Date: December 18, 2002

EXCEPTION REPORT

An exception has been identified as a result of the test activities associated with the Remedy Replication Review. (PMR7.5)

Exception:

BearingPoint cannot replicate a reported "Local Number Portability (LNP)-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)" Tier I and Tier II remedy amount for a particular OCN for May 2002 data.

Background:

Self-Effectuating Enforcement Mechanism (SEEM) reports are created to illustrate BellSouth's Operational Support System enforcement mechanism. Each month, as mandated by the Georgia Public Service Commission, BellSouth publishes SEEM reports of remedy values for Competitive Local Exchange Carriers (CLEC) engaged in business activity with BellSouth in the State of Georgia and for the Georgia Public Service Commission.

Issue:

BearingPoint was unable to replicate the BellSouth reported Tier I and Tier II remedy amount for a particular OCN for "LNP-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)". The discrepancies are listed in the following table:

Tier I

OCN	Year/ Month	Numerator	% Within Interval	Bench mark	Parity Gap	TAV	Fee	BearingPoint Result		BellSouth Result	
								TAV	Remedy	TAV	Remedy
XXXX	200205	1063	100.00%	96.50%	(3.50%)	(37.21)	$150.00	0	$0.00	963	$144,450.00

Tier II

Year/ Month	Numerator	% Within Interval	Bench mark	Vol Prop	TAV	Fee	BearingPoint Result			BellSouth Result		
							TAV	Avg TAV	Remedy	TAV	Avg TAV	Remedy
200205	1133	84.74%	96.50%	11.758%	157.21	$500.00	158	66	$33,000	1158	399	$199.500.00

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Amendment:

Based on BellSouth's Response to Exception 172[1], BearingPoint tested June 2002 "Provisioning: Local Number Portability (LNP)-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)". BearingPoint was not able to replicate the reported Tier I and Tier II numerators or the Tier II Remedy amount for June 2002. The discrepancies are listed in the following tables.

Table 1: Tier I Discrepancies

Items	OCN	Year/ Month	BearingPoint Calculated Numerator	BellSouth Calculated Numerator
1	7050	200206	2	3
2	7125	200206	2	8
3	7727	200206	447	448
4	8378	200206	12	14
5	8660	200206	0	4
6	8758	200206	1	2

Table 2: Tier II Discrepancies

Item	Year/ Month	BearingPoint Calculated Numerator	BearingPoint Calculated Denominator	BellSouth Calculated Numerator	BellSouth Calculated Denominator	BearingPoint and BellSouth TAV	Fee	BearingPoint Calculated Remedy Amount	BellSouth Calculated Remedy Amount
1	200206	502	517	517	517	0	$500	$0.00	$26,500.00

2nd Amendment:

Based on BellSouth's Response to Exception 172[2], BearingPoint retested June 2002 "Provisioning: Local Number Portability (LNP)-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)" using the corrected calculation sheets that BellSouth provided. BearingPoint was not able to replicate the reported the Tier II Remedy amount for June 2002. The discrepancy is listed in the following table:

[1] BellSouth Response to Exception 172, 9/10/02
[2] BellSouth Response to 1st Amended Exception 172, 10/11/02

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Table 1: Tier II Discrepancy

Item	Year/ Month	BearingPoint and BellSouth TAV	Fee	BearingPoint Calculated Remedy Amount	BellSouth Calculated Remedy Amount
1	200206	0	$500	$0.00	$26,500.00

BellSouth's corrected calculation sheet for June 2002 still shows a Tier II Remedy amount of $26,500.00. Although BellSouth failed Tier II for April and May 2002, BellSouth passed Tier II for June 2002 and the corrected calculation sheet should not show a Tier II Remedy amount.

3rd Amendment:
Based on BellSouth's Response to Exception 172[3], BearingPoint retested June 2002 "Provisioning: Local Number Portability (LNP)-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)" using the corrected calculation sheets that BellSouth provided. BearingPoint was able to replicate the reported the Tier II Remedy amount for June 2002. However, BellSouth's corrected calculation sheet for June 2002 contains an incorrect formula for calculating the Tier II TAV. The formula in the revised P-13D spreadsheet uses the following formula for calculating the Tier II TAV: =IF(L27<=0,0,IF(L26<=0,0,IF(L25<=0,0,ROUND(**sun**(L25:L27)/3,0)))). The formula should be =IF(L27<=0,0,IF(L26<=0,0,IF(L25<=0,0,ROUND(**sum**(L25:L27)/3,0)))). BellSouth's current formula will not produce an accurate result if BellSouth owes a Tier II Remedy amount.

4th Amendment:
Based on BellSouth's Response to Exception 172[4], BearingPoint retested June 2002 "Provisioning: Local Number Portability (LNP)-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)" using the corrected calculation sheets that BellSouth provided. BearingPoint was able to replicate the reported the Tier II Remedy amount for June 2002. Is BellSouth planning to recalculate the Tier II remedy payments for any other months? If so, which months will be recalculated?

5th Amendment:
BearingPoint reexamined the P-13D spreadsheets for the June 2002 data month provided by BellSouth in its responses to the 1st[5], 2nd[6] and 3rd[7] Amendments of Exception 172. BearingPoint found that in response to the 1st Amendment, BellSouth corrected all Tier I results in its recalculated P-13D spreadsheet. However, in response to the 2nd and 3rd Amendments, while BellSouth provided P-13D spreadsheets for the June 2002 data month with corrected Tier II results, these spreadsheets included the same Tier I results which resulted in BearingPoint's 1st Amendment.

[3] BellSouth Response to 2nd Amended Exception 172, 11/1/02
[4] BellSouth Response to 3rd Amended Exception 172, 11/7/02
[5] BellSouth Response to 1st Amended Exception 172, 10/11/02
[6] BellSouth Response to 2nd Amended Exception 172, 11/1/02
[7] BellSouth Response to 3rd Amended Exception 172, 11/7/02

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Table 1 includes these Tier I discrepancies.

Table 1: Tier I Discrepancies, June 2002

Items	OCN	Year/ Month	BearingPoint Calculated Numerator	BellSouth Calculated Numerator
1	7050	200206	2	3
2	7125	200206	2	8
3	7727	200206	447	448
4	8378	200206	12	14
5	8660	200206	0	4
6	8758	200206	1	2

Additionally, BearingPoint attempted to replicate the P-13D values for the September 2002 data month. BearingPoint was not able to replicate the reported Tier I and Tier II Remedy amounts. The discrepancies are listed in the following tables:

Table 2: Tier I Discrepancies, September 2002

		BearingPoint Result								BellSouth Result	
OCN	Year/ Month	Numerator	Denominator	% Within Interval	Benchmark	Parity Gap	Fee	Rounded TAV	Remedy	Rounded TAV	Remedy
8355	200209	43	238	18.07%	95.00%	76.93%	$150	184	$27,600	28	$4,200

Table 3: Tier II Discrepancies, September 2002

	BearingPoint Result								BellSouth Result		
Year/ Month	Numerator	Denominator	% Within Interval	Benchmark	Parity Gap	Rounded TAV	Rounded 3-Mth TAV	Remedy	Rounded TAV	Rounded 3-Mth TAV	Remedy
200209	368	672	54.76%	95.00%	40.24%	271	131	$65,500	115	79	$39,500

Impact:

CLECs and the state commission rely on BellSouth's SEEM reports to assess the remedies, if applicable, to be paid to them. BearingPoint's inability to replicate BellSouth's calculation formulas may signify that BellSouth's remedy calculation for "LNP-Average Disconnect Timeliness Interval & Disconnect Timeliness Interval Distribution (Non Trigger) (P-13D)" is inaccurate. Without accurate SEEM Reports, CLECs and the state commission might not be paid correct remedy amounts by BellSouth.

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