

Date Mailed
July 7, 2003

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Petition of Wisconsin Bell, Inc., for a Section 271 Checklist
Proceeding

6720-TI-170

DETERMINATION

Phase II

This is the Commission's determination in Phase II of this docket concerning the Petition of Wisconsin Bell, Inc., d/b/a SBC Wisconsin (formerly Ameritech Wisconsin), for approval under 47 U.S.C § 271, filed for itself and related affiliates SBC Communications, Inc., and Southwestern Bell Communications Services, Inc., d/b/a Ameritech Long Distance.¹ In Phase I of this docket the Commission reviewed SBC Wisconsin's compliance with the § 271 Track A and checklist requirements, and reserved the issues related to SBC Wisconsin's provision of operational support systems, the pricing of unbundled network elements, and certain issues relating to the public interest requirement for Phase II.²

Section 271 governs Regional Bell Operating Companies' (RBOCs or BOCs) entry into in-region, interLATA (both intrastate and interstate) long distance service and requires that RBOCs apply to the Federal Communications Commission (FCC) for authority to provide this service in a particular state. Section 271 further requires that the FCC consult with the relevant state commission to verify RBOC compliance with the requirements of § 271, commonly known

¹ In this Determination, reference to SBC Wisconsin is used interchangeably with "SBC."

² The Phase I Determination was issued July 1, 2003.

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as “Track A” and the “Competitive Checklist.” SBC Wisconsin is RBOC, and as such, must establish compliance with the federal requirements.

This Phase II Determination, together with the determination in Phase I, along with orders of the Commission in other dockets as described in Appendix B, provide the FCC with the Commission’s evaluation, as supported by the detailed record developed in this proceeding. This Determination provides the factual and legal bases for each determination of § 271 compliance or non-compliance.

The Commission considered the requirements of § 271 as set forth in federal law and past FCC 271 orders in making its determinations. In relying on federal standards, the Commission recognized that its role here was consultative, and that this was not a contested case proceeding in which a substantial interest of any party would be determined or adversely affected by a decision or order. The Commission reviewed the record to determine threshold compliance with § 271 requirements, without deciding how a particular issue should be resolved under state law.

The Commission emphasizes that its findings and conclusions here are not binding on any existing or future decisions in other telecommunications proceedings under Wis. Stat. ch. 196, or in individual arbitrations under §§ 251 and 252. This Determination does not affect the Commission’s general powers under Wis. Stat. 196 or its regulatory authority under state law to enforce requirements for price regulated utilities such as SBC Wisconsin, promote a competitive marketplace, and ensure consumer protections.

Structure of the Decision

The Factual Determinations and Conclusions of Law in this determination are set forth in separate sections and ultimately conclude that SBC Wisconsin complies with the 14-point checklist requirements as set forth in § 271. The Opinion section, which contains information and analysis supporting and leading to the Factual Determinations and Conclusions of Law, is also subdivided as follows: nondiscriminatory access to unbundled network elements and public interest considerations. The first section is subdivided into (1) commercial usage; (2) third party testing and performance measures; (3) billing issues; and (4) compliance and improvement plans. The Determination section addresses prospective issues and establishes an effective date. The participants in this proceeding are listed in Appendix A. A description of other related dockets pertinent to this ultimate determination is attached as Appendix B. The issues developed by SBC Wisconsin, participants and staff in Phase II are included in Appendix C. A Table of Contents is attached as Appendix D.

PROCEEDINGS

In Phase I of this docket, the Commission reviewed SBC Wisconsin's compliance with § 271 Track A and checklist requirements to determine whether the necessary systems and procedures are in place to provide access to competing local exchange carriers (CLECs).

Phase II involved the evaluation of SBC Wisconsin's provision of operational support systems (OSS), the pricing of unbundled network elements (UNEs), and certain issues relating to the public interest. In its Phase I Determination, the Commission decided that SBC established compliance with § 271 Track A and checklist requirements, subject to the outcome of Phase II.

The procedural history leading up to the July 1, 2003 Phase I Determination is set forth in the introduction section of that Determination and will not be repeated here. This Determination is limited to the significant events and issues addressed in Phase II.

On July 1, 2002, the Commission determined that the investigation of SBC Wisconsin's 271 application would proceed in two parts: Phase I, as discussed above, and Phase II which focused upon the actual performance of SBC's OSS and pricing methodology.³

In order to examine SBC's OSS performance, the Commission directed BearingPoint (BP) and Hewlett Packard (HP)⁴ to file interim reports by January 15, 2003. SBC Wisconsin was also directed, if it desired to have consideration by the Commission, to file by February 14, 2003, three months of performance measurement results and the Ernst & Young (E&Y) audit report of SBC's performance measure systems.⁵ SBC Wisconsin also filed a remedy plan on February 14, 2003.

Participants in the proceeding, including staff, submitted questions to SBC Wisconsin on its February 14, 2003, filing, and to the consultants (BP, HP and E&Y) on their respective reports. On March 6, 2003, SBC Wisconsin and the consultants responded to the February 24, 2003, questions submitted by participants and staff. On March 11-13, 2003, a technical conference was held to review and examine SBC Wisconsin's performance results filing, consultant reports, responses to questions, issues identified by staff with respect to SBC

³ The Commission was investigating these matters before SBC's 271 application based in part upon the procompetitive state policy in 1993 Wis. Act 496. These proceedings included an investigation regarding SBC's OSS (6720-TI-160) and SBC's pricing of unbundled network elements (6720-TI-161). The Commission relied upon the record established in these and related proceedings for its consideration of SBC Wisconsin's 271 application. References will be made to docket numbers of proceedings of the Public Service Commission. Appendix B contains the full caption.

⁴ Independent, third-party testers of SBC's OSS in Wisconsin (6720-TI-160).

⁵ E&Y performed this audit at the request of and under contract with SBC.

Wisconsin's February 14, 2003, compliance plan filing and plans filed in other jurisdictions.

The technical conference did not address SBC's remedy plan.

The parties' submissions and transcript of the technical conference were incorporated in this record. Inasmuch as similar proceedings had been conducted in Michigan and Illinois, some of the questions and responses from those proceedings were made part of the Wisconsin record. SBC, participants and staff developed an issues list following the technical conference (Appendix C). SBC and participants were provided an opportunity to address these issues by filing briefs and reply briefs, along with supporting affidavits, on April 9 and 28, 2003, respectively. Participants were provided an opportunity to comment on SBC Wisconsin's proposed remedy plan and a report submitted by staff on the extent of local competition in Wisconsin. On June 30, 2003, the parties submitted comments and BP filed interim test data regarding SBC's OSS performance during the prior three months.

During Phase II, SBC Michigan filed, withdrew, and later re-filed its § 271 application with the FCC. Participants also submitted filings regarding SBC Michigan's § 271 application pending before the FCC ON April 9 and 28, 2003. Following the Michigan withdrawal, CLEC participants argued that the Wisconsin record was deficient and should be supplemented with material that the FCC suggested SBC Michigan include with its resubmission of the Michigan 271 filing. SBC Wisconsin disagreed and did not supplement the Wisconsin record.

Participants submitted SBC Michigan FCC filings regarding performance measures, billing, and other issues on April 9, and 28, 2003. In response to a staff data request, SBC Wisconsin provided its SBC Michigan refiled information on June 19, 2003. CLEC participants were not provided an opportunity to comment on the SBC Michigan information and the

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Commission did not rely upon SBC Michigan information in reaching its decision in the July 2, 2003, open meeting.

FACTUAL DETERMINATIONS

1. As of June 30, 2002, CLECs captured 444,481 of 2,375,365, or 18.7 percent of total voice grade lines in SBC Wisconsin exchanges. CLECs served 10.3 percent of residential voice grade lines, and 32.4 percent of business voice grade lines. CLEC market penetration in SBC Wisconsin exchanges has approximately doubled since December of 2000. The majority of CLEC customers are served through the CLECs' own facilities or by leasing UNEs. Less than half of CLEC customers are served by the platform (UNE-P) or resale. The extent of competition and the CLECs' use of SBC's unbundled network elements (UNEs) in Wisconsin strongly indicate that SBC Wisconsin provides its competitors with nondiscriminatory access to its UNEs.

2. SBC Wisconsin successfully passed the Processes and Procedures Review (PPR) and Transaction Verification and Validation (TVV) portions of the third-party test conducted by BearingPoint and Hewlett Packard in docket 6720-TI-160. This is further evidence that SBC Wisconsin provides its competitors with nondiscriminatory access to its unbundled network elements.

3. The various compliance and improvement plans that SBC has agreed to implement for Wisconsin via a Consent Order in docket 6720-TI-182, adequately addresses issues raised by CLECs in Phase I and II.

4. The Commission's March 22, 2002, order in docket 6720-TI-161, and its open meeting determination of June 26, 2003, set forth a pricing methodology for SBC UNEs that can be used to determine cost-based prices consistent with TELRIC as required under § 252(d). The methodological details determined in the proceeding are to be used as guidelines and must be considered by Commission-appointed arbitration panels and, if necessary, may be changed by a panel based on the facts and circumstances involved in a particular arbitration.

5. The Commission has ongoing regulatory activities in place to ensure that SBC will continue to provide its competitors nondiscriminatory access to unbundled network elements in accordance with the requirements of §§ 251(c)(3) and 252(d)(1).

CONCLUSIONS OF LAW

1. The Commission has jurisdiction under Wis. Stat. §§ 196.02, .03, .28, and .37(2) and § 271, to determine SBC Wisconsin's compliance with § 271 requirements and make a recommendation to the FCC accordingly.

2. SBC Wisconsin provides its competitors nondiscriminatory access to unbundled network elements in accordance with the requirements of §§ 251(c)(3) and 252(d)(1).

3. SBC Wisconsin complies with the 14-point checklist requirements as set forth in § 271.

OPINION

In Phase I, the Commission determined that SBC Wisconsin satisfied § 271 Track A and checklist requirements, but conditioned the compliance determination upon resolution of issues

related to the provision of operational support systems, the pricing of unbundled network elements, and public interest considerations.⁶

The Phase II evaluation addresses the critical question of whether SBC actually is and likely will continue to provide its competitors nondiscriminatory access to unbundled network elements in compliance with § 271(c)(2)(B)(i), Checklist Item 2. Phase I conditioned compliance for most checklist items upon the outcome of the Phase II investigation because nondiscriminatory access to unbundled network elements is a prerequisite for nearly every other checklist item.⁷

The Phase II record sets forth extensive evidence regarding SBC's performance and related performance measures. The process included a collaborative conference that offered interested parties and staff the opportunity to examine third party consultants and SBC. In this process, CLECs focused particular attention on performance measure data integrity and SBC billing systems.

Nondiscriminatory Access to Unbundled Network Elements

The FCC has developed a well-defined standard for determining whether a BOC is providing nondiscriminatory access to unbundled elements. The BOC must demonstrate that its OSS is commercially ready at both current and future volumes. The most probative evidence of commercial readiness is actual commercial usage by competing carriers. If actual commercial experience is not available, the BOC may use the results of "carrier-to-carrier testing,

⁶ The Commission determined SBC pricing methodology to be compliant with TELRIC under § 252(d) in the context of a related contested case proceeding 6720-TI-161 at the June 26, 2003, open meeting. The relevant record of this proceeding and orders will be included with the Commission's submission pursuant to § 271(d)(2)(B).

⁷ Phase I determined that SBC complied with Checklist Item 9 (number administration)(Determination, p. 223).

independent third-party testing, and internal testing.”⁸ According to the FCC, “to the extent the Commission reviews performance data, it looks at the totality of the circumstances and generally does not view individual performance disparities, particularly if they are isolated and slight, as dispositive of whether a BOC has satisfied its checklist obligations. Individual performance disparities may, nevertheless, result in a finding of checklist noncompliance, particularly if the disparity is substantial or has endured for a long time, or if it is accompanied by other evidence of discriminatory conduct or evidence that competing carriers have been denied a meaningful opportunity to compete.”⁹

The FCC has refrained from establishing specific criteria that would define these terms. Rather, the FCC reviews these standards against the specific facts of the application and considers the totality of the information, “including the quality of the information in the record, to determine whether the nondiscrimination requirements of the Act are met.”¹⁰

1. Commercial Usage

The FCC has made clear that “the most probative evidence that OSS functions are operationally ready is actual commercial usage.”¹¹ The documentation of actual commercial usage is contained in the June 17, 2003, staff report entitled “Local Telecommunications Competition in Wisconsin as of December 31, 2001, and June 30, 2002,” (Staff Report).¹² This

⁸ *Virginia 271 Order*, App. C, ¶ 31. This Determination will use the short form for FCC decisions as set forth in Appendix B of the Phase I Determination.

⁹ *Id.*

¹⁰ *Id.*, ¶ 6.

¹¹ *New York 271 Order*, ¶ 89.

¹² “Local Telecommunications Competition in Wisconsin as of December 31, 2001 and June 30, 2002” (June 11, 2003). The report presented data obtained from various sources including ILEC and CLEC annual reports and a September 2002 CLEC data request

report shows that CLECs have made substantial progress in obtaining voice grade access lines in Wisconsin for both residential and business customers. The report documents the increase in local exchange competition for Wisconsin generally and specifically for SBC exchanges.

As the data depicted in the charts below indicate, CLEC progress has occurred in metropolitan, suburban and rural areas and involves all forms of competitive entry.

**Distribution of CLEC Residential Voice Grade Lines
In Wisconsin, December 2001¹³**

Area	Total	Resale	UNE	UNE-P	Own
Milwaukee Metro	16,299	199	16,082	18	0
Madison/Dane County	22,962	2,081	20,328	2	551
Fox Valley	31,778	5,564	26,102	112	0
262 outside of Mil. Metro	6,661	576	5,768	12	305
608 outside of Mad. Metro	4,528	2,743	1,733	6	46
920 outside of Fox Valley	10,373	5,306	5,063	4	0
715 Area Code	10,781	4,950	658	1,614	3,559
Totals	103,383	21,420	75,734	1,768	4,461

**Distribution of CLEC Residential Voice Grade Lines
In Wisconsin, June 30, 2002¹⁴**

Area	Total	Resale	UNE	UNE-P	Own
Milwaukee Metro	34,997	275	18,642	16,080	0
Madison/Dane County	28,697	2,916	22,781	2,421	579
Fox Valley	40,751	7,843	28,442	4,454	12
262 outside of Mil. Metro	13,107	915	7,159	4,633	400
608 outside of Mad. Metro	8,500	3,854	2,493	1,671	482
920 outside of Fox Valley	19,388	8,154	7,455	3,679	100
715 Area Code	15,545	6,438	1,186	3,846	4,075
Totals	160,985	30,395	88,158	36,784	5,648

¹³ *Id.*, p. 15.

¹⁴ *Id.*

**Distribution of CLEC Business Voice Grade Lines
In Wisconsin, December 2001¹⁵**

Area	Total	Resale	UNE	UNE-P	Own
Milwaukee Metro	107,505	4,069	56,614	2,134	44,688
Madison/Dane County	39,777	9,545	28,036	277	1,919
Fox Valley	38,707	7,153	30,430	506	618
262 outside of Mil. Metro	24,217	4,760	17,758	1,573	126
608 outside of Mad. Metro	4,561	1,771	2,659	128	3
920 outside of Fox Valley	18,150	4,875	12,707	568	0
715 Area Code	10,375	6,246	25	790	3,314
Totals	243,292	38,419	148,229	5,976	50,688

**Distribution of CLEC Business Voice Grade Lines
In Wisconsin, June 30, 2002¹⁶**

Area	Total	Resale	UNE	UNE-P	Own
Milwaukee Metro	131,193	3,449	74,340	3,492	49,912
Madison/Dane County	49,029	8,025	29,909	836	10,259
Fox Valley	38,477	5,089	30,803	1,212	1,373
262 outside of Mil. Metro	32,404	5,599	24,798	1,854	153
608 outside of Mad. Metro	6,299	2,191	3,828	113	167
920 outside of Fox Valley	30,198	10,708	18,119	1,331	40
715 Area Code	12,757	8,035	165	959	3,598
Totals	300,357	43,096	181,962	9,797	65,502

These data clearly demonstrates that CLECs have successfully entered the local exchange market in Wisconsin. CLECs increased their share of voice grade local lines in Wisconsin from 6 percent in 2000 to 12.4 percent in June 2002.¹⁷ In the market for the more lucrative business lines, the CLEC share was 24 percent in June of 2002.¹⁸

¹⁵ *Id.*, p. 17.

¹⁶ *Id.*

¹⁷ *Id.*, p. 1.

¹⁸ *Id.*

These data also show that CLECs use a variety of business methods to enter the local exchange market in Wisconsin. The majority of CLEC customers are served through the CLECs' own facilities or by leasing UNEs. Less than half of CLEC customers are served by the platform (UNE-P) or resale.

This report's data from the years 2000, 2001, and 2002 also indicates a positive trend in CLEC's share of the local exchange market in SBC Wisconsin's exchanges. As of June 30, 2002, CLECs captured 444,481 of 2,375,365, or 18.7 percent of total voice grade lines in SBC Wisconsin exchanges. CLECs served 10.3 percent of residential voice grade lines and 32.4 percent of voice grade business lines. CLEC market penetration of SBC exchanges almost doubled since December of 2000. The market data shown on the following chart, like the previous ones, provides a compelling picture of the trend of CLEC entry and activity in SBC Wisconsin's local exchanges.

CLEC Penetration of SBC Exchanges in Wisconsin¹⁹

	SBC	CLEC	Total	CLEC %
December 2000 VG Total	2,061,064	214,585	2,276,209	9.4
VG Residential Lines	1,385,938	57,531	1,443,469	4.0
VG Business Lines	675,686	157,054	832,740	18.9
December 2001 VG Total	1,949,590	334,319	2,283,909	14.6
VG Residential Lines	1,332,925	96,943	1,429,868	6.8
VG Business Lines	616,665	237,376	854,041	27.8
June 30, 2002, VG Totals	1,930,884	444,481	2,375,365	18.7
VG Residential Lines	1,321,779	152,083	1,473,862	10.3
VG Business Lines	609,105	292,398	901,503	32.4

¹⁹ *Id.*, p. 24.

The Staff Report does not segregate CLEC penetration in SBC exchange by wholesale product type (resale, UNE, UNE-P, and owned facility). The relative distribution of CLEC product type for SBC exchanges is likely comparable to statewide distribution because the vast majority of CLECs are served by SBC exchanges. Specifically, as of June 30, 2003, SBC Wisconsin exchanges served 292,398 out of 300,357 total CLEC business voice grade lines, or 97 percent of statewide CLEC business lines. Likewise, as of June 30, 2002, SBC Wisconsin exchanges served 152,083 out of 160,985 total CLEC residential voice grade lines, or 94 percent of CLEC residential lines statewide.

In summary, the volume of commercial CLEC traffic and the trend of increasing participation in SBC local exchanges, as documented in the Staff Report, strongly indicates that SBC Wisconsin provides its competitors nondiscriminatory access to unbundled network elements in accordance with the requirements of §§ 251(c)(3) and 252(d)(1).²⁰

2. Third-Party Testing and Performance Measures

The Phase II record includes an extensive analysis of third party OSS test results conducted by BearingPoint and Hewlett Packard. The testing methodology was established in a related proceeding.²¹ The test is subdivided into three test domains: Processes and Procedures

²⁰ The Commission's reliance upon commercial activity to demonstrate checklist compliance is consistent with prior FCC decisions and compares favorably with findings in other 271 FCC determinations. For example, the Department of Justice estimated an 8 percent CLEC penetration in Texas. *Texas 271 Order*.

²¹ 6720-TI-160.

Review (PPR),²² Transaction Verification and Validation (TVV),²³ and Performance Metrics Review (PMR).²⁴ The PPR AND TVV tests results are complete, but the PPR is not. The following is a summary of the PPR and TVV test results as reported by BearingPoint on June 30, 2003.

Domain	Number of Evaluation Criteria				Total
	Satisfied	Not Satisfied	Indeterminate	Not Applicable	
Pre-Ordering/ Ordering	91	14 ²⁵	0	0	105
Provisioning	78	0	6	0	84
Billing	95	0	0	5	100
Maintenance & Repair	80	1	0	0	81
Relationship Management	131	0	2	7	140
TOTAL	475	15	8	12	510
	93%	(3%)	(2%)	(2%)	(100%)

²² The Processes and Procedures Review (PPR) portion of the test evaluates systems, processes and other operational elements associated with SBC’s establishment and maintenance of business relationships with the CLECs. Areas evaluated include the provisioning of on-going operational support to CLECs in a manner both adequate to CLEC business needs and comparable to that provided to SBC retail operations (Master Test Plan, Version 2.0, September 28, 2000, p. 31).

²³ The Transaction Verification and Validation (TVV) portion of the test evaluates systems, and other operational elements associated with SBC’s support for machine-to-machine, manual, and GUI (graphical user interface) transactions. The tests are designed to evaluate SBC’s compliance to measurement agreements, ensure documented functionality exists and works properly, and provide a basis for comparing operational areas to SBC’s Retail Operations (Master Test Plan, Version 2.0, September 28, 2000, p. 66). It is important to note that much of the data collected here comes from BP’s pseudo-CLEC testing, and thus is independent of SBC Wisconsin’s data OSS.

²⁴ The Performance Metrics Review (PMR) portion of the test evaluates the systems, processes, and other operational elements associated with SBC’s support for Performance Metrics (Service Quality Measurements). See Master Test Plan, Version 2.0, September 28, 2000, p. 21.

²⁵ The Commission decided by order issued June 16, 2003, in docket 6720-TI-160, not to require retesting despite a “not satisfied” for these evaluation criteria. BearingPoint indicated that SBC Wisconsin’s performance was similar to other local service providers in the wholesale and retail setting. See BearingPoint’s 1/15/03 Wisconsin Interim Report. This addresses Issues 13(b), 20 and 23 on the issues list (Appendix C).

The BP test supports SBC’s claim that that performance measures show compliance with § 271 checklist items. SBC Wisconsin submitted three months of BP performance measurement data and a summary of those results by applicable checklist number are provided below.²⁶

Checklist Item	Number of Sub-measures	Number of Sub-measures that Hit (at least 2 of 3 months with compliant data)	Number of Sub-measures that Miss (at least 2 of 3 months without compliant data)	Number of Sub-measures with Little or No Data
1	53	6	1	46
2	674	194	29	451
3	5	0	0	5
4	319	122	2	195
5	72	4	0	68
6	33	0	0	33
7	26	8	0	18
8	2	0	0	2
9	3	0	0	3
11	45	24	1	20
14	157	65	0	92
Total	1389	423	33	933

As can be seen from the table above, 933 out of 1,389 sub-measures, or 67 percent, have insufficient or no data from which to draw a conclusion. From the remaining one-third, or 33 percent, SBC Wisconsin meets the performance sub-measure about 93 percent of the time. Based on this data, SBC argues that this third party audit demonstrates compliance with various checklist items.

SBC submitted an audit prepared by E&Y as additional evidence of data system reliability and integrity. SBC supplemented this analysis in *ex parte* submissions in the SBC Michigan FCC application. SBC argues that the BP and E&Y audit results are consistent, and

²⁶ James Ehr February 14, 2003, affidavit

that any apparent inconsistencies can be explained by timing of the two audits, differences in how business rules are interpreted and applied, or the application of a different materiality standard by the two auditing firms.

SBC also points out that the integrity and reliability of these systems is demonstrated by commercial usage and the availability of raw performance data to CLECs as well as continuing Commission oversight. In response, CLECs strongly argue that the failure to complete PMR tests undermines reliance upon all test results. CLECs stress that BP's PRM test is not complete with respect to data storage and retention (PRM1); data integrity (PMR4), and replication (PMR5). CLECs ask that the Commission to give no weight to the E&Y audit and delay § 271 consideration until completion of the BearingPoint PMR tests.

The Commission determines that the overall BP test results support SBC's claim that its systems satisfy established § 271 standards. The Commission believes that while incomplete PMR tests are critical, the unfinished status does not compel a finding of non-compliance for purposes of § 271 for several reasons. Recent results of BP PMR test show continued improvement. In Bearing Point's January 15, 2003, Wisconsin Interim Report, the PMR test family showed 122 "not satisfied" and only 62 "satisfied."²⁷ In contrast, the most recent BP report shows 152 "satisfied" and 65 "not satisfied." The following table summarizes the results for all of the 302 Performance Metrics evaluation criteria presented in BearingPoint's June 30, 2003 report:

²⁷ BearingPoint's 1/15/03 Wisconsin Interim Report, p. 10.

Score	PMR1	PMR2	PMR3	PMR3B	PMR4	PMR5	Total
Satisfied	85	3	15	14	11	24	152
Not Satisfied	29	0	0	0	5	31	65
Indeterminate	12	0	0	0	24	17	53
Not Applicable	0	0	0	0	32	0	32

The Commission determines that SBC Wisconsin has made substantial progress in the right direction, even on the still-incomplete PMR portion of BP’s test.

The Commission also notes that SBC is required to complete this test in related pending proceedings. The Commission may implement additional compliance measures in the context of such proceeding to ensure completion of these tests. Further, the FCC has not required the completion of similar tests in the context of other § 271 applications.²⁸ The Commission concludes that third party test results demonstrate that SBC is providing its competitors nondiscriminatory access to unbundled network elements in accordance with the requirements of §§ 251(c)(2) and 252(d)(1).²⁹

The Commission finds support that performance measures show SBC is likely to continue to provide nondiscriminatory access for the following reasons:

- a. The Commission will continue to monitor the extent of competition in Wisconsin.
- b. The BearingPoint OSS test will be completed by order of the Commission in docket 6720-TI-160. Upon test completion, the Commission will determine if SBC has fully met the exit criteria as set forth in the Master Test Plan.³⁰
- c. The Commission established an expedited dispute resolution process in docket 6720-TI-160 to address OSS implementation issues.

²⁸ See *Georgia & Louisiana 271 Order*, ¶¶ 14, 17 & 19.

²⁹ In reaching this conclusion, the Commission accords little weight to the E&Y study. Commissioner Bie, unlike the majority, also relies upon the E&Y audit as additional supporting evidence to conclude that SBC Wisconsin has satisfied its duty under Checklist Item 2.

³⁰ Issue 15.

- d. The Commission will continue to monitor SBC's compliance with A-AA issues in docket 6720-TI-160.
- e. The Commission may require additional improvements and third party testing of SBC's OSS beyond the current Master Test Plan should there be a demonstrated need to do so.³¹
- f. The Commission will enforce various compliance and improvement plans pursuant to the Consent Order in docket 6720-TI-182.
- g. The Commission will continue to monitor SBC's performance measurement data.

In summary, the Commission also relies on the completed portions of the BP test as supporting evidence of SBC Wisconsin's nondiscriminatory access to unbundled network elements. As discussed above, BP's conclusions for completed transactions test and the process and procedures test strongly support SBC Wisconsin's application, and are not undercut by the lack of completion of the PMR test, especially in light of additional measures to address data reliability. The evidence of CLEC commercial traffic and the independent audit results mutually reinforce one another. Thus, the Commission has a "quantum and quality of evidence" sufficient to reasonably conclude that this record demonstrates SBC is threshold compliance with § 251(c)(3), unbundled access for the purposes of § 271.

3. Billing Issues

The analysis of SBC's CLEC billing systems became a focal point in the Phase II proceedings.³² SBC Wisconsin maintains that it provides bills to CLECs in a manner that permits them a "meaningful opportunity to compete." It relies on the BearingPoint positive test

³¹ For example, the Commission may consider CLEC's request that LSOG5 be tested in related proceedings. (Issues 12a and 16.)

³² These concerns were extensively discussed in the technical conference. Issues 25, 26, and 27 (Appendix C).

results (PPR 10-13; TVV 8-9), commercial volumes, and its performance measurement data on billing timeliness and accuracy. CLECs, on the other hand, take issue with SBC Wisconsin's contentions. AT&T and MCI point to SBC's so-called "data-bash" in January 2003 that showed a significant number of UNE-P circuits were being incorrectly billed. This billing issue may have been a factor regarding SBC Michigan's withdrawal of its § 271 application before the FCC. TDS Metrocom, McLeod and NTD cite several other billing problems, including invalid charges and rates, double billing, miscoding and backbilling, to mention a few. CLECs further argue that the BearingPoint test does not test these billing issues. The BearingPoint test only verifies the bills against the billing tables, but these tables were not checked for consistency against tariffs and interconnection agreements. Moreover, CLECs claim these billing issues are consuming their scarce resources and inhibiting their ability to effectively compete.

SBC Wisconsin replied by noting that its billing systems handle an extremely large transaction volume and that the incidence of errors is low. Some problems, which will require business-to-business interactions, are inevitable. Many of the issues raised by the CLECs are old and now resolved, are specific to the operations of a single company, or are very limited in scope. Those problems are not indicative of current, ongoing, systemic problems. Further, SBC argues that it continues to improve the auditability of its bills by extending to Wisconsin the its "Billing Auditability and Billing Dispute Plan" it developed in Michigan.

The record on billing contains factual disputes and evidence of systemic problems with SBC's performance is lacking. CLEC comments on this issue are anecdotal in nature and lack specific, quantifiable documentation. In addition, it is not clear whether the alleged problems represent disputed contract interpretations that relate to billing rather than failures of SBC's

billing systems. If billing issues are as pervasive as the CLECs argue, the Commission would have expected to see formal complaints filed by CLECs under state law and/or their interconnection agreements.³³ No such actions have been filed, although the Commission is aware that some CLECs have been involved in extensive business-to-business discussions over billing issues in recent months, and in some cases, with Staff facilitating those discussions. The fact that CLECs have grown their businesses in spite of unresolved billing issues suggests that SBC billing systems are not fatal to competition, but nonetheless could be imposing costs on CLEC's internal resources which ultimately inhibit competition. In any event, the Commission concludes that these are specific carrier-to-carrier billing related issues and are not indicative of any systemic problems with SBC Wisconsin's billing systems. SBC and the CLECs clearly disagree with respect to extent and scope of billing issues.

CLEC concern over billing issues has dramatically increased in this docket in just the past few months, coincident with the SBC Michigan's § 271 application before the FCC. That is not to say, however, that these concerns are unfounded. Unfortunately, these concerns were not raised sooner in this proceeding, or in the OSS docket (6720-TI-160), where they could be fully explored and addressed.

The Commission looks to the BearingPoint test to supplement the conflicting record evidence on commercial experience. SBC Wisconsin is correct; it did pass the billing test criteria with a high degree of success. No test is perfect, however, as the CLECs are quick to point out. On the other hand, the Master Test Plan (MTP) was mutually developed by SBC and CLECs. But as noted above, if these billing problems were as pervasive and longstanding as the

³³ The Commission notes that on June 26, 2003, TDS Metrocom, LLC, filed a request with the Commission to open a proceeding to investigate SBC Wisconsin's wholesale billing practices.

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CLECs argue, they were certainly not discussed as part of the MTP development in docket 6720-TI-160. The same holds true for performance measurements (PMs). Existing billing PMs were mutually developed by SBC and CLECs, but only recently have CLECs claimed that these PMs are inadequate and should be modified. SBC is currently in discussions with CLECs to revise billing PMs. Any disputes may be referred to the Commission for resolution.

SBC's Carrier Access Billing System (CABS) conversion issues that emerged from the SBC Michigan § 271 application appear to have been resolved, subject of course to the FCC's further review based on SBC Michigan's refile. SBC took corrective action to remedy problems associated with the UNE-P CABS conversion and appears to have reconciled the CABS' database with prior billing database.

On balance, the Commission determines that SBC Wisconsin's billing systems are adequate for § 271 checklist compliance. Because the CLECs' billing issues are important, the Commission will nonetheless take the following step to ensure that SBC's billing systems will remain compliant and actually improve in the future, thereby addressing CLEC billing concerns.

- a. SBC has agreed to implement a Bill Auditability and Dispute Resolution Plan in Wisconsin. The Commission will enforce that plan through a separate order.
- b. SBC is addressing billing issues in a CLEC User Forum (CUF). The Bill Auditability and Dispute Resolution Plan requires SBC to report on the progress of the CUF by September 1, 2003.
- c. SBC and CLECs are developing new performance measurements (PMs) on billing timeliness and accuracy. Should they be unable to agree upon new billing PMs, the parties can submit their dispute to the Commission for resolution.

- d. The Commission and its staff will continue to monitor billing disputes between SBC and individual CLECs. If requested, staff will attempt to mediate a resolution to such disputes. Absent a voluntary resolution, any party may initiate formal dispute resolution with the Commission.

4. Compliance and Improvement Plans

The Commission's determination that SBC Wisconsin has satisfied the § 271 nondiscriminatory unbundled access requirement is inextricably intertwined with its conclusion here that it can be reasonably certain such access will continue due to an array of regulatory activities. These activities, in one sense, look backward to make certain previously identified objectives in aid of competition are fully accomplished, while, in another sense, look forward, to continue to protect and promote local exchange competition. Most important to the Commission's ultimate conclusion to recommend support for SBC Wisconsin's § 271 application is its willingness to stipulate to an enforceable Consent Order. The Consent Order was (and is) a necessary predicate to the Commission's favorable recommendation.

In the course of Phase II, CLECs raise a variety of issues based on their experiences to argue that SBC Wisconsin is not § 271 compliant.³⁴ In response, SBC denies allegations of noncompliance but offered to implement various compliance and improvement plans by entering into a separate consent order.³⁵ Some of these plans arose from our decision in Phase I and others were developed in the Michigan and Illinois § 271 proceedings. These plans are summarized below with reference to their location in the Consent Order:

³⁴ Issues 12(a), 12(c), 12(d), 12(e), 13(a), 13(c) Parts 1 & 2, ,14, 17, 18, 25, 26, and 27.

³⁵ 6720-TI-182.

Phase I Compliance Plan (Tab 1): This Plan is intended to be consistent with the Commission's determinations for Phase I, effectively updating the content of SBC Wisconsin's February 7, 2003, compliance filing. The plan also sets out a procedure for SBC to follow in response to CLEC demands to document the unavailability of dark fiber. In addition, the following are reflected in this Plan:

Customer Service Inquiry Accuracy Plan (Tab 2): To improve the quality of access to Customer Service Inquiry (CSI) records, SBC Midwest has added service representative training, an internal quality review process using sample testing, and develop a database for tracking trend lines for problems. The foregoing three steps will be evaluated by BP to see if SBC's internal target of 95 percent accuracy is achieved. The results from this Michigan Public Service Commission (MPSC)-ordered measure will be reported to the Commission. In its BP test, SBC Wisconsin satisfied the relevant performance measures (PMs).

Directory Listings (DL) & Directory Assistance (DA) Database Update Accuracy Plan (Tab 3): SBC has installed vendor software updates, implemented an interim manual work process, increased Local Service Center Training (LSC), and is designing a quality review process for DL/DA. This Plan is also subject to BearingPoint testing and evaluation, with results from MPSC-monitored testing reported to this Commission. Tested later than the MPSC's run, SBC Wisconsin satisfied the relevant PMs, but because the system is region-wide, is nonetheless extending the plan to Wisconsin.

Special and UNE Circuit Repair Coding Accuracy Plan (Tab 4): SBC initiated a number of improvements in the documentation available to technicians and their managers on proper coding techniques and applications to reduce excessive use of "No Trouble Found" or "Customer

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Premises Equipment” notations. Extensive training and review sessions are planned for technicians and managers. BearingPoint will evaluate the process using a sample design evaluated by all state commissions. The Commission will be able to determine further action if improvement is not shown in reports. SBC will file quarterly reports for three years to permit ongoing Commission review. SBC Wisconsin had passed the applicable test points.

Line Loss Notifier Communications Plan (Tab 5): Though it passed relevant test points, SBC will more thoroughly define the situations requiring a “line loss notification interruption,” including “winback” situations. Accessible Letters will be used to improve the accuracy and timeliness of communications to CLECs with respect to line loss situations. Monthly reports covering at least six months will be supplied to the Commission to demonstrate this and will be served on the parties in docket 6720-TI-170.

Change Management Communications Plan (Tab 6): To enhance the precision of communication to CLECs regarding changes in business rules that have the potential for affecting CLECs, SBC is adopting a broader definition of changes that should trigger alerts to CLECs and expanding its “Defect Report” to provide more information regarding modifications to existing business rules. The changes under this Plan are extensive and set forth at pages 4 through 9 of the Plan. SBC will file reports on its progress under this Plan.

Pre-Order Processing Timeliness Plan (Tab 7): SBC has worked with vendors to improve the performance and timeliness of the EDI translation software for pre-order inquiries. The measurement of protocol conversion time was recently clarified in the Commission’s approval of a modification and clarification of PM 2. Software upgrades will also be installed. SBC will file a July 2003 report, and quarterly thereafter, if needed.

Bill Auditability and Dispute Resolution Plan (Tab 8): For Carrier Access Billing System (CABS) issues, SBC will attempt to refine the communication of options to assist CLECs and enhance the training delivery methods. For billing dispute issues, SBC engaged in discussions with CLECs and proposed certain internal training and documentation improvements to assist the performance of its claim and dispute service representatives. SBC is proposing July and October 2003 reports on both issues, with interim reports if needed. For Wisconsin purposes, the Commission has added a requirement for a report on CLEC User Forum progress no later than September 1, 2003.

Service Order Completion Timeliness Plan (Tab 9): This Plan seeks to provide additional training to prevent manual entry errors with respect to order completion notices, and to execute a system change to more closely tie internal SBC order numbers to CLEC orders where certain UNE-P orders are involved. These improvements will be subject to a third-party (BearingPoint) evaluation monitored by the Illinois Commerce Commission (ICC). SBC will file bi-monthly reports until the evaluation is done.

CLEC competitors have not directly commented on the exact text of the Plans as filed here, but did comment on the first iterations of the Plans (Tabs 2-8) filed with the MPSC and on the Phase I compliance measures (Tab 1). Some of the concerns raised by the CLECs with respect to versions filed in Phase I on March 14, 2003, may have been mooted in part by subsequent amendments and approvals occurring in Michigan. Nonetheless, the gist of CLEC concerns can be determined from a comparison of Phase I with the Plans filed in this docket. The CLECs targeted particular Plans individually, and indicated that criticism of specific Plans should not be construed as acquiescence in other Plans.

AT&T's criticisms noted generally that SBC established quality review processes that were subject to third party testing—but no explicit commitment was made to fix any problem found.³⁶ Neither the CLECs nor staff had input on materials to be used for training in the CSI Accuracy Plan or in DL/DA Update Plan. AT&T urged that the former Plan be extended to all product types, BearingPoint's audit tasks should be made more comprehensive, and a sampling of target groups should be used to better reflect the mix of products. AT&T criticized the Line Loss Notifier Plan as just a promise to disclose, not improve.

WorldCom's comments in Michigan stated that the BearingPoint review was too limited and without adequate standards, that SBC should be barred from the interLATA toll market if it appealed any part of the plans, and that incentive payments were needed to induce SBC compliance and prevent backsliding.³⁷ WorldCom also submitted the Michigan comments of Z-Tel Communications, Inc., which stated that the Line Loss Notifier Plan needed to evaluate the scope of the impact of failures to provide line loss notification.³⁸ As to the Billing Accuracy Plan, Z-Tel requested a reference guide to map Universal Service Order Codes (USOCs), as placed on bills, tariffs and interconnection agreements. It criticized the Dispute Resolution plan as inadequate because it did not require a written response in 30 days. Z-Tel also proposed a 10 percent sampling of all types of work orders, with the provisioning of monthly reports.

³⁶ WorldCom Inc.'s Initial Comments on OSS Testing/Performance Measures, filed April 9, 2003, PSCW Docket 6720-TI-170, Group Attachment B, comments of AT&T Communications of Michigan to MPSC, dated March 20, 2003, pages 5-15.

³⁷ *Id.*, Group Attachment B, comments of WorldCom to MPSC, dated March 20, 2003.

³⁸ *Id.*, Group Attachment B, comments of Z-Tel Communications, Inc., to MPSC, dated March 20, 2003.

TDS Metrocom complained specifically about the Plan for Special Access and UNE Repair Coding Accuracy.³⁹ The Plan adopted in the consent order responds in large part to TDS' concerns in this area by providing a three-year reporting period, and the brief for TDS acknowledges as much (CLEC Br. 79). Nonetheless, TDS maintains that the CSI and DL/DA Accuracy Plans should not be limited to manual resale and UNE-P orders. In a partial response, SBC provided for sampling of 10 complex orders for the DL/DA Update Accuracy Plan.

With respect to the Change Management Process (CMP) Plan, TDS asserts that the accessible letters provide insufficient time for CLECs to analyze effects of edit changes. TDS requests a minimum of 30 days advance notice of these changes. In general, it alleges that the Plan provides insufficient linkages between operational changes and changes to the business rules for PMs. TDS would favor withholding the CMP Plan until after the completion of the LSOG release scheduled for June 2003.

TDS also criticizes the Bill Auditability Plan because it does not address the accuracy of the actual billings, nor the billing PMs, which TDS asserts are useless. Backbilling is also not dealt with in the Bill Auditability Plan. BearingPoint's test through its pseudo-CLEC did not test charges for maintenance and repair, construction charges, conditioning, late payment charges, and numerous other billing elements.⁴⁰ TDS believes source data should accompany a bill to make for an effective billing arrangement rather than continuing to permit SBC to dump large bills on a CLEC and making it decipher the charges.

³⁹ Affidavit of Rod Cox, dated April 9, 2003, pages 20-34, attached to Initial Brief of TDS Metrocom, LLC, McLeodUSA Telecommunications Services, Ind., and Northern Telephone and Data Addressing OSS and Performance Measure Issues, dated April 9, 2003 (CLEC Br.).

⁴⁰ *Id.*, at 28-30.

TDS challenges the dispute resolution process because it has no timelines for responses, provides no retention of data on CLEC disputes or their outcomes, and specifies no form of documentation of communications between disputants.⁴¹

The Commission notes, however, that SBC's Plans do respond to the above complaints to some degree because the process before the MPSC forced SBC to respond to a number of the complaints raised by the CLECs. As noted above, reporting requirements were strengthened and the sample bases expanded. The Plans do not however address "new build" activity where a CLEC receives notice of "Facilities not available." The concern here is that SBC informs CLECs that facilities are not available to serve the CLECs' prospective customers without new construction, but those same customers apparently are then readily served by SBC without the need for a "new build." As part of its enforcement of A-AA issues in docket 6720-TI-160, specifically the facilities modification policy, or FMOD, the staff will continue to monitor SBC's "new build" activity.

Balanced against these criticisms are such factors as cost, administrative simplicity, and differing views about the magnitude of the asserted problem and the necessity of an improvement or compliance plan.

The Commission finds that these plans materially address most of the issues raised by CLECs in this proceeding. Placing the Plans in an enforceable order strengthens the incentive for SBC Wisconsin to make the Plans work as proposed. The Consent Order constitutes a substantial "anti-backsliding" measure, and provides a useful tool together with other pending and future proceedings for closely scrutinizing SBC OSS trouble spots and its remediation efforts, as it enters the long distance market.

⁴¹ *Id.*, at 33.

PUBLIC INTEREST STANDARD

Congress made clear that public interest considerations can not be used to limit or expand checklist requirements.⁴² In applying this criteria, the FCC considers whether factors exist that “would make entry contrary to the public interest” in a particular circumstance.⁴³ The FCC also has “strongly encouraged” states to monitor post-entry compliance and provide remedy plans to ensure continued open access and prevent “backsliding.”⁴⁴

In its Phase I Determination, the Commission partially addressed the public interest standard as set forth in § 271(d)(3)(C), specifically with respect to: (1) a 5-year UNE rate freeze as a condition of § 271 approval; (2) structural separations of SBC’s wholesale operations; and (3) provisioning of special access. The Commission determined that these issues are not pre-requisites for a positive recommendation on § 271 approval.

The CLECs raised other issues in the context of public interest considerations.⁴⁵ As noted in the Phase I Determination, the Commission retains jurisdiction under both federal and state law to certify, with or without conditions, SBC Wisconsin, or its appropriate affiliate, to provide in-region long distance service. SBC’s long distance affiliate’s petition for certification is pending before the Commission.⁴⁶

The Commission notes that its statewide remedy plan is still under judicial review.⁴⁷ SBC Wisconsin argues that the Compromise Remedy Plan, which SBC Wisconsin and two CLECs in Wisconsin have entered into through interconnection agreement amendments, is

⁴² § 271(d)(4).

⁴³ *California 271 Order*, ¶ 147.

⁴⁴ *New York 271 order*, ¶ 479.

⁴⁵ Many of the other public interest issues raised by the CLECS are related to OSS or UNE pricing and have been addressed in specific proceedings.

⁴⁶ 7182-TI-101.

⁴⁷ *Wisconsin Bell, Inc. v. Public Service Commission of Wisconsin*, Wisconsin Court of Appeals Case No. 02-2783.

sufficient for § 271 approval purposes. Some CLECs (most notably AT&T and MCI) disagree. The Commission continues to support the remedy plan as formulated in related proceedings and declines to make a determination whether SBC's Compromise Remedy Plan is sufficient for § 271 purposes under the public interest standard.

The Commission notes that the existence of remedy plans in interconnection agreements, the compliance and improvement plans embodied in the consent order, along with ongoing regulatory activity, will serve to prevent backsliding. Furthermore, this Commission cannot identify any other issue that would suggest SBC Wisconsin's entry into in-region, interLATA long distance market is contrary to the public interest.

DETERMINATION

1. The Commission determines, on the basis of the record of this proceeding and other pending proceedings, for the reasons and to the extent set forth above, that SBC Wisconsin offers its competitors in Wisconsin nondiscriminatory access to unbundled network elements in accordance with the requirements of §§ 251(c)(3) and 252(d)(1) and supports SBC Wisconsin's application to the FCC for long distance authority pursuant to § 271.

2. The Commission may address issues regarding SBC Wisconsin's completion of performance measure tests, billing practices, and "new build" complaints in future proceedings.

3. The Commission reserves jurisdiction under its state law authority to enforce requirements for price regulated utilities such as SBC Wisconsin, promote a competitive marketplace, and ensure consumer protections.

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4. This Determination is effective upon mailing.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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APPENDIX A

This proceeding is not a contested case under Wis. Stat. ch. 227, therefore there are no parties to be listed or certified under Wis. Stat. § 227.47. However, the persons listed below participated.

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APPENDIX B
Summary of Other Related Dockets

In addition to Phase I and II of this docket, the Commission has examined a variety of issues that relate to SBC Wisconsin's 271 checklist compliance in other related dockets. Those dockets are briefly discussed below:

6720-TI-160 - Investigation Into Ameritech Wisconsin Operational Support Systems

This docket was opened in 1999 to examine SBC Wisconsin's Operational Support Systems. It focused on OSS improvements and enhancements (so-called A-AA issues), the development of performance measures, remedy plan and a Master Test Plan (MTP). BearingPoint conducted OSS testing pursuant to the MTP. While many issues were resolved through collaboration, disputed issues were submitted to an evidentiary hearing. The docket remains open as OSS testing is not complete. Revisions to performance measurement and enforcement of A-AA are issues that are ongoing in this docket.

6720-TI-160 - Investigation Into Ameritech Wisconsin's Unbundled Network Elements

This docket was also opened in 1999 to develop a methodology to set SBC Wisconsin UNE prices in accordance with federal pricing standards. Evidentiary hearings were held and an order was issued on March 22, 2002, with an effective date for new rates commencing May 21, 2002. Subsequent to issuance of this order, compliance filing activities commenced. Disputed compliance issues were recently decided by the Commission. A compliance order will be issued within two weeks.

6720-TI-177 - Investigation Into Ameritech Wisconsin's Loop Conditioning Services and Practices

The Commission is currently conducting an investigation into SBC Wisconsin loop conditioning practices and rates. An order is expected to be issued within 60 to 90 days.

05-TI-349 - Investigation Into the Establishment of Cost-Related Zones for Unbundled Network Elements

This generic docket established zone rates for UNE pricing. The results of this docket were applied in the UNE pricing docket (6720-TI-161).

05-TI-283 - Investigation of the Compensation Arrangements for the Exchange of Traffic Directed to Internet Service Providers

The Commission thoroughly investigated whether reciprocal compensation should be applied to ISP bound traffic. The results of this investigation were considered in determining whether SBC Wisconsin complies with checklist item 13 on reciprocal compensation.

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05-ST-109 - Report of the Competitive Study Committee on Telecommunications Competition in Wisconsin

The Commission formed a competitive study committee comprised of industry representatives and other interested parties to study the extent of competition in WI. The committee provided input to staff which conducted a study that the Commission considered in its Phase II determination.

6720-TI-182 - Petition of Wisconsin Bell, Inc., d/b/a SBC Wisconsin for Entry of a Consent Order Adopting Compliance and Improvement Plans

In conjunction with its Phase I and II Determinations in docket 6720-TI-170, a consent order was issued making certain compliance and improvement plans enforceable.

7182-TI-101 - Application of Southwestern Bell Communication Services, Inc., for Intrastate Authority to Resell Telecommunication Services and for Certification as a Telecommunications Utility-Reseller

The long distance affiliate of SBCS requires state certification, potentially with certain conditions, in order to meet applicable state law requirements for operation. Action on the docket is expected in two weeks.

Arbitration (various dockets)

Since January 1, 2001, the Commission arbitrated three interconnection disputes involving SBC Wisconsin.

Voluntary Interconnection Agreements (various dockets):

Since January 1, 2001, SBC Wisconsin has entered into 123 original voluntary interconnection agreements and 108 amendments to existing agreements. These include interconnection agreements that have been arbitrated.

APPENDIX C

Phase II: OSS and Performance Measure Issues List

Performance Measures (Including Data and Metrics)

- (1) Has SBC Wisconsin established that its performance measurement reporting systems generate accurate data?
- (2) Has SBC Wisconsin submitted accurate performance measurement data?
- (3) Has SBC Wisconsin established that its performance measurement reporting system appropriately stores, maintains and processes performance measurement data?
- (4) Has SBC Wisconsin provided any other assurances or evidence supporting the data integrity of its performance measurement results?
- (5) Does SBC Wisconsin's performance measurement data demonstrate that SBC Wisconsin meets the requirements of the Wisconsin performance measurements?
- (6) In light of the foregoing issues, may the Commission rely upon SBC Wisconsin performance measurement results as accurate?
- (7) What relative weight should the Commission give to the Ernst & Young attestation and the Bearing Point performance metrics review (PMR) when evaluating SBC Wisconsin's performance measurement results?
- (8) Given Ernst & Young's attestation and Bearing Point's PMR, should the Commission rely on SBC Wisconsin's performance measurement results?
- (9) Does SBC Wisconsin's performance measurement data demonstrate that SBC Wisconsin provides nondiscriminatory access to its Operations Support Systems (OSS)?
- (10) If the answer to (9) above is "yes," do the results support SBC Wisconsin's application for § 271 approval?
- (11) If the answer to (6) or (9) above is "no," should the Commission require or order:
 - (a) that SBC Wisconsin complete the Ernst & Young follow-up audit and BearingPoint's PMR, and thereafter resubmit the most recently available three months of performance measurement data for Commission review, or
 - (b) that SBC Wisconsin take other remedial action?

OSS Issues

- (12) Has SBC Wisconsin satisfied Checklist Item 2 and does it provide nondiscriminatory access to its OSS for:
 - (a) Pre-Order and Ordering;
 - (b) Provisioning;
 - (c) Maintenance and Repair;
 - (d) Billing;
 - (e) Account Management and Change Management?
- (13) Regarding OSS Notifiers,
 - (a) Does SBC Wisconsin's OSS generate accurate and timely completion (including billing completion) notices?
 - (b) Does SBC Wisconsin's OSS support the agreed upon level of "flow-through"?
 - (c) Does SBC Wisconsin's OSS update customer records (such as CSR or DA records) on a timely and accurate basis?
 - (d) Does SBC Wisconsin's maintenance and repair OSS have been shown to perform fairly and with parity of experience for all carriers?
- (14) Does the evidence of CLEC commercial results support SBC Wisconsin's claims that its OSS satisfy applicable Change Management Process requirements?
- (15) Has SBC Wisconsin satisfied each of the Global Exit Criteria established in the most recent Ameritech OSS Evaluation Master Test Plan, including:
 - (a) Completion of all required test activities;
 - (b) Completion of all change control, verification, release management and confirmation steps;
 - (c) Testing of all negotiated modifications and enhancements;
 - (d) Testing of all negotiated performance measures?
- (16) Should SBC Wisconsin's LSOG5 pre-ordering and ordering electronic interfaces be subjected to third party testing?
- (17) If SBC chooses to offer "compliance" and "improvement" plans as a means of assuring the Commission of the current and continuing adequacy of its OSS performance, should these compliance and improvement plans be public and subject to Commission approval and CLEC review of testing and findings?
 - (a) Should any compliance/improvement plans be subject to Commission review and approval, and conditioned upon SBC's agreement not to challenge them?

- (18) Does SBC's proposed compliance and improvement plan(s) of March 14, 2003, ensure that CLECs have nondiscriminatory access to unbundled network elements?
- (19) Should the Commission adopt modified performance measurements resulting from the second 6-months performance measurement review for testing purposes, specifically with respect to Exceptions 18v3, 81, 95, and 137? If so, does SBC Wisconsin satisfy the test criteria? If not, should SBC Wisconsin submit to retesting?
- (20) Should SBC submit to retesting to address Exceptions 21 and 112?
- (21) Overall, do the results of the BearingPoint and Hewlett Packard audits support SBC Wisconsin's § 271 application?
- (22) Has SBC Wisconsin developed sufficient electronic and manual interfaces to allow competing carriers equivalent access to all of the necessary OSS functions?
- (23) Do current performance measures and other evidence of commercial readiness establish that SBC Wisconsin's OSS is handling current demand and will be able to handle reasonably foreseeable future volumes?
- (24) Is SBC Wisconsin making its OSS available to CLECs on a non-discriminatory basis?

Billing Issues

- (25) Do SBC Wisconsin's billing systems provide accurate, auditable bills to CLECs, consistent with its obligation to provide CLECs with non-discriminatory access to unbundled network elements?
- (26) What steps need to be taken to ensure that SBC Wisconsin's billing systems provide accurate, auditable bills? For example, should the Commission require SBC Wisconsin to: (1) subject its CABS bills to bill auditability testing, and/or (2) file a billing accuracy/compliance plan that sets forth a process improvement plan(s) for ensuring accurate billing, including, but not necessarily limited to, plans to address the following:
 - (a) The accuracy of SBC's rate tables;
 - (b) A streamlined bill challenge process for CLECs;
 - (c) Excessive back-billing;
 - (d) Incorrect rates;
 - (e) Double billing;
 - (f) Improper conditioning charges;
 - (g) Failure to bill for the correct product;
 - (h) Accuracy and duration of bill claims process;

- (i) Adequacy of dispute resolution processes?
- (27) Do the Bearing Point and Ernst & Young reports demonstrate that SBC Wisconsin's billing processes are sufficiently reliable for the Commission to render a positive recommendation on SBC Wisconsin's Section 271 application?

Line Loss Issues

- (28) Does SBC Wisconsin's OSS generate accurate and timely notifications regarding line losses?
- (29) Are SBC Wisconsin's distributions of line loss notifications (LLNs), both with respect to LLNs sent in error and LLNs that should have been sent but were not, sufficient to warrant a positive recommendation from the Commission on SBC Wisconsin's Section 271 application? If not,
 - (a) Should the Commission require SBC Wisconsin to restate its line loss metric to include SBC Wisconsin winbacks?
 - (b) Should the Commission require SBC Wisconsin to provide *both* a detailed explanation of the cause of its most recent line loss problem (addressed in Accessible Letter CLEAMS03-019) *and* a plan to correct the problem?
 - (c) Should the Commission require SBC Wisconsin to provide a full description and discussion of the method for capturing winbacks in the MI 13 and 13.1 metrics?

APPENDIX D

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APPENDIX A Party List

APPENDIX B Summary of Other Related Dockets

APPENDIX C Phase II: OSS and Performance Measure Issues List

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