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August 7, 2009

Ann Cole, Commission Clerk
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 000121A-TP
In Re: Investigation into the establishment of operations support systems permanent performance measures for incumbent local exchange Telecommunications companies (BellSouth Track)

Dear Ms. Cole:

Enclosed is BellSouth Telecommunications, Inc. d/b/a AT&T Florida's Supplement to AT&T's Proposed Revisions to the BellSouth Performance Assessment Plan.

Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

Tracy W. Hatch

Enclosures

cc: All parties of record
Jerry D. Hendrix
Gregory R. Follensbee
E. Earl Edenfield, Jr.

COM ____
ECR ____
GCL 2
OPC ____
RCP ____
SSC ____
SGA ____
ADM ____
CLK ____

CERTIFICATE OF SERVICE
Docket No. 000121A-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and U.S. Mail the 7th day of August, 2009 to the following:

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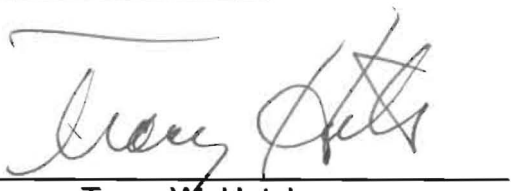


Tracy W. Hatch

(+) Signed Protective Agreement

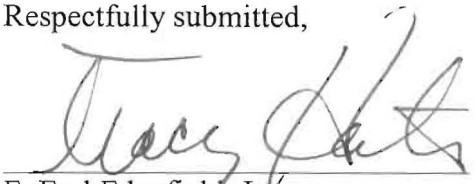
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the establishment of operations support systems permanent performance measures for incumbent local exchange telecommunications companies.	)))))	Docket No.: 000121A-TP Filed: August 7, 2009

AT&T FLORIDA'S SUPPLEMENT TO ITS PROPOSED REVISIONS TO THE BELLSOUTH PERFORMANCE ASSESSMENT PLAN

Pursuant to the Notice issued by the Florida Public Service Commission Staff ("Commission Staff"), BellSouth Telecommunications, Inc., d/b/a AT&T Florida ("AT&T Florida") submitted its comments and proposed revisions to the AT&T Florida Service Quality Measurement Plan, Version 5.01, ("SQM" or "SQM plan") dated April 19, 2008 and Self-Effectuating Enforcement Mechanism Administrative Plan, Version 5.02, ("SEEM" or "SEEM plan") dated December 15, 2008. As noted in AT&T Florida's comments, AT&T did not submit a redlined SEEM Plan because it continues to believe that any remedy mechanism attendant to the SQM plan should be embodied in commercial agreements between the respective parties. As was noted during the call with the parties and the Commission Staff on July 29, 2009, to begin discussions of the parties' SQM proposals, the negotiations to move SQM remedies to a commercial agreement have not progressed as expected. To facilitate continued discussions of both the SQM plan and associated remedies, and without waiving the position AT&T presented in its initial filing, AT&T submits the attached redlined version of its current SEEM plan (attached hereto as Exhibit C) and a matrix identifying the rationale for each proposed modification (attached hereto as Exhibit "D").

Respectfully submitted,



E. Earl Edenfield, Jr.
Tracy W. Hatch
Manuel A. Gurdian
c/o Gregory R. Follensbee
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Tallahassee, Florida 32301

FLORIDA SEEM ADMINISTRATIVE PLAN

Florida Plan
Version ~~5.0~~26.0

Effective Date: ~~December 15, 2008~~TBD

Contents

Administrative Plan

1 Scope

1.1 This Administrative Plan (Plan) includes Service Quality Measurements (SQM) with corresponding Self Effectuating Enforcement Mechanisms (SEEM) to be implemented by ~~BellSouth~~AT&T pursuant to Order No. ~~PSC-07-0286-PAA-TP~~ TBD issued on ~~April 3, 2007~~TBD by the Florida Public Service Commission (the "Commission") in Docket No. 000121A-TP, and as confirmed by Consummating Order No. ~~PSC-07-0395-CO-TP~~TBD, issued by the Commission on ~~May 7, 2007~~ TBD.

1.2 Upon the Effective Date of this Plan, all appendices referred to in this Plan will be located on the ~~BellSouth Performance Measurements and Analysis Platform~~AT&T website ~~at: https://pmap.bellsouth.com~~.

2 Reporting

2.1 In providing services pursuant to the Interconnection Agreements between ~~BellSouth~~AT&T and each CLEC, ~~BellSouth~~AT&T will report its performance to each CLEC in accordance with ~~BellSouth's~~AT&T's SQM~~s~~ and pay remedies in accordance with the applicable SEEM, which are posted on the ~~Performance Measurement Reports~~ AT&T website.

~~2.2 BellSouth will make performance reports available to each CLEC on a monthly basis. The reports will contain information collected in each performance category and will be available to each CLEC via the Performance Measurements and Analysis Platform website. BellSouth will also provide electronic access to the raw data underlying the SQMs.~~

~~2.3 Final validated SQM reports will be posted no later than the last day of the month following the data month in which the activity is incurred, or the first business day thereafter. Final validated SQM reports not posted by this time will be considered late.~~

2.4~~2~~ Final validated SEEM reports will be posted on the ~~Performance Measurements and Analysis Platform~~AT&T website on the 15th of the month, following the posting of final validated SQM reports for that data month or the first business day thereafter.

~~2.5 BellSouth shall pay fines to the Commission, in the aggregate, for all late SQM and SEEM reports in the amount of $2000 per day. Such payment shall be made to the Commission for deposit into the state General Revenue Fund within fifteen (15) calendar days of the end of the reporting month in which the late publication of the report occurs.~~

~~2.6 BellSouth shall pay fines to the Commission, in the aggregate, for all reposted SQM reports in the amount of $400 per day. If such reposting is associated with any Data Notification, a maximum of ninety (90) days may be deducted from the fine. The circumstances which may necessitate a reposting of SQM reports are detailed in~~

Appendix F, Reposting of Performance Data and Recalculation of SEEM Payments. Such payments shall be made to the Commission for deposit into the state General Revenue Fund within fifteen (15) calendar days of the final publication date of the report or the report revision date.

2.7 Tier II SEEMS payments and Administrative fines for late and reposted reports will be sent to the Commission. Checks and the accompanying transmittal letter will be postmarked on or before the 15th of the month or the first business day thereafter, when the 15th falls on a non-business day.

2.83 BellSouthAT&T shall retain the performance measurement raw data files for a period of 18 months and further retain the monthly reports produced in PMAP for a period of three years.

2.94 BellSouthAT&T will provide documentation of late and reposted SQM and SEEM Rreports during the reporting month that the data is posted to the website. These notations may be viewed on the Performance Measurements website from the PMAP home page on the Current Month Updates link.

3 Review of Measurements and Enforcement Mechanisms

3.1 BellSouth will participate in annual review cycles. A collaborative work group, which will include BellSouth, interested CLECs and the Commission will review the Performance Assessment Plan for additions, deletions or other modifications. After the first six months of data are available under this version of SEEM, the Florida PSC Staff will have a special one-time workshop to review the operation of the Plan. Thereafter, reviews will be on an annual basis.A workshop and/or conference shall be organized and held periodically for the purpose of evaluating the existing performance measures and determining whether any measures should be deleted, modified or any new measures added. Provided however, no new measures shall be added which measure activity already governed by existing measures. CLEC may actively participate in this periodical workshop with AT&T and other CLECs and state regulatory authority representative.

3.1.1 AT&T may make administrative changes that do not substantively change the Service Quality Measurements or SEEM Administrative Plan. Such changes are excluded from the periodic review process noted above. AT&T will provide written notice to the Commission regarding all administrative changes.

3.2 In the event a dispute arises regarding the ordered modification or amendment to the SQMs or SEEMs, the parties will refer the dispute to the Florida Public Service Commission.As provided in the Florida SEEM Administrative Plan, no changes to remedies/liquidated damages (remedies) or any other term or condition of this Attachment affecting remedies, including but not limited to the level of remedies to be paid by AT&T and the application of a benchmark, shall be made except by the consent of the Parties and shall not be effective until memorialized in an amendment to the Florida SEEM Administrative Plan. Except as otherwise provided in the Florida SEEM Administrative Plan, neither Party shall have a right to seek state regulatory authority jurisdiction or intervention to address any issues affecting remedies. Any dispute concerning remedies

or modification to the current remedy plan shall be resolved pursuant to the dispute resolution provisions contained herein.

4 Enforcement Mechanisms

4.1 Definitions

4.1.1 *Enforcement Measurement Elements* – performance measurements identified as SEEM measurements within the SEEM Plan.

4.1.2 *Enforcement Measurement Benchmark compliance* – level of performance established by the Commission used to evaluate the performance of ~~BellSouth~~AT&T for CLECs where no analogous retail process, product or service is feasible.

4.1.3 *Enforcement Measurement Retail Analog compliance* – comparing performance levels provided to ~~BellSouth~~AT&T retail customers with performance levels provided by ~~BellSouth~~AT&T to the CLEC customer for measures where retail analogs apply.

4.1.4 *Test Statistic and Balancing Critical Value* – means by which enforcement will be determined using statistically ~~valid equations~~methods. The Test Statistic and Balancing Critical Value are set forth in Appendices C, D, and E of this Plan.

4.1.5 *Cell* – grouping of transactions at which like-to-like comparisons are made. For example, all ~~BellSouth~~AT&T retail (POTS) services, for residential customers, requiring a dispatch in a particular wire center, at a particular point in time will be compared directly to CLEC resold (POTS) services for residential customers, requiring a dispatch, in the same wire center, at a similar point in time. When determining compliance, these cells can have a positive or negative Test Statistic. See Appendices C, D and E of this Plan.

4.1.6 *Delta, Psi ~~and~~, Epsilon, and Lambda* – measures of the meaningful difference between ~~BellSouth~~AT&T performance and CLEC performance. For individual CLECs ~~or~~, the Delta (δ) value shall be 0.5 and for the CLEC aggregate the Delta value shall be 0.35. The value for Psi (ψ) shall be 3 for individual CLECs and 2 for the CLEC aggregate. The value for Epsilon (ε) ~~wish~~all be 4 for individual CLECs and 2.5 for ~~both individual CLECs and~~ the CLEC aggregate. The value of Lambda (λ) shall be 1 for both individual CLECs and the CLEC aggregate.

4.1.7 *Tier-1 Enforcement Mechanisms* – self-executing fees paid directly to each

CLEC when BellSouthAT&T delivers non-compliant performance of any one of the Tier-1 Enforcement Measurement Elements for any month as calculated by BellSouth AT&T.

4.1.8 *Tier-2 Enforcement Mechanisms* – fees paid directly to the Florida Public Service Commission or its designee. Tier-2 Enforcement Mechanisms are triggered by three consecutive monthly failures at the submetric level in which BellSouth performance is out-of-compliance or does not meet the benchmarks for the aggregate of all CLEC data.

4.1.98 *Affiliate* – person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 Percent.

4.1.109 *Affected Volume* – that quantity of the total impacted CLEC volume or CLEC Aggregate volume for which remedies will be paid.

4.1.1110 *Cell Ranking* – placing cells in rank order from highest to lowest, where the cell with the most negative z-scoreZ-Score is ranked highest and the cell with the least negative z-scoreZ-Score is ranked lowest.

4.1.1211 *Cell Correction* – method for determining the quantity of transactions to be remedied, referred to as "affected volume," wherein the cell-level modified z-scoreZ-Score for the highest ranked cell is first changed to zero ("corrected") and then the next highest, progressively, until the overall level truncated z-scoreZ-Score is equal to the Balancing Critical Value or zero as required by the Fee ScheduleRemedy Calculation Procedures. Either all of the transactions in a corrected cells are remedied or a prorated share (determined through interpolation) are is remedied.

4.2 Application

4.2.1 The application of the Tier-1 and Tier-2 Enforcement Mechanisms does not foreclose other legal and regulatory claims and remedies available to each CLEC.

4.2.2 Payment of any Tier-1 or Tier-2 Enforcement Mechanisms shall not be considered as an admission against interest or an admission of liability or culpability in any legal, regulatory or other proceeding relating to BellSouth'sAT&T's performance and the payment of any Tier-1 or Tier-2 Enforcement Mechanisms shall not be used as evidence that BellSouthAT&T has not complied with or has violated any state or federal law or regulation.

4.3 Methodology

4.3.1 Tier-1 Enforcement Mechanisms will be triggered by BellSouth'sAT&T's failure to achieve applicable Enforcement Measurement Compliance or Enforcement

Measurement Benchmark for each CLEC for the State of Florida for a given Enforcement Measurement Element in a given month. Enforcement Measurement Compliance is based upon a Test Statistic and Balancing Critical Value calculated by ~~BellSouth~~AT&T utilizing ~~BellSouth~~AT&T generated data. The method of calculation is set forth in Appendices C, D, and E of this Plan.

4.3.1.1 All OCNs and ACNAs for individual CLECs will be consolidated for purposes of calculating transaction-based failures.

4.3.1.2 When a measurement has five or more transactions for the CLEC, calculations will be performed to determine remedies according to the methodology described in the remainder of this document.

4.3.1.3 Tier-1 Enforcement Mechanisms apply on a per transaction basis and will escalate based upon the number of consecutive months that fail for each Enforcement Mechanism Element for which ~~BellSouth~~AT&T has reported non-compliance. Failures beyond Month 6 will be subject to Month 6 fees. All transactions for an individual CLEC will be consolidated for purposes of calculating Tier-1 Enforcement Mechanisms.

~~4.3.1.4 For submetrics that are assessed based on Enforcement Measurement Retail Analog compliance criteria, the fee paid for a particular submetric that failed at the Tier-1 level will be differentiated based on two criteria. First, the Tier-1 fee paid will be based on whether the same submetric that failed at the Tier-1 level (CLEC-specific) also failed at the CLEC aggregate level in the same month. Second, the Tier-1 fee paid will be based on whether the transactions in the cells to be remedied correct the overall truncated z-score from the region below the Balancing Critical Value ("BCV") to the BCV or from the BCV to zero. Depending on which of these criteria apply, a different multiplier will be applied to the Fee Schedule (shown in Appendix A, Table 1: Fee Schedule for Tier-1 Per Transaction Fee Determination) to determine the amount of the Tier-1 payments. The chart below shows the applicable multipliers:~~

~~CLEC Aggregate Performance~~	~~Per Transaction Fee Below BCV~~	~~Per Transaction Fee Between BCV and 0~~
~~Passes~~	~~(Fee)*(3/2)~~	~~(Fee)*(1/3)~~
~~Fails~~	~~(Fee)*(3)~~	~~(Fee)*(2/3)~~

~~No multiplier applies for the Billing Invoice Accuracy measure.~~

~~4.3.1.5 For submetrics that are assessed based on Enforcement Measurement Benchmark compliance criteria the fee paid for a particular submetric that failed at the Tier-1 level will be differentiated~~

based on whether the same submetric that failed at the Tier 1 level (CLEC-specific) also failed at the CLEC aggregate level in the same month. A different multiplier will be applied to the Fee Schedule (shown in Appendix A, Table 1: Fee Schedule for Tier 1 Per Transaction Fee Determination) to determine the amount of the Tier 1 payments. The chart below shows the applicable multipliers:

CLEC Aggregate Performance	Per Transaction Fee
Passes	(Fee)*(3/2)
Fails	(Fee)*(5/2) for Ordering and Flow Through (Fee)*(3) for all other benchmark measures

4.3.2 Tier-2 Enforcement Mechanisms will be triggered by BellSouth's failure to achieve applicable Enforcement Measurement Compliance or Enforcement Measurement Benchmarks for the State of Florida for given Enforcement Measurement Elements for three consecutive months. The method of calculation is set forth in Appendices C, D, and E of this Plan.

4.3.2.1 Tier- 2 Enforcement Mechanisms apply, for an aggregate of all CLEC data generated by BellSouth, on a per transaction basis for each Enforcement Mechanism Element for which BellSouth has reported non-compliance.

4.3.2.2 The fee paid for a particular submetric that failed at the Tier 2 level will be as shown in Appendix A, Table 2.

4.3.3 The Market Penetration Adjustments will be applied based on the following provisions to enhance competition for nascent products. In order to ensure parity and benchmark performance where CLECs order low volumes of advanced and nascent services, BellSouth will make additional Tier 1 and Tier 2 payments where performance standards for the following measures are not met, if the measurement applies to the nascent service.

- Percent Missed Installation Appointments
- Average Completion Interval
- Missed Repair Appointments
- Maintenance Average Duration
- Average Response Time for Loop Make-up Response Time-Electronic Information

4.3.3.1 These additional payments will only apply when there are more than 10 and less than 100 average units in service statewide for the preceding three-month period. The additional payments in the form of a market penetration adjustment will be made if BellSouth fails to provide parity for the above measurements as determined by the

Item No.	SQM Ref	Tier-1Tier-1 Submetric
22	MIA	P-3 Percent Missed Installation Appointments – UNE Line Splitting
2314	MIA	P-3 Percent Missed Installation Appointments – LNP Standalone
2415	MIA	P-3 Percent Missed Installation Appointments – Local Interconnection Trunks
25	OCI	P-4 Order Completion Interval (OCI) – Resale POTS
26	OCI	P-4 Order Completion Interval (OCI) – Resale Design
27	OCI	P-4 Order Completion Interval (OCI) – UNE Loop Design
28	OCI	P-4 Order Completion Interval (OCI) – UNE Loop Non-Design
29	OCI	P-4 Order Completion Interval (OCI) – UNE xDSL – without conditioning
30	OCI	P-4 Order Completion Interval (OCI) – UNE xDSL – with conditioning
31	OCI	P-4 Order Completion Interval (OCI) – UNE Line Splitting Dispatch
32	OCI	P-4 Order Completion Interval (OCI) – UNE Line Splitting– Non-Dispatch
33	OCI	P-4 Order Completion Interval (OCI) – Local Interconnection Trunks
34	OCI	P-4 Order Completion Interval (OCI) – UNE-EELS
3516	CCI	P-7 Coordinated Customer Conversions – Hot Cut Durations
3617	CCT	P-7A Coordinated Customer Conversions – Hot Cut Timeliness Percent within Interval
3718	NCDD	P-7D Non-Coordinated Customer Conversions – Percent Completed and Notified on Due Date
3819	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale POTS
3920	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale Design
4021	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops - Design
4122	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops – Non-Design
4223	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE xDSL and Line Splitting
43	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting - Dispatch
44	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting– Non-Dispatch

Item No.	SQM Ref	Tier-1 Tier-1 Submetric
4524	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Local Interconnection Trunks
4625	SOA	P-11 Service Order Accuracy - Resale
47	SOA	P-11 Service Order Accuracy - UNE
4826	LOOS	P-13B LNP – Percent Out of Service < 60 Minutes - LNP
49	LAT	P-13C LNP Percent of Time BellSouth Applies the 10-Digit Trigger Prior to the LNP Order Due Date – LNP – (Standalone)
5027	LDT	P-13D LNP – Disconnect Timeliness (Non-Trigger)
5128	MRA	MR-1 Percent Missed Repair Appointment – Resale POTS
5229	MRA	MR-1 Percent Missed Repair Appointment – Resale Design
5330	MRA	MR-1 Percent Missed Repair Appointment – UNE Loops Design
5431	MRA	MR-1 Percent Missed Repair Appointment – UNE Loops Non-Design
5532	MRA	MR-1 Percent Missed Repair Appointment – UNE xDSL and Line Splitting
56	MRA	MR-1 Percent Missed Repair Appointment – UNE Line Splitting
5733	MRA	MR-1 Percent Missed Repair Appointment – Local Interconnection Trunks
5834	CTRR	MR-2 Customer Trouble Report Rate – Resale POTS
5935	CTRR	MR-2 Customer Trouble Report Rate – Resale Design
6036	CTRR	MR-2 Customer Trouble Report Rate – UNE Loops Design
6137	CTRR	MR-2 Customer Trouble Report Rate – UNE Loops Non-Design
6238	CTRR	MR-2 Customer Trouble Report Rate – UNE xDSL and Line Splitting
63	CTRR	MR-2 Customer Trouble Report Rate – UNE Line Splitting
6439	CTRR	MR-2 Customer Trouble Report Rate – Local Interconnection Trunks
6540	MAD	MR-3 Maintenance Average Duration – Resale POTS
6641	MAD	MR-3 Maintenance Average Duration – Resale Design
6742	MAD	MR-3 Maintenance Average Duration – UNE Loops Design
6843	MAD	MR-3 Maintenance Average Duration – UNE Loops Non-Design
6944	MAD	MR-3 Maintenance Average Duration – UNE xDSL and Line Splitting
70	MAD	MR-3 Maintenance Average Duration – UNE Line Splitting

Item No.	SQM Ref	Tier 1Tier-1 Submetric
7145	MAD	MR-3 Maintenance Average Duration – Local Interconnection Trunks
7246	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Resale POTS
7347	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Resale Design
7448	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Loops Design
7549	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Loops Non-Design
7650	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE xDSL and Line Splitting
75	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Line Splitting
7851	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Local Interconnection Trunks
74	OOS	MR-5 Out of Service (OOS) > 24 hours – Resale POTS
80	OOS	MR-5 Out of Service (OOS) > 24 hours – Resale Design
81	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE Loops Design
82	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE Loops Non-Design
83	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE xDSL
84	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE Line Splitting
85	OOS	MR-5 Out of Service (OOS) > 24 hours – Local Interconnection Trunks
86	BIA	B-1 Invoice Accuracy
87	BIT	B-2 Mean Time to Deliver Invoices - CRIS
88	BIT	B-2 Mean Time to Deliver Invoices - CABS
89	BUET	B-5 Usage Data Delivery Timeliness
90	BEG	B-10 Percent Billing Adjustment Requests (BAR) Responded to within 45 Business Days – State
9152	TGP	TGP Trunk Group Performance
9253	MDD	C-3 Collocation Percent of Due Dates Missed

B.2 Tier 2 Submetrics

Item No.	SQM Ref	Tier 2 Submetric
1	ARI	OSS-1 OSS Response Interval (Pre-Ordering/Ordering) – LENS/Enhanced Verigate
2	ARI	OSS-1 OSS Response Interval (Pre-Ordering/Ordering) – TAG/XML
3	ARI	OSS-1 OSS Response Interval (Maintenance & Repair)
4	IA	OSS-2 OSS Interface Availability – (Pre-Ordering/Ordering) – Regional per OSS Interface
5	IA	OSS-2 OSS Interface Availability – (Maintenance & Repair) – Regional per OSS Interface
6	LMT	PO-2 Loop Makeup – Response Time – Electronic - Loop
7	AKC	O-2 Acknowledgement Message Completeness - Acknowledgments
8	FT	O-3 Percent Flow-Through Service Requests – Business
9	FT	O-3 Percent Flow-Through Service Requests – LNP
10	FT	O-3 Percent Flow-Through Service Requests – Residence
11	FT	O-3 Percent Flow-Through Service Requests – UNE-L (includes UNE-L with LNP)
12	RI	O-8 Reject Interval – Fully Mechanized
13	RI	O-8 Reject Interval - Partially Mechanized
14	RI	O-8 Reject Interval – Non-Mechanized
15	FOCT	O-9 Firm Order Confirmation Timeliness - Fully Mechanized
16	FOCT	O-9 Firm Order Confirmation Timeliness - Partially Mechanized
17	FOCT	O-9 Firm Order Confirmation Timeliness - Non Mechanized
18	FOCT	O-9 Firm Order Confirmation Timeliness – Local Interconnection Trunks
19	FOCC	O-11 FOC & Reject Response Completeness – Fully Mechanized
20	FOCC	O-11 FOC & Reject Response Completeness – Partially Mechanized
21	FOCC	O-11 FOC & Reject Response Completeness – Non-Mechanized
22	OAAT	O-12 Average Answer Time – Ordering Centers – CLEC Local Carrier Service Center
23	MIA	P-3 Percent Missed Installation Appointments – Resale POTS
24	MIA	P-3 Percent Missed Installation Appointments – Resale Design

Item No.	SQM Ref	Tier 2 Submetric
23	MIA	P-3 Percent Missed Installation Appointments – UNE Loops – Design
24	MIA	P-3 Percent Missed Installation Appointments – UNE Loops – Non-Design
25	MIA	P-3 Percent Missed Installation Appointments – UNE xDSL
26	MIA	P-3 Percent Missed Installation Appointments – UNE Line Splitting
29	MIA	P-3 Percent Missed Installation Appointments – LNP Standalone
30	MIA	P-3 Percent Missed Installation Appointments – Local Interconnection Trunks
31	OCI	P-4 Order Completion Interval (OCI) – Resale POTS
32	OCI	P-4 Order Completion Interval (OCI) – Resale Design
33	OCI	P-4 Order Completion Interval (OCI) – UNE Loop Design
34	OCI	P-4 Order Completion Interval (OCI) – UNE Loop Non-Design
35	OCI	P-4 Order Completion Interval (OCI) – UNE xDSL – without conditioning
36	OCI	P-4 Order Completion Interval (OCI) – UNE xDSL – with conditioning
37	OCI	P-4 Order Completion Interval (OCI) – UNE Line Splitting Dispatch
38	OCI	P-4 Order Completion Interval (OCI) – UNE Line Splitting – Non-Dispatch
39	OCI	P-4 Order Completion Interval (OCI) – Local Interconnection Trunks
40	OCI	P-4 Order Completion Interval (OCI) – UNE EELS
41	CCI	P-7 Coordinated Customer Conversions – Hot Cut Durations
42	CCT	P-7A Coordinated Customer Conversions – Hot Cut Timeliness Percent within Interval
43	NCDDI	P-7D Non-Coordinated Customer Conversions – Percent Completed and Notified on Due Date
44	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale POTS
45	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale Design
46	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops - Design
47	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops – Non-Design
48	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE xDSL
49	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line

use of the Truncated Z- test and the balancing critical value or fails to meet the established benchmark.

4.3.3.2 BellSouth shall calculate the new Tier-1 and Tier-2 payments, which include the market penetration adjustment by applying the normal method of calculating affected volumes as ordered by the Commission and trebling the normal Tier-1 and Tier-2 remedy.

4.3.3.3 If, for the three months of data, there were 100 observations or more on average for the sub-metric, then no additional payments under this market penetration adjustment provision will be made. Further, market penetration adjustments shall no longer apply if 24 months have elapsed since the first unit of the nascent service was installed.

4.3.3.4 CLECs may file a petition with the Commission in order to add a service to the list of services for which the market penetration adjustment may apply.

4.3.3.5 Any payments made under this market penetration adjustment provision are subject to the Absolute Cap set by the Commission.

4.3~~4.2~~ For ~~Tier-1~~Tier-1 ~~and Tier-2~~ evaluations, the retail analog or benchmark ~~are~~is the same as for the SQM. See the SQM for SEEM retail analogs and benchmarks.

4.4 Payment of Tier-1 ~~and Tier-2~~ Amounts

4.4.1 If ~~BellSouth~~AT&T performance triggers an obligation to pay Tier-1 ~~Enforcement Remedy~~ Mechanisms to a CLEC ~~or an obligation to remit Tier-2 Enforcement Mechanisms to the Commission or its designee, BellSouth~~, AT&T shall make payment in the required amount on the CLEC's first bill after the day upon which the final validated SEEM reports are posted on the ~~Performance Measurements and Analysis Platform~~AT&T website as set forth in Section 2.4 above. AT&T's performance remedy liabilities to an individual CLEC in any month will not exceed (will be capped at) the total monthly billed revenue due AT&T for services provided to the CLEC in the same month for which the remedy liability was incurred.

4.4.2 For each day after the due date that ~~BellSouth~~AT&T pays a CLEC less than the required ~~Tier-1~~Tier-1 remedy, ~~BellSouth~~AT&T will pay the CLEC 6% simple interest per annum on the difference between the required amount and the amount previously paid. The underpayment and interest will be paid to the CLEC in the next month's payment cycle.

4.4.3 ~~For each day after the due date that BellSouth fails to pay the required Tier-2~~

~~Enforcement Mechanisms, BellSouth will pay the Commission an additional $1,000 per day. If BellSouth pays less than the required amount, BellSouth will pay the Commission 12% simple interest per annum on the difference between the required amount and the amount previously paid. The underpayment and interest will be paid to the Commission in the next month's payment cycle.~~Remedy caps will be applied to high volume measures and those that are not end user impacting. These measures are:

- Firm Order Confirmation Timeliness
- Percent Flow Through Service Requests
- Reject Interval
- Service Order Accuracy
- Trunk Group Performance

The caps are a maximum remedy amount payable to a CLEC per measure, per month. These caps may be found in Appendix A, Table 2: Maximum Remedy for Tier-1 Measures with a Cap.

4.4.4 If a CLEC disputes the amount paid for Tier-1 Enforcement Mechanisms, the CLEC shall submit a written claim to ~~BellSouth~~AT&T within sixty (60) days after the payment date. ~~BellSouth~~AT&T shall investigate all claims and provide the CLEC written findings within thirty (30) days after receipt of the claim. If ~~BellSouth~~AT&T determines the CLEC is owed additional amounts, ~~BellSouth~~AT&T shall pay the CLEC such additional amounts within thirty (30) days after its findings along with 6% simple interest per annum.

~~4.4.5 For Tier-2 Enforcement Mechanisms, if the Commission requests clarification of an amount paid, a written claim shall be submitted to BellSouth within sixty (60) days after the payment date. BellSouth shall investigate all claims and provide the Commission written findings within thirty (30) days after receipt of the claim. If BellSouth determines the Commission is owed additional amounts, BellSouth shall pay such additional amounts within thirty (30) days after its findings along with 12% simple interest per annum.~~

4.4.~~65~~ Any adjustments for underpayment or overpayment of calculated ~~Tier-1~~Tier-1 and ~~Tier-2~~ remedies will be made consistent with the terms of ~~BellSouth's~~AT&T's Policy On Reposting Of Performance Data and Recalculation of SEEM Payments, as set forth in Appendix F of this document. If any circumstance necessitating remedy adjustments should occur that is not specifically addressed in the Reposting Policy, such adjustments will be made consistent with the terms defined in Paragraph ~~6~~7 of the Reposting Policy ("AT&T will recalculate applicable SEEM payments, where technically feasible, for a maximum of three months in arrears~~SEEM payments will be subject to recalculations for a maximum of three months in arrears unless the Florida Commission orders otherwise~~...").

4.4.~~7~~6 Any adjustments for underpayment or overpayment will be made in the next month's payment cycle after the recalculation is made. The final current month ~~PARIS~~ reports will reflect the final paid dollars, including adjustments for prior months where applicable. Questions regarding the adjustments should be made in accordance with the normal process used to address CLEC questions related to SEEM payments.

4.4.~~7~~6.1 If a SEEM overpayment is made to a CLEC, and ~~BellSouth's~~AT&T's SEEM liability calculated and payable to that CLEC in the next month's payment cycle is insufficient to offset the amount of overpayment, then within 30 days of ~~BellSouth's~~AT&T's request, the CLEC shall repay the amount necessary to satisfy the remaining SEEM overpayment balance. If the CLEC is unable to repay the overpayment at that time, the CLEC may contact ~~BellSouth~~AT&T for payment arrangements.

4.4.~~8~~7 Where there is a SEEM adjustment, in addition to the submetric, data month(s), and adjustment amount, ~~BellSouth~~AT&T will include an adjustment code on the CLEC specific ~~Tier-1~~Tier-1 ~~or Tier-2 PARIS~~ reports on the ~~PMAP~~AT&T Performance Measurement website. Then, on a separate document ~~under the Exhibits link~~ on the ~~BellSouth PMAP~~AT&T website, this code will be cross-referenced with a brief narrative description of the adjustment. These codes and descriptions will be applicable to all ~~States~~ states where an adjustment was applied. If there are multiple adjustment codes, the code explanation document can be accessed ~~under the Exhibits link~~on the AT&T website that will contain all of the codes and the narrative descriptions for each code. An explanation of the cause of the adjustment and the data months impacted by the adjustment will be included in the narrative.

4.5 Limitations of Liability

4.5.1 ~~BellSouth~~AT&T will not be obligated to pay Tier-1 ~~or Tier-2~~ Enforcement Mechanisms for non-compliance with a performance measure if such non-compliance results from a CLEC's acts or omissions that cause failed or missed performance measures. These acts or omissions include but are not limited to, accumulation and submission of orders at unreasonable quantities or times, failure to follow publicly available procedures, or failure to submit accurate orders or inquiries. ~~BellSouth~~AT&T shall provide each CLEC and the Commission with reasonable notice of, and supporting documentation for, such acts or omissions. Each CLEC shall have 10 business days from the filing of such Notice to advise ~~BellSouth~~AT&T and the Commission in writing of its intent to challenge, through the dispute resolution provisions of this plan, the claims made by ~~BellSouth~~ ~~BellSouth~~AT&T. AT&T shall not be obligated to pay any amounts subject to such disputes until the dispute is resolved.

4.5.2 ~~BellSouth~~AT&T shall not be obligated to pay Tier-1 ~~or Tier-2~~ Enforcement Mechanisms (SEEM payments) for non-compliance with a performance measurement if such non-compliance was the result of any Force Majeure Event that either directly or indirectly prevented, restricted, or interfered with performance as measured by the SQM/SEEM Plan. Such Force Majeure Events include non-compliance caused by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, or any other circumstances beyond the reasonable control and without the fault or negligence of ~~BellSouth~~AT&T. ~~BellSouth~~AT&T, upon giving prompt notice to the Commission and CLECs as provided below, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference; provided, however, that ~~BellSouth~~AT&T shall use diligent efforts to avoid or remove such causes of non-performance.

4.5.2.1 To invoke the application of Section 4.5.2 (Force Majeure Event), ~~BellSouth~~AT&T will provide written notice to the Commission and post notification of such filing on ~~BellSouth's~~AT&T's website wherein ~~BellSouth~~AT&T will identify the Force Majeure Event, the affected measures, and, if applicable, the impacted wire centers, including affected NPAs and NXXs.

4.5.2.2 No later than ten (10) business days after ~~BellSouth~~AT&T provides written notice in accordance with Section 4.5.2.1 affected CLECs must file written comments with the Commission to the extent such CLECs have objections or concerns regarding the application of Section 4.5.2. CLECs will be required to show that the relief is not reasonable under the circumstances.

4.5.2.3 ~~BellSouth's~~AT&T's written notice of the applicability of Section 4.5.2 shall be presumptively valid and deemed approved by the Commission effective thirty (30) calendar days after ~~BellSouth~~AT&T provides notice in accordance with Section 4.5.2.1. The Commission may require ~~BellSouth~~AT&T to provide a true-up of SEEM fees to affected CLECs if a Force Majeure Event declaration (or some portion thereof) is found to be invalid by the Commission after it has taken effect.

4.5.2.4 During the pendency of a Force Majeure Event, ~~BellSouth~~AT&T shall file with the Commission periodic updates of its restoration/recovery progress and efforts as agreed upon between the Commission Staff and ~~BellSouth~~AT&T. The Commission Staff will consider reasonable requests from affected carriers on such updates' contents and frequency, including the need for weekly progress

update reports. Additionally, BellSouthfor Force Majeure events directly impacting a geographic area of the network infrastructure, AT&T will post to the Emergency Preparedness and RestorationAT&T website periodic updates of its restoration/recovery progress and efforts. BellSouthAT&T will post at a minimum for the area where Force Majeure has been declared where applicable; the identity of each wire center and associated NPA/NXXs and the wire centers' color status of wire centers based on the Emergency Preparedness and Restoration guidelines; the total number of BellSouth pending service orders; the total number of CLEC pending service orders; the total number of BellSouth pending trouble reports; and the total number of CLEC pending trouble reports;coded Area Dispatch Status report.

4.5.2.5 The Force Majeure claim will be presumptively valid for a period of sixty (60) calendar days. After sixty (60) calendar days have elapsed, BellSouthAT&T shall resume compliance with the Enforcement Mechanisms or file for an extension of the relief period. To the extent CLECs have objections or concerns regarding the extension, CLECs must file written comments with the Commission within ten (10) business days from the request of the extension. CLECs will be required to show that the extended period was not reasonable under the circumstances. BellSouth'sAT&T's request for extension shall be presumptively valid and deemed approved by the Commission effective thirty (30) calendar days after BellSouthAT&T provides notice in accordance with Section 4.5.2.1 The Commission may require BellSouthAT&T to provide a true-up of SEEM payments to affected CLECs if a Force Majeure Event (or some portion thereof) is found to be invalid by the Commission after it has taken effect.

4.5.3 In addition to these specific limitations of liability, BellSouthAT&T may petition the Commission to consider relief based upon other circumstances.

4.6 Change of Law

4.6.1 Upon a particular Commission's issuance of an Order pertaining to Performance Measurements or Remedy Plans in a proceeding expressly applicable to all CLECs, BellSouthAT&T shall implement such performance measures and remedy plans covering its performance for the CLECs, as well as any changes to those plans ordered by the Commission, on the date specified by the Commission. If a change of law occurs which may change BellSouth'sAT&T's obligations, parties may petition the Commission within 30 days to seek changes to the SQM and SEEM plans in accordance with such change of law. Performance Measurements and remedy plans that have been ordered by the Commission can currently be accessed via the Internet at AT&T website.http://pmap.bellsouth.com. Should there be any difference between the performance measure and remedy plans on BellSouth'sAT&T's website and

the plans the Commission has approved as filed in compliance with its orders, the Commission-approved compliance plan will supersede as of its effective date.

~~4.7 Affiliate Reporting~~

~~4.7.1 BellSouth shall provide monthly results for each metric for each BellSouth CLEC affiliate. Upon request, the Florida Public Service Commission shall be provided the number of transactions or observations for BellSouth CLEC affiliates. Further, BellSouth shall inform the Commission of any changes regarding non-CLEC affiliates' use of its OSS databases, systems, and interfaces.~~

4.87 Enforcement Mechanism Cap

4.87.1 ~~BellSouth's~~AT&T's total liability for the payment of Tier-1 ~~and Tier-2~~ Enforcement Mechanisms shall be collectively and absolutely capped at 36% of net revenues in Florida, based upon the most recently reported ARMIS data.

4.87.2 If projected payments exceed the state cap, a proportional payment will be made to the respective parties.

4.87.3 If ~~BellSouth's~~AT&T's payment of Tier-1 ~~and Tier-2~~ Enforcement Mechanisms would have exceeded the cap referenced in this plan, a CLEC may commence a proceeding with the Commission to demonstrate why ~~BellSouth~~AT&T should pay any amount in excess of the cap. The CLEC shall have the burden of proof to demonstrate why, under the circumstances, ~~BellSouth~~AT&T should have additional liability.

4.98 Audits

4.98.1 ~~BellSouth~~AT&T currently provides CLECs with certain audit rights as a part of their individual interconnection agreements. If ~~requested~~ordered by ~~a~~the Public Service Commission, ~~BellSouth~~AT&T will agree to undergo a SEEM audit. ~~The~~ Unless otherwise agreed between AT&T and the Public Service Commission, tThe audit should be conducted by an independent third party auditor. The results of audits will be made available to all the parties subject to proper safeguards to protect proprietary information. Audits will be conducted under the following specifications:

4.98.1.1 The cost ~~of one audit per version of the SEEM plan~~ shall be borne by ~~BellSouth~~AT&T.

4.98.1.2 Should an independent third party auditor be required, it shall be selected by ~~BellSouth and the PSC~~AT&T.

4.98.1.3 ~~BellSouth~~AT&T and the PSC shall jointly determine the scope of the audit.

4.98.1.4 The PSC may request input regarding selection of the auditor from interested parties.

4.98.2 These audits are intended to provide the basis for the PSCs and CLECs to determine that SEEM produces accurate data that reflects each State's Order for performance measurements.

4.109 Dispute Resolution

4.109.1 Notwithstanding any other provision of the Interconnection Agreement between BellSouthAT&T and each CLEC, if a any dispute arises regarding BellSouth'sAT&T's performance or obligations pursuant to this Plan, BellSouthAT&T and the CLEC shall negotiate in good faith for a period of thirty (30) days to resolve the dispute. If at the conclusion of the 30 day period, BellSouthAT&T and the CLEC are unable to reach a resolution, then the dispute shall be resolved by the Commission.

4.1110 Regional and State Coefficients

Some metrics are calculated for the entire BellSouth AT&T Southeast region, rather than by state. Where these metrics are a Tier-1Tier-1 SEEM submetric, a regional coefficient is calculated to determine the amount of the remedy for the CLEC in each state. For example, the Acknowledgement Completeness Percent Flow-Through Service Requests Measurement can be measuredis evaluated for an individual CLEC, but only at the regional level. In several states it is also a Tier-1Tier-1 SEEM submetric. Thus, if there is a failure in this measurement for a CLEC, it is necessary to determine the amount of remedy for the CLEC in each state. A Regional Coefficient is used to do this. (Appendix E, Section E.6-4 describes the method of calculating the Regional Coefficients.) The amount of Tier remedy for the CLEC in a state is determined by multiplying the regional affected volume by the Coefficient for the state and by the state fee.

A state coefficient is calculated to split Tier 2 payments for regional metrics among states by submetric.

Appendix A: Fee Schedule

Table 1: Fee Schedule for Tier-1Tier-1 Per Transaction Fee Determination

Performance Measure	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
OSS/Pre-Ordering	$10	$15	$20	$25	$30	$35
Ordering	$20	$25	$30	$35	$40	$45
Service Order Accuracy	$20	$20	$20	$20	$20	$20
Flow Through	$40	$45	$50	$55	$60	$65
Provisioning – Resale	$40	$50	$70	$100	$130	$200
Provisioning – UNE	$115	$130	$145	$160	$190	$230
Maintenance and Repair – Resale	$40	$50	$70	$100	$130	$200
Maintenance and Repair – UNE	$115	$130	$145	$160	$190	$230
LNP	$115	$190	$385	$460	$535	$615
~~Billing – BIA (see Note 1)~~	~~2%~~	~~2%~~	~~2%~~	~~2%~~	~~2%~~	~~2%~~
~~Billing – BIT~~	~~$7~~	~~$7~~	~~$7~~	~~$7~~	~~$7~~	~~$7~~
~~Billing – BUDT (see Note 2)~~	~~$0.046~~	~~$0.046~~	~~$0.046~~	~~$0.046~~	~~$0.046~~	~~$0.046~~
~~Billing – BEC (see note 3)~~	~~$0.07~~	~~$0.07~~	~~$0.07~~	~~$0.07~~	~~$0.07~~	~~$0.07~~
IC Trunks (Trunk Group Performance)	$25	$30	$45	$65	$80	$125
Collocation	$3,165	$3,165	$3,165	$3,165	$3,165	$3,165

~~Note 1: Reflects percent interest to be paid on adjusted amounts.~~
~~Note 2: Amount paid per 1000 usage records.~~
~~Note 3: Amount paid per d sbule.~~

~~Table 2: Tier 2 Per Transaction Fee Determination~~

Measure	~~Retail Analogs~~			~~Benchmarks~~
	~~BCV not Applicable~~	~~Between BCV and 0~~	~~Below BCV~~	
~~OSS Pre-Ordering (note 1)~~	~~$6~~		-	~~$30~~
~~Ordering Average Answer Time (OAAT) (note 1)~~	~~$6~~			
~~Ordering~~		-		~~$60~~
~~Service Order Accuracy~~		-		~~$60~~
~~Flow Through~~			-	~~$120~~
~~Provisioning – Resale~~		~~$26~~	~~$120~~	-
~~Provisioning – UNE~~		~~$76~~	~~$345~~	~~$345~~
~~Maintenance and Repair – Resale~~		~~$26~~	~~$120~~	-
~~Maintenance and Repair – UNE~~		~~$76~~	~~$345~~	-
~~LNP~~		~~$36~~	~~$165~~	-
~~Billing – BIA (note 1)~~	~~1.3%~~			-
~~Billing – BIT (note 1)~~	~~$4~~		-	-
~~Billing – BUDT (note 1)~~	~~$.03~~			-
~~Billing – BEC (note 1)~~	~~$0.04~~			-
~~Change Management~~		-	-	~~$1,000~~
~~IC Trunks (Trunk Group Performance)~~		~~$16~~	~~$75~~	~~$75~~
~~Collocation~~		-	-	~~$9,495~~

~~Note 1: The truncated Z does not apply to these measures~~

Table 2: Maximum Remedy for Tier-1 Measures with a Cap
(Applies to FOCT, FT, RI, SOA and TGP)

Performance Measure	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
All Measures with a Cap	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000

Appendix B: SEEM Submetrics

B.1 Tier 1Tier-1 Submetrics

Item No.	SQM Ref	Tier 1Tier-1 Submetric
1	LMT	PO-2 Loop Makeup – Response Time – Electronic - Loop
2	AKG	O-2 Acknowledgement Message Completeness – Acknowledgments
3	FT	O-3 Percent Flow-Through Service Requests – Business
4	FT	O-3 Percent Flow-Through Service Requests – LNP
5	FT	O-3 Percent Flow-Through Service Requests – Residence
6		O-3 Percent Flow-Through Service Requests – UNE-L (includes UNE-L with LNP)
7	RI	O-8 Reject Interval – Fully Mechanized
8	RI	O-8 Reject Interval – Partially Mechanized
9	RI	O-8 Reject Interval – Non Mechanized
10	FOCT	O-9 Firm Order Confirmation Timeliness - Fully Mechanized
11	FOCT	O-9 Firm Order Confirmation Timeliness - Partially Mechanized
12	FOCT	O-9 Firm Order Confirmation Timeliness - Non Mechanized
13	FOCT	O-9 Firm Order Confirmation Timeliness – Local Interconnection Trunks
14	FOCC	O-11 FOC & Reject Response Completeness – Fully Mechanized
15	FOCC	O-11 FOC & Reject Response Completeness – Partially Mechanized
16	FOCC	O-11 FOC & Reject Response Completeness – Non Mechanized
17	MIA	P-3 Percent Missed Installation Appointments – Resale POTS
18	MIA	P-3 Percent Missed Installation Appointments – Resale Design
19	MIA	P-3 Percent Missed Installation Appointments – UNE Loops – Design
20	MIA	P-3 Percent Missed Installation Appointments – UNE Loops – Non-Design
21	MIA	P-3 Percent Missed Installation Appointments – UNE xDSL and Line Splitting

Item No.		SQM Ref	Tier 2 Submetric
			Splitting) – Dispatch
50	—	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting – Non-Dispatch
51	—	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Local Interconnection Trunks
52	—	SOA	P-11 Service Order Accuracy – Resale
53	—	SOA	P-11 Service Order Accuracy – UNE
54	—	LOOS	P-13B LNP – Percent Out of Service < 60 Minutes – LNP
55	—	LAT	P-13C LNP Percent of Time BellSouth Applies the 10-Digit Trigger Prior to the LNP Order Due Date – LNP – (Standalone)
56	—	LDT	P-13D LNP – Disconnect Timeliness (Non-Trigger)
57	—	MRA	MR-1 Percent Missed Repair Appointment – Resale POTS
58	—	MRA	MR-1 Percent Missed Repair Appointment – Resale Design
59	—	MRA	MR-1 Percent Missed Repair Appointment – UNE Loops Design
60	—	MRA	MR-1 Percent Missed Repair Appointment – UNE Loops Non-Design
61	—	MRA	MR-1 Percent Missed Repair Appointment – UNE xDSL
62	—	MRA	MR-1 Percent Missed Repair Appointment – UNE Line Splitting
63	—	MRA	MR-1 Percent Missed Repair Appointment – Local Interconnection Trunks
64	—	CTRP	MR-2 Customer Trouble Report Rate – Resale POTS
65	—	CTRR	MR-2 Customer Trouble Report Rate – Resale Design
66	—	CTRR	MR-2 Customer Trouble Report Rate – UNE Loops Design
67	—	CTRR	MR-2 Customer Trouble Report Rate – UNE Loops Non-Design
68	—	CTRR	MR-2 Customer Trouble Report Rate – UNE xDSL
69	—	CTRR	MR-2 Customer Trouble Report Rate – UNE Line Splitting
70	—	CTRR	MR-2 Customer Trouble Report Rate – Local Interconnection Trunks
71	—	MAD	MR-3 Maintenance Average Duration – Resale POTS
72	—	MAD	MR-3 Maintenance Average Duration – Resale Design
73	—	MAD	MR-3 Maintenance Average Duration – UNE Loops Design

Item No.	SQM Ref	Tier 2 Submetric
74	MAD	MR-3 Maintenance Average Duration – UNE Loops Non-Design
75	MAD	MR-3 Maintenance Average Duration – UNE xDSL
76	MAD	MR-3 Maintenance Average Duration – UNE Line Splitting
77	MAD	MR-3 Maintenance Average Duration – Local Interconnection Trunks
78	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Resale POTS
79	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Resale Design
80	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Loops Design
81	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Loops Non-Design
82	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE xDSL
83	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Line Splitting
84	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Local Interconnection Trunks
85	OOS	MR-5 Out of Service (OOS) > 24 hours – Resale POTS
86	OOS	MR-5 Out of Service (OOS) > 24 hours – Resale Design
87	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE Loops Design
88	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE Loops Non-Design
89	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE xDSL
90	OOS	MR-5 Out of Service (OOS) > 24 hours – UNE Line Splitting
91	OOS	MR-5 Out of Service (OOS) > 24 hours – Local Interconnection Trunks
92	BIA	B-1 Invoice Accuracy
93	BIT	B-2 Mean Time to Deliver Invoices – CRIS
94	BIT	B-2 Mean Time to Deliver Invoices – CABS
95	BUDT	B-5 Usage Data Delivery Timeliness
96	BEC	B-10 Percent Billing Adjustment Requests (BAR) Responded to within 45 Business Days – State
97	TGP	TGP Trunk Group Performance
98	MDD	C-3 Collocation Percent of Due Dates Missed
99	NT	CM-1 Timeliness of Change Management Notices – Region

Item No.	SQM Ref	Tier 2 Submetric
100	DT	CM-3 Timeliness of Documentation Associated with Change – Region
101	SEC	CM-6 Percentage of Software Errors Corrected in 'X' Business Days - Region
102	CRA	CM-7 Percentage of Change Requests Accepted or Rejected Within 10 Days – Region
103	SCR	CM-11 Percentage of Software Change Requests Implemented Within 60 Weeks of Production – Region

Appendix C: Statistical Properties and Definitions

The statistical process for testing whether ~~BellSouth's (BST)~~AT&T's wholesale customers (~~alternative~~ Competitive Local Exchange Carriers or CLECs) are being treated equally with ~~BST's~~AT&T's retail customers involves more than a simple mathematical formula. Three key elements need to be considered before an appropriate decision process can be developed. These are the type of:

- Data
- Comparison
- Performance

This section describes the properties of a test methodology and the truncated Z statistic for three types of measures that compare CLEC's performance to AT&T's retail analog.

C.1 Necessary Properties for a Test Methodology

Once the key elements are determined, a test methodology should be developed that complies with the following properties:

- Like-to-Like Comparisons
- Overall Level Test Statistic
- Production Mode Process
- Balancing

C.1.1 Like-to-Like Comparisons

When possible, data should be compared at appropriate levels, e.g. wire center, time of month, dispatched residential, new orders. The testing process should:

- Identify variables that may affect the performance measure
- Record these important confounding covariates
- Adjust for the observed covariates in order to remove potential biases and to make the CLEC and the ILEC units as comparable as possible

C.1.2 Overall Level Test Statistic

Each performance measure of interest should be summarized by one overall test statistic giving the decision maker a rule that determines whether a statistically significant difference exists. The test statistic should have the following properties:

- The method should provide a single overall index on a standard scale.
- If entries in comparison cells are exactly proportional over a covariate, the aggregated index should be very nearly the same as if comparisons on the covariate had not been done.
- The contribution of each comparison cell should depend on the number of observations in the cell.

- Cancellation between comparison cells should be limited.
- The index should be a continuous function of the observations.

C.1.3 Production Mode Process

The decision system must be developed so that it does not require intermediate manual intervention, i.e., the process must be mechanized to the extent possible.

- Calculations are well defined for possible eventualities.
- The decision process is an algorithm that needs no manual intervention.
- Results should be arrived at in a timely manner.
- The system must recognize that resources are needed for other performance measure-related processes that also must be run in a timely manner.
- The system should be auditable and adjustable over time.

C.1.4 Balancing

The testing methodology should balance Type I and Type II Error probabilities.

- P (Type I Error) = P (Type II Error) for well-defined null and alternative hypotheses.
- The formula for a test's balancing critical value should be simple enough to calculate using standard mathematical functions, i.e., one should avoid methods that require computationally intensive techniques.
- Little to no information beyond the null hypothesis, the alternative hypothesis, and the number of observations should be required for calculating the balancing critical value.

C.1.5 Measurement Types

The performance measurements that will undergo testing are of three types: mean, proportion, and rate. All three have similar characteristics. Different types of data are used to calculate them. Table C-1 shows the type of data that is used to derive each measurement type.

Table C-1: Measurement Types and Data

Measurement Type	Data Used to Derive Measure
Mean	Interval Measurements
Proportion	Counts
Rate	

C.2 Testing Methodology – The Truncated Z

In summary, many covariates are chosen in order to provide meaningful comparison levels below the submetric level chosen for the parity comparison. This includes such factors as

wire center and time of month, as well as order type for provisioning measures. In each comparison cell, a Z statistic is calculated. The form of the Z statistic may vary depending on the performance measure, but it should be distributed approximately as a standard normal, with mean zero and variance equal to one. Assuming that the test statistic is derived so that it is negative when the performance for the CLEC is worse than for the ILEC, a positive truncation is done – i.e. if the result is negative it is left alone, if the result is positive it is changed to zero. A weighted average of the truncated statistics is calculated where a cell's weight depends on the volume of BST AT&T and CLEC orders in the cell. The weighted average is standardized by subtracting the weighted theoretical mean of the truncated distribution, and this is divided by the standard error of the weighted average. Summaries based on measurement type are given for the calculation of the cell Z statistic.

Additionally, there are measures that are compared to a retail analog at least in part where cell definitions do not exist that permit assignment of data for these measures to cells so the truncated Z statistic cannot be calculated. These measures are:

- Average Response Interval (M&R)
- Billing Invoice Accuracy
- Billing Invoice Timeliness
- Speed of Answer in the Ordering Center

In addition, there are two measurements that use retail results 'plus' (2 seconds for OSS response times; 0.5% for Trunk Blocking) resulting in a benchmark standard. These measurements are: OSS Average Response Time & Response Interval (Pre-Ordering) and Trunk Group Performance.

As an example of one approach taken for a parity measure that does not use the truncated Z methodology, consider the measure Billing Invoice Accuracy. In Florida, BellSouth calculates results for this measure by subtracting the Absolute Value of Total Adjustments during the current month from the Absolute Value of Total Billed Revenues during the current month then dividing these results by the Absolute Value of Total Billed Revenues during the current month and multiplying these results by 100. The formula is as follows:

Invoice Accuracy = [(a – b)/a] x 100

a = Absolute Value of Total Billed Revenues during current month

b = Absolute Value of Total Billing Related Adjustments during current month

A numerical example of the remedy calculation is given below:

Example

CLEC DATA

Bill Adjustments ——— $14,660.00
Total Billed Revenue ——— $336,529.90

BellSouth DATA

Bill Adjustments ——— $6,018,969.26
Total Billed Revenue ——— $484,691,922.40

CLEC Invoice Accuracy Ratio = [(336,529.00-14,660.00)/ 336,529.00] x 100 = 95.64

BST Invoice Accuracy Ratio =
[(484,691,922.40-6,913,969.26)/ 484,691,922.40] x 100 = 98.75

Thus, the calculated values are:

CLEC Result = 95%

BellSouth Result = 98.75%

In Florida once it is determined that the BST percent is higher, BellSouth pays the CLEC according to the Florida Fee Schedule.

The calculation would be the difference in the CLEC Invoice Accuracy Ratio and the BST Invoice Accuracy Ratio multiplied by the total CLEC Bill Adjustments. Then multiply the result by 2% (Appendix A, Fee Schedule)

- 98.75%-95.64%=3.11%
- 3.11% x $14,660 = $455.92
- $455.92 x 2% = $9.12

C.2.1 Mean Measures

For mean measures, an adjusted, asymmetric modified t statistic is calculated for each like-to-like cell that has at least seven BSTAT&T and seven CLEC transactions. A permutation test is used when one or both of the BSTAT&T and CLEC sample sizes is less than seven. The adjusted, asymmetric modified t statistic and the permutation calculation are described in Appendix D, Statistical Formulas Formulae and Technical Description.

C.2.2 Proportion Measures

For performance measures that are calculated as a proportion, in each adjustment cell, the cell Z and the moments for the truncated cell Z can be calculated in a direct manner. In adjustment cells where proportions are not closeequal to zero or one, and where the sample sizes are reasonably large ($n_{ij}p_{ij}(1-p_{ij}) > 9$), a normal approximation can be used. In this case, the moments for the truncated Z come directly from properties of the standard normal distribution. If the normal approximation is not appropriate, then the Z statistic is calculated from the hypergeometric distribution. In this case, the moments of the truncated Z are calculated exactly using the hypergeometric probabilities.

C.2.3 Rate Measures

The truncated Z methodology for rate measures has the same general structure for calculating the Z in each cell as proportion measures. For the rate measure "Ceustomer Trouble Reeport Rate there are is a fixed number of access lines in service for the CLEC, b_{2j}, and a fixed number for BSTAT&T, b_{1j}. The modeling assumption is that the occurrence

of a trouble is independent between access lines, and the number of troubles in b access lines follows a Poisson distribution with mean λ b where λ is the probability of a trouble per 1 access line and b (= b_{1j} + b_{2j}) is the total number of access lines in service. The exact permutation distribution for this situation is approximated by the binomial distribution (the limit for the hypergeometric distribution) that is based on the total number of ~~BST~~AT&T and CLEC troubles, n, and the proportion of ~~BST~~AT&T access lines in service, $q_j = b_{1j}/b$.

In an adjustment cell, if the number of CLEC troubles is greater than 15 and the number of ~~BST~~AT&T troubles is greater than 15, and $n_j q_j(1-q_j) > 9$, then a normal approximation can be used. In this case, the moments of the truncated Z come directly from properties of the standard normal distribution. Otherwise, if there are very few troubles, the number of CLEC troubles can be modeled using a binomial distribution with n equal to the total number of troubles (CLEC plus ~~BST~~AT&T troubles). In this case, the moments for the truncated Z are calculated explicitly using the binomial distribution.

Appendix D: Statistical ~~Formulas~~ Formulae and Technical Descriptions

We start by assuming that the data are disaggregated so that comparisons of CLEC's performance to AT&T's retail analog are made within appropriate classes or adjustment cells that define "like" observations.

D.1 Notation and Exact Testing Distributions

Below, we have detailed the basic notation for the construction of the truncated Z statistic. In what follows the word "cell" should be taken to mean a like-to-like comparison cell that has both at least one ~~(or more)~~ ILEC observation and at least one ~~(or more)~~ CLEC observation.

L = the total number of occupied cells

j = $1,\ldots,L$; an index for the cells

n_{1j} = the number of ILEC transactions in cell j

n_{2j} = the number of CLEC transactions in cell j

n_j = the total number transactions in cell j; $n_{1j} + n_{2j}$

X_{1jk} = Individual ILEC transactions in cell j; $k = 1,\ldots, n_{1j}$

X_{2jk} = Individual CLEC transactions in cell j; $k = 1,\ldots, n_{2j}$

Y_{jk} = individual transaction (both ILEC and CLEC) in cell j

$$= \begin{cases} X_{1jk} & k = 1,\ldots,n_{1j} \\ X_{2jk} & k = n_{1j}+1,\ldots,n_j \end{cases}$$

$\Phi^{-1}(\,)$ = the inverse of the cumulative standard normal distribution function

For Mean Performance Measures the following additional notation is needed.

$\bar{X}_{1j}$ = The ILEC sample mean of cell j

$\bar{X}_{2j}$ = The CLEC sample mean of cell j

s_{1j}^2 = The ILEC sample variance in cell j

s_{2j}^2 = The CLEC sample variance in cell j

$\{y_{jk}\}$ = a random sample of size n_{2j} from the set of $Y_{j1},\ldots,Y_{jn_j}$; k = $1,\ldots,n_{2j}$

M_j = The total number of distinct pairs of samples of size n_{1j} and n_{2j};

$$= \begin{pmatrix} n_j \\ n_{1j} \end{pmatrix}$$

The exact parity test is the permutation test based on the "modified Z" statistic. For large samples, we one can avoid permutation calculations since this statistic will be normal (or Student's t) to a good approximation. For small samples, where we one cannot avoid permutation calculations, we have found it has been determined that the difference between "modified Z" and the textbook "pooled Z" is negligible. We therefore propose to use the permutation test based on pooled Z for small samples will be used. This decision speeds up the permutation computations considerably, because for each permutation we need only compute the sum of the CLEC sample values, and not the pooled statistic itself.

A permutation probability mass function distribution for cell j, based on the "pooled Z" can be written as

$$PM(t) = P(\sum_k y_{jk} = t) = \frac{\textit{the number of samples that sum to } t}{M_j}$$

and the corresponding cumulative permutation distribution is

$$CPM(t) = P(\sum_k y_{jk} \le t) = \frac{\textit{the number of samples with sum } \le t}{M_j}$$

For Proportion Performance Measures the following notation is defined:

a_{1j} = The number of ILEC cases possessing an attribute of interest in cell j

a_{2j} = The number of CLEC cases possessing an attribute of interest in

cell j

a_j = The number of cases possessing an attribute of interest in cell j; $a_{1j} + a_{2j}$

The exact distribution for a parity test is the hypergeometric distribution. The hypergeometric probability mass function distribution for cell j is

$$HG(h) = P(H = h) = \begin{cases} \dfrac{\binom{n_{1j}}{h}\binom{n_{2j}}{a_j - h}}{\binom{n_j}{a_j}}, & \max(0, a_j - n_{2j}) \le h \le \min(a_j, n_{1j}) \\ 0 & \text{otherwise} \end{cases}$$

and the cumulative hypergeometric distribution is

$$CHG(x) = P(H \le x) = \begin{cases} 0 & x < \max(0, a_j - n_{2j}) \\ \sum_{h=\max(0, a_j - n_{1j})}^{x} HG(h), & \max(0, a_j - n_{2j}) \le x \le \min(a_j, n_{1j}) \\ 1 & x > \min(a_j, n_{1j}) \end{cases}$$

For Rate Performance Measures, the notation needed is defined as:

b_{1j} = the number of ILEC base elements in cell j

b_{2j} = the number of CLEC base elements in cell j

b_j = the total number of base elements in cell j; $b_{1j} + b_{2j}$

r_{1j} = the ILEC sample rate of cell j; n_{1j} / b_{1j}

r_{2j} = the ILEC sample rate of cell j; n_{2j} / b_{2j}

q_j = the relative proportion of ILEC elements for cell j; b_{1j} / b_j

The exact distribution for a parity test is the binomial distribution. The binomial probability mass function distribution for cell j is:

$$BN(k) = P(B = k) = \begin{cases} \binom{n_j}{k} q_j^k (1 - q_j)^{n_j - k}, & 0 \le k \le n_j \\ 0 & \text{otherwise} \end{cases}$$

and the cumulative binomial distribution is

$$CBN(x) = P(B \le x) = \begin{cases} 0 & x < 0 \\ \sum_{k=0}^{x} BN(k), & 0 \le x \le n_j \\ 1 & x > n_j \end{cases}$$

D.2 Calculating the Truncated Z

The general methodology for calculating an overall level test statistic is outlined below.

D.2.1 Calculate Cell Weights (W_j)

A weight based on the number of transactions is used so that a cell, which has a larger number of transactions, has a larger weight. The actual weight formula will depend on the type of measure.

Mean Measure

$$W_j = \sqrt{\frac{n_{1j} n_{2j}}{n_j}}$$

Proportion Measure

$$W_j = \sqrt{\frac{n_{2j} n_{1j}}{n_j} \cdot \frac{a_j}{n_j} \cdot \left(1 - \frac{a_j}{n_j}\right)}$$

Rate Measures

$$W_j = \sqrt{\frac{b_{1j} b_{2j}}{b_j} \cdot \frac{n_j}{b_j}}$$

D.2.2 Calculate a Z Value-Score (Z_j) for each Cell

A Z statistic with mean 0 and variance 1 is needed for each cell.

- If $W_j = 0$, set $Z_j = 0$.
- Otherwise, the actual Z statistic calculation depends on the type of performance measure.

Mean Measure

$$Z_j = \Phi^{-1}(\alpha)$$

where α is determined by the following algorithm.

If the two means are equal and the two variances are zero, set the cell Z-s Score to zero.

If $\min(n_{1j}, n_{2j}) > 6$, then determine α as

$$\alpha = P(t_{n_{1j}-1} \le T_j)$$

that is, α is the probability that a Student's t random variable with $n_{1j} - 1$ degrees of freedom, is less than

$$T_j = \begin{cases} t_j + \frac{g}{6}\left(\frac{n_{1j}+2n_{2j}}{\sqrt{n_{1j}\,n_{2j}(n_{1j}+n_{2j})}}\right)\left(t_j^2 + \frac{n_{2j}-n_{1j}}{n_{1j}+2n_{2j}}\right) & t_j \ge t_{\min j} \\ t_j + \frac{g}{6}\left(\frac{n_{1j}+2n_{2j}}{\sqrt{n_{1j}\,n_{2j}(n_{1j}+n_{2j})}}\right)\left(t_{\min j}^2 + \frac{n_{2j}-n_{1j}}{n_{1j}+2n_{2j}}\right) & \text{otherwise} \end{cases}$$

where

$$t_j = \frac{\bar{X}_{1j} - \bar{X}_{2j}}{s_{1j}\sqrt{\frac{1}{n_{1j}} + \frac{1}{n_{2j}}}}$$

$$t_{\min j} = \frac{-3\sqrt{n_{1j}n_{2j}n_j}}{g(n_{1j}+2n_{2j})}$$

and g is the median value of all values of

$$\gamma_{1j} = \frac{n_{1j}}{(n_{1j}-1)(n_{1j}-2)}\sum_k\left(\frac{X_{1jk} - \bar{X}_{1j}}{s_{1j}}\right)^3$$

over all cells within the submeasure being tested such that all three conditions stated below are true. If no submeasure cells exist that satisfy these conditions, then $g = 0$.

$\gamma_{1j} > 0$

$n_{1j} > 6$

$n_{1j} \ge n_{3q}$ for all values of j, where n_{3q} is the 3rd quartile of all values of n_{1j} in cells where the first two conditions are true.

If no submeasure cells exist that satisfy these conditions, then $g = 0$.

Note, that t_j is the "modified Z" statistic. The statistic T_j is a "modified Z" corrected adjusted for the skewness of the ILEC data.

If $\min(n_{1j}, n_{2j}) \le 6$, and

- $M_j \leq 1{,}000$ (the total number of distinct pairs of samples of size n_{1j} and n_{2j} is 1,000 or less)

- Calculate the sample sum for all possible samples of size n_{1j} n_{2j}.
- Rank the sample sums from smallest to largest. Ties are dealt by using average ranks.
- Let R_0 be the rank of the observed sample sum with respect to all of the sample sums.

$$\alpha = 1 - \frac{R_0 - 0.5}{M_j}$$

- $M_j > 1{,}000$

- Draw a random sample of 1,000 sample sums from the permutation distribution.
- Add the observed sample sum to the list. There are a total of 1001 sample sums. Rank the sample sums from smallest to largest. Ties are dealt by using average ranks.
- Let R_0 be the rank of the observed sample sum with respect to all of the sample sums.

$$\alpha = 1 - \frac{R_0 - 0.5}{1001}$$

Proportion Measure

$$Z_j = \frac{n_j\, a_{1j} - n_{1j}\, a_j}{\sqrt{\frac{n_{1j}\, n_{2j}\, a_j\, (n_j - a_j)}{n_j - 1}}}$$

Rate Measure

$$Z_j = \frac{n_{1j} - n_j\, q_j}{\sqrt{n_j\, q_j (1 - q_j)}}$$

D.2.3 Obtain a Truncated Z Value-Score for each Cell (Z^*_j)

To limit the amount of cancellation that takes place between cell results during aggregation, cells whose results suggest possible favoritism are left alone. Otherwise the cell statistic is set to zero. This means that positive equivalent Z value-Scores are set to 0, and negative values are left alone. Mathematically, this is written as

$$Z^*_j = \min(0, Z_j)$$

D.2.4 Calculate the Theoretical Mean and Variance

Calculate the theoretical mean and variance of the truncated statistic under the null hypothesis of parity, $E(Z_j^*|H_0)$ and $Var(Z_j^*|H_0)$. To compensate for the truncation in step 3, an overall, weighted sum of the Z_j^* will need to be centered and scaled properly so that the final overall statistic follows a standard normal distribution.

- If $W_j = 0$, then no evidence of favoritism is contained in the cell. The formulae for calculating $E(Z_j^* | H_0)$ and $Var(Z_j^* | H_0)$ cannot be used. Set both equal to 0.

- If $\min(n_{1j}, n_{2j}) > 6$ for a mean measure, or $\min\left\{a_{1j}\left(1-\frac{a_{1j}}{n_{1j}}\right), a_{2j}\left(1-\frac{a_{2j}}{n_{2j}}\right)\right\} > 9$ for a proportion measure, or $\min(n_{1j}, n_{2j}) > 15$ and $n_j q_j (1-q_j) > 9$ for a rate measure, then

$$E(Z_j^* | H_0) = -\frac{1}{\sqrt{2\pi}}$$

and

$$Var(Z_j^* | H_0) = \frac{1}{2} - \frac{1}{2\pi}$$

- Otherwise, determine the total number of values for Z_j^*. Let z_{ji} and θ_{ji}, denote the values of Z_j^* and the probabilities of observing each value, respectively.

$$E(Z_j^* | H_0) = \sum_i \theta_{ji} z_{ji}$$

and

$$Var(Z_j^* | H_0) = \sum_i \theta_{ji} z_{ji}^2 - \left[E(Z_j^* | H_0)\right]^2$$

The actual values of the z's and θ's depend on the type of measure.

Mean Measure

$$N_j = \min(M_j, 1{,}000), \quad i = 1, \ldots, N_j$$

$$z_{ji} = \min\left\{0, \Phi^{-1}\left(1 - \frac{R_i - 0.5}{N_j}\right)\right\} \quad \text{where } R_i \text{ is the rank of sample sum i}$$

$$\theta_j = \frac{1}{N_j}$$

Proportion Measure

$$z_{ji} = \min\left\{0, \frac{n_j\, i - n_{1j}\, a_j}{\sqrt{\frac{n_{1j}\, n_{2j}\, a_j\, (n_j - a_j)}{n_j - 1}}}\right\}, \quad i = \max(0, a_j - n_{2j}), \ldots, \min(a_j, n_{1j})$$

$$\theta_{ji} = HG(i)$$

Rate Measure

$$z_{ji} = \min\left\{0, \frac{i - n_j\, q_j}{\sqrt{n_j\, q_j (1 - q_j)}}\right\}, \quad i = 0, \ldots, n_j$$

$$\theta_{ji} = BN(i)$$

D.2.5 Calculate the Overall Test Statistic (Z^T)

$$Z^T = \frac{\sum_j W_j Z_j^* - \sum_j W_j E(Z_j^* \mid H_0)}{\sqrt{\sum_j W_j^2 \, Var(Z_j^* \mid H_0)}}$$

The Balancing Critical Value

There are four key elements of the statistical testing process:

- the null hypothesis, H_0, that parity exists between ILEC and CLEC services
- the alternative hypothesis, H_a, that the ILEC is giving better service to its own customers
- the Truncated Z test statistic, Z^T, and
- a critical value, *c*

The decision rule[1] is

- If $Z^T < c$ then accept H_a.
- If $Z^T \geq c$ then accept H_0.

There are two types of errors possible when using such a decision rule:

- **Type I Error** (α): Deciding favoritism exists when there is, in fact, no favoritism.
- **Type II Error** (β): Deciding parity exists when there is, in fact, favoritism.

[1] This decision rule assumes that a negative test statistic indicates poor service for the CLEC customer. If the opposite is true, then reverse the decision rule.

The probabilities of each type of error are:

- Type I Error $\alpha = P(Z^T < c \mid H_0)$
- Type II Error $\beta = P(Z^T \geq c \mid H_a)$

- Type I Error $\alpha = P(Z^T < c \mid H_0)$
- Type II Error $\beta = P(Z^T \geq c \mid H_a)$

We want a balancing critical value, c_B, so that $\alpha = \beta$.

It can be shown that.

$$c_B = \frac{\sum_j W_j M(m_j, se_j) - \sum_j W_j \frac{-1}{\sqrt{2\pi}}}{\sqrt{\sum_j W_j^2 V(m_j, se_j)} + \sqrt{\sum_j W_j^2 \left(\frac{1}{2} - \frac{1}{2\pi}\right)}}$$

where

$$M(\mu,\sigma) = \mu\,\Phi(\tfrac{-\mu}{\sigma}) - \sigma\,\phi(\tfrac{-\mu}{\sigma})$$

$$V(\mu,\sigma) = (\mu^2 + \sigma^2)\Phi(\tfrac{-\mu}{\sigma}) - \mu\,\sigma\,\phi(\tfrac{-\mu}{\sigma}) - M(\mu,\sigma)^2$$

$\Phi(\cdot)$ is the cumulative standard normal distribution function, and $\phi(\cdot)$ is the standard normal density function. and μ and σ are the formal arguments of functions $M(\cdot,\cdot)$ and $V(\cdot,\cdot)$.

This formula assumes that Z_j is approximately normally distributed within cell j. When the cell sample sizes, n_{1j} and n_{2j}, are small this may not be true. It is possible to determine the cell mean and variance under the null hypothesis when the cell sample sizes are small. It is much more difficult to determine these values under the alternative hypothesis. Since the cell weight, W_j will also be small (see calculate weights section above) for a cell with small volume, the cell mean and variance will not contribute much to the weighted sum. Therefore, the above formula provides a reasonable approximation to the balancing critical value.

The values of m_j and se_j will depend on the type of performance measure.

Mean Measure

For mean measures, one is concerned with two parameters in each cell, namely, the mean and variance. A possible lack of parity may be due to a difference in cell means, and/or a difference in cell variances. One possible set of hypotheses that capture this notion, and take into account the assumption that transactions are identically distributed within cells is:

H_0: $\mu_{1j} = \mu_{2j}$, $\sigma_{1j}^2 = \sigma_{2j}^2$

H_a: $\mu_{2j} = \mu_{1j} + \delta_j \sigma_{1j}$, $\sigma_{2j}^2 = \lambda_j \sigma_{1j}^2$

When $\delta_j > 0$, $\lambda_j = 1$ and $j = 1,\ldots,L$ where and parameters δ_j and λ_j corresponds to the delta Delta and Lambda values defined in section 4.1.6 of the Administrative Plan.

Under this form of alternative hypothesis, the cell test statistic Z_j has mean and standard error given by

$$m_j = \frac{-\delta_j}{\sqrt{\frac{1}{n_{1j}} + \frac{1}{n_{2j}}}}$$

and

$$se_j = \sqrt{\frac{\lambda_j n_{1j} + n_{2j}}{n_{1j} + n_{2j}}}$$

Proportion Measure

For a proportion measure there is only one parameter of interest in each cell, the proportion of transaction possessing an attribute of interest. A possible lack of parity may be due to a difference in cell proportions. A set of hypotheses that take into account the assumption that transactions are identically distributed within cells while allowing for an analytically tractable solution is:

H_0: $$\frac{p_{2j}(1-p_{1j})}{(1-p_{2j})p_{1j}} = 1$$

H_a: $$\frac{p_{2j}(1-p_{1j})}{(1-p_{2j})p_{1j}} = \psi_j \qquad \psi_j > 1 \text{ and } j = 1,\ldots,L.$$

(where parameters ψ_j correspond to the psi Psi values defined in section 4.1.6 of the Administrative Plan).

These hypotheses are based on the "odds ratio." If the transaction attribute of interest is a missed trouble repair, then an interpretation of the alternative hypothesis is that a CLEC trouble repair appointment is ψ_j times more likely to be missed than an ILEC trouble.

Under this form of alternative hypothesis, the within cell asymptotic mean and variance of a_{1j} are given by[1]

1 Stevens, W. L. (1951) Mean and Variance of an entry in a Contingency Table. *Biometrica*, 38, 468-470.

$$E(a_{1j}) = n_j \pi_j^{(1)}$$

$$\mathrm{var}(a_{1j}) = \frac{n_j}{\frac{1}{\pi_j^{(1)}} + \frac{1}{\pi_i^{(2)}} + \frac{1}{\pi_j^{(3)}} + \frac{1}{\pi_i^{(4)}}}$$

where

$$\pi_j^{(1)} = f_i^{(1)}\left(n_i^2 + f_j^{(2)} + f_j^{(3)} - f_i^{(4)}\right)$$

$$\pi_j^{(2)} = f_j^{(1)}\left(-n_j^2 - f_j^{(2)} + f_j^{(3)} + f_j^{(4)}\right)$$

$$\pi_i^{(3)} = f_i^{(1)}\left(-n_j^2 + f_j^{(2)} - f_j^{(3)} + f_j^{(4)}\right)$$

$$\pi_j^{(4)} = f_j^{(1)}\left(n_i^2\left(\frac{2}{\psi_i} - 1\right) - f_j^{(2)} - f_j^{(3)} - f_j^{(4)}\right)$$

$$f_j^{(1)} = \frac{1}{2n_j^2\left(\frac{1}{\psi_i} - 1\right)}$$

$$f_j^{(2)} = n_j n_{1j}\left(\frac{1}{\psi_i} - 1\right)$$

$$f_j^{(3)} = n_j a_j\left(\frac{1}{\psi_j} - 1\right)$$

$$f_i^{(4)} = \sqrt{n_j^2\left[4n_{1j}\left(n_j - a_j\right)\left(\frac{1}{\psi_j} - 1\right) + \left(n_j + \left(a_j - n_{1j}\right)\left(\frac{1}{\psi_i} - 1\right)\right)^2\right]}$$

Recall that the cell test statistic is given by

$$Z_j = \frac{n_j\, a_{1j} - n_{1i}\, a_j}{\sqrt{\frac{n_{1j}\, n_{2j}\, a_j\,(n_j - a_j)}{n_j - 1}}}$$

Using the equations above, we see it can be shown that Z_j has mean and standard error given by

$$m_j = \frac{n_j^2 \pi_j^{(1)} - n_{1j}\, a_j}{\sqrt{\frac{n_{1j}\, n_{2j}\, a_j\,(n_j - a_j)}{n_j - 1}}}$$

and

$$se_j = \sqrt{\frac{n_i^3(n_j - 1)}{n_{1j}\, n_{2j}\, a_j\,(n_j - a_j)\left(\frac{1}{\pi_i^{(1)}} + \frac{1}{\pi_j^{(2)}} + \frac{1}{\pi_j^{(3)}} + \frac{1}{\pi_j^{(4)}}\right)}}$$

Rate Measure

A rate measure also has only one parameter of interest in each cell, the rate at which a phenomenon is observed relative to a base unit, e.g. the number of troubles per available line. A possible lack of parity may be due to a difference in cell rates. A set of hypotheses that take into account the assumption that transactions are identically distributed within cells is:

H_0: $r_{1j} = r_{2j}$

H_a: $r_{2j} = \varepsilon_j r_{1j}$ $\quad \varepsilon_j > 1$ and $j = 1,\ldots,L$.

(w)Where parameters ε_j corresponds to the epsilon Epsilon values defined in section 4.1.6 of the Administrative Plan.

Given the total number of ILEC and CLEC transactions in a cell, n_j, and the number of base elements, b_{1j} and b_{2j}, the number of ILEC transaction, n_{1j}, has a binomial distribution from n_j trials and a probability of

$$q_j^* = \frac{r_{1j} b_{1j}}{r_{1j} b_{1j} + r_{2j} b_{2j}}$$

Therefore, the mean and variance of n_{1j}, are given by

$$E(n_{1j}) = n_j q_j^*$$

$$\text{var}(n_{1j}) = n_j q_j^* (1 - q_j^*)$$

Under the null hypothesis

$$q_j^* = q_j = \frac{b_{1j}}{b_j}$$

but under the alternative hypothesis

$$q_j^* = q_j^a = \frac{b_{1j}}{b_{1j} + \varepsilon_j b_{2j}}$$

Recall that the cell test statistic is given by

$$Z_j = \frac{n_{1j} - n_j q_j}{\sqrt{n_j q_j (1 - q_j)}}$$

Using the relationships above, we seeit can be shown that Z_j has mean and standard error given by

$$m_j = \frac{n_j (q_j^a - q_j)}{\sqrt{n_j q_j (1 - q_j)}} = (1 - \varepsilon_j) \frac{\sqrt{n_j b_{1j} b_{2j}}}{b_{1j} + \varepsilon_j b_{2j}}$$

and

$$se_j = \sqrt{\frac{q_j^a(1-q_j^a)}{q_j(1-q_j)}} = \sqrt{\varepsilon_j}\,\frac{b_j}{b_{1j}+\varepsilon_j b_{2j}}$$

D.2.6 Determining the Parameters of the Alternative Hypothesis

In this section we have indexed the alternative hypothesis of mean measures by two sets of parameters, λ_j and δ_j (where λ_j and δ_j corresponds to the Lambda and dDelta values defined in section 4.1.6 of the Administrative Plan section). Proportion measures are indexed by parameter ψ_j and rate measures by ε_j (these parameters correspond to the Psi and Epsilon of section 4.1.6). A major difficulty with this approach is that more than one alternative will be of interest; for example we may consider one alternative in which all the δ_j are set to a common non-zero value, and another set of alternatives in each of which just one δ_j is non-zero, while all the rest are zero. There are very many other possibilities. Each possibility leads to a single value for the balancing critical value; and each possible critical value corresponds to many sets of alternative hypotheses, for each of which it constitutes the correct balancing value.

The formulas we have presented can be used to evaluate the impact of different choices of the overall critical value. For each putative choice, we can evaluate the set of alternatives for which this is the correct balancing value. While statistical science can be used to evaluate the impact of different choices of these parameters, there is not much that an appeal to statistical principles can offer in directing specific choices. Specific choices are best left to telephony experts. Still, it is possible to comment on some aspects of these choices:

Parameter Choices for λ_j – The set of parameters λ_j index alternatives to the null hypothesis that arise because there might be greater unpredictability or variability in the delivery of service to a CLEC customer over that which would be achieved for an otherwise comparable ILEC customer. While concerns about differences in the variability of service are important, it turns out that the truncated Z testing which is being recommended here is relatively insensitive to all but very large values of the λ_j. Put another way, reasonable differences in the values chosen here could make very little difference in the balancing points chosen. Therefore, λ_j parameters have been set to 1.

Parameter Choices for δ_j – The set of parameters δ_j are much more important in the choice of the balancing point than was true for the λ_j. The reason for this is that they directly index differences in average service. The truncated Z test is very sensitive to any such differences; hence, even small disagreements among experts in the choice of the δ_j could be very important. Sample size matters here too. For example, setting all the δ_j to a single value $\delta_j = \delta$ might be fine for tests across individual CLECs where the CLEC customer bases are not too different. Using the same value of δ for the overall state testing does not seem sensible. At the state level we are aggregating over CLECs, so using the same δ as for an individual CLEC would be saying that a "meaningful" degree of disparity is one where

the violation is the same (δ) for each CLEC. But the detection of disparity for any component CLEC is important, so the relevant "overall" δ should be smaller.

Parameter Choices for ψ_j *or* ε_j – The set of parameters ψ_j or ε_j are also important in the choice of the balancing point for tests of their respective measures. The reason for this is that they directly index increases in the proportion of service performance. The truncated Z test is sensitive to such increases; but not as sensitive as the case of δ for mean measures. Sample size matters here too. As with mean measures, using the same value of ψ or ε for the overall state testing does not seem sensible.

The bottom line here is that beyond a few general considerations, like those given above, a principled approach to the choice of the alternative hypotheses to guard against must come from elsewhere.

D.2.7 Decision Process

Once Z^T has been calculated, it is compared to the balancing critical value to determine if the ILEC is favoring its own customers over a CLEC's customers.

Appendix E: BSTAT&T SEEM Remedy Calculation Procedures

E.1 BSTAT&T SEEM Remedy Procedure

E.1.1 Tier-1 Calculation For Retail Analogs

DETERMINE IF AN INDIVIDUAL CLEC FAILS A TIER-1/TIER-1 SUBMETRIC

1. is triggered by a monthly failure of any Tier-1 Remedy Plan submetric.
2. Calculate the overall test statistic for a CLEC (CLEC1); Example, z^{T}_{CLEC1} (Per Statistical Methodology).
3. Calculate the balancing critical value (Example, $^{c}B_{CLEC1}$) that is associated with the alternative hypothesis (for fixed parameters , δ, , or ε) for that CLEC.
4. If the overall test statistic is equal to or above the balancing critical value, stop here. That is, if $^{c}B_{CLEC1}$ z^{T}_{CLEC1}, stop here. Otherwise, go to step 5.

CALCULATE REMEDY PAYMENT FOR CORRECTION OF TEST STATISTIC TO THE B CRITICAL VALUE

5. Select the cell with the most negative z-value/Z-Score (let i=1,…,I with i=1 having the most negative z-value/Z-Score, i=2 having next most negative z-value/Z-Score, etc. and with i=I when the criterion in step 7 is fulfilled.) and set its z-value/Z-Score to zero ($z_{CLEC1,i} = 0$).
6. Recalculate the overall test statistic for that CLEC with the adjusted data; Example, $z^{T}_{CLEC1}{}^{*}$ (Statistical Methodology).
7. If the new overall test statistic is equal to or above the balancing critical value, that is, if $^{c}B_{CLEC1}$ $z^{T}_{CLEC1}{}^{*}$, go to step 8. Otherwise, repeat steps 5 – 6 letting i = i + 1.
8. Calculate the Total Affected Volume (TAV) by summing the Total Impacted Volumes (TIV) of each cell whose z-value/Z-Score was reset to zero except the last cell changed. The affected/impacted volume for the last cell changed should be interpolated by $TIV_{CLEC1,I,INT} = (^{c}B_{CLEC1} - z^{T}_{CLEC1,I-1}{}^{*}) / (z^{T}_{CLEC1,I}{}^{*} - z^{T}_{CLEC1,I-1}{}^{*}) \times TIV_{CLEC1,I}$. The result should be rounded up to the next positive integer and added to TAV_{CLEC1}. That is, $TAV_{CLEC1} = TIV_{CLEC1,1} + TIV_{CLEC1,2} + \ldots + TIV_{CLEC1,I-1} + TIV_{CLEC1,I,INT}$. Note that if $TIV_{CLEC1,I} = 1$ then $TIV_{CLEC1,I,INT} = 1$ and the interpolation step can be omitted. Any reset to the cause the overall test statistic to be between the BCV and zero will be included in the TAV as transactions between the BCV and zero.
9. Calculate the below BCV portion of the payment to CLEC1 by multiplying the result of step 8 (TAV_{CLEC1}) by the appropriate dollar amount from the fee schedule. Thus, CLEC1 payment = TAV_{CLEC1} $ from Fee Schedule. Here the fee should be

derived from Table 1: Fee Schedule for ~~Tier 1 Tier~~ Per Transaction Fee Determination (Appendix A)

~~multiplied by the appropriate factor from section 4.3.1.4. This factor is 3/2 if the CLEC aggregate performance passes and 3 if the CLEC aggregate performance fails.~~

~~CALCULATE REMEDY PAYMENT FOR CORRECTION OF TEST STATISTIC TO ZERO~~

~~10. If the current overall adjusted test statistic (calculated in step 6) is equal to or above zero, that is, if $0 \leq z'_{CLEC}$ for $i = 1$, then go to step 14. Otherwise, go to step 11.~~

~~11. Select the cell with the most negative remaining z-value (let i = l+1, ..., J with i = l+1 having the most negative z-value, i = l+2 having the next most negative z-value, etc. and with i = J when the criterion in step 13 is fulfilled.) and set its z-value to zero ($z_{CLEC1,i}$~~

~~12. Recalculate the overall test statistic for that CLEC with the adjusted data: Entries z'_{CLEC} (Per Statistical Methodology).~~

~~13. If the new overall test statistic is equal to or above zero, that is, if $B_{CLEC1} \leq z'_{CLEC1}$, go to step 14. Otherwise, repeat steps 11 – 12 letting i = i+1.~~

~~14. Calculate the Total Affected Volume (TAV0) by summing the Total Impacted Volumes (TIV0) of each cell whose z-value was reset to zero except the last cell changed. The impacted volume for the last cell changed should be interpolated by TIV0 ... (0 – z' ...) / (z' ... – z' ...) * TIV0 ... – TIV ... The result should be rounded up to the next positive integer and added to TAV0. That is, TAV0 = (TIV ... – TIV ...) + TIV0 ... + TIV0 ... + ... + TIV0 ... Note that if TIV0 ... = 1 then TIV ... = 1 and the interpolation step can be omitted. Also, TIV ... – TIV ... = the remaining transactions from TIV ... that were not used in step 8 and if TIV ... = TIV ... then TAV0 ... = 0.~~

~~15. Calculate the (Tier-1) portion of the payment to CLEC1 by multiplying the result of step 14 (TAV0) by the appropriate dollar amount from the fee schedule. Thus, CLEC1 payment = TAV0 * $$ from Fee Schedule. Here the fee should be derived from Table 1: Fee Schedule for Tier 1 Per Transaction Fee Determination (Appendix A) multiplied by the appropriate factor from section 4.3.1.4. This factor is 1/3 if the CLEC aggregate performance passes and 2/3 if the CLEC aggregate performance fails.~~

~~CALCULATE TOTAL REMEDY PAYMENT FOR CLEC1~~

~~16. The total remedy payment for CLEC1 is found by adding the results from step 9 to the results from step 15. That is, CLEC1 total payment = CLEC1 ... payment + CLEC1 ... payment.~~

E.1.2 Example: CLEC1 Percent Repeat Customer Troubles Within 30 Days (PRT) for Resale (DSGN).

Submeasure Category = Provisioning - Resale
Failure Month = Month 1
CLEC Aggregate Result = Failed

	n_I	n_C	I_c	z^T_{CLEC1}	${}^cB_{CLEC1}$		Order Zeroed Out (I-J)	TAIV (< BCV)	TAV0 (0 to BCV)
State	312	27	18	-4.10	-1.22				
Cell				$z_{CLEC1,I}$	RANK	$z^T_{CLEC1}{}^*$			
1		1	0	0.75					
2		4	2	-0.69	8				
3		3	3	-1.76	3	-0.65[Δ]	3	2[°]	
4		1	0	0.67					
5		4	3	-1.45	5	0.80			1
6		3	3	-3.45	1	-2.46	1	3	
7		2	2	-1.81	2	-1.60	2	2	
8		3	2	-1.09	6				
9		1	1	-1.65	4	-0.13			
10		2	1	-0.84	7				
11		1	0	0.62					
12		2	1	-0.40	9				
Total			**18**					**7**	3

[Δ]Note that after making $z_{CLEC1,I} = 0$, the overall $z^T_{CLEC1}{}^* = -0.65$ is greater than the balancing critical value ${}^cB_{CLEC1} = -1.22$.

[Δ]Note that after making $z_{CLEC1,I} = 0$, the overall $z^T_{CLEC1}{}^* = 0.80$ is greater than zero.

[°]For cell#3 the TAV TIV would be calculated with ((-1.22) - (-1.60))/((-0.65) - (-1.60)) × 3 = 1.2 which is rounded up to 2 transactions.

[°]For cell 5 the TAV0 would be calculated with ((0) - (-0.13))/((0.80) - (-0.13)) × 4 = 0.56 which is rounded up to 1 transaction.

Remedy payment for CLEC1 payment is (7 units) * ($40/unit) * (3 factor) = $840 when the CLEC aggregate performance fails. Remedy payment for CLEC1 payment is (4 units) * ($40/unit) * (2/3 factor) = $80 when the CLEC aggregate performance fails. The total remedy payment is CLEC payment = $840 + $80 = $920.

E.2 Tier-2 Calculation For Retail Analogs

1. Calculate the aggregate three consecutive monthly failures of any Tier-2 Remedy Plan sub-metric. Determine failure by performing steps 2 – 4 in section E.1.1 for each of the three consecutive months for the aggregate of all CLEC data. If any month passes, no remedies are required.
2. If remedies are required, calculate monthly statistical results and affected volumes for the CLEC aggregate performance for each of the three consecutive months as outlined in steps 2 – 4 of section E.1.1. Determine average monthly affected volumes for the applicable time period for both the TAV (remedies required for correcting the test result to meet the BCV) and the TAV0 (remedies required for correcting the test result to zero).
3. Calculate State Designated Agency by multiplying average monthly volume by appropriate dollar amount from the Tier-2 fee schedule (Appendix A, Table 1 – Tier-2 Per Transaction Fee Determination).
4. The total State Designated Agency payment = (average monthly volume TAV * $$ from Fee Schedule) + (average monthly volume TAV0 * $$ from Fee Schedule).

E.2.1 Example: STATE-A Percent Provisioning Troubles within X Days - UNE Loops Design

- Submeasure Category = Provisioning – UNE
- Failure Month = Month 1
- CLEC Aggregate Result = Failed all three months

Month 1	n_i	n_C	I_C	z^T_{CLEC1}	$^CB_{CLEC1}$		Order Zeroed Out (I/J)	TAV (< BCV)	TAV0 (0–BCV)
State	155	87	8	-5.11	-0.35				
Cell				z_{CLEC1}	RANK	z^T_{CLEC1}			
1				-1.53	5	0.91[1]	5		4[2]
2				0.31					
3				-2.18	3	-1.21	3		
4				-4.52	2	-2.39	2		
5		1	0	0.28					
6		18		-0.24	8				
7		5		-0.45	7				
8		1		-3.39	1	-3.74	1		
9		1		-0.50	6				

Month 1	n_i	n_C	I_0	z^T_{CLEC1}	$^CB_{CLEC1}$		Order Zeroed Out (I/J)	TAV (< BCV)	TAV0 (0–BCV)
80			1	-2.14	4	-0.04[1]		1[2]	0
Total			8					4	1

[1] Note that after making $z_{CLEC1} = 0$, the overall $z^T_{CLEC1} = -0.04$ is greater than the following critical value – $^CB_{CLEC1} = -0.25$.

[2] Note that after making $z_{CLEC1} = 0$, the overall $z^T_{CLEC1} = 0.80$ is greater than zero.

[3] For cell 10 the TAV_0 would not be interpolated given that the impacted volume for that cell is only 1.

[4] For cell 14 the TAV_0 would not be interpolated given that the impacted volume for that cell is only 1.

TAV for month 1 is 4 units. TAV0 for month 1 is 1 unit.

Submeasure Category = Provisioning – UNE
Failure Month = Month 2
CLEC Aggregate Result = Failed all three months

Month 2	n_i	n_C	I_0	z^T_{CLEC1}	$^CB_{CLEC1}$		Order Zeroed Out (I/J)	TAV (< BCV)	TAV0 (0–BCV)
[illegible]	1[illegible]		3	-0.94	-0.39				
Cell				z_{CLEC1}	RANK	z^T_{CLEC1}			
1		2	1	-1.58	2				
2		1	0	1.00					
3		1	0	0.25					
4		1	0	0.26					
5		2	0	0.46					
6		1	0	0.20					
7		2	1	-0.71	3				
8		1	1	-1.12	1	0.28[3]		1[4]	
9		1	0	0.35					
10		1	0	0.50					
Total			7						0

[illegible] Note that after making $z_{CLEC,1} = 0$, the overall z'_{CLEC} = 0.28 is greater than the balancing critical value $^{6}B_{CLEC1}$ = -0.39. Note that it is also greater than zero. Therefore, the total affected volume has been identified.

[illegible] For cell 2, the TAV, would not be interpolated given that the impacted volume for that cell is only [illegible].

TAV for n with 2 is 1 unit, TAV0 for month 2 is 0 units.

Submeasure Category = Provisioning – UNE
Failure Month = Month 3
CLEC Aggregate Result = Failed all three months

Month 3	n_i	n_{ic}	I_n	z^{T}_{CLEC1}	$^{6}B_{CLEC1}$		Order Zeroed Out (I/J)	TAV (< BCV)	TAV0 (0–BCV)
State	195	55	8	-4.76	-0.49				
[illegible]				$z_{CLEC,i}$	RANK	z'_{CLEC1}			
[illegible]		[illegible]	0	0.48					
[illegible]			1	-2.55	6				
			0	0.57					
[illegible]				-3.00	4	-0.81	[illegible]	[illegible]	
[illegible]		[illegible]		-3.16	2	-2.78	2	[illegible]	
			[illegible]	0.20					
[illegible]		[illegible]	[illegible]	-3.32	1	-3.76	1		
[illegible]		[illegible]		-3.00	3	-1.78	3	[illegible]	
[illegible]			[illegible]	-2.92	5	0.18[illegible]	5	[illegible]	
[illegible]		[illegible]	[illegible]	-0.41	7				
[illegible]		[illegible]		-0.32	8				
[illegible]			[illegible]	0.24					
[illegible]			0	0.25					
Total			8					[illegible]	0

[illegible] Note that after making $z_{CLEC,1} = 0$, the overall z'_{CLEC} = 0.18 is greater than the balancing critical value $^{6}B_{CLEC1}$ = -0.49. Note that it is also greater than zero. Therefore, the total affected volume has been identified.

[illegible] For cell 1, the TAV, would not be interpolated given that the impacted volume for that cell is only 4.

TAV for n with 3 is 5 units, TAV0 for month 3 is 0 units.

If the above examples represent performance for each of months 1 through 3, then

E.2.2 Example: sTATE-A Percent Provisioning Troubles within 30 Days - UNE Loops Design

State	TAV	TAV0
Month 1	4	
Month 2	1	0
Month 3	5	0
Average TAV(0) for rolling 3 month period	3.33	0.33
Remedy amount per unit (Appendix A Table 2	$345	$76
Remedy Dollars	$1148.85	$25.08

The total remedy paid for this Tier 2 submetric is $1148.85 + $25.08 = $1173.93 which rounds up to $1174.

E.3E.2 Tier-1 Calculation For Benchmarks

1. For each CLEC with five or more observations, calculate monthly performance results for the State.
2. CLEC having observations (sample sizes) between 5 and 29 will use Table I below. the large sample threshold L will use benchmark adjustment calculations described below.
   The only exception will be for Collocation Percent Missed Due Dates.
   a. The large sample threshold is defined as $L = 9(B \cdot (1-B))$, rounded to the closest larger integer, where B is the benchmark. Large sample thresholds for some values of benchmarks are shown in the table below.

Benchmark B	Large Sample Threshold L
90%	100
95%	190
96.5%	267

   b. The Equivalent Minimal Benchmark for sample size n=5, EB(5) is based on the smallest number of failures $k \leq n$, for which the cumulative binomial distribution $C(n,k,p)$ exceeds 5%. The failure allowance is at least 1 for small samples.

Nominal Benchmark	Equivalent Minimal Benchmark: EB(5)

Nominal Benchmark	Equivalent Minimal Benchmark: FB(5)
90%	60%
95%	80%
96.5%	80%

For CLEC sample size n between 5 and 1, the Equivalent Benchmark FB(n) is calculated so that the adjustment percent decreases linearly from FB(5) for n=5 to 0 for n=1, resulting in the following formula:

FB(n) = B - (B-FB(5))*(1-n)/(1-5).

Thus, the Equivalent Benchmark is equal to the nominal Benchmark for large samples and to the Equivalent Benchmark for small samples.

Small Sample Size Table (95% Confidence)

Sample Size	Equivalent 90% Benchmark	Equivalent 95% Benchmark
5	60.00%	80.00%
6	66.67%	83.33%
7	71.43%	85.71%
8	75.00%	75.00%
9	66.67%	77.78%
10	70.00%	80.00%
11	72.73%	81.82%
12	75.00%	83.33%
13	76.92%	84.62%
14	78.57%	85.71%
15	73.33%	86.67%
16	75.00%	87.50%
17	76.47%	82.35%

Sample Size	Equivalent 90% Benchmark	Equivalent 95% Benchmark
18	77.78%	83.33%
19	78.95%	84.21%
20	80.00%	85.00%
21	76.19%	85.71%
22	77.27%	86.36%
23	78.26%	86.96%
24	79.17%	87.50%
25	80.00%	88.00%
26	80.77%	88.46%
27	81.48%	88.89%
28	78.57%	89.29%
29	79.31%	86.21%
30	80.00%	86.67%

3. If the percentage (or equivalent percentage for small samples) meets the benchmark standard, no remedies are required. Otherwise, go to step 4.
4. Determine the Volume Proportion by taking the difference between the benchmark and the actual performance result.

5. Calculate the CLEC Total Affected Volume (TAV) by multiplying the Volume Proportion from step 4 by the Total Impacted CLEC Volume.
6. Calculate the payment to CLEC by multiplying the result of step 5 by the appropriate dollar amount from the fee schedule (Appendix A, Table 1) times the appropriate multiplier (see step 2 or 3). That is,

   CLEC payment = CLEC Total Affected Volume (TAV) × $$ from Fee Schedule * multiplier. For the example that follows, fee amounts are based on an aggregate failure.

E.32.1 Example: CLEC1 Percent Missed Due Dates for Collocations

Submeasure Category = Collocation
Failure Month = Month 1
CLEC Aggregate Result = Failed

	n_C	Benchmark	$PMDD_C$	Volume Proportion	Affected Volume	Fee Schedule	Fee Multiplier	Payout
State	600	≥ 95% On Time	92%	.03	18	$3,165		$56,970

Payout for CLEC1 is (18 units) * ($3,165/unit) * (3 factor) = $170,910**56,970**.

E.43 Tier 1**Tier-1** Calculation For Benchmarks (In The Form Of A Target)

1. For each CLEC with five or more observations calculate monthly performance results for the State.
2. CLEC's having observations (sample sizes) between 5 and the large sample threshold L will use small sample size table adjustments as described above.
3. Calculate the interval distribution based on the same data set used in step 1.
4. If the 'percent within' (or equivalent percentage for small samples) meets the benchmark standard, no remedies are required. Otherwise, go to step 5.
5. Determine the Volume Proportion by taking the difference between benchmark and the actual performance result.
6. Calculate the Total Affected Volume by multiplying the Volume Proportion from step 5 by the Total CLEC Volume.
7. Calculate the payment to CLEC by multiplying the result of step 6 by the appropriate dollar amount from the fee schedule. That is,
   CLEC payment = CLEC's Total Affected Volume (CLEC) * $$ from Fee Schedule for the failed tier. For the example that follows, assume CLEC aggregate failure.

E.43.1 Example: CLEC-1 Reject Interval – Fully Mechanized

Submeasure Category = Ordering
Failure Month = Month 1
CLEC Aggregate Result = Failed

	n_C	Benchmark	Reject Interval	Volume Proportion	Affected Volume	Fee Schedule	Fee Multiplier	Payout
State	600	97% ≤ 1 hour	95% ≤ 1 hour	.02	12	$20		$240

Payout for CLEC1 is (12 units) * ($20/unit) * (2.5 factor) = $600 240

E.5 Tier-2 Calculations For Benchmarks

Tier-2 calculations for benchmark measures are the same as the Tier-1 benchmark calculations except they are based on the CLEC aggregate performance and the CLEC aggregate must have failed for three (3) consecutive months.

E.64 Regional and State Coefficients

This section describes the method of calculating regional and state coefficients.

E.6.1 AKC

Acknowledgment Completeness (AKC-EDI & AKC-TAG)
Regional Coefficient Formula (Tier-1)
Coefficient = (A+B) / (C+D) where:
A = number of valid FOC transactions of the CLEC in the state (fully & partially mechanized)
B = number of valid RI transactions of the CLEC in the state (fully & partially mechanized)
C = total valid FOC transactions of the CLEC in the region (fully & partially mechanized)
D = total valid RI transactions of the CLEC in the region (fully & partially mechanized)

State Coefficient Formula (Tier-2)

State Coefficient = (A+B) / (C+D) where:

A = number of valid FOC transactions for all CLECs in the state (fully & partially mechanized)
B = number of valid RI transactions for all CLECs in the state (fully & partially mechanized)
C = total valid FOC transactions in the region (fully & partially mechanized)
D = total valid RI transactions in the region (fully & partially mechanized)

E.64.2 1 Percent Flow Through Service Requests [PFT]

Regional Coefficient Formula (Tier-1)
Coefficient = A / B where:
A = number of valid Flow Through transactions of the CLEC in the state;
B = total valid Flow Through transactions of the CLEC in the region.

Percent Flow-Through CLEC Aggregate – Residence (PFT-RES)

~~Percent Flow Through CLEC Aggregate – Business (PFT- BUS)~~

~~Percent Flow Through CLEC Aggregate – UNE-L (includes UNE-L with LNP)~~

~~Percent Flow Through CLEC Aggregate – LNP (PFT-LNP)~~

~~Regional Coefficient Formula (Tier 1)~~

~~Coefficient = A / B where:~~

~~A = number of valid FOC transactions of the CLEC in the state (fully mechanized)~~

~~B = total valid FOC transactions of the CLEC in the region (fully mechanized)~~

~~State Coefficient Formula (Tier 2)~~

~~State Coefficient = A / B where:~~

~~A = number of valid FOC transactions for all CLECs in the state (fully-mechanized)~~
~~B = total valid FOC transactions in the region (fully-mechanized)~~

E.4.2 Service Order Accuracy [SOA]

Regional Coefficient Formula (Tier-1)
Coefficient = A / B where:
A = number of valid SOA transactions of the CLEC in the state.

B = total valid SOA transactions of the CLEC in the region.

~~E.6.3 CMN, PSEC, PCRAR, PCRIP~~

- ~~Timeliness of Change Management (CMN)~~
- ~~Percent of Software Errors Corrected in X (10, 30, 45) Business Days – Region (PSEC)~~
- ~~Percent Change Requests Accepted or Rejected in 10 Days – Region (PCRAR)~~
- ~~Percent of Change Request Implemented Within 60 Weeks of Prioritization – Region (PCRIP)~~

~~State Coefficient Formula (Tier 2)~~

~~Coefficient = (A+B) / (C+D) where~~

- ~~A = number of valid FOC transactions for all CLECs in the state (fully & partially mechanized)~~
- ~~B = number of valid RI transactions for all CLECs in the state (fully & partially mechanized)~~
- ~~C = total valid FOC transactions in the region (fully & partially mechanized)~~

- D = total valid RI transactions in the region (fully & partially mechanized)

E.6.4 IA, OAAT

Interface Availability (IA)
Average Answer Time - Ordering Centers (OAAT)

State Coefficient Formula (Tier 2)

Coefficient = (A+B) / (C+D) where:

- A = number of valid FOC transactions for all CLECs in the state (fully & partially mechanized)
- B = number of valid RI transactions for all CLECs in the state (fully & partially mechanized)
- C = total valid FOC transactions in the region (fully & partially mechanized)
- D = total valid RI transactions in the region (fully & partially mechanized)

BellSouth's AT&T's Policy on Reposting of Performance Data and Recalculation of SEEM Payments

Appendix F: BellSouth's AT&T's Policy on Reposting of Performance Data and Recalculation of SEEM Payments

BellSouth AT&T will be required to repost make available reposted performance data as reflected in the Service Quality Measurement (SQM) reports and recalculate Self-Effectuating Enforcement Mechanism (SEEM) payments using the Parity Analysis and Remedy Information System (PARIS), to the extent technically feasible, under the following circumstances:

1. Those SQM measures included in a state's specific SQM plan with corresponding sub-metrics are subject to reposting. A notice will be placed on the PMAP AT&T Performance Measurement website advising CLECs when reposted data is available.
2. SQM Performance sub-metric calculations that result in a shift in the statewide aggregate performance from an "in parity" condition to an "out of parity" condition will be available for reposting, unless such a shift was caused by a single misclassified observation, either in the numerator, denominator, or both.
3. SQM Performance sub-metric calculations with benchmarks where statewide aggregate performance is in an "out of parity" condition will be available for reposting whenever there is a >= 2% decline in BellSouth's AT&T's performance at the sub-metric level, unless such a shift was caused by a single misclassified observation, either in the numerator, denominator, or both.
4. SQM Performance sub-metric calculations with retail analogues that are in an "out of parity" condition will be available for reposting whenever there is a degradation in performance as shown by an adverse change of >= .5 in the z-Score at the sub-metric level.
5. Any data recalculations that reflect an improvement in BellSouth's AT&T's performance will be reposted at BellSouth's AT&T's discretion. However, statewide performance must improve by at least 2% for benchmark measures and the z-score must improve by at least 0.5 for parity measures at the sub-metric level to qualify for reposting.
6. SQM Performance data will be reposted for a maximum of three months in arrears from date of detection. As an example, should an error be discovered during the analysis of the May data month, and this error triggers a reposting, BellSouth AT&T will correct the data beginning with the month of detection (May) and the three months preceding – April, March and February.
7. When updated SQM performance data has been reposted or when a payment error in PARIS has been discovered, BellSouth AT&T will recalculate applicable SEEM payments, where technically feasible, for a maximum of three months in arrears from date of detection. Recalculated SEEM payments due to reposted SQM data will be made for the

AT&T
EXHIBIT D

Proposed Florida SEEM Changes

Rationale Matrix

FLORIDA SEEM ADMINISTRATIVE PLAN

SEEM Section/ Sub-section	Proposed Changes	Rationale
Contents		
	Contents **Page** **Administrative Plan.....1** 1 – Scope.....1 2 – Reporting.....1 3 – Review of Measurements and Enforcement Mechanisms.....2 4 – Enforcement Mechanisms.....2 4.1 - Definitions.....2 4.2 - Application.....3 4.3 - Methodology.....4 4.4 - Payment of Tier-1 ~~and Tier-2~~ Amounts.....~~6~~5 4.5 - Limitations of Liability.....~~8~~6 4.6 - Change of Law.....~~9~~8 ~~4.7 Affiliate Reporting.....10~~ 4.~~8~~7 - Enforcement Mechanism Cap.....~~10~~9 4.~~9~~8 - Audits.....~~11~~9 4.~~10~~9 - Dispute Resolution.....~~11~~9 4.~~11~~10 - Regional and State Coefficients.....~~11~~10 **Appendix A: Fee Schedule.....~~12~~11** Table 1: Fee Schedule for ~~Tier-1~~Tier-1 Per Transaction Fee Determination.....~~12~~11 ~~Table 2: Tier-2 Per Transaction Fee Determination.....13~~ Table 2: Maximum Remedy for Tier-1 Measures with a Cap.....11 **Appendix B: SEEM Submetrics.....~~11~~12** B.1 - ~~Tier-1~~Tier-1 Submetrics.....~~11~~12 ~~B.2 – Tier-2 Per Transaction Fee Determination.....15~~ **Appendix C: Statistical Properties and Definitions.....~~22~~16** C.1 – Necessary Properties for a Test Methodology.....~~22~~16 C.2 – Testing Methodology – The Truncated Z.....~~23~~17 **Appendix D: Statistical Formulas and Technical Descriptions.....~~27~~21** D.1 – Notation and Exact Testing Distributions.....~~27~~21 D.2 – Calculating the Truncated Z.....~~30~~24 **Appendix E: BST AT&T SEEM Remedy Calculation Procedures.....~~40~~34**	• Refer to individual metric in SQM section of Exhibit C to review rationale • Throughout document, standardizing format from Tier 1 to Tier-1

	E.1 – ~~BellSouth's~~ AT&T SEEM Remedy Procedure.....~~40~~34 ~~E.2 – Tier -1 Calculation For Benchmarks.....42~~ E.~~2~~2 – Tier -1 Calculation For Benchmarks.....~~46~~36 E.~~3~~3 – Tier-1 Calculation For Benchmarks (In The Form Of A Target).....~~48~~38 ~~E.3 – Tier-2 Calculation For Benchmarks.....50~~ E.~~4~~4 – Regional ~~Adjustment~~ Coefficients.....~~49~~39 **Appendix F: ~~BellSouth's~~AT&T's Policy on Reposting of Performance Data and Recalculation of SEEM Payments**..... ~~52~~40	
Administrative Plan		
1	**Scope**	
1.1	This Administrative Plan (Plan) includes Service Quality Measurements (SQM) with corresponding Self Effectuating Enforcement Mechanisms (SEEM) to be implemented by ~~BellSouth~~ AT&T pursuant to Order No. ~~PSC-07-0286-PAA-TP~~ (TBD) issued on ~~April 3, 2007~~TBD by the Florida Public Service Commission (the "Commission") in ~~Docket No. 000121A-TP~~ (TBD), and as confirmed by Consummating Order No. ~~PSC-07-0395-CO-TP~~ (TBD), issued by the Commission on ~~May 7, 2007~~ (TBD).	• Throughout the SEEM document, an administrative change is made changing BellSouth to AT&T. • Administrative change that will be made to reflect order and date of order to be issued at close of the review.
1.2	Upon the Effective Date of this Plan, all appendices referred to in this Plan will be located on the ~~BellSouth Performance Measurements and Analysis Platform~~ AT&T website ~~at: https://pmap.bellsouth.com~~.	• Updated to refer to an AT&T website rather than provide URL that may change.
2	**Reporting**	
2.1	In providing services pursuant to the Interconnection Agreements between ~~BellSouth~~ AT&T and each CLEC, ~~BellSouth~~ AT&T will report its performance to each CLEC in accordance with ~~BellSouth's~~ AT&T's SQMs and pay remedies in accordance with the applicable SEEM, which are posted on the ~~Performance Measurement Reports~~AT&T website.	• Updated to refer to an AT&T website rather than provide URL that may change.
~~2.2~~	~~BellSouth will make performance reports available to each CLEC on a monthly basis. The reports will contain information collected in each performance category and will be available to each CLEC via the Performance Measurements and Analysis Platform website. BellSouth will also provide electronic access to the raw data underlying the SQMs.~~	• Moved verbiage specific to SQM to Report Publication Dates section of SQM Plan.
~~2.3~~	~~Final validated SQM reports will be posted no later than the last day of the month following the data month in which the activity is incurred, or the first business day thereafter. Final validated SQM reports not posted by this time will be considered late.~~	• Moved verbiage specific to SQM to Report Publication Dates section of SQM Plan.
2.~~4~~2	Final validated SEEM reports will be posted on the ~~Performance Measurements and Analysis Platform~~ AT&T website on the 15th of the month, following the posting of final validated SQM reports for that data month or the first business day thereafter.	• Updated to refer to an AT&T website rather than provide URL that may change.
~~2.5~~	~~BellSouth shall pay fines to the Commission, in the aggregate, for all late SQM and SEEM reports in the amount of $2000 per day. Such payment shall be made to the Commission for deposit into the state General Revenue Fund within fifteen (15) calendar days of the end of the reporting month in which the late publication of the report occurs.~~	• Eliminate to simplify plan. • AT&T consistently posts reports on time with no late postings since 2003. • Late postings have no impact on level of service provided to CLECs and thus, CLECs' ability to compete.
~~2.6~~	~~BellSouth shall pay fines to the Commission, in the aggregate, for all reposted SQM reports in the amount of $400 per day. If such reposting is associated with any Data Notification, a maximum of ninety (90) days may be deducted from the fine. The circumstances which may necessitate a reposting of SQM reports are detailed in Appendix F, Reposting of Performance Data and Recalculation of~~	• Eliminate to simplify plan. • Reposting have no impact on level of service provided to CLECs and thus,

	~~SEEM Payments. Such payments shall be made to the Commission for deposit into the state General Revenue Fund within fifteen (15) calendar days of the final publication date of the report or the report revision date.~~	CLECs ability to compete. • Interest is paid for any underpayment of remedies resulting from reposting. • Emphasis should be on complete and accurate reports, not fines for efforts to correct data.
~~2.7~~	~~Tier II SEEMS payments and Administrative fines for late and reposted reports will be sent to the Commission. Checks and the accompanying transmittal letter will be postmarked on or before the 15th of the month or the first business day thereafter, when the 15th falls on a non-business day.~~	• Eliminate references to payments to Commission with elimination of Tier 2 remedy and fines.
2.8~~3~~	~~BellSouth~~AT&T shall retain the performance measurement raw data files for a period of 18 months and further retain the monthly reports ~~produced in PMAP~~ for a period of three years.	• Remove reference to PMAP to allow flexibility in the event platform changes in the future.
2.9~~4~~	~~BellSouth~~AT&T will provide documentation of late and reposted SQM and SEEM Reports during the reporting month that the data is posted to the website. ~~These notations may be viewed on the Performance Measurements website from the PMAP home page on the Current Month Updates link.~~	• Remove reference to PMAP to allow flexibility in the event platform changes in the future.
3	**Review of Measurements and Enforcement Mechanisms**	
3.1	~~BellSouth will participate in annual review cycles. A collaborative work group, which will include BellSouth, interested CLECs and the Commission will review the Performance Assessment Plan for additions, deletions or other modifications. After the first six months of data are available under this version of SEEM, the Florida PSC Staff will have a special one-time workshop to review the operation of the Plan. Thereafter, reviews will be on an annual basis.~~ A workshop and/or conference shall be organized and held periodically for the purpose of evaluating the existing performance measures and determining whether any measures should be deleted, modified or any new measures added. Provided however, no new measures shall be added which measure activity already governed by existing measures. CLEC may actively participate in this periodical workshop with AT&T and other CLECs and state regulatory authority representative.	• Proposing to change annual review to periodic as needed. • Language mirrors that proposed in the Administrative Changes section of the SQM Plan.
3.1.1	AT&T may make administrative changes that do not substantively change the Service Quality Measurements or SEEM Administrative Plan. Such changes are excluded from the periodic review process noted above. AT&T will provide written notice to the Commission regarding all administrative changes.	• Providing language to modify SEEM Plan for administrative changes that do not substantially change the plan to simplify administration of the plan and ensure documentation that is compliant at all times with existing OSS systems and processes.
3.2	~~In the event a dispute arises regarding the ordered modification or amendment to the SQMs or SEEMs, the parties will refer the dispute to the Florida Public Service Commission.~~ As provided in the Florida SEEM Administrative Plan, no changes to remedies liquidated damages (remedies) or any other term or condition of this Attachment affecting remedies, including but not limited to the level of remedies to be paid by AT&T and the application of a benchmark, shall be made except by the consent of the Parties and shall not be effective until memorialized in an amendment to the Florida SEEM Administrative Plan. Except as otherwise provided in the Florida SEEM Administrative Plan, neither Party shall have a right to seek state regulatory authority jurisdiction or intervention to address any issues affecting remedies. Any dispute concerning remedies or modification to the current remedy plan shall be resolved pursuant to the dispute resolution provisions contained herein.	• Provide clarification for changes and dispute resolution
4.0	**Enforcement Mechanisms**	

4.1	**Definitions**	
4.1.4	*Test Statistic and Balancing Critical Value* – means by which enforcement will be determined using statistically ~~valid equations~~methods. The Test Statistic and Balancing Critical Value are set forth in Appendices C, D, and E of this Plan.	• Verbiage change made to comply with mathematical terminology
4.1.5	*Cell* – grouping of transactions at which like-to-like comparisons are made. For example, all ~~BellSouth~~AT&T retail (POTS) services, for residential customers, requiring a dispatch in a particular wire center, at a particular point in time will be compared directly to CLEC resold (POTS) services for residential customers, requiring a dispatch, in the same wire center, at a similar point in time. When determining compliance, these cells can have a positive or negative Test Statistic. See Appendices C, D and E of this Plan.	• Name change from Bellsouth to AT&T. • Clarification of example that explains a like-to-like comparison. Like-to like comparisons necessitates that AT&T compare resold POTS service to retail POTS services. • This is **not** a change to SEEM remedy processing.
4.1.6	*Delta, Psi ~~and~~, Epsilon, and Lambda* – measures of the meaningful difference between ~~BellSouth~~AT&T performance and CLEC performance. For individual CLECs ~~or~~, the Delta (δ) value shall be 0.5 and for the CLEC aggregate the Delta value shall be 0.35. The value for Psi (ψ) shall be 3 for individual CLECs and 2 for the CLEC aggregate. The value for Epsilon (ε) ~~wi~~shall be 4 for individual CLECs and 2.5 for ~~both individual CLECs and~~ the CLEC aggregate. The value of Lambda (λ) shall be 1 for both individual CLECs and the CLEC aggregate.	• Name change from Bellsouth to AT&T. • Update the description to include parameter Lambda and the implemented value of Lambda. as well as the mapping of Greek letter symbols to their spelled out names.. This is **not** a change to SEEM remedy processing. • Changed the value of Epsilon for individual CLECs to be 4. Based on justification provided in section D.2.6 of this exhibit, the value for individual CLECs should be larger than for the CLEC aggregate. Aggregate results are based on much larger samples and the truncated Z test is sensitive to the sample size. The choice of Epsilon value follows from the individual to aggregate ratios for the other parameters (0.5 to 0.35 and 3 to 2).
~~4.1.8~~	~~*Tier 2 Enforcement Mechanisms* – fees paid directly to the Florida Public Service Commission or its designee. Tier 2 Enforcement Mechanisms are triggered by three consecutive monthly failures at the submetric level in which BellSouth performance is out of compliance or does not meet the benchmarks for the aggregate of all CLEC data.~~	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
4.1.~~11~~10	*Cell Ranking* – placing cells in rank order from highest to lowest, where the cell with the most negative ~~z-score~~Z-Score is ranked highest and the cell with the least negative ~~z-score~~Z-Score is ranked lowest.	• Administrative correction to prior verbiage to provide terminology consistency throughout all parts of the document.
4.1.~~12~~11	*Cell Correction* – method for determining the quantity of transactions to be remedied, referred to as "affected volume," wherein the cell-level ~~modified z-score~~Z-Score for the highest ranked cell is first changed to zero ("corrected") and then the next highest, progressively, until the overall level truncated ~~z-score~~Z-Score is equal to the Balancing Critical Value ~~or zero~~ as required by the ~~Fee Schedule~~Remedy Calculation Procedures. Either all of the transactions in a corrected cells are remedied or a prorated share (determined through interpolation) ~~are~~ is remedied.	• Administrative correction to verbiage in prior version of SEEM document for clarification purposes. "Modified" Z pertains only to averages, but cell correction pertains to all three types of measures. Z-Score is a more general term, AT&T SE uses classical Z-Score for rates and proportions. No changes to the SEEM plan. • Cell Correction is governed by Remedy Calculation Procedures, not Fee Schedule. No changes to the SEEM plan. • Removed "or zero" consistent with the proposal of no remedies between BCV and 0. Rational provided in the changes to Appendix E. • Fee Schedule has nothing to do with cell correction. Clarification only. No changes to the SEEM plan.

<table>
<tr><td>4.2</td><td colspan="2">Application</td></tr>
<tr><td>4.2.1</td><td>The application of the Tier-1 ~~and Tier 2~~ Enforcement Mechanisms does not foreclose other legal and regulatory claims and remedies available to each CLEC.</td><td>• Eliminate reference to Tier 2.
• Rationale for elimination of Tier 2 provided in proposed changes to SQM document.</td></tr>
<tr><td>4.2.2</td><td>Payment of any Tier-1 ~~or Tier 2~~ Enforcement Mechanisms shall not be considered as an admission against interest or an admission of liability or culpability in any legal, regulatory or other proceeding relating to ~~BellSouth~~AT&T's performance and the payment of any Tier-1 ~~or Tier 2~~ Enforcement Mechanisms shall not be used as evidence that ~~BellSouth~~AT&T has not complied with or has violated any state or federal law or regulation.</td><td>• Eliminate reference to Tier 2.
• Rationale for elimination of Tier 2 provided in proposed changes to SQM document.</td></tr>
<tr><td>4.3</td><td colspan="2">Methodology</td></tr>
<tr><td>~~4.3.1.4~~</td><td>~~For submetrics that are assessed based on Enforcement Measurement Retail Analog compliance criteria, the fee paid for a particular submetric that failed at the Tier 1 level will be differentiated based on two criteria. First, the Tier 1 fee paid will be based on whether the same submetric that failed at the Tier 1 level (CLEC-specific) also failed at the CLEC aggregate level in the same month. Second, the Tier 1 fee paid will be based on whether the transactions in the cells to be remedied correct the overall truncated z-score from the region below the Balancing Critical Value ("BCV") to the BCV or from the BCV to zero. Depending on which of these criteria apply, a different multiplier will be applied to the Fee Schedule (shown in Appendix A, Table 1: Fee Schedule for Tier 1 Per Transaction Fee Determination) to determine the amount of the Tier 1 payments. The chart below shows the applicable multipliers:~~

<table><tr><th>~~CLEC Aggregate Performance~~</th><th>~~Per Transaction Fee Below BCV~~</th><th>~~Per Transaction Fee Between BCV and 0~~</th></tr><tr><td>~~Passes~~</td><td>~~(Fee)*(3/2)~~</td><td>~~(Fee)*(1/3)~~</td></tr><tr><td>~~Fails~~</td><td>~~(Fee)*(3)~~</td><td>~~(Fee)*(2/3)~~</td></tr></table>~~No multiplier applies for the Billing Invoice Accuracy measure.~~</td><td>• Propose elimination of multipliers.
• The additional fees paid to the CLEC as the result of the multiplier are not compensatory with the service impact
o Current Fee Schedule payments, incremented each month for successive misses, are sufficient remedies for actual service impact
• The regional performance results for all CLECs does not incrementally impact an individual CLECs results</td></tr>
<tr><td>~~4.3.1.5~~</td><td>~~For submetrics that are assessed based on Enforcement Measurement Benchmark compliance criteria the fee paid for a particular submetric that failed at the Tier 1 level will be differentiated based on whether the same submetric that failed at the Tier 1 level (CLEC-specific) also failed at the CLEC aggregate level in the same month. A different multiplier will be applied to the Fee Schedule (shown in Appendix A, Table 1: Fee Schedule for Tier 1 Per Transaction Fee Determination) to determine the amount of the Tier 1 payments. The chart below shows the applicable multipliers:~~

<table><tr><th>~~CLEC Aggregate Performance~~</th><th>~~Per Transaction Fee~~</th></tr><tr><td>~~Passes~~</td><td>~~(Fee)*(3/2)~~</td></tr><tr><td>~~Fails~~</td><td>~~(Fee)*(5/2) for Ordering and Flow Through~~
~~(Fee)*(3) for all other benchmark measures~~</td></tr></table></td><td>• Propose elimination of multipliers
• The additional fees paid to the CLEC as the result of the multiplier are not compensatory with the service impact
o Current Fee Schedule payments, incremented each month for successive misses, are sufficient remedies for actual service impact
• The regional performance results for all CLECs does not incrementally impact an individual CLECs results</td></tr>
<tr><td>~~4.3.2~~</td><td>~~Tier 2 Enforcement Mechanisms will be triggered by BellSouth's failure to achieve applicable Enforcement Measurement Compliance or Enforcement Measurement Benchmarks for the State of Florida for given Enforcement Measurement Elements for three consecutive~~</td><td>• Eliminate reference to Tier 2.</td></tr>
</table>

	~~months. The method of calculation is set forth in Appendices C, D, and E of this Plan.~~	• Rationale for elimination of Tier 2 provided for proposed changes to SQM document.
~~4.3.2.1~~	~~Tier 2 Enforcement Mechanisms apply, for an aggregate of all CLEC data generated by BellSouth, on a per transaction basis for each Enforcement Mechanism Element for which BellSouth has reported non-compliance.~~	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided for proposed changes to SQM document.
~~4.3.2.2~~	~~The fee paid for a particular submetric that failed at the Tier 2 level will be as shown in Appendix A, Table 2.~~	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided for proposed changes to SQM document.
~~4.3.3~~	~~The Market Penetration Adjustments will be applied based on the following provisions to enhance competition for nascent products. In order to ensure parity and benchmark performance where CLECs order low volumes of advanced and nascent services, BellSouth will make additional Tier 1 and Tier 2 payments where performance standards for the following measures are not met, if the measurement applies to the nascent service.~~ • ~~Percent Missed Installation Appointments~~ • ~~Average Completion Interval~~ • ~~Missed Repair Appointments~~ • ~~Maintenance Average Duration~~ • ~~Average Response Time for Loop Make-up Response Time Electronic Information~~	• Eliminate section to simplify plan. • Market Penetration Adjustments put in place to enhance competition for nascent services. • No new services or products exist now or for the foreseeable future that can be categorized as nascent.
~~4.3.3.1~~	~~These additional payments will only apply when there are more than 10 and less than 100 average units in service statewide for the preceding three month period. The additional payments in the form of a market penetration adjustment will be made if BellSouth fails to provide parity for the above measurements as determined by the use of the Truncated Z- test and the balancing critical value or fails to meet the established benchmark.~~	• Eliminate section to simplify plan. • Market Penetration Adjustments put in place to enhance competition for nascent services. • No new services or products exist now or for the foreseeable future that can be categorized as nascent.
~~4.3.3.2~~	~~BellSouth shall calculate the new Tier 1 and Tier 2 payments, which include the market penetration adjustment by applying the normal method of calculating affected volumes as ordered by the Commission and trebling the normal Tier 1 and Tier 2 remedy.~~	• Eliminate section to simplify plan. • Market Penetration Adjustments put in place to enhance competition for nascent services. • No new services or products exist now or for the foreseeable future that can be categorized as nascent.
~~4.3.3.3~~	~~If, for the three months of data, there were 100 observations or more on average for the sub-metric, then no additional payments under~~	

	~~this market penetration adjustment provision will be made. Further, market penetration adjustments shall no longer apply if 24 months have elapsed since the first unit of the nascent service was installed.~~	• Eliminate section to simplify plan. • Market Penetration Adjustments put in place to enhance competition for nascent services. • No new services or products exist now or for the foreseeable future that can be categorized as nascent.
~~4.3.3.4~~	~~CLECs may file a petition with the Commission in order to add a service to the list of services for which the market penetration adjustment may apply.~~	• Eliminate section to simplify plan. • Market Penetration Adjustments put in place to enhance competition for nascent services. • No new services or products exist now or for the foreseeable future that can be categorized as nascent.
~~4.3.3.5~~	~~Any payments made under this market penetration adjustment provision are subject to the Absolute Cap set by the Commission.~~	• Eliminate section to simplify plan. • Market Penetration Adjustments put in place to enhance competition for nascent services. • No new services or products exist now or for the foreseeable future that can be categorized as nascent.
4.3. ~~4~~2	For Tier-1 ~~and Tier 2~~ evaluations, the retail analog or benchmark ~~are~~ is the same as for the SQM. See the SQM for SEEM retail analogs and benchmarks.	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document. • Verbiage change for clarity
4.4	**Payment of Tier-1 ~~and Tier 2~~ Amounts**	
4.4.1	If ~~BellSouth~~AT&T performance triggers an obligation to pay Tier-1 ~~Enforcement~~ Remedy Mechanisms to a CLEC ~~or an obligation to remit Tier-2 Enforcement Mechanisms to the Commission or its designee, BellSouth~~, AT&T shall make payment in the required amount on the CLEC's first bill after the day upon which the final validated SEEM reports are posted on the ~~Performance Measurements and Analysis Platform~~ AT&T website as set forth in Section 2.4 above. AT&T's performance remedy liabilities to an individual CLEC in any month will not exceed (will be capped at) the total monthly billed revenue due AT&T for services provided to the CLEC in the same month for which the remedy liability was incurred.	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document. • Remove reference to PMAP to allow flexibility in the event platform changes in the future. • SEEM remedy should be proportionate to level of failure.
4.4.3	~~For each day after the due date that BellSouth fails to pay the required Tier-2 Enforcement Mechanisms, BellSouth will pay the~~	

	~~Commission an additional $1,000 per day. If BellSouth pays less than the required amount, BellSouth will pay the Commission 12%, simple interest per annum on the difference between the required amount and the amount previously paid. The underpayment and interest will be paid to the Commission in the next month's payment cycle.~~Remedy caps will be applied to high volume measures and those that are not end user impacting. These measures are: • Firm Order Confirmation Timeliness • Percent Flow Through Service Requests • Reject Interval • Service Order Accuracy • Trunk Group Performance The caps are a maximum remedy amount payable to a CLEC per measure, per month. These caps may be found in Appendix A, Table 2: Maximum Remedy for Tier-1 Measures with a Cap.	• Eliminate late payment fine to simplify plan. • AT&T consistently processes payments promptly – incurred late payments 2 times in past 7 years. • Late payments have no impact on level of service provided to CLECs and thus, CLECs ability to compete. • Interest will be paid in the event of a late payment. • Implement remedy caps for Tier-1 for high volume metrics (FOCT, PFT, RI, SOA, and TGP) and those associated with LSR submissions and processing (all but TGP). • Measurements are not sole indicator regarding meeting service commitment to CLEC end user. • SEEM remedy should be proportionate to level of failure.
~~4.4.5~~	~~For Tier-2 Enforcement Mechanisms, if the Commission requests clarification of an amount paid, a written claim shall be submitted to BellSouth within sixty (60) days after the payment date. BellSouth shall investigate all claims and provide the Commission written findings within thirty (30) days after receipt of the claim. If BellSouth determines the Commission is owed additional amounts, BellSouth shall pay such additional amounts within thirty (30) days after its findings along with 12% simple interest per annum.~~	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
4.4.6~~5~~	Any adjustments for underpayment or overpayment of calculated ~~Tier-1~~Tier-1 ~~and Tier-2~~ remedies will be made consistent with the terms of ~~BellSouth's~~AT&T's Policy On Reposting Of Performance Data and Recalculation of SEEM Payments, as set forth in Appendix F of this document. If any circumstance necessitating remedy adjustments should occur that is not specifically addressed in the Reposting Policy, such adjustments will be made consistent with the terms defined in Paragraph ~~6-~~7 of the Reposting Policy ("AT&T will recalculate applicable SEEM payments, where technically feasible, for a maximum of three months in arrears~~SEEM payments will be subject to recalculations for a maximum of three months in arrears unless the Florida Commission orders otherwise...~~").	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document. • Delete reference to Florida Commission as serves no purpose. AT&T will abide by all PSC orders.
4.4.~~7~~6	Any adjustments for underpayment or overpayment will be made in the next month's payment cycle after the recalculation is made. The final current month ~~PARIS~~ reports will reflect the final paid dollars, including adjustments for prior months where applicable. Questions regarding the adjustments should be made in accordance with the normal process used to address CLEC questions related to SEEM payments.	• Remove reference to PARIS to allow flexibility in the event platform changes in the future.
4.4.~~8~~7	Where there is a SEEM adjustment, in addition to the submetric, data month(s), and adjustment amount, ~~BellSouth~~AT&T will include an adjustment code on the CLEC specific ~~Tier-1~~Tier-1 ~~or Tier-2 PARIS~~ reports on the ~~PMAP~~AT&T Performance Measurement website. Then, on a separate document ~~under the Exhibits link~~ on the ~~BellSouth PMAP~~AT&T website, this code will be cross-referenced with a	• Eliminate reference to Tier 2.

	brief narrative description of the adjustment. These codes and descriptions will be applicable to all ~~States~~ states where an adjustment was applied. If there are multiple adjustment codes, the code explanation document can be accessed ~~under the Exhibits link~~ on the AT&T website that will contain all of the codes and the narrative descriptions for each code. An explanation of the cause of the adjustment and the data months impacted by the adjustment will be included in the narrative.	• Rationale for elimination of Tier 2 provided in proposed changes to SQM document. • Remove reference to PMAP to allow flexibility in the event platform changes in the future. • Remove reference to "Exhibits" link as specific to PMAP website layout and need flexibility for changes in the future.
4.5	**Limitations of Liability**	
4.5.1	~~BellSouth~~AT&T will not be obligated to pay Tier-1 ~~or Tier 2~~ Enforcement Mechanisms for non-compliance with a performance measure if such non-compliance results from a CLECs acts or omissions that cause failed or missed performance measures. These acts or omissions include but are not limited to, accumulation and submission of orders at unreasonable quantities or times, failure to follow publicly available procedures, or failure to submit accurate orders or inquiries. ~~BellSouth~~AT&T shall provide each CLEC and the Commission with reasonable notice of, and supporting documentation for, such acts or omissions. Each CLEC shall have 10 business days from the filing of such Notice to advise ~~BellSouth~~AT&T and the Commission in writing of its intent to challenge, through the dispute resolution provisions of this plan, the claims made by ~~BellSouth~~AT&T. ~~BellSouth~~AT&T shall not be obligated to pay any amounts subject to such disputes until the dispute is resolved.	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
4.5.2	~~BellSouth~~AT&T shall not be obligated to pay Tier-1 ~~or Tier 2~~ Enforcement Mechanisms (SEEM payments) for non-compliance with a performance measurement if such non-compliance was the result of any Force Majeure Event that either directly or indirectly prevented, restricted, or interfered with performance as measured by the SQM/SEEM Plan. Such Force Majeure Events include non-compliance caused by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, or any other circumstances beyond the reasonable control and without the fault or negligence of ~~BellSouth~~AT&T. ~~BellSouth~~AT&T, upon giving prompt notice to the Commission and CLECs as provided below, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference; provided, however, that ~~BellSouth~~AT&T shall use diligent efforts to avoid or remove such causes of non-performance.	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
4.5.2.1	To invoke the application of Section 4.5.2 (Force Majeure Event), ~~BellSouth~~AT&T will provide written notice to the Commission and post notification of such filing on ~~BellSouth~~AT&T's website wherein ~~BellSouth~~AT&T will identify the Force Majeure Event, the affected measures, and ~~the~~, if applicable, the impacted wire centers, including affected NPAs and NXXs.	• Impacted Wire Centers, including affected NPAs and NXXs, are only applicable to Force Majeure Events to the Network infrastructure.
4.5.2.4	During the pendency of a Force Majeure Event, ~~BellSouth~~AT&T shall file with the Commission periodic updates of its restoration/recovery progress and efforts as agreed upon between the Commission Staff and ~~BellSouth~~ AT&T. The Commission Staff will consider reasonable requests from affected carriers on such updates' contents and frequency, including the need for -weekly progress update reports. Additionally, ~~BellSouth~~for Force Majeure events directly impacting a geographic area of the network infrastructure, AT&T will post to the ~~Emergency Preparedness and Restoration~~AT&T website periodic updates of its restoration/recovery progress and efforts. ~~BellSouth~~AT&T will post at a minimum for the area where Force Majeure has been declared where applicable; the identity of each wire center and associated NPA/NXXs; and the wire centers' color ~~status of wire centers based on the Emergency Preparedness and Restoration guidelines; the total number of BellSouth pending service orders; the total number of CLEC pending service orders; the total number of BellSouth pending trouble reports; and the total number of CLEC pending trouble reports.~~ coded Area Dispatch Status report.	• Area Dispatch Status Report provides sufficient information for CLECs to ascertain the status of the restoration and impact to their end users. • Emergency Preparedness and Restoration guidelines were specific to BellSouth and no longer applicable under AT&T structure
4.6	**Change of Law**	

4.6.1	Upon a particular Commission's issuance of an Order pertaining to Performance Measurements or Remedy Plans in a proceeding expressly applicable to all CLECs, ~~BellSouth~~AT&T shall implement such performance measures and remedy plans covering its performance for the CLECs, as well as any changes to those plans ordered by the Commission, on the date specified by the Commission. If a change of law occurs which may change ~~BellSouth~~AT&T's obligations, parties may petition the Commission within 30 days to seek changes to the SQM and SEEM plans in accordance with such change of law. Performance Measurements and remedy plans that have been ordered by the Commission can currently be accessed via the AT&T website ~~at http://pmap.bellsouth.com~~. Should there be any difference between the performance measure and remedy plans on ~~BellSouth~~AT&T's website and the plans the Commission has approved as filed in compliance with its orders, the Commission-approved compliance plan will supersede as of its effective date.	• Updated to refer to an AT&T website rather than provide URL that may change.
~~4.7~~	~~**Affiliate Reporting**~~	
~~4.7.1~~	~~BellSouth shall [illegible] BellSouth [illegible] BellSouth [illegible] BellSouth [illegible] BellSouth [illegible] Commission [illegible] BellSouth [illegible] BellSouth [illegible] BellSouth [illegible] [illegible] OSS [illegible]~~	• No restrictions should be placed on AT&T local interfaces nor should OSS be dedicated only to CLECs. AT&T should not be required to report any changes regarding non-CLEC affiliates' use of its OSS databases, systems and interfaces
4.87	**Enforcement Mechanism Cap**	
4.~~8~~7.1	~~BellSouth~~AT&T's total liability for the payment of Tier-1 ~~and Tier-2~~ Enforcement Mechanisms shall be collectively and absolutely capped at 36% of net revenues in Florida, based upon the most recently reported ARMIS data.	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
4.~~8~~7.3	If ~~BellSouth~~AT&T's payment of Tier-1 ~~and Tier-2~~ Enforcement Mechanisms would have exceeded the cap referenced in this plan, a CLEC may commence a proceeding with the Commission to demonstrate why ~~BellSouth~~AT&T should pay any amount in excess of the cap. The CLEC shall have the burden of proof to demonstrate why, under the circumstances, ~~BellSouth~~AT&T should have additional liability.	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
4.98	**Audits**	
4.~~9~~8.1	~~BellSouth~~AT&T currently provides CLECs with certain audit rights as a part of their individual interconnection agreements. If ~~required~~ ordered by ~~a~~ the Public Service Commission, ~~BellSouth~~AT&T will agree to undergo a SEEM audit. Unless otherwise agreed between AT&T and the Public Service Commission, t~~T~~he audit should be conducted by an independent third party auditor. The results of audits will be made available to all the parties subject to proper safeguards to protect proprietary information. Audits will be conducted under the following specifications:	• Updated to provide clarity
4.~~9~~8.1.1	The cost of one audit per version of the SEEM plan shall be borne by ~~BellSouth~~AT&T.	• AT&T's exposure to the high cost associated with an audit should be limited.
4.~~9~~8.1.2	Should an independent third party auditor be required, it shall be selected by ~~BellSouth~~AT&T ~~and the PSC~~.	• As AT&T has financial responsibility for an audit, then AT&T should be allowed to select the third party auditor.
4.~~10~~9	**Dispute Resolution**	

4.~~10~~9.1	Notwithstanding any other provision of the Interconnection Agreement between ~~BellSouth~~AT&T and each CLEC, if a ~~any~~ dispute arises regarding ~~BellSouth's~~AT&T's performance or obligations pursuant to this Plan, ~~BellSouth~~AT&T and the CLEC shall negotiate in good faith for a period of thirty (30) days to resolve the dispute. If at the conclusion of the 30 day period, ~~BellSouth~~AT&T and the CLEC are unable to reach a resolution, then the dispute shall be resolved by the Commission.	• Administrative correction of a typing error in prior version
4.~~11~~10	**Regional ~~and State~~ Coefficients** Some metrics are calculated for the entire ~~BellSouth~~ AT&T Southeast region, rather than by state. Where these metrics are a ~~Tier 1~~Tier-1 SEEM submetric, a regional coefficient is calculated to determine the amount of the remedy for the CLEC in each state. For example, the ~~Acknowledgement Completeness~~Percent Flow-Through Service Requests Measurement ~~can be measured~~is evaluated for an individual CLEC, but only at the regional level. In several states it is also a ~~Tier 1~~Tier-1 SEEM submetric. Thus, if there is a failure in this measurement for a CLEC, it is necessary to determine the amount of remedy for the CLEC in each state. A Regional Coefficient is used to do this. (Appendix E, Section E.~~6 1~~ describes the method of calculating the Regional Coefficients.) The amount of ~~Tier~~ remedy for the CLEC in a state is determined by multiplying the regional affected volume by the Coefficient for the state and by the state fee. ~~A state coefficient is calculated to split Tier 2 payments for regional metrics among states by submetric.~~	• Changed the example to PFT. Refer to SQM Metric to view rational for removal of O-2 [AKC] Acknowledgement Completeness measure • Metric is evaluated at the regional level.. Corrected verbiage implying that data for measurement at state level are not available for this metric. • State Coefficients are specific to measures with regional scope. • Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
Appendix A	**Fee Schedule**	
Table 1:	**Table 1: Fee Schedule for ~~Tier 1~~Tier-1 Per Transaction Fee Determination**	• Refer to SQM Metric to view rationale for removal of Billing measure

Performance Measure	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
OSS/Pre-Ordering	$10	$15	$20	$25	$30	$35
Ordering	$20	$25	$30	$35	$40	$45
Service Order Accuracy	$20	$20	$20	$20	$20	$20
Flow Through	$40	$45	$50	$55	$60	$65
Provisioning – Resale	$40	$50	$70	$100	$130	$200
Provisioning – UNE	$115	$130	$145	$160	$190	$230
Maintenance and Repair – Resale	$40	$50	$70	$100	$130	$200
Maintenance and Repair – UNE	$115	$130	$145	$160	$190	$230
LNP	$115	$190	$385	$460	$535	$615
~~Billing – BIA (see Note 1)~~	~~2%~~	~~2%~~	~~2%~~	~~2%~~	~~2%~~	~~2%~~
~~Billing – BIT~~	~~$7~~	~~$7~~	~~$7~~	~~$7~~	~~$7~~	~~$7~~
~~Billing – BLDT (see Note 2)~~	~~$0.046~~	~~$0.046~~	~~$0.046~~	~~$0.046~~	~~$0.046~~	~~$0.046~~
~~Billing – BEC (see note 3)~~	~~$0.07~~	~~$0.07~~	~~$0.07~~	~~$0.07~~	~~$0.07~~	~~$0.07~~
IC Trunks (Trunk Group Performance)	$25	$30	$45	$65	$80	$125
Collocation	$3,165	$3,165	$3,165	$3,165	$3,165	$3,165

~~Note 1: Reflects percent interest to be paid on adjusted amounts.~~
~~Note 2: Amount paid per 1000 usage records.~~
~~Note 3: Amount paid per dispute.~~

~~Table 2~~

~~Table 2: Tier 2 Per Transaction Fee Determination~~

~~Measure~~	~~Retail Analogs~~			~~Benchmarks~~
	~~BCV not Applicable~~	~~Between BCV and 0~~	~~Below BCV~~	
~~OSS Pre Ordering (note 1)~~	~~$6~~		-	~~$30~~
~~Ordering - Average Answer Time (OAAT) (note 1)~~	~~$6~~			
~~Ordering~~		-	-	~~$60~~
~~Service Order Accuracy~~		-	-	~~$60~~
~~Flow-Through~~		-	-	~~$120~~
~~Provisioning – Resale~~		~~$26~~	~~$120~~	-
~~Provisioning – UNE~~		~~$76~~	~~$345~~	~~$345~~
~~Maintenance and Repair – Resale~~		~~$26~~	~~$120~~	-
~~Maintenance and Repair – UNE~~		~~$76~~	~~$345~~	-
~~LNP~~		~~$36~~	~~$165~~	-
~~Billing – BIA (note 1)~~	~~1.3%~~		-	-
~~Billing – BIT (note 1)~~	~~$4~~		-	-
~~Billing – BLDT (note 1)~~	~~$.03~~		-	-
~~Billing – BEC (note 1)~~	~~$0.04~~		-	-
~~Change Management~~		-	-	~~$1,000~~
~~IC Trunks (Trunk Group Performance)~~		~~$16~~	~~$75~~	~~$75~~
~~Collocation~~		-	-	~~$9,495~~

~~Note 1: The truncated Z does not apply to these measures~~

- Eliminate reference to Tier 2.
- Rationale for elimination of Tier 2 provided in proposed changes to SQM document.

Table 2:

Maximum Remedy for Tier-1 Measures with a Cap
(Applies to FOCT, FT, RI, SOA and TGP)

Performance Measure	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
All Measures with a Cap	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000

- Implement remedy caps for Tier-1 for high volume metrics and those associated with LSR submissions and processing.
- Measurements are not sole indicator regarding meeting service commitment to CLEC end user.
- SEEM remedy should be proportionate to level of failure.

Appendix B

SEEM Submetrics

B.1
~~Tier-1~~Tier-1
Submetrics

Item No.	SQM Ref	~~Tier-1~~Tier-1 Submetric
~~1~~	~~LMT~~	~~PO-2 Loop Makeup – Response Time – Electronic – Loop~~
~~2~~	~~AKC~~	~~O-2 Acknowledgement Message Completeness – Acknowledgments~~
~~3~~1	FT	O-3 Percent Flow-Through Service Requests – ~~Business~~
~~4~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – LNP~~
~~5~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – Residence~~
~~6~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – UNE-L (includes UNE-L with LNP)~~
~~7~~2	RI	O-8 Reject Interval – Fully Mechanized
~~8~~3	RI	O-8 Reject Interval – Partially Mechanized
~~9~~1	RI	O-8 Reject Interval – Non Mechanized
105	FOCT	O-9 Firm Order Confirmation Timeliness - Fully Mechanized
~~11~~6	FOCT	O-9 Firm Order Confirmation Timeliness - Partially Mechanized
~~12~~7	FOCT	O-9 Firm Order Confirmation Timeliness - Non Mechanized
~~13~~8	FOCT	O-9 Firm Order Confirmation Timeliness – Local Interconnection Trunks
~~14~~	~~FOCC~~	~~O-11 FOC & Reject Response Completeness – Fully Mechanized~~
~~15~~	~~FOCC~~	~~O-11 FOC & Reject Response Completeness – Partially Mechanized~~
~~16~~	~~FOCC~~	~~O-11 FOC & Reject Response Completeness – Non Mechanized~~
~~17~~9	MIA	P-3 Percent Missed Installation Appointments – Resale POTS
~~18~~10	MIA	P-3 Percent Missed Installation Appointments – Resale Design
~~19~~11	MIA	P-3 Percent Missed Installation Appointments – UNE Loops – Design
~~20~~12	MIA	P-3 Percent Missed Installation Appointments – UNE Loops – Non-Design

- Refer to metrics for rationale of deleted or changed SQM References

~~22~~	MIA	P-3 Percent Missed Installation Appointments – UNE xDSL and Line Splitting
~~22~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – UNE Line Splitting~~
~~23~~	MIA	P-3 Percent Missed Installation Appointments – LNP Standalone
~~24~~	MIA	P-3 Percent Missed Installation Appointments – Local Interconnection Trunks
~~25~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – Resale POTS~~
~~26~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – Resale Design~~
~~27~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE Loop Design~~
~~28~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE Loop Non-Design~~
~~29~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE xDSL – without conditioning~~
~~30~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE xDSL – with conditioning~~
~~31~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE Line Splitting Dispatch~~
~~32~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE Line Splitting – Non-Dispatch~~
~~33~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – Local interconnection Trunks~~
~~34~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE EELS~~
~~35~~	CCI	P-7 Coordinated Customer Conversions – Hot Cut Durations
~~36~~	CCT	P-7A Coordinated Customer Conversions – Hot Cut Timeliness Percent within Interval
~~37~~	NCDD	P-7D Non-Coordinated Customer Conversions – Percent Completed and Notified on Due Date
~~38~~	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale POTS
~~39~~	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale Design
~~40~~	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops - Design
~~41~~	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops – Non-Design
~~42~~	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE xDSL and Line Splitting
~~43~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting~~

		~~Dispatch~~
~~41~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting - Non-Dispatch~~
[illegible]	PPT	P-9 Percent Provisioning Troubles within X days of Service Order Completion – Local Interconnection Trunks
[illegible]	SOA	P-11 Service Order Accuracy –~~Resale~~
~~47~~	~~SOA~~	~~P-11 Service Order Accuracy – UNE~~
[illegible]	LOOS	P-13B LNP – Percent Out of Service < 60 Minutes - LNP
~~49~~	~~LAT~~	~~P-13C LNP Percent of Time BellSouth~~AT&T Applies the 10-Digit Trigger Prior to the LNP Order Due Date – LNP – ~~(Standalone)~~
[illegible]	LDT	P-13D LNP – Disconnect Timeliness (Non-Trigger)
[illegible]	MRA	MR-1 Percent Missed Repair Appointment – Resale POTS
[illegible]	MRA	MR-1 Percent Missed Repair Appointment – Resale Design
[illegible]	MRA	MR-1 Percent Missed Repair Appointment – UNE Loops Design
[illegible]	MRA	MR-1 Percent Missed Repair Appointment – UNE Loops Non-Design
[illegible]	MRA	MR-1 Percent Missed Repair Appointment – UNE xDSL and Line Splitting
~~56~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – UNE Line Splitting~~
[illegible]	MRA	MR-1 Percent Missed Repair Appointment – Local Interconnection Trunks
[illegible]	CTRR	MR-2 Customer Trouble Report Rate – Resale POTS
[illegible]	CTRR	MR-2 Customer Trouble Report Rate – Resale Design
[illegible]	CTRR	MR-2 Customer Trouble Report Rate – UNE Loops Design
[illegible]	CTRR	MR-2 Customer Trouble Report Rate – UNE Loops Non-Design
[illegible]	CTRR	MR-2 Customer Trouble Report Rate – UNE xDSL and Line Splitting
~~63~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – UNE Line Splitting~~
[illegible]	CTRR	MR-2 Customer Trouble Report Rate – Local Interconnection Trunks

~~63~~	MAD	MR-3 Maintenance Average Duration – Resale POTS
~~64~~	MAD	MR-3 Maintenance Average Duration – Resale Design
~~65~~	MAD	MR-3 Maintenance Average Duration – UNE Loops Design
~~66~~	MAD	MR-3 Maintenance Average Duration – UNE Loops Non-Design
~~69~~	MAD	MR-3 Maintenance Average Duration – UNE xDSL and Line Splitting
~~70~~	~~MAD~~	~~MR-3 Maintenance Average Duration – UNE Line Splitting~~
~~71~~	MAD	MR-3 Maintenance Average Duration – Local Interconnection Trunks
~~72~~	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Resale POTS
~~73~~	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Resale Design
~~74~~	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Loops Design
~~75~~	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Loops Non-Design
~~76~~	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – UNE xDSL and Line Splitting
~~77~~	~~PRT~~	~~MR-4 Percent Repeat Customer Troubles within 30 Days – UNE Line Splitting~~
~~78~~	PRT	MR-4 Percent Repeat Customer Troubles within 30 Days – Local Interconnection Trunks
~~79~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – Resale POTS~~
~~80~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – Resale Design~~
~~81~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE Loops Design~~
~~82~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE Loops Non-Design~~
~~83~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE xDSL and Line Splitting~~
~~84~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE Line Splitting~~
~~85~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – Local Interconnection Trunks~~
~~86~~	~~BIA~~	~~B-1 Invoice Accuracy~~
~~87~~	~~BIT~~	~~B-2 Mean Time to Deliver Invoices – CRIS~~

~~88~~	~~BIT~~	~~B-2 Mean Time to Deliver Invoices - CABS~~	
~~89~~	~~BUDT~~	~~B-5 Usage Data Delivery Timeliness~~	
~~90~~	~~BEC~~	~~B-10 Percent Billing Adjustment Requests (BAR) Responded to within 15 Business Days - State~~	
[illegible]	TGP	TGP Trunk Group Performance	
[illegible]	MDD	C-3 Collocation Percent of Due Dates Missed	

~~**B.2**Tier 2 Sub-metrics~~

~~Item No.~~	~~SQM Ref~~	~~Tier 2 Submetric~~
~~1~~	~~ARI~~	~~OSS-1 OSS Response Interval (Pre-Ordering/Ordering) – LENS Enhanced Verigate~~
~~2~~	~~ARI~~	~~OSS-1 OSS Response Interval (Pre-Ordering/Ordering) – TAG XML~~
~~3~~	~~ARI~~	~~OSS-1 OSS Response Interval (Maintenance & Repair)~~
~~4~~	~~IA~~	~~OSS-2 OSS Interface Availability – (Pre-Ordering/Ordering) – Regional per OSS Interface~~
~~5~~	~~IA~~	~~OSS-2 OSS Interface Availability – (Maintenance & Repair) – Regional per OSS Interface~~
~~6~~	~~LMT~~	~~PO-2 Loop Makeup – Response Time – Electronic – Loop~~
~~7~~	~~AKC~~	~~O-2 Acknowledgement Message Completeness – Acknowledgments~~
~~8~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – Business~~
~~9~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – LNP~~
~~10~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – Residence~~
~~11~~	~~FT~~	~~O-3 Percent Flow-Through Service Requests – UNE-L (includes UNE-L with LNP)~~
~~12~~	~~RI~~	~~O-8 Reject Interval – Fully Mechanized~~
~~13~~	~~RI~~	~~O-8 Reject Interval – Partially Mechanized~~

- Eliminate reference to Tier 2.
- Rationale for elimination of Tier 2 provided in proposed changes to SQM document.

~~11~~	~~RI~~	~~O-8 Reject Interval – Non Mechanized~~	
~~15~~	~~FOCT~~	~~O-9 Firm Order Confirmation Timeliness – Fully Mechanized~~	
~~16~~	~~FOCT~~	~~O-9 Firm Order Confirmation Timeliness - Partially Mechanized~~	
~~17~~	~~FOCT~~	~~O-9 Firm Order Confirmation Timeliness – Non Mechanized~~	
~~18~~	~~FOCT~~	~~O-9 Firm Order Confirmation Timeliness – Local Interconnection Trunks~~	
~~19~~	~~FOCC~~	~~O-11 FOC & Reject Response Completeness – Fully Mechanized~~	
~~20~~	~~FOCC~~	~~O-11 FOC & Reject Response Completeness – Partially Mechanized~~	
~~21~~	~~FOCC~~	~~O-11 FOC & Reject Response Completeness – Non-Mechanized~~	
~~22~~	~~OAAT~~	~~O-12 Average Answer Time – Ordering Centers – CLEC Local Carrier Service Center~~	
~~23~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – Resale POTS~~	
~~24~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – Resale Design~~	
~~25~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – UNE Loops – Design~~	
~~26~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – UNE Loops – Non-Design~~	
~~27~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – UNE xDSL~~	
~~28~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – UNE Line Splitting~~	
~~29~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – LNP Standalone~~	
~~30~~	~~MIA~~	~~P-3 Percent Missed Installation Appointments – Local Interconnection Trunks~~	
~~31~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – Resale POTS~~	
~~32~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – Resale Design~~	
~~33~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE Loop Design~~	
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~~35~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE xDSL – without conditioning~~	
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~~39~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – Local interconnection Trunks~~	
~~40~~	~~OCI~~	~~P-4 Order Completion Interval (OCI) – UNE EELS~~	
~~41~~	~~CCI~~	~~P-7 Coordinated Customer Conversions – Hot Cut Durations~~	
~~42~~	~~CCT~~	~~P-7A Coordinated Customer Conversions – Hot Cut Timeliness Percent within Interval~~	
~~43~~	~~NCDD~~	~~P-7D Non-Coordinated Customer Conversions – Percent Completed and Notified on Due Date~~	
~~44~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale POTS~~	
~~45~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – Resale Design~~	
~~46~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops - Design~~	

~~47~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Loops – Non-Design~~
~~48~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE xDSL~~
~~49~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting – Dispatch~~
~~50~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – UNE Line Splitting – Non-Dispatch~~
~~51~~	~~PPT~~	~~P-9 Percent Provisioning Troubles within X days of Service Order Completion – Local Interconnection Trunks~~
~~52~~	~~SOA~~	~~P-11 Service Order Accuracy – Resale~~
~~53~~	~~SOA~~	~~P-11 Service Order Accuracy - UNE~~
~~54~~	~~LOOS~~	~~P-13B LNP – Percent Out of Service < 60 Minutes - LNP~~
~~55~~	~~LAT~~	~~P-13C LNP Percent of Time BellSouth Applies the 10-Digit Trigger Prior to the LNP Order Due Date – LNP – (Standalone)~~
~~56~~	~~LDT~~	~~P-13D LNP – Disconnect Timeliness (Non-Trigger)~~
~~57~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – Resale POTS~~
~~58~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – Resale Design~~
~~59~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – UNE Loops Design~~
~~60~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – UNE Loops Non-Design~~
~~61~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – UNE xDSL~~
~~62~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – UNE Line Splitting~~
~~63~~	~~MRA~~	~~MR-1 Percent Missed Repair Appointment – Local Interconnection Trunks~~
~~64~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – Resale POTS~~
~~65~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – Resale Design~~
~~66~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – UNE Loops Design~~
~~67~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – UNE Loops Non-Design~~
~~68~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – UNE xDSL~~
~~69~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – UNE Line Splitting~~
~~70~~	~~CTRR~~	~~MR-2 Customer Trouble Report Rate – Local Interconnection Trunks~~
~~71~~	~~MAD~~	~~MR-3 Maintenance Average Duration – Resale POTS~~
~~72~~	~~MAD~~	~~MR-3 Maintenance Average Duration – Resale Design~~
~~73~~	~~MAD~~	~~MR-3 Maintenance Average Duration – UNE Loops Design~~
~~74~~	~~MAD~~	~~MR-3 Maintenance Average Duration – UNE Loops Non-Design~~
~~75~~	~~MAD~~	~~MR-3 Maintenance Average Duration – UNE xDSL~~
~~76~~	~~MAD~~	~~MR-3 Maintenance Average Duration – UNE Line Splitting~~
~~77~~	~~MAD~~	~~MR-3 Maintenance Average Duration – Local Interconnection Trunks~~

~~78~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – Resale POTS~~	
~~79~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – Resale Design~~	
~~80~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – UNE Loops Design~~	
~~81~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – UNE Loops Non-Design~~	
~~82~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – UNE xDSL~~	
~~83~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – UNE Line Splitting~~	
~~84~~	~~PRT~~	~~MR-1 Percent Repeat Customer Troubles within 30 Days – Local Interconnection Trunks~~	
~~85~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – Resale POTS~~	
~~86~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – Resale Design~~	
~~87~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE Loops Design~~	
~~88~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE Loops Non-Design~~	
~~89~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE xDSL~~	
~~90~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – UNE Line Splitting~~	
~~91~~	~~OOS~~	~~MR-5 Out of Service (OOS) > 24 hours – Local Interconnection Trunks~~	
~~92~~	~~BIA~~	~~B-1 Invoice Accuracy~~	
~~93~~	~~BIT~~	~~B-2 Mean Time to Deliver Invoices – CRIS~~	
~~94~~	~~BIT~~	~~B-2 Mean Time to Deliver Invoices – CABS~~	
~~95~~	~~BUDT~~	~~B-5 Usage Data Delivery Timeliness~~	
~~96~~	~~BEC~~	~~B-10 Percent Billing Adjustment Requests (BAR) Responded to within 15 Business Days – State~~	
~~97~~	~~TGP~~	~~TGP Trunk Group Performance~~	
~~98~~	~~MDD~~	~~C-3 Collocation Percent of Due Dates Missed~~	
~~99~~	~~NT~~	~~CM-1 Timelines of Change Management Notices – Region~~	
~~100~~	~~DT~~	~~CM-3 Timeliness of Documentation Associated with Change – Region~~	
~~101~~	~~SEC~~	~~CM-6 Percentage of Software Errors Corrected in "X" Business Days – Region~~	
~~102~~	~~CRA~~	~~CM-7 Percentage of Change Requests Accepted or Rejected Within 10 Days – Region~~	
~~103~~	~~SCRI~~	~~CM-11 Percentage of Software Change Requests Implemented Within 60 Weeks of Prioritization – Region~~	

Appendix C

Statistical Properties and Definitions

The statistical process for testing whether ~~BellSouth's (BST)~~AT&T's wholesale customers (~~alternative~~ Competitive Local eExchange eCarriers or CLECs) are being treated equally with ~~BST's~~AT&T's retail customers involves more than a simple

	mathematical formula. Three key elements need to be considered before an appropriate decision process can be developed. These are the type of: Data Comparison Performance This section describes the properties of a test methodology and the truncated Z statistic for three types of measures that compare CLEC's performance to AT&T's retail analog.	• Administrative change to clarify that statistical methodology applies only to comparisons with retail analog.
_C.2	**Testing Methodology – The Truncated Z** In summary, many covariates are chosen in order to provide meaningful comparison levels below the submetric level chosen for the parity comparison. This includes such factors as wire center and time of month, as well as order type for provisioning measures. In each comparison cell, a Z statistic is calculated. The form of the Z statistic may vary depending on the performance measure, but it should be distributed approximately as a standard normal, with mean zero and variance equal to one. Assuming that the test statistic is derived so that it is negative when the performance for the CLEC is worse than for the ILEC, a positive truncation is done – i.e. if the result is negative it is left alone, if the result is positive it is changed to zero. A weighted average of the truncated statistics is calculated where a cell's weight depends on the volume of ~~BST~~AT&T and CLEC orders in the cell. The weighted average is standardized by subtracting the weighted theoretical mean of the truncated distribution, and this is divided by the standard error of the weighted average. Summaries based on measurement type are given for the calculation of the cell Z statistic. ~~Additionally, there are measures that are compared to a retail analog at least in part where cell definitions do not exist [illegible] cells so the truncated Z statistic cannot be calculated. These measures are:~~ ~~Average Response Interval (M&R)~~ ~~Billing Invoice Accuracy~~ ~~Billing Invoice Timeliness~~ ~~Speed of Answer in Ordering Center~~ ~~In addition, there are two measurements that use retail results "plus" 12 seconds for OSS response time, 0.5% for Trunk Blocking, resulting in a benchmark standard. These measurements are: OSS Average Response Time & Response Interval (Pre-Ordering) and Trunk Group Performance.~~ ~~As an example of the approach taken for a parity measure that does not use the truncated Z methodology, consider the measure Billing Invoice Accuracy. **In Florida, BellSouth** calculates results for this measure by subtracting the Absolute Value of Total Adjustments during the current month from the Absolute Value of Total Billed Revenue during the current month, then dividing these results by the Absolute Value of Total Billed Revenues during the current month and multiplying these results by 100. [illegible] as follows:~~	• Administrative change for clarity and compatibility with the formula provided explicitly in Appendix D. • Administrative change to remove **all** state specific references within the SEEM Plan • Measures addressed within this text, OSS-1 and O-12, are currently Tier II only remedies. Also reference within this text are the B-1 and B-5 metrics proposed to be deleted.

Invoice Accuracy = (a – b) / a x 100

a = Absolute Value of Total Billed Revenues during current month

b = Absolute Value of Billing Related Adjustments during current month

A numerical example of the remedy calculation is given below:

Example:

CLEC DATA

Bill Adjustments ---------------------- $14,660.00

Total Billed Revenue ---------- $336,520.00

BellSouth DATA

Bill Adjustments ---------------------------------- $6,018,960.26

Total Billed Revenue --- $484,604,922.40

CLEC Invoice Accuracy Ratio = [(336,520.00 – 14,660.00) / 336,520.00] x 100 = 95.64

BST Invoice Accuracy Ratio =

[(484,604,922.40 – 6,018,960.26) / 484,604,922.40] x 100 = 98.75

Thus, the calculated values are:

CLEC Result = 96%

BellSouth Result = 98.75%

In Florida once it is determined that the BST percent is higher, BellSouth pays the CLEC according to the Florida Fee Schedule.

The calculation would be the difference in the CLEC Invoice Accuracy Ratio and the BST Invoice Accuracy Ratio multiplied by the total CLEC Bill Adjustments. Then multiply the result by 2% (Appendix A: Fee Schedule)

- 98.75% – 95.64% = 3.11%
- 3.11% x $14,660 = $455.92

$455.92 x 2% = $9.12

C.2.1	**Mean Measures** For mean measures, an adjusted, ~~asymmetric~~ modified t statistic is calculated for each like-to-like cell that has at least seven ~~BST~~AT&T and seven CLEC transactions. A permutation test is used when one or both of the ~~BST~~AT&T and CLEC sample sizes is less than seven. The adjusted, ~~asymmetric~~ modified t statistic and the permutation calculation are described in Appendix D, Statistical Formulas and Technical Description.	• Administrative change for clarity and consistency with established terminology. In the SEEM document the same statistic is sometimes referred to as asymmetric t, sometimes as modified t. The modification to the classical Student`s t introduces asymmetry, so both are technically correct, but multiple terms are confusing to some readers. AT&T decided to use just one term, the one that is more prevalent in the performance measurements remedy plans nationwide.
C.2.2	**Proportion Measures** For performance measures that are calculated as a proportion, in each adjustment cell, the cell Z and the moments for the truncated cell Z can be calculated in a direct manner. In adjustment cells where proportions are not ~~equal~~ equal to zero or one, and where the sample sizes are reasonably large ($n_{ij}p_{ij}(1-p_{ij}) > 9$), a normal approximation can be used. In this case, the moments for the truncated Z come directly from properties of the standard normal distribution. If the normal approximation is not appropriate, then the Z statistic is calculated from the hypergeometric distribution. In this case, the moments of the truncated Z are calculated exactly using the hypergeometric probabilities.	• Administrative change for clarity. Telephony proportion metrics are by design always close to 0 or 1 (either in the upper or lower 20%.). Large sample normal approximation formulae are well defined only when proportions are **not equal** to zero or one.
C.2.3	The truncated Z methodology for rate measures has the same general structure for calculating the Z in each cell as proportion measures. For the rate measure ~~=~~Customer ~~T~~trouble ~~R~~report ~~R~~rate there ~~are~~ is a fixed number of access lines in service for the CLEC, b_{2j}, and a fixed number for ~~BST~~AT&T, b_{1j}. The modeling assumption is that the occurrence of a trouble is independent between access lines, and the number of troubles in b access lines follows a Poisson distribution with mean $\lambda \cdot b$ where λ is the probability of a trouble per 1 access line and b ($= b_{1j} + b_{2j}$) is the total number of access lines in service. The exact permutation distribution for this situation is approximated by the binomial distribution (the limit for the hypergeometric distribution) that is based on the total number of ~~BST~~AT&T and CLEC troubles, n, and the proportion of ~~BST~~AT&T access lines in service, $q_j = b_{1j}/b$. In an adjustment cell, if the number of CLEC troubles is greater than 15 and the number of ~~BST~~AT&T troubles is greater than 15, and $n_{ij}q_{ij}(1-q_{ij}) > 9$, then a normal approximation can be used. In this case, the moments of the truncated Z come directly from properties of the standard normal distribution. Otherwise, if there are very few troubles, the number of CLEC troubles can be modeled using a binomial distribution with n equal to the total number of troubles (CLEC plus ~~BST~~AT&T troubles~~.~~). In this case, the moments for the truncated Z are calculated explicitly using the binomial distribution.	• Administrative change to emphasize Performance Measure name. • Administrative change to correct a technical typo: Lambda times b ($\lambda \cdot b$). No change to the SEEM plan. • The exact permutation distribution is not binomial, since two troubles per one line are possible. Also, due to line loss. Binomial model is an approximation. Clarification of the underlying theoretical probability model. No changes to the SEEM plan.
Appendix D	**Statistical Formulas and Technical Descriptions**	
	We start by assuming that the data are disaggregated so that comparisons of CLEC's performance to AT&T's retail analog are made	• Administrative change for clarity

	within appropriate classes or adjustment cells that define "like" observations.	
D.1	Notation and Exact Testing Distributions Below, we have detailed the basic notation for the construction of the truncated Z statistic. In what follows the word "cell" should be taken to mean a like-to-like comparison cell that has both at least one ~~(or more)~~ ILEC observation and at least one ~~(or more)~~ CLEC observation... ... The exact parity test is the permutation test based on the "modified Z" statistic. For large samples, ~~we~~ one can avoid permutation calculations since this statistic will be normal (or Student's t) to a good approximation. For small samples, where ~~we~~ one cannot avoid permutation calculations, ~~we have found~~it has been determined that the difference between "modified Z" and the textbook "pooled Z" is negligible. ~~We t~~Therefore ~~propose to use~~ the permutation test based on pooled Z for small samples will be used. This decision speeds up the permutation computations considerably, because for each permutation we need only compute the sum of the CLEC sample values, and not the pooled statistic itself...	• Administrative change of style. No changes to the SEEM plan.
D.2.2	Calculate a Z-~~Value~~-Score (Z_j) for each Cell ... that is, α is the probability that a Student's t random variable with $n_{1j} - 1$ degrees of freedom, is less than... ... over all cells within the submeasure being tested such that all three conditions stated below are true. ~~If no submeasure cells exist that satisfy these conditions, then g = 0.~~ $-\gamma_{1j} > 0$ $n_{1j} > 6$ $n_{1j} \geq n_{3q}$ for all values of j, where n_{3q} is the 3rd quartile of all values of n_{1j} in cells where the first two conditions are true. If no submeasure cells exist that satisfy these conditions, then g = 0. Note, that t_j is the "modified Z" statistic. The statistic T_j is a "modified Z" ~~corrected~~adjusted for the skewness of the ILEC data...	• Administrative changes for clarity. Student's t statistic is a standard statistical terminology. • Formatting change for clarification of the three conditions for the construction of g. • Administrative change for clarity. The "modified Z" defined here adjusts for skewness, but the skewness may not be fully corrected. No change to the SEEM plan.
D.2.3	Obtain a Truncated Z-~~Value~~-Score for each Cell (Z^*_j) To limit the amount of cancellation that takes place between cell results during aggregation, cells whose results suggest possible favoritism are left alone. Otherwise the cell statistic is set to zero. This means that positive equivalent Z-~~value~~-Scores are set to 0, and negative values are left alone. Mathematically, this is written as	• Administrative change: The term "Z-Value" is replaced by "Z-Score" throughout the document for uniformity.

	$Z_j^* = \min(0, Z_j)$	
D.2.4	**Calculate the Theoretical Mean and Variance** ... • If $\min(n_{1j}, n_{2j}) > 6$ for a mean measure, or $\min\left\{a_{1j}\left(1-\frac{a_{1j}}{n_{1j}}\right), a_{2j}\left(1-\frac{a_{2j}}{n_{2j}}\right)\right\} > 9$ for a proportion measure, or $\min(n_{1j}, n_{2j}) > 15$ and $n_j q_j (1-q_j) > 9$ for a rate measure, then...	• Administrative changes for clarity to reiterate the alternative conditions for the three types of measures (if A for means, or B for proportions, or C for rates).
D.2.5	**Calculate the Overall Test Statistic (Z^T)** **The Balancing Critical Value** There are four key elements of the statistical testing process: the null hypothesis, H_0, that parity exists between ILEC and CLEC services the alternative hypothesis, H_a, that the ILEC is giving better service to its own customers the Truncated Z test statistic, Z^T, and a critical value, c The decision rule[1] is If $Z^T < c$ then accept H_a. If $Z^T \geq c$ then accept H_0. There are two types of errors possible when using such a decision rule: **Type I Error**(α): Deciding favoritism exists when there is, in fact, no favoritism. **Type II Error**(β): Deciding parity exists when there is, in fact, favoritism. The probabilities of each type of error are: • Type I Error: $\alpha = P(Z^T < c \mid H_0)$ • Type II Error: $\beta = P(Z^T \geq c \mid H_a)$ ~~Type I Error: $\alpha = P(Z^T < c \mid H_0)$~~ ~~Type II Error: $\beta = P(Z^T \geq c \mid H_a)$~~	• Administrative change to provide missing symbols, notation description, punctuation, and verbiage to clarify current statistical process, e.g:. - The decision rule must cover all cases. The selection of "the equal case" is consistent with the definition of the type II error below. - Alpha and Beta are standard symbols for Type I and II errors. • Administrative change to align verbiage with text

[1] This decision rule assumes that a negative test statistic indicates poor service for the CLEC customer. If the opposite is true, then reverse the decision rule.

We want a balancing critical value, c_B, so that $\alpha = \beta$.

It can be shown that:

$$c_B = \frac{\sum_j W_j M(m_j, se_j) - \sum_j W_j \frac{-1}{\sqrt{2\pi}}}{\sqrt{\sum_j W_j^2 V(m_j, se_j)} + \sqrt{\sum_j W_j^2 \left(\frac{1}{2} - \frac{1}{2\pi}\right)}}$$

where

$$M(\mu, \sigma) = \mu \Phi(\tfrac{-\mu}{\sigma}) - \sigma \phi(\tfrac{-\mu}{\sigma})$$

$$V(\mu, \sigma) = (\mu^2 + \sigma^2)\Phi(\tfrac{-\mu}{\sigma}) - \mu\sigma\phi(\tfrac{-\mu}{\sigma}) - M(\mu, \sigma)^2$$

$\Phi(\cdot)$ is the cumulative standard normal distribution function, and $\phi(\cdot)$ is the standard normal density function, and μ and σ are the formal arguments of functions $M(\cdot,\cdot)$ and $V(\cdot,\cdot)$.

This formula assumes that Z_j is approximately normally distributed within cell j. When the cell sample sizes, n_{1j} and n_{2j}, are small this may not be true. It is possible to determine the cell mean and variance under the null hypothesis when the cell sample sizes are small. It is much more difficult to determine these values under the alternative hypothesis. Since the cell weight, W_j will also be small (see calculate weights section above) for a cell with small volume, the cell mean and variance will not contribute much to the weighted sum. Therefore, the above formula provides a reasonable approximation to the balancing critical value.

The values of m_j and se_j will depend on the type of performance measure.

Mean Measure

For mean measures, one is concerned with two parameters in each cell, namely, the mean and variance. A possible lack of parity may be due to a difference in cell means, and/or a difference in cell variances. One possible set of hypotheses that capture this notion, and take into account the assumption that transactions are identically distributed within cells is:

H_0: $\mu_{1j} = \mu_{2j}$, $\sigma_{1j}^2 = \sigma_{2j}^2$

H_a: $\mu_{2j} = \mu_{1j} + \delta_j \sigma_{1j}$, $\sigma_{2j}^2 = \lambda_j \sigma_{1j}^2$

- Mu (μ) and Sigma (σ) usually have a special meaning in the context of a normal distribution. They were not earlier explained and refer to the first and second moments of the distributions that are not necessarily normal.. It may be confusing to some readers.
- No changes to the SEEM plan.

~~Where~~ Where $\delta_j > 0$, $\lambda_j \geq 1$, and j = 1,... L, ~~where~~ and parameters δ_j and λ_j corresponds to the ~~delta~~Delta and Lambda values defined in section 4.1.6 of the Administrative Plan)

Under this form of alternative hypothesis, the cell test statistic Z_j has mean and standard error given by

$$m_j = \frac{-\delta_j}{\sqrt{\frac{1}{n_{1j}} + \frac{1}{n_{2j}}}}$$

and

$$se_j = \sqrt{\frac{\lambda_j n_{1j} + n_{2j}}{n_{1j} + n_{2j}}}$$

Proportion Measure

For a proportion measure there is only one parameter of interest in each cell, the proportion of transaction possessing an attribute of interest. A possible lack of parity may be due to a difference in cell proportions. A set of hypotheses that take into account the assumption that transactions are identically distributed within cells while allowing for an analytically tractable solution is:

H_0: $$\frac{p_{2j}(1-p_{1j})}{(1-p_{2j})p_{1j}} = 1$$

H_a: $$\frac{p_{2j}(1-p_{1j})}{(1-p_{2j})p_{1j}} = \psi_j \qquad \psi_j > 1 \text{ and } j = 1,\ldots,L.$$

~~(~~Where parameters ψ_j corresponds to the ~~psi~~ Psi values defined in section 4.1.6 of the Administrative Plan~~)~~...

- The "greater than or equal" sign between the Lambda symbol λ and 1 was omitted in the previous versions of SEEM. .The Lambda parameter description was missing.

... Using the equations above, ~~we see~~it can be shown that Z_j has mean and standard error given by

- Verbiage changes for clarity

$$m_j = \frac{n_j^2 \pi_j^{(1)} - n_{1j} a_j}{\sqrt{\frac{n_{1j} n_{2j} a_j (n_j - a_j)}{n_j - 1}}}$$

and

	$$se_j = \sqrt{\frac{n_j^3(n_j-1)}{n_{1j}\, n_{2j}\, a_j\,(n_j-a_j)\left(\frac{1}{\pi_j^{(1)}}+\frac{1}{\pi_j^{(2)}}+\frac{1}{\pi_j^{(3)}}+\frac{1}{\pi_j^{(4)}}\right)}}$$ **...Rate Measure** A rate measure also has only one parameter of interest in each cell, the rate at which a phenomenon is observed relative to a base unit, e.g. the number of troubles per available line. A possible lack of parity may be due to a difference in cell rates. A set of hypotheses that take into account the assumption that transactions are identically distributed within cells is: H_0: $r_{1j} = r_{2j}$ H_a: $r_{2j} = \varepsilon_j r_{1j}$ $\quad \varepsilon_j > 1$ and $j = 1,\ldots,L$. (Where parameters ε_j corresponds to the ~~epsilon~~ Epsilon values defined in section 4.1.6 of the Administrative Plan)...	
D.2.6	**Determining the Parameters of the Alternative Hypothesis** In this section we have indexed the alternative hypothesis of mean measures by two sets of parameters, λ_j and δ_j (where λ_j and δ_j corresponds to the Lambda and ~~d~~Delta values defined in section 4.1.6 of the Administrative Plan section). Proportion measures are indexed by parameter ψ_j and rate measures by ε_j (these parameters correspond to the Psi and Epsilon of section 4.1.6). A major difficulty with this approach is that more than one alternative will be of interest; for example we may consider one alternative in which all the δ_j are set to a common non-zero value, and another set of alternatives in each of which just one δ_j is non-zero, while all the rest are zero. There are very many other possibilities. Each possibility leads to a single value for the balancing critical value; and each possible critical value corresponds too many sets of alternative hypotheses, for each of which it constitutes the correct balancing value. ... *Parameter Choices for* λ_j – The set of parameters λ_j index alternatives to the null hypothesis that arise because there might be greater unpredictability or variability in the delivery of service to a CLEC customer over that which would be achieved for an otherwise comparable ILEC customer. While concerns about differences in the variability of service are important, it turns out that the truncated Z testing which is being recommended here is relatively insensitive to all but very large values of the λ_j. Put another way, reasonable differences in the values chosen here could make very little difference in the balancing points chosen. Therefore, λ_j parameters have been set to 1.	• Administrative change to provide missing symbols, notation description, and verbiage to clarify current statistical process • The values of Lambda parameters have not been memorialized in the SEEM document. The change reflects original (still current) implementation. No changes to the SEEM plan.

Appendix E	**~~BST~~AT&T SEEM Remedy Calculation Procedures**	
E.1.1	**Tier-1 Calculation For Retail Analogs** DETERMINE IF AN INDIVIDUAL CLEC FAILS A ~~TIER-1~~TIER-1 SUBMETRIC 1. ~~Tier-1~~Tier-1 is triggered by a monthly failure of any ~~Tier-1~~Tier-1 Remedy Plan submetric. 2. Calculate the overall test statistic for a CLEC (CLEC1); Example, z^{T}_{CLEC1} (~~P~~per Statistical Methodology). 3. Calculate the balancing critical value (Example, $^{c}B_{CLEC1}$) that is associated with the alternative hypothesis (for fixed parameters ~~λ~~, δ, ~~ψ~~Ψ, or ε) for that CLEC. 4. If the overall test statistic is equal to or above the balancing critical value, stop here. That is, if $^{c}B_{CLEC1} \leq z^{T}_{CLEC1}$, stop here. Otherwise, go to step 5. CALCULATE REMEDY PAYMENT FOR CORRECTION OF TEST STATISTIC TO THE BALANCING CRITICAL VALUE 5. Select the cell with the most negative ~~z-value~~ Z-Score (let i=1,…,I with i=1 having the most negative ~~z-value~~Z-Score , i=2 having next most negative ~~z-value~~Z-Score , etc. and with i=I when the criterion in step 7 is fulfilled.) and set its ~~z-value~~Z-Score to zero ($z_{CLEC1,i} = 0$). 6. Recalculate the overall test statistic for that CLEC with the adjusted data; Example, $z^{T}_{CLEC1}{}^{*}$ (~~P~~per Statistical Methodology). 7. If the new overall test statistic is equal to or above the balancing critical value, that is, if $^{c}B_{CLEC1} \leq z^{T}_{CLEC1}{}^{*}$, go to step 8. Otherwise, repeat steps 5 – 6 letting i = i + 1. 8. Calculate the Total Affected Volume (TAV) by summing the Total Impacted Volumes (TIV) of each cell whose ~~z-value~~Z-Score was reset to zero except the last cell changed. The ~~affected~~ impacted volume for the last cell changed should be interpolated by $TIV_{CLEC1,I,INT} = (^{c}B_{CLEC1} - z^{T}_{CLEC1,I-1}{}^{*}) / (z^{T}_{CLEC1,I}{}^{*} - z^{T}_{CLEC1,I-1}{}^{*}) \times TIV_{CLEC1,I}$. The result should be rounded up to the next positive integer and added to TAV_{CLEC1}. That is, $TAV_{CLEC1} = TIV_{CLEC1,1} + TIV_{CLEC1,2} + \ldots + TIV_{CLEC1,I-1} + TIV_{CLEC1,I,INT}$. Note that if $TIV_{CLEC1,I} = 1$ then $TIV_{CLEC1,I,INT} = 1$ and the interpolation step can be omitted. ~~Any transactions that cause the overall test statistic to be between the BCV and zero will be included in the TIV for transactions between the BCV and zero.~~ 9. Calculate ~~the below BCV portion of~~ the payment to CLEC1 by multiplying the result of step 8 (TAV_{CLEC1}) by the appropriate dollar amount from the fee schedule. Thus, CLEC1 payment = $TAV_{CLEC1} \times$ $$from Fee Schedule. Here the fee should be derived from Table 1: Fee Schedule for ~~Tier-1~~Tier-1 Per Transaction Fee Determination (Appendix A). ~~multiplied by the appropriate factor from section 1.3.1.1. This factor is 3/2 if the CLEC aggregate performance~~	• Administrative corrections to terms and symbol omissions in prior version • AT&T proposes to remove calculations between BCV and zero from remedy calculation. There is no added value for adjusting the truncated Z statistic all the way to 0. The use of the balancing alpha–beta error methodology will assures that AT&T will remain accountable for accurately evaluating the performance of each measure. Correcting test values between BCV and zero does not provide balanced results for the determination of remedies. • Changes consistent with the removal of remedies based on Z-Score correction between BCV and 0.

	passes and 3 if the CLEC aggregate performance fails. CALCULATE REMEDY PAYMENT FOR CORRECTION OF TEST STATISTIC TO ZERO 10. If the current overall adjusted test statistic (calculated in step 6) is equal to or above zero, that is, if $0 <= z^{T}_{CLEC1}$ for i = I, then go to step 14. Otherwise, go to step 11. 11. Select the cell with the most negative remaining z value (let i=1=1,..., J with i=1=1 having the most negative z value, i=I+2 having next most negative z value, etc. and with i=J when the criterion in step 13 is fulfilled.) and set its z value to zero ($z_{CLEC1,i} = 0$). 12. Recalculate the overall test statistic for that CLEC with the adjusted data: Example, z^{T}_{CLEC1} (Per Statistical Methodology). 13. If the new overall test statistic is equal to or above zero, that is, if $^{C}B_{CLEC1} <= z^{T}_{CLEC1}$, go to step 14. Otherwise, repeat steps 11 – 12 letting i = i+1. 14. Calculate the Total Affected Volume (TAV0) by summing the Total Impacted Volumes (TIV0) of each cell whose z value was reset to zero except the last cell changed. The affected volume for the last cell changed should be interpolated by $TIV0_{CLECLINT} = (0 - z^{T}_{CLECLI-1}) \div (z^{T}_{CLECLI} - z^{T}_{CLECLI-1}) * TIV0_{CLECLI} - TIV_{CLECLINT}$. The result should be rounded up to the next positive integer and added to $TAV0_{CLEC1}$. That is, $TAV0_{CLEC1} = (TIV_{CLECLI} - TIV_{CLECLINT}) + TIV0_{CLECLI-1} + TIV0_{CLECLI-2} + \ldots + TIV0_{(CLECLI-1)} + TIV0_{(CLECLINT)}$. Note that if $TIV0_{CLECLI} = 1$ then $TIV_{CLECLINT} = 1$ and the interpolation step can be omitted. Also, $TIV_{CLECLI} - TIV_{CLECLINT}$ is the remaining transactions from TIV_{CLECLI} that were not used in step 8 and if $TIV_{CLECLI} = TIV_{CLECLINT}$ then $TAV0_{CLEC1} = 0$. • Calculate the 0 to BCV portion of the payment to CLEC1 by multiplying the result of step 14 ($TAV0_{CLEC1}$) by the appropriate dollar amount from the fee schedule. Thus, $CLEC1_0$ payment = $TAV0_{CLEC1}$ * SSfrom Fee Schedule. Here the fee should be derived from Table 1: Fee Schedule for Tier 1 Per Transaction Fee Determination (Appendix A) multiplied by the appropriate factor from section 1.3.1.1. This factor is 1.3 if the CLEC aggregate performance passes and 2.3 if the CLEC aggregate performance fails. CALCULATE TOTAL REMEDY PAYMENT FOR CLEC1 16. The total remedy payment for CLEC1 is found by adding the results from step 9 to the results from step 15. That is $CLEC1_{TOTAL}$ payment = $CLEC1_{BCV}$ payment + $CLEC1_0$ payment.	
E.1.2 •	**Example: CLEC1 Percent Repeat Customer Troubles Within 30 Days (PRT) for Resale (DSGN).** **Submeasure Category = Provisioning - Resale** **Failure Month = Month 1** **CLEC Aggregate Result = Failed**	• Propose elimination of multipliers. (Refer to section 4.3 for rationale)

	n_1	n_C	I_c	z^T_{CLEC1}	$^CB_{CLEC1}$		Order Zeroed Out (I/J)	TA[I]V (< BCV)	~~TAV0 (0 to BCV)~~
State	312	27	18	-4.10	-1.22				
Cell				$z_{CLEC1,i}$	RANK	z^T_{CLEC1}*			
1		1	0	0.75					
2		4	2	-0.69	8				
3		3	3	-1.76	3	-0.65[Δ]	3	2[°]	~~1~~
4		1	0	0.67					
5		4	3	-1.45	5	~~0.80~~[ΔΔ]	~~5~~		~~1~~[°°]
6		3	3	-3.45	1	-2.46	1	3	
7		2	2	-1.81	2	-1.60	2	2	
8		3	2	-1.09	6				
9		1	1	-1.65	4	~~-0.13~~	~~4~~		~~1~~
10		2	1	-0.84	7				
11		1	0	0.62					
12		2	1	-0.40	9				
Total			**18**					**7**	~~3~~

[Δ]Note that after making $z_{CLEC1,I} = 0$, the overall z^T_{CLEC1}* = -0.65 is greater than the balancing critical value $^CB_{CLEC1}$ = -1.22.

~~[ΔΔ]Note that after making $z_{CLEC1,I} = 0$, the overall z^T_{CLEC1}* = 0.80 is greater than zero.~~

[°]For cell#3 the ~~TAV~~TIV would be calculated with ((-1.22) - (-1.60))/((-0.65) - (-1.60)) × 3 = 1.2 which is rounded up to 2 transactions.

~~[°°]For cell#5 the TAV0 would be calculated with ((0) - (-0.13))/((0.80) - (-0.13)) × 4 = 0.56 which is rounded up to 1 transaction.~~

Remedy payment for $CLEC1_{BCV}$ ~~payment~~ is (7 units) * ($40/unit) ~~* (3 factor) = **$840** when the CLEC aggregate performance fails. Remedy payment for $CLEC1_{i}$ payment is (3 units) * ($40/unit) * (2/3 factor) = **$80** when the CLEC aggregate performance fails. The total remedy payment is $CLEC_{TOTAL}$ payment = $840 + $80 = **$920**.~~ $280.

- Refer to rationale provided for E.1.1 for removal of BCV and zero calculation

~~E.2~~	~~**Tier 2 Calculation For Retail Analogs**~~ ~~1. Tier 2 is triggered by three consecutive monthly failures of any Tier 2 Remedy Plan sub-metric. Determine failure by~~	• Eliminate reference to Tier 2.

performing steps 2 – 4 in section E.1.1 for each of the three consecutive months for the aggregate of all CLEC data. If any month passes, no remedies are required.

2. If remedies are required, calculate monthly statistical results and affected volumes for the CLEC aggregate performance for each of the three consecutive months as outlined in steps 5 – 8 and 10 - 11 of section E.1.1. Determine average monthly affected volumes for the rolling 3 month period for both the TAV (remedies required for correcting the test statistic back to the BCV) and the TAV0 (remedies required for correcting the test statistic back to zero).
3. Calculate the payment to State Designated Agency by multiplying average monthly volumes by the appropriate dollar amount from the Tier-2 fee schedule (Appendix A, Table 2: Tier 2 Per Transaction Fee Determination).
4. Therefore, State Designated Agency payment = (average monthly volume TAV * $$ from Fee Schedule) + (average monthly volume TAV0 * $$ from Fee Schedule).

- Rationale for elimination of Tier 2 provided in proposed changes to SQM document.

E.2.1

Example: STATE-A Percent Provisioning Troubles within X Days - UNE Loops Design

Submeasure Category = Provisioning – UNE
Failure Month = Month 1
CLEC Aggregate Result = Failed all three months

Month 1	n_i	n_C	I_c	z^T_{CLEC1}	${}^cB_{CLEC1}$		Order Zeroed Out (I/J)	TAV (< BCV)	TAV0 (0–BCV)
State	155	37	8	-5.11	-0.35				
Cell				$z_{CLEC1,i}$	RANK	z^T_{CLEC1}			
1		3	1	-1.53	5	0.91	5		1
2		1	0	0.31					
3		2	1	-2.18	3	-1.21	3	1	
4		1	1	-4.52	2	-2.39	2	1	
5		1	0	0.28					
6		18	1	-0.24	8				
7		5	1	-0.45	7				
8		1	1	-5.39	1	-3.74	1	1	

- Rationale for elimination of Tier 2 provided in proposed changes to SQM document

9		4	1	-0.50	6				
10		1	1	-2.14	4	-0.04[λ]	4	1[θ]	0
Total			**8**					**4**	**1**

[λ]Note that after making $z_{CLEC1,J} = 0$, the overall $z^{T}_{CLEC1}{}^{*} = -0.04$ is greater than the balancing critical value $^{C}B_{CLEC1} = -0.35$.

[λλ]Note that after making $z_{CLEC1,J} = 0$, the overall $z^{T}_{CLEC1}{}^{*} = 0.80$ is greater than zero.

[θ]For cell#10 the TAV_4 would not be interpolated given that the impacted volume for that cell is only 1.

[θθ]For cell#1 the TAV_8 would not be interpolated given that the impacted volume for that cell is only 1.

TAV for month 1 is 4 units, TAV0 for month 1 is 1 unit.

Submeasure Category = Provisioning – UNE
Failure Month = Month 2
CLEC Aggregate Result = Failed all three months

Month 2	n_I	n_C	l_c	z^{T}_{CLEC1}	$^{C}B_{CLEC1}$		**Order Zeroed Out (I/J)**	**TAV (< BCV)**	**TAV0 (0–BCV)**
State	175	13	3	-0.94	-0.39				
Cell				$z_{CLEC1,J}$	RANK	$z^{T}_{CLEC1}{}^{*}$			
1		2	1	-1.58	2				
2		1	0	1.00					
3		1	0	0.25					
4		1	0	0.26					
5		2	0	0.46					
6		1	0	0.20					
7		2	1	-0.71	3				

8		1	1	-4.12	1	0.28[A]	1	1[D]	
9		1	0	0.35					
10		1	0	0.50					
Total			**3**					**1**	**0**

[A]Note that after making $z_{CLEC1,i} = 0$, the overall $z^{T}_{CLEC1}{}^{*} = 0.28$ is greater than the balancing critical value $^{C}B_{CLEC1} = -0.39$. Note that it is also greater than zero. Therefore the total affected volume has been identified.

[D]For cell#8 the TAV_i would not be interpolated given that the impacted volume for that cell is only 1.

TAV for month 2 is 1 unit, TAV0 for month 2 is 0 units.

Submeasure Category = Provisioning – UNE
Failure Month = Month 3
CLEC Aggregate Result = Failed all three months

Month 3	n_i	n_C	I_c	z^{T}_{CLEC1}	$^{C}B_{CLEC1}$		**Order Zeroed Out (I/J)**	**TAV (< BCV)**	**TAV0 (0–BCV)**
State	196	33	8	-4.76	-0.49				
Cell				$z_{CLEC1,i}$	RANK	$z^{T}_{CLEC1}{}^{*}$			
1		2	0	0.48					
2		4	1	-2.55	**6**				
3		2	0	0.57					
4		1	1	-3.00	**4**	-0.81	4	1	
5		1	1	-3.16	**2**	-2.78	2	1	
6		1	0	0.20					
7		1	1	-3.32	**1**	-3.76	1	1	
8		2	1	-3.00	**3**	-1.78	3	1	

9		1	1	-2.92	5	0.18[A]	5	1[C]	
10		6	1	-0.41	7				
11		10	1	-0.32	8				
12		1	0	0.24					
13		1	0	0.28					
Total			**8**					**5**	**0**

[A]Note that after making $z_{CLEC1,1} = 0$, the overall $z^{T}_{CLEC1}{}^{*} = 0.18$ is greater than the balancing critical value $^{C}B_{CLEC1} = -0.49$. Note that it is also greater than zero. Therefore the total affected volume has been identified.

[C]For cell#9 the TAV_5 would not be interpolated given that the impacted volume for that cell is only 1.

TAV for month 3 is 5 units, TAV0 for month 3 is 0 units.

If the above examples represent performance for each of months 1 through 3, then

E.2.2

Example: STATE-A Percent Provisioning Troubles within 30 Days - UNE Loops Design

State	TAV	TAV0
Month 1	1	1
Month 2	1	0
Month 3	5	0
Average TAV(0) for rolling 3 month period	3.33	0.33
Remedy amount per unit (Appendix A Table 2	$345	$76
Remedy Dollars	$1148.85	$25.08

The total remedy paid for this Tier 2 submetric is $1148.85 + $25.08 = $1,173.93 which rounds up to **$1171**.

- Eliminate reference to Tier 2.
- Rationale for elimination of Tier 2 provided in proposed changes to SQM document

Tier-1 Calculation For Benchmarks

1. For each CLEC with five or more observations, calculate monthly performance results for the State.
2. CLECs having observations (sample sizes) between 5 and ~~30 will use Table 1 below.~~ the large sample threshold L will use benchmark adjustment calculations described below. The only exception will be for Collocation Percent Missed Due Dates.

   a. Large sample threshold is defined as L = 9/(B×(1-B)), rounded to the closest larger integer, where B is the benchmark. Large sample thresholds for some values of benchmarks are shown in the table below.

Benchmark B	Large Sample Threshold L
90%	100
95%	190
96.5%	267

~~E.3~~E.2

   b. The Equivalent Minimal Benchmark for sample size n=5, EB(5) is based on the smallest number of failures k ≤ n, for which the cumulative binomial distribution CBN(k,n,B) exceeds 5%. The failure allowance is at least 1 for small samples.

Nominal Benchmark	Equivalent Minimal Benchmark: EB(5)
90%	60%
95%	80%
96.5%	80%

   c. For any CLEC sample size n between 5 and L, the Equivalent Benchmark EB(n) is calculated so that the adjustment percent decreases linearly from EB(5) for n=5 to 0 for n=L, resulting in the following formula:

$$EB(n) = B - (B-EB(5))\times(L-n)/(L-5).$$

   d. Effective Benchmark is equal to the nominal Benchmark for large samples and to the Equivalent Benchmark for small samples.

- The large sample threshold L should be higher than 30 and dependent on the Benchmark value B: L = 9/(B×(1-B)). The tighter the benchmark, the larger the large sample threshold L should be. The formula comes from statistical methodology adopted for analog measures (D.2.4, bullet point two). Binomial model (with p=B) approximation applies only when L×B×(1-B)>9.

- New adjustment construction criteria for small sample benchmark adjustments:
  1. The adjustment percentage for n=5 is the same as in the current SEEM plan.
  2. The adjustment percentage should decrease with increasing sample size.
  3. The adjustment percentage should vanish at the large sample threshold L.
  4. The number of total allowed failures should increase with sample size. Currently it drops at n=31.
  5. The number of allowed failures should be no smaller than 1 for small samples.

~~Small Sample Size Table (95% Confidence)~~

~~Sample Size~~	~~Equivalent 90% Benchmark~~	~~Equivalent 95% Benchmark~~
~~5~~	~~60.00%~~	~~80.00%~~
~~6~~	~~66.67%~~	~~83.33%~~
~~7~~	~~71.43%~~	~~85.71%~~
~~8~~	~~75.00%~~	~~75.00%~~
~~9~~	~~66.67%~~	~~77.78%~~
~~10~~	~~70.00%~~	~~80.00%~~
~~11~~	~~72.73%~~	~~81.82%~~
~~12~~	~~75.00%~~	~~83.33%~~
~~13~~	~~76.92%~~	~~84.62%~~
~~14~~	~~78.57%~~	~~85.71%~~
~~15~~	~~73.33%~~	~~86.67%~~
~~16~~	~~75.00%~~	~~87.50%~~
~~17~~	~~76.47%~~	~~82.35%~~

~~Sample Size~~	~~Equivalent 90% Benchmark~~	~~Equivalent 95% Benchmark~~
~~18~~	~~77.78%~~	~~83.33%~~
~~19~~	~~78.95%~~	~~84.21%~~
~~20~~	~~80.00%~~	~~85.00%~~
~~21~~	~~76.19%~~	~~85.71%~~
~~22~~	~~77.27%~~	~~86.36%~~
~~23~~	~~78.26%~~	~~86.96%~~
~~24~~	~~79.17%~~	~~87.50%~~
~~25~~	~~80.00%~~	~~88.00%~~
~~26~~	~~80.77%~~	~~88.46%~~
~~27~~	~~81.48%~~	~~88.89%~~
~~28~~	~~78.57%~~	~~89.29%~~
~~29~~	~~79.31%~~	~~86.21%~~
~~30~~	~~80.00%~~	~~86.67%~~

3. If the percentage (or equivalent percentage for small samples) meets the benchmark standard, no remedies are required. Otherwise, go to step 4.
4. Determine the Volume Proportion by taking the difference between the benchmark and the actual performance result.
5. Calculate the CLEC's Total aAffected vVolume (TAV) by multiplying the Volume Proportion from step 4 by the Total Impacted CLEC~~+~~ Volume.
6. Calculate the payment to CLEC~~+~~ by multiplying the result of step 5 by the appropriate dollar amount from the fee schedule (Appendix A, Table 1) ~~times the appropriate multiplier (section 4.3.1.5)~~. That is,

CLEC~~+~~'s payment = (CLEC's Total Affected Volume~~CLEC1~~ x $$ from Fee Schedule ~~* multiplier~~). ~~For the example that follows, fee amounts are based on an aggregate failure.~~

E.3~~2~~.1

Example: CLEC1 Percent Missed Due Dates for Collocations

Submeasure Category = Collocation
Failure Month = Month 1
~~CLEC Aggregate Result = Failed~~

	n_C	Effective Benchmark	$PMDD_C$	Volume Proportion	Affected Volume	Fee Schedule	~~Fee Multiplier~~	Payout
State	600	~~<=~~ >= 95% On Time	92%	.03	18	$3,165		$56, 970

Payout for CLEC~~1~~ is (18 units) ~~*~~ × (~~$3165~~/unit) ~~* (3 Factor) =~~ ~~$170,910~~56,970.

- Administrative change to change the symbols for mathematical operations to more concise version.
- Change reflects elimination of multipliers

E.4~~3~~

~~Tier 1~~Tier-1 Calculation For Benchmarks (In The Form Of A Target)

1. For each CLEC with five or more observations calculate monthly performance results for the State.
2. CLECs having observations (sample sizes) between 5 and ~~30~~ large sample threshold L will use small sample ~~size table~~adjustments as described above.
3. Calculate the interval distribution based on the same data set used in step 1.
4. If the 'percent within' (or equivalent percentage for small samples) meets the benchmark standard, no remedies are required. Otherwise, go to step 5.
5. Determine the Volume Proportion by taking the difference between benchmark and the actual performance result.
6. Calculate the Total ~~a~~Affected ~~v~~Volume by multiplying the Volume Proportion from step 5 by the Total CLEC~~1~~ Volume.
7. Calculate the payment to CLEC~~1~~ by multiplying the result of step 6 by the appropriate dollar amount from the fee schedule. That is, CLEC~~1~~'s payment = CLEC's Total Affected Volume~~CLEC1~~ ~~*~~ × $$ from Fee Schedule ~~* multiplier~~. ~~For the example that follows, assume CLEC aggregate failure.~~

- Change of language consistent with the proposed change of Benchmark small sample threshold.
- Change reflects elimination of multipliers

E.4~~3~~.1

Example: CLEC-1 Reject Interval – Fully Mechanized

Submeasure Category = Ordering
Failure Month = Month 1
~~CLEC Aggregate Result = Failed~~

	n_C	Effective	Reject	Volume	Affected	Fee	~~Fee~~	Payout

- Effective Benchmark is equal to the nominal Benchmark for large samples and to the Equivalent Benchmark for small samples.
- Administrative change to change the "Effective Benchmark" symbols (<=)

			Benchmark	**Interval**	**Proportion**	**Volume**	**Schedule**	~~**Multiplier**~~	
	State	600	97% ~~<~~<= 1 hour	95% <= 1 hour	.02	12	$20	[redacted]	$240
	Payout for CLEC~~1~~ is (12 units) ~~*~~× ($20/unit) ~~* (2.5 factor)~~ = ~~$600~~ $240								
~~*E.5*~~	~~Tier 2 Calculations For Benchmarks~~ ~~Tier 2 calculations for benchmark measures are the same as the Tier 1 benchmark calculations, except they are based on the CLEC aggregate performance and the CLEC aggregate data will have failed for three (3) consecutive months.~~								
~~*E.6 1*~~	Regional ~~and State~~ Coefficients This section describes the method of calculating regional ~~and state~~ coefficients								
~~*E.6.1*~~	~~AKC~~ ~~• Acknowledgement Completeness (AKC- EDI & AKC-TAG)~~ ~~• Regional Coefficient Formula (Tier 1)~~ ~~• Coefficient = (A+B) ÷ (C+D) where:~~ ~~• A = number of valid FOC transactions of the CLEC in the state (fully & partially mechanized)~~ ~~• B = number of valid RI transactions of the CLEC in the state (fully & partially mechanized)~~ ~~• C = total valid FOC transactions of the CLEC in the region (fully & partially mechanized)~~ ~~• D = total valid RI transactions of the CLEC in the region (fully & partially mechanized)~~ ~~**State Coefficient Formula (Tier 2)**~~ ~~State Coefficient = (A+B) ÷ (C+D) where:~~ ~~• .... A = number of valid FOC transactions for all CLEC's in the state (fully & partially mechanized)~~ ~~• .... B = number of valid RI transactions for all CLECs in the state (fully & partially mechanized)~~ ~~• .... C = total valid FOC transactions in the region (fully & partially mechanized)~~ ~~• .... D = total valid RI transactions in the region (fully & partially mechanized)~~								
E.6~~4.2~~ 1	**Percent Flow-Through Service Requests** [FT] Regional Coefficient Formula (Tier-1) Coefficient = A / B where: A = number of valid Flow Through transactions of the CLEC in the state;								

for mathematical operations to more concise version.

- Change reflects elimination of multipliers
- Eliminate reference to Tier 2.
- Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
- State Coefficients apply to Tier 2
- Eliminate reference to Tier 2.
- Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
- Refer to SQM Measure for rationale
- Eliminate reference to Tier 2.
- Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
- PFT changes made to reflect SQM Disaggregation changes, removal of Tier-

	B = total valid Flow Through transactions of the CLEC in the region. ~~Percent Flow Through CLEC Aggregate - Residence (PFT-RES)~~ ~~Percent Flow Through CLEC Aggregate - Business (PFT- BUS)~~ ~~Percent Flow Through CLEC Aggregate - UNE-L (includes UNE-L with LNP)~~ ~~Percent Flow Through CLEC Aggregate - LNP (PFT-LNP)~~ ~~Regional Coefficient Formula (Tier-1)~~ ~~Coefficient = A / B where:~~ ~~A = number of valid FOC transactions of the CLEC in the state (fully-mechanized)~~ ~~B = total valid FOC transactions of the CLEC in the region (fully-mechanized)~~ ~~State Coefficient Formula (Tier-2)~~ ~~State Coefficient = A - B where:~~ ~~• .....A = number of valid FOC transactions for all CLECs in the state (fully-mechanized)~~ ~~• .....B = total valid FOC transactions in the region (fully-mechanized)~~	2, and current implementation of apportionment based on state Flow Through • Eliminate reference to Tier 2 • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
E.4.2	**Service Order Accuracy** [SOA] Regional Coefficient Formula (Tier-1) Coefficient = A / B where: A = number of valid SOA transactions of the CLEC in the state; B = total valid SOA transactions of the CLEC in the region.	• SOA was omitted from this paragraph in prior versions of SEEM. Entry is to correct that omission and match current proposed measure.
~~E.6.3~~ •	~~CMN, PSEC, PCRAR, PCRIP~~ ~~Timeliness of Change Management (CMN)~~ ~~Percent of Software Errors Corrected in X (10, 30, 45) Business Days - Region (PSEC)~~	• Refer to SQM Measure for rationale

	~~Percent Change Requests Accepted or Rejected in 10 Days – Region (PCRAR)~~ ~~Percent of Change Request Implemented Within 60 Weeks of Prioritization Region (PCRIP)~~ ~~**State Coefficient Formula (Tier 2)**~~ ~~Coefficient = (A+B) - (C+D) where:~~ ~~A = number of valid FOC transactions for all CLECs in the state (fully & partially mechanized)~~ ~~B = number of valid RI transactions for all CLECs in the state (fully & partially mechanized)~~ ~~C = total valid FOC transactions in the region (fully & partially mechanized)~~ ~~D = total valid RI transactions in the region (fully & partially mechanized)~~	• Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
~~E.6.1~~	~~IA, OAAT~~ ~~• Interface Availability (IA)~~ ~~• Average Answer Time – Ordering Centers (OAAT)~~ ~~**State Coefficient Formula (Tier 2)**~~ ~~Coefficient = (A+B) - (C+D) where:~~ ~~• .....A = number of valid FOC transactions for all CLECs in the state (fully & partially mechanized)~~ ~~• .....B = number of valid RI transactions for all CLECs in the state (fully & partially mechanized)~~ ~~• .....C = total valid FOC transactions in the region (fully & partially mechanized)~~ ~~• .....D = total valid RI transactions in the region (fully & partially mechanized)~~	• State Coefficient used for Tier 2 • Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document.
Appendix F	~~BellSouth's~~AT&T's **Policy on Reposting of Performance Data and Recalculation of SEEM Payments**	
	~~BellSouth~~AT&T will be required to repost~~make available reposted~~ performance data as reflected in the Service Quality Measurement (SQM) reports and recalculate Self-Effectuating Enforcement Mechanism (SEEM) payments ~~using the Parity Analysis and Remedy Information System (PARIS).~~, to the extent technically feasible, under the following circumstances: 1. Those SQM measures included in a state's specific SQM plan with corresponding sub-metrics are subject to reposting. A notice will be placed on the ~~PMAP~~ AT&T Performance Measurement website advising CLECs when reposted data is available. 2. SQM Performance sub-metric calculations that result in a shift in the statewide aggregate performance from an "in parity" condition to an "out of parity" condition will be available for reposting, unless such a shift was caused by a single misclassified observation either in the numerator, denominator, or both. 3. SQM Performance sub-metric calculations with benchmarks where statewide aggregate performance is in an "out of parity" condition will be available for reposting whenever there is a >= 2% decline in ~~BellSouth's~~ AT&T's performance at the sub-metric level, unless such a shift was caused by a single misclassified observation either in the numerator, denominator, or both.	• Remove reference to PMAP and PARIS to allow flexibility in the event platform changes in the future. • Omission or addition of one transaction may change the outcome for the state metrics if the sample size is small. However such a change is hardly material, especially that SQM Equity determination is based on totally different set of statistical test formulae than the SEEM plan determination of compliance. Remedies are recalculated every time a change in data is discovered. It must be noted that a change that is immaterial based on SQM reposting criteria may yield higher remedies. • Administrative change to correct typo errors in prior versions of SEEM Plan

	4. SQM Performance sub-metric calculations with retail analogues that are in an "out of parity" condition will be available for reposting whenever there is a degradation in performance as shown by an adverse change of ≥<= .5 in the ~~z~~Z-~~S~~score at the sub-metric level. 5. Any data recalculations that reflect an improvement in ~~BellSouth's~~ AT&T's performance will be reposted at ~~BellSouth's~~ AT&T's discretion. ~~However, statewide performance must improve by at least 2% for benchmark measures and the z-score must improve by at least 0.5 for retail analogs at the sub-metric level to qualify for reposting.~~ 6. ~~-~~SQM Performance data will be reposted for a maximum of three months in arrears from date of detection. As an example, should an error be discovered during the analysis of the May data month, and this error triggers a reposting, ~~BellSouth~~AT&T will correct the data beginning with the month of detection (May) and the three months preceding – April, March and February. 7. When updated SQM performance data has been reposted or when a payment error ~~in PARIS~~ has been discovered, ~~BellSouth~~AT&T will recalculate applicable SEEM payments, where technically feasible, for a maximum of three months in arrears from date of detection. Recalculated SEEM payments due to reposted SQM data will be made for the same months that the applicable data was reposted. The three month period for recalculating SEEM payments due to an error ~~in PARIS~~ will be determined in the same manner previously described for the SQM. For example, should an error ~~in PARIS~~ be discovered for the data month of May, ~~BellSouth~~AT&T will correct data for May and the three preceding months – April, March and February. 8. Any adjustments for underpayment of ~~Tier 1~~Tier-1 ~~and Tier 2~~ calculated remedies resulting from the application of this policy will be made consistent with the terms of the state-specific SEEM plan, including the payment of interest. Any adjustments for overpayment of ~~Tier 1~~Tier-1 ~~and Tier 2~~ remedies will be made at ~~BellSouth's~~ AT&T's discretion. 9. Any adjustments for underpayments resulting from application of this policy will be made in the next month's payment cycle after the recalculation is made. The final current month ~~PARIS~~ reports will reflect the transmitted dollars, including adjustments for prior months where applicable. Questions regarding the adjustments should be made in accordance with the normal process used to address CLEC questions related to SEEM payments. When a CLEC believes that an error in its specific data requires reposting where the above statewide thresholds have not been met, the CLEC is responsible for identifying such issues and requesting ~~BellSouth~~ AT&T to repost the data. Any failure to repost inaccurate data should be brought to the attention of the Commission for resolution if it is estimated that the thresholds described in items 3 or~~,~~ ~~4, or 5~~ have been met at the CLEC-specific level.	• **This condition is not a true measure of performance levels. The same numerical criteria for improvement of performance as for deterioration of performance are much harder to achieve while moving towards the heavier part of the distribution.** • Eliminate reference to Tier 2. • Rationale for elimination of Tier 2 provided in proposed changes to SQM document. • Remove reference to specific system to allow flexibility for possible future platform changes
	Determination of when Reposting Policy Applies As part of the Change Notification Process, ~~BellSouth~~ AT&T performs an analysis of impacts that are proposed to be made to Performance Measurement ~~Application Platform (PMAP)~~ code. These impacts are used to identify changes to its reported SQM results. To determine this impact, ~~BellSouth~~ AT&T performs a query of the data warehouse to identify those records that would be impacted by the proposed change. Once the number of records ~~are~~ is identified, the measurement is recalculated to determine the impact. This is the general framework for analysis - the specific steps used to evaluate the impact will vary with the issue being analyzed. However, the following example may assist in understanding: Assume that service orders were erroneously being included in a particular product disaggregation for Percent Missed Installation Appointments. They should have been in another product disaggregation. Further, assume that the number of records erroneously included is 110 records out of a total of 86,000. In this example, the numerator and denominator would both be reduced by 110 records	• Remove reference to PMAP to allow flexibility in the event platform changes in the future.

	and the ~~/~~ Score would be recalculated. If the amount of the change was sufficient to meet criteria _2, 4 or 5 above, the Reposting policy will be invoked.	
End of SEEM Section		