

Decision 02-06-046 June 27, 2002

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion into Monitoring Performance of Operations Support Systems.

Rulemaking 97-10-016
(Filed October 9, 1997)

Order Instituting Investigation on the Commission's On Motion into Monitoring Performance of Operations Support Systems.

Investigation 97-10-017
(Filed October 9, 1997)

OPINION MODIFYING DECISION 01-05-087 TO UPDATE PERFORMANCE MEASURES FOR THE PERFORMANCE INCENTIVE PLAN FOR PACIFIC BELL TELEPHONE COMPANY

Summary

This order approves an agreement to modify three of the Operations and Support System (OSS) performance measures used in the Commission's performance incentives plan (PIP)¹ to monitor and motivate Pacific Bell Telephone Company's (Pacific) OSS performance to competitive local exchange carriers. Specifically, these modifications add new service types, delete an unnecessary service type, and modify a performance measurement to account for industry-wide performance constraints that are beyond the control of Pacific.

¹ *Opinion on the Performance Incentives Plan for Pacific Bell Telephone Company, Decision (D.)02-03-023, March 6, 2002.*

Background

Pursuant to Rule 51.1(c) of the Commission's Rules of Practice and Procedure, Pacific, AT&T Communications of California, Inc. ("AT&T"), WorldCom, Inc. ("WorldCom"), and XO California, Inc. ("XO") (collectively, the "Settling Parties") filed a motion on April 17, 2002 ("Joint Motion"), asking the Commission to approve certain amendments to the Joint Partial Settlement Agreement regarding Performance Measurements ("JPSA"), originally approved by the Commission on August 5, 1999 in D.99-08-020, and later modified on May 24, 2001 in D.01-05-087.² Copies of the amendments to the JPSA are attached as appendices.³

The Settling Parties' motion requests the approval of a few amendments to the JPSA. In short, performance measure 15 is being amended to include the Unbundled Network Element Platform ("UNE-P") product and performance measure 15A is being amended to include both the UNE-P and line sharing products, and to eliminate the UNE Port product. The standard in performance measure 7 for UNE loops with Local Number Portability ("LNP") is being changed to take into account the three-day interval required by the Number Portability Activation Center to provision LNP.

² Issued in this docket, *Order Instituting Rulemaking on the Commission's Own Motion into Monitoring Performance of Operations Support Systems (R.97-10-016)*, and *Order Instituting Investigation on the Commission's Own Motion into Monitoring Performance of Operations Support Systems (I.97-10-017)*.

³ Appendix A is a clean copy of the modified pages of the revised JPSA (for Performance Measures 7, 15, and 15A. Appendix B is a redlined version reflecting the changes.

The JPSA on Performance Measures, as approved by the Commission in D.99-08-020 and later in D.01-05-087, calls for periodic reviews.⁴ The JPSA also provides that parties may meet between the formal reviews to address issues that the parties would like to resolve more expeditiously. On November 28, 2001, written notice for settlement negotiations to discuss potential changes to performance measures 7, 15 and 15A was provided under Rule 51. The Joint Motion states that these negotiations were recently concluded with an agreement to make the changes to these measures as described, *infra*.

Discussion

The Joint Motion requests changes to performance measures 7, 15, and 15A. Performance measure (PM) 7 evaluates the average completion interval for service installation or provisioning. PM 7 employs a parity standard, comparing the average completion interval for wholesale products for CLEC customers against retail products for Pacific customers. Currently, the retail analogs for wholesale basic UNE loop orders are retail orders for standard business telephone service requiring provisioning field work (“fielded,” “Business - Plain Old Telephone Service” or “Business-POTS”). Orders for fielded Business-POTS retail orders generally are completed in about two days. The Joint Motion states that because basic UNE loops ordered by CLECs typically include LNP, Pacific is precluded by industry standards from meeting this parity interval. LNP provisioning involves activities that are completed by the regional Number Portability Activation Center (“NPAC”), which is an independent third-party organization. By industry agreement, NPAC requires a three-day interval to

⁴ See the original version of the JPSA in the Settling Parties’ Joint Motion filed in this docket on January 7, 1999.

schedule and activate the porting or moving of a telephone number. As a result, the NPAC's process precludes Pacific's ability to provision UNE loops as quickly as its retail analog. To address this situation, the Joint Motion requests a new standard for the PM 7 sub-measure that evaluates installation intervals for UNE loops with LNP. Under the new standard, Pacific's performance is measured against a benchmark standard rather than a parity comparison. The standard deems Pacific's performance to be "passing" if 95% of these orders are provisioned within the standard interval. This amendment eliminates the issue raised by the NPAC's three-day interval.

In the Joint Motion, the parties also move to amend PMs 15 and 15A. These measures evaluate provisioning trouble report rates (prior to service order completion) and the time to restore provisioning troubles, respectively. Currently, these measures inadvertently do not include UNE-P as an eligible service product, and the parties request that these measures be amended to include UNE-P as a new sub-measure. Likewise, the parties have requested that PM 15A include line sharing, which is already captured in PM 15, as a new sub-measure. In addition, the parties request that the UNE Port product sub-measure be eliminated from PM 15A to make the product listings consistent in PMs 15 and 15A. While unstated in the motion, our Telecommunications Division staff reports that the parties agree that the UNE Port product is unnecessary at this time.⁵

Commission Rule 51.1(e) provides that, prior to approval, the Commission must find a settlement "reasonable in light of the whole record, consistent with

⁵ The stand-alone UNE Port product (essentially a phone number itself, without service), has not been ordered since performance has been tracked, and as such, does not appear to be a viable product.

the law, and in the public interest.”⁶ Clearly, the instant agreement meets these criteria.

As described by the parties, these requested changes are corrections that further the purposes of the PIP. Where measures inappropriately showed Pacific’s performance as failing (PM 7, UNE loops), new standards should now reasonably track performance instead of unrelated measurement artifacts. Where performance in providing an important product was not tracked (PM 15 and 15A, UNE-P), new sub-measures will ensure inclusion in the PIP. And finally, where a performance sub-measure will not be used (PM 15A, UNE Port), it will be deleted. Consequently, the proposed amendments to the JPSA are reasonable in light of the whole record.

As stated above, both the parties and the Commission envisioned that over time specific performance measure details would be amended, deleted and/or refined. This agreement amends, deletes and refines aspects of PMs 7, 15 and 15A, and in doing so is consistent with the California Public Utilities Code, prior Commission decisions and General Orders, and the Telecommunications Act of 1996.

The Settling Parties are all active participants in this proceeding. No party has contested the settlement. In fact, the Commission’s Office of Ratepayer Advocates (ORA) filed comments stating that it “fully supports” the motion. Comments of the Office of Ratepayer Advocates in Support of Joint Motion for Amendment to Partial Settlement Agreement (May 8, 2002.) The Settling Parties

⁶ In implementing the requirements of the Telecommunications Act of 1996, the FCC has stressed the importance of performance measurements in monitoring and motivating OSS performance. *Bell Atlantic New York Order*, 15 FCC Rcd at 3971, ¶¶ 429, 433, and 438; see also D.02-03-023 at 2-3.

are most likely to be affected by the ways in which these particular changes to PMs 7, 15 and 15A are implemented. We find the agreement to supply enough information to permit us to discharge our regulatory obligations with respect to the parties and their interests. Thus, for these reasons and by providing workable consensus-based standards and criteria for performance measures 7, 15, and 15A, we conclude that this settlement is in the public interest.

Conclusion

For the foregoing reasons, we conclude that the proposed amendments to the JPSA meet the Commission's standards for a reasonable settlement. Accordingly, we approve the amendments as submitted.

Comments on Draft Decision

The draft decision of ALJ Jacqueline Reed in this matter was mailed to the parties in accordance with Pub. Util. Code Section 311(g)(1) and Rule 77 of the Commission's Rules of Practice and Procedure. No comments were received.

Findings of Fact

1. Pacific, AT&T, WorldCom, and XO have requested that the changes to performance measures 7, 15, and 15A as listed in Appendixes A and B to this decision be made.
2. Pacific, AT&T, WorldCom, XO, and ORA jointly agree that the changes they propose to performance measures 7, 15, and 15A as listed in Appendixes A and B to this decision will better track Pacific's OSS performance.
3. This agreement amends, deletes and refines aspects of PMs 7, 15 and 15A, and in doing so is consistent with the California Public Utilities Code, prior Commission decisions and General Orders, and the Telecommunications Act of 1996.
4. The Settling Parties are all active participants in this proceeding.

5. No party opposes these requested changes.

6. The requested changes correct measurement problems in the JPSA, and further the purposes of the PIP.

Conclusions of Law

1. The joint motion settlement is reasonable in light of the whole record, consistent with law, and in the public interest.

2. The joint motion should be granted.

3. This order should be effective immediately so that these adjustments to the performance measures can be included in the PIP without delay.

O R D E R

IT IS ORDERED that:

1. The Joint Motion to amend the Partial Settlement Agreement regarding Performance Measurements between Pacific Bell Telephone Company, AT&T Communications of California, Inc., WorldCom, Inc., and XO California, Inc. is approved, as set forth below.

2. Decision (D.) 01-05-087 shall be amended to change performance measures 7, 15, and 15A as documented in Appendixes A and B to this decision.

3. The Commission's Performance Incentives Plan set forth in D.02-03-023 shall use the amended D.01-05-087 performance measurements documented in

R.97-10-016, I.97-10-017 ALJ/JAR/tcg

Appendixes A and B beginning with performance for the calendar month of July 2002.

This order is effective today.

Dated June 27, 2002, at San Francisco, California.

LORETTA M. LYNCH
President
HENRY M. DUQUE
CARL W. WOOD
GEOFFREY F. BROWN
MICHAEL R. PEEVEY
Commissioners

Appendix A

Performance Measures 7, 15 and 15A As Modified

OSS OII Performance Measurements Report Requirements

Provisioning

Measure 7

Title: Average Completed Interval

Area	Requirement Description
Description:	Average business days from receipt of valid, error-free service request to completion date in service order system for new, move, and change orders.
Method of Calculation:	Total business days from receipt of valid, error-free service request to completion date in service order system for new, move and change orders / Total new, move and change orders
Report Period:	Monthly
Report Structure:	Individual CLEC, CLECs in the aggregate, by ILEC (if analog applies), and ILEC Affiliates
Reported By:	By service group type and field work/no field work where applicable.
Geographic Level:	Region (PB), Statewide (GTE)

Measurable Standard:	Pacific Bell Parity for Resale is Retail for Parity for UNE measured for the following UNEs (except as noted):	Retail
	<ul style="list-style-type: none"> • 2/4w (8db and 5.5 db) analog loop (incl. Coin/analog PBX) without LNP <ul style="list-style-type: none"> • UNE Subloop • 2/4w (8db and 5.5 db) analog loop (incl. Coin/analog PBX) with LNP • 2w digital loop(ISDN capable) <ul style="list-style-type: none"> • UNE Subloop • 2w digital loop(xDSL capable) <ul style="list-style-type: none"> • Conditioned • Non-Conditioned • UNE Subloop • 2w digital loop(IDSL capable) <ul style="list-style-type: none"> • UNE Subloop • High Bandwidth line sharing <ul style="list-style-type: none"> • Conditioned • Non-Conditioned • 4w digital loop (DS1) • UNE Loop – OC level • UNE Port- Non-Specials • UNE Port-Specials • UNE Dedicated Transport <ul style="list-style-type: none"> • DS1 • DS3 • OC level • Dark Fiber • Enhanced Extended Links <ul style="list-style-type: none"> • VG - Conversion • DS1 - New • DS1 -Conversion • DS3- New • DS3-Conversion • OC level – New • OC level - Conversion • UNE Platform • Basic port and loop • Special port and basic loop • ISDN BRI port and loop • ISDN PRI port and loop • Interconnection Trunks 	<ul style="list-style-type: none"> • POTS - Business (fielded) • Benchmark: 95% within Standard Interval • ISDN(BRI) • 2w digital loop (xDSL capable) provided to ASI <ul style="list-style-type: none"> • Conditioned • Non-Conditioned • ISDN(BRI) • High Bandwidth line sharing provided to ASI <ul style="list-style-type: none"> • Conditioned • Non-Conditioned • DS1 • Retail – OC level service • POTS - Business (non -fielded) • Retail Special Services • HICAP <ul style="list-style-type: none"> • DS1 • DS3 • Retail OC level service <p>(Diagnostic)</p> <p>(TBD)</p> <ul style="list-style-type: none"> • Business POTS FW/NFW • Retail Voice Grade Specials FW/NFW • ISDN BRI FW/NFW • ISDN PRI FW/NFW • ILEC Dedicated Trunks

Measurable Standard:	<u>GTE</u>	Retail
	<ul style="list-style-type: none"> • Resale POTS-Residence • Resale POTS-Business • Resale Specials • UNE loop Nondesigned • UNE loop Designed • UNE loop xDSL capable • UNE loop IDSL capable • UNE Port • UNE Transport • UNE Platform <ul style="list-style-type: none"> • UNE-P Res • UNE-P Bus • UNE-P PRI • Interconnection Trunks • Line Sharing - Conditioned • Line Sharing - Non -Conditioned • LNP • EEL • Subloop • Dark Fiber 	<ul style="list-style-type: none"> • Retail POTS - Residence • Retail POTS - Business • Retail Specials • B1 Dispatched Non Designed • Dispatched Designed Service (excludes HICAPs) • <i>(TBD until SDA is established)</i> • <i>(TBD until SDA is established)</i> • CentraNet-Simple • HICAP Designed • Residential POTS • Business POTS • ISDN PRI • ILEC Dedicated Trunks • <i>(TBD until SDA is established)</i> • <i>(TBD until SDA is established)</i> • <i>Retail POTS -Total Business & Residence, Non-Dispatched</i> • <i>(Diagnostic)</i> • <i>(Diagnostic)</i> • <i>(Diagnostic)</i>

Business Rules:	<ul style="list-style-type: none">• Excludes customer requested due dates other than interval offered, and orders delayed for customer reasons. (Pacific Bell only)• Excludes customer due dates beyond interval offered, and orders delayed for customer reasons. (GTE)• For UNE loop services, feature-only orders are excluded from retail analog.(Pacific Bell only)• Excludes projects. (Pacific Bell only)• GTE will not exclude projects.• Results for UNE Subloops will be tracked diagnostically, by UNE loop type except for xDSL subloop the measurable standard for which will be parity with ASI (Pacific Bell only)• Results for Dark Fiber will be tracked diagnostically, until next periodic Performance Measures review.• The Completion Date is the date on which the service has passed acceptance testing, where applicable. To the extent that Pacific is required to obtain affirmative acceptance of the loop from the CLEC before closing an order, the order will not be deemed to have successfully passed an acceptance test until the CLEC affirmatively accepts the loop. (Pacific Bell only)• Orders where acceptance testing is delayed as a result of CLEC action or inaction shall be excluded. (Pacific Bell only)
Notes:	<ul style="list-style-type: none">• For Pacific Bell, no retail analog exists for IDSL capable loops. The retail comparison will be made with ISDN service which has similar characteristics.

OSS OII Performance Measurements Report Requirements

Provisioning

Measure 15

Title: Provisioning Trouble Reports (Prior to Service Order Completion)

Area	Requirement Description								
Description:	Measures the percent of troubles that are reported (via customer or indirectly by CLEC) that occur during the provisioning process.								
Method of Calculation:	<p>Parity: (Number of trouble reports that occur from the time of service order creation, up to and including the date of service order completion)/ (Total Number of service orders in reporting period)</p> <p>Benchmark: [(Number of trouble reports that occur from the time of service order creation, up to and including the date of service order completion)/ (Total Number of service orders in reporting period)] x 100</p>								
Report Period:	Monthly								
Report Structure:	Individual CLEC, CLECs in the aggregate, by ILEC (if analog applies), by ILEC Affiliates								
Reported By:	<ul style="list-style-type: none"> • By Resale, High Bandwidth line sharing UNE, UNE Loop, UNE – P (Pacific Bell Only) and LNP • By Affecting Service and Out of Service 								
Geographic Level:	Statewide								
Measurable Standard:	<p>Pacific Bell: Parity</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;">Resale</td> <td style="width: 50%; vertical-align: top;">Retail services</td> </tr> <tr> <td>UNE Loop</td> <td>Retail services (outside plant disposition codes and central office wiring disposition codes)</td> </tr> <tr> <td>High Bandwidth Line sharing UNE</td> <td>High Bandwidth line sharing UNE provided to ASI</td> </tr> <tr> <td>UNE-P</td> <td>Retail Residential and Business Basic POTS FW/NFW</td> </tr> </table> <p>Benchmark: LNP - Port Out</p> <ul style="list-style-type: none"> • Standard - 1% or less 	Resale	Retail services	UNE Loop	Retail services (outside plant disposition codes and central office wiring disposition codes)	High Bandwidth Line sharing UNE	High Bandwidth line sharing UNE provided to ASI	UNE-P	Retail Residential and Business Basic POTS FW/NFW
Resale	Retail services								
UNE Loop	Retail services (outside plant disposition codes and central office wiring disposition codes)								
High Bandwidth Line sharing UNE	High Bandwidth line sharing UNE provided to ASI								
UNE-P	Retail Residential and Business Basic POTS FW/NFW								

	<p>GTE:</p> <ul style="list-style-type: none"> • Resale POTS (Residence) • Resale POTS (Business) • Resale Specials • UNE,Loop Non-designed • UNE Loop Designed • UNE Loop xDSL Capable • UNE Loop IDSL Capable • LNP 	<ul style="list-style-type: none"> • Residence POTS • Business POTS • Retail Specials • B1 Dispatched Non Designed • Dispatched Designed Service (excludes HICAPs) • <i>(TBD until SDA is established)</i> • <i>(TBD until SDA is established)</i> • <i>(TBD- will propose benchmark standard after 4 months of data collection).</i>
<p>Business Rules:</p>	<ul style="list-style-type: none"> • Excludes CPE and IEC/CLEC caused troubles • Excludes Subsequent reports • Excludes Message Reports (circuit reports for which ILEC has no records) • Excludes ILEC employee generated reports • *1 	
<p>Notes:</p>	<ul style="list-style-type: none"> • ILECs will provide disaggregation by Maintenance Disposition codes as diagnostic data upon raw data request. 	

¹ The language "excludes new service installations" first contained in the JPSA filed July 18, 2000 has been removed pending resolution by the Commission of the open issue identified by some DSL CLECs.

OSS OII Performance Measurements Report Requirements

Provisioning

Measure 15A

Title: Average Time to Restore Provisioning Troubles (Prior to Service Order Completion)

<i>Area</i>	<i>Requirement Description</i>								
<i>Description:</i>	Measures the average duration of the troubles from the receipt of the customer trouble reported (via customer or indirectly by CLEC) to the time the trouble is cleared.								
<i>Method of Calculation:</i>	(Total duration of provisioning trouble measured from the time the trouble was initiated or called in to the ILEC until cleared.) / (Total Number of Provisioning Trouble Reports)								
<i>Report Period:</i>	Monthly								
<i>Report Structure:</i>	Individual CLEC, CLECs in the aggregate, by ILEC (if analog applies), by ILEC Affiliates								
<i>Reported By:</i>	<ul style="list-style-type: none"> • By Resale, UNE Loop, and LNP, High Bandwidth line sharing UNE (Pacific Bell only) and UNE - P (Pacific Bell only) • By Affecting Service and Out of Service 								
<i>Geographic Level:</i>	Statewide								
<i>Measurable Standard:</i>	<p>Pacific Bell: Parity:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;">Resale</td> <td style="width: 50%; vertical-align: top;">Retail services</td> </tr> <tr> <td>UNE Loop</td> <td>Retail services (outside plant disposition codes and Central Office wiring disposition codes)</td> </tr> <tr> <td>High Bandwidth Line sharing UNE</td> <td>High Bandwidth line sharing UNE provided to ASI</td> </tr> <tr> <td>UNE-P</td> <td>Retail Residential and Business Basic POTS FW/NFW</td> </tr> </table> <p>Benchmark: LNP - Port Out</p> <ul style="list-style-type: none"> • Standard - average of 4 hours 	Resale	Retail services	UNE Loop	Retail services (outside plant disposition codes and Central Office wiring disposition codes)	High Bandwidth Line sharing UNE	High Bandwidth line sharing UNE provided to ASI	UNE-P	Retail Residential and Business Basic POTS FW/NFW
Resale	Retail services								
UNE Loop	Retail services (outside plant disposition codes and Central Office wiring disposition codes)								
High Bandwidth Line sharing UNE	High Bandwidth line sharing UNE provided to ASI								
UNE-P	Retail Residential and Business Basic POTS FW/NFW								

<p>Measurable Standard:</p>	<p>GTE</p> <ul style="list-style-type: none"> • Resale POTS- Residence • Resale POTS-Business • Resale Specials • UNE loop Nondesigned • UNE loop Designed • UNE loop xDSL capable • UNE loop IDSL capable • LNP 	<p>Retail</p> <ul style="list-style-type: none"> • Residence POTS • Business POTS • Retail Specials • B1 Dispatched Non Designed • Dispatched Designed Service (excludes HICAPs) • <i>(TBD until SDA is implemented)</i> • <i>(TBD until SDA is implemented)</i> • <i>(TBD)</i>
<p>Business Rules:</p>	<ul style="list-style-type: none"> • Excludes CPE and IEC/CLEC caused troubles • Excludes Subsequent reports • Excludes Message Reports (circuit reports for which ILEC has no records) • Excludes ILEC employee generated reports 	
<p>Notes:</p>	<ul style="list-style-type: none"> • ILECs will provide disaggregation by Maintenance Disposition codes as diagnostic data upon raw data request. 	

Appendix B

Performance Measures 7, 15, and 15A As Modified Showing Deletions and Additions

[Attachment B to R9710016, I9710017](#)