

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Joint Petition for Arbitration Pursuant to :
Condition 29 of the SBC/Ameritech :
Merger Regarding Operation Support :
Systems and Ameritech's Plan of : Docket No. 00-0592
Record :

**FINAL
COMMENTS OF STAFF OF THE
ILLINOIS COMMERCE COMMISSION**

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TABLE OF CONTENTS

I. INTRODUCTION, PROCEDURAL HISTORY, AND PRELIMINARY LEGAL MATTERS	2
1. AUTHORITY TO REQUIRE REPORTS.....	4
2. REMEDIES FOR NONCOMPLIANCE WITH COMMISSION HOLDINGS	7
3. AUTHORITY TO REQUIRE ILECs TO OFFER ELEMENTS THEY DO NOT THEMSELVES USE.....	11
<u>Issue #1: Application Versioning</u>	16
<u>Issue #2: Joint Testing</u>	19
<u>Issue #4: Change Management - OIS</u>	23
<u>Issue #6: OSS System Interface Availability</u>	29
<u>Issues #9, 16, 19, 20, 24, 40: Interface Development Rule</u>	40
<u>Issue #13: Customer Service Record (CSR) Address Validation</u>	46
<u>Issue #18: Flow Through</u>	54
<u>Issues # 29, 31: DSL Loop Qualification</u>	64
<u>Issue #46: Coordinated Hot Cuts</u>	70
<u>Issue # 73(a): UNE -P -- New and Additional Lines</u>	76
<u>Issue #73(b): UNE-P-- Billing</u>	82
<u>Issue #74: Line Splitting</u>	86
<u>Issue #94: Dark Fiber/Copper Inquiry Process</u>	92

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Joint Petition for Arbitration Pursuant to :
Condition 29 of the SBC/Ameritech Merger :
Regarding Operation Support Systems : Docket No. 00-0592
and Ameritech’s Plan of Record :

**BRIEF OF STAFF OF THE
ILLINOIS COMMERCE COMMISSION**

I. INTRODUCTION, PROCEDURAL HISTORY, AND PRELIMINARY LEGAL MATTERS

This proceeding is a joint submission for arbitration brought to the Commission pursuant to Condition 29 of the order dated September 23, 1999 in Docket 98-0555 approving the merger of SBC Communications, Inc. and Ameritech Corporation (the “Merger Order”). Condition 29 established a three phase process for deployment of application-to-application interfaces regarding the integration of Operation Support Systems (“OSS” or “OSS systems”) available to competitive local exchange carriers (“CLECs”) in Illinois.

Phase 1 involved the creation of a Plan of Record (the “Plan of Record”) which provided, among other things, SBC’s and Ameritech’s overall assessment of their existing OSS interfaces, business processes and rules, and their plan for development and deployment of interfaces for OSS and integration of OSS processes.

Phase 2 provided for a series of collaborative workshops to be conducted by the Illinois Commerce Commission (the “Commission”), with the goal of obtaining written

agreement between the CLECs and SBC/Ameritech on OSS interfaces, enhancements, and business requirements identified in the Plan of Record. To the extent that the parties were unable to come to written agreement on all issues, Phase 2 also provided a process whereby the unresolved issues could be brought to the Commission for arbitration.

Phase 3 set forth a phased schedule for the development and deployment of the OSS interfaces, enhancements and business requirements pursuant to the written agreement obtained in Phase 2. To the extent that one or more CLECs contend that the development and deployment of such OSS processes are not consistent with the Phase 2 written agreement, Phase 3 provides the CLECs with an opportunity to bring a complaint to the Commission for arbitration.

On September 5, 2000, Ameritech and participating CLECs made a "Joint Submission of the Amended Plan of Record for Operations Support Systems ("OSS")," submitting twenty disputed issues to the Commission for arbitration. Ameritech and participating CLECs also provided comments with respect to the disputed issues. In accordance with the schedule adopted by the assigned Hearing Examiners for this proceeding, Staff hereby submits its Brief to the Commission with respect to the following issues: Issue #1: Application Versioning; Issue #2: Joint Testing; Issue #4: Change Management -- OIS; Issue #6: OSS System Interface Availability; Issues #9, 16, 19, 20, 24, 40: Interface Development Rule; Issue #13: Customer Service Record (CSR) Address Validation; Issue #18: Flow Through; Issues #29, 31: DSL Loop Qualification; Issue #46 Coordinated Hot Cuts; Issue #73: UNE-P Ordering, Billing; Issue #74: Line Splitting; Issue #94: Dark Fiber. Verified statements regarding the aforementioned issues will be

submitted from four Staff members, Christopher L. Graves, Russell Murray, Olusanjo Omoniyi and Michael E. Porter.

Before addressing the specific issues pending before the Commission, Staff wishes to address legal issues related to (1) the Commission's authority to require reports from incumbent local exchange carriers ("ILECs") and from competitive local exchange carriers ("CLECs"), (2) the remedies available to the Illinois Commerce Commission pursuant to the Public Utilities Act ("PUA") for noncompliance by any of the parties with the holding in this proceeding; and (3) the Commission's authority to require ILECs to provide OSS facilities that they do not themselves utilize.

1. AUTHORITY TO REQUIRE REPORTS

The Illinois Commerce Commission has broad authority to require telecommunications carriers to provide information to it, irrespective of whether the carrier provides competitive or noncompetitive services. Section 13-101 of the PUA reads in part as follows:

Except to the extent modified or supplemented by the specific provisions of this Article, the Sections of this Act pertaining to public utilities, public utility rates and services, and the regulation thereof, are fully and equally applicable to noncompetitive telecommunications rates and services, and the regulation thereof, except where the context clearly renders such provisions inapplicable. Except to the extent modified or supplemented by the specific provisions of this Article, Articles *I through V* . . . are fully and equally applicable to competitive telecommunications rates and services, and the regulation thereof.¹

Article V of the PUA contains several provisions authorizing the Commission to require the provision of information. Section 5-101 reads as follows:

Every public utility shall furnish to the Commission all information

¹ 220 ILCS 5/13-101 (emphasis supplied).

required by it to carry into effect the provisions of this Act, and shall make specific answers to all questions submitted by the Commission.

Any public utility receiving from the Commission any blanks with directions to fill the same, shall cause the same to be properly filled out so as to answer fully and correctly each question therein propounded, and in case it is unable to answer any question, it shall give a good and sufficient reason for such failure; and said answer shall be verified under oath by the president, secretary, superintendent or general manager of such public utility and returned to the Commission at its office within the period fixed by the Commission.

Whenever required by the Commission, every public utility shall deliver to the Commission, any or all maps, profiles, reports, documents, books, accounts, papers and records in its possession, or in any way relating to its property or affecting its business, and inventories of its property, in such form as the Commission may direct, or verified copies of any or all of the same.

Every public utility shall obey and comply with each and every requirement of this Act and every order, decision, direction, rule or regulation made or prescribed by the Commission in the matters herein specified, or any other matter in any way relating to or affecting its business as a public utility, and shall do everything necessary or proper in order to secure compliance with and observance of this Act and every such order, decision, direction, rule or regulation by all of its officers, agents and employees.²

PUA Section 5-109 provides further authority for the Commission to order regulated entities to submit reports. It reads in part as follows:

Each public utility in the State shall each year furnish to the Commission, in such form as the Commission shall require, annual reports as to all the items mentioned in the preceding sections of this article, and in addition such other items, whether of a nature similar to those therein enumerated or otherwise, as the Commission may prescribe. Such annual reports shall contain all the required information for the period to twelve months ending on the thirtieth day of June in each year, or ending on the thirty-first day of December in each year, as the Commission may by order prescribe for each class of public utilities, and shall be filed with the Commission at its office in Springfield within three months after the close of the year for which the report is made. *The Commission shall have authority to require any public utility to file monthly reports of earnings and expenses*

² 220 ILCS 5/5-101

of such utility, and to file other periodical or special, or both periodical and special reports concerning any matter about which the Commission is authorized by law to keep itself informed. All reports shall be under oath.

When any report is erroneous or defective or appears to the Commission to be erroneous or defective, the Commission may notify the public utility to amend such report within thirty days, and before or after the termination of such period the Commission may examine the officers, agents, or employees, and books, records, accounts, vouchers, plant, equipment and property of such public utility, and correct such items in the report as upon such examination the Commission may find defective or erroneous.

All reports made to the Commission by any public utility and the contents thereof shall be open to public inspection, unless otherwise ordered by the Commission. Such reports shall be preserved in the office of the Commission.

Any public utility which fails to make and file any report called for by the Commission within the time specified; or to make specific answer to any question propounded by the Commission within thirty days from the time it is lawfully required to do so, or within such further time, not to exceed ninety days, as may in its discretion be allowed by the Commission, shall forfeit up to \$100 for each and every day it may so be in default if the utility collects less than \$100,000 annually in gross revenue; and if the utility collects \$100,000 or more annually in gross revenue, it shall forfeit \$100 per day for each and every day it is in default.³

PUA Section 4-101, which also applies both to competitive and noncompetitive services by virtue of Section 13-101, provides the Commission with extensive legal authority to keep itself informed of the manner in which telecommunications carriers are conducting their business. It reads in part as follows:

The Commerce Commission shall have general supervision of all public utilities, except as otherwise provided in this Act, shall inquire into the management of the business thereof and shall keep itself informed as to the manner and method in which the business is conducted. It shall examine those public utilities and keep informed as to their general condition, their franchises, capitalization, rates and other charges, and the manner in which their plants, equipment and other property owned, leased, controlled or

³ 220 ILCS 5/5-109 (emphasis supplied)

operated are managed, conducted and operated, not only with respect to the adequacy, security and accommodation afforded by their service but also with respect to their compliance with this Act and any other law, with the orders of the Commission and with the charter and franchise requirements.⁴

Based upon the foregoing, the Commission should impose on the regulated parties to this proceeding any reporting requirements it deems necessary to keep itself informed as to the manner and method in which telecommunications carriers conduct business, or own, lease, control, or operate equipment or property. In addition, reports can be ordered which address the adequacy, security, and accommodation afforded by such carriers' services, and with respect to their compliance with the Commission's orders, the PUA, and any other law. Staff recommends that the Commission exercise its authority to mandate that any required report be verified by oath of an officer of the reporting entity.

2. REMEDIES FOR NONCOMPLIANCE WITH COMMISSION HOLDINGS

Any analysis of Commission authority must begin with consideration of the Commission's status in the legislative scheme. The Commission is an administrative agency and a creature of the legislature. It must, therefore, conform its orders to the requirements and limitations of the statute from which its authority is derived (i.e., the Public Utilities Act ("Act")). It is well established that "[t]he Commission's powers are derived solely from the Act, and its authority is limited by the grants of the Act."⁵ It is beyond the Commission's authority to extend or alter the operation of the Act or to exercise powers denied to it under the Act. Unlike a court, the Commission has no general or common law powers and it must find statutory authority for the powers which it claims.⁶

⁴ 220 ILCS 5/4-101

⁵ City of Chicago v. Illinois Commerce Commission, 79 Ill. 2d 213, 217-18 (1980); Commonwealth Edison Co. v. Illinois Commerce Commission, 181 Ill. App. 3d 1002, 1008 (2nd Dist. 1989).

⁶ BPI v. ICC, 136 Ill. 2d 192, 201 and 243 (1990); City of Chicago v. Fair Employment Practices Commission, 65 Ill. 2d

In terms of express statutory language creating remedies for failure to comply with the PUA or Commission orders or rules created under it, a number of provisions might be useful to the Commission, depending upon the nature of the noncompliance. The Commission is permitted to seek an injunction or order of mandamus to stop and prevent an act or omission of a regulated entity in violation of law or of a Commission rule or order.⁷ Under at least some circumstances, however, the Commission is required to accord notice and hearing to the alleged violator before bringing an action for injunction.⁸ The Commission may also bring an action under PUA Section 4-203⁹ seeking to recover penalties under the PUA. PUA Section 5-202 subjects regulated entities which fail to comply with the PUA or which fail to comply with a Commission order or rule (in a case in which a penalty is not otherwise provided for in the PUA) to a civil penalty (imposed by a court under Section 4-203) of not less than \$500 nor more than \$2,000 for each offense. No penalties accrue under Section 5-202 until 15 days after the mailing of a notice to the affected party that it is in violation of the PUA or an order or rule of the Commission.¹⁰ Penalties for failure to file reports required by the PUA or by the Commission are set forth in Section 5-109, which is quoted in the context of the Commission's authority to require the filing of reports, above.

In 1997, the General Assembly created a system of penalties and other remedies more directly aimed at punishing telecommunications carriers which knowingly impede the development of competition in any telecommunications service market. Public Act 90-185

108 (1976).

⁷ 220 ILCS 4-202

⁸ People ex rel. Illinois Commerce Commission v. Operator Communication, Inc., 281 Ill. App. 3d 297, 217 Ill.Dec. 161, 666 N.E.2d 830 (1st Dist. 1996).

⁹ 220 ILCS 5/4-203

added, *inter alia*, Sections 13-514, 13-515, and 13-516 to the PUA. Section 13-514 enumerates the following eight specific prohibited actions that are considered per se impediments to the development of competition:

- (1) unreasonably refusing or delaying interconnections or providing inferior connections to another telecommunications carrier;
- (2) unreasonably impairing the speed, quality, or efficiency of services used by another telecommunications carrier;
- (3) unreasonably denying a request of another provider for information regarding the technical design and features, geographic coverage, information necessary for the design of equipment and traffic capabilities of the local exchange network except for proprietary information unless such information is subject to a proprietary agreement or protective order;
- (4) unreasonably delaying access in connecting another telecommunications carrier to the local exchange network whose product or service requires novel or specialized access requirements;
- (5) unreasonably refusing or delaying access by any person to another telecommunications carrier;
- (6) unreasonably acting or failing to act in a manner that has a substantial adverse effect on the ability of another telecommunications carrier to provide service to its customers;
- (7) unreasonably failing to offer services to customers in a local exchange, where a telecommunications carrier is certificated to provide service and has entered into an interconnection agreement for the provision of local exchange telecommunications services, with the intent to delay or impede the ability of the incumbent local exchange telecommunications carrier to provide inter-LATA telecommunications services; and
- (8) violating the terms of or unreasonably delaying implementation of an interconnection agreement entered into pursuant to Section 252 of the federal Telecommunications Act of 1996 in a manner that unreasonably delays or impedes the availability of telecommunications services to consumers.¹¹

¹⁰ 220 ILCS 5/5-202

¹¹ 220 ILCS 5/13-514(1)-(8)

More importantly for purposes of this proceeding, however, the General Assembly expressly stated that “the Commission is not limited in any manner to these enumerated impediments and may consider other actions which impede competition to be prohibited.”¹² The Commission should thus enumerate in its order in this proceeding which violations of the order it will consider to be prohibited impediments to competition under Section 13-514, for the violation of which other carriers may file complaints under Section 13-515, potentially subjecting the violator to the more substantial penalties established under Section 13-516.

The Commission's authority, however, is not limited to only those powers that are expressly and specifically set forth in the Act. The express grant of power or duty to an administrative officer carries with it the grant of power to do all that is reasonably necessary to execute that power or duty.¹³ Illinois courts have applied this principle to the Commission. For example, in Moenning v. Illinois Bell Telephone Co., 139 Ill. App. 3d 521 (1st Dist. 1985), citing the broad discretion given to the Commission to fix rates, the court found that the Commission had the authority to allow a utility to require security deposits, even though the Act does not contain an express provision granting the Commission such power.¹⁴ Similarly, in City of Chicago v. Illinois Commerce Commission, 13 Ill. 2d 607 (1958), the Court upheld the Commission's authority to approve an automatic adjustment clause, despite the fact that the Act at that time had no express provision authorizing the Commission to adopt such clauses.¹⁵ More recently, in Abbott Laboratories, Inc. v. Illinois Commerce Commission, 289 Ill. App. 3d

¹² Id.

¹³ Lake County Board of Revenue v. Property Tax Appeal Board, 119 Ill. 2d 419, 427-428 (1988).

705, 712 (1st Dist. 1997), in rejecting the notion that the Commission was not authorized to establish an unauthorized use penalty for a natural gas company, the Court stated:

. . . While petitioners are correct that there is no express authorization in the Act, it is a well established rule that the express grant of authority to an administrative agency also includes the authority to do what is reasonably necessary to accomplish the legislature's objective.¹⁶

3. AUTHORITY TO REQUIRE ILECs TO OFFER ELEMENTS THEY DO NOT THEMSELVES USE

On August 8, 1996, the FCC entered its First Report and Order in In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 11 FCC Rcd 15499; 1996 FCC LEXIS 4312; 4 Comm. Reg. (P & F) 1 (August 8, 1996) (hereafter "First Report and Order").¹⁷ There, the FCC ruled that operations support systems were "network elements,"¹⁸ and required ILECs to:

... provide nondiscriminatory access to their operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing available to the LEC itself. Such nondiscriminatory access necessarily includes access to the functionality of any internal gateway systems the incumbent employs in performing the above functions for its own customers. For example, to the extent that customer service representatives of the incumbent have access to available telephone numbers or service interval information during customer contacts, the incumbent must provide the same access to competing providers. Obviously, an incumbent that provisions network resources electronically does not discharge its obligation under section 251(c)(3) by offering competing providers access that involves

¹⁴ See Moening v. Illinois Bell Telephone Co., 139 Ill. App. 3d 521 (1st Dist. 1985).

¹⁵ See City of Chicago v. Illinois Commerce Commission, 13 Ill. 2d 607 (1958).

¹⁶ Abbott Laboratories, Inc. v. Illinois Commerce Commission, 289 Ill. App. 3d 705, 712 (1st Dist. 1997).

¹⁷ See In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 11 FCC Rcd 15499; 1996 FCC LEXIS 4312; 4 Comm. Reg. (P & F) 1 (August 8, 1996) (hereafter "First Report and Order").

¹⁸ First Report and Order ¶ 517.

human intervention, such as facsimile-based ordering.¹⁹

It is clear, therefore, that the OSS interfaces offered an ILEC to CLECs must be comparable in quality to those it uses itself. However, it is not clear from this provision that ILECs are obliged to provide better service, or to implement improved procedures or procure and deploy updated facilities in the provision of OSS.

In the First Report and Order, the FCC addressed the question, posed by rural carriers, of whether they would have to construct new facilities to accommodate new entrants. With respect to this question, the FCC found that specifically that LECs need not do so, and expressly “limit[ed] the provision of unbundled interoffice facilities to existing incumbent LEC facilities.”²⁰

Similarly, the FCC, in In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 15 FCC Recd 3696, 1999 FCC Lexis 5663, 18 Comm. Reg. (P & F) 888 (November 5, 1999) (hereafter “UNE Remand Order”), the FCC specifically rejected a proposal that ILECs be required to unbundle SONET rings.²¹ In so doing, the FCC stated that an ILEC has an unbundling obligation to “extend throughout its ubiquitous transport network,” but does not “require [it] to construct new transport facilities to meet specific competitive LEC point-to-point demand requirements for facilities that [it] has not deployed for its own use.”²²

These pronouncements appear to support the proposition that LECs have no

¹⁹ Id., ¶ 523 (emphasis added).

²⁰ First Report and Order ¶ 451.

²¹ In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 15 FCC Recd 3696, 1999 FCC Lexis 5663, 18 Comm. Reg. (P & F) 888, ¶ 324 (November 5, 1999) (hereafter “UNE Remand Order”)

²² Id.

obligation to provide better service, or to implement improved procedures or procure and deploy updated facilities in the provision of OSS. It is clear that ILECs are required to “provide nondiscriminatory access to their operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing *available to the LEC itself*[.]”²³ Likewise, they are required to provide “access to the functionality of any internal gateway systems *the[y] ... employ[] in performing the above functions for [their] own customers*[.]”²⁴ Similarly, an ILEC must “*provide the same access to competing providers [to available telephone numbers or service interval information]*” as is available to its own customer service representatives.²⁵

Clearly, therefore, the FCC requires parity, but only parity. This is confirmed by reference to the portions of the First Report and Order and UNE Remand Order which specifically decline to impose upon ILECs any duty to provide facilities over and above those which they themselves use.

The fact that the FCC does not require such enhanced facilities, however, is not the end of the inquiry. The UNE Remand Order permits State public utility commissions to require additional elements to be unbundled, provided that the unbundling of such elements can be accomplished in compliance with sections 251(d)(3)(B) and (C) of the Act, 47 U.S.C. §251(d)(3)(B), (C).²⁶ This permits state Commissions to enforce their own regulations, rules and policies to the extent that such enforcement “is consistent with the requirements of ... [S]ection [251];” 47 U.S.C. §251(d)(3)(B); and “does not substantially

²³ First Report and Order ¶ 523 (emphasis added).

²⁴ Id. (emphasis added).

²⁵ Id. (emphasis added).

²⁶ See UNE Remand Order ¶153.

prevent implementation of the requirements of this section and the purposes of this part.”²⁷

There is no indication in the UNE Remand Order that state Commissions have any authority to unbundle an element unless it is “necessary” as that term is defined, to a CLEC’s ability to provide a service it seeks to offer, or unless the failure to unbundle such an element would “impair” as that term is defined, the CLEC’s ability to provide the service. An element is “necessary” if, taking into consideration the availability of alternative elements outside the incumbent’s network, including self-provisioning, or purchasing an alternative from a third party supplier, lack of access to the element would, as a practical, economic, and operational matter, preclude a requesting carrier from providing the service it seeks to offer.²⁸ Otherwise put, there must be no practical, economic, and operational alternative to the element available.²⁹ Lack of access to an element on an unbundled basis “impairs” the ability of a CLEC to provide a service it seeks to offer if, taking into consideration the availability of alternative elements outside the incumbent’s network, including self-provisioning, or purchasing an alternative from a third party supplier, lack of access to the element “materially diminishes” the CLEC’s ability to provide the service it seeks to offer.³⁰ The “necessary” standard applies to proprietary (basically, patented or copyrighted) elements, while the “impair” standard applies to non-proprietary ones.³¹

Accordingly, the Commission can require an ILEC to offer elements that it does not utilize itself, provided that the element meets the “necessary” or “impair” standard. It appears that, based upon the FCC’s reasoning in the First Report and Order, and the UNE

²⁷ 47 U.S.C. §251(d)(3)(C).

²⁸ UNE Remand Order ¶44.

²⁹ Id.

³⁰ UNE Remand Order ¶51.

³¹ UNE Remand Order ¶ 31.

Remand Order, that this doctrine ought not to be extended to elements that the ILEC does not itself possess. However, where the element in question is one that the ILEC possesses in a different form or format, the Commission can order it unbundled or reformatted to the extent that the failure to do so would result in an “impairment.”

Staff now turns to the specific issues the parties have presented to the Commission for resolution.

II. DISPUTED ISSUES

Issue #1: Application Versioning

A. ISSUE

Application versioning involves the technical ability, process and timeframe by which SBC/Ameritech supports multiple versions of a production application.

B. CLEC POSITION

When implementing a new software release using “versioning,” Ameritech would make the existing software release available to Illinois CLECs in addition to the new software release. Consequently, at the time of a new release version, CLECs using the existing release version would not be required to immediately change the way in which they use a particular system – i.e., a flash cut is not required. Instead, CLECs would be able to migrate to the new release when each has had the time to upgrade its own systems and train its employees on use of the new release. Ameritech has committed to implement versioning of its pre-order and order interfaces beginning with the implementation of the March 2001 software releases.

Unfortunately, this leaves a six-month gap when versioning will not be available to Illinois CLECs. During this period, Ameritech plans on issuing one pre-order and four order releases for its electronic interfaces. Without versioning, CLECs using these interfaces would be forced to implement these releases on a flash cut basis. Therefore, in order to assure a smooth CLEC transition to these imminent releases, the Commission should direct Ameritech to implement the agreed upon versioning process in the fourth

quarter of 2000.

C. SBC/AMERITECH POSITION

SBC/Ameritech Illinois will support three versions of its ordering interface (most recent dot version of the previous LSOG version and the two most recent versions of the current LSOG), beginning with the LSOG 4 release planned for March 2001. AT&T, CoreComm, McLeodUSA, and WorldCom want versioning to be implemented prior to March 2001. Providing for versioning is a very complicated, time and resource-laden undertaking. Software code must support each version and stay in synchronization. The March 2001 release with versioning going forward will provide CLECs with significant enhancements and be tied to a different set of industry standards. Attempting to support the current older system with versioning will divert critical resources from the March effort.

D. STAFF POSITION

Staff's position has not changed.

Staff's position on application versioning has not changed from its initial comments. Staff considers the proposed March 2001 implementation date to be a reasonable time frame for SBC/Ameritech to prepare for the new versioning process. Staff's primary concern remains that a reasonable amount of time should be allotted to complete this process since no parties would be served by implementing a versioning system prematurely, or one of sub-standard quality. During the evidentiary hearing, SBC/Ameritech witness Baker testified as to the specific measures SBC/Ameritech is currently taking in order to assure that application versioning is implemented in March

2001³². These measures include a careful examination of the design steps for the application versioning launch in the Pacific Bell region as well as setting up an IT (information technology) program office exclusively responsible for the March 2001 release³³

Despite the aforementioned measures taken by SBC/Ameritech, Staff recognizes the adverse competitive impact that may be suffered by CLECs due to continued delay. SBC/Ameritech, during the hearings, acknowledged the importance of and reiterated its commitment to meeting the March 2001 date for application versioning.³⁴ Staff, therefore, cautions that the implementation date of March 2001 (as proposed by SBC/Ameritech) not be extended beyond the March 2001 deadline.

E. STAFF'S RECOMMENDATIONS

Staff agrees that the March 2001 target date for application versioning is reasonable. Staff also recommends that the Commission require SBC/Ameritech to provide monthly reports to Commission Staff on the progress of its Application Versioning initiative. The Commission should also direct that those reports be verified by an SBC/Ameritech Officer. Specifically, the Commission should order SBC/Ameritech to provide a report to the Commission no later than the ISSUE of each month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the Application Versioning initiative. The project plan should include all major milestones related to the project along with the estimated and

³² Tr. at 407.

³³ Tr. at 407-408.

actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should also be noted and an explanation should be provided for those changes. The overall impact of any such changes on the project should also be clearly identified and reported to the Commission. Staff believes the aforementioned report will inform the Commission and the CLECs as to Ameritech's progress toward meeting its committed implementation date.

Issue #2: Joint Testing

A. ISSUE

Joint Testing is a process by which individual CLECs can test a given application release with SBC/Ameritech prior to the date that it is introduced into the production environment.

B. CLEC POSITION

The CLEC's maintain their position that joint testing involves two broad categories: adequacy of the existing testing environment which will continue to be in place until March 2001 as well as the adequacy of the proposed testing process scheduled for roll out with the March 2001 (release).³⁵ According to the CLECs, the current testing environment is "wholly inadequate for a CLEC to test on a commercially viable basis."³⁶ The CLECs assert that SBC/Ameritech unfairly places limits on the number and types of tests (5 test

³⁴ Tr. at 403.

³⁵ See AT&T's Verified Initial Comments to OSS Arbitration Issues ("AT&T's Comments") at 59 -68.

records a day may be sent) that CLECs may perform as well as when testing is available. The CLECs also consider SBC/Ameritech's procedure of isolating the testing interface from the production interface unacceptable, since the CLECs have no assurance that the results of the testing interface can be replicated in the production environment. Finally, CLECs do not want all of their test orders to be monitored. In fact, they prefer joint testing to be monitored only when they specifically agree to monitoring and on an ad hoc basis.

C. SBC/AMERITECH POSITION

SBC/Ameritech asserts that it is committed to establishing a new joint testing process. According to SBC/Ameritech, the joint testing being proposed in Illinois will be rolled out in conjunction with the March 2001 release and is similar in "all essential aspects as the testing process in Texas."³⁷ Furthermore, SBC/Ameritech's contends that the FCC in its Texas 271 Order cited the Texas testing process with approval.³⁸ Moreover, SBC/Ameritech believes that test orders should be monitored and such monitoring benefits both SBC/Ameritech and the CLECs. According to SBC/Ameritech, monitoring ensures transactions are flowing properly, identifies problems more quickly and gives SBC/Ameritech the ability to assist CLECs in working through their testing process.³⁹ Finally, SBC/Ameritech, in response to Staff's Data Request 2-5.08, states that "the current test environment will not be enhanced."⁴⁰

³⁶ See AT&T's Comments at 62.

³⁷ See, Ameritech Illinois' Initial Comments at 14.

³⁸ Note SBC has obtained a Section 271 approval from the FCC.

³⁹ See Ameritech Response to Staff Data Request 2-5.12.

⁴⁰ See Ameritech Illinois Response to Staff Data Request 2-5.08.

D. STAFF POSITION

Staff's position on this issue has slightly changed.

Joint testing generally allows a CLEC to test an interface and application functionality before the CLEC might begin using it in production. SBC/Ameritech has committed to implementing a new joint testing process by March 2001 which will offer the CLECs a nondiscriminatory testing environment and services⁴¹. During the evidentiary hearings, SBC/Ameritech indicated the steps it has taken to assure that the March 2001 target date is met including ordering of the necessary hardware and assignment of specific personnel to the project.⁴²

Staff's position on joint testing has slightly changed from its initial comments. Staff maintains that the CLECs' raise some legitimate concerns regarding the inadequacy of the existing joint testing environment as well as potential problems with SBC/Ameritech's future proposed testing process. Ameritech offered no new evidence during the evidentiary hearing that might dispel this conclusion. Staff, therefore, contends that the recommendations it made in its initial comments be adopted by the Commission with one exception. Staff no longer believes the inventory process of SBC/Ameritech's current testing environment it requested in its initial comments is necessary. A detailed description of every imaginable test scenario is not feasible since testing for a particular service depends on the type of service, the needs of the end-user requesting the service, and the technical specifications/applications necessary to execute a particular service. More importantly, Staff believes that Ameritech can more efficiently spend its resources in

⁴¹ See Ameritech Initial Comments at 14.

⁴² Tr. at 692-693.

attempting to meet its various other OSS obligations.

The competitive ramifications at issue here parallel the two testing environments: present and future testing. There is little disagreement that the current testing environment is inadequate. Ameritech has stated “on the record” that it does not intend to enhance the current test environment.⁴³ Still, given Ameritech’s commitment that testing for the new release will begin on January 16, 2001, the impact on the CLECs in the interim seems to be de minimus.

E. STAFF’S RECOMMENDATIONS

Staff recommends that the Commission require that a new joint testing environment be made available with the March 2001 release as committed to by Ameritech. Modifications to the current testing environment should be made as suggested in Staff’s Initial comments, namely: (1) CLECs be allowed to increase the amount of test records submitted per day from five to fifteen; (2) the turnaround time for pass/fail results on those submitted records be reduced from four days down to one day; (3) CLECs should have a minimum of fifteen days and a maximum of thirty days prior to the scheduled release for testing for any release planned prior to the March 2001 release; and, (4) a dedicated resource, other than the CLEC’s SBC/Ameritech Account Representative, should be assigned to the CLECs during a given test period to assist them during the testing process.⁴⁴ Staff, however, no longer believes that an inventory of Ameritech’s current testing environment is necessary.

⁴³ See Ameritech Response to Staff Data Request 2-5.08.

⁴⁴ See Staff Initial Comments at 8-9.

The Commission should also require that Ameritech demonstrate the capabilities of the joint testing environment via a walkthrough for CLECs and Commission Staff. CLECs should be allowed to provide their input at this time including making recommendations for enhancements and other necessary changes to the process prior to its rollout. This demonstration should occur, at a minimum, at least thirty days prior to the scheduled rollout of the new environment (approximately sometime in mid-December 2000).

Finally, Staff also recommends that the Commission require SBC/Ameritech to provide monthly reports to Commission Staff on the progress of its Joint Testing initiative. Specifically, the Commission should order SBC/Ameritech to provide a report to the Commission no later than the 15th day of each month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the March 2001 release. The project plan should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should also be noted. The overall impact of any such changes on the project should also be clearly identified and reported to the Commission. The Commission should also direct that these reports be verified by an SBC/Ameritech Officer. Staff believes the aforementioned reports will inform the Commission and the CLECs as to Ameritech's progress toward meeting its commitment with regards to Joint Testing.

Issue #4: Change Management - OIS

A. ISSUE

The CMP process defines the standards by which business is conducted between the CLECs and SBC/Ameritech related to all changes that occur to SBC/Ameritech's Operational Support Systems (OSS) interfaces.

B. CLEC POSITION

The CLECs have been working with Ameritech since December of 1999 to come to agreement on the 13-state change management process. The only remaining issue is the Outstanding Issue Solution (OIS) voting process when introducing OSS changes⁴⁵.

It is agreed that there should be a process by which the CLECs have an opportunity to challenge any Ameritech system change that would have negative consequences if implemented as proposed by Ameritech. It is not disputed that only Ameritech will be privy to the selection and list of qualified CLECs. The criteria for selecting CLECs are spelled out in Section 7.4 of the Change Management Process (CMP). The CLECs are in agreement that the Qualified CLEC selection process is reasonable.

The sole dispute centers on the question of how the OIS vote should occur. The proposal by Ameritech is that it would require "a quorum of either at least 50% of qualified CLECs or a minimum of 8 qualified CLECs, whichever is less"⁴⁶ to participate in a vote to delay a release. The CLECs perceive Ameritech's proposal as being unfair and unduly

⁴⁵ AT&T Initial Comments at 13.

⁴⁶ Ameritech Initial Comments at 22.

favorable to Ameritech. The quorum proposal is considered unworkable, as it is unlikely that a quorum would ever be present. To illustrate this concern the CLECs note that no meetings have been attended by a majority of the CLECs operating in Illinois⁴⁷.

C. SBC/AMERITECH POSITION

Ameritech proposes a minimum number of CLECs to vote on issues. It proposes a quorum of either at least 50% of qualified CLECs or a minimum of 8 qualified CLECs should be required to ensure the collaborative nature of the CMP.⁴⁸ Ameritech believes that “it is important, and pro-competitive that a minimum number of CLECs” participate in a decision to delay a release, in order that the “vote called by a CLEC can be an informed one and, at least in some way, representative of the CLEC community that it will affect.”⁴⁹

D. STAFF POSITION

Staff’s position has changed.

In its Initial Comments, Staff noted that Ameritech’s proposal has both its good and bad points. Most importantly, although a quorum requirement would ensure that any decision reached would be representative of the CLECs in Illinois, it would, however, also prevent a CLEC which is actively involved in a particular decision from exercising its voting rights unless other, less interested CLECs, actively participated. As a result, Staff recommended (like the CLECs) that in an OIS vote, a majority decision of the qualified CLECs who choose to participate in such vote should be mandated rather than a quorum-

⁴⁷ AT&T initial Comments at 14.

⁴⁸ Ameritech Initial Comments at 22-23.

⁴⁹ Id. at 23.

oriented procedure. Staff's recommendation was based upon the current minimal level of participation in various administrative proceedings, including this docket, of CLECs who are licensed in the state. (Only 10 of 280 to 300 eligible CLECs participated in the Petition.)⁵⁰

And, even though Staff agrees with Ameritech that the Change Management Process (CMP) is a continuous matter which requires the participation of the CLECs, the reality is that all CLECs do not actively participate in market-defining issues such as the OSS. Thus, any requirement that a quorum⁵¹ of all qualified CLECs must participate is impractical. In fact, such a rule may hinder the process rather than create an opportunity for an efficient and fair OIS voting process. For instance, the failure to achieve a quorum (at no fault of those CLECs who do participate) will result in Ameritech's implementation of a change without the affected CLECs' being able to vote on the issue.

Also, Staff recommended that the Commission mandate that the parties abide by two principles in all OIS proceedings: the free exchange of ideas and information between the CLECs and Ameritech; and good faith negotiations in resolving any issue. Abiding by these principles will accomplish an effective and efficient OIS voting procedure. Staff believes that an atmosphere where there is a free exchange of ideas and information between the CLECs and Ameritech needs to exist.

Staff believes the suggestion that Ameritech will be the custodian of the list of qualified CLECs particular issue has certain drawbacks. AT&T, in its Initial Comments, noted a concern that "the parties and number that would constitute th[e] quorum is known to

⁵⁰ Tr. at 119.

⁵¹ In stating the requirement as a "quorum," Staff is fully cognizant of Ameritech's alternative provision for a

SBC/Ameritech alone.”⁵² Staff shared the concern that the process would prohibit an exchange of information and could prevent fully informed OIS votes. With the intent of addressing this concern, Staff proposed that the OIS qualified CLEC voting list should be shared with the Commission and all qualified CLECs on an issue-by issue basis. The Staff also posited that the Commission should act as final arbiter of any unresolved OIS votes.

It was understood by Staff that the list of CLECs that qualified for any OIS vote could not be circulated without the consent of the CLECs. It was not disputed that the CLECs claimed certain confidentiality concerns regarding being revealed as a qualifying (or by elimination, a non-qualifying) CLEC. Nevertheless, the Staff believed its suggestion would lead to a better process. (See, the statement by AT&T witness Coughlan that “especially if we don’t know who those parties are that would make up that quorum, there’s no way for us to force them to participate if it’s not going to affect them.”⁵³) However, it became clear at the hearing that the CLECs could not uniformly agree to waive these concerns.⁵⁴ Accordingly, Staff no longer proposes that the identity of qualified CLECs be shared. Staff also no longer suggests that the Commission act as arbiter of any unresolved OIS votes. Staff now believes that the position agreed upon between Ameritech and the CLECs in the drafting of the CMP process – that a tie vote is resolved in favor of implementation – is appropriate.

minimum participation of 8 qualified CLECs. Staff will employ the term “quorum” as a shorthand for both measurements.

⁵² AT&T Initial Comments at 14.

⁵³ Tr. at 116.

⁵⁴ Tr. at 108-110.

Staff continues to support the position that OIS issues should ultimately be decided by a majority of those participating in the vote. This takes cognizance of the reality that the level of participation of CLECs in Illinois is not significant, and, thus, the possibility of a quorum is not realistic. As established during the hearings, some 280 to 300 CLECs were notified by the Commission of the pendency of this proceeding.⁵⁵ Nevertheless, only 10 - 14 CLECs actually participated. Second, the participation of any individual CLEC likely will be based on whether the CLEC has any interest at stake or not, and not simply that a vote has been called.

Finally, Staff recommended that the CLECs and Ameritech schedule joint reviews of the OIS process as a monitoring safeguard at least twice during the year following its adoption. The recommended review would ensure that the process is fair to all parties. A continuing review is warranted because the process is new and untested. The review will provide a basis to determine whether changes to the process might be appropriate.

E. STAFF'S RECOMMENDATIONS

Staff recommends the following under the OIS process:

- a. a majority decision of qualified CLECs participating on a particular vote should be approved, rather than the quorum-oriented procedure advocated by Ameritech;
- b. the CLECs and Ameritech should schedule a joint review of the OIS process six months and, again, twelve months after the final approval of the CMP to ensure that the process is working appropriately for all parties.

⁵⁵ Tr. at 119.

Issue #6: OSS System Interface Availability

A. ISSUE

Hours of system availability are those hours that SBC/Ameritech can guarantee their operational support systems (OSS) will be in operation and available for use by the CLECs.

B. CLEC POSITION

The CLECs are concerned that there is a substantial difference between the hours pre-ordering systems are available and the hours ordering systems are available. The CLECs assert that there is a need for uniformity in the hours of operation of pre-ordering and ordering systems because the preordering functions support ordering capability.⁵⁶ Where hours of system availability differ, it is difficult for CLECs to accurately complete an order, and also reduces efficiency. CLECs further believe that the hours of availability for Ameritech's maintenance and repair systems are not acceptable. There are three (3) functional areas that are in dispute:

1. Pre-Order/CSR: Ameritech does not maintain any Sunday hours, whereas the CLECs require Sunday hours because they use those hours to work on rejected orders.⁵⁷ In order to handle these rejected orders; CLECs need access to pre-order/Customer Service Record (CSR) information on Sundays. Pre-order/CSR

⁵⁶ Tr. at 277.

availability must be consistent with ordering hours.⁵⁸ The CLECs want the hours of availability for both pre-order and order interfaces to be synchronized.⁵⁹

2. Trouble Administration, Maintenance and Repair: CLECs request that the system be available 24 hours day, 7 days a week, as is the case in Verizon's New York service territory,⁶⁰ and as Ameritech provides its own retail customers. At the hearings, Ameritech witness Cullen confirmed that this function was available for retail operations on Sunday.⁶¹ The CLECs want the same hours of availability for their customers.⁶²
3. Ordering: CLECs want the ordering systems to be available 24 hours a day, 7 days a week, as Verizon makes such systems available in New York.⁶³ Also, the CLECs point out that the ordering systems do not need to be switched off for maintenance every night. In fact, the CLECs claimed that Verizon completes its maintenance in about one hour once a month.⁶⁴ During the maintenance hour, the CLECs can do back-end work until the maintenance is completed.⁶⁵

C. SBC/AMERITECH POSITION

In the process of the OSS collaborative meetings, Ameritech offered to increase the availability of its ordering systems to 133 hours (from 6AM to 1AM, Central Standard

⁵⁷ Id.

⁵⁸ See Corecomm Illinois, Inc. ("Corecomm Comments") Initial Comments at 8-9.

⁵⁹ See WorldCom, Inc. ("WorldCom Comments") Verified Initial Comments at 4-5.

⁶⁰ See id. at 5.

⁶¹ Tr. at 200.

⁶² WorldCom Comments at 5.

⁶³ Id.

⁶⁴ Id.

⁶⁵ Id.

Time, 7 days a week) consistent with the commitments made by the SBC in the FCC's Uniform and Enhanced collaborative. Both the pre-ordering and maintenance and repair interface hours of availability would also be expanded. However, Ameritech states that it is not practical to make all OSS interfaces available 24-hour a day, 7 days a week, because of the need for the "back-end systems" to be taken off-line for regular maintenance and upgrade activity.⁶⁶ Furthermore, Ameritech has studied the possibility of continuous availability and states that the decision to provide continuous service comes down to a trade off between the cost to provide it and the increased efficiency in offering the extended service hours.⁶⁷

Ameritech states that the differences in availability between the ordering and pre-ordering interfaces is due to the fact that different systems are involved.⁶⁸ In its Initial Comments, Ameritech also states that it "continues to work on the possibility of expanding pre-ordering hours to Sunday. . .[.]"⁶⁹ At the hearings, Ameritech stated that it was prepared to provide preorder accessibility on Sunday but that it could not provide regular Sunday hours.⁷⁰ Instead, Ameritech proposes to notify the CLECs in advance via accessible letters⁷¹, identifying the Sunday hours that would become available.⁷² Ameritech also takes the position that all hours of availability are equal to or even exceed those for Ameritech's own retail operations.⁷³

⁶⁶ Ameritech Initial Comments at 27-8.

⁶⁷ See Tr. at 231; Ameritech Response to Staff Data Requests 6-3.03 and 6-3.04.

⁶⁸ Ameritech Initial Comments at 26-27.

⁶⁹ Id at 30.

⁷⁰ Tr. at 215.

⁷¹ Id. at 216, 225.

⁷² Tr. at 214-15.

⁷³ Id at 25.

In terms of maintenance and repair, Ameritech states that the CLECs can report problems via Ameritech's Electronic Bonding Trouble Administration (EBTA) or the Local Operations Center. EBTA provides the CLECs the ability to electronically report problems. EBTA is available 24 hours per day, seven days a week, except Sunday morning from 12 am to 4 am, and some weekday evenings from 10:30 to 11:30 pm.⁷⁴ When the EBTA is not available, either because it is being serviced during the aforementioned hours, or is out-of-service, the CLECs can call the LOC because it is operational at all times.⁷⁵

D. STAFF POSITION

Staff's position has changed.

The issue of system availability is of paramount importance as it may affect the efficiency of the business process as it translates to the residential end-user, and it may affect a wholesale service provider's reputation for providing reliable service to its customers. Bearing these realities in mind, Staff believes that CLECs have should access to the OSS such as allows a CLEC to provide service to customers (as it relates to pre-ordering, ordering, and maintenance and repair), in a manner that enables it to effectively compete with Ameritech. Therefore, SBC/Ameritech should provide OSS accessibility that is technically feasible for its system, is of a reasonable minimum duration that is comparable to other incumbent carriers across the country, and is coordinated with the CLECs operations.

⁷⁴ Tr. at 217-18.

⁷⁵ Tr. at 242; Ameritech Initial Comments at 30.

Technical Feasibility: Staff agrees with SBC/Ameritech that, while providing OSS service twenty-four hours per day for seven days a week may be technically feasible, at this time it would be cost ineffective. The additional efficiencies realized by implementing an OSS system which operates 24X7, in comparison to an OSS system operating for approximately 18-22 hours per day, do not justify the additional costs associated with implementing such a system. This conclusion is based on several factors. The Service Order system was put into operation two to three years ago, took seven years to implement and cost \$100 million.⁷⁶

Second, Ameritech also conducted two studies. One to investigate the feasibility of providing extended hours of operation for ordering and billing interfaces and a second to provide some systems on a 24X7 basis.⁷⁷ In this study, Ameritech examined the costs of providing ordering and billing 24X7. Based on the information collected, Ameritech determined that the approximate cost to provide access to these applications twenty-two hours per weekday and sixteen hours per weekend, as well as to provide 24X7 access.⁷⁸ Ameritech did not indicate what the volume usage was during the extended hours trial period, but it did state that there was “insufficient customer response to warrant the expense” of extended hours.⁷⁹ Third, Ameritech stated that, if it were ordered to provide 24X7 access, it would not be able to move to a system to support the request within 15 months.⁸⁰ In light of this information, while it is *possible* for Ameritech to implement a 24X7

⁷⁶ Tr. at 235.

⁷⁷ Ameritech Response to Staff Data Request 6-3.03.

⁷⁸ Id.

⁷⁹ Id.

⁸⁰ Tr. at 234.

system, it is more efficient and cost-effective for Ameritech to implement a system that provides longer hours than currently provided but not one that has 24X7 access.

Reasonable Minimum Duration of OSS Availability: In establishing reasonable minimum standards for network availability the CLECs urge the Commission to require SBC/Ameritech to emulate the practices of other regional incumbent carriers, specifically Bell Atlantic (Verizon) and Bell South.

The CLECs state that legally Ameritech must be compelled to provide Sunday hours because Southwestern Bell Telephone voluntarily “expanded and synchronized hours of availability for its pre-order and maintenance and repair systems in Texas.”⁸¹ The CLECs’ rationale for this argument is that Merger Order Condition 27(a)⁸² essentially requires SBC/Ameritech to provide services to a CLEC that are equal to what an SBC ILEC affiliate provides in its region, to the extent that provision of those services is neither required as a result of an arbitration nor in violation of Illinois law.⁸³ However, this argument is untenable because Condition 27 applies to interconnections, rather than to OSS. Therefore, the Staff does not believe that the Commission is required to consider the practices of Bell Atlantic or Bell South as binding

This having been said, the practices of Verizon and Bell South certainly constitute evidence of an incumbent carrier’s capabilities with respect to OSS. Staff has determined that both carriers’ make OSS accessible to CLECs for ordering and pre-ordering during Saturday and Sunday hours.⁸⁴ For CLEC maintenance and repair requests, Verizon sets a

⁸¹ WorldCom Initial Comments at 4.

⁸² Order No. 98-0555 at 234.

⁸³ Id.

⁸⁴ See for Bell Atlantic: http://www.bellatlantic.com/wholesale/html/cd_sys_avail.htm. For BellSouth : http://www.interconnection.bellsouth.com/oss/oss_hour.html

specific downtime for maintenance and repair of OSS systems, while the Network Reliability Center of Bell South is manned 24 hours a day, 7 days a week.⁸⁵ Indeed, SBC in Texas provides Sunday Pre-Ordering and CSR hours. From these examples, it is evident that ILEC's can successfully provide an "around-the-clock" system of OSS. Therefore, SBC/Ameritech should be required to provide greater availability to its OSS.

SBC/Ameritech advances two arguments for not offering service comparable to Verizon and Bell South. First, SBC/Ameritech argues its system should not be compared to either Verizon's or Bell South's system because the systems are different, Second, SBC/Ameritech asserts that coordination of maintenance and repairs is difficult for SBC/Ameritech because of the complexity of its network.⁸⁶

SBC/Ameritech argues that its network is different from those used by Verizon and Bell South because its data is stored, accessed, backed up, secured and maintained in a manner different from the manner used by those companies.⁸⁷ Staff acknowledges that Ameritech's system is complex, and that some time is required for system maintenance. However, as has been stated previously, other ILECs have demonstrated that they can operate with minimum downtime. Additionally, SBC/Ameritech stated that it is in the process of determining how it can provide pre-ordering capabilities on Sunday to CLECs,⁸⁸ and that it is in the process of trying to coordinate a set maintenance schedule.⁸⁹

⁸⁵ Id.

⁸⁶ Ameritech Initial Comments at 25.

⁸⁷ Id.

⁸⁸ Tr. at 225.

⁸⁹ Tr. at 222-23.

SBC/Ameritech will have established a maintenance schedule within six (6) to eight (8) weeks.⁹⁰

Staff concludes that SBC/Ameritech should be required to increase the number of hours OSS is accessible to CLECs on a weekly basis, coordinate its network maintenance and repair schedule so as to minimize OSS system downtime, maximize weekend access for itself and the CLECs to the OSS , and set a consistent schedule with pre-arranged times for system maintenance. Access times and duration to the OSS system for the CLECs should be the same as for Ameritech, and the CLECs should be granted the same access to OSS for Trouble Administration/Maintenance and Repair that Ameritech technicians have to the system.⁹¹

Coordination of Operations: For the CLECs to effectively compete, SBC/Ameritech must develop a process notify CLECs when the OSS systems are not accessible. Staff recognizes that SBC/Ameritech needs time to maintain, repair and upgrade its system. Therefore, the issue is how to best maintain the system, while at the same time maximizing the CLECs access to the system to the point that CLEC access is comparable to that of SBC/Ameritech.

Ameritech's systems require reasonable downtimes for network maintenance. In response to Staff Data Request 6-5.11, Ameritech stated that "maintenance windows will typically provide limited availability on Sundays, but the specific hours vary from week to week. Ameritech Illinois can notify the CLECs when the Sunday maintenance schedule is

⁹⁰ Id.

⁹¹ WorldCom's Response to Staff Data Request 6-3.01 (stating that CLECs should have the same access to the OSS system as Ameritech technicians.)

finalized.”⁹² In response to Staff’s Record Data Request #2 WorldCom stated that Verizon, as part of its Change Management process, posts on its website the exact hours that all systems will be unavailable due to actual system maintenance, three months in advance of those dates.⁹³ Therefore, Staff recommends that, at a minimum, Ameritech should set a date or day, and a format by which it will notify CLECs when its OSS system will be inaccessible for repairs, maintenance or upgrade.

SBC/Ameritech should make both pre-ordering and ordering available concurrently, or in the alternative, pre-ordering should be available for a longer period than ordering. The CLECs state that access to the system for pre-ordering and ordering is vital to them.⁹⁴ CLECs prefer that ordering and pre-ordering be available concurrently.⁹⁵

The apparent disparity which exists between the proposed hours of availability for pre-ordering and ordering interfaces should be eliminated. SBC/Ameritech should provide the same hours for both pre-ordering and ordering. It appears illogical to offer extended hours for the ordering interface but not the pre-ordering interface, since the pre-ordering interface needs to be accessed to prepare orders in the first place. Also, a CLEC cannot provide a customer with any information regarding order completion date, verification of billing address and details about a customer’s service status without having access to the pre-ordering interface.⁹⁶ Thus, there should be uniformity in the hours of availability of the pre-ordering interface and the ordering interface. If there has to be a disparity between the hours, then the pre-ordering interfaces should be available for an extended period over the

⁹² Ameritech Response to Staff Data Request 6-5.11.

⁹³ WorldComs’ Response to Staff’s Record Data Request #2.

⁹⁴ WorldCom Initial Comments at 2.

⁹⁵ Id.

⁹⁶ Tr. at 192 –206.

ordering hours, because pre-ordering functions occur in “real time”⁹⁷. Real time pre-ordering means that the CLEC uses the pre-ordering Interface while the customer is on the telephone, enabling the CLEC representative to check addresses, current services being provided, and potential services available to the customer in order to better serve him or her.⁹⁸ This allows CLECs to perform all of their pre-ordering activities and then send in the order to be processed. If the ordering interfaces are not available, SBC/Ameritech should hold the request in a queue until the point in time that the ordering systems become available again.

Staff concludes that both the pre-ordering and ordering interfaces should be available simultaneously.⁹⁹

E. STAFF’S RECOMMENDATIONS

The Staff recommends the following:

- a. SBC/Ameritech should not be required to provide OSS accessibility 24X7, but the Commission should require SBC/Ameritech to offer Saturday and Sunday hours for all interfaces – pre-ordering, ordering and maintenance and repair.
- b. SBC/Ameritech should be required to provide access 140 or more hours per week to both the pre-ordering and ordering interfaces. The increase in hours of access should be a gradual transition. The transition period should not exceed six months. SBC/Ameritech should provide monthly reports to the Commission stating hours of

⁹⁷ Tr. at 239-40.

⁹⁸ Tr. at 239-40.

⁹⁹ See Joint Submission of the Amended Plan of Record for Operations Support Systems (“OSS”) Plan of Record (hereinafter “POR”) at 66. The POR provides for 6AM-1AM hours of availability for the Ordering interface but nothing is set aside for the Pre-Ordering interface.

actual availability for the previous month. At the end of the six month period Ameritech should provide accessibility for ordering and pre-ordering between 6am and 1am for every day of the week.

- c. SBC/Ameritech should establish a regular maintenance and repair interval for all days of a month and post it on its website as an accessible letter. The posting should be provided on the first working day of each month for the following month (i.e., SBC/Ameritech should post September 2000 network maintenance times on August 1, 2000). This will allow wide dissemination and facilitate easy access by the CLECs. It will also allow the CLECs to plan their own time around the maintenance and repair hours rather than being dependent on Ameritech's schedule. Staff recommends that maintenance and repair work should be conducted between 1am and 5am.¹⁰⁰
- d. Pre-ordering and ordering interfaces should be available concurrently. In the alternative, if the pre-ordering and ordering interfaces cannot be provided concurrently at all times, then the pre-ordering interface should be granted the longer duration. SBC/Ameritech should be ordered to gradually expand the hours of availability for both the Pre-ordering and Ordering interfaces from its current 133 hours a week to 140 hours a week over a 6-month period.¹⁰¹ The hours should be between 5am and 1am as opposed to Ameritech's proposal of 6am-10pm for the Pre-Ordering interface and 6am-1am for the Ordering.
- e. Maintenance and repair should be set at intervals and posted on SBC/Ameritech website. This will allow wider dissemination and facilitate easy access to the CLECs. It

¹⁰⁰ See POR at 66.

¹⁰¹ See POR at 65.

will also allow the CLECs to plan their own time around the maintenance and repair hours rather than being dependent on Ameritech schedule. Ameritech should provide regular Saturday and Sunday hours of availability, and should circulate hours of availability to the CLECs. Staff recommends that both Pre-ordering and Ordering interfaces be available between 5am and 1am.

- f. Staff recommends that the Commission require SBC/Ameritech provide monthly a report on changes to the hours of availability for all domain areas. Specifically the Commission should require SBC/Ameritech to provide this report to the Commission no later than the 15th of each month. Any changes from the previous report regarding should also be noted and an explanation should be provided for those changes. The Commission should also direct these reports be verified by and SBC/Ameritech officer.

Issues #9, 16, 19, 20, 24, 40: Interface Development Rule

A. ISSUE

The interface development rule will establish a process by which the CLECs review and revise detailed specifications in collaboration with Ameritech. This rule will also establish an arbitration process to resolve disputes that arise related to such specifications.

B. CLEC POSITION

The CLECs argue that SBC/Ameritech has failed, in the course of the collaborative process in this docket, to disclose with sufficient particularity, detailed specifications and business rules for its proposed OSS interfaces and enhancements. This failure, the CLECs assert, has prevented them from making any determination regarding how the interfaces and enhancements will function, which in turn prevents them from designing their own corresponding systems and procedures to operate on their side of the OSS interface. The CLECs argue that SBC/Ameritech was required, under Condition 29 of the Merger Order, to provide this information to them in the course of the collaborative process; they cite, in support of this proposition, Chairman Mathias' letter of February 17, 2000, in which the Chairman gave it as his opinion that SBC/Ameritech was required to provide the information with the specificity and particularity sought by the CLECs.

The CLECs state that, since SBC/Ameritech has failed to provide detailed specifications and business rules for its proposed OSS interfaces and enhancements, they cannot accept the Plan of Record. They propose, however, an "Interface Development Rule," which would, if adopted, establish a process for resolving these issues, as follows:

- SBC/Ameritech provides the detailed specifications and business rules which the CLEC seek, simultaneously providing a document which correlates the specifications and rules to the relevant business standards;
- SBC/Ameritech and the CLECs engage in expedited collaborative discussions to resolve those disputes regarding the specifications and business rules which can be resolved;
- Issues remaining in dispute at the conclusion of the collaborative discussions are submitted to the Commission for arbitration under the Phase III arbitration procedures established by Condition 29.

The CLECs urge the Commission to adopt this procedure, and to authorize the CLECs to arbitrate unresolved issues under Phase III procedures. The CLECs' position appears to be unchanged.¹⁰²

C. SBC/AMERITECH POSITION

SBC/Ameritech concedes that it has not revealed detailed information regarding specifications and business rules, but asserts that this is due to the fact that this is not the result of any willful failure to disclose on SBC/Ameritech's part, but rather is due to the fact that the information is not yet known to SBC/Ameritech. SBC/Ameritech asserts, however, that this does not, in fact, prejudice the CLECs in any meaningful way, because of the fact that the CLECs may seek resolution of these issues under the so-called Change Management process, and a subprocess of that, namely Outstanding Issue Solution, which, in essence, resolves outstanding OSS interface issues by a vote taken among CLECs. SBC/Ameritech states that this process has been used successfully in the collaborative processes leading up to its Section 271 approval in Texas, and that the FCC views this process with favor.

SBC/Ameritech contends that, by contrast, the Interface Development Rule proposed by the CLECs would, in practice, allow a single aggrieved CLEC to prevent implementation of OSS interface practices which other CLECs endorse, a result which SBC/Ameritech views as undemocratic. Further, SBC/Ameritech asserts that Condition 29 procedures do not permit the arbitration of the specification / business rule issue in the

¹⁰² Tr. at 169, 181-82, 184-87.

context of Phase III, but rather afford the remedy of arbitration only where issues exist relating to implementation.

Accordingly, SBC/Ameritech urges the Commission to reject the Interface Development Rule proposed by the CLECs, and instead to find that the Change Management Process that it proposes is the proper manner in which to resolve OSS interface issues.

Ameritech's position appears to be substantially unchanged.¹⁰³

D. STAFF POSITION

Staff's position has not changed.

Merger Condition 29 provides, in relevant part, as follows:

Additional OSS - Joint Applicants will comply with the following OSS commitments:

A. OSS Conditions

Joint Applicants will meet the following timetables and milestones regarding integration of OSS processes in Illinois:

Joint Applicants shall implement a comprehensive plan for improving the OSS systems and interfaces available to CLECs in Illinois. The Joint Applicants' plan shall consist of the following commitments.

Application-to-Application Interfaces Commitments

SBC/Ameritech Illinois will deploy, in accordance with the schedule noted below, commercially ready, application-to-application interfaces as defined, adopted, and periodically updated by industry standard setting bodies for OSS (e.g., Electronic Data Interchange ("EDI") and Electronic Bonding Interface ("EBI")) that support pre-ordering, ordering, provisioning, maintenance and repair, and billing for resold services, individual UNEs, and combinations of UNEs.

¹⁰³ Tr. at 131, 139, 153-54, 157, 166.

Deployment of the application-to-application interfaces will be carried out in three phases.

- *Phase 1:* Within 3 months after the Merger Closing Date or final regulatory approval, Joint Applicants shall complete a publicly available Plan of Record which shall consist of an overall assessment of SBC's and Ameritech's existing OSS interfaces, business processes and rules, hardware and data capabilities, and security provisions, and differences, and the companies' plan for developing and deploying application-to-application interfaces and graphical user interfaces for OSS, as well as integrating their OSS processes. The Plan of Record shall be accepted, or rejected, by this Commission after an expedited (two week) CLEC comment cycle.
- *Phase 2:* SBC/Ameritech shall work collaboratively with ICC Staff and Illinois CLECs, in a series of workshops, to obtain written agreement on OSS interfaces, enhancements, and business requirements identified in the Plan of Record. If the CLECs and SBC/Ameritech have not reached agreement after one month of such sessions (unless there is a mutually agreeable extension or a Commission order extending this date after a reasonable request is made by a participating party to continue negotiations), the parties shall prepare a list of the unresolved issues in dispute and submit the remaining unresolved issues in dispute to arbitration by the Commission. Any arbitration shall be conducted before the Commission with the assistance of an independent third party with subject matter expertise. In the event that SBC/Ameritech and the participating Illinois CLECs are able to come to written agreement regarding some OSS issues, but not all, those issues that have been agreed to shall immediately proceed to Phase 3.
- *Phase 3:* SBC/Ameritech shall develop and deploy, on a phased-in basis, the system interfaces, enhancements and business requirements consistent with the written agreement obtained in Phase 2. If one or more CLECs contend that SBC/Ameritech has not developed and deployed the system interfaces, enhancements, and business requirements consistent with the written agreement obtained in Phase 2, or has not complied with the Commission's decision received in Phase 2, they may file a complaint with the Commission which shall arbitrate the issue(s) consistent with the procedures identified in Phase 2 except that this arbitration shall be concluded within 2 months.¹⁰⁴

¹⁰⁴ Joint Application of SBC/Ameritech, ICC Docket No. 98-0555, *Final Order* at 253-55 (September 23, 1999).

SBC/Ameritech concedes that it has failed, for whatever reason, to provide all of the detailed specifications and business rules sought by the CLECs, and, indeed, required under Condition 29, but it apparently considers this a failure of no great moment. This, however, is at the crux of this issue, and the Staff recommends that the Commission adopt, in part, the CLEC's Interface Development Rule.

There is little question that, had SBC/Ameritech been forthcoming regarding detailed specifications and business rules for OSS interface during the collaborative process, the CLECs would have had the right to arbitrate any disputes regarding them. SBC/Ameritech, however, did not do so, despite the Chairman's admonition in Schedule A of his February 17 letter, and despite the matter having been raised during the collaborative process. SBC/Ameritech, in essence, asserts that its failure to produce the requested information should properly foreclose the CLECs' right to arbitrate, and instead, the CLECs should be compelled to rely upon a curious procedure never adopted, or even contemplated, in Condition 29 of the Illinois Merger Order in lieu of the arbitration that Condition 29 specifically orders.

Condition 29 specifically affords the CLECs the remedy of arbitration. If this in some way undermines a procedure sanctioned in Texas, then the reconciliation of the two differing remedies is SBC/Ameritech's problem, rather than the CLECs'. Arbitration is the Illinois-sanctioned remedy, which the Illinois Commission has deemed the proper way to resolve OSS interface disputes. SBC/Ameritech's attempt to foreclose, by its own failures and omissions, CLEC's rights in favor of a Texas remedy it appears to prefer, should be rejected by the Commission.

E. STAFF'S RECOMMENDATIONS

The CLECs have been denied the opportunity to arbitrate these issues in Phase II. Accordingly, they should be permitted to arbitrate them in Phase III. The Commission should adopt the proposed Interface Development Rule.

The CLECs propose a “mapping” requirement, which the Staff interprets as calling for a showing of the correlation between SBC/Ameritech specifications and practices, and industry standards. While the Staff does not endorse this aspect of the proposal, the CLECs and SBC/Ameritech, however, appear to have concluded an agreement, pursuant to which SBC/Ameritech will provide some form of “mapping”¹⁰⁵, an agreement which the Staff has no reason to oppose.

Issue #13: Customer Service Record (CSR) Address Validation

A. ISSUE

When a CSR (or order) is received by SBC/Ameritech, certain rules are applied to validate selected fields on the order, including the address field. Specifically this issue focuses on the request by CLECs to relax the validation rules that apply to the address fields on migration orders. This issue also pertains to the accuracy of the data in the Street Address Guide (SAG) and CSR databases.

¹⁰⁵ Tr. at 173-74.

B CLEC POSITION

A basis for a significant number of SBC/Ameritech rejections of CLEC orders is erroneous information, including addresses, on the order form. In some cases this is because the street address provided by a CLEC does not match the street address with which SBC/Ameritech typically validates orders.¹⁰⁶ Under the current procedure followed in the pre-ordering process, SBC/Ameritech provides CLECs access to the Customer Service Record (CSR) database, the CLECs then use the information in the CSR to populate the order they must provide SBC/Ameritech. Also, SBC/Ameritech provides CLECs access to the SBC/Ameritech Street Address Guide (SAG) database, which are the valid street addresses of SBC/Ameritech end-users. According to the CLECS, these two databases do not always match in format and content. Depending on the type of order from the CLECs, SBC/Ameritech validates the order through either the CSR or the SAG database.¹⁰⁷

Furthermore, the CLECs experience problems with the accuracy of the SAG and CSR databases. For example, when CLECs send an order to SBC/Ameritech, SBC/Ameritech requires that CLECs provide the street address of the end-user. If the CLECs use the CSR to format the street address in an order, discrepancies both in format and content cause the order to be rejected even if the address provided matches the address information contained in the Ameritech's CSR. To overcome this problem, the CLECs want SBC/Ameritech to conform its CSR database to the SAG database by replacing anomalies in the CSR to correct address information, as prescribed by the

¹⁰⁶ AT&T Initial Comments at 26.

¹⁰⁷ AT&T Initial Comments at 26-27.

SAG.¹⁰⁸ AT&T posits this synchronization of the two data bases as a “long-term” project.¹⁰⁹ In Exhibit 1, Attached to AT&T’s Comments, AT&T identifies a date of March 2001 for the development of the synchronization process.¹¹⁰

The CLECs also want SBC/Ameritech to implement relaxed address validation for migration orders for resale, CPO and loop with number port by December 2000.¹¹¹ In other words, SBC/Ameritech will not require address validation at all on these limited set of order types and the order will only be validated on the telephone number (TN) provided. Covad also objected to the fact that relaxed address validation will not be implemented for the line sharing orders.¹¹²

C. SBC/AMERITECH POSITION

SBC/Ameritech recognizes the importance of accurate end customer addresses in every CLEC order. As a result, the end customer information is considered to be critical and it is a required field for most order types. In fact, SBC/Ameritech recognizes the fact that it is a difficult piece of information for a CLEC to provide.¹¹³ Consequently, SBC/Ameritech agreed to make changes effective in December 2000 by starting the relaxed address validation for migration orders for resale, CPO, and loop with number porting, and also for standalone loop and standalone number portability orders.¹¹⁴ Although it had earlier offered to provide Lite or Relaxed Validation by September, 2000,

¹⁰⁸ AT&T Initial Comments at 26-27.

¹⁰⁹ Id. at 29.

¹¹⁰ AT&T Exhibit 1, FMO, Section C, Ordering at 52-53.

¹¹¹ Id. at 52.

¹¹² Initial Comments of Covad Communications at 4-5.

¹¹³ Ameritech Illinois Initial Comments at 37.

¹¹⁴ Id. at 38.

SBC/Ameritech felt that earlier implementation of these changes associated with CSR Address Validation was problematic because of the efforts being made to effect changes in other OSS areas.¹¹⁵ Just prior to the hearing, Ameritech reassessed its workload and determined that Lite Validation could not be implemented prior to March 2001.¹¹⁶ That is the date reflected in Ameritech's Initial Comments.

In addition, at the hearing, Ameritech committed to Covad that Ameritech would be "relaxing the address validation requirements for line sharing orders along with other types when the relaxed validation is implemented in March 2001."¹¹⁷ In addition, Ameritech noted that it was considering Covad's request that to further extent Relaxed validation to stand-alone DSL loops, but was not willing to offer that at that time.¹¹⁸

D. STAFF POSITION

SBC/Ameritech offers to implement relaxed address validation (the so-called "Lite Edit") for resale, CPO and loop with number port in March 2001. Staff, however, continues to recommend that this proposal be made effective in December 2000. The time frame between December 2000 (considering the previously missed September 2000 implementation date) and March 2001 will make a difference both in terms of negative impact on the CLECs and the marketplace. The extra three months proposed by Ameritech for implementing this change could well affect the CLECs' ability to compete.

All parties are agreed that the system enhancements to enable Lite Validation will be made. The foremost issue is the timing of Lite Validation implementation. The

¹¹⁵ Tr. at 743-44, 767 and 769.

¹¹⁶ Tr. at 778-79.

judgement that must be made is between Ameritech's asserted need for additional time to implement Lite Validation and the CLECs assertions of delays and additional costs incurred in accomplishing customer service orders as a result of address-related order rejections.

The CLECs claim a 30 to 40 per cent order rejection rate due to address-related errors.¹¹⁹ Covad believes that the error rate would be reduced to below 5 per cent after the implementation of Lite Validation.¹²⁰ Ameritech does not dispute that the rejection rate will be reduced through the use of Lite Validation.¹²¹ The CLECs note that the cost to them of the continued higher rate of rejection of service orders includes lost time in implementing the orders, additional costs and employee time in reviewing the rejections and resubmitting the orders, and poor service from a customer viewpoint.¹²² These effects are exacerbated by the possibility of repeated rejections of orders.¹²³

Ameritech claimed that its workload necessitates moving the Lite Validation implementation date from December 2000 to March 2001.¹²⁴ However, Ameritech was unable to substantiate that claim.¹²⁵ Moreover, Ameritech never claimed that Lite Validation itself could not be delivered by December, 2000. Rather, the Company rather amorphously indicated that delivering Lite Validation by December 2000 would "perhaps" result in some other project being bumped to March 2001.¹²⁶

¹¹⁷ Tr. at 727, 728.

¹¹⁸ Tr. at 732-33.

¹¹⁹ Tr. at 792 (Covad), 794 (Rhythms, AT&T).

¹²⁰ Tr. at 800.

¹²¹ Ameritech Illinois Initial Comments at 38-39.

¹²² AT&T Initial Comments at 26; Covad Communications Initial Comments at 4; Tr. at 797-99.

¹²³ Tr. at 734-38.

¹²⁴ Ameritech Illinois Initial Comments at 38; Tr. at 778-80.

¹²⁵ Tr. at 780.

¹²⁶ Tr. at 779.

Since Ameritech has failed to substantiate its claim that delivery of Lite Validation should be delayed; and since Ameritech already has delayed the implementation from a proposed September date, Staff believes the balance on this issue swings in favor of the CLEC position, i.e., a mandated December 2000 implementation. Ameritech failed to establish with any certainty its contention that the earlier implementation date would cause difficulties. On the other hand, a later release will have negative consequences for the CLECs, as noted. Those negative consequences can and should be avoided. The Commission should order Ameritech to implement Lite Validation no later than December 2000.

Staff agreed with the Covad request that Lite address validation be extended to unbundled loops and line shared loops. At the hearing, Ameritech agreed to provide Lite Validation for unbundled loops and line shared loops. Staff believes that this should be implemented in December 2000 along with the migration orders for resale, CPO, and loop with number porting that SBC/Ameritech has already committed to supporting, rather than at the separate March 2001 commitment made by Ameritech. Ameritech's witness stated that the Company intended to provide Lite Validation for all pertinent services at the same time. The witness agreed that this was because "the same system or process enhancement that would be used for those other types of services would also ... enable you to provide light [sic] address validation for line sharing, as well."¹²⁷

The implementation of relaxed address validation, however, does not address the other issue here, which is the question of the Street Address Guide (SAG) being out of sync with the addresses in the Customer Service Record (CSR). Ameritech contends it

has no basis to believe that a significant number of order rejections occur as a result of alleged discrepancies between the CSR and the SAG databases.¹²⁸ There is no dispute, however, that rejections occur due to any such discrepancies. And, AT&T noted that synchronization has been successfully implemented elsewhere.¹²⁹ Since Lite Validation does not apply to all order types, there remains the possibility of order rejections due to CSR/SAG discrepancies. Staff believes that the Commission should order Ameritech to synchronize the two databases.¹³⁰

The CLECs maintain that the rejection of their orders each time there is a difference in either format or content between the CSR and SAG leaves them at a competitive disadvantage. Staff agrees that the CLECs are in a competitive disadvantage in this situation because Ameritech retail representatives do not encounter the problem and the order rejections affect the CLECs ability to deliver service to Illinois residents in a timely manner. After getting a rejection, the CLECs have to resubmit the order in its entirety. The resubmission cannot happen until the rejected order is received. A lack of synchronization between the CSR and SAG databases at Ameritech's end is the apparent reason for this occurrence. The lack of synchronization effectively denies the CLECs opportunity for real time validation.

The Staff recommends that SBC/Ameritech should conduct address validation with the CLECs at the same time CLECs want the information since it appears from all submissions that the same information or databases are what SBC/Ameritech relies on for

¹²⁷ Tr. at 745-46.

¹²⁸ Ameritech Illinois Initial Comments at 37-38; Tr. at 720.

¹²⁹ AT&T Initial Comments at 28-29.

¹³⁰ Staff has not proposed a specific deadline for synchronization. However, AT&T has proposed that synchronization be accomplished by March 2001. (AT&T Exhibit 1, FMO, Section C, Ordering at 52 -53.)

its retail representatives. If SBC/Ameritech cannot provide a synchronization that guarantees the CLECs equal and reliable information just as it provides its sales representatives, serious doubt exists as to whether Ameritech's databases are competitively neutral. The Staff recommends that this disparity be eliminated and action be taken to correct any competitive drawbacks these two databases may engender. SBC/Ameritech should make the two databases to seamlessly interface with each other.

E. STAFF'S RECOMMENDATIONS

Staff has already articulated, *supra*, the legal basis for its position regarding the Commission's authority to impose remedies for carrier non-compliance with Commission holdings. Staff, therefore, recommends that the Commission provide notice to SBC/Ameritech in the prefatory portion of the Final Order derived from this proceeding that any failure by SBC/Ameritech to comply with the OSS related deadlines it has committed to in this arbitration can be considered an "impediment to competition" within the meaning of Sections 13-514 and 13-515 of the Illinois Public Utilities Act.

Staff recommends that the Commission require SBC/Ameritech to provide monthly reports to Commission Staff on the progress of its implementation of lite address validation as well as the synchronization of the CSR and SAG databases. The Commission should also direct that those reports be verified by an SBC/Ameritech Officer. Specifically, the Commission should order SBC/Ameritech to provide a report to the Commission no later than the 15th of each month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage

the implementation of the list address validation initiative as well as the project to synchronize the CSR and SAG databases . The project plans should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should also be noted and an explanation should be provided for those changes. The overall impact of any such changes on the projects should also be clearly identified and reported to the Commission. Staff believes the aforementioned report will inform the Commission and the CLECs as to Ameritech's progress toward meeting its committed implementation date.

Staff recommends that the Commission mandate the following actions:

- a) Lite Validation be implemented no later than December 2000.
- b) Lite Validation be extended to apply to line sharing orders, and that be accomplished by December 2000.
- c) Ameritech synchronize its CSR and SAG databases.
- d) Ameritech and the CLECs should maintain accurate records of error rates including the number of rejections by error type.
- e) Ameritech should provide monthly reports as detailed above.

Issue #18: Flow Through

A. ISSUE

Flowthrough as defined by the performance measurement collaborative related to OSS is any order that is electronically received from a CLEC and processed through Ameritech's ordering interface into ACIS (the SBC/Ameritech service order system) without manual intervention.

B. CLEC POSITION

The CLECs describe flowthrough as the ability of CLECs to electronically flowthrough SBC/Ameritech's legacy systems to the same extent as SBC/Ameritech's retail orders.¹³¹ The CLECs note that not all of their orders flowthrough, but instead some portion of their orders drop out of the electronic process for varying degrees of manual intervention.¹³² Manual intervention in the ordering process brings into play a myriad of potential errors that can be caused through human error.¹³³ Experiences in New York confirm that an inordinate amount of manual processing cannot sustain a commercially viable offering in the marketplace.¹³⁴ In the CLEC's view, the extent to which orders are processed electronically is a product of decisions made by SBC/Ameritech.¹³⁵

Based on the information provided by SBC/Ameritech, the CLECs consider the Company's flowthrough capabilities to be far below that required to sustain a competitive market.¹³⁶ As an example, the CLECs note that loop orders with number portability (one of

¹³¹ AT&T's Initial Comments at 21.

¹³² Id. at 21-22.

¹³³ Id. at 22.

¹³⁴ Id. at 22-23.

¹³⁵ Id. at 22.

¹³⁶ Id. at 23.

the most common types of CLEC orders) do not flowthrough.¹³⁷ The CLECS assert that, other than certain types of DSL, UNE-P and resale orders, SBC/Ameritech has indicated it has no plans whatever to improve its flowthrough capabilities for any type of unbundled element orders, including loop and number portability orders.¹³⁸ Furthermore, the CLECs contend that flowthrough improvements to the types of orders Ameritech has agreed to improve, will have little effect on competition since such types of orders have been either unavailable in Illinois (UNE-P) or largely abandoned (resale) as entry mechanisms into the telecommunications market.¹³⁹

In the CLECs' estimation, it is incumbent upon SBC/Ameritech to enhance the rates of flow-through for CLEC orders to the level of its retail flowthrough – i.e., CLEC flowthrough rates should be at parity with retail flowthrough experience¹⁴⁰ To accomplish this goal, the CLECs argue that SBC/Ameritech should publish the flow-through types and exception lists monthly and identify which exceptions will be removed in the next software release.¹⁴¹ The CLECs further recommend that the Commission require SBC/Ameritech to make significant and traceable progress in improving flowthrough for unbundled element orders.¹⁴² As a start, the CLECs urge the Commission to direct SBC/Ameritech to remove flowthrough exceptions for unbundled element orders by at least 50% within one year, and further to measure the flowthrough rate for all CLEC orders received so that this aggregate result can be compared to the flowthrough rates for flow-through eligible orders, as well as disaggregate this data by product type so that the CLECs, SBC/Ameritech, and the

¹³⁷ Id.

¹³⁸ AT&T's Initial Comments at 23.

¹³⁹ Id. at 23-24.

¹⁴⁰ Id. at 24.

¹⁴¹ Id.

Commission can more easily identify the areas where flowthrough improvement is necessary.¹⁴³

C. SBC/AMERITECH POSITION

Ameritech witness Gilles defines “flowthrough” as being “an order being received by the electronic ordering interface and then processed . . . in to its service order system without manual intervention.”¹⁴⁴ Ameritech argues that for all retail orders, the process of translation from customer request to internal service order is performed manually by the customer service representative.¹⁴⁵ In contrast, for wholesale orders, the editing of a received Local Service Request (“LSR”) and its translation into one or more internal service orders is sometimes performed wholly mechanically and sometimes with manual assistance.¹⁴⁶

Ameritech posits that in order to make it possible for a service order to flowthrough, Ameritech must program its ordering interface system to reproduce the knowledge and practices of its service representatives for the many different situations they encounter daily.¹⁴⁷ According to Ameritech, in some cases a routine operation performed by service representatives many times daily can be simply programmed while in other cases an operation may be performed very rarely and that changes frequently may be very difficult to program.¹⁴⁸

¹⁴² Id.

¹⁴³ AT&T’s Initial Comments at 24-25.

¹⁴⁴ Tr. at 432.

¹⁴⁵ Ameritech Initial Comments at 40.

¹⁴⁶ Id.

¹⁴⁷ Id. at 41.

¹⁴⁸ Ameritech Initial Comments at 41.

Still, even though significant effort is required to effect additional flowthrough, Ameritech claims that flowthrough initiatives are an important part of its OSS enhancement process.¹⁴⁹ Ameritech points to planned and completed flowthrough initiatives¹⁵⁰ which, it contends immediately increase the level of flowthrough of resale orders and create the foundation for further future flowthrough enhancements.¹⁵¹ Ameritech contends that existing performance measures and drive for internal operational efficiencies provide sufficient incentive for it to continue its program of flowthrough improvement.¹⁵² In Ameritech's view, these same performance measures will allow the Commission, the CLECs and Ameritech Illinois to continue to monitor the effectiveness of these flowthrough improvements over time.¹⁵³ However, Ameritech offers the caveat that the selection of flowthrough initiatives must be made based on technical feasibility, estimates of impact on both CLECs and Ameritech Illinois, and current and future order volumes affected.¹⁵⁴

Ameritech also states that it has involved CLECs in discussions regarding flowthrough enhancements through Change Management meetings beginning in April, 2000.¹⁵⁵ Further, Ameritech offers that information regarding flowthrough exceptions has been developed and distributed, that scheduled flowthrough initiatives are now included on the enhancement list that is shared with CLECs and that release announcements are also

¹⁴⁹ Id.

¹⁵⁰ Two flowthrough enhancements associated with unbundled network element ordering are scheduled for completion yet this year. The first is an enhancement to flowthrough of Combined Platform Offering, Ameritech Illinois' UNE-P product in Illinois, scheduled for October 2000. This enhancement was scheduled as a result of CLEC activity forecasts. The second, flowthrough of xDSL loop orders and orders for line-sharing (HFPL), came as a result of CLEC input during the SBC/Ameritech Advanced Services POR collaboratives, and is scheduled for December, 2000. *See* Ameritech Initial Comments at .

¹⁵¹ Ameritech Initial Comments at 41.

¹⁵² Id. at 42.

¹⁵³ Id.

¹⁵⁴ Id.

¹⁵⁵ Id. at 41.

made to CLECs in advance of the installation of these releases.¹⁵⁶

D. STAFF POSITION

Staff's position has not changed.

It appears that both SBC/Ameritech and the CLECs agree that flowthrough rates and capabilities should be improved over time.¹⁵⁷ The Staff supports the CLECs' position that flowthrough capabilities and rates should be improved, to the extent practical, to the point where they are comparable with the flowthrough rate of SBC/Ameritech's retail orders. Accordingly, Staff believes that Implementing the CLEC position would be beneficial to all parties, would be non-discriminatory, and would be likely to stimulate competition. With this in mind, the only real questions to be resolved with respect to flowthrough capability are related to how quickly flowthrough can be achieved and for what categories of service, the degree of improvement required, and finally, the type of information Ameritech needs to convey to the CLECs and to the Commission in order to permit effective evaluation of the progress achieved.

The Staff recognizes SBC/Ameritech's apparent willingness to undertake new flowthrough initiatives. Further, the Staff also concurs with SBC/Ameritech's statement that the implementation of increasingly efficient flowthrough processes is in the Company's own interest. SBC/Ameritech itself recognizes that it is not the only entity with a stake in this matter. As competition increases and the total number of orders to be processed also increases, manual intervention in processing orders may well have a significant negative

¹⁵⁶ Ameritech Initial Comments p. 41-42.

¹⁵⁷ See, for example Ameritech Initial Comments p. 42. ("...flowthrough initiatives are an important part of Ameritech

impact on competition due to the increased likelihood of error in manually processed orders. The CLECs observe that this is an issue of grave importance to them, and the Staff considers that the matter of flowthrough, if efficiently resolved, has the likelihood of contributing to a substantial increase in competition in Illinois. Consequently, the Staff believes that close oversight of SBC/Ameritech's improvements and initiatives is warranted.

Staff would also point out that although Ameritech is making progress in the area of enhancements, there is still considerable uncertainty as to the sufficiency of its efforts in this regard. For example, the Ameritech witness could not provide how many elimination of exceptions enhancements were and will be eliminated by Ameritech pursuant to flowthrough enhancements.¹⁵⁸ In fact, Ameritech witness Gilles indicated that Ameritech had not yet determined what enhancements it will do in 2001.¹⁵⁹ Thus he could not say whether there would be enhancements for UNEs or that there are plans for such enhancements.¹⁶⁰

Moreover, Staff is concerned regarding the standards employed by the Company in deciding whether to offer flowthrough enhancements. The record indicates that Ameritech's interconnection services business unit, OSS organization decides what exceptions get eliminated.¹⁶¹ Ameritech contends that the selection of flowthrough initiatives must be made based on technical feasibility, estimates of impact on both CLECs and Ameritech

Illinois' OSS enhancement process.”

¹⁵⁸ Tr. at 438.

¹⁵⁹ Id.

¹⁶⁰ Tr. at 438-39.

¹⁶¹ Tr. at 506.

Illinois, and current and future order volumes affected.¹⁶² However, it is difficult to see from the record just how the Company is making its decisions in a way which takes into account the interests of any entity other than itself. In fact, with regard to the Company claim that existing performance measures and drive for operational efficiencies provide sufficient incentive for Ameritech Illinois to continue its program of flowthrough improvement, the witness merely stated that its improvement of flowthrough rates is disconnected from the impact on a CLEC.¹⁶³ In this regard the experience of McLeod is instructive. A primary platform used by McLeod USA is to provide local service to resale Centrex Service.¹⁶⁴ In considering whether to eliminate the exceptions question for Centrex a major component would be complexity.¹⁶⁵ Even though Ameritech believed it to be true that ordering Centrex always results in the order falling out to manual Ameritech's witness admitted there are no current plans on Ameritech's part to eliminate the Centrex fall out to manual.¹⁶⁶ Moreover, Ameritech's witness was unaware of any way for a CLEC to expedite the process of eliminating the Centrex exception.¹⁶⁷

CLECs believe Ameritech's flowthrough enhancements proposals are not adequate because they do not know what those enhancements mean in terms of order types that are involved for those products.¹⁶⁸ There is a great deal of uncertainty surrounding potential flowthrough enhancements. Tr. at 549-550. For example, the CLECs do not know the extent to which there are exceptions for the order types for those products that will become

¹⁶² Id.

¹⁶³ Tr. at 530

¹⁶⁴ Tr. at 464.

¹⁶⁵ Tr. at 465-66.

¹⁶⁶ Tr. at 467-68, 470

¹⁶⁷ Tr. at 470

¹⁶⁸ Tr. at 549-50.

manifest once the enhancements are implemented.¹⁶⁹ They consider themselves to be blind to what the enhancements mean.¹⁷⁰ The CLECs demonstrated in the 12 month view that there were several change request numbers, and then a line that said UNE/P business flowthrough enhancement. The CLECs had not seen the change requests and do not have access to them as they are internal to Ameritech. Tr. at 550-551. Therefore the CLECs do not know the depth of the enhancement in terms of order types, and do not know the depth of those enhancements or exceptions for the order types that are designed to flowthrough.¹⁷¹ Accordingly, the CLECs believe they are blind to anything except the one-liner on the 12 month view. The problem is in the details.

Moreover, there is testimony indicating that there is nothing a CLEC has asked for which is being implemented. As one CLEC witness testified, asking for input is very appropriate, however CLECs have not seen any implementation following requests for prioritization.¹⁷² For example, the CLECs do not consider the October enhancement to be reflective of or responsive to any CLEC issue raised in the collaborative.¹⁷³

SBC/Ameritech provided testimony during the hearing suggesting that retail order processing did not provide an appropriate analog to the CLEC wholesale order processing, and therefore could not be adequately compared.¹⁷⁴ The CLECs disagreed with SBC/Ameritech's position, as indicated by their detailed testimony expressing how

¹⁶⁹ Tr. at 550.

¹⁷⁰ Id.

¹⁷¹ Tr. at 551.

¹⁷² Tr. at 553.

¹⁷³ Tr. at 554.

¹⁷⁴ Tr. at 502-03

they viewed the analog between wholesale and retail order processing. The CLECs further provided their interpretation of parity with regard to flow-through.¹⁷⁵

E. STAFF'S RECOMMENDATION

Staff agrees with the CLECs' position on this issue and recommends that the Commission direct the parties to collaborate on a common definition similar to that proposed by the CLECs. In addition, Staff recommends that Ameritech be required to take into account the needs of the CLECs in prioritizing any removal of flowthrough exceptions, commencing with those types of products that have the greatest impact on competition. As an initial measure, Staff recommends that Ameritech be required to substantially reduce the flowthrough exceptions for unbundled element orders within twelve months after the order in this arbitration is approved. AT&T has proposed that exceptions to flowthrough for unbundled elements be reduced by 50% within twelve months. Staff believes that the determination as to what percentage of flowthrough exceptions would constitute a substantial reduction should be made after reviewing the information required of Ameritech in Staff's recommendations set forth above. Regardless of the rate of reduction ordered by the Commission, Staff believes that the overall goal should be to achieve substantial and continuous progress over time in flowthrough capability so as to accomplish, to the extent practical, relative parity between CLEC and internal Ameritech orders.

Staff recommends that the Commission adopt the following portions of the CLECs' proposal regarding reporting requirements: (i) Ameritech should continue to provide to the

¹⁷⁵ Tr. at 542-49.

Commission Staff, on a monthly basis, detailed performance measures reflecting the improvement in flowthrough, as well as publishing monthly the flow-through product types and a flowthrough exception list which identifies those exceptions Ameritech plans to remove in the next software release; (ii) Ameritech should, on a monthly basis, make available to the Commission Staff and the CLECs the flowthrough rate applicable to all CLEC orders so as to allow the CLECs and the Commission to analyze, among other things, what percentage of all CLEC orders are flowing through; (iii) Ameritech should disaggregate its flowthrough data by product type so that the CLECs and the Commission can more easily identify the areas where flow improvement is necessary; and (iv) Ameritech should be required to make significant progress in improving flowthrough capabilities.

All such reports required by the Commission to be filed under the foregoing paragraph should be verified by an officer of SBC/Ameritech.

Issues # 29, 31: DSL Loop Qualification

A. ISSUE

CLECs want SBC/Ameritech to provide pre-ordering functionality to view the available spare loops for a particular address and to reserve a loop in advance of placing orders. Additionally, the CLECs want to view the configuration of a terminal so they can make an informed decision about which feeder cable/medium can best serve the customer. The functionality being requested by the CLECs is

not currently included in the Plan of Record.

B. CLEC POSITION

The CLECs set forth three specific requests relating to Ameritech's loop selection process¹⁷⁶.

First, the CLECs request that Ameritech provide the CLECs with the spare loop availability functions available in its operational support systems¹⁷⁷. The CLECs argue that the "ability to access such information is critical to allowing Covad and other CLECs to offer service broadly to Illinois consumers."¹⁷⁸ According to the CLECs, the loop qualification process Ameritech currently has in place restricts CLECs to offering the types of advanced services that only one particular loop can support¹⁷⁹. Since each loop has different characteristics and is capable of offering different levels of service, the CLECs reason they should be made privy to information related to all available loops¹⁸⁰.

Covad asks that the loop availability function it is requesting be provided by SBC/Ameritech by December, 31, 2000¹⁸¹.

Second, the CLECs seek access to the loop reservation functionality in Ameritech's operational support systems¹⁸². According to the CLECs, although Ameritech's operational support systems currently reserves loops, this type of functionality is not offered to Illinois

¹⁷⁶ Note: Although Staff addressed a fourth issue, Lite Address Validation, as part of Issue (29) and (31) in its original comments, that issue is addressed separately as Issue # 13 in these Final Comments.

¹⁷⁷ See Covad Initial Comments at 5.

¹⁷⁸ Id. at 5.

¹⁷⁹ See id. at 6.

¹⁸⁰ See id. at 8.

¹⁸¹ See id. at 9.

CLECs.¹⁸³ The CLECs contend that having loop reservation as a pre-ordering function will ensure that the loop used to qualify an order matches the loop actually provisioned. As the situation currently exists, a CLEC may find itself in the unenviable position of having promised a customer a certain type of service during the pre-ordering phase only to have to later inform that customer they cannot get the particular service they were promised because Ameritech actually provisioned a different loop.¹⁸⁴

Third, the CLECs seek terminal configuration information which they claim is stored in Ameritech's OSS in order to determine what options they can offer their end-user customers¹⁸⁵. The CLECs contend that the geographic location of an end-user customer can determine the type of facilities that serve that customer (i.e. copper facilities, fiber facilities or both).¹⁸⁶ According to the CLECs, significant differences exist in the manner and types of services a DSL provider may provide to a customer when the terminal is served by copper cable versus fiber cable.¹⁸⁷ As a result of these differences, it is vital that CLEC's have the ability to access the terminal configuration information stored in Ameritech's OSS to determine all available alternatives for providing DSL service to a particular customer.¹⁸⁸ The CLECs demand that Ameritech offer CLECs access to the terminal configuration inquiry by December 2000¹⁸⁹.

¹⁸² See Covad Initial Comments at 9.

¹⁸³ See id. at 10.

¹⁸⁴ Id. at 10.

¹⁸⁵ See id. at 11.

¹⁸⁶ Id.

¹⁸⁷ Id.

¹⁸⁸ Id.

¹⁸⁹ See Covad Initial Comments at 12.

C. SBC/AMERITECH POSITION

Ameritech asserts that the CLEC requests regarding the loop selection process is unnecessary and inappropriate.

First, Ameritech believes that the current process in place for selecting and assigning unbundled loops “yields the optimal loop available to satisfy the product/service” requested by the CLEC.¹⁹⁰ According to Ameritech, “the functions and processes proposed by Covad would have the loop inventory managed by each CLEC in an insufficient . . . fashion.”¹⁹¹ Moreover, SBC/Ameritech assigns loops that meet the minimum specifications of the service that is requested. As long as the minimum specifications are provided the existence of other loops is irrelevant. SBC/Ameritech contends that if a CLEC is looking for a higher minimum specification, they should request it and pay for it.¹⁹²

Second, Ameritech believes that the real danger presented by the Covad proposal is that it promotes anti-competitive behavior. Allowing CLECs to reserve numerous loops for lengthy periods of time prohibits competitors (other CLECs) from making competitive bids on those same facilities.¹⁹³ Further, Ameritech points to an increasing trend of cancelled orders for unbundled loops. Since Ameritech believes this is a strong indication of end-users shopping for the best date or best price for their DSL service, reserving facilities will further exacerbate the situation.¹⁹⁴

D. STAFF POSITION

Staff’s position on this issue has slightly changed.

¹⁹⁰ See Ameritech Initial Comments at 84.

¹⁹¹ Id.

¹⁹² See id. at 83.

¹⁹³ See id. at 84.

¹⁹⁴ Id. at 84.

Loop qualification is available to the CLECs via Ameritech's pre-order local service request (LSR) process.¹⁹⁵ The current system in place selects "a single qualified compatible facility to an LSR predicated on data selected from specific fields on the service request that define the product/service being ordered."¹⁹⁶

The CLECs feel they are entitled to access to view the make-up of all loops available to serve their end-user customers. Additionally, the CLECs want to have a choice in determining which loops are ultimately assigned. Staff agrees. As Staff stated in its Initial Comments, Ameritech should not be given authority to make a judgment call on behalf of a CLEC as to which loop may best serve the CLEC's end-user customer.¹⁹⁷

More importantly, there is a real economic impact on the CLEC since the time and cost of performing conditioning activities to the loop is based upon the features of each particular loop. As the record clearly demonstrates, Ameritech charges for loop conditioning vary. Ameritech charges \$905.82 for removal of a load coil; \$528.97 for removal of a bridged tap; and, \$326.86 for removal of repeaters.¹⁹⁸

Additionally, the record evidence shows that at least three separate incumbent carriers provide access to information regarding spare loop availability to their respective wholesale customers¹⁹⁹. SBC/Ameritech did not dispute this fact during the evidentiary hearings nor did it offer any explanation as to what would prevent it from offering this functionality to CLECs²⁰⁰. This should remove any doubt as to whether Ameritech has the

¹⁹⁵ See Staff Initial Comments at 38.

¹⁹⁶ See Ameritech Response to Staff Data Request 29-4.02.

¹⁹⁷ See Staff Initial Comments at 39.

¹⁹⁸ See Covad Initial Comments at 7.

¹⁹⁹ See *id.* at 9.

²⁰⁰ See Tr. at 857.

ability to provide the requested functionality.

Staff believes that the spare loop availability functionality is adequate enough to satisfy the immediate business concerns raised by the CLECs. Allowing the CLECs access to view all spare loops during the qualification process so they can subsequently identify a specific loop during ordering would minimize the necessity for a reservation process. Additionally, Ameritech has not clearly indicated whether it is technically feasible for it to establish and support a loop reservation functionality at this time. More importantly, Staff has serious concerns about the potential anti-competitive effects a loop reservation process may have on consumers if they are contacting different DSL providers to determine availability and price for a specific service. CLEC witnesses were presented with a series of hypotheticals during the evidentiary hearing as to the various ways in which a loop reservation process could be manipulated by CLECs in an anti-competitive fashion²⁰¹. The CLECs could not offer a sufficient guarantee that anti-competitive behavior would not materialize. Nor have the CLECs proposed anywhere in the record any specific safeguards that might protect against such anti-competitive behavior in the future.

E. STAFF'S RECOMMENDATION

Staff, based on the evidentiary record in this proceeding, recommends the Commission require SBC/Ameritech to offer the loop availability function requested by the CLECs. Staff believes competition in the advanced services market would be enhanced since CLECs would then have the ability to better service their end-user customers. The number of loops that should be made available for viewing by the CLEC is a subject better

²⁰¹ See Tr. at 860-78.

left to negotiation amongst the parties. Should Ameritech be required by the Commission to offer the spare loop availability functionality requested by the CLECs, Staff believes that neither the loop reservation functionality or the terminal configuration information which the CLECs also seek is necessary at the present time.

Issue #46: Coordinated Hot Cuts

A. ISSUE

The process to be followed when an existing SBC/Ameritech customer is switching service to a CLEC involves two separate changes that must be made almost at the same time by the CLEC and SBC/Ameritech to ensure that the customer does not lose service. Coordinated cuts are scheduled the day of the cut over via a phone call between the two parties involved.

NOTE: On Friday morning, October 13, 2000, Mr. David J. Chorzempa, attorney for AT&T Comm., contacted ICC-OGC by telephone to advise that the sub-issues for issue #46 had recently changed. Due to the late notice and the fact that we have no documentation as to how the issues changed, we are not able to properly address those changes in this brief.

B. CLEC POSITION

The CLECs propose pre-cut testing to identify potential technical problems with a Hot Cut. The intent of the pre-cut testing is to allow the CLEC to connect the customer on the original due date even if there are problems with the loop.²⁰² Pre-cut testing should give the CLEC or the ILEC the opportunity to correct the problem prior to the due date. If the CLEC cannot fix the problem, the CLEC wants to be able to give the customer notice of the problem as well as the new cut-over date.

The CLECs disagree with SBC/Ameritech's proposal of testing the Hot Cut on the due date. The CLECs state that testing on the due date may not give them enough time to correct problems encountered in every cut-over, and if they cannot correct the problem that day, then the CLEC must apply for a new date for cut-over, thereby delaying the cut-over.

The CLECs propose that pre-cut testing take place approximately 48 hours prior to the cut-over due date.²⁰³

A remaining issue between the parties is the amount Ameritech will charge a CLEC for testing the Hot Cut. Ameritech has stated in its Initial Comments that it will charge "normal time and material charges"²⁰⁴, and at the hearings, Ameritech Witness clarified this charge as being in the range of \$17 to \$27 per hour.²⁰⁵

In response to Ameritech Witness' testimony, CLEC Witness Cox suggested at the hearings that the testing process needed to be understood better before the CLECs could evaluate the cost issue. Furthermore, Witness Cox stated that perhaps no charge for the tests should be incurred by the CLECs until the testing process be "fully tested and

²⁰² AT&T Initial Comments at 34.

²⁰³ AT&T Initial Comments at 40.

understood.”²⁰⁶

C. SBC/AMERITECH POSITION

Ameritech has made substantial changes to the coordinated Hot Cut process and procedures to address the issues raised by the CLECs. Ameritech has proposed to perform, on the cut date, not only a validation that dial tone (“DT”) exists but also an automatic numbering identification (“NT”) on an optional basis.²⁰⁷ In response to AT&T’s request that the DT/NT tests be performed two days prior to the due date, Ameritech stated that it would do so only if all of the CLECs would agree to complete their provisioning work two days prior to the due date.²⁰⁸ Ameritech also stated that “[w]ith the exception of AT&T, all the CLECs participating in the collaborative stated they were unable to do so”.²⁰⁹ At the hearings, Ameritech agreed to perform such testing at the request of a CLEC.²¹⁰ Furthermore, Ameritech agreed that such testing could be requested to be performed 48 hours in advance of the Hot Cut.²¹¹ Finally, Ameritech has stated, in response to AT&T’s concern that Ameritech had not identified the cost to be charged to the CLECs for such testing, that such costs would be “charged at normal time and material charges.”²¹²

D. STAFF POSITION

²⁰⁴ Ameritech Initial Comments at 61.

²⁰⁵ Tr. at 629.

²⁰⁶ Tr. at 650-51.

²⁰⁷ Ameritech Initial Comments at 59-60.

²⁰⁸ Id at 60.

²⁰⁹ Id., but *See* also the CoreComm Response to Staff Data Request 46-5.05, which states that CoreComm will also be able to complete their provisioning work within said time frame.

²¹⁰ Tr. at 628.

²¹¹ Id.

²¹² Ameritech Initial Comments at 61.

Staff's position has changed due to the resolution of certain aspects of this issue.

Coordinated Hot Cuts (CHC) “refers to the two separate processes that must be undertaken and coordinated, to transfer the loop and to port the number successfully” in order to switch an existing Ameritech customer to a CLEC.²¹³ A failure in this process results in increased service disruption to the customer transferring its service to a CLEC. To minimize the amount of out-of-service downtime to the end-user, Ameritech and the CLEC involved in the Hot Cut must coordinate their efforts at the time of the Hot Cut and must also adequately test the cut-over process prior to its implementation.

Staff's position is that the CLEC should be able to order a pre-cut test that checks for CLEC dial tone and automatic number identification (the “DT/NT test”). At the hearings, Ameritech indicated that it had agreed to provide the DT/NT test on the day of the Hot Cut and, additionally, upon the request of a CLEC. Therefore, Ameritech agreed that if a CLEC requested a DT/NT test 48 hours in advance of the Hot Cut, Ameritech would perform the test at that time.²¹⁴

In its Initial comments, Ameritech had offered to test the loop on the day of the cut-over but had not agreed to perform pre-cut testing within the two day period prior to the due date of the cut-over, as requested by AT&T, unless all of the CLECs agreed to complete their provisioning work two days prior to the due date. Some of the CLECs were not able to complete the provisioning work two days in advance of the Hot Cut.²¹⁵ In its Initial Comments, Staff recommended that pre-order testing occur two days prior to the

²¹³ AT&T Initial Comments at 34.

²¹⁴ Tr. at 627-29.

requested due date of the Hot Cut for two reasons. First, Ameritech did not articulate a rationale for conditioning its pre-order testing on the completion of the provisioning work of each and every CLEC. Second, Ameritech's refusal to provide a test in sufficient time to permit the CLECs to correct any discovered problems creates anti-competitive results.²¹⁶ Based upon Staff's understanding of the current position of the parties, namely that Ameritech will provide a DT/NT test 48 hours in advance of the Hot Cut, at the request of a CLEC, Staff believes that Ameritech has accepted its' recommendation and that this is no longer an issue between the parties.

A remaining issue between the parties is the amount Ameritech will charge a CLEC for these testing functions. Ameritech has stated in its Initial Comments that it will charge "normal time and material charges."²¹⁷ At the hearings, Ameritech Witness clarified this charge as being in the range of \$17 to \$27 per hour.²¹⁸

In response to the testimony of the Ameritech Witness, CLEC Witness Cox suggested at the hearings that the testing process needed to be understood better before the CLECs could evaluate the cost issue and furthermore, that perhaps no charge for the tests should be incurred by the CLECs until the testing process be "fully tested and understood."²¹⁹ Staff agrees that the testing process, and the charges to be incurred by the CLECs in connection therewith, should be clarified to permit the Commission to determine if such charges are proper.

²¹⁵ See AT&T Initial Comments and CoreComm Response to Staff Data Request 46-5.05.

²¹⁶ See Staff Initial Comments at 42.

²¹⁷ Ameritech Initial Comments at 61.

²¹⁸ Tr. at 629.

²¹⁹ Tr. at 650-51.

Staff finds it reasonable that, if the testing uncovers problems due to the CLECs' systems, Ameritech may charge its' actual "out of pocket" expenses for this testing; provided, however, Staff recommends that Ameritech be required to give the CLECs an estimate of such charges (with more specificity than the "normal time and material charges" suggested in Ameritech's comments and at the hearings and providing a detailed account of the work to be performed). If possible, Staff recommends that this estimate be given within 30 days after the resolution of the issue in this arbitration. If an estimate must be made on a case by case basis, Staff recommends that Ameritech provide an estimate promptly after a CLEC request for performance of a DT/NT test. If during testing, the problems that are uncovered are determined to be Ameritech's responsibility, then no charge would be applied to the CLEC.

E. STAFF'S RECOMMENDATIONS

Staff recommends that pre-order testing occur two days in advance of the requested due date of the Hot Cut. Ameritech's current proposal to perform DT/NT testing, at the request of a CLEC (which request may include such test to be performed 2 days in advance of the Hot Cut), satisfies Staff's recommendation. With respect to the issue regarding the cost of such tests, if the testing uncovers problems due to the CLECs' systems, Staff recommends that Ameritech be permitted to charge its actual "out of pocket" expenses for this testing; provided, however, that Ameritech gives the CLECs an estimate of such charges (with more specificity than the "normal time and material charges" suggested in Ameritech's comments and at the hearings and providing a detailed account of the work to be performed). If possible, Staff recommends that this estimate be

given within 30 days after the resolution of the issue in this arbitration. If an estimate must be made on a case by case basis, Staff recommends that Ameritech provide an estimate promptly after a CLEC request for performance of a DT/NT test. If during testing, the problems that are uncovered are determined to be Ameritech's responsibility, Staff recommends that no charge be incurred by the CLEC.

Issue # 73(a): UNE -P -- New and Additional Lines

A. ISSUE

Whether SBC/Ameritech is required to provide UNE-P to new customers or customers ordering additional lines.

B. CLEC POSITION

With respect to the Unbundled Network Element Platform (UNE-P) product offered by Ameritech, known as "Combined Platform Offering" ("CPO"), CLECs state that they need clarification concerning the terms and conditions under which that product will be made available. They state that SBC/Ameritech will not allow them to purchase CPO for the purpose of serving new customers who have just moved to Illinois and have not first established service with SBC/Ameritech.

WorldCom believes that this issue is properly addressed in this arbitration. WorldCom cites the Commission's order which states that "[a]ny issues related to OSS systems and or OSS processes will be open for discussion during Phase 2."

WorldCom believes that the Commission should decide whether SBC/Ameritech is obligated to provide UNE-P to new customers or customers ordering additional lines; and, if not, whether the Commission has the authority to, and should, obligate SBC/Ameritech to provide UNE-P service to CLECs serving new customers or additional line customers. WorldCom argues that the Ninth and Fifth Circuit have upheld state commissions that have required ILECs to combine elements at the request of CLECs. WorldCom also notes that Illinois is outside of the Eighth Circuit's jurisdiction, allowing the Commission freedom to decide its policy independently of the Eighth Circuit.

According to WorldCom, SBC/Ameritech has misinterpreted the term "currently combines." As support for this, WorldCom points to the fact that the SBC/Ameritech's original ordering guide for the UNE platform allows for new and additional line CPO service. Further WorldCom asserts that the FCC interprets "currently" to mean "ordinarily." To interpret the term narrowly would make the term discriminatory and this, reasons WorldCom, was not the FCC's intent.

WorldCom asserts that the Commission should determine that restrictions on UNE-P prohibiting its use for new customers, second, and additional lines are unreasonable and constitute a barrier to entry. Accordingly, WorldCom urges the Commission to direct SBC/Ameritech to implement OSS that support pre-order, order, maintenance and repair, and billing for CPO where it is utilized to serve new customers, second and additional lines. Any decision to the contrary, states WorldCom, would freeze CLECs out of a large and significant portion of the residential and small business customer market.

This position has not changed in the course of the proceeding, the parties having

waived cross-examination on this issue.²²⁰

C. SBC/AMERITECH POSITION

SBC / Ameritech observes that WorldCom seeks a requirement that Ameritech's UNE-P product, CPO, be available for new and additional lines. SBC / Ameritech argues, however, that the issue of whether SBC/Ameritech Illinois should be required to offer CPO for new and additional lines is a product issue that is beyond the scope of this proceeding. It further argues that the U.S. Court of Appeals for the Eighth Circuit recently held that incumbent LECS have no obligation to provide UNE-P products to CLECs seeking to serve new customers, or provision new lines to additional customers.

D. STAFF POSITION

Staff's position has changed

The Staff noted, in its Initial Comments, that:

The Commission initially ordered Ameritech to provide the UNE platform in 1996 in Docket 95-0458 (the "Wholesale Order"). Implementation of the platform has been frustrated by SBC/Ameritech's unwillingness to implement what the Commission has ordered. The Commission subsequently mandated that provisioning of shared transport (a key element of the platform) be made a precondition of the SBC/Ameritech merger. Still, even imposition of a merger condition has failed to secure the implementation of the platform. SBC/Ameritech has now restricted the provision of the UNE platform to a customer who's UNE loop, switching and transport are already "connected." The Commission should view SBC/Ameritech's current position as an attempt to delay the implementation of the UNE Platform. Up to this point, SBC/Ameritech has been successful in discouraging CLECs from ordering the platform. In response to Staff Data Request 73-1.01,

²²⁰ Tr. at 299.

SBC/Ameritech indicated that it has not received any orders for the UNE platform. Although the parties have presented legal arguments that can be more fully addressed in the final briefs, from a policy perspective, Staff believes that delaying implementation of OSS for the UNE platform would further hamper the Commission's efforts to ensure the pro-competitive benefits of implementing the platform.²²¹

The Staff continues to hold these views. The Staff believes that Ameritech's refusal to permit the CPO offering to be used to serve new customers and to provision second and additional lines for existing customers tends to reduce the appeal of the CPO product to CLECs, thereby inhibiting competition and restricting customer choice. The Staff, moreover, is concerned that Ameritech's unilateral interpretation of tariff language sets a dangerous precedent. However, it is clear that this proceeding is not the proper forum for CLECs to pursue most of the so-called "product" arguments they make.

As WorldCom notes, the Commission, in its Order approving Ameritech's Revised Plan of Record ("RPOR"), delineated the scope of this proceeding as follows: "The Commission is in agreement that Phase 2 should not be limited to the specific OSS systems and issues identified in SBC/Ameritech's RPOR. Any issue related to OSS systems and or OSS processes will be open for discussion in Phase 2."²²²

This provision, while broad, is scarcely open-ended enough to permit the CLECs to bring the UNE-P issue within the scope of this docket. This proceeding, is, after all, intended to resolve OSS issues.

WorldCom argues, without support other than the provision quoted above, that the issue of how and to which customers Ameritech must provision UNE-P is an "issue related

²²¹ Staff Initial Comments at 49.

²²² Illinois Commerce Commission On Its Own Motion, Docket 00-0271, Approval of the Plan of Record required by

to OSS systems and or OSS processes.”²²³ Thus, WorldCom asserts that the technical, substantive nature of the product offered is properly at issue here.

This assertion is a considerable stretch. While the scope language clearly allows the parties to discuss and seek resolution of “any issue related to OSS systems and or OSS processes,”²²⁴ this clearly cannot be read to mean, as WorldCom urges, “any issue related to OSS systems and or OSS processes²²⁵, however tenuous or tangential the relationship may be.” To permit such a reading would result in the docket’s scope being expanded to include virtually any dispute which could possibly be brought before the Commission. It is difficult to imagine any matter currently at issue in the telecommunications arena which does not, in some modest way, implicate OSS systems or processes. However, common sense dictates that these issues cannot be addressed by the Commission in the context of an expedited OSS docket.

Were WorldCom’s interpretation of the scope of this proceeding correct, any telecommunications product offered by an ILEC which could be pre-ordered, ordered, repaired, maintained, or billed for would properly be within the scope of this proceeding, which means, of course, any telecommunications product at all. Clearly, the Commission did not intend that any grievance related to any telecommunication product should be resolve in an expedited docket. Accordingly, the CLECs’ arguments that the Commission should, in this proceeding, order Ameritech to provide its CPO product to CLECs seeking to serve new customers or to provision additional lines to existing customers, must be rejected.

Condition 29 of Docket 98-0555, Order, issued April 5, 2000, at 6.

²²³ *Id.*; *see also* WorldCom Initial Comments at 13-14.

However, there is one aspect of the CLEC argument that the Commission should consider, as it does properly relate to OSS. Ameritech has implemented procedures to determine which service order types are processed electronically, and the exceptions that cause manual processing.²²⁶ Under these procedures, “New/Add” types of orders for the Combined Platform Offering (CPO) or UNE-P are mechanically processed.²²⁷ The Ameritech Service Ordering Guide for CPO, attached to WorldCom Comments as Attachment B Indicates that these terms refer to the services that CLECs are asking for in this case.²²⁸ It appears, therefore, that based upon this procedure, a new line order or an additional line order would “flow through” the ordering process. However, Ameritech’s position is that this service will not actually be provisioned. To implement this policy, Ameritech would need to alter the provisioning process to manually check every order to see if it is a new line or additional line. Such a practice would, hypothetically²²⁹, slow the processing of all CPO orders because all orders would have to be checked to determine if they are “already connected.”

E. STAFF’S RECOMMENDATIONS

The Staff recommends that the Commission require Ameritech to correct its “flow through” protocols as set forth in Rhythm Links Cross-Examination Exhibit No. 18, so that whatever UNE-P product it ultimately offers or is required to offer can be ordered without

²²⁴ Id.

²²⁵ Id.

²²⁶ Rhythm Links Cross-Examination Exhibit No. 18; Tr. at 484-07.

²²⁷ Id.

²²⁸ WorldCom Initial Comments, Appendix B at 9-11.

²²⁹ As no CLEC has ordered the CPO offering, this has not yet been an issue. However, as has been noted, Ameritech is required to offer a UNE-P product under at least some, and arguably a good many, circumstances. Accordingly, at

the current likelihood that manual intervention will be required in all cases. However, for the reasons indicated, the Staff believes that the WorldCom proposal requiring Ameritech to offer CLECs UNE-P for the purpose of serving new customers, or provisioning additional lines to existing customers, is outside the scope of this docket.

Issue #73(b): UNE-P -- Billing

A. ISSUE

The existing UNE-P product offerings supported in Illinois is in dispute by the CLECs. WorldCom has asked that SBC/Ameritech's Carrier Access Billing System (CABS) support billing for all UNEs, combinations of UNEs and interconnections. SBC/Ameritech will support this request by October 2001 as part of a commitment from the FCC Uniform and Enhanced Collaborative but WorldCom would like to see it implemented sooner.

B. CLEC POSITION

WorldCom requests that Ameritech implement a Carrier Access Billing (CABS) billing format for all UNE's and combination of UNEs²³⁰. Carrier Access Billing is an Industry Standard format for billing which has been in use for years in the interexchange access business.

such time as CLECs begin to purchase Ameritech's UNE-P offering, this will certainly result in problems.

²³⁰ See WorldCom Initial Comments at 24.

WorldCom contends that the current billing format utilized by SBC/Ameritech here in Illinois is a non-industry standard format which produces bills that cannot be audited²³¹. CLECs believe it is patently unfair for them to be forced to pay bills without the ability to verify their accuracy. WorldCom points to errors such as wrong rates, wrong elements, invalid mileage, wrong Non Recurring Charges which can all lead to hundreds of millions of dollars in overcharges if left unchecked²³².

According to WorldCom, both Pacific Bell and SWBT currently provide CABS billing for UNEs and combinations of UNEs²³³. WorldCom, therefore, believes there is no reason why Ameritech Illinois should not be required to implement CABS billing sooner than October 2001. Additionally, WorldCom argues that Ameritech should have followed industry guidelines and implemented CABS billing two years ago (August 1998) but failed to do so.²³⁴ WorldCom would like to see a CABS billing format implemented in Illinois by December 2000²³⁵.

C. SBC/AMERITECH POSITION

Ameritech has indicated that CABS for UNEs and combinations of UNEs will be made available to Illinois CLECs by October 2001²³⁶. In the interim, Ameritech indicated it is willing to work with WorldCom and other Illinois CLECs to provide information that would facilitate its billing audits prior to implementation of CABS²³⁷. Ameritech also takes

²³¹ Id. at 25.

²³² Id. at 25.

²³³ See id. at 24.

²³⁴ Tr. at 332-33.

²³⁵ Id. at 25.

²³⁶ See Ameritech Initial Comments at 73.

²³⁷ Id.

exception with WorldCom's claims regarding the current billing process being unauditible. According to Ameritech, the current billing process can be audited since it is based on the BellCore industry standard format and not an Ameritech Illinois proprietary billing standard²³⁸. Ameritech additionally refutes WorldCom's assertions regarding CABS implementation in the Pacific Bell and SWBT regions by distinguishing major differences in the two projects²³⁹. In short, Ameritech believes this matter has no competitive effect in Illinois at the present time²⁴⁰.

D. STAFF POSITION

Staff's position has not changed.

As Staff indicated in its Initial Comments, Staff clearly understands the advantages of a CABS billing system.²⁴¹ Staff, however, disagrees with the CLEC request to accelerate the implementation of CABS here in Illinois ten months ahead of schedule given the complexity involved in developing and implementing a CABS billing format. Ameritech has indicated migrating from the ACIS system to the CABS system is a significant undertaking which takes time²⁴². During the evidentiary hearing, Ameritech also explained why it would be difficult to devote additional resources to this particular project at the present time²⁴³. In short, although, as the CLECs correctly point out, Ameritech had an opportunity to implement CABS billing two years ago, Staff does not believe that speeding up the implementation process at this point is prudent for the aforementioned reasons.

²³⁸ See Ameritech Initial Comments at 71.

²³⁹ See Ameritech Initial Comments at 72; See also Tr. at 367.

²⁴⁰ See Ameritech Initial Comments at 73.

²⁴¹ See Staff Initial Comments at 49.

²⁴² See WorldCom Cross Exh. #9 (Ameritech Response to Staff Data Request 73-5.03).

E. STAFF'S RECOMMENDATIONS

Staff agrees that the October 2001 target date for implementation of a CABS billing format here in Illinois is appropriate. Despite the fact that Ameritech indicated it plans to evaluate its progress on this project at different stages²⁴⁴, Staff still recommends the Commission require SBC/Ameritech to provide bi-monthly reports on the progress of its CABS implementation initiative. Specifically, the Commission should order SBC/Ameritech to provide a report to the Commission no later than the 15th of every other month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the CABS billing initiative. The project plan should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous report regarding planning assumptions or schedule changes should also be noted and an explanation should be provided for those changes. The overall impact of any such changes on the project should also be clearly identified and reported to the Commission. The Commission should also direct that those reports be verified by an SBC/Ameritech Officer. Staff believes the aforementioned report will inform the Commission and the CLECs as to Ameritech's progress toward meeting its committed October 2001 implementation date.

²⁴³ Tr. at 371-372.

²⁴⁴ Tr. at 371.

Issue #74: Line Splitting

A. ISSUE

Line splitting is the physical division/split of the high frequency portion of the loop (used for data services) from the low frequency portion of the loop (used for voice services). One provider supplies a customer data service while a separate provider, not Ameritech, offers the same customer their voice service.

B. CLEC POSITION

AT&T states that the unbundled network platform (UNE-P) is virtually a necessary prerequisite to a CLEC's ability provide a mass-market offering of telecommunications service to consumers. AT&T views the ability to provide "bundled" voice and data services over the same line as critical to serving its customers needs, and seeks in this proceeding the ability to provide line splitting to customers it serves using UNE-P. AT&T believes that in order for CLECs to achieve parity with SBC/Ameritech in the ability to provide both voice and data services simultaneously over a single network access line, Ameritech must be compelled to provision line splitting through its OSS systems.

AT&T characterizes SBC/Ameritech's arguments as twofold. First, it states that Ameritech views line splitting as "a product" and thus beyond the scope of this proceeding. Second, AT&T states that Ameritech argues that it has no legal obligation to provide line splitting. While AT&T concedes line splitting is currently available to those CLECs which collocate in every Ameritech central office, add their own splitters, and order and combine loop and switch ports themselves, these requirements are costly and inefficient.

AT&T urges the Commission to reject SBC/Ameritech Illinois' arguments. AT&T states that the Telecommunications Act of 1996 requires "nondiscriminatory access" to network elements and all their "features, functions, and capabilities." In further support of this, AT&T refers the Commission to the FCC's Local Competition Order and its New York 271 Order. AT&T argues that because the higher frequency portion of loop (the portion of loop used to transmit data) is a feature or function of the loop, SBC/Ameritech must provide access to that feature.

If SBC/Ameritech is not required to offer line splitting in the manner AT&T recommends above, AT&T claims that it will be at a disadvantage *vis á vis* SBC/Ameritech Illinois, inasmuch as SBC/Ameritech Illinois' customers today can receive voice and data service simultaneously over the same line, while CLECs using UNE-P cannot provide their customers with the same service. AT&T contends that if SBC/Ameritech is not required to develop OSS systems to support line splitting where SBC/Ameritech provides neither voice nor data service to the end user, the development of the mass-market for high-speed data services will be delayed.

AT&T requests that splitter capability be provided on a line-at-a-time basis by SBC/Ameritech because providing splitter capacity is analogous to providing line conditioning.

AT&T, therefore, requests that the plan of record be changed to establish the right of CLECs to request line splitting, include the "line at a time" option for provisioning splitters, and the associated OSS; it leaves for further collaboration the detailed requirements needed to implement this requirement.

C. SBC/AMERITECH POSITION

SBC/Ameritech views line splitting as a product which should not be at issue in this case. SBC/Ameritech believes that opening this arbitration to issues such as products would be beyond the scope of this proceeding and would slow progress in resolving issues properly before the Commission in this forum.

SBC/Ameritech notes that the issue is being addressed by the FCC, and thus does not need to be addressed by this Commission. Even if the Illinois Commission were to address the issue, SBC/Ameritech claims that ILECS have no legal obligation to provide line splitting. According to SBC/Ameritech, CLECs have other options which they can utilize to achieve line splitting. Consequently, CLECs will not be adversely affected by SBC/Ameritech's refusal to provide it. By way of example, SBC/Ameritech notes that, if both the CLEC providing voice service and the CLEC providing high-speed data service are collocated within the central office, the voice provider can procure local switching from SBC/Ameritech and the data CLEC can procure the local loop. Under this arrangement, the parties can provide their own splitter and arrange cabling between their co-location sites. This arrangement would allow them to provide the voice and data services on a single loop. The CLECs could also purchase two loops, one to provide data services and the other to be used for voice services. SBC/Ameritech, therefore, believes that the Commission may not and should not address OSS for line splitting because the CLECs are able to provide the same offering.

D. STAFF POSITION

Staff's position has changed.

In its Initial Comments, the Staff noted that:

The growth in the market for high-speed data connections has been quite rapid. As more applications are developed for the Internet it becomes increasingly important for consumers and businesses to have fast, secure and reliable data connections. CLECs, ILECs, cable companies and internet providers are investing large amounts of capital with the expectation of profiting from the growth in high-speed data connections.

By refusing to offer line splitting, SBC/Ameritech Illinois has a competitive advantage since it is the only mass-market provider that can bundle voice and data services on a single telephone line. While CLECs could provide data services over the local loop, the cable system, or over wireless technology, none of these options have the same characteristics as providing the service over a local loop that also carries voice service. All these options vary in cost, speed and quality. In a competitive market, consumers will choose the method of connection that best suits their needs. By refusing to offer line splitting, SBC/Ameritech prevents customers who have chosen a voice provider other than SBC/Ameritech from receiving voice and data service on the same telephone line. Such a result, unfortunately presents customers with a Hobson's Choice: choose a data connection that does not suit their needs as well as line sharing or return to SBC/Ameritech for their voice service (a carrier they chose to leave in the first place). Hobson's Choices are, by definition, undesirable because no choice is a good choice.

SBC/Ameritech's other options for receiving voice and data from the same CLEC provider are uneconomical. If the UNE-P provider were required to collocate in order to line split, no CLECs would avail themselves of the offer. In the past SBC/Ameritech required collocation in order to purchase UNE-P. As a result, no CLECs availed themselves of UNE-P. Collocation is costly (\$30,648 for the initial build out of a 100sq cage and \$514 per month and there are approximately 390 SBC/Ameritech central offices in Illinois), and time consuming (120 days in some cases). For the reasons just mentioned it is impractical to collocate in every central office. Ameritech's plan would have both the data CLEC and the UNE-P CLEC collocating in Ameritech's central office. This appears excessive and wasteful.

SBC/Ameritech's second option was to require CLECs to purchase a second loop. This option allows CLECs more flexibility on the type of data connection service they can provide. It also increases the cost of providing the service because instead of paying for one loop the CLEC is now paying for two. This increased cost will have to be recovered from the end user. This may price some providers out of the low priced consumer market and make SBC/Ameritech a more attractive provider, because it would not have the additional costs to recover.

SBC/Ameritech's argument that it is not required to provide line splitting seems misplaced. The quote it cites from a FCC order (SBC/Ameritech Illinois'

initial comments at page 72) refers to the requirement to provide splitters. It is Staff's understanding that SBC/Ameritech already voluntarily provides splitters. If SBC/Ameritech already provides splitters for line sharing it would be discriminatory to not provide those same splitters for line splitting. Such discrimination action would limit the Data CLECs that a UNE-P provider could utilize. If a Data CLEC has already formulated its business plan on the expectation that it could lease splitter capability from SBC/Ameritech, it is unlikely that the Data CLEC would change its business plan to purchase and install its own splitters in order to partner with a UNE-P provider.

It is Staff's opinion that the Commission should allow CLECs to request line splitting from SBC/Ameritech, and SBC/Ameritech should develop the associated operational support systems and processes to provide the functionality. The line splitting process will require coordination between Data CLEC and UNE-P CLEC. The UNE-P CLEC will have to grant its data CLEC partner authorization to request line splitting. Similar procedures are already in place for the transfer of an UNE loop from one CLEC to another. These types of details will have to be worked out among the parties in a collaborative fashion.²⁴⁵

The Staff continues to believe that this substantive position is correct, consistent with existing law, and pro-competitive. However, the Staff cannot recommend that the Commission address the issue of whether SBC/Ameritech is obligated to provide splitters in this docket. Such an inquiry is clearly outside the scope of this proceeding, and, moreover, squarely within the scope of a current Commission docket.

First, as the Staff noted with respect to WorldCom's recommendations regarding UNE-P in Issue # 73(a), issues regarding the technical, substantive nature of the product offered is not properly at issue here. To litigate each of these issues in an expedited docket would clearly be impossible. The Commission has clearly defined the scope of this docket to include "issue[s] related to OSS systems and or OSS processes. "However, the relationship of the issue to OSS systems or processes must be more substantial than the fact that the fact that it involves a product which can be pre-ordered ordered, repaired, maintained, or billed for, which means, of course, any telecommunications product at all.

Second, the Staff notes that the Commission has a matter currently pending before it in which the issue of whether SBC/Ameritech is required to offer line splitting is being adjudicated. Specifically, in Illinois Bell Telephone Company: Proposed Implementation of High Frequency Portion of Loop (HFPL)/Line Sharing Service, ICC Docket No. 00-0393, the Commission will address the same issues which AT&T seeks resolution of in this proceeding, as AT&T is aware, having intervened in the docket and pre-filed testimony which placed line-splitting squarely at issue in that proceeding.²⁴⁶ Accordingly, the Commission should not adjudicate the line-splitting issue in this proceeding.

The Staff does not suggest, however, that SBC/Ameritech ought not to develop operational support systems and processes to provide the functionality. In the event that the Commission or FCC determines that SBC/Ameritech is indeed required to provide line splitting, there is no reason to start from scratch at that point in the development of OSS procedures. It is certainly the Staff's position, in this and other dockets²⁴⁷, that the Commission should require SBC/Ameritech to provide line splitting.

E. STAFF'S RECOMMENDATIONS

The Staff recommends that SBC/Ameritech be required to develop operational support systems and processes to provide the line-splitting functionality, given the distinct possibility that the Commission or FCC determines that SBC/Ameritech is indeed required to provide line splitting. The Commission should not, however, order line-splitting in this proceeding.

²⁴⁵ Staff's Initial Comments at 52-55.

²⁴⁶ See AT&T Exhibit No. 1.0 at 6, n. 3 (Direct Testimony of Steven E. Turner); ICC Docket No. 00-393.

Issue #94: Dark Fiber/Copper Inquiry Process

A. ISSUE

A process that allows CLECs to inquire regarding the placement and availability of dark fiber and copper at specific SBC/Ameritech locations. RCN states that the process is too time-consuming and paper-intensive.

B. CLEC POSITION

RCN, through its operating groups is a provider of cable, Internet and telecommunications services.²⁴⁸ 21st Century, a wholly owned subsidiary of RCN, has been a facilities-based carrier since 1968 and provides facilities-based POTS service to residential customers in the metropolitan Chicago area.²⁴⁹ RCN states that the current pre-ordering process offered by Ameritech to inquire as to the location of digital loop carriers (DLC), dark fiber and for locations where spare copper facilities are not available is “too time-consuming, paper-intensive and does not provide enough information”.²⁵⁰ This preordering functionality is very important to RCN because its goal is to provide service to an area as soon as possible after making the business decision to do so.²⁵¹ RCN needs to be able to determine where dark fiber is located throughout the Ameritech network so that

²⁴⁷ See Staff Exhibit No. 1.2 at 1-2 (Surebuttal Testimony of Torsten Clausen); ICC Docket No. 00-393.

²⁴⁸ Initial Comments on Behalf of 21st Century Telecommunications of Illinois, Inc., an RCN Corporation Company, Related to the Joint Submission (“RCN Initial Comments”) at 1.

²⁴⁹ Id.

²⁵⁰ Id. at 2.

the dark fiber can be used as part of RCN's own infrastructure. If dark fiber is not available RCN may need to implement other technologies to establish service for its customers which may be a more complex, time intensive and costly process. For these reasons it's important for RCN to know where dark fiber is located in Ameritech's network and to have access to that information in a timely manner.

RCN claims that Ameritech has information available regarding the location of DLCs and dark fiber are on its network as well as points where spare cooper loops are not available. RCN, in its initial comments, states that this information is available to Ameritech personnel all in "mechanized systems"²⁵². RCN further states that CLECs should be provided with an equivalent interface to allow it access to this same mechanized information.

C. AMERITECH POSITION

Ameritech argues that it currently has in place adequate procedures for CLECs to inquire about and lease available dark fiber.²⁵³ Ameritech maintains that the dark fiber inquiry process is a manual one and that its Central Offices do not have a complete inventory of available fiber.²⁵⁴ Accordingly, Ameritech concludes that many CLEC requests require a field visit to determine if fiber is present in the requested quantities.²⁵⁵

Ameritech (as of August 22, 2000), committed to respond to a dark fiber inquiry from a CLEC within 5 business days for 1 to 10 Access Service Request (ASRs) and 10

²⁵¹ Id. at 1.

²⁵² RCN Initial Comments at 2.

²⁵³ Ameritech Initial Comments at 83-85.

²⁵⁴ Id. at 84.

²⁵⁵ Id.

business days for 11 to 20 ASR inquiries.²⁵⁶ These time commitments represent a reduction in turn around time of 50% for 1 to 10 ASR inquiries as originally agreed upon as part of Ameritech's UNE Remand Order.

In response to inquiries regarding the availability of copper and the presence of fiber on the loop, Ameritech states that this information was made available via the loop qualification function as a part of the TCNet pre-ordering interface on June 30, 2000.²⁵⁷

D. STAFF POSITION

Staff's position has not changed.

In its initial comments, RCN indicated that the information necessary for Ameritech to respond to a dark fiber request is available to Ameritech personnel in mechanized format.²⁵⁸ At hearing, RCN witness Palacios, a former facilities engineer with Ameritech, testified that when Ameritech has to turn up fiber between central offices or from a central office to a customer location, it can find if there are spare fibers fairly readily.²⁵⁹ He further testified that a realistic time frame for answering such an inquiry is 24 hours.²⁶⁰ The 24 hours appears to assume no site visit would be necessary.²⁶¹ RCN's witness indicated that requests for facilities from 21st Century are generally for facilities between offices and that .this is probably where Ameritech has the best records.²⁶² In instances where a site visit to a manhole is required, RCN's witness conceded that 24 hours may be too short a

²⁵⁶ Id.

²⁵⁷ Ameritech Initial Comments at 85.

²⁵⁸ RCN Initial Comments at 2.

²⁵⁹ Tr. at 1148.

²⁶⁰ Tr. at 1149.

²⁶¹ Tr. at 1150.

²⁶² Tr. at 1151.

response period and that an estimate for such a request might be 3 days.²⁶³ In practice, as things stand now, 21st Century has submitted 7 ASRs, as a group, since mid-September.²⁶⁴ The inquiry was not complete after 15-20 days.²⁶⁵

Ameritech disputed RCN's claims regarding the mechanization level of its facilities. It contended that dark fiber is not inventoried in any mechanized databases including the Trunk Integrated Record Keeping System ("TIRKS") and that the Company's dark fiber location records are not even always complete on the detailed site maps of the central offices²⁶⁶. Ameritech Witness Welch indicated that TIRKS inventories active interoffice facilities.²⁶⁷ Facilities in this instance means cables, either cable or fiber, and the electronic hardware connected at either end of those cables.²⁶⁸ The Ameritech witness believed it to be true that TIRKS inventories fiber going from a CO to a carrier's Point of Presence ("POP").²⁶⁹ The Company posited at hearing two instances of where it would need to know the location of dark fiber. The first is where the Company needs to augment network backbone inter office facilities for passing calls back and forth between locations.²⁷⁰ This is done only when the Company needs to augment network backbone and is considered to be a special project.²⁷¹ Another instance would be where the Company gets a retail request from a customer where it says it needs a DS 3 or a couple of DS3s."²⁷² This is also considered by the Company to be a special project. The Company maintains that it

²⁶³ Tr. at 1151-52.

²⁶⁴ Tr. at 1153.

²⁶⁵ Id.

²⁶⁶ Ameritech Initial Comments at 88.

²⁶⁷ Tr. at 1076-77.

²⁶⁸ Tr. at 1077.

²⁶⁹ Tr. at 1077-78.

²⁷⁰ Tr. at 1141-42.

²⁷¹ Tr. at 1142.

²⁷² Tr. at 1142.

has not mechanized its systems because of the infrequent occurrence of the foregoing “special” situations.²⁷³

Staff accepts as true Ameritech’s contention that its facility inventory information today is not centrally located and is not stored electronically. However, Staff further believes that the current state of Ameritech’s inventory system should not preclude Ameritech from moving towards a more organized and efficient record keeping system for its own network information (including dark fiber). In this regard, Staff finds persuasive RCN’s contention that it is important for CLECs such as RCN to have access to the availability of dark fiber even though they may have other options to provide service to customers using different technology. This is because these other options may require more time consuming efforts (i.e. building their own facilities) or be more costly, factors which may preclude interested CLECs from offering the service in the first place. For its part, Ameritech acknowledges that it is necessary for operating its network efficiently and meeting service requests for Ameritech to know what equipment, including cable, it has out in the field.²⁷⁴ In view of these realities, Staff concludes that Ameritech should not only have a complete inventory of fiber for itself but should have one available to respond to CLEC requests.

Ameritech argues that since it does not maintain an electronic record of all such information today, its policy is consistent with the UNE Remand Order, In support of this argument, Ameritech offers a partial quote from the UNE remand Order. The full text of the paragraph at issue is as follows:

²⁷³ Tr. at 1143.

²⁷⁴ Tr. at 1086-87.

429 We Disagree, however, with Covad's unqualified request that the Commission require incumbent LECs to catalogue, inventory and make available to competitors loop qualification information through automated OSS even when it has no such information available to itself. If an incumbent LEC has not compiled such information for itself, we do not require the incumbent to conduct a plant inventory and construct a database on behalf of requesting carriers. We find, however, that an incumbent LEC that has manual access to this sort of information for itself, or any affiliate, must also provide access to it to a requesting competitor on a non-discriminatory basis. In addition, we expect that incumbent LECs will be updating their electronic database for their own xDSL deployment and, to the extent their employees have access to the electronic format, that same format should be made available to new entrants via an electronic interface.²⁷⁵

This Order is not dispositive of the issues in this case. In the first place, the UNE Remand Order involved wholesale services. In the second place, the FCC's concern appears to be directed to cases where the ILEC "has no such information available to itself". The record in this case supports the conclusion that Ameritech, at the least, has the information available. It is only that Ameritech's access to dark fiber location information is manual. The record also supports the conclusion that Ameritech is not offering access to this information to requesting competitors such as 21st Century on a non-discriminatory basis. For example, the evidence indicates that Ameritech has been taking far more than 5 or even 10 days to respond to fiber location requests and that it takes substantially less time in responding to internal requests.²⁷⁶

Moreover, Staff finds unpersuasive Ameritech claims that the manual nature of the dark fiber inquiry process coupled with the fact that the Central Offices do not have a complete inventory of available fiber requires a field visit to be made in order to determine

²⁷⁵ In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Par. 429, (rel. November 5, 1999).

whether fiber is present in the requested quantities. First, while Ameritech bases its position on the inadequacy of its records, it concedes that most requests to date for dark fiber have not required field visits.²⁷⁷ Second, Staff does not believe that poor record keeping on the part of the Company should be used by it to support the continuation of the same practice of poor record keeping. This is particularly true if such practice results in additional manual steps and/or labor for its employees while also increasing its customer request response times (retail as well as wholesale).

E. STAFF'S RECOMMENDATIONS

Staff recommends that Ameritech take a forward looking approach in determining the best way to update and keep its records of facility information including dark fiber in a centralized and mechanized manner. Staff is aware that fulfilling this request requires a large undertaking on Ameritech's part since the information being tracked will change possibly with every order or with new fiber deployment. By the same token, and for those very same reasons, Staff believes that it is more important than ever to stay abreast of, and electronically document, all changes occurring to the network. With this in mind, Staff concludes that Ameritech should, within six months from the completion of this arbitration proceeding, present the Commission with a plan for mechanizing Ameritech's facility inventory records. In the meantime, Ameritech should institute new practices to ensure that the paper records of the Central Offices are kept up to date.

²⁷⁶ Tr. at 1149-53.

²⁷⁷ Tr. at 1100.

As a final matter, at hearing RCN's witness indicated that RCN's recently placed orders for dark fiber had taken more than 15-20 days to receive a verbal confirmation of what was available and what was not available, indicating that the ASR inquiry process for dark fiber is not working as well as posited by Ameritech. RCN's example makes it quite clear that, in this instance, Ameritech's process for CLEC inquiry into the availability of dark fiber has not been working. Ameritech should immediately take action to further define and actually test the inquiry and ordering process that it has in place for dark fiber. Ameritech should provide the Commission with documentation on the training process it has in place for its technicians handling dark fiber requests as well as the materials or correspondence it uses to educate its account representatives and the CLECs on the new process. Ameritech should be required to keep the commitment it made on August 22, 2000 (i.e. that it will respond to dark fiber requests within 5 business days). In the event that it does not do so, Staff has already articulated, *supra*, the legal basis for its position regarding the Commission's authority to impose remedies for carrier non-compliance with Commission holdings. Staff, therefore, recommends that the Commission provide notice to SBC/Ameritech in the prefatory portion of the Final Order derived from this proceeding that any failure by SBC/Ameritech to comply with the OSS related deadlines it has committed to in this arbitration can be considered an "impediment to competition" within the meaning of Sections 13-514 and 13-515 of the Illinois Public Utilities Act.

As to the competitive effects of accepting Staff's position, Staff would note that having the ability to determine the amount of Dark Fiber available to the CLEC would increase the CLECs' ability to sell services that require the use of fiber to a particular area. Moreover, adopting an electronic interface would allow the ILEC to sell access to the Dark

Fiber without having to do a manual inventory each time. As Staff sees it, the only cognizable downside to the adoption of its proposal is that following Staff's recommendations will entail a significant undertaking by the ILEC. The man hours to do an inventory of each Dark Fiber and then enter the data into a data base could be quite expensive.

Respectfully submitted:

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