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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UT 138/UT 139
PHASE III

In the Matter of Ascertaining the Unbundled)	
Network Elements that must be Provided by)	
Incumbent Local Exchange Carriers to)	ORDER
Requesting Telecommunications Carriers)	
Pursuant to 47 C.F.R. § 51.319.)	

DISPOSITION: COMPLIANCE FILINGS REVIEWED; REVISED
FILINGS ORDERED

INTRODUCTION AND PROCEDURAL HISTORY

On April 24, 1997, the Public Utility Commission of Oregon (Commission) opened Dockets UT 138 and UT 139 to consider unbundled network element (UNE) nonrecurring charges (NRCs), special construction charges, and tariff terms and conditions proposed by Qwest Communications, Inc. (“Qwest”) (formerly U S WEST Communications, Inc.) and Verizon Northwest, Inc. (“Verizon”) (formerly GTE Northwest Incorporated). The Commission authorized the UNE NRCs to take effect subject to refund, including interest accrued at the authorized rate of return for the respective carriers.¹

On November 13, 1998, the Commission entered Order No. 98-444, prescribing methods for calculating UNE nonrecurring costs and resulting NRCs. On June 19, 2000, the Commission entered Order No. 00-316 on reconsideration, modifying certain aspects of Order No. 98-444.² In addition, the Commission initiated Phase II of dockets UT 138/UT 139 (UT 138/139) for the purpose of “mapping” the Commission’s “building blocks” to the list of UNEs adopted by the Federal Communications Commission (FCC).³

On December 26, 2001, following a series of workshops, the Commission entered Order No. 01-1106 in Phase II, adopting a comprehensive list of UNEs to be made available by Qwest and Verizon in Oregon. The Commission also initiated Phase III of dockets

¹ Order No. 97-157 at 1; Order No. 97-153 at 1. For simplicity, this order refers to Qwest and Verizon, rather than their respective predecessors. Qwest and Verizon are also referred to herein as the incumbent local exchange carriers, or ILECs.

² Order No. 00-316 was reaffirmed in Order No. 00-643, entered October 13, 2000.

³ Order No. 00-316 at 22.

UT 138/139 for the purpose of investigating the UNE NRC filings made by Qwest and Verizon in compliance with Order Nos. 98-444 and 00-316.⁴

On January 16, 2002, the Commission convened the first prehearing conference in Phase III. At the conference, questions arose regarding the scope of the docket and related scheduling matters.

On February 19, 2002, the Administrative Law Judge (ALJ) issued a Ruling clarifying the scope of the Phase III proceeding (the ALJ Ruling). The ALJ concluded that Phase III is limited to determining whether the NRCs filed by Qwest and Verizon comply with the requirements set forth in Order Nos. 98-444 and 00-316. Accordingly, the ALJ rejected Verizon's proposal to introduce new cost studies and analyses at this stage of the proceeding.⁵

On March 15, 2002, Qwest made its NRC compliance filing. Verizon submitted its filing on April 16, 2002.⁶ A series of workshops were then held to discuss each filing. As a result of those discussions, the parties developed separate issue lists for Qwest and Verizon.⁷

At the second prehearing conference on May 21, 2002, the ALJ approved the issue lists proposed by the parties. The parties also agreed on a procedural schedule requiring them to submit written comments regarding the issues. Comments were filed by Qwest, Verizon, the Joint Competitive Local Exchange Carriers (Joint CLECs) and the Staff of the Public Utility Commission of Oregon (Staff).⁸

On September 6, 2002, the parties filed statements listing disputed issues. On September 12, 2002, the ALJ convened a hearing to discuss the statements and ask clarifying questions regarding the comments filed by the parties. At the hearing, Verizon requested an evidentiary hearing to resolve what it believes to be disputed issues of fact. The remaining parties indicated that an evidentiary hearing was not required. Pursuant to the ALJ's instructions, Verizon filed written comments on September 22, 2002, in support of its request for an evidentiary hearing. All parties filed final comments on September 30, 2002.⁹

On December 5, 2002, the ALJ issued a ruling denying Verizon's request for an evidentiary hearing. The ALJ concluded that the issues presented for consideration could be resolved without taking additional evidence.

⁴ Order No. 01-1106 at 2.

⁵ ALJ Ruling dated February 19, 2002 at 3-6.

⁶ On May 30, 2002, Verizon filed a revised set of compliance cost studies.

⁷ The Verizon issue list relates exclusively to the cost studies it filed in this docket. However, Verizon also concurs with several NRCs filed by Qwest. In those instances, the Qwest issue list also applies to Verizon.

⁸ Second Prehearing Conference Report, Issued June 3, 2002. On August 26, 2002, the ALJ granted Verizon's motion to extend the deadline for filing comments.

⁹ The Joint CLECs, Qwest and Staff were permitted to respond in their final comments to Verizon's request for evidentiary hearing.

The parties have resolved the majority of the issues informally. Appendices A and B of this order are matrices listing the issues pertaining to Qwest and Verizon, respectively. This Order deals only with issues identified in the matrices as being unresolved.

QWEST ISSUES

Issue Nos. 1a, 1b and 1c: Flow-Through.

Section VII. A. of Order No. 98-444, entitled “Service Order Processing Costs,” addresses the amount of human intervention necessary to process CLEC orders for unbundled elements. The Commission concluded that the NRCs calculated by Qwest and Verizon should assume that 98 percent of the electronic service orders submitted by CLECs would “flow-through” the ordering process without need for intervention by incumbent local exchange carrier (ILEC) representatives. We affirmed that finding on reconsideration in Order No. 00-316, and again in Order No. 00-643.

Qwest, Verizon and Staff assert that the 98 percent flow-through rate applies only to service order processing functions. Those functions are performed in the Interconnection Service Center (ISC) and Interexchange Carrier Service Center (ICSC).

The Joint CLECs argue that the 98 percent flow-through rate should apply not only to service order processing activities in the ISC and ICSC, but also to “all downstream systems involved in ordering and provisioning service.”¹⁰ In support of their position, the Joint CLECs cite portions of the discussion in Section VII. A of Order No. 98-444. They contend that the Commission “expressly agreed with the testimony of AT&T/WorldCom witness Petti,”¹¹ who recommended that the 98 percent flow-through rate should apply to ordering and provisioning activities in addition to those performed in the ISC and ICSC.

The Commission agrees with Qwest, Verizon and Staff on this issue. As the title of Section VII. A. indicates, the decision to adopt the 98 percent flow-through rate was limited to service order processing functions, and was not intended to encompass other downstream ordering and provisioning activities. If one reviews the discussion in its entirety rather than selected passages, it is clear that we are dealing only with the service order activities that take place before they are routed for further downstream processing.

Had the Commission intended to adopt Ms. Petti’s more expansive recommendation to apply the 98 percent flow-through rate to “downstream” nonrecurring activities, we would have so specified. Instead, the focus of the discussion in Section VII. A. concerns activities relating to the service order processing functions performed by Qwest’s ISC and Verizon’s National Open Market Center (NOMC), and culminates in our decision to require separate NRCs for electronically-submitted service orders

¹⁰ Joint CLEC Opening Comments at 4-9.

¹¹ *Id.* at 7.

(incorporating the 98% flow through rate) and manually-submitted service orders (incorporating a 0% flow through rate).

The discussion elsewhere in Order No. 98-444 reinforces this conclusion. For example, we state:

In some cases, an activity must always be performed and the probability is 100 percent. Other times, the activity may need to be performed occasionally. For example, *we have determined that 98 percent of electronically-submitted service orders will not require the intervention of USWC's ISC personnel. Thus, there is a two percent probability that electronic orders will not flow-through and will have to be handled manually by ISC representatives.*" Order No. 98-444 at 79, footnote 178. (Emphasis added.)

* * * * *

[W]e have determined that 98 percent of electronically submitted disconnection orders will flow-through without manual intervention *by USWC ISC representatives or GTE NOMC representatives.*" Order No. 98-444 at 89, fn. 200. (Emphasis added.)

These passages clearly reflect the Commission's intent to limit the scope of the 98 percent flow-through requirement to nonrecurring service order activities performed in the Qwest ISC¹² and Verizon NOMC centers. There is no basis in the order for applying the 98 percent requirement to other "downstream" nonrecurring activities.

Issue 2a: Central Office Frames.

In order to provision a loop, a CLEC may choose one of two possible configurations. First, the CLEC collocation space may be directly connected to the ILEC's Cosmic Frame/Main Distribution Frame (MDF). This configuration requires the placement of a single jumper at the MDF.¹³ In the second configuration, the CLEC collocation space is connected to an Intermediate Distribution Frame (IDF) which is then connected to the MDF by an ILEC-provided tie cable. This configuration requires placement of two jumpers, one at the MDF, and a second at the IDF.¹⁴ In Order No. 98-444, the Commission held that ILECs could not require CLECs to connect to an IDF.¹⁵ Although CLECs may choose that type of configuration, they also have the option of connecting directly to the MDF.¹⁶

¹² In Phase III, the parties agreed that service order processing activities are also performed in Qwest's ICSC.

¹³ See diagram at Staff/4, Reynolds/5.

¹⁴ *Id.* at Reynolds/4.

¹⁵ At the time Order No. 98-444 was entered, Qwest denominated its IDF as the "Single Point Of Termination, or "SPOT frame." Qwest states that it "no longer offers SPOT frames on a forward-looking

Qwest's proposed Loop NRC includes the cost of connecting two jumpers, one at the MDF and another at the IDF. Qwest acknowledges that only one jumper is required if a CLEC chooses to connect a loop directly to the MDF. It maintains, however, that direct connection is inefficient because it requires using multiple tie cables to each module of the MDF. Qwest asserts the Loop NRC should include the cost of two jumpers since CLECs will use an IDF in most cases to avoid these costs.

The Joint CLECs propose removing all costs relating to the IDF and revising Qwest's Loop NRC to include the cost of only one jumper. They argue that, since Order No. 98-444 prohibits ILECs from requiring CLECs to use an IDF, the "default position" in Qwest's cost studies should be to include one jumper instead of two. Further, Qwest's cost studies do not even reflect the fact that CLECs can connect directly to the MDF and avoid paying for a second jumper. The Joint CLECs also emphasize that it is improper for Qwest to offer new evidence relating to the probable use of the IDF or to costs associated with that option.¹⁷

Staff also recommends revising Qwest's Loop NRC to include only the cost of one jumper at the MDF. It contends that the IDF and the tie cable connecting the IDF to the MDF are not part of the loop and therefore should not be included in the Loop NRC.¹⁸ Staff emphasizes, however, that an ILEC should be permitted to charge for two jumpers in those cases where the CLEC opts to provision loops using an IDF. In Phase II, the Commission established the "Interconnection Tie Pair" (ITP) UNE which applies only when an IDF is used.¹⁹ Staff recommends establishing a new NRC for jumper activity at the IDF whenever an ITP is provided at the request of a CLEC.

Qwest acknowledges that Staff's proposal is "theoretically correct," but states that it makes more sense to include two jumpers in the loop NRC because Qwest (a) is unaware of any CLEC requests for an unbundled loop with a direct connection to the MDF, and; (b) does not want to deal with the administrative expense of having two separate rates.²⁰

The Commission adopts the Staff recommendation. Order No. 98-444 allows CLECs to provision loops by connecting directly to the MDF or by routing the connection through an IDF. Since each configuration requires placement of a different number of jumpers, it is logical to have a separate NRC for each. We are not persuaded

basis." To avoid confusion on this point, we emphasize that Order No. 98-444 prohibits ILECs from requiring CLECs to connect to *any* IDF, not merely the SPOT frame. Order No. 98-444 at 40-43.

¹⁶ *Id.* at 44-46.

¹⁷ The Joint CLECs argue that, "if the Commission were to allow Qwest's belated explanation in favor of the IDF, it would be required to consider conflicting factual evidence offered by the CLECs." They contend that such arguments are more "properly considered in UM 1025," Qwest's pending cost study docket. Joint CLEC Reply comments, August 29, 2002, p. 12.

¹⁸ The "loop" UNE includes "the cable side of the main distribution frame, the feeder facilities, the serving area interface, the distribution facilities, the drop, and the network area interface device. Order No. 97-145, Confidential Appendix A at 3.

¹⁹ ITP configurations are illustrated in Exhibit Staff/4, Reynolds/4.

²⁰ Qwest Response to Intervenor CLECs' and Staff's Comments (Qwest Response), August 9, 2002, p.12.

by Qwest's claim that separate NRCs will significantly increase administrative costs. To the extent such costs exist, they can be examined in docket UM 1025, Qwest's pending cost study docket.

Issue 2b Integrated Digital Loop Carrier

This issue concerns the percentage of Integrated Digital Loop Carrier (IDLC) systems, as opposed to the percentage of copper loops, assumed to be present in ILEC networks for purposes of calculating nonrecurring costs. In Order No. 98-444, the Commission held that the percentage of IDLC included in the ILECs' nonrecurring cost studies should be consistent with that included in their recurring cost studies, *i.e.*, 25 percent. We observed that "[i]n general, a greater percentage of IDLC results in lower cost for provisioned loops and thus, lower nonrecurring costs."²¹

During the Phase I hearings, AT&T/WorldCom witness Bonni Petti testified that TR-303 IDLC systems represented the least cost forward-looking technology, and "are made up of intelligent, processor-controlled network elements that can communicate over standard interfaces to the OSS systems in a manner that little or no manual intervention is required for provisioning maintenance activities."²² Order No. 98-444 concludes that "TR-303 systems should be assumed for purposes of calculating IDLC costs."²³

Notwithstanding the 25 percent IDLC requirement in Order No. 98-444, Qwest's compliance filing assumes that jumper activity is required 100 percent of the time. Qwest and Staff assert that the 25 percent IDLC requirement has no impact on Qwest's nonrecurring cost studies because the Commission did not explicitly adopt Ms. Petti's testimony or mandate the specific technology that should be used to provision service to CLECs, leaving Qwest to "define the appropriate forward-looking treatment"²⁴ for loops served by IDLCs. Qwest further claims that Ms. Petti's Phase I testimony "is, in fact, incorrect" and that "jumper work is required," whether or not loops are provided over IDLC.²⁵

The Joint CLECs respond that Order No. 98-444 requires Qwest to adjust its compliance filing to reflect that jumper activity is necessary to provision loops only 75 percent of the time.

The Commission concurs with the Joint CLECs on this issue. During the Phase I hearings, there was substantial debate concerning how loops should be supplied to CLECs where existing ILEC customers are served by IDLC facilities.²⁶ In Order

²¹ Order No. 98-444 at 77.

²² *Id.*

²³ *Id.*

²⁴ Exhibit Staff/22, White/4 Reply.

²⁵ Qwest Response, August 9, 2002, p. 13.

²⁶ The discussion centered on how CLECs should combine UNEs in accordance with the Eighth Circuit Court of Appeals in *Iowa Utilities Board v. FCC*, 120 F.3d 753, 813 (8th Cir. 1997). The Eighth Circuit decision was subsequently overturned by the Supreme Court of the United States in *AT&T Corp. v. Iowa*

No. 98-444, we rejected the ILECs' claim that IDLC should be excluded from forward-looking nonrecurring cost calculations because digital carrier technology comprised a very small percentage of their existing networks. Although we declined to dictate how ILECs should provision loops from a technological standpoint, we certainly did not allow the ILECs to "define the appropriate forward-looking technology" as Staff suggests. Rather, we agreed with Ms. Petti that TR-303 IDLC systems represented the most advanced IDLC technology currently available and were therefore appropriate for determining the costs associated with a forward-looking efficient network.

The conclusion that nonrecurring cost studies should assume 25 percent of loops are provisioned via TR-303 IDLC systems must be viewed in conjunction with our finding that "a greater percentage of IDLC *results in lower cost for provisioned loops and thus, lower nonrecurring costs.*" The latter finding is consistent with the testimony presented by Ms. Petti regarding the capabilities and reduced provisioning costs associated with using TR-303 systems.

We are not persuaded by Qwest's argument that jumper work is required to provision all loops whether or not IDLC is employed in the network. Not only is this an untimely attempt to reargue evidence from Phase I, it is irrelevant in this case because the determining factor for purposes of calculating TELRIC is not Qwest's current method of operation, but rather the costs associated with an efficient, forward-looking network.

Issue 4a and 4b: Dispatch/Installation—Travel Time

This issue deals with the number of work activities completed each time an ILEC technician is dispatched to perform a job outside the central office. The cost studies presented by Qwest in Phase I assumed that technicians perform only one work activity per visit. In contrast, the AT&T/WorldCom Nonrecurring Cost Model (NRCM) assumed that ILEC technicians perform an average of four work activities per visit. After reviewing the evidence, the Commission concluded in Order No. 98-444 that, "[f]or purposes of calculating nonrecurring costs, therefore, we will assume that ILEC technicians will complete two activities per trip on average to all work locations."²⁷

Qwest's compliance filing does not apply the "two activity per trip" requirement to technician visits to customer premises.²⁸ It argues that: (a) the reference in Order No. 98-444 to the "number of work activities per visit" actually relates to inputs in the AT&T/WorldCom NRCM model, rather than to inputs in Qwest's NRC model,²⁹ and; (b) the Order incorrectly states that the NRCM includes technician visits to "all work locations, including customer sites, outside plant locations, and unattended central

Utilities Board, 119 S. Ct. 721 (1999). We held that, regardless of how Qwest and Verizon provision service, all of the loops provided to CLECs must meet required technical specifications and be capable of providing the telecommunications services available to ILEC customers. *See* Order No. 98-444 at 54.

²⁷ Order No. 98-444 at 93.

²⁸ Qwest Response, August 12, 2002, p. 15.

²⁹ Qwest claims that "these inputs are used only in the development of costs in the NRCM for *travel time to the central office*," and that "in the NRCM there are no costs at all for travel to a customer premise." *Id.*

offices,”³⁰ when in fact, the NRCM only deals with travel time to unmanned offices. As a result, Qwest maintains that the “two activity per trip” requirement should not apply to visits to outside plant locations, since the issue in Phase I related only to trips to unmanned offices within the context of the NRCM.

Staff and the Joint CLECs disagree with Qwest’s claim that Order No. 98-444 applies only to the NRCM and not to the ILEC cost studies. They emphasize that the Order specifically requires the ILECs to assume two work activities per trip “to all work locations” when calculating nonrecurring costs. In addition, Staff contends that Qwest has interpreted the NRCM incorrectly. The Joint CLECs add that Qwest’s attempt to challenge the findings in Order No. 98-444 is untimely.

The Commission agrees with Staff and the Joint CLECs regarding this issue. Order No. 98-444 clearly states that the ILECs must revise their cost studies to include the “two activity per trip” assumption “to all work locations.” The order is not limited to the NRCM as Qwest suggests.

Qwest’s claim regarding the findings in Order No. 98-444 is also untimely. The opportunity to challenge the evidentiary basis underlying Order No. 98-444 is long past. If Qwest wants to present new evidence regarding this issue, it may do so in docket UM 1025.

Issue 6: Time Estimates

Nonrecurring cost studies identify the work time required by ILEC personnel to complete a given activity. The work time estimate is multiplied by the probability that the activity will occur in order to produce a labor cost for the activity. In Order No. 98-444, we observed that work times and labor rates are significant drivers for nonrecurring costs.³¹

In Phase I, Qwest used “Task Oriented Cost” (TOC) studies as a starting point for developing its work time and probability (WTAP) estimates. Qwest’s practice was to have subject matter experts (SMEs) review each TOC study to determine if it reflected current company practices. In some cases, the TOC studies were deemed current and incorporated in Qwest’s nonrecurring cost studies. In other cases, the SMEs either modified the TOC studies or concluded that the studies were outdated and unusable. In still other cases, WTAP estimates were based on new analyses conducted by SMEs.³²

In Order No. 98-444, the Commission rejected all of the WTAP estimates included in Qwest’s nonrecurring cost studies. After identifying numerous deficiencies in the TOC studies -- including SME work product -- we concluded that Qwest had not produced sufficient evidence to substantiate its proposed work times and probabilities.

³⁰ Order No. 98-444 at 92.

³¹ *Id.* at 79.

³² *Id.*

We also rejected the WTAP estimates included in the AT&T/WorldCom NRCM and the Verizon cost study. As in the case of Qwest's studies, we found that Verizon and AT&T/WorldCom did not include sufficient documentation to support the SME determinations upon which WTAP estimates were based.³³

Because of the deficiencies in the Phase I studies, we concluded in Order No. 98-444 that "nonrecurring costs should be based on the minimum WTAP estimates included in [Qwest's] TOC studies."³⁴ During the Phase III workshops, however, Qwest indicated that it could not produce minimum time estimates for its TOC studies. Because of this, Qwest's Phase III compliance filing uses the same WTAP estimates included in its Phase I nonrecurring cost studies. Qwest takes the position that the Phase I estimates comply with the requirements set forth in Order No. 98-444 because the "weighted average" times calculated by the TOC studies incorporate the minimum time estimates.³⁵

In its opening comments, Staff recommended using Qwest's Phase I estimates because (a) the minimum work times required by the Commission are unavailable, and (b) new WTAP studies could not be completed within the 60-day compliance filing deadline. The Joint CLECs, on the other hand, proposed a compromise that averages Qwest's Phase I work times with CLEC-supported times in order to approximate the reductions contemplated by Order No. 98-444.³⁶

At the September 12, 2002 hearing, the ALJ observed that Order No. 98-444 contemplates reductions in Qwest's WTAP estimates. In view of Qwest's failure to produce the minimum time estimates specified by the Order, the ALJ recommended that the parties attempt to resolve the issue informally.

In its final comments, Qwest proposed a proxy for the minimum time requirement. It suggests that *when TOC studies are used to identify work times*, the times included in the nonrecurring cost studies should be calculated by averaging the work times from Qwest's Phase I TOC studies with the remodeled work times developed by AT&T/WorldCom witness Petti. Qwest states, however, that SME estimates should not be included in the averaging process because Order No. 98-444 specifically refers to Qwest's "TOC studies."³⁷ Staff concurs with Qwest's proposed compromise.³⁸

The Joint CLECs disagree with Qwest's proposed compromise. They contend that the work times *for all nonrecurring activities* should be based on an average

³³ *Id.* at 82.

³⁴ The study questionnaires underlying Qwest's TOC studies include a line where the "minimum," "maximum," and "most likely" times are supposed to be entered for each work activity. *Id.* at 81-82.

³⁵ This argument is addressed below.

³⁶ In Phase I, AT&T/WorldCom witness Petti presented a "remodeled" version of Qwest's cost studies, based on assumptions contained in the NRCM. *See*, Confidential Exhibit AT&T/WorldCom/7. The Joint CLECs propose to average Qwest's work times with the time estimates in Ms. Petti's exhibit. Joint CLEC Reply Comments, August 29, 2002, p. 17.

³⁷ Qwest observes that, unlike the TOC studies, SME estimates do not have a place where "minimum, maximum and most likely work times" can be entered. Qwest Final Comments, September 30, 2002, p. 2.

³⁸ Staff states, however, that "if Qwest and the Joint CLECs are able to reach a different, mutually agreeable solution, [Staff] would likely support that as well." Staff Exhibit/30, White/10.

of Qwest-proposed times and AT&T/WorldCom-proposed times. In other words, the averaging process should apply not only to the WTAP estimates in unaltered TOC studies, but also to WTAP estimates developed with SME input.

The Commission agrees with the Joint CLECs on this issue. To begin with, there is no merit to Qwest's initial claim that its Phase I estimates satisfy Order No. 98-444 because the "weighted average" times in the TOC studies incorporate minimum time estimates. Order No. 98-444 clearly requires the ILECs to calculate their nonrecurring costs with the minimum time estimates used to develop the weighted average times proposed by Qwest in Phase I. If we had intended to approve the weighted average times as Qwest suggests, we would have simply adopted the Phase I estimates. Instead, we rejected Qwest's weighted average times because of the numerous deficiencies identified at pp. 80-82 of Order No. 98-444.

We also disagree with Qwest's proposal to use minimum work times and probabilities only for WTAP estimates produced without SME input. Implicit in this proposal is the assumption that the WTAP estimates offered by Qwest in Phase I can somehow be neatly divided between TOC estimates and SME estimates. That assumption is incorrect.

In Order No. 98-444, we observed that several WTAP estimates resulted from a SME modifying a TOC study. In many cases, however, we could not discern whether or to what extent the TOC study was modified by a SME.³⁹ The manner in which the WTAP estimates were presented--including the deficiencies in the underlying studies themselves--made it impossible for the Commission to differentiate estimates based solely upon TOC studies from those developed with SME input. As a consequence, the Commission was required to treat all of Qwest's proposed WTAP estimates the same. It is apparent from even a cursory reading of Section VII. D. of Order No. 98-444, that the reference to Qwest's "TOC studies" was intended to encompass all of Qwest's WTAP estimates.

Qwest's observation that estimates produced with SME input do not include a "minimum, maximum, and most likely" estimate is irrelevant to our decision. Regardless of whether the estimates are based upon a TOC study, a SME study or some combination thereof, all of the studies are intended to provide a reasonable assessment of the average time it takes to complete a given activity (or, in the case of probability, the number of times that activity will take place). Again, it is clear from Order No. 98-444 that we expected Qwest to (a) produce the documentation underlying its proposed "weighted average" times for all nonrecurring WTAP estimates, including estimates prepared with SME input, and (b) calculate its NRCs using the minimum WTAP estimates incorporated in the "weighted average" times proposed by Qwest in Phase I.

³⁹ Even when the Commission was able to discern that a TOC study was modified by an SME, Qwest's failure to provide supporting documentation made it impossible to determine why the changes were made. Order No. 98-444 at 80.

For the reasons set forth, the Commission finds that Qwest's nonrecurring cost studies shall include WTAP estimates calculated using the averaging process recommended by the Joint CLECs.

VERIZON ISSUES

Issue No. 1: Service Order Flow-Through

As noted above, Order Nos. 98-444 and 00-316 require Qwest and Verizon to file NRCs that incorporate a 98 percent flow-through rate for all service order processing functions. Verizon claims that the actual flow-through rate associated with the following four service order functions is less than 98 percent: Telephone Number Assignment, Summary Bill Master, Billing Inquiries, and Local Service Provider.⁴⁰ It further asserts that "some manual intervention is necessary [to perform these work functions] even if a fully automated OSS is assumed."⁴¹ For this reason, Verizon proposes to use the same time and probabilities submitted in its original cost study filed in Phase I of this proceeding. It also requests an evidentiary hearing to establish that the 98 percent flow through requirement should not apply to these functions.

Staff and the Joint CLECs oppose Verizon's proposal to apply a lower flow-through rate to the four service order functions listed above. They emphasize that issues relating to service order processing costs were fully adjudicated in Order Nos. 98-444 and 00-316, and that Verizon is essentially requesting a rehearing. The Joint CLECs further emphasize that evidence regarding the manner in which Verizons's actual OSS operates today is irrelevant, since the appropriate inquiry, and indeed the Commission's mandate, is "based upon its findings regarding the forward looking costs associated with an efficient OSS."⁴²

The Commission agrees with Staff and Joint CLECs. Order Nos. 98-444 and 00-316 require Verizon to develop nonrecurring costs using a 98 percent flow-through *for all nonrecurring activities* associated with processing electronically submitted service orders. The four functions identified by Verizon -- Telephone Number Assignment, Summary Bill Master, Billing Inquiries, and Local Service Provider-- are all service order activities performed within Verizon's NOMC and are therefore subject to the 98 percent flow-through requirement.⁴³ Thus, the NRCs proposed by Verizon are not in compliance and must be revised.

Verizon's request to reexamine the flow-through rate associated with the four functions in an evidentiary hearing is also untimely. The functions were part of the cost studies submitted by Verizon in Phase I, and were considered by the Commission in arriving at the decision in Order No. 98-444 to adopt the 98 percent flow-through rate for service order processing activities. That decision was reaffirmed on reconsideration in

⁴⁰ The four functions are described in Verizon's Comments, August 15, 2002, at 6-7, 14-15.

⁴¹ *Id.* at 6.

⁴² Joint CLEC Final Comments, September 30, 2002, pp. 3-4

⁴³ *See, e.g.*, Order No. 98-444 at 89, footnote 200.

Order Nos. 00-316 and 00-643. As emphasized elsewhere in this order, it is inappropriate for Verizon to attempt to relitigate this issue during the compliance filing phase of this docket.

Issue 3: Service Order Labor Rates

Verizon concurs with Staff and the Joint CLECs that the labor rates authorized in Order Nos. 98-444 and 00-316 should be used to calculate refunds in this proceeding. The parties dispute whether revised labor rates based on Verizon's current costs should be used to calculate nonrecurring costs *on a going-forward basis*. Verizon contends that the labor rates authorized in Order Nos. 98-444 and 00-316 are six to eight years old and cannot not be used to establish going-forward costs without offending the policy of using forward-looking costs.

The Joint CLECs and Staff oppose using Verizon's revised labor rates for NRCs assessed on a going-forward basis. They maintain that the revised rates violate both the Commission's orders which do not allow any change in labor rates, and the ALJ's Ruling prohibiting using new cost studies in Phase III. Staff further asserts that Verizon's revised labor rates constitute a new cost study because, at minimum, they require new work times, frequencies and elements because of changes in loading factors.⁴⁴

The Commission finds that Verizon's current labor rates should not be used to calculate going-forward NRCs. We agree with Staff that inserting new labor rates at this point in the process effectively amounts to using new cost studies. As the ALJ emphasized, it is inappropriate to introduce new cost studies during the compliance filing process. Moreover, allowing Verizon to introduce new cost studies at this stage prejudices other parties by unreasonably delaying the implementation of NRCs and refunds due.⁴⁵

Verizon is not prejudiced by this result. If it wants to implement more current labor rates on a going-forward basis, it may include that proposal in its ongoing cost study docket, UM 874. That docket was suspended over two years ago at Verizon's request, but may be reactivated by the company at any time.

Issue 4: Installation (Loop and Port) – Work Times

Staff claims that Verizon's NRC compliance filing improperly double-counts the work time required by the Customer Zone Technician (CZT) to install and disconnect jumpers. According to Staff, Verizon includes jumper connection and

⁴⁴ Staff Exhibit/26, White/7.

⁴⁵ At a minimum, other parties would require additional time to analyze and rebut Verizon's labor cost studies. For example, Staff maintains that the 1997 times and frequencies taken from Verizon and Qwest studies are inappropriate when used with current labor rates because the times and frequencies do not incorporate productivity gains Verizon has made since 1997. Staff contends that these productivity gains and increased efficiencies in OSS more than offset annual labor increases that Verizon has incurred since 1997. In all likelihood, evidentiary hearings would be necessary to resolve these issues.

disconnection times in two places – once in its installation order activity, and a second time in its disconnection order activity.⁴⁶

Verizon denies that it double-counts jumper times for CZT functions. It states:

When Verizon receives an order to install a loop (or port), it must *disconnect* the existing service (jumper) it has in place (separating the loop from Verizon's port), and *install* a new service (jumper) to the CLEC, connecting the loop to the CLEC's cable. In the case of a disconnection order, the process is simply reversed – the old CLEC service (jumper) is disconnected and the loop is returned to "dial tone ready" status by reconnecting service (jumper) from the loop to Verizon's port. In each case (installing the loop or disconnecting a loop), two functions are necessary, namely a "disconnection" of an exiting service (jumper) and reconnecting to the new service (jumper) status.⁴⁷ (Emphasis in original.)

Staff responds that Verizon misconstrues the amount of jumper activity that must take place when service is connected or disconnected. It states:

When a loop is placed into service for a CLEC, it is inappropriate to charge for disconnection from the previous service arrangement. The previous service arrangement may be Verizon retail [service], [service to] another CLEC, etc. Connection and disconnection costs for the previous service arrangement are recovered from that service, *e.g.*, from retail charges, UNE recurring and nonrecurring rates, etc. The error in Verizon's proposal becomes more apparent in a case where a CLEC orders a new service to a newly constructed residence or building. There would be no disconnection cost [in that instance] because there is no previous service to disconnect. Similarly, it is not appropriate for the CLEC to absorb jumper connection charges for a future service arrangement that replaces the CLEC service. For example consider a customer who obtains service from a CLEC for a period of time, then discontinues the service and moves. A new customer then arrives and orders retail service from Verizon. Under Verizon's proposal the CLEC would have paid for the new jumper connection charges. The new retail customer would have paid for

⁴⁶ In other words, connection work time is counted once in the installation process and again in the disconnection process. Likewise, disconnection work time is counted once in the installation process and again in the disconnection process. This is illustrated in Exhibit Staff/18, Reynolds/3, lines 23-24, 27-28, and Reynolds/4, lines 23-24, 27-28. *See also*, diagram at Exhibit Staff/32.

⁴⁷ For purposes of the CZT functions, Verizon notes that it has adopted the work times used in Qwest's nonrecurring cost studies. In addition, it assumes that only one distribution frame is used. Verizon Comments, August 15, 2002, pp. 8-9.

connection costs, also, through recurring and nonrecurring charges.⁴⁸

The Commission agrees with Staff on this issue. Specifically, we find that when Verizon receives an order from a CLEC to install a loop or port, it is improper for Verizon to charge the CLEC for jumper activity required to disconnect any existing service (*i.e.*, separating the loop from Verizon's port). As illustrated by Staff in Exhibit Staff/32, Step 2 – Disconnection,⁴⁹ these costs are already recovered in Verizon's retail charges. We noted this fact in Order No. 98-444:

Also, the ILEC may incur short jumper-related cost but have already recouped that cost. For example, where an ILEC customer migrates to a CLEC and the CLEC purchases building blocks to serve that customer, the ILECs cost of disconnecting that short jumper is included in the retail installation charge paid by the customer when ILEC service is established.⁵⁰

It is also inappropriate to charge a CLEC to “return the loop to dial tone ready” status by reconnecting service (the jumper) from the loop to Verizon's port. This scenario is illustrated in Exhibit Staff/32, “Step 5—Connection to Verizon.” As in the situation described above, when a customer establishes service with Verizon, the costs of connection – including jumper costs – are already included in Verizon's retail charges.

Issue 6: Installation Flow Through

For the reasons stated in our discussion of Qwest Issues 1a – 1c, the 98 percent flow through requirement applies only to nonrecurring service order processing activities performed by Qwest's ISC and ICSC and Verizon's NOMC.

Issue 7: Installation Labor Rates

For the reasons stated in our discussion of Issue No. 3, we find that the labor rates authorized in Order Nos. 98-444 and 00-316 should be utilized, both for refunds and on a going-forward basis.

Issue 8: Loop Conditioning

In Order No. 98-444, the Commission found that costs associated with loop conditioning⁵¹ and other similar outside plant rearrangement activities are included

⁴⁸ Exhibit Staff/23, Reynolds/22-23. Staff emphasizes that, unlike Verizon, Qwest uses connection and disconnection times only once where a single distribution frame used.

⁴⁹ Exhibit Staff/32 is attached to this Order as Appendix C and is incorporated herein by reference.

⁵⁰ Order No. 98-444 at 86, footnote 194.

⁵¹ Loop conditioning, or loop unloading, involves removing loading coils, bridge taps and other similar devices from the loop. Such devices diminish the loop's capacity to deliver advanced services, and thus preclude competitive carriers from gaining full use of the loop's capabilities. *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order and Fourth Further

in the maintenance factors used to develop monthly recurring UNE rates. Thus, to prevent double recovery of those costs, we declined to adopt the NRCs proposed by Qwest and Verizon. Our findings on this issue were based upon testimony and evidence presented by Staff witness Jack Breen. As a matter of general policy, we also concluded that it is more reasonable to recover costs of outside plant activities such as loop conditioning, in recurring costs than to attempt to separately identify and assess NRCs for the many types of activities that take place.⁵²

The Commission revisited this issue on reconsideration in Order No. 00-316. The ILECs claimed that Order No. 98-444 was contrary to the FCC's UNE Remand Order, which contemplates that the cost of conditioning loops may be recovered through NRCs. Upon review, we found that the UNE Remand Order did not preclude State commissions from requiring recovery of loop conditioning costs through recurring charges, and we again rejected the NRC proposed by Qwest and Verizon for line conditioning. Specifically, we found that the recommended \$597.61 per loop up-front charge constituted a barrier to competitive entry.

At the same time, Order No. 00-316 acknowledges that FCC Rule 507(e) allows requesting carriers to pay nonrecurring loop conditioning costs via installment payments over a reasonable time determined by the Commission.⁵³ Before considering such a proposal, however, we emphasized that it would first be necessary for the ILECs to remove loop conditioning costs from the maintenance factor included in the monthly recurring cost of the loop. Once those costs were removed, the Commission could then determine the length of time over which the nonrecurring loop conditioning costs should be collected. We also emphasized that the loop conditioning costs calculated by Qwest and Verizon would be subject to review and challenge by other parties.

Verizon's Phase III compliance filing includes a NRC for loop conditioning.⁵⁴ In calculating that NRC, however, Verizon did not present any documentation showing that it removed loop conditioning costs from the monthly recurring loop rate as required by Order No. 00-316. On the contrary, Verizon contends that the Commission erred when it concluded that loop conditioning costs are included in the maintenance factor used to develop the monthly recurring loop rate. In support of this claim, Verizon relies on testimony presented during the Phase I hearings by Qwest witness Don Mason. In the alternative, Verizon asserts that any loop conditioning costs included in recurring rates are *de minimis*. According to Verizon, cost studies presented

Notice of Proposed Rulemaking, CC Docket No. 96-98, FCC 99-328, (rel. Nov 5, 1999), ¶172. (hereafter, the "UNE Remand Order.")

⁵² Order No. 98-444 at 93.

⁵³ For purposes of this discussion, it is important to note the difference between recurring costs recovered on a continuing basis through monthly charges and nonrecurring costs recovered over a time certain, *i.e.*, through installment-type payments. As noted, ILEC line conditioning costs are currently included in the monthly charges paid for UNEs. In Order No. 00-316, we held that, if line conditioning costs are instead to be recovered via installment-type payments, they must first be removed from the maintenance factor used to develop the recurring monthly loop cost.

⁵⁴ Qwest did not propose a loop conditioning NRC in Phase III.

in docket UM 773 disclose that loop conditioning costs comprise “less than one percent of the total recurring loop cost.”⁵⁵

The Joint CLECs and Staff oppose Verizon’s proposed loop conditioning NRC. They contend that Verizon has not complied with Order Nos. 98-444 and 00-316 and further, that Verizon’s challenge to the evidentiary basis underlying those orders is untimely.

The Commission rejects Verizon’s proposed nonrecurring charge for loop conditioning. Order Nos. 98-444 and 00-316 clearly require Verizon to “first remove” costs associated with loop conditioning from monthly recurring costs before calculating the nonrecurring costs of loop conditioning. Verizon did not follow this directive.

In addition, we agree that Verizon’s attempt to challenge the Commission’s findings regarding loop conditioning is untimely. As the Staff and Joint CLECs emphasize, the Commission reexamined loop conditioning on reconsideration in Order No. 00-316. Verizon did not appeal that decision, and the time for doing so has now past.

ORS 756.068 authorizes the Commission to “rescind, suspend, or amend any order” at any time upon notice and an opportunity to be heard. Verizon suggests that such action is warranted based on Mr. Mason’s Phase I testimony and the data Verizon has extrapolated from docket UM 773. We disagree. Although Mr. Mason testified that Qwest’s maintenance factor did not include loop conditioning costs, his claim was contradicted by the more detailed analysis of Staff witness Breen adopted in Order Nos. 98-444 and 00-316.⁵⁶ Furthermore, Qwest subsequently acknowledged in its Phase I post-hearing briefs that Mr. Breen “was correct” when he testified that loop conditioning costs are included in the maintenance factor.⁵⁷ As we have emphasized, the purpose of Phase III is *to review compliance filings made in accordance with the Commission’s directives in Order Nos. 98-444 and 00-316*. It is not a forum to relitigate issues that have already been decided.

Verizon’s alternative rationale--that the Commission should rely upon information extrapolated from docket UM 773 to conclude that recurring loop rates should only be reduced by one percent to account for line conditioning costs-- is totally without merit. The speculative nature of Verizon’s claim does not warrant reopening the record and holding additional evidentiary hearings.⁵⁸

⁵⁵ Verizon Comments, August 15, 2002, p. 12.

⁵⁶ For example, Mr. Breen identified the specific account where line conditioning costs are included. *See* Staff Exhibit 15, Breen/7. *See also*, Order No. 98-444 at 93-95; Order No. 00-316 at 16, 18.

⁵⁷ Qwest Phase I Opening Brief, March 17, 1998, p. 14; Qwest Phase I Reply Brief, March 31, 1998, p. 7; *See also*, Order No. 98-444 at 94.

⁵⁸ Verizon’s proposal would require, among other things, a comprehensive review of the UM 773 record, which alone comprises several thousand pages. Other parties would then be entitled to dispute Verizon’s claims, necessitating the filing of testimony and evidentiary hearings. An undertaking of this magnitude would result in a lengthy delay in the disposition of this matter.

Verizon states that it will be forced to pay “unlawful refunds” if it is not permitted to assess a NRC for loop conditioning. In fact, it is the CLECs who will be prejudiced if Verizon is allowed to relitigate this issue. Despite the fact that the Commission rejected the ILECs’ proposed loop conditioning NRCs in Order No. 98-444, those charges have remained in effect on a “subject to refund” basis for more than five years. It would be manifestly unfair to the CLECs to defer the refunds of those charges while the loop conditioning issue is litigated once again, especially in view of the dubious justification Verizon has offered in support of its claim. Verizon is not prejudiced by this decision since it may always request the Commission revisit line conditioning issues in docket UM 874.

Issue 10: Loop Facility Testing Charge

Verizon proposes to charge a Loop Facility Testing NRC that would apply to additional, specialized testing when requested by a CLEC as part of an order for a loop UNE.⁵⁹ Qwest imposes similar NRCs for conformance testing and for coordinated installation with cooperative testing.

Staff states that a Loop Facility Testing NRC would allow CLECs to request additional specialized testing at a standardized rate without resorting to a “time and materials” charge. It agrees with Verizon’s proposed charge provided (a) it applies only when ordered by a CLEC as part of a Loop UNE order; (b) Commission-authorized labor rates are used, and; (c) Staff’s proposed technician travel time estimates are used. Verizon agrees with condition (a) but disagrees with (b) and (c).

The Joint CLECs do not address Verizon’s Loop Facility Testing NRC in their final comments, but stated previously that they oppose any charge that is significantly different than Qwest's. To avoid a delay in the distribution of refunds, they suggest that Verizon’s proposed testing charge be considered in docket UM 874.

The Commission adopts the Staff position. Staff and Verizon concur that the Loop Facility Testing charge should only apply when it is part of a CLEC’s loop order. As for the two remaining issues, we have concluded that NRCs should incorporate the labor rates authorized in Order Nos. 98-444 and 00-316, as well as Staff’s proposed technician travel time estimates. *See Verizon Issues 3 and 4, supra.*

⁵⁹ Verizon previously proposed an Outside Facility Connection Charge (OFCC) that would apply whenever a technician was dispatched to an end user’s premises to provision a loop. The Commission rejected the OFCC in Order Nos. 98-444 and 00-316, concluding that the costs of these activities were already included in the Qwest loop recurring charges that had been adopted by Verizon. On June 24, 2002, Verizon filed a petition to modify Order No. 98-444 and the related ALJ Ruling dated February 19, 2001. After discussion, however, Verizon indicated that its proposed charge was actually intended to mirror the NRCs for conformance/cooperative testing assessed by Qwest. Verizon thereupon withdrew its petition, but sought consideration of the testing charge. On August 16, 2002, the ALJ ruled that Order No. 98-444 allowed Verizon’s proposed charge to be considered in Phase III. Verizon has since denominated its proposed testing charge the “Loop Facility Testing Charge.”

The Joint CLECs are not harmed by this decision. Verizon's testing charge is designed to correspond with a similar charge already imposed by Qwest. We do not anticipate any delay in the issuance of refunds.

Issues 13a and 13d: Refund Mechanics—Notice Timing; Deadline for CLECs to Dispute Refund Calculation

Verizon and the Joint CLECs disagree over the amount of time Verizon should have to make refunds to CLECs after this order is entered. The Joint CLECs propose the same time frame agreed to with Qwest, *i.e.*, 90 business days. Verizon, on the other hand, proposes: (a) 90 calendar days for Verizon to provide the refund calculation, (b) no more than 90 calendar days for the CLEC to respond, and; (c) 45 calendar days for Verizon to provide the CLEC with a bill credit or check.

The Commission agrees with the Joint CLECs. Assuming that there are 22 business days each month, the Joint CLEC/Qwest agreement ensures that CLECs receive refunds in slightly more than four months, or approximately 120 days. Conversely, the refund process could take almost twice as long under Verizon's proposal. The Commission believes that four months is more than adequate time to calculate and distribute the refunds due in this proceeding.

Issue 13h: Method of Refund Payments

Verizon and the Joint CLECs disagree over the manner in which refunds should be provided where a CLEC has a current account.⁶⁰ Verizon proposes to provide a bill credit only. The Joint CLECs, on the other hand, argue that CLECs with a current account are also entitled to receive direct payment in the form of a check, wire transfer or other similar mechanism, regardless of the account balance, provided the account is not in arrears.

The Commission finds that CLECs with a current account should be allowed to receive refunds by bill credit or direct payment. Direct payment may be by check, wire transfer, or similar mechanism. At the same time, a CLEC should only be entitled to receive direct payment where the refund due exceeds the balance owing on the CLEC's account.⁶¹ This approach is efficient and avoids potential errors that may result from having the parties engage in multiple transactions.

⁶⁰ Verizon and the Joint CLECs agree that where the CLEC does not have a current account and a refund is due, a check will be issued. The parties also agree to follow the bankruptcy code where applicable.

⁶¹ Thus, if the refund due is \$100 and the account balance is \$50, the amount of the direct payment would be \$50.

ORDER

IT IS ORDERED that Qwest and Verizon shall submit revised nonrecurring costs and charges in compliance with the terms of this Order. The compliance filings shall be made no later than 30 days from the date this Order is entered.

Made, entered, and effective _____.

Roy Hemmingway
Chairman

Lee Beyer
Commissioner

Joan H. Smith
Commissioner

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the service date of this order and must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

UT 138/139 Phase III Summary Matrix: Qwest Issues Rev 9/27/02

(See comments/testimony for complete text of the parties' positions.)

Issue	Qwest's Position	Staff's Position	Joint CLECs' Position	Concurrence
1a. Flow-Through- 98% for ISC,ICSC? Addl Activities?	<ul style="list-style-type: none"> • Service order (ISC, ICSC) activities-yes • Other activities - no 	<ul style="list-style-type: none"> • Service order (ISC, ICSC) activities-yes • Other activities - no 	<ul style="list-style-type: none"> • Service order (ISC, ICSC) activities-yes • Other activities - yes 	<ul style="list-style-type: none"> • Svc. Order activity (ISC, ICSC) – All (Resolved) • Other activities – Staff & Qwest •
1b. Flow through – Other activities	<ul style="list-style-type: none"> • Other activities -No 	<ul style="list-style-type: none"> • Other activities-No 	<ul style="list-style-type: none"> • Other activities- Yes 	<ul style="list-style-type: none"> • Other activities – Staff & Qwest •
1c. Flow through – Other activities	<ul style="list-style-type: none"> • Other activities-No 	<ul style="list-style-type: none"> • Other activities-No 	<ul style="list-style-type: none"> • Other activities- Yes 	<ul style="list-style-type: none"> • Other activities – Staff & Qwest •
2a. Central Office Frames -- Two jumpers or one jumper?	<ul style="list-style-type: none"> • Two jumpers per loop because all CLECs order ITPs 	<ul style="list-style-type: none"> • One jumper per loop; one jumper per ITP when ordered 	<ul style="list-style-type: none"> • One jumper per loop 	<ul style="list-style-type: none"> • None
2b.Adjustment to Studies to Reflect 25% IDLC	<ul style="list-style-type: none"> • No additional adjustment required 	<ul style="list-style-type: none"> • No additional adjustment required 	<ul style="list-style-type: none"> • Eliminate 25% of jumper time. 	<ul style="list-style-type: none"> • Staff & Qwest
2c, Central Office Frames -- Jumper costs prohibited? Double counting?	<ul style="list-style-type: none"> • Jumper costs allowed; no double counting 	<ul style="list-style-type: none"> • Jumper costs allowed; no double counting 	<ul style="list-style-type: none"> • Jumper costs allowed; no double counting 	<ul style="list-style-type: none"> • All (Resolved)
3, POTS vs. Design Services -- Additional NAC 2 and 4-wire options	<ul style="list-style-type: none"> • Revise studies specified in order 	<ul style="list-style-type: none"> • Revise studies specified in order 	<ul style="list-style-type: none"> • Revise studies specified in order 	<ul style="list-style-type: none"> • All (Resolved)

UT 138/139 Phase III Summary Matrix: Qwest Issues Rev 9/27/02

Exhibit Staff/29

(See comments/testimony for complete text of the parties' positions.)

Reynolds/2

Issue	Qwest's Position	Staff's Position	Joint CLECs' Position	Concurrence
4a, Dispatch/Installation— Travel time – Customer Service/Network.	<ul style="list-style-type: none"> Requirement applies to ATT's NRCM, which includes travel to unmanned offices, not to customer locations. 	<ul style="list-style-type: none"> Reduce 21 min travel time to 10.5 min 	<ul style="list-style-type: none"> Reduce travel time by 50% 	<ul style="list-style-type: none"> Staff & Joint CLECs
4b, Dispatch/Installation – Travel time -- DSOC/Install	<ul style="list-style-type: none"> Requirement applies to ATT's NRCM, which includes travel to unmanned offices, not to customer locations. 	<ul style="list-style-type: none"> Reduce 26 min travel time to 13 min 	<ul style="list-style-type: none"> Reduce travel time by 50% 	<ul style="list-style-type: none"> Staff & Joint CLECs
6: Time Estimates	<ul style="list-style-type: none"> Average of Qwest times and AT&T-MCI/10 times <ul style="list-style-type: none"> TOC Times: <u>YES</u> Other SME Estimated Times: <u>NO (use as is)</u> 	<ul style="list-style-type: none"> Average of Qwest Times and AT&T-MCI/10 times <ul style="list-style-type: none"> TOC Times <u>YES</u> Other SME Estimated Times: <u>NO (use as is)</u> 	<ul style="list-style-type: none"> Average of Qwest Times and AT&T-MCI/10 times <ul style="list-style-type: none"> Activities identified by Qwest as relying on TOC Times: <u>YES</u> Other activities identified by Qwest as relying on SME Estimated Times: average of Qwest times and ATT-MCI/10 times. 	<ul style="list-style-type: none"> Qwest & Staff
7: DS0/DS1/DS3 Transport Trunks	<ul style="list-style-type: none"> Provide mechanized NRC 98% flow through (ICSC) 	<ul style="list-style-type: none"> Provide mechanized NRC 98% flow through (ICSC) 	<ul style="list-style-type: none"> Provide mechanized NRC 98% flow through (ICSC) 	<ul style="list-style-type: none"> All (Resolved)
8.Refund Mechanics				
8a. Notice Timing	<ul style="list-style-type: none"> 90 business days 	<ul style="list-style-type: none"> No objection 	<ul style="list-style-type: none"> 90 business days 	<ul style="list-style-type: none"> Resolved
8b. Notice Detail	<ul style="list-style-type: none"> Detail content determined 	<ul style="list-style-type: none"> No objection 	<ul style="list-style-type: none"> Detail content determined 	<ul style="list-style-type: none"> Resolved
8c. Interest Computation	<ul style="list-style-type: none"> 8.77% 	<ul style="list-style-type: none"> No objection 	<ul style="list-style-type: none"> 8.77% 	<ul style="list-style-type: none"> Resolved
8d. Deadline for CLEC Dispute of Qwest Adjustment	<ul style="list-style-type: none"> 90 business days 	<ul style="list-style-type: none"> "Qwest & CLECs Should agree" 	<ul style="list-style-type: none"> 90 business days 	<ul style="list-style-type: none"> Resolved

UT 138/139 Phase III Summary Matrix: Qwest Issues Rev 9/27/02

(See comments/testimony for complete text of the parties' positions.)

Issue	Qwest's Position	Staff's Position	Joint CLECs' Position	Concurrence
8e. Nature of CLEC Support for Alternatives Refund Adjustment	<ul style="list-style-type: none"> Information agreed upon 	<ul style="list-style-type: none"> "Qwest & CLECs Should agree" 	<ul style="list-style-type: none"> Information agreed upon 	<ul style="list-style-type: none"> Resolved
8f. Dispute Resolution Escalation Procedures	<ul style="list-style-type: none"> Process agreed upon 	<ul style="list-style-type: none"> "Qwest & CLECs Should agree" 	<ul style="list-style-type: none"> Process agreed upon 	<ul style="list-style-type: none"> Resolved
8g. Commission Dispute Resolution Procedures	<ul style="list-style-type: none"> ORS 759.455(2) 	<ul style="list-style-type: none"> No objection 	<ul style="list-style-type: none"> ORS 759.455(2) 	<ul style="list-style-type: none"> Resolved
8h. Method of Refund Payments	<ul style="list-style-type: none"> Bill Credit if CLEC has current account (check otherwise); CLEC with account can request check, wire transfer, etc. if not in arrears 	<ul style="list-style-type: none"> "Qwest & CLECs Should agree" 	<ul style="list-style-type: none"> Bill Credit if CLEC has current account (check otherwise); CLEC with account can request check, wire transfer, etc. if not in arrears 	<ul style="list-style-type: none"> Resolved
8i. Missing Data	<ul style="list-style-type: none"> Qwest proposed method Churn factor - resolved 	<ul style="list-style-type: none"> "Qwest & CLECs Should agree" 	<ul style="list-style-type: none"> Qwest proposed method Churn factor - resolved 	<ul style="list-style-type: none"> Qwest proposed method - <u>Resolved</u> Churn factor - <u>Resolved</u>¹
Additional Staff Issue: Use of Qwest factors developed in Feb. 1997	<ul style="list-style-type: none"> Use 1997 factors 	<ul style="list-style-type: none"> Use 1997 factors 	<ul style="list-style-type: none"> No comment 	<ul style="list-style-type: none"> Staff & Qwest (<u>Resolved</u>)

¹Conference call Qwest, Joint CLECs, Staff September 25, 2002.

UT 138/139 Phase III Summary Matrix: Verizon Issues Rev 9/27/02a Exhibit Staff/33

(See comments/testimony for complete text of the parties' positions.)

Reynolds/1

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
1. Service Order Flow Through	<ul style="list-style-type: none"> • Service Ordering functions assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Install Order ○ Completion/Displ. Notification ○ Disconn. Order ○ Permanent Non-Treatment ○ <u>ASSIGN 98%</u> • Service Ordering functions NOT assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Tel. No. Assignment ○ Summary Bill Master ○ Billing Inquiries ○ Local Svc. Provider Verification ○ <u>NOT ASSIGNED 98%</u> 	<ul style="list-style-type: none"> • Service Ordering functions assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Install Order ○ Completion/Displ. Notification ○ Disconn. Order ○ Permanent Non-Treatment ○ <u>AGREE</u> • Service Ordering functions NOT assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Tel. No. Assignment ○ Summary Bill Master ○ Billing Inquiries ○ Local Svc. Provider Verification ○ <u>DO NOT AGREE</u> 	<ul style="list-style-type: none"> • Service Ordering functions assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Install Order ○ Completion/Displ. Notification ○ Disconn. Order ○ Permanent Non-Treatment ○ <u>AGREE</u> • Service Ordering functions NOT assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Tel. No. Assignment ○ Summary Bill Master ○ Billing Inquiries ○ Local Svc. Provider Verification ○ <u>DO NOT AGREE</u> 	<ul style="list-style-type: none"> • Service Ordering functions assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Install Order ○ Completion/Displ. Notification ○ Disconn. Order ○ Permanent Non-Treatment ○ <u>All – (Resolved)</u> • Service Ordering functions NOT assigned 98% by Verizon: <ul style="list-style-type: none"> ○ Tel. No. Assignment ○ Summary Bill Master ○ Billing Inquiries ○ Local Svc. Provider Verification ○ Staff & CLECs
2. Service Ordering – Loop & Port – Work Times	<ul style="list-style-type: none"> • Work times on 5/30/02 filing are in compliance (Qwest work times) 	<ul style="list-style-type: none"> • Work times on 5/30/02 filing are in compliance (Qwest work times) 	<ul style="list-style-type: none"> • No recommended changes to these particular work activities 	<ul style="list-style-type: none"> • Resolved

UT 138/139 Phase III Summary Matrix: Verizon Issues Rev 9/27/02a Exhibit Staff/33

(See comments/testimony for complete text of the parties' positions.)

Reynolds/2

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
<p>3. Service Order Labor Rates</p>	<ul style="list-style-type: none"> • Going forward -- Use <u>2001-2002</u> labor rates • For refund -- Use 1997 labor rates 	<ul style="list-style-type: none"> • Going forward -- Use <u>1997</u> labor rates • For refund -- Use 1997 labor rates 	<ul style="list-style-type: none"> • Going forward -- Use <u>1997</u> labor rates • For refund -- Use 1997 labor rates 	<ul style="list-style-type: none"> • Going forward -- Use <u>1997</u> labor rates -- Staff & CLECs • For refund -- Use 1997 labor rates – All (Resolved)
<p>4. Installation – Loop & Port- Work Times</p>	<ul style="list-style-type: none"> • Work times on 5/30/02 filing in compliance (Qwest work times) – <u>YES</u> • Double counted FAC work activities – <u>NO</u> • Double counted jumper activities – <u>NO</u> • Outside facility connection charge – (See Issue 10) 	<ul style="list-style-type: none"> • Work times on 5/30/02 filing in compliance (Qwest work times) – <u>NO</u> • Double counted FAC work activities – <u>NO¹</u> • Double counted jumper activities – <u>YES</u> • Outside facility connection charge - (See Issue 10) 	<ul style="list-style-type: none"> • Work times on 5/30/02 filing in compliance (Qwest work times) – <u>NO</u> • Use alternative estimates (for Qwest work times) • Double counted FAC work activities – no comment • Double counted jumper activities – no comment • Outside facility connection charge - (See Issue 10) 	<ul style="list-style-type: none"> • Work times on 5/30/02 filing in compliance (Qwest work times) – not in compliance -- Staff & CLECs • Double counted FAC work activities – <u>not double counted- - All (Resolved)</u> • Double counted jumper activities -- <u>NONE</u>

General Note: Changes in a party's position since the last filed comments are indicated by *strikethroughs* and *underlined text*. Both are in *boldface* type. A footnote provides further information on the source of the change.

¹ As directed by the ALJ at Clarifying hearing on Sept. 12, 2002, Staff and Verizon conducted a conference call on Sept. 17., 2002. ("Sept. 17 conference call.") Verizon explained to Staff's satisfaction that the Facility Assignment Center work activity for *disconnect order* was a component of Verizon's 1997 study. (Qwest did not show an equivalent entry.) Since Qwest showed no activity for *disconnection*, Verizon used the time for *connection* in its place, claiming that it was approximately the same.

UT 138/139 Phase III Summary Matrix: Verizon Issues Rev 9/27/02a Exhibit Staff/33
 (See comments/testimony for complete text of the parties' positions.) Reynolds/3

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
6. Installation Flow Through	<ul style="list-style-type: none"> No changes required 	<ul style="list-style-type: none"> No changes required 	<ul style="list-style-type: none"> Installation flow through requires changes-- 98% flow through 	<ul style="list-style-type: none"> Verizon & Staff
7. Installation Labor Rates	<ul style="list-style-type: none"> Going forward -- Use <u>2001-2002</u> labor rates For refund -- Use 1997 labor rates 	<ul style="list-style-type: none"> Going forward -- Use <u>1997</u> labor rates For refund -- Use 1997 labor rates 	<ul style="list-style-type: none"> Going forward -- Use <u>1997</u> labor rates For refund -- Use 1997 labor rates 	<ul style="list-style-type: none"> Going forward -- Use <u>1997</u> labor rates -- Staff & CLECs For refund -- Use 1997 labor rates -- All (Resolved)

UT 138/139 Phase III Summary Matrix: Verizon Issues

(See comments/testimony for complete text of the parties' positions.)

Rev 9/27/02a Exhibit Staff/33

Reynolds/4

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
8. Line Conditioning – Proposed NRCs	<ul style="list-style-type: none"> • Old NRC – replace with new NRC • New NRC – <u>YES</u> • Modify recurring charge - <u>YES, IF NECESSARY</u> 	<ul style="list-style-type: none"> • Old NRC – <u>REJECT</u>, per orders • New NRC – <u>REJECT</u>, per orders • Modify recurring charge – <u>NO</u> • Requires new studies in UM 874 (NRC & recurring). 	<ul style="list-style-type: none"> • Old NRC – <u>REJECT</u>, per orders • New NRC -- <u>REJECT</u>, per orders • Modify recurring charge – <u>NO</u> • <u>Requires new studies in UM 874 (NRC & recurring)</u> 	<ul style="list-style-type: none"> • Staff & CLECs
9. List Of NRCs – Qwest NRCs	<ul style="list-style-type: none"> • Agree to restate "Mirror Qwest rates" as "Same as Qwest rates"² • Verizon Svc. Order charge— <u>AGREE NOT TO ADD TO QWEST NRC FOR DS1/DS3 ORDERS</u> 	<ul style="list-style-type: none"> • Restate as: "Same as Qwest rates" • Verizon Svc. Order charge -- <u>DO NOT ADD TO QWEST NRC</u> 	<ul style="list-style-type: none"> • Restate as: "Same as Qwest rates" • Verizon Svc. Order charge -- <u>DO NOT ADD TO QWEST NRC</u> 	<ul style="list-style-type: none"> • Same as Qwest rates" – ALL (Resolved) • Verizon Svc. Order – ALL (Resolved)

² [Note: Verizon's August 15 comments (page 19) indicate this position.]

UT 138/139 Phase III Summary Matrix: Verizon Issues Rev 9/27/02a Exhibit Staff/33

(See comments/testimony for complete text of the parties' positions.)

Reynolds/5

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
<p>10. List Of NRCs – Verizon Studies</p>	<ul style="list-style-type: none"> • Outside Facility Connection Charge / Loop Facility Charge – DELETE³ • Loop/Port Conversion Charge [CLEC to CLEC] DELETE⁴ • Loop Facility Testing Charge ADD subject to conditions Staff 23/ Reynolds/19 item c, and per Commission decision on items a, b⁵ • “Structure” total NRCs – Can't modify system --- Verizon structure acceptable if Verizon produces "Application guide" for determining how charges are applied. ⁶ 	<ul style="list-style-type: none"> • Outside Facility Connection Charge / Loop Facility Charge – DELETE • Loop/Port Conversion Charge [CLEC to CLEC] -- DELETE • Loop Facility Testing Charge – ADD subject to conditions Staff 23/ Reynolds/19 item c, and per Commission decision on items a, b.⁷ • “Structure” total NRCs – List in OPUC order --- Verizon structure acceptable if Verizon produces - "Application guide" for determining how charges are applied . ⁸ 	<ul style="list-style-type: none"> • Outside Facility Connection Charge / Loop Facility Charge – DELETE • Loop/Port Conversion Charge [CLEC to CLEC] -- DELETE • Loop Facility Testing Charge – DELETE • “Structure” total NRCs – List in OPUC order -----"Application guide" for determining how price is calculated. -- Verizon PROVIDE 	<ul style="list-style-type: none"> • Outside Facility Connection Charge / Loop Facility Charge – DELETE • All (Resolved-Conditional)⁹ • Loop/Port Conversion Charge [CLEC to CLEC] -- DELETE • All (Resolved) • Loop Facility Testing Charge ADD subject to conditions Staff 23/ Reynolds/19 item c, and per Commission decision on items a, b.¹⁰ Verizon & Staff only • “Structure” total NRCs – List in OPUC order – Provide "Application guide" • All (Resolved)

³ September 17 conference call. Verizon agrees to delete this proposed charge without prejudice if the Loop Facility Testing Charge is allowed. Verizon reserves its right to pursue the Outside Facility Connection Charge in a later cost proceeding.

⁴ Sept. 18 conference call. . Verizon reserves its right to pursue this charge in a later cost proceeding.

⁵ Sept. 17 conference call. Staff's view is that, with the restriction recommended, this charge will allow Verizon to provide for additional, specialized, and specifically requested testing in the same manner as is available to Qwest in its loop options that include testing.

⁶ Sept. 17 conference call.

UT 138/139 Phase III Summary Matrix: Verizon Issues

(See comments/testimony for complete text of the parties' positions.)

Rev 9/27/02a Exhibit Staff/33

Reynolds/6

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
11. List Of NRCs – Staff Table 2	<ul style="list-style-type: none"> NID – defer to UM 874 “Subject to Refund” -- <u>YES</u>¹¹ 	<ul style="list-style-type: none"> NID – defer to UM 874 “Subject to Refund” -- <u>YES</u> 	<ul style="list-style-type: none"> NID – defer to UM 874 “Subject to Refund” -- <u>YES</u> 	<ul style="list-style-type: none"> All (Resolved)
12. Separate Manual And Mechanized Studies	<ul style="list-style-type: none"> Label studies “mechanized” & “manual” – <u>NO, but provide “asterisk & footnote” to explain “semi-mechanized” charges apply when orders are placed electronically =</u>¹² Svc Order Flow per Issue 1 – (See Issue 1) Provide mech. & manual studies for loop & port –(See Issue 6) Agree that resolution of Issue 6 will also resolve this issue.¹³ 	<ul style="list-style-type: none"> Label studies “mechanized” & “manual” – <u>NO, but provide “asterisk & footnote” to explain “semi-mechanized.” charges apply when orders are placed electronically</u> Svc Order Flow per Issue 1 –(See Issue 1) Provide mech. & manual studies for loop & port – (See Issue 6) Agree that resolution of Issue 6 will also resolve this issue. 	<ul style="list-style-type: none"> Label studies “mechanized” & “manual” -- <u>NO POSITION</u> Svc Order Flow per Issue 1 –(See Issue 1) Provide mech. & manual studies for loop & port –(See Issue 6) Agree that resolution of Issue 6 will also resolve this issue. 	<ul style="list-style-type: none"> Label studies “mechanized” & “manual” – All (Resolved) Svc Order Flow per Issue 1 (See Issue 1) Provide mech. & manual studies for loop & port – (See Issue 6)

⁷ Sept. 17 conference call.⁸ Sept. 17 conference call.⁹ September 17 conference call. Verizon agrees to delete this proposed charge if the Loop Facility Testing Charge is allowed.¹⁰ Sept. 17 conference call.¹¹ Sept. 18 discussion Verizon, Staff re: NID subject to refund and “mechanized” terminology.¹² Sept. 18 discussion Verizon, Staff re: NID subject to refund and “mechanized” terminology.¹³ Conference call Verizon, Joint CLECs and Staff, Sept. 18, 2002. Verizon, Joint CLECs, and Staff agreed that if the resolution of Issue 6 (Installation Flow Through) results in separate installation charges for (semi-)mechanized and manual, then Verizon will adjust its study in a manner consistent with how it has presented (semi-)mechanized and manual service ordering charges.

UT 138/139 Phase III Summary Matrix: Verizon Issues

Rev 9/27/02a Exhibit Staff/33

(See comments/testimony for complete text of the parties' positions.)

Reynolds/7

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
13. Refund Mechanics Issues				
13a. (8a)¹⁴ Notice Timing	<ul style="list-style-type: none"> 90 calendar day after order to provide refund calculation CLEC to review calculation 45 calendar day after concurrence on refund amount to provide bill credit¹⁵ 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> 90 business day for delivery of refund credits or checks (consistent with agreement between Qwest and the CLECs) <u>PROCESS TOO LONG</u> 	<ul style="list-style-type: none"> none
13b. (8b) Notice Detail	<ul style="list-style-type: none"> "Summary Refund Statement" "Fall out" gets a manual charge – <u>NO</u>¹⁶ 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." "Fall out" gets a manual charge -- <u>NO</u> 	<ul style="list-style-type: none"> Agreement on the information to be provided "Fall out" gets a manual charge -- <u>NO</u> 	<ul style="list-style-type: none"> Information to be provided – All (Resolved) Fall out – All (Resolved)
13c. (8c) Interest Computation	<ul style="list-style-type: none"> 9.69% 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> 9.69% 	<ul style="list-style-type: none"> Resolved

¹⁴ In comments, both Verizon and Joint CLECs have responded to the Refund Mechanics Issues using Qwest's Issue numbers.

¹⁵ Conference call Verizon, Joint CLECs and Staff, Sept. 18, 2002.

¹⁶ E-mail correspondence from Verizon counsel to Joint CLEC counsel Sept. 18, 2002. .

UT 138/139 Phase III Summary Matrix: Verizon Issues

Rev 9/27/02a Exhibit Staff/33

(See comments/testimony for complete text of the parties' positions.)

Reynolds/8

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
13d. (8d) Deadline For CLEC Dispute Of Verizon Adjustment	<ul style="list-style-type: none"> 90 calendar days from receipt of proposed refund 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> 90 business days from receipt of proposed refund (consistent with agreement between Qwest and the CLECs) 	<ul style="list-style-type: none">
13e. (8e) Nature Of CLEC Support For Alternatives Refund Adjustment	<ul style="list-style-type: none"> Agree to list contained in Qwest Reply Comments dated Aug. 9, pg. 21.v 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> Agree to list contained in Qwest Reply Comments dated Aug. 9, pg. 21. 	<ul style="list-style-type: none"> Resolved
13f. (8f) Dispute Resolution Escalation Procedures	<ul style="list-style-type: none"> agree to dispute resolution procedure proposed by CLECs, w/ acknowledgement that doing so doesn't constitute waiver of dispute resolution provisions in interconnection agreements.¹⁷¹⁸ 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> agree to dispute resolution procedure proposed by CLECs, w/ acknowledgement that doing so doesn't constitute waiver of dispute resolution provisions in interconnection agreements. 	<ul style="list-style-type: none"> Resolved
13g. (8g) Commission Dispute Resolution Procedures	<ul style="list-style-type: none"> If process agreed to for Issue 13(f) fails, follow ORS 759.455 only for this refund..¹⁹ 	<ul style="list-style-type: none"> "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> Expedited process based on ORS 759.455 only for this refund. 	<ul style="list-style-type: none"> Resolved

¹⁷ Conference call Verizon, Joint CLECs, and Staff Sept. 18, 2002.

¹⁸ Conference call Verizon, Joint CLECs, Qwest and Staff, Sept. 18, 2002. Verizon agrees to this process with the understanding that it is not waiving its rights to enforce dispute resolution provisions of its interconnection agreements in other circumstances.

¹⁹ Conference call Verizon, Joint CLECs, Qwest and Staff, Sept. 18, 2002. Verizon agrees to this process with the understanding that it is not waiving its rights to enforce dispute resolution provisions of its interconnection agreements in other circumstances.

UT 138/139 Phase III Summary Matrix: Verizon Issues

(See comments/testimony for complete text of the parties' positions.)

Rev 9/27/02a Exhibit Staff/33

Reynolds/9

Issue	Verizon's Position	Staff's Position	Joint CLECs' Position	Concurrence
13h. (8h) Method Of Refund Payments	<ul style="list-style-type: none"> • Verizon give bill Credit if CLEC has current acct; check if NO current acct.; • Issue check upon CLEC request if credit greater than balance.²⁰ 	<ul style="list-style-type: none"> • "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> • Verizon give Credit if CLEC has current acct or check if requested; check if no current acct.; • Issue check if credit greater than balance.²¹ • Refund by check, wire transfer, etc. when requested by CLEC with an existing account – <u>YES</u>. • Follow Bankruptcy Code if applicable 	<ul style="list-style-type: none"> • Follow Bankruptcy Code if applicable ???
13i. (8i) Missing Data²²	<ul style="list-style-type: none"> • "...reasonable documentation..." 	<ul style="list-style-type: none"> • "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> • "...reasonable documentation..." 	<ul style="list-style-type: none"> • Resolved
13j. Netting Of Previous Bill Credits	<ul style="list-style-type: none"> • Previous bill credits to CLECs for NRCs should be included in the calculation 	<ul style="list-style-type: none"> • "...Verizon and the CLECs must agree..." 	<ul style="list-style-type: none"> • Issue not addressed in comments. Delete Issue 	<ul style="list-style-type: none"> • None

²⁰ ²⁰ Conference call Verizon, Joint CLECs and Staff, Sept. 18, 2002.

²¹ ²¹ Conference call Verizon, Joint CLECs and Staff, Sept. 18, 2002.

²² Verizon has not indicated that it has any significant issue with missing data.