-1-05. In addition, KPMG Consulting indicated that TNA timeliness would be tested during production and proposed to defer this observation until August 21, 2001.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the August 21 Observation meeting.</li> </ul> <p>07/17/01: Deferred until August 21, 2001.            07/24/01: Deferred until August 21, 2001.            07/31/01: Deferred until August 21, 2001.            08/07/01: Deferred until August 21, 2001.            08/14/01: Deferred until August 21, 2001.</p> <p>08/21/01: KPMG Consulting indicated that we are conducting the production test and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul>	

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				<p>09/04/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting indicated that an exception on TNA timeliness has been issued and proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/09/01: Closed</p>	
006	KPMG Consulting observed that responses to Supplemental Local Service Requests (SUP) in EDI for Retail to UNE-Platform migrations do not reflect the requested changes	Closed	Discussion Complete	<p>06/12/01: Opened; Verizon indicated that this issue is under investigation and will be ready to respond at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>06/19/01: Verizon indicated they agree with the findings. Verizon indicated that they received the SUPs in question and placed them in a manual queue; however, the orders were not processed by the VNMC. Verizon will implement policies to correct the manual processing errors on June 24, 2001.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will report on the status of implementing new processes at the next Observation meeting.</li> </ul> <p>06/26/01: Verizon indicated that the new process for manual queue handling has been implemented. KPMG Consulting asked if the manual queue for SUPs is different from the</p>	

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				<p>manual queue for other requests. Verizon responded that the manual queue was different; however, the new process that has been implemented directs SUPs to the same manual queue as other normal requests.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will verify the changes and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/03/01: KPMG Consulting indicated SUPs would be tested during production and proposed to close the observation next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>07/10/01: KPMG Consulting indicated that rather than close this observation, SUPs would be tested during production and proposed to defer it until August 21, 2001.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the August 21 Observation meeting.</li> </ul> <p>07/17/01: Deferred until August 21, 2001.          07/24/01: Deferred until August 21, 2001.          07/31/01: Deferred until August 21, 2001.          08/07/01: Deferred until August 21, 2001.          08/14/01: Deferred until August 21, 2001.</p> <p>08/21/01: KPMG Consulting indicated that we are conducting the production test and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to</p>	

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				<p>defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/04/01: KPMG Consulting indicated that we are conducting process interviews and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.</p> <p>10/02/01: KPMG Consulting indicated that we will conduct process interviews and proposed to defer the observation until further analysis.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting indicated that we will conduct process interviews and proposed to defer the observation until the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that we are still in the process of conducting process interviews and will report on the observation after process testing has been completed.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting indicated that we are still in the process of conducting process interviews and will report on the</p>	

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				<p>observation after process testing has been completed.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/30/01: KPMG Consulting indicated that we conducted observations and interviews at Verizon's NMCs and observed that there are processes in place for the manual queue handling of both normal and supplemental LSRs. In addition, KPMG Consulting indicated that thus far we have observed no problems during production with these processes. KPMG Consulting consequently proposed to close the observation, indicating that we would continue to monitor the processes through production.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/06/01: Closed</p>	
007	KPMG Consulting cannot complete Resale pre-orders when adhering to Verizon's LSOG 4.5.1 Business Rules documentation	Closed	Discussion Complete	<p>06/26/01: Opened; Verizon indicated that they agree with KPMG Consulting's findings and plan to update company codes through normal change control process. They will post a bulletin for CLECs around July 5.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will provide status on the change process and address any follow-up questions at the July 10th Observation meeting.</li> </ul> <p>07/03/01: Deferred until July 10, 2001.  07/10/01: Verizon indicated that Change Control Bulletin #2151 for LSOG 4 was issued and discussed in the Change Control meeting on July 6, 2001. Verizon indicated that in CR #2151, the following two Field notes were added: 1) The CLEC/Reseller should input their Exchange Carrier Code in this field. 2) This field matches or maps to the RSID for Reseller or AECN for CLEC.  KPMG Consulting indicated that we have two codes that do not map to each other. KPMG Consulting's ECC is</p>	

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				<p>WLAZ and RSID is 9995. Verizon asked if KPMG Consulting brought this issue up on the Change Control call. KPMG Consulting responded that the issue was discussed and Verizon’s response was that the codes should not be conflicting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate whether this issue is unique to KPMG Consulting or not and find out if there are similar conditions that may affect other CLECs and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/17/01: Verizon reiterated that per Change Control Bulletin #2151, when a CLEC/Reseller uses the Exchange Carrier Code (ECC), the system matches or maps the ECC to the RSID for Reseller or AECN for CLEC. In south, ECC will map to RSID or AECN; in north, ECC will match. The two codes do not need to be identical. VASCC asked if there would be potential problems if an entity was both CLEC and Reseller. Verizon indicated that there would be no potential problem.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/24/01: KPMG Consulting indicated that the documentation remains unclear. Verizon indicated that Change Request #2151 was made as clarification per KPMG Consulting. Verizon would like KPMG Consulting to recommend a clarifying statement. KPMG Consulting indicated that we do not provide specific recommendations as to how the documentation should be worded; however, we would like to see more clarification so that, for example, a CLEC would not make the mistake of entering RSID in the company code field.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate and address any follow-up</li> </ul>	

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<b>ACTIVE OBSERVATIONS</b>					
				<p>questions at the next Observation meeting.</p> <p>07/31/01: Verizon indicated that they believe the bulletin is clear and concise. Further, they have nothing more to add to the bulletin. KPMG Consulting indicated that the first note is clear but the second note creates confusion. Verizon indicated that the second note was included per CLECs' request and that they do not intend to remove the second item. KPMG Consulting indicated that we understand Verizon's perspective, however, we still believe that the bulletin is unclear.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>08/07/01: KPMG Consulting indicated that the bulletin remains unclear, however, the Change Control Bulletin does address the issue and we proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>08/14/01: Closed</p>	
008	KPMG Consulting received late Daily Usage Feed (DUF) records	Closed	Discussion Complete	<p>06/26/01: Opened; Verizon indicated that they used the wrong DUF setup for KPMG Consulting. Instead of creating a new setup for Virginia, they had used the setup for Pennsylvania, causing Resale DUF to recycle. They indicated a fix has been applied.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will verify the changes, determine if retest is required, and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/03/01: KPMG Consulting indicated that there would be a DUF re-test and proposed to close the observation next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul>	



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<b>ACTIVE OBSERVATIONS</b>					
				<p>07/10/01: KPMG Consulting indicated that rather than close this observation, the delivery of DUF records would be re-tested and proposed to defer it until August 21, 2001. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the August 21 Observation meeting.</li> </ul> <p>07/17/01: Deferred until August 21, 2001. 07/24/01: Deferred until August 21, 2001. 07/31/01: Deferred until August 21, 2001. 08/07/01: Deferred until August 21, 2001. 08/14/01: Deferred until August 21, 2001. 08/21/01: KPMG Consulting indicated that we received all Resale records and Verizon met the timeliness standard of 95% within four business days and we proposed to close the observation next week. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>08/28/01: Closed</p>	
009	KPMG Consulting observed discrepancies in the June 2001 release of the Verizon – expressTRAK Quality Baseline Validation Test Deck (Version 4.4) for LSOG 4.6.1.	Closed	Discussion Complete	<p>06/26/01: Opened; Verizon indicated that the issue is under investigation and they will respond at the next Observation meeting. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issues and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/03/01: Verizon indicated that they agree with the findings noted as items 1 and 2 in Exhibit 1. For Item #1, the control sheet was corrected but not updated before LSR. For Item #2, the control sheet was corrected after LSR. Verizon indicated the issues observed for items 1 and 2 are corrected in the eTRAK Test Deck version 4.5 (6/22/01). The third item (Scenario #33) is still under investigation. <u>Action Items:</u></p>	

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<b>ACTIVE OBSERVATIONS</b>					
				<ul style="list-style-type: none"> <li>07/10/01: <b>Verizon</b> will address Item #3 and any follow-up questions at the next Observation meeting.</li> <li>07/10/01: <b>KPMG Consulting</b> verified that items 1 and 2 are corrected as indicated by Verizon last week. Verizon indicated that the finding noted in the last paragraph (Scenario #33) has been corrected with Test Deck version 4.6 (7/9/02).</li> <li><u>Action Items:</u> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will verify the correction for Scenario #33 in the new Test Deck and address any questions at the next Observation meeting.</li> </ul> </li> <li>07/17/01: <b>KPMG Consulting</b> verified that Item 3 and the fourth finding (Scenario #33) are corrected as indicated by Verizon last week. <b>KPMG Consulting</b> proposed to close the observation.</li> <li><u>Action Items:</u> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> </li> <li>07/24/01: Closed</li> </ul>	
010	KPMG Consulting observed that Verizon's EDI system returns inaccurate error responses to Local Service Requests (LSR)	Closed	Discussion Complete	<ul style="list-style-type: none"> <li>06/26/01: Opened; Verizon indicated that the issue is under investigation and that they need additional information (In/Out EDI files) from KPMG Consulting.</li> <li><u>Action Items:</u> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will provide EDI In/Out files to Verizon.</li> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> </li> <li>07/03/01: <b>KPMG Consulting</b> provided Verizon with the additional information (In/Out EDI files). Verizon indicated that the issue is under further analysis and they will respond at the next Observation meeting.</li> <li><u>Action Items:</u> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> </li> <li>07/10/01: Verizon indicated that the issue is under further analysis</li> </ul>	

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<b>ACTIVE OBSERVATIONS</b>					
				<p>and that they will address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/17/01: Verizon indicated that they agree with the findings and had applied an enhancement software pack on June 16, 2001 and asked if KPMG Consulting would be able to retest. KPMG Consulting indicated that we would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>07/24/01: KPMG Consulting indicated that we retested the planned error and verified the corrections. KPMG Consulting proposed to close the observation at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the issue at the next Observation meeting.</li> </ul> <p>07/31/01: Closed</p>	
011	KPMG Consulting received late Provisioning Completion Messages (PCM)	Closed	Discussion Complete	<p>06/26/01: Opened; Verizon indicated that the issue is under investigation and they will respond at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/03/01: Verizon indicated that the issue is under further analysis and they will address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/10/01: Verizon indicated that the issue is under further analysis and they will address the issue at the next Observation</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/17/01: Verizon indicated that the issue is under further analysis and they will address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/24/01: Verizon indicated that a system condition, which affected six items in Exhibit 1, caused delays. Specifically, a table entry caused the six items to undergo an automatic dial-tone test, which is invalid for these types of orders. A fix was implemented on 5/24. The other four items are still under investigation. Further, Verizon indicated that after adjusting for the six items affected by the system condition, the results would meet the 97% timeliness guideline.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the issue and address any follow-up questions at the next Observation meeting.</li> <li>▪ <b>Verizon</b> will address the four items under investigation and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/31/01: Verizon indicated that they would report on the remaining four items at the next Observation meeting. Further, Verizon indicated that with the system fix in place for the other six items, retesting might be suitable. KPMG Consulting indicated that similar to the other timeliness observations, we would test and observe during production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the four items under</li> </ul>	

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<b>ACTIVE OBSERVATIONS</b>					
				<p>investigation and any follow-up questions at the next Observation meeting.</p> <p>08/07/01: Verizon indicated that they would report on the remaining four items at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the four items under investigation and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/14/01: Verizon indicated that the remaining four items were delayed due to the following reasons:</p> <ul style="list-style-type: none"> <li>▪ Items 5 &amp; 8 – The Provisioning Completion Notices were completed manually.</li> <li>▪ Item 9 – A Dial Tone test was incorrectly run on this order.</li> <li>▪ Item 10 –A rep. issued a “billing only” order to update eTRAK in order to maintain the integrity of the database.</li> </ul> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/21/01: KPMG Consulting asked Verizon to explain when and why a “billing only” order is issued and if this special order applies to both wholesale and retail transactions in eTRAK. Verizon indicated that a “billing only” order is necessary to maintain the integrity of the eTRAK database. Whenever a rep. issues a “billing only” order, the system does not send an automatic notification back and manual intervention is necessary. With Item 10, the rep. failed to return a manual notification back to KPMG Consulting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the next Observation meeting.</li> <li>▪ <b>Verizon</b> will investigate and address whether “billing only” orders are issued for both wholesale and retail</li> </ul>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>transactions at the next Observation meeting.</p> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/04/01: KPMG Consulting indicated that Verizon has been meeting the timeliness standard (OR-4-05), which states that 97% of PCMs should be received by noon of the next business day. KPMG Consulting proposed to close the observation next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: Closed</p>	
012	KPMG Consulting received unexpected errors from Verizon representatives when submitting Local Service Requests (LSRs) under the LSOG 4.5.1 Business Rules	Closed	Discussion Complete	<p>07/10/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/17/01: Verizon indicated that they agree with the findings and that the errors resulted from manual error. All of the 11 PONS have since completed. The representatives responsible for the errors were taken off-line and have received additional training on Verizon's internal methods and procedures and the LSOG 4 business rules. In addition, the types of errors that occurred for each of the items listed in Exhibit 1 are as follows:</p> <ul style="list-style-type: none"> <li>▪ Items 1, 2, 7, &amp; 9 – TOS related query (provided training to the representatives)</li> </ul>	VA Observation Report 12 v2

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<ul style="list-style-type: none"> <li>▪ Items 3, 6, &amp; 10 – Queried in error</li> <li>▪ Items 4, 5, &amp; 8 – UNE-P Migration (provided follow-up training and additional training of LSOG 4)</li> <li>▪ Item 11 – Miscellaneous error</li> </ul> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> indicated that we would address the issue at the next Observation meeting.</li> </ul> <p>07/24/01: KPMG Consulting indicated that we would retest and observe this issue during production through both transaction and process testing and deferred discussion, until August 21, 2001.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the August 21 Observation meeting.</li> </ul> <p>07/31/01: Deferred until August 21, 2001.          08/07/01: Deferred until August 21, 2001.          08/14/01: Deferred until August 21, 2001.          08/21/01: KPMG Consulting indicated that we are conducting the production test and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/04/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to</p>	

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<b>ACTIVE OBSERVATIONS</b>					
				<p>defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting indicated that a revised observation has been issued. Verizon requested additional information from KPMG Consulting regarding the population of our order size and whether the PONs noted in the observation are samples of errors or the actual.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting indicated that an email was sent to Verizon and the VASCC stating that the current number of errors out of the population of all orders would not result in a “not satisfied” ruling and proposed to leave the observation open through production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that we provided additional detail on the observation and proposed to leave the observation open through production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting proposed to leave the observation open through production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next</li> </ul>	



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<b>ACTIVE OBSERVATIONS</b>					
				<p style="text-align: center;">Observation meeting.</p> <p>10/30/01: KPMG Consulting indicated that we conducted observations and interviews at Verizon’s NMCs during process testing and observed that there is a quality control process in place. In addition, KPMG Consulting observed in production three total errors, an amount that we consider sufficiently low. KPMG Consulting consequently proposed to close the observation, indicating that we would continue to monitor responses to LSRs through production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/06/01: Closed</p>	
015	Unbundled Port Usage quantities for Originating Minutes of Use were incorrectly applied and billed to KPMG Consulting CLEC	Closed	Discussion Complete	<p>07/17/01: Opened; Verizon indicated that they agree with the findings. They indicated that there was an under-billing situation where category 11 was omitted from the bills. This was corrected on July 7, 2001. VASCC asked if an announcement was made to the CLECs. Verizon responded that they would investigate and address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate and address the issue at the next Observation meeting.</li> </ul> <p>07/24/01: KPMG Consulting confirmed that category 11 had been omitted from the bills. KPMG Consulting proposed to defer this issue until the DUF retest in August.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the Observation meeting following the DUF retest in August 2001.</li> </ul> <p>07/31/01: Deferred until August DUF retest.            08/07/01: Deferred until August DUF retest.            08/14/01: Deferred until August DUF retest.            08/21/01: KPMG Consulting indicated that we have completed the</p>	

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				<p>DUF retest and are now conducting analysis. Since we will not receive the DUF bills until the 5th day after the billing cycle, we proposed to defer until 9/25.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the Observation meeting to be held on 9/25.</li> </ul> <p>08/28/01: Deferred until September 25, 2001.            09/04/01: Deferred until September 25, 2001.            09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting indicated that we did not find variance between expected results and the actual results of the retest and proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/09/01: Closed</p>	
016	KPMG Consulting CLEC has received UNE-P expressTRAK bills from Verizon with unexpected charges for specific call types	Closed	Discussion Complete	<p>07/17/01: Opened; Verizon indicated that they agree with the findings. They indicated that a fix was implemented on July 7, 2001 and that KPMG Consulting would not see these types of discrepancies in the retest. VASCC asked if the fix is a permanent software fix. Verizon concurred. AT&amp;T asked if the fix was in retrospect or for future occurrences. Verizon responded for future occurrences.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the fixes and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/24/01: KPMG Consulting proposed to defer this issue until the DUF retest in August.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the Observation meeting</li> </ul>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p style="text-align: center;">following the DUF retest in August 2001.</p> <p>07/31/01: Deferred until August DUF retest.            08/07/01: Deferred until August DUF retest.            08/14/01: Deferred until August DUF retest.            08/21/01: KPMG Consulting indicated that we have completed the DUF retest and are now conducting analysis. Since we will not receive the DUF bills until the 5th day after the billing cycle, we proposed to defer until 9/25.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the Observation meeting to be held on 9/25.</li> </ul> <p>08/28/01: Deferred until September 25, 2001.            09/04/01: Deferred until September 25, 2001.            09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting indicated we did not find incorrect items during the retest and proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/09/01: Closed</p>	
017	KPMG Consulting observed inconsistencies in the Verizon Pre-Order EDI Guide - Version 4.6.1.	Closed	Discussion Complete	<p>07/17/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/24/01: Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/31/01: Verizon indicated that they would address the issue at the</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/07/01: Verizon indicated they agree with the findings and they plan to post Change Control #2182 on 8/10 addressing the issue and would like to defer the discussion until then.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will review the Change Control address the issue at the next Observation meeting.</li> </ul> <p>08/14/01: KPMG Consulting indicated that the Change Control #2182 resolves most of documentation discrepancies noted in the observation; however, we will retest discrepancies that required a mapping update. Mapping update items are: 6, 10, and 14. In addition, there remains a discrepancy for Item 17. The EDI guidelines have been updated, however, the example is still incorrect.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will review the Item 17 and address the issue at the next Observation meeting.</li> </ul> <p>08/21/01: Verizon indicated that they agreed with KPMG Consulting’s assessment of Item 17 and plan to issue a CR on 8/23.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate and address the issue at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we reviewed CR #2226 issued on 8/23 and do not have outstanding discrepancies and proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>09/04/01: Closed</p>	

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Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
018	KPMG Consulting observed inconsistencies in the Verizon Order EDI Guide - Version 4.6.1.	Closed	Discussion Complete	<p>07/17/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/24/01: Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/31/01: Verizon indicated they agree with the findings. They indicated a bulletin will be released on 8/2 that will clarify the issues identified in this observation and would like to defer the discussion until then. In addition, a new release of the EDI Guide version 4.7 will be available.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will verify and address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/07/01: KPMG Consulting indicated that we received the Change Control bulletin last week; we are still reviewing it and would like to defer the discussion until next week.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/14/01: KPMG Consulting indicated that the Change Control #2169 resolves most of items noted in the observation; however, we will retest Item 2, which is related to mapping update. In addition, the following items still have discrepancies: 5, 9, 10, and 11. For all of these items, the primary section in the EDI guidelines was updated, but the secondary section was not.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will review the Items 5, 9, 10, &amp; 11 and address the issue at the next Observation meeting.</li> </ul> <p>08/21/01: Verizon indicated that they agreed with KMG</p>	

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Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>Consulting’s assessment of Items 9, 10, &amp; 11 and plan to issue CR #2183 on 8/23. However, Verizon disagreed with our assessment of the Item 5. The two fields (Accept and Reject) on the ERR form are applicable to Web GUI only and not for EDI. A clarification comment was made on the EDI Guide v.4.7 released on 8/15.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will review the new EDI Guide and address the issue at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we reviewed CR #2183 issued on 8/23 and do not have outstanding discrepancies. In addition, we agreed that the comment added to the EDI Guide v4.7 addresses the final discrepancy and proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>09/04/01: Closed</p>	
019	Unbundled Switching and Transport Usage rates were incorrectly applied and billed to the KPMG Consulting CLEC on Verizon Virginia CABS bills	Closed	Discussion Complete	<p>07/17/01: Opened; Verizon indicated that they agree with the findings that wrong rates had been applied. However, some of KPMG Consulting’s expected rates were not calculated correctly:</p> <ul style="list-style-type: none"> <li>▪ Item 1: Expected Rate &amp; Actual Rate should be zero until the proposed rate is approved by the commission</li> <li>▪ Item 2 &amp; 3: KPMG Consulting’s Expected Rate is accurate and they have been corrected on 7/1 CABS bills</li> <li>▪ Item 4 &amp; 5: Actual Rate on the bill is accurate, however, it was not posted on the website correctly</li> </ul> <p>Further, Verizon indicated that credits will be issued to CLECs for any overcharges and will respond at the next Observation call as to when CLECs should expect credit in their bills and when updates will be made to the</p>	

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Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>website.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will report as to when CLECs should expect credit in their bills and when updates will be made to the website at the next Observation meeting.</li> </ul> <p>07/24/01: Verizon indicated that they do not have the date as to when CLECs should expect credit in their bills. However, updates for rates on the website will be made on Wednesday, July 25, 2001. KPMG Consulting asked when Verizon filed for tariff change for the Item 1 noted in Exhibit 1.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate as to when CLECs should expect credit in their bills and report on when they filed for tariff at the next Observation meeting.</li> <li>▪ <b>KPMG Consulting</b> will investigate updates to the website and address any follow-up questions at the next Observation meeting.</li> </ul> <p>07/31/01: KPMG Consulting confirmed that the website has been updated. Verizon indicated that credits will be applied on September bill and that they had filed for the tariff change on 7/2.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>08/07/01: KPMG Consulting proposed to defer this issue until DUF re-test.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the Observation meeting following the DUF retest in August 2001.</li> </ul> <p>08/14/01: Deferred until August DUF retest.</p> <p>08/21/01: KPMG Consulting indicated that we have completed the DUF retest and are now conducting analysis. Since we will not receive the DUF bills until the 5th day after the</p>	

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Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>billing cycle, we proposed to defer until 9/25.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the Observation meeting to be held on 9/25.</li> </ul> <p>08/28/01: Deferred until September 25, 2001.            09/04/01: Deferred until September 25, 2001.            09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting found corresponding tariff amounts on both the wholesale website and on the CABs bill during the retest and proposed to close the observation.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/09/01: Closed</p>	
020	KPMG Consulting received late Billing Completion Notices (BCM)	Closed	Discussion Complete	<p>07/24/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/31/01: Verizon indicated they agree with the findings. Verizon's responses to the fifteen items in Exhibit 1 are as follows:</p> <ul style="list-style-type: none"> <li>▪ Items 1 – 4 &amp; 8: Due to a system condition but were corrected on 6/24. This issue was identified by KPMG Consulting (Trouble Ticket #303165) and retested during SRT.</li> <li>▪ Items 5, 6, &amp; 9 – 15: Due to a system condition but were corrected PCM delay on 6/24 (by inference corrected BCM).</li> <li>▪ Item 7: Rep error. This item was manually returned. Verizon has conducted training sessions with the rep and is providing on-going training to the NMC reps.</li> </ul>	



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Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>08/07/01: KPMG Consulting indicated we had not conducted a retest in SRT of the issues identified in Items 1 – 4, &amp; 8 as indicated by Verizon last week. However, we do intend to retest the issues identified as Items 1 – 6 and 8 – 9 in production. In addition, we requested more information and clarification on Item 7 as to why a rep error occurred.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>08/14/01: Verizon indicated that for Item 7, a rep. issued a “billing only” manual order to correct the eTRAK database, which caused the BCM delay.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/21/01: KPMG Consulting indicated that the “billing only” question for Observation 11 applies to this observation as well. In addition, we are conducting production testing as well as timeliness analysis and deferred discussion until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and any follow-up questions at the next Observation meeting.</li> <li>▪ <b>Verizon</b> will investigate and address whether “billing only” orders are necessary for both wholesale and retail transactions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask</li> </ul>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p style="text-align: right;">any clarification questions at the next Observation meeting.</p> <p>09/04/01: KPMG Consulting indicated that Verizon has been meeting the timeliness standard (OR-4-02) which states that 97% of BCMs should be received by noon of the next business day after receipt of the PCM. KPMG Consulting proposed to close the observation next week. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled. 09/18/01: Meeting cancelled. 09/25/01: Meeting cancelled. 10/02/01: Closed</p>	
021	Verizon did not arrive at coordinated vendor meets at the provided commitment times	Closed	Discussion Complete	<p>07/24/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>07/31/01: Verizon indicated that they would address the issue at the next Observation meeting. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/07/01: Verizon indicated they agree with the findings and identified a need for process improvement. They will re-train the field technicians, update their internal methods and procedures, and provide updated M&amp;Ps. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any follow-up questions at the next Observation meeting.</li> </ul> <p>08/14/01: KPMG Consulting indicated that we would like to defer discussion for a couple of weeks until we complete our analysis through observations and interviews. In</p>	

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 Inactive Observation Status Summary – As of 11/13/01

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>addition, we had not received M&amp;Ps from Verizon.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any follow-up questions at the next Observation meeting.</li> <li>▪ <b>Verizon</b> will provide a copy of the new M&amp;Ps before the next Observation meeting.</li> </ul> <p>08/21/01: KPMG Consulting indicated that we received the M&amp;Ps and that we will conduct field observations to verify that the new process is in practice.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any follow-up questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting field observations and interviews and proposed to defer the discussion until 9/18.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any follow-up questions at the 9/18 Observation meeting.</li> </ul> <p>09/04/01: Deferred until September 18, 2001.            09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting proposed to defer this observation until 10/16.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the October 16th Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting proposed to defer the observation until the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul>	

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Inactive Observation Status Summary – As of 11/13/01**

ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>10/16/01: KPMG Consulting indicated that we conducted vendor meet observations and did not encounter further inconsistencies. Consequently, KPMG Consulting proposed to close the observation at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/23/01: Closed</p>	
022	KPMG Consulting received late Local Service Request Local Responses (LSRLRs) on Non-Flow-Through POTS orders with less than six lines	Closed	Discussion Complete	<p>07/31/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/07/01: Verizon indicated they have a partial response to the 14 PONs identified in this observation. Items 1, 4, 5, and 6 are identified and addressed in Observation 6, which is waiting to be verified in production, and they feel that further investigation is not necessary.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the other 10 items at the next Observation meeting.</li> <li>▪ <b>KPMG Consulting</b> will investigate Verizon's response and address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/14/01: KPMG Consulting indicated we agree with Verizon that the Items 1, 4, 5, and 6 are identified in Observation 6 and we understand the cause; however, they are still included in this observation and will be tested during production. Verizon indicated the other 10 items were delayed because these orders were not assigned within the NMC, or were not processed timely. Further, Verizon implemented a new workflow process within the NMC where the production manager sends notification of PONs that are in jeopardy of meeting the due date (DD), and</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>send a note to the team leader in the specific center that has in jeopardy DD. This process has been implemented in the following NMCs: Falls Church, Silver Springs, Virginia Beach, and Chesapeake. In addition, Verizon indicated that they gave their customer services representatives verbal retraining.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/21/01: KPMG Consulting indicated we would verify the new process in practice during the upcoming process interviews and observations as well as a retest of LSRLR timeliness in production.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/04/01: KPMG Consulting indicated that we would keep the observation open until we have conducted NMC interviews for our process test. KPMG Consulting also noted that Verizon is currently passing metric OR-1-04.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting indicated that Verizon is currently</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>passing the 95% standard during production; however, we plan to verify the process changes during the upcoming process interviews and proposed to defer the observation until further analysis.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting proposed to defer the observation until the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting proposed to defer the observation until process testing has been completed.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting indicated that we are still in the process of conducting process interviews and will report on the observation after process testing has been completed.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/30/01: KPMG Consulting indicated that we conducted observations and interviews at Verizon’s NMCs and observed that there are work-flow processes in place for LSRLRs on Non-Flow-Through POTs LSRs. In addition, KPMG Consulting indicated that we analyzed results during transaction testing and found that Verizon passed the timeliness metric. KPMG Consulting consequently proposed to close the observation, indicating that we would continue to monitor the work-flow processes through production.</p> <p><u>Action Items:</u></p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> 11/06/01: Closed	
023	KPMG Consulting observed that Verizon did not schedule a final status call during the June 2001 New Release Testing as per Verizon's documented process	Closed	Discussion Complete	08/07/01: Opened; <b>Verizon</b> indicated that they disagree with the finding in the observation. During CLEC testing period, Verizon conducts 2 meetings per week. On Friday's call (6/8), a question was asked whether CLECs felt a Monday call (6/11) would be necessary, to which the CLECs agreed that Tuesday's call (6/12) would be sufficient and subsequently cancelled Monday call. <u>Action Items:</u> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate and address the issue at the next Observation meeting.</li> </ul> 08/14/01: KPMG Consulting indicated that we attended the Friday call (6/8); however, we do not have a record of Verizon canceling the Monday call (6/11). In addition, Verizon documentation does not indicate that these calls are "negotiable," and asked if that is the case, whether Verizon was going to update the CLEC handbook. Verizon indicated that KPMG Consulting may not have accurate notes from the call and reiterated that Verizon's notes indicate that the Monday meeting had been canceled per CLECs' consensus. Further, Verizon will investigate updating the CLEC handbook to reflect the "negotiated" nature of these CLEC calls. <u>Action Items:</u> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate the possibility of updating the documents and address the issue at the next Observation meeting.</li> </ul> 08/21/01: Verizon indicated that changes to the CLEC handbook are not necessary.	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that although Verizon indicated last week that changes to CLEC handbook are not necessary, there should be a method or process in which CLECs would be notified when these meetings are cancelled.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/04/01: Verizon indicated that they would like to defer this Observation until next week.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.</p> <p>10/02/01: Verizon indicated that they would continue with the documented process of conducting CLEC calls.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting indicated that we received Verizon’s response that they would hold scheduled CLEC status calls and subsequently proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/16/01: Closed</p>	



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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
024	KPMG Consulting received late Error Messages (ERRs) on Non-Flow-Through POTS orders with less than six lines	Closed	Discussion Complete	<p>08/07/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/14/01: Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/21/01: Verizon indicated that they agreed with the findings. As with Observation 22, the ERR messages were delayed because these orders were not assigned within the NMC. The new workflow process at the NMCs where a manager monitors the queues would address the issue.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will conduct process interviews to verify the new workflow and address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we are conducting the production test and analyzing test results and proposed to defer the observation until next week.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/04/01: KPMG Consulting indicated that we would keep the observation open until we have conducted NMC interviews/observations for our process test.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>09/25/01: Meeting cancelled.</p> <p>10/02/01: KPMG Consulting indicated that Verizon is currently passing the 95% standard during production; however, we plan to verify the process changes during the upcoming process interviews and proposed to defer the observation until further analysis.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting indicated that they are currently performing process testing and proposed to defer the observation until the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting proposed to defer the observation until process testing has been completed.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting indicated that we are still in the process of conducting process interviews and will report on the observation after process testing has been completed.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/30/01: KPMG Consulting indicated that we conducted observations and interviews at Verizon’s NMCs and observed that there are processes in place for ERRs on Non-Flow-Through POTs LSRs. In addition, KPMG Consulting indicated that we analyzed results during transaction testing and found that Verizon passed the timeliness metric. KPMG Consulting consequently proposed to close the observation, indicating that we</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>would continue to monitor the processes through production.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/06/01: Closed</p>	
025	KPMG Consulting received late Local Service Request Local Responses (LSRLRs) on Flow-Through orders.	Rescinded	Non Issue	<p>08/07/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/14/01: KPMG Consulting rescinded the observation, indicating that these PONs should not have flown-through in the first place.</p>	
026	KPMG Consulting observed inconsistencies between metric standards specified in the Virginia Carrier-to-Carrier Guidelines and those reported in the Verizon May and June 2001 Aggregate Carrier-to-Carrier reports for Virginia.	Closed	Discussion Complete	<p>08/14/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue and any follow-up questions at the next Observation meeting.</li> </ul> <p>08/21/01: Verizon indicated that they agreed with Items 1 – 4 but not Items 5 &amp; 6. The correct standards for Items 1 – 4 should be listed in the July data month report. As for standards noted in Items 5 &amp; 6, they are accurate per footnote 15 in the C2C Guideline. In addition, it appears that the standard for Item 3 is mistakenly listed as &lt;= 7, it should be &lt;= 4.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will review the July data month report and footnote 15 in the C2C Guidelines and address any follow-up questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that we agreed with Verizon’s statement regarding Items 3, 5 and 6 and an amendment to the observation would be issued. In addition, we indicated that we would review the July data</p>	VA Observation Report 26 v2

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>month report and provide status on Items 1 – 4 next week.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will review the July data month report and address any follow-up questions at the next Observation meeting.</li> </ul> <p>09/04/01: KPMG Consulting indicated that the amended observation has been issued and that Items 1 – 4 have been corrected in the July data month and proposed to close the observation.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: Closed</p>	
029	KPMG Consulting observed that Verizon included test CLEC transactions in the Billing metrics results in the June 2001 Aggregate Carrier-to-Carrier (C2C) reports.	Closed	Discussion Complete	<p>08/21/01: Opened; Verizon indicated they agreed with the findings and they will correct the issue for the August data month report.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue and ask any follow up questions at the next Observation meeting.</li> </ul> <p>08/28/01: KPMG Consulting indicated that the August data month report would not be available until sometime in September and deferred the observation until then.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will review the August data month reports and ask any follow up questions in September.</li> </ul> <p>09/04/01: Deferred until August data month reports are available.            09/11/01: Meeting cancelled.            09/18/01: Meeting cancelled.            09/25/01: Meeting cancelled.            10/02/01: KPMG Consulting indicated that we received the August</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
				<p>data month report; however, KPMG CLEC test data are still included in the raw data files.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will investigate and respond at the next Observation meeting.</li> </ul> <p>10/09/01: Verizon indicated that the presence of KPMG CLEC test IDs in the raw data files is normal and that the test IDs should be filtered out for replication.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that we observed that Verizon has removed the test CLEC IDs from the report. In addition, KPMG Consulting indicated that the inclusion of KPMG CLEC test IDs in the raw data files was acceptable and that we will filter out these test IDs for the replication process. Consequently, KPMG Consulting proposed to close the observation at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/23/01: Closed</p>	
032	KPMG Consulting observed differences in the assignment of special circuit troubles to Network Technicians between resale and retail customers.	Closed	Discussion Complete	10/02/01: Opened; Verizon indicated that they disagreed with the observation. Verizon indicated that the RRSC volume is small relative to SSC and that it would be just as efficient for RRSC to handle the requests manually. They would consider automatic processing if the volume were large enough. KPMG Consulting indicated that in June, Verizon implied that RRSC would expand the business and service both Wholesale and Retail calls. We requested a timeline from Verizon as to when the expansion would be implemented and if the automation is planned. Verizon indicated that no timeline was available at the moment. COX asked Verizon as to what they	

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<b>ACTIVE OBSERVATIONS</b>					
				<p>consider “large” volume and how large volume would have to get in order to be considered for automatic processing.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon &amp; KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting indicated that during the interviews we were informed of Verizon’s plans to expand the operations of RRSC and we requested a timeline to indicate at what point RRSC volume would be large enough to require automatic processing of trouble tickets. Verizon indicated that they would respond at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: Verizon indicated that they do not plan to automate processing of RRSC trouble tickets and will automate processing only if management deems it necessary. Furthermore, Verizon indicated that there is no established level of volume that would automatically necessitate automatic processing of tickets.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting indicated that we would continue to monitor the RRSC throughout the remainder of testing and that if we observed any issues regarding trouble ticket processing, we would address them accordingly in a separate observation. KPMG Consulting consequently proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/30/01: Closed</p>	

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ID	Brief Description	Status	Status Reason	Notes	Additional Documents
<b>ACTIVE OBSERVATIONS</b>					
033	KPMG Consulting observed inconsistencies between the trouble entry instructions outlined on the RETAS (Repair Trouble Administration System) “Trouble Ticket Create Request-Create New” screen and the instructions documented in the RETAS User Guide.	Closed	Discussion Complete	<p>10/02/01: Opened; Verizon indicated that they would update the training documentation this week to change the Additional Trouble Information field from “required” to “optional.”  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will provide the updated training documentation to KPMG Consulting.</li> <li>▪ <b>KPMG Consulting</b> will verify and respond at the next Observation meeting.</li> </ul> <p>10/09/01: KPMG Consulting indicated that we received the updated documentation from Verizon and proposed to defer the observation until the next Observation meeting in order to perform a retest.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that we reviewed the updated documentation from Verizon but noted that this documentation and its online version are inconsistent with one another. Verizon requested that KPMG revise and update the observation to reflect the inconsistencies found between the online and offline versions of the documentation.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will revise the observation and address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting indicated that we are in the final stages of revising the observation and would address the issue next week subsequent to the issue of the revision.  <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/30/01: KPMG Consulting indicated that we revised the observation to reflect the inconsistency found in the online version of the documentation. Verizon indicated</p>	VA Observation Report 33 v2

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<b>ACTIVE OBSERVATIONS</b>					
				<p>that the online documentation has been updated to eliminate the inconsistency. KPMG Consulting indicated that the link to the documentation did not work when we attempted to access it. Verizon indicated that the link did not work when KPMG Consulting attempted to access it because Verizon was concurrently updating the documentation, which prevented its retrieval.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> indicated that we would attempt to access the documentation again and that we will address the issue at the next Observation meeting.</li> </ul> <p>11/06/01: KPMG Consulting indicated that we accessed the online version of the RETAS User Guide and found that it is consistent with both the hard copy of the guide and the RETAS trouble create screen. KPMG Consulting consequently proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/13/01: Closed</p>	
034	KPMG Consulting was unable to perform Mechanized Loop Tests (MLTs) on numerous Resale lines.	Closed	Discussion Complete	<p>10/02/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: Verizon indicated that KPMG Consulting would need to use appropriate identification to correctly access RETAS.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that we had requested that IDs be set up to allow us to access RETAS both as a UNE and Resale CLEC, to which Verizon responded that the IDs provided could do both. KPMG Consulting replied</p>	



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<b>ACTIVE OBSERVATIONS</b>					
				<p>that we would supply a soft copy of documentation to Verizon.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will supply a soft copy of documentation to Verizon and address the observation at the next Observation meeting.</li> </ul> <p>10/23/01: Verizon indicated that their initial response was incorrectly phrased and that it should have conveyed that each ID was set up with a default to either UNE or Resale. Verizon explained that KPMG Consulting was attempting to access RETAS as a UNE CLEC with a Reseller ID and, therefore, could not attain access to the system. In addition, Verizon indicated that CLECs are provided with IDs that work in the same way as those provided to KPMG Consulting. KPMG Consulting requested supporting documentation for Verizon’s assertions and indicated that we would also look for supporting documentation. Verizon indicated that they would look for supporting documentation for their assertions.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> and <b>Verizon</b> will look for supporting documentation and address the issue at the next Observation meeting.</li> </ul> <p>10/30/01: KPMG Consulting indicated that we were unable to find any supporting documentation for Verizon’s assertions. Verizon indicated that supporting documentation for their assertions could be found in the student guide under “Administrative Functions” on the Verizon website.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will look at the supporting documentation specified by Verizon and address the issue at the next Observation meeting.</li> </ul> <p>11/06/01: KPMG Consulting indicated that we received the documentation forwarded by Verizon, have reviewed it</p>	

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				<p>and are satisfied that it supports Verizon’s assertions that the IDs we requested in order to access RETAS both as a UNE and Resale CLEC were set up with a default to either UNE or Resale, and that CLECs are provided with IDs that work in the same way. KPMG Consulting consequently proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/13/01: Closed</p>	
036	KPMG Consulting observed that no public notification was given for a workaround provided by the Verizon Wholesale Customer Care Center (WCCC).	Closed	Discussion Complete	<p>10/02/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: <b>Verizon</b> indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/16/01: Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/23/01: Verizon indicated that they issued Change Request #2279 on October 8, 2001 and participated in a conference call with CLECs on October 12, 2001. In addition, Verizon indicated that map fixes would be implemented with the December release. KPMG Consulting indicated that we reviewed Change Request #2279 and are currently using the new instructions provided by Verizon.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will ask any clarifying questions at the next Observation meeting.</li> </ul>	

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				<p>10/30/01: KPMG Consulting indicated that we reviewed the flash and followed the new instructions provided by Verizon. In addition, with the use of these new instructions the pre-order transactions passed, and KPMG Consulting consequently proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/06/01: Closed</p>	
037	KPMG Consulting has observed that Verizon Account Management documentation is unclear.	Closed	Discussion Complete	<p>10/02/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: Verizon indicated that they did not agree that the standards outlined in the Verizon Account Management documentation in Exhibit 1 are inconsistent. In addition, Verizon indicated that these standards do not apply to requests submitted via email and, therefore, the items in Exhibit 2 are not held to the standards outlined in the Verizon Account Management documentation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that from a consistency perspective, we agree with the standards outlined in the three forms of Verizon Account Management documentation. From a completeness perspective, however, KPMG inquired as to whether there was additional documentation outlining standards for requests made via other forms of communication such as email. Verizon indicated that current documentation only addresses requests made via a telephone call.</p> <p><u>Action Items:</u></p>	

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<b>ACTIVE OBSERVATIONS</b>					
				<ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>10/23/01: KPMG Consulting proposed to defer the observation until the next Observation meeting. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/30/01: KPMG Consulting proposed to defer the observation until the next Observation meeting. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>11/06/01: KPMG Consulting indicated that the central issue of the observation was the consistency and completeness of Verizon Account Management documentation in regard to response intervals. In addition, KPMG Consulting indicated that the interview summary corrected by Verizon resolves the documentation’s inconsistency, and that the standard provided by Verizon for CLEC responses resolves the documentation’s incompleteness. KPMG Consulting consequently proposed to close the observation. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>11/13/01: Closed</p>	
038	KPMG Consulting observed that Verizon’s Product Interval Guide does not provide complete provisioning intervals for Unbundled Network Elements (UNE).	Closed	Discussion Complete	<p>10/02/01: Opened; Verizon indicated that they would address the issue at the next Observation meeting. <u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>Verizon</b> will address the issue at the next Observation meeting.</li> </ul> <p>10/09/01: Verizon indicated that the incorrect UNE Interval Guide had been posted on the website and that the correct document is posted on:</p>	

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				<p><a href="http://www22.verizon.com/wholesale/attachments/UNE_100401.xls">http://www22.verizon.com/wholesale/attachments/UNE_100401.xls</a>. KPMG Consulting indicated that we would retest, examine the documentation and respond at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will investigate the issue and ask any clarification questions at the next Observation meeting.</li> </ul> <p>10/16/01: KPMG Consulting indicated that we reviewed the link supplied by Verizon and its corresponding documentation and that the UNE Product Interval Guide is correctly posted on the website. Consequently, KPMG Consulting proposed to close the observation at the next Observation meeting.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul> <p>10/23/01: Closed</p>	
043	KPMG Consulting received expressTRAK bills from Verizon with unexpected credits for prorated Other Charges and Credits (OCC) charges and Monthly Recurring Charges (MRC).	Closed	Discussion Complete	<p>10/30/01: Opened; Verizon indicated that the unexpected credits are a result of the zero balancing of KPMG test accounts in order to avoid collection on the bills. In addition, Verizon indicated that this was an action specific to KPMG Consulting's accounts and a test bed artifact.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will address the issue at the next Observation meeting.</li> </ul> <p>11/06/01: KPMG Consulting indicated that we looked at the July 19, 2001 and August 5 and 19, 2001 bills and observed that the balances are zeroed out. In addition, KPMG Consulting indicated that we observed no unexpected credits on other bills. KPMG Consulting consequently proposed to close the observation.</p> <p><u>Action Items:</u></p> <ul style="list-style-type: none"> <li>▪ <b>KPMG Consulting</b> will close the observation at the next Observation meeting.</li> </ul>	

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	<b>ACTIVE OBSERVATIONS</b>				
				11/13/01: Closed	