

February 11, 2002

OBSERVATION REPORT #71

KPMG Consulting is aware that some Special troubles may have been excluded in the computation of metric results.

Issue

During the course of analysis for Exception #15 (KPMG Consulting observed that Verizon did not meet the retail parity performance results for installation quality of high capacity circuits.), KPMG Consulting concluded that Verizon was not correctly calculating the metric, PR-6-01-3200,¹ % Installation Troubles reported within 30 Days.

Additionally, in discussions with Verizon and the Virginia State Corporation Commission (VA SCC), Verizon indicated that certain Unbundled Network Elements (UNE) and Resale Special troubles were excluded in calculating metric results for September and October 2001, which impacted certain Provisioning (PR) and Maintenance and Repair (MR) metrics. Exhibit 1 identifies the metrics that Verizon indicated were impacted.

Exhibit 1: Metrics Impacted by Verizon's Exclusion of Some Special Troubles

| Item # | Metric # | Metric |
|---------------|-----------------|---|
| 1 | PR-6-01 | % Installation Troubles reported within 30 Days |
| 2 | PR-6-03 | % Installation Troubles reported within 30 Days – FOK/TOK/CPE |
| 3 | MR-2-01 | Network Trouble Report Rate – Total |
| 4 | MR-2-05 | % CPE/TOK/FOK Trouble Report Rate |
| 5 | MR-4-01 | Mean Time To Repair – Total |
| 6 | MR-4-02 | Mean Time To Repair – Loop Trouble |
| 7 | MR-4-04 | % Cleared (all troubles) within 24 Hours |
| 8 | MR-4-06 | % Out of Service > 4 Hours |
| 9 | MR-4-07 | % Out of Service > 12 Hours |
| 10 | MR-4-08 | % Out of Service > 24 Hours |
| 11 | MR-5-01 | % Repeat Reports within 30 Days |

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

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

Assessment

Exclusion of Special troubles could result in inaccurate reporting of metrics results as specified in the *Virginia Carrier-to-Carrier Guidelines Performance Standards and Reports*, dated August 11, 2000. Without complete and accurate reporting of metrics results, the VA SCC and the CLECs will be unable to determine whether or not Verizon is providing the required levels of service.