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March 17, 1999
(Via overnight mail)

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Ms. Blanco S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Undocketed-Review of Regulated Utilities' Year 2000 Preparations and
Readiness (Telecommunications)
Response to Questions for March 19, 1999 Year 2000 Readiness Workshop

Dear Ms. Bayo:

Enclosed are the responses of Northeast Florida Telephone Company, Inc. and Northeast Florida Long Distance Company, Inc. to the questions for the Year 2000 Readiness Workshop to be conducted on March 19, 1999.

Please contact me at (904) 259-0639 if there are any questions regarding the enclosed material.

Sincerely,

Deborah L. Nobles
Director of Revenue Requirements &
Regulatory Affairs

Enclosure

cc: Rick Moses, Division of Telecommunications (via facsimile)

Your Quality Service Communications Provider

Northeast Florida Telephone Company, Inc. • NEFCOM Technologies, Inc. • NEFCOM Long Distance

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**Northeast Florida Telephone Company, Inc.
Northeast Florida Long Distance Company, Inc.**

**Responses to Questions for
Year 2000 Readiness Workshop
March 19, 1999**

- 1. What is the status of your company's Year 2000 plans and preparations? Please report your company's overall percentage of completion toward being fully Year 2000 compliant.**

Response: Northeast Florida Telephone Company, Inc. and Northeast Florida Long Distance Company, Inc. ("Northeast"), has employed the services of independent consulting firm Creative Support Solutions ("CSS") to assist in its Year 2000 preparedness. CSS has provided assistance in the areas of problem awareness, assessment, systems inventory, vendor compliance, timeline and test plan development. As the result, Northeast has achieved approximately 85% completion toward full Year 2000 compliance.

- 2. What specific timetables and milestones have you identified to prepare for Year 2000? For each timetable and milestone, please report the following: (1) the percentage completed and expected full-completion date; (2) the specific tasks remaining to be completed; and (3) any specific problems anticipated.**

Response: CSS assisted Northeast in developing the following project scope that identified the overall objectives of the Year 2000 preparedness action plan:

- proper identification of all internal and external systems, responsible entities, and associated business processes which may be potentially impacted by the inability to properly process dates occurring in the twenty first century of those that span across centuries.
- analysis of mission critical applications, interdependencies between systems, ranking of impacted systems and core business processes and the development of a prioritized action plan.
- resolution of problem through code renovation, installation of third party software patches, hardware or operating system upgrades or new system implementation.
- validation of effectiveness of modifications through development of system test plans, monitoring and documentation of achieved results.

The specific timetables and status of completion of each of these issues will be addressed in detail in the responses to the questions that follow.

- 3. What is the status of the inventory phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full-completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified.**

Response: Northeast has achieved 100% completion of the inventory phase of its Year 2000 preparedness action plan. The systems inventory included Order Systems, Operational Systems, Billing Systems, Accounting Systems and other miscellaneous systems. The responsible entities were identified and contacted for a status report of their Year 2000 compliance. Responses have been received by Northeast and have been incorporated into the Year 2000 preparedness action plan.

- 4. What is the status of the assessment phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full-completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified.**

Response: Northeast has achieved approximately 98% completion of the assessment phase of the Year 2000 preparedness action plan. There are only a few non-critical applications included in the systems inventory list that Northeast has not followed-up on with the responsible entity as to the status of their Year 2000 compliance. All critical applications have been assessed for Year 2000 compliance. By working closely with the responsible entities, Northeast has identified those systems requiring upgrades and the timeline required for achieving Year 2000 compliance.

- 5. Which of your company's hardware and software systems, such as billing, administrative, customer service, infrastructure, and operational support systems, do you consider critical? For each such system, what functions (in whole or part) are done via mainframe computers and which functions electronically interface with PC-based computers? How are these systems being remediated and tested? What problems have been identified that require additional work to make them Year 2000 compliant? Please report estimated completion dates for each problem identified.**

Response: Northeast considers the Siemens EWSD switch, the ASO/400, the message processing system, the subscriber management system, the customer billing system, and the CABS system as critical systems. The EWSD electronically interfaces with PC-based computers. The message processing system, the subscriber management system, customer billing system and the CABS system are all mainframe applications. The EWSD switch, the ASO/400, the subscriber management system, and the CABS system are already Year 2000 compliant. Communications Data Group ("CDG"), the company that provides certain software applications for Northeast, currently has scheduled to upgrade the customer billing system and message processing system by the 2nd quarter 1999 to be Year 2000 compliant.

- 6. What is the status of the remediation, or renovation, phase of your company's Year 2000 preparations. Please report the following: (1) the percentage of this phase completed and expected full-completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified.**

Response: As noted in the above response, Northeast has identified the critical applications that require remediation in order to be Year 2000 compliant. The remediation phase is approximately 90% complete. Northeast is working closely with CDG on scheduling the remaining upgrades that are needed to complete the remediation phase of the Year 2000 action plan. In addition, Northeast will be replacing PCs that are not currently Year 2000 compliant. It is anticipated that all PCs will be Year 2000 compliant by June, 1999.

- 7. What is the status of the testing (both unit and system) phase of your company's Year 2000 preparations? Please report the following: (1) the percentage of this phase completed and expected full-completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified. What tests are being done or will be done on network elements and customer-affecting systems? Please describe your company's testing process, including its approach and steps.**

Response: It is extremely difficult in smaller organizations like Northeast, to properly emulate production environments and carry out adequate tests. Also frustrating in this phase is the dependency upon outside parties, such as vendors, to comply with their component of the given business process. Northeast has worked with CSS to identify and develop operational and accounting test plans. For the operational systems, the test plans propose a methodology of testing CDG's line of products for Year 2000 compliance. The plan design is to emulate, process and monitor a switch data set as it traverses through the CDG suite of products. However, the timetable for performing such testing or even to what extent the testing plans can be followed, are dependent largely on CDG's schedule.

A prime example of this reliance on vendors and their schedules exists for Northeast with respect to the message processing system. Testing this system will be time and labor intensive and other system testing, such as CABS and customer billing, will be dependent upon data feeds from this system. CDG currently has not scheduled to release the compliant code for the message processing system until April 1999. This leaves Northeast in the precarious position of either 1) completing this much needed testing in-house in a very short time frame of six months or 2) outsourcing the testing of the system or 3) trusting the vendor that their changes are correct. The last alternative is the least desirable in any test situation, but because of limited resources available to a small company like Northeast; this may have to be considered.

Northeast is also working closely with Siemens in regards to Year 2000 testing on the EWSD switch. Siemens testing of EWSD Release 15.0 changes for the Year 2000 started in October 1997. Internal Simians testing of R15.0 successfully completed on 1/27/98. Siemens executed joint testing with most of its customers at its lab facilities from 2/9/98 through 2/12/98. All test were successfully executed.

- 8. Please describe your company's plans to address interoperability issues with other domestic carriers, such as LECs, IXCs, ALECs, CAPS, and wireless providers, and with interconnected networks and outside systems. Please provide the status of such plans and related discussions, including percentage of completion.**

Response: Northeast contacted the other carriers that have interconnected networks with Northeast or who could potentially have interoperability issues with Northeast, during the inventory and assessment phase of the Year 2000 action plan. Based on the responses from each of these companies, Northeast is not aware of issues that still need to be addressed or that will create problems in the new millennium.

As a Siemens customer, Northeast is also kept abreast of interoperability issues through Siemens Users Group Meetings.

- 9. What network inter-operability testing has your company conducted or will your company conduct? Is your company working with ATIS or NRIC to perform network**

inter-operability tests? Please report the following: (1) the percentage of this phase completed and expected full-completion date; (2) the specific tasks remaining to be completed; (3) problems found where corrective action(s) is being taken; and (4) the expected completion date for each problem identified.

Response: Siemens is participating in two national testing initiatives: 1) The Telco Year 2000 Forum and, 2) the Network Testing Committee (NTC). Ameritech, Bell Atlantic, BellSouth, Cincinnati Bell, GTE, SBC, SNET, and US/WEST formed the Telco Year 2000 Forum for the purpose of performing intranetwork interoperability testing for year 2000. The testing started on July 15, 1998 and was expected to complete on or prior to December 31, 1998. Siemens products are included in the network elements that compose the Telco Year 2000 Forum test network.

The NTC is sponsored by the Alliance for Telecommunications Industry Solutions (ATIS). The NTC membership consists of manufacturers, ILECs, CLECs, IXC and other telecommunications industry interest groups. The primary thrust of the NTC is internetwork interoperability stress testing for Year 2000 test scenarios. The network elements that compose NTC test network include Siemens products. Testing was scheduled to begin 1/4/99 and complete 2/15/99.

10. What is your company doing to avoid network failures that could arise due to non-compliant network providers? What safeguards are being taken? What communications channels have been opened with other network providers?

Response: By continuing to work closely with Siemens and by participating in the Users Group Meetings, Northeast believes that every measure is being taken to eliminate the possibility of network failure due to non-compliant network providers.

11. Please describe your company's efforts to work with suppliers of your company's critical hardware and software systems to ensure that each supplier's equipment is Year 2000 compliant. Have you inventoried supplier and third-party products? Have you established compliance standards? What tests (unit and system) remain to be completed to verify that supplier's products are Year 2000 compliant, and when will they be completed? Please describe any contingency plans your company has developed to address the situation where a supplier's product is found to be non-compliant

Response: Northeast included in its inventory, those suppliers and vendors that provide hardware or software for use by Northeast. Northeast has worked closely with both CDG and Siemens to ensure that their products will be fully Year 2000 compliant. As previously discussed, testing plans have been developed to test CDG's line of products for Year 2000 compliance. It is not known at this time to what extent the testing can be performed. The process is very labor intensive and with the limited resources available to Northeast, testing may not be possible or even practical.

12. What efforts is your company making to contact and educate critical customers to ensure that their telecommunications services and customer premises equipment (CPE) are Year 2000 compliant? What tests are being conducted or can be conducted by a customer to test its equipment?

Response: Northeast has not evaluated the need to contact its telecommunications customers regarding Year 2000 compliance of CPE or other telecommunications services. Northeast has,

however, been responsive to customers requesting Year 2000 readiness statements from the company.

13. What communications channels has your company established with the Department of Emergency Services' Emergency Operations Center? With other industries/companies that depend on your company's services?

Response: Northeast has not communicated with the Department of Emergency Services' Emergency Operations Center or with any other industries/companies for the sole purpose of discussing Year 2000 issues.

14. Please describe your company's contingency or disaster recovery plans for Year 2000 related network problems and the status of such plans. If such plans are still being developed, please report the expected completion date. If such plans are complete, please bring a copy to the workshop. If such plans are not yet complete, please submit a copy to this Commission's Division of Communications prior to July 1, 1999.

Response: Northeast has not developed a contingency or disaster recovery plan for year 2000 related network problems.