

# BELLSOUTH'S SECOND AMENDED RESPONSE to AMENDED GEORGIA EXCEPTION 205



GA Amended Exception #205

June 19, 2003

## EXCEPTION REPORT

An exception has been identified as a result of testing activities associated with the Remedy Change Management Review (PMR7.3).

### Exception:

**BellSouth failed to properly execute the TestDirector Change Management Process for Defect 1680 which resulted in BellSouth's failure to make necessary adjustments to Self-Effectuating Enforcement Mechanism (SEEM) payments.**

### 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 the Georgia Public Service Commission and for Competitive Local Exchange Carriers (CLECs) engaged in business activity with BellSouth in the State of Georgia.

### Issue:

During replication of the MR-4 measure for May 2002 data BearingPoint found a problem with the BellSouth results. BellSouth stated that the problem was being addressed in Defect 1680 for all the affected Maintenance & Repair and Provisioning measures. BearingPoint reviewed Defect 1680 and found that BellSouth had corrected the defect for July 2002 data, but had not recalculated the results for May 2002 data.

BellSouth's defect management process includes a step designed to review prior months of data to ensure that a defect does not affect prior results and/or SEEM payments. BearingPoint's analysis in Table 1 is an example showing that Defect 1680 did affect remedy payments for a CLEC in a prior month.

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**Table 1: BearingPoint Analysis for Percent Repeat Trouble within 30 Days (MR-4), May 2002**

Item	BearingPoint Results									
	Company	Aggregate Z	Balancing Critical Value	Parity Gap	Pass/Fail	Vol Prop	TAV	Rnd TAV	Fail Mo	Fee
1	-1	3.95907	-4.51614	8.47521	PASS	0	0	0	0	\$0.00
2	22979	0.4158091	-0.2927699	0.708579	PASS	0	0	0	0	\$0.00
3	23280	1.220684	-1.094331	2.315015	PASS	0	0	0	0	\$0.00
4	23564	2.493324	-5.105214	7.598538	PASS	0	0	0	0	\$0.00
5	23747	-0.7706848	-0.5431411	-0.2275437	FAIL	0.05689	0.28443	1	1	\$400
6	23886	2.033966	-2.272393	4.306359	PASS	0	0	0	0	\$0.00

**Table 2: BellSouth Results for Percent Repeat Trouble within 30 Days (MR-4), May 2002**

Item	BellSouth Results								
	Company	Aggregate Z	Balancing Critical Value	Parity Gap	Pass Fail Num	Vol Prop	TAV	Fail Mo	Remedy Amt
1	-1	4.2853693	-5.3250304	9.6103997	0	0	0	0	\$0.00
2	22979	0.5747714	-0.4119109	0.9866823	0	0	0	0	\$0.00
3	23280	1.5037512	-1.4499982	2.9537493	0	0	0	0	\$0.00
4	23564	2.9168749	-6.855414	9.7722889	0	0	0	0	\$0.00
5	23747	-0.5210982	-0.6090479	0.0879497	0	0	0	0	\$0.00
6	23886	2.0600628	-2.3928319	4.4528947	0	0	0	0	\$0.00

Comparing the examples in Table 1 and Table 2, the implementation of Defect 1680 resulted in a change in the Parity Gap. For Item 5 in Table 1 it also resulted in a difference in the remedy amount.

BearingPoint finds that BellSouth either did not execute or did not effectively execute the step of the change management process necessary to determine that Defect 1680 affected prior months.

### **BellSouth Response:**

It was determined that the like-to-like comparison used in BearingPoint's rerun is not the same as the like-to-like comparisons in effect in the PARIS system at the time of defect #1680. At the time of that defect, the Wholesale comparator that was causing CLEC duplication was EXSB (EXcluding Switch Based). The step in the change management process BearingPoint refers to in the Exception was not skipped. Rather, that step led to the discovery that in using the like-to-like comparison rules in effect at the time, if eliminated, the duplicate CLEC records could not result in an underpayment to CLECs and that the error addressed by defect #1680 would always result in an overpayment to

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CLECs. A decision was made to leave the overpayments that had already occurred in place and to not attempt recovery of the overpayments.

### **Amendment:**

BearingPoint verified that its recalculation used the same like-to-like comparison in effect in the PARIS system at the time of Defect 1680. BearingPoint reviewed Defect 1680 and found that although BellSouth executed the step to determine how Defect 1680 affected prior months, the analysis was ineffectively executed. Specifically:

1. BellSouth's analysis was based on faulty logic. In its response BellSouth stated:  
"that step led to the discovery that in using the like-to-like comparison rules in effect at the time, if eliminated, the duplicate CLEC records could not result in an underpayment to CLECs and that the error addressed by defect #1680 would always result in an overpayment to CLECs."

BellSouth's analysis determined that only the "Total Affected Volume" was impacted, thereby resulting in an overpayment. BearingPoint's analysis shows that both the "Balancing Critical Value" and the "Z-Score" would also be impacted, resulting in changes to the "Parity Gap", which could lead to an overpayment *or* an underpayment on a case-by-case basis. As a result recalculation is required to determine if overpayment *or* an underpayment occurred. This is shown in Tables 1 and 2.

2. Based on BellSouth's analysis in "prov vs regr unelp2.xls"<sup>1</sup>, BellSouth had underpaid \$18,450 to the State of Georgia and CLECs, for "Order Completion Interval - UNE Loops" in June 2002. Therefore, based on its own calculation BellSouth did not overpay for all the measures.
3. Based on BellSouth's analysis in "prov vs regr unelp2.xls"<sup>2</sup>, BellSouth had underpaid \$18,450 to the State of Georgia and CLECs, for "Order Completion Interval - UNE Loops" in June 2002. Meanwhile, BearingPoint's analysis determined that BellSouth had overpaid the State of Georgia and CLECs, by \$232,475 for June 2002. In addition, for this submeasure, BearingPoint's analysis found that BellSouth overpaid the State of Georgia and CLECs by \$155,675 in May 2002 and by \$28,000 for April 2002.<sup>3</sup>

### **Impact:**

A thorough review process, which analyzes a defect's affect on prior months, is essential to ensure that correct adjustments are made to the CLECs or State Commission.

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<sup>1</sup> Provided in response to PMR7.3\_10.31.02\_DR3\_Clarification 11.doc, dated 12/9/2002.

<sup>2</sup> Ibid.

<sup>3</sup> BearingPoint's results include the correction stated in Exception 196. BearingPoint based its calculation on the "FAIL\_YR\_MTH\_NUM" (number of consecutive months the submetric failed for), in PARIS 2.0 for March 2002.

## **BELLSOUTH'S SECOND AMENDED RESPONSE to AMENDED GEORGIA EXCEPTION 205**

BellSouth's failure to effectively execute the TestDirector Change Management Process may result in an underpayment to CLECs or the State Commission for the affected Maintenance & Repair and Provisioning measures.

### **BellSouth Response:**

BellSouth will conduct a rerun of all the measures affected by the implementation of Defect 1680 beginning with April 2002 data, and will progress forward until the current month data cycle. This rerun will determine the exact impact of the issue that led to the implementation of Defect 1680. BellSouth expects to have all reruns completed and results ready for retest by BearingPoint in May 2003.

### **BellSouth Amended Response:**

The reruns targeted for completion in May 2003 have not been completed; therefore, BearingPoint should retest when these results do become available after completion in June 2003.

### **BellSouth 2<sup>nd</sup> Amended Response:**

It is currently anticipated that these reruns will complete in the mid-July timeframe. BearingPoint will be notified when the reruns are complete.