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PERFORMANCE ASSURANCE PLAN

1.0 Introduction

1.1 As set forth in this Agreement, Qwest and CLEC voluntarily agree to the terms of the following Performance Assurance Plan ("PAP"), prepared in conjunction with Qwest's application for approval under Section 271 of the Telecommunications Act of 1996 (the "Act") to offer in-region long distance service.

2.0 Plan Structure

2.1 The PAP is a two-tiered, self-executing remedy plan. CLEC shall be provided with Tier 1 payments if, as applicable, Qwest does not provide parity between the service it provides to CLEC and that which it provides to its own retail customers, or Qwest fails to meet applicable benchmarks.

2.1.1 As specified in section 7.0, if Qwest fails to meet parity and benchmark standards on an aggregate CLEC basis, Qwest shall make Tier 2 payments to a Fund established by the state regulatory commission or, if required by existing law, to the state general fund.

2.2 As specified in sections 6.0 and 7.0 and Attachments 1 and 2, payment is generally on a per occurrence basis, (i.e., a set dollar payment times the number of non-conforming service events). For the performance measurements which do not lend themselves to per occurrence payment, payment is on a per measurement basis, (i.e., a set dollar payment). The level of payment also depends upon the number of consecutive months of non-conforming performance, (i.e., an escalating payment the longer the duration of non-conforming performance).

2.3 Qwest shall be in conformance with the parity standard when service Qwest provides to CLEC is equivalent to that which it provides to its retail customers. The PAP relies upon statistical scoring to determine whether any difference between CLEC and Qwest performance results is significant, that is, not attributable to simple random variation. Statistical parity shall exist when performance results for CLEC and for Qwest retail analogue result in a z-value that is no greater than the critical z-values listed in the Critical Z-Statistical Table in section 5.0

2.4 For performance measurements that have no Qwest retail analogue, agreed upon benchmarks shall be used. Benchmarks shall be evaluated using a "stare and compare" method. For example, if the benchmark is for a particular performance measurement is 95% or better, Qwest performance results must be at least 95% to meet the benchmark. Percentage benchmarks will be adjusted to round the allowable number of misses up or down to the closest integer, except when a benchmark standard and low CLEC volume are such that a 100% performance result would be required to meet the standard and has not been attained. In such a

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situation, the determination of whether Qwest meets or fails the benchmark standard will be made using performance results for the month in question, plus a sufficient number of consecutive months so that a 100% performance result would not be required to meet the standard. For purposes of section 6.2, a meet or fail determined by this procedure shall count as a single month.

3.0 Performance Measurements

3.1 The performance measurements included in the PAP are set forth in Attachment 1. Each performance measurement identified is defined in the Performance Indicator Definitions ("PIDs") developed in the ROC Operational Support System ("OSS") collaborative, and which are included in the SGAT at Exhibit B. The measurements have been designated as Tier 1, Tier 2, or both Tier 1 and Tier 2 and given a High, Medium, or Low designation.

4.0 Statistical Measurement

4.1 Qwest uses a statistical test, namely the modified "z-test," for evaluating the difference between two means (i.e., Qwest and CLEC service or repair intervals) or two percentages (e.g., Qwest and CLEC proportions), to determine whether a parity condition exists between the results for Qwest and the CLEC(s). The modified z-tests shall be applicable if the number of data points are greater than 30 for a given measurement. For testing measurements for which the number of data points are 30 or less, Qwest will use a permutation test to determine the statistical significance of the difference between Qwest and CLEC.

4.2 Qwest shall be in conformance when the monthly performance results for parity measurements (whether in the form of means, percents, or proportions and at the equivalent level of disaggregation) are such that the calculated z-test statistics are not greater than the critical z-values as listed in Table 1, section 5.0.

4.3 Qwest shall be in conformance with benchmark measurements when the monthly performance result equals or exceeds the benchmark, if a higher value means better performance, and when the monthly performance result equals or is less than the benchmark if a lower value means better performance.

The formula for determining parity using the modified z-test is:

$$z = \text{DIFF} / \sigma_{\text{DIFF}}$$

Where:

$$\text{DIFF} = M_{\text{Qwest}} - M_{\text{CLEC}}$$

$$M_{\text{QWEST}} = \text{Qwest average or proportion}$$

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M_{CLEC} = CLEC average or proportion

σ_{DIFF} = square root [$\sigma^2_{Qwest} (1/n_{CLEC} + 1/n_{Qwest})$]

σ^2_{Qwest} = calculated variance for Qwest

n_{Qwest} = number of observations or samples used in Qwest measurement

n_{CLEC} = number of observations or samples used in CLEC measurement

The modified z-tests will be applied to reported parity measurements that contain more than 30 data points.

In calculating the difference between Qwest and CLEC performance, the above formula applies when a larger Qwest value indicates a better level of performance. In cases where a smaller Qwest value indicates a higher level of performance, the order is reversed, i.e., $M_{CLEC} - M_{QWEST}$.

4.3.1 For parity measurements where the number of data points is 30 or less, Qwest will apply a permutation test to test for statistical significance. Permutation analysis will be applied to calculate the z-statistic using the following logic:

Calculate the modified z-statistic for the actual arrangement of the data

Pool and mix the CLEC and Qwest data sets

Perform the following 1000 times:

Randomly subdivide the pooled data sets into two pools, one the same size as the original CLEC data set (n_{CLEC}) and one reflecting the remaining data points, and one reflecting the remaining data points, (which is equal to the size of the original Qwest data set or n_{QWEST}).

Compute and store the modified z-test score (Z_S) for this sample.

Count the number of times the z-statistic for a permutation of the data is greater than the actual modified z-statistic

Compute the fraction of permutations for which the statistic for the rearranged data is greater than the statistic for the actual samples

If the fraction is greater than α , the significance level of the test, the hypothesis of no difference is not rejected, and the test is passed. The α shall be .05 when the critical z value is 1.645 and .15 when the critical z value is 1.04.

5.0 Critical Z-Value

5.1 The following table shall be used to determine the critical z-value that is referred to in section 6.0. It is based on the monthly business volume of the CLEC

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for the particular performance measurements for which statistic testing is being performed.

TABLE 1: CRITICAL Z-VALUE

CLEC volume (Sample size)	LIS Trunks, UDITs, Resale, UBL-DS1 and DS- 3	All Other
1-10	1.04*	1.645
11-150	1.645	1.645
151-300	2.0	2.0
301-600	2.7	2.7
601-3000	3.7	3.7
3001 and above	4.3	4.3

* The 1.04 applies for individual month testing for performance measurements involving LIS trunks and DS-1 and DS-3 that are UDITs, Resale, or Unbundled Loops. The performance measurements are OP-3d/e, OP-4d/e, OP-5a, OP-6-4/5, MR-5a/b, MR-7d/e, and MR-8.

For purposes of determining consecutive month misses, 1.645 shall be used. Where performance measurements disaggregate to zone 1 and zone 2, the zones shall be combined for purposes of statistical testing.

6.0 Tier 1 Payments to CLEC

6.1 Tier 1 payments to CLEC shall be made solely for the performance measurements designated as Tier 1 on Attachment 1. The payment amount for non-conforming service varies depending upon the designation of performance measurements as High, Medium, and Low and the duration of the non-conforming service condition as described below. Non-conforming service is defined in section 4.0.

6.1.1 Determination of Non-Conforming Measurements: The number of performance measurements that are determined to be non-conforming and, therefore, eligible for Tier 1 payments, are limited according to the critical z-value shown in Table 1, section 5.0. The critical z-values are the statistical standard that determines for each CLEC performance measurement whether Qwest has met parity. The critical z-value is selected from Table 1 according to the monthly CLEC volume for the performance measurement. For instance, if the CLEC sample size for that month is 100, the critical z-value is 1.645 for the statistical testing of that parity performance measurement.

6.2 Determination of the Amount of Payment: Tier 1 payments to CLEC, except as provided for in sections 6.3 and 10.0, are calculated and paid monthly based on the number of performance measurements exceeding the critical z-value. Payments

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will be made on either a per occurrence or per measurement basis, depending upon the performance measurement, using the dollar amounts specified in Table 2 below. The dollar amounts vary depending upon whether the performance measurement is designated High, Medium, or Low and escalate depending upon the number of consecutive months for which Qwest has not met the standard for the particular measurement.

6.2.1 The escalation of payments for consecutive months of non-conforming service will be matched month for month with de-escalation of payments for every month of conforming service. For example, if Qwest has four consecutive monthly "misses" it will make payments that escalate from month 1 to month 4 as shown in Table 2. If, in the next month, service meets the standard, Qwest makes no payment. A payment "indicator" de-escalates down from month 4 to month 3. If Qwest misses the following month, it will make payment at the month 3 level of Table 2 because that is where the payment "indicator" presently sits. If Qwest misses again the following month, it will make payments that escalate back to the month 4 level. The payment level will de-escalate back to the original month 1 level only upon conforming service sufficient to move the payment "indicator" back to the month 1 level.

6.2.2 For those performance measurements listed on Attachment 2 as "Performance Measurements Subject to Per Measurement Caps," payment to a CLEC in a single month shall not exceed the amount listed in Table 2 below for the "Per Measurement" category. For those performance measurements listed on Attachment 2 as "Performance Measurements Subject to Per Measurement Payments," payment to a CLEC will be the amount set forth in Table 2 below under the section labeled "per measurement."

TABLE 2: TIER-1 PAYMENTS TO CLEC

Per Occurrence						
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6 and each following month
High	\$150	\$250	\$500	\$600	\$700	\$800
Medium	\$ 75	\$150	\$300	\$400	\$500	\$600
Low	\$ 25	\$ 50	\$100	\$200	\$300	\$400
Per Measurement Cap						
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6 and each following month
High	\$25,000	\$50,000	\$75,000	\$100,000	\$125,000	\$150,000
Medium	\$10,000	\$20,000	\$30,000	\$ 40,000	\$ 50,000	\$ 60,000
Low	\$ 5,000	\$10,000	\$15,000	\$20,000	\$ 25,000	\$ 30,000

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6.3 For collocation, CP-2 and CP-4 performance measurements shall be relied upon for delineation of collocation business rules. For purposes of calculating Tier 1 payments, collocation jobs and collocation feasibility studies that are later than the due date will have a per day payment applied according to Table 3. The per day payment will be applied to any collocation job in which the feasibility study is provided or the collocation installation is completed later than the scheduled date. The calculation of the payment amount will be performed by applying the per day payment amounts as specified in Table 3. Thus, for days 1 through 10, the payment is \$150 per day. For days 11 through 20, the payment is \$300 per day and so on.

TABLE 3: TIER-1 COLLOCATION PAYMENTS TO CLECS

Days Late	Completion Date	Feasibility Study
1 to 10 days	\$150/day	\$45/day
11 to 20 days	\$300/day	\$90/day
21 to 30 days	\$450/day	\$135/day
31 to 40 days	\$600/day	\$180/day
More than 40 days	\$1,000/day	\$300/day

6.4 A minimum payment calculation shall be performed at the end of each year for each CLEC with annual order volumes of no more than 1,200. The payment shall be calculated by multiplying \$2,000 by the number of months in which at least one payment was due to the CLEC. To the extent that the actual CLEC payment for the year is less than the product of the preceding calculation, Qwest shall make an additional payment equal to the difference.

7.0 Tier 2 Payments to the State

7.1 Payments to the State shall be limited to the performance measurements designated in section 7.4 for Tier 2 per measurement payments and in Attachment 1 for per occurrence payments and which have at least 10 data points each month for the period payments are being calculated. Similar to the Tier 1 structure, Tier 2 measurements are categorized as High, Medium, and Low and the amount of payments for non-conformance varies according to this categorization.

7.2 **Determination of Non-Conforming Measurements:** The determination of non-conformance will be based upon the aggregate of all CLEC data for each Tier 2 performance measurement. Non-conforming service is defined in section 4.2 (for parity measurements) and 4.3 (for benchmark measurements), except that a 1.645 critical z-value shall be used for Tier 2 parity measurements that have Tier 1 counterparts. The critical z-value is the statistical standard that determines for each performance measurement whether Qwest has met parity.

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7.3 Determination of the Amount of Payment: Except as provided in section 7.4, Tier 2 payments are calculated and paid monthly based on the number of performance measurements failing performance standards for a third consecutive month, or if two out of three consecutive months in the 12 month period have been missed, the second consecutive month for Tier 2 measurements with Tier 1 counterparts. For Tier 2 measurements that do not have Tier 1 counterparts, payments are calculated and paid monthly based on the number of performance measurements exceeding the critical z-values, identified in section 5.1, in any single month. Payment will be made on either a per occurrence or per measurement basis, whichever is applicable to the performance measurement, using the dollar amounts specified in Table 4 or Table 5 below. Except as provided in section 7.4, the dollar amounts vary depending upon whether the performance measurement is designated High, Medium, or Low.

7.3.1 For those Tier 2 measurements listed on Attachment 2 as "Performance Measurements Subject to Per Measurement Caps," payment to the State in a single month shall not exceed the amount listed in Table 4 for the "Per Measurement" category.

TABLE 4: TIER-2 PAYMENTS TO STATE FUNDS

Per Occurrence

Measurement Group	
High	\$500
Medium	\$300
Low	\$200

Per Measurement/Cap

Measurement Group	
High	\$75,000
Medium	\$30,000
Low	\$20,000

7.4 Performance Measurements Subject to Per Measurement Payment: The following Tier 2 performance measurements shall have their performance results measured on a region-wide (14 state) basis. Failure to meet the performance standard, therefore, will result in a per measurement payment in each of the Qwest in-region 14 states adopting this PAP. The performance measurements are:

GA-1: Gateway Availability - IMA-GUI

GA-2: Gateway Availability - IMA-EDI

GA-3: Gateway Availability – EB-TA

GA-4: System Availability – EXACT

GA-6: Gateway Availability – GUI-Repair

PO-1: Pre-Order/Order Response Times

OP-2: Call Answered within Twenty Seconds – Interconnect Provisioning

Center

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MR-2: Calls Answered within Twenty Seconds – Interconnect Repair Center

GA-1 has two sub-measurements: GA-1A, and GA-1D. PO-1 shall have two sub-measurements: PO-1A and PO-1B. PO-1A and PO-1B shall have their transaction types aggregated together. PO-20¹ shall have two product disaggregations – Resale POTS / UNE-P (POTS) and Unbundled Loops (Analog and Non-Loaded 2-Wire).

For these measurements, Qwest will make a Tier 2 payment based upon monthly performance results according to Table 5: Tier 2 Per Measurement Payments to State Funds.

TABLE 5: TIER-2 PER MEASUREMENT PAYMENTS TO STATE FUNDS

Measurement	Performance	State Payment	14 State Payment
GA-1,2,3,4,6	1% or lower	\$1,000	\$14,000
	>1% to 3%	\$10,000	\$140,000
	>3% to 5%	\$20,000	\$280,000
	>5%	\$30,000	\$420,000
PO-1	2 sec. Or less	\$1,000	\$14,000
	>2 sec. to 5 sec.	\$5,000	\$70,000
	>5 sec. to 10 sec.	\$10,000	\$140,000
	>10 sec.	\$15,000	\$210,000
OP-2/MR-2	1% or lower	\$1,000	\$14,000
	>1% to 3%	\$5,000	\$70,000
	>3% to 5%	\$10,000	\$140,000
	>5%	\$15,000	\$210,000
PO-20			
- Resale POTS /	1% or lower	\$500	\$7,000
UNE-P (POTS)	>1% to 3%	\$2,500	\$35,000
	>3% to 5%	\$5,000	\$70,000
	>5%	\$7,500	\$105,000
- Unbundled Loops	1% or lower	\$500	\$7,000
(Analog and 2-Wire	>1% to 3%	\$2,500	\$35,000
Non-Loaded)	>3% to 5%	\$5,000	\$70,000
	>5%	\$7,500	\$105,000

8.0 Step by Step Calculation of Monthly Tier 1 Payments to CLEC

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8.1 Application of the Critical Z-Values: Qwest shall identify the Tier 1 parity performance measurements that measure the service provided to CLEC by Qwest for the month in question and the critical z-value from Table 1 in section 5.0 that shall be used for purposes of statistical testing for each particular performance measurement. The statistical testing procedures described in section 4.0 shall be applied. For the purpose of determining the critical z-values, each disaggregated category of a performance measurement is treated as a separate sub-measurement. The critical z-value to be applied is determined by the CLEC volume at each level of disaggregation or sub-measurement.

8.2 Performance Measurements for which Tier 1 Payment is Per Occurrence:

8.2.1 Performance Measurements that are Averages or Means:

8.2.1.1 Step 1: For each performance measurement, the average or the mean that would yield the critical z-value shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

8.2.1.2 Step 2: The percentage differences between the actual averages and the calculated averages shall be calculated. The calculation is $\% \text{ diff} = (\text{CLEC result} - \text{Calculated Value}) / \text{Calculated Value}$. The percent difference shall be capped at a maximum of 100%. In all calculations of percent differences in sections 8.0 and 9.0, the calculated percent differences is capped at 100%.

8.2.1.2 Step 3: For each performance measurement, the total number of data points shall be multiplied by the percentage calculated in the previous step and the per occurrence dollar amounts from the Tier 1 Payment Table shall determine the payment to the CLEC for each non-conforming performance measurement.

8.2.2 Performance Measurements that are Percentages:

8.2.2.1 Step 1: For each performance measurement, the percentage that would yield the critical z-value shall be calculated. The same denominator as the one used in calculating the z- statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

8.2.2.2 Step 2: The difference between the actual percentages for the CLEC and the calculated percentages shall be determined.

8.2.2.3 Step 3: For each performance measurement, the total number of data points shall be multiplied by the difference in percentage calculated in the previous step, and the per occurrence dollar amount taken from the Tier 1 Payment Table, to determine the payment to the CLEC for each non-conforming performance measurement.

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8.2.3 Performance Measurements that are Ratios or Proportions:

8.2.3.1 Step 1: For each performance measurement the ratio that would yield the critical z-value shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

8.2.3.2 Step 2: The absolute difference between the actual rate for the CLEC and the calculated rate shall be determined.

8.2.3.3 Step 3: For each performance measurement, the total number of data points shall be multiplied by the difference calculated in the previous step, and the per occurrence dollar amount taken from the Tier 1 Payment Table, to determine the payment to the CLEC for each non-conforming performance measurement.

8.3 Performance Measurements for which Tier 1 Payment is Per Measure:

8.3.1 For each performance measurement where Qwest fails to meet the standard, the payment to the CLEC shall be the dollar amount shown on the "per measure" portion of Table 2: Tier 1 Payments to CLEC.

9.0 Step by Step Calculation of Monthly Tier 2 Payments to State Funds

9.1.1 Application of the Critical Z-Value: Qwest shall identify the Tier 2 parity performance measurements that measure the service provided by Qwest to all CLECs for the month in question. The statistical testing procedures described in section 4.0 shall be applied, except that a 1.645 critical z-value shall be used for Tier 2 parity measurements that have Tier 1 counterparts. For Tier 2 parity measurements that do not have Tier 1 counterparts, the statistical testing procedures described section 4.0 shall be applied using the critical z-values identified in section 5.1.

9.1.2 To determine if Tier 2 payments for performance measurements listed on Attachment 1 shall be made in the current month, the following shall be determined. For Tier 2 measurements that have Tier 1 counterparts, it shall be determined whether Qwest missed the performance standard for three consecutive months, or if Qwest has missed the standard in any two out of three consecutive months for the 12 month period and for an additional two consecutive months. For Tier 2 measurements that do not have Tier 1 counterparts, it shall be determined whether Qwest missed the performance standard for a single month. If any of these conditions are met and there are at least 10 data points for the measurement in each month, a Tier 2 payment will be calculated and paid as described below and will continue in each succeeding month until Qwest's performance meets the applicable standard. For Tier 2 measures that have Tier 1 counterparts, the most recent three

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months of nonconforming performance data that results in payment liability shall be averaged to determine payment.

9.2 Performance Measurements for which Tier 2 Payment is Per Occurrence:

9.2.1 Performance Measurements that are Averages or Means:

9.2.1.1 Step 1: The monthly average or the mean for each performance measurement that would yield the critical z-value for each month shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

9.2.1.2 Step 2: The percentage difference between the actual averages and the calculated averages for the relevant month(s) shall be calculated. The calculation for parity measurements is $\% \text{ diff} = (\text{actual average} - \text{calculated average}) / \text{calculated average}$. The percent difference shall be capped at a maximum of 100%. In all calculations of percent differences in section 8.0 and section 9.0, the calculated percent difference is capped at 100%.

9.2.1.3 Step 3: For each performance measurement, the total number of data points for the relevant month(s) shall be multiplied by the percentage calculated in the previous step. The amount (average amount, if more than one month) (rounded to the nearest integer) is then multiplied by the result of the per occurrence dollar amount taken from the Tier 2 Payment Table to determine the payment to the State for each non-conforming performance measurement.

9.3 Performance Measurements that are Percentages:

9.3.1 Step 1: For each performance measurement, the monthly percentage that would yield the critical z-value for each month shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

9.3.1.2 Step 2: The difference between the actual percentages and the calculated percentages for the relevant month(s) shall be calculated. The calculation for parity measurement is $\text{diff} = (\text{CLEC result} - \text{calculated percentage})$. This formula shall be applicable where a high value is indicative of poor performance. The formula shall be reversed where high performance is indicative of good performance.

9.3.1.3 Step 3: For each performance measurement, the total number of data points for the relevant month(s) shall be multiplied by the difference in percentage calculated in the previous step. The amount (average amount, if more than one month)(rounded to the nearest integer) is then multiplied by the result of the per occurrence dollar amounts taken from the Tier 2 Payment Table to determine the payment to the State.

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9.4 Performance Measurements that are Ratios or Proportions:

9.4.1 Step 1: For each performance measurement, the ratio that would yield the critical z-value for each month shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

9.4.1.1 Step 2: The difference between the actual rate for the CLEC and the calculated rate for the relevant month(s) shall be calculated. The calculation is: $\text{diff} = (\text{CLEC rate} - \text{calculated rate})$. This formula shall apply where a high value is indicative of poor performance. The formula shall be reversed where high performance is indicative of good performance.

9.4.1.2 Step 3: For each performance measurement, the total number of data points shall be multiplied by the difference calculated in the previous step for each month. The amount (average amount, if more than one month)(rounded to the nearest integer) is then multiplied by the result of the per occurrence dollar amounts taken from the Tier 2 Payment Table to determine the payment to the State.

9.5 Performance Measurements for which Tier 2 Payment is Per Measure:

9.5.1 For each performance measurement where Qwest fails to meet the standard, the payment to the State Fund shall be the dollar amount shown on the "per measure" portion of the Tier 2 Payment Table.

10.0 Low Volume, Developing Markets

10.1 For certain qualifying performance standards, if the aggregate monthly volumes of CLECs participating in the PAP are more than 10, but less than 100, Qwest will make Tier 1 payments to CLECs for failure to meet the parity or benchmark standard for the qualifying performance sub-measurements. The qualifying sub-measurements are the UNE-P (POTS), megabit resale, and ADSL qualified loop product disaggregation of OP-3, OP-4, OP-5a, MR-3, MR-5, MR-7, and MR-8. If the aggregate monthly CLEC volume is greater than 100, the provisions of this section shall not apply to the qualifying performance sub-measurement.

10.2 The determination of whether Qwest has met the parity or benchmark standards will be made using aggregate volumes of CLECs participating in the PAP. In the event Qwest does not meet the applicable performance standards, a total payment to affected CLECs will be determined in accordance with the high, medium, low designation for each performance measurement (see Attachment 1) and as described in section 8.0, except that CLEC aggregate volumes will be used. In the event the calculated total payment amount to CLECs is less than \$5,000, a minimum payment of \$5,000 shall be made. The resulting total payment amount to CLECs will

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be apportioned to the affected CLECs based upon each CLEC's relative share of the number of total service misses.

10.3 At the six (6)-month reviews, Qwest will consider adding to the above list of qualifying performance sub-measurements, new products disaggregation representing new modes of CLEC entry into developing markets.

11.0 Payment

11.1 Payments to CLEC, the State, or the Special Fund shall be made one month following the due date of the performance measurement report for the month for which payment is being made. Qwest will pay interest on any late payment and underpayment at the prime rate as reported in the Wall Street Journal. On any overpayment, Qwest is allowed to offset future payments by the amount of the overpayment plus interest at the prime rate.

11.2 Payment to CLEC shall be made via bill credits. Bill credits shall be identified on a summary format substantially similar to that distributed as a prototype to the CLECs and the Commissions. To the extent that a monthly payment owed to CLEC under this PAP exceeds the amount owed to Qwest by CLEC on a monthly bill, Qwest will issue a check or wire transfer to CLEC in the amount of the overage. Payment to the State shall be made via check or wire transfer.

11.3 A Special Fund shall be created for the purpose of payment of an independent auditor and audit costs as specified in section 15.0 and payment of other expenses incurred by the participating Commissions in the regional administration of the PAP.

11.3.1 Qwest shall establish the Special Fund as an interest bearing escrow account upon the first FCC section 271 approval of the PAP applicable to a participating state Commission. Qwest shall be authorized to withhold and deposit into the Special Fund one-half of all Tier 2 payments. The cost of the escrow account will be paid for from account funds.

11.3.2 Commissions participating in the Special Fund shall appoint a person designated to administer and authorize disbursement of funds. All claims against the fund shall be presented to the Commissions' designates and shall be the responsibility of the participating Commissions.

11.3.3 Qwest shall advance funds to meet initial claims against the Special Fund to the extent Tier 2 contributions are insufficient. Such funds shall not exceed \$500,000 and shall be reduced appropriately in the event that at least six states in which the QPAP is in effect do not agree to participate in the Special Fund. Upon a determination by the participating Commissions that the Special Fund has become

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self-sustaining or is no longer required, Qwest shall be allowed to recover any such advances plus interest at the rate that the escrow account would have earned.

11.3.4 Upon the execution of a memorandum of understanding with the Idaho Commission, Qwest shall establish an Idaho Discretionary Fund as a separate interest bearing escrow account. Qwest shall deposit into the Discretionary Fund the remaining balance of Tier 2 payments after disbursement of Tier 2 payments to the Special Fund pursuant to section 13.3.1. The Commission shall appoint a person designated to administer and authorize disbursements of funds from the Discretionary Fund. Disbursements from the Discretionary Fund shall be limited to competitively neutral Idaho telecommunications initiatives. The costs of the Discretionary Fund will be paid for from the account's funds.

12.0 Cap on Tier 1 and Tier 2 Payments

12.1 There shall be a cap on the total payments made by Qwest for a 12 month period beginning with the effective date of the PAP for the State of Idaho. The annual cap for the State of Idaho shall be 36% of ARMIS Net Return, recalculated each year based upon the prior year's Idaho ARMIS results, subject to any applicable adjustment permitted pursuant to section 12.2. Qwest shall submit to the Commission the calculation of each year's cap no later than 30 days after submission of ARMIS results to the FCC. CLEC agrees that this amount constitutes a maximum annual cap that shall apply to the aggregate total of Tier 1 liquidated damages, including any such damages paid pursuant to this Agreement, any other interconnection agreement, or any other payments made for the same underlying activity or omission under any other contract, order or rule and Tier 2 assessments or payments made by Qwest for the same underlying activity or omission under any other contract, order or rule.

12.2 The 36% annual cap may be increased to 44% or decreased to 30% of ARMIS Net Return as follows:

12.2.1 An increase in the cap of a maximum of 4 percentage points at any one time (i.e., first to 40 percent) shall occur upon order by the Commission if the cap has been exceeded for any consecutive period of 24 months by that same 4 percent or more, provided that: (a) the Commission has determined that the preponderance of the evidence shows Qwest could have remained beneath the cap through reasonable and prudent effort, and (b) the Commission has made that determination after having available to it on the record the results of audits and root cause analyses, and provided an opportunity for Qwest to be heard.

12.2.2 A decrease in the cap of a maximum of 4 percentage points at any one time shall occur upon order by the Commission after performance for any consecutive period of 24 months in which total payments are 8 or more percentage points below the cap amount, provided that: (a) the Commission has determined that the preponderance of the evidence shows the performance results underlying those

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payments results from an adequate Qwest commitment to meeting its responsibilities to provide adequate wholesale service and to keeping open its local markets and (b) the Commission shall have made that determination after providing all interested parties an opportunity to be heard.

12.2.3 The provisions of 12.2.1 and 12.2.2 shall be in effect for the next 24 month period commencing with the end of the 24 month period upon which the Commission's order is based.

12.3 If the annual cap is reached, each CLEC shall, as of the end of the year, be entitled to receive the same percentage of its total calculated Tier 1 payments. In order to preserve the operation of the annual cap, the percentage equalization shall take place as follows:

12.3.1 The amount by which any month's total year-to-date Tier 1 and Tier 2 payments exceeds the cumulative monthly cap (defined as 1/12th of the annual cap times the cumulative number of months to date) shall be calculated and apportioned between Tier 1 and Tier 2 according to the percentage that each bore of total payments for the year-to-date. The Tier 1 apportionment resulting of this calculation shall be known as the "Tracking Account."

12.3.2 The Tier 1 apportionment shall be debited against the monthly payment due to each CLEC, by applying to the year-to-date payments received by each the percentage necessary to generate the required total Tier 1 amount.

12.3.3 The Tracking Amount shall be apportioned among all CLECs so as to provide each with payments equal in percentage of its total year to date Tier 1 payment calculations.

12.3.4 This calculation shall take place in the first month that the year-to-date total Tier 1 and Tier 2 payments are expected to exceed the cumulative monthly cap and for each month of that year thereafter. Qwest shall recover any debited amounts by reducing payments due to any CLEC for that month and any succeeding months, as necessary.

13.0 Limitations

13.1 The PAP shall not become available in the State unless and until Qwest receives effective section 271 authority from the FCC for that State.

13.2 Qwest will not be liable for Tier 1 payments to CLEC in an FCC approved state until the Commission has approved an interconnection agreement between CLEC and Qwest which adopts the provisions of this PAP.

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13.3 Qwest shall not be obligated to make Tier 1 or Tier 2 payments for any measurement if and to the extent that non-conformance for that measurement was the result of any of the following: 1) with respect to performance measurements with a benchmark standard, a Force Majeure event as defined in section 5.7 of the SGAT. Qwest will provide notice of the occurrence of a Force Majeure event within 72 hours of the time Qwest learns of the event or within a reasonable time frame that Qwest should have learned of it; 2) an act or omission by a CLEC that is contrary to any of its obligations under its interconnection agreement with Qwest or under federal or state law; an act or omission by CLEC that is in bad faith. Examples of bad faith conduct include, but are not limited to: unreasonably holding service orders and/or applications, "dumping" orders or applications in unreasonably large batches, "dumping" orders or applications at or near the close of a business day, on a Friday evening or prior to a holiday, and failing to provide timely forecasts to Qwest for services or facilities when such forecasts are explicitly required by the SGAT; 3) problems associated with third-party systems or equipment, which could not have been avoided by Qwest in the exercise of reasonable diligence, *provided, however*, that this third party exclusion will not be raised in the State more than three times within a calendar year. If a Force Majeure event or other excusing event recognized in this section merely suspends Qwest's ability to timely perform an activity subject to a performance measurement that is an interval measure, the applicable time frame in which Qwest's compliance with the parity or benchmark criterion is measured will be extended on an hour-for-hour or day-for-day basis, as applicable, equal to the duration of the excusing event.

13.3.1 Qwest will not be excused from Tier 1 or Tier 2 payments for any reason except as described in Section 13.0. Qwest will have the burden of demonstrating that its non-conformance with the performance measurement was excused on one of the grounds described in this PAP. A party may petition the Commission to require Qwest to deposit disputed payments into an escrow account when the requesting party can show cause, such as grounds provided in the Uniform Commercial Code for cases of commercial uncertainty.

13.3.2 Notwithstanding any other provision of section 13 of this QPAP, Qwest shall not be excused for failing to provide such performance that Qwest could reasonably have been expected to deliver assuming that it had designed, implemented, staffed, provisioned, and otherwise provided for resources reasonably required to meet foreseeable volumes and patterns of demands upon its resources by CLECs.

13.4 Qwest's agreement to implement these enforcement terms, and specifically its agreement to pay any "liquidated damages" or "assessments" hereunder, will not be considered as an admission against interest or an admission of liability in any

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legal, regulatory, or other proceeding relating in whole or in part to the same performance.

13.4.1 CLEC may not use: 1) the existence of this enforcement plan; or 2) Qwest's payment of Tier -1 "liquidated damages" or Tier 2 "assessments" as evidence that Qwest has discriminated in the provision of any facilities or services under Sections 251 or 252, or has violated any state or federal law or regulation. Qwest's conduct underlying its performance measures, however are not made inadmissible by its terms.

13.4.2 By accepting this performance remedy plan, CLEC agrees that Qwest's performance with respect to this remedy plan may not be used as an admission of liability or culpability for a violation of any state or federal law or regulation. (Nothing herein is intended to preclude Qwest from introducing evidence of any Tier 1 "liquidated damages" under these provisions for the purpose of offsetting the payment against any other damages or payments a CLEC might recover.) The terms of this paragraph do not apply to any proceeding before the Commission or the FCC to determine whether Qwest has met or continues to meet the requirements of section 271 of the Act.

13.5 By incorporating these liquidated damages terms into the PAP, Qwest and CLEC accepting this PAP agree that proof of damages from any non-conforming performance measurement would be difficult to ascertain and, therefore, liquidated damages are a reasonable approximation of any contractual damages that may result from a non-conforming performance measurement. Qwest and CLEC further agree that Tier 1 payments made pursuant to this PAP are not intended to be a penalty. The application of the assessments and damages provided for herein is not intended to foreclose other noncontractual legal and non-contractual regulatory claims and remedies that may be available to a CLEC.

13.6 This PAP contains a comprehensive set of performance measurements, statistical methodologies, and payment mechanisms that are designed to function together, and only together, as an integrated whole. To elect the PAP, CLEC must adopt the PAP in its entirety, in its interconnection agreement with Qwest. By electing remedies under the PAP, CLEC waives any causes of action based on a contractual theory of liability, and any right of recovery under any other theory of liability (including but not limited to a state utility regulatory commission or Federal Communications Commission rule or order) to the extent such recovery is related to harm compensable under a contractual theory of liability (even though it is sought through a noncontractual claim, theory, or cause of action).

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If for any reason a CLEC agreeing to this QPAP is awarded compensation for the same harm for which it received payment under the QPAP, the court or other adjudicatory body hearing such a claim may offset the damages resulting from such claim against payments made for the same harm.

13.8 Qwest shall not be liable for both Tier 2 payments under the PAP and assessments, sanctions, or other payments for the same underlying activity or omission pursuant to any Commission order or service quality rules.

13.9 Whenever a Qwest Tier 1 payment to an individual CLEC exceeds \$3 million in a month, Qwest may commence a proceeding to demonstrate why it should not be required to pay any amount in excess of the \$3 million. Upon timely commencement of the proceeding, Qwest must pay the balance of payments owed in excess of \$3 million into escrow, to be held by a third-party pending the outcome of the proceeding. To invoke these escrow provisions, Qwest must file, not later than the due date of the Tier 1 payments, its application. Qwest will have the burden of proof to demonstrate why, under the circumstances, it would be unjust to require it to make the payments in excess of \$3 million. If Qwest reports non-conforming performance to CLEC for three consecutive months on 20% or more of the measurements reported to CLEC and has incurred no more than \$1 million in liability to CLEC, then CLEC may commence a similar proceeding. In any such proceeding CLEC will have the burden of proof to demonstrate why, under the circumstances, justice requires Qwest to make payments in excess of the amount calculated pursuant to the terms of the PAP. The disputes identified in this section shall be resolved in a manner specified in the Dispute Resolution section of the SGAT with the CLEC.

14.0 Reporting

14.1 Upon receiving effective section 271 authority from the FCC for a state, Qwest will provide CLEC that has an approved interconnection agreement with Qwest, a monthly report of Qwest's performance for the measurements identified in the PAP by the last day of the month following the month for which performance results are being reported. However, Qwest shall have a grace period of five business days, so that Qwest shall not be deemed out of compliance with its reporting obligations before the expiration of the five business day grace period. Qwest will collect, analyze, and report performance data for the measurements listed on Attachment 1 in accordance with the most recent version of the PIDs. Upon CLEC's request, data files of the CLEC's raw data, or any subset thereof, will be transmitted, without charge, to CLEC in a mutually acceptable format, protocol, and transmission medium.

14.2 Qwest will also provide the Commission a monthly report of aggregate CLEC performance results pursuant to the PAP by the last day of the month following the

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month for which performance results are being reported. However, Qwest shall have a grace period of five business days, so that Qwest shall not be deemed out of compliance with its reporting obligations before the expiration of the five business day grace period. Individual CLEC reports of participating CLECs will also be available to the Commission upon request. By accepting this PAP, CLEC consents to Qwest providing CLEC's report and raw data to the State Commission. Pursuant to the terms of an order of the Commission, Qwest may provide CLEC-specific data that relates to the PAP, provided that Qwest shall first initiate any procedures necessary to protect the confidentiality and to prevent the public release of the information pending any applicable Commission procedures and further provided that Qwest provides such notice as the Commission directs to the CLEC involved, in order to allow it to prosecute such procedures to their completion. Data files of participating CLEC raw data, or any subset thereof, will be transmitted, without charge, to the Commission in a mutually acceptable format, protocol, and transmission form.

14.3 In the event Qwest does not provide CLEC and the Commission with a monthly report by the last day of the month following the month for which performance results are being reported, Qwest will pay to the State a total of \$500 for each business day for which performance reports are 6 to 10 business days past the due date; \$1,000 for each business day for which performance reports are 11 to 15 business days past the due date; and \$2,000 for each business day for which performance results are more than 15 business days past the due date. If reports are on time but are missing performance results, Qwest will pay to the State a total of one-fifth of the late report amount for each missing performance measurement, subject to a cap of the full late report amount. These amounts represent the total payments for omitting performance measurements or missing any report deadlines, rather than a payment per report. Prior to the date of a payment for late reports, Qwest may file a request for a waiver of the payment, which states the reasons for the waiver. The Commission may grant the waiver, deny the waiver, or provide any other relief that may be appropriate.

14.4 To the extent that Qwest recalculates payments made under this PAP, such recalculation shall be limited to the preceding three years (measured from the later of the provision of a monthly credit statement or payment due date). Qwest shall retain sufficient records to demonstrate fully the basis for its calculations for long enough to meet this potential recalculation obligation. CLEC verification or recalculation efforts should be made reasonably contemporaneously with Qwest measurements. In any event, Qwest shall maintain the records in a readily useable format for one year. For the remaining two years, the records may be retained in archived format. Any payment adjustments shall be subject to the interest rate provisions of section 11.1.

15.0 Integrated Audit Program/Investigations of Performance Results

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15.1 Audits of the PAP shall be conducted in a two-year cycle under the auspices of the participating Commissions in accordance with a detailed audit plan developed by an independent auditor retained for a two-year period. The participating Commissions shall select the independent auditor with input from Qwest and CLECs.

15.1.1 The participating Commissions shall form an oversight committee of Commissioners who will choose the independent auditor and approve the audit plan. Any disputes as to the choice of auditor or the scope of the audit shall be resolved through a vote of the chairs of the participating commissions pursuant to Section 15.1.4.

15.1.2 The audit plan shall be conducted over two years. The audit plan will identify the specific performance measurements to be audited, the specific tests to be conducted, and the entity to conduct them. The audit plan will give priority to auditing the higher risk areas identified in the OSS report. The two-year cycle will examine risks likely to exist across that period and the past history of testing, in order to determine what combination of high and more moderate areas of risk should be examined during the two-year cycle. The first year of a two-year cycle will concentrate on areas most likely to require follow-up in the second year.

15.1.3 The audit plan shall be coordinated with other audit plans that may be conducted by other state commissions so as to avoid duplication, shall not impede Qwest's ability to comply with the other provisions of the PAP and should be of a nature and scope that can be conducted in accordance with the reasonable course of Qwest's business operations.

15.1.4 Any dispute arising out of the audit plan, the conduct of the audit, or audit results shall be resolved by the oversight committee of Commissioners. Decisions of the oversight committee of Commissioners may be appealed to a committee of the chairs of the participating Commissions.

15.2 Qwest may make management processes more accurate or more efficient to perform without sacrificing accuracy. These changes are at Qwest's discretion but will be reported to the independent auditor in quarterly meetings in which the auditor may ask questions about changes made in the Qwest measurement regimen. The meetings, which will be limited to Qwest and the independent auditor, will permit an independent assessment of the materiality and propriety of any Qwest changes, including, where necessary, testing of the change details by the independent auditor. The information gathered by the independent auditor may be the basis for reports by the independent auditor to the participating Commissions and, where the Commissions deem it appropriate, to other participants.

15.3 In the event of a disagreement between Qwest and CLEC as to any issue regarding the accuracy or integrity of data collected, generated, and reported

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pursuant to the PAP, Qwest and the CLEC shall first consult with one another and attempt in good faith to resolve the issue. If an issue is not resolved within 45 days after a request for consultation, CLEC and Qwest may, upon a demonstration of good cause, (e.g., evidence of material errors or discrepancies) request an independent audit to be conducted, at the initiating party's expense. The independent auditor will assess the need for an audit based upon whether there exists a material deficiency in the data or whether there exists an issue not otherwise addressed by the audit plan for the current cycle. The dispute resolution provision of section 18.0 is available to any party questioning the independent auditor's decision to conduct or not conduct a CLEC requested audit and the audit findings, should such an audit be conducted. An audit may not proceed until dispute resolution is completed. Audit findings will include: (a) general applicability of findings and conclusions (i.e., relevance to CLECs or jurisdictions other than the ones causing test initiation), (b) magnitude of any payment adjustments required and, (c) whether cost responsibility should be shifted based upon the materiality and clarity of any Qwest non-conformance with measurement requirements (no pre-determined variance is appropriate, but should be based on the auditor's professional judgment). CLEC may not request an audit of data more than three years from the later of the provision of a monthly credit statement or payment due date.

15.4 Expenses for the audit of the PAP and any other related expenses, except that which may be assigned under section 15.3, shall be paid first from the Tier 2 funds in the Special Fund. For Idaho, the remainder of the audit expenses will be paid by Qwest.

15.5 Qwest will investigate any second consecutive Tier 2 miss to determine the cause of the miss and to identify the action needed in order to meet the standard set forth in the performance measurements. To the extent an investigation determines that a CLEC was responsible in whole or in part for the Tier 2 misses, Qwest shall receive credit against future Tier 2 payments in an amount equal to the Tier 2 payments that should not have been made. The relevant portion of subsequent Tier 2 payments will not be owed until any responsible CLEC problems are corrected. For the purposes of this sub-section, Tier 1 performance measurements that have not been designated as Tier 2 will be aggregated and the aggregate results will be investigated pursuant to the terms of this Agreement.

16.0 Reviews

16.1 Every six (6) months, beginning six months after the effective date of section 271 approval by the FCC for the state of Idaho, Qwest, CLECs, or the Idaho Public Utilities Commission may initiate a review of the performance measurements to determine whether measurements should be added, deleted, or modified; whether the applicable benchmark standards should be modified or replaced by parity standards; and whether to move a classification of a measurement to High, Medium, or Low, Tier 1 or Tier 2. The criterion for reclassification of a measurement shall be

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whether the actual volume of data points was less or greater than anticipated. Criteria for review of performance measurements, other than for possible reclassification, shall be whether there exists an omission or failure to capture intended performance, and whether there is duplication of another measurement. Any disputes regarding adding, deleting, or modifying performance measurements shall be resolved pursuant to a proceeding before the Commission and subject to judicial review. No new performance measurements shall be added to this PAP that have not been subject to observation as diagnostic measurements for a period of 6 months. Any changes made at the six-month review pursuant to this section shall apply to and modify this agreement between Qwest and CLEC, subject to a stay, modification or reversal upon appeal or judicial review.

16.1.1 Notwithstanding section 16.1, if any agreements on adding, modifying or deleting performance measurements as permitted by section 16.1 are reached between Qwest and CLECs participating in an industry Regional Oversight Committee (ROC) PID administration forum, those agreements shall be incorporated into the QPAP and modify the agreement between CLEC and Qwest at any time those agreements are submitted to the Commission, whether before or after a six-month review.

16.1.2 For the first twelve months that any changes made pursuant to paragraphs 16.1 or 16.1.1 are in effect, Qwest's liability for such changes shall be limited to 10% of the monthly payments that Qwest would have made absent the effect of such changes as a whole. This provision shall be referred to as "the 10% payment collar." Such payment limitation shall be accomplished by factoring the payments resulting from the changes to ensure that such payments remain within 10% of the payments Qwest would have made absent such changes.

16.1.3 In the event that the Commission adds, modifies, or reclassifies a performance measurement that has not been agreed upon in the ROC PID administration forum process in 16.1.1, the 10% payment collar shall remain in effect unless removed by the Commission pursuant to this section. If, after a minimum of 6 months of payments to a CLEC, Qwest's payments have been limited by the 10% payment collar to 80% or less of what the total payments would have been absent the collar for the preceding 6-month period, the Commission may, upon motion by an affected CLEC, conduct a record proceeding to determine whether the 10% payment collar should be removed from any such performance measure. The Commission can prospectively remove the 10% collar for Tier 1 payments to affected CLEC(s) for any such performance measure upon a demonstration through a record proceeding and a Commission determination that the total payments to the CLEC(s) under the QPAP were inadequate to compensate CLEC(s) for actual harm incurred during the same period and upon a determination that such change is otherwise necessary and appropriate and in the public interest.

16.2 Two years after the effective date of the first FCC 271 approval of the PAP, the participating Commissions may conduct a joint review by a independent third

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party to examine the continuing effectiveness of the PAP as a means of inducing compliant performance. This review shall not be used to open the PAP generally to amendment, but would serve to assist Commissions in determining existing conditions and reporting to the FCC on the continuing adequacy of the PAP to serve its intended functions. The expense of the reviews shall be paid from the Special Fund.

16.3 Qwest will make the PAP available for CLEC interconnection agreements until such time as Qwest eliminates its Section 272 affiliate. At that time, the Commission and Qwest shall review the appropriateness of the PAP and whether its continuation is necessary. However, in the event Qwest exits the interLATA market, that State PAP shall be rescinded immediately.

17.0 Voluntary Performance Assurance Plan

This PAP represents Qwest's voluntary offer to provide performance assurance. Nothing in the PAP or in any conclusion of non-conformance of Qwest's service performance with the standards defined in the PAP shall be construed to be, of itself, non-conformance with the Act.

18.0 Dispute Resolution

For the purpose of resolving disputes over the meaning of the provisions of the PAP and how they should be applied, the dispute resolution provisions of the SGAT, section 5.18, shall apply whether the CLEC uses the SGAT in its entirety or elects to make the PAP part of its interconnection agreements (i.e., the unique dispute resolution provisions of interconnection agreements should not apply).

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Attachment 1: Tier 1 and Tier 2 Performance Measurements Subject to Per Occurrence Payment

Performance Measurement		Tier 1 Payments			Tier 2 Payments		
		Low	Med	High	Low	Med	High
GATEWAY							
Timely Outage Resolution	GA-7						X
PRE-ORDER/ORDERS							
LSR Rejection Notice Interval	PO-3 ^a	X					
Firm Order Confirmations On Time	PO-5	X				X	
Work Completion Notification Timeliness	PO-6 ^b	X					
Billing Completion Notification Timeliness	PO-7 ^b	X					
Jeopardy Notice Interval	PO-8	X					
Timely Jeopardy Notices	PO-9	X					
Release Notifications	PO-16						X
(Expanded) – Manual Service Order Accuracy	PO-20 ^c	X					
ORDERING AND PROVISIONING							
Installation Commitments Met	OP-3			X		X	
Installation Intervals	OP-4 ^d			X		X	
New Service Quality	OP-5a			X		X	
Delayed Days	OP-6 ^e			X		X	
Number Portability Timeliness	OP-8			X		X	
Coordinated Cuts On Time – Unbundled Loops	OP-13a			X		X	
LNP Disconnect Timeliness	OP-17			X		X	
MAINTENANCE AND REPAIR							
Out of Service Cleared within 24 hours	MR-3			X			
All Troubles Cleared within 4 hours	MR-5			X			
Mean time to Restore	MR-6a,b,c			X			
Repair Repeat Report Rate	MR-7			X		X	
Trouble Rate	MR-8			X		X	
LNP Trouble Reports Cleared within 24 Hours	MR-11			X		X	
LNP Trouble Reports—Mean Time to Restore	MR-12			X		X	
BILLING							
Time to Provide Recorded Usage Records	BI-1	X					X
Billing Accuracy-Adjustments for Errors	BI-3	X					
Billing Completeness	BI-4	X				X	
NETWORK PERFORMANCE							
Trunk Blocking	NI-1			X			X
NXX Code Activation	NP-1			X			X

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- a. PO-3 is limited to PO-3a-1, PO-3b-1, and PO-3c.
- b. PO-6 is included with PO-7 as two "families:" PO-6a/PO-7a and PO-6b/PO-7b. Measurements within each family share a single payment opportunity with only the measurements with the highest payment being paid.
- c. For PO-20, where CLEC order volumes are 1 – 20, apply a benchmark standard of "not greater than one order in error." Under this provision, no payment applies if there is only one order with an error. For each phase beginning with Phase 1, there will be no more than a 3 month measurement stabilization period for all fields introduced in that phase. Additional fields are not subject to payments during the measurement stabilization period. During the Phase 1 measurement stabilization period, measurement and payment will continue for the original PO-20 as defined in Exhibit B1.
- d. OP-4 is included with OP-6 as five "families:" OP-4a/OP-6-1, OP-4b/OP-6-2, OP-4c/OP-6-3, OP-4d/OP-6-4, and OP-4e/OP-6-5. Measurements within each family share a single payment opportunity with only the measurement with the highest payment being paid.
- e. For purposes of the PAP, OP-6a and OP-6b will be combined and treated as one. The combined OP-6 breaks down to OP-6-1 (within MSA), OP-6-2 (outside MSA), OP-6-3 (no dispatch), OP-6-4 (zone 1), and OP-6-5 (zone 2).

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Attachment 2: Performance Measurements Subject to Per Measurement Caps

Billing

Time to Provide Recorded Usage Records – BI-1 (Tier 1/Tier 2)

Billing Accuracy – Adjustments for Errors – BI-3 (Tier 1)

Billing Completeness – BI-4 (Tier 1/Tier 2)

Minutes
Long Term PID Administration Conference Call
 (Minutes Provided by Qwest)

Date & Time: Thursday, December 18, 2003, 1 p.m. M.S.T.

Purpose:

- To review two sample PIDs with a hyperlink
- To address Proposal Numbers 13 and 33 on Volume Thresholds
- To address Proposal Numbers 25-30 pertaining to Data Services, time permitting
- To review pending Action Items

<i>Organization</i>	<i>Name</i>		<i>Organization</i>	<i>Name</i>
LTPA Facilitator	John Kern		Qwest	Nancy Lubamersky
Eschelon	Ray Smith		Qwest	Dean Buhler
Covad	Megan Doberneck		Qwest	Kathy Haile
MCI	Chad Warner		Qwest	Patricia Emigh
US Link	Jennifer Arnold		Qwest	Duane Cooke
John Epley	CO PUC		Qwest	Barb Brohl
IA Utilities Board	Penny Baker		Qwest	Tom Kowal
ID PUC	Wayne Hart		Qwest	Char Mahs
MT Consumer Council	Mary Wright		Qwest	Todd Staebell
MN PUC	Ganesh Krishnan		Qwest	Dave Phillips
ND PSC	Pat Fahn		Qwest	John Hayat
NM PRC	Mike Ripperger		Qwest	Nancy Tangeman
SD PUC	Harlan Best		Qwest	Tim Francis
UT Div. of Public Utilities	Joni Zenger		Qwest	Paul Diamond
WY PUC	Mike Korber			

- **Sample PIDs with a Hyperlink:** On the adhoc call on December 11 that addressed the Action Item concerning the proposed deletion of the parenthetic reference to the "T" and "T" action coded line USOCs in several PIDs, AT&T proposed using a hyperlink for the Inward Activity definition. Qwest reviewed two sample PIDs (OP-3 and PO-15) with such a hyperlink. Parties agreed to the use of hyperlinks to Definition of Terms in the PID. The question arose whether all defined terms in the Definition of Terms should be hyperlinked.
 - **Resolution:** Qwest will propose a list of terms which are generally more Qwest-specific to be hyperlinked and will distribute the list in the first week in January.

- **Issues 13 and 33:** Qwest clarified its proposal that it distributed on 12/12/03 by restating the two thresholds that it is proposing: (1) when new installations of a product grow to 500 at a CLEC-aggregate level, 14-statewide basis within 6 months or (2) when the embedded base for a product reaches 1000 at a CLEC-aggregate level, 14-statewide basis, over any period of time, whichever occurs first. In response to Qwest's proposal, some of the CLECs summarized their position, which was distributed on 12/17/03, stating that Qwest should disaggregate all products that are offered to CLECs and, as a result, that Qwest should provide a list of all products not already disaggregated in the monthly performance results along with their associated volumes. Qwest requested a list of products that the CLECs would like to have reported. After much discussion, the parties focused on x-DSL-I capable loops.
 - **Resolution:** These issues remain open. Qwest will identify whether x-DSL-I capable loops are included in the PO, OP, and MR PIDs and will provide the volumes in service. This information will be provided to help resolve Issue 32 where inclusion of these loops in various PIDs is requested. Qwest will also provide a "reference aid" identifying information such as which PIDs include all LSRs, which ones include electronic LSRs by interface or which PIDs include only products specified in the Disaggregation Reporting section of the definition.
 - In response to a CLEC's question about whether some historical data could be reported once a volume threshold is reached and reporting has begun, Qwest agreed to research the capability of its data warehouse to support this request, focusing specifically on line splitting.

- **Issue 25, including line splitting as a separate product in the PIDs where line sharing is separately reported (PO-5, OP-3, OP-4, OP-5, OP-6, OP-15, MR-3, MR-4, MR-6, MR-7, and MR-8):** Qwest stated its willingness to report line splitting in these PIDs because it met Qwest's Volume Threshold proposal. It was noted that line splitting is already a separate category in the new OP-5 where reporting will start in January 2004 with November 2003 results.
 - **Resolution:** Qwest will separately report line splitting in OP-3, 4, 5, 6, 15, MR-3, 4, 6, 7, and 8. Line Splitting will be reported in the (b) product group of Unbundled Loops and specified UNEs for PO-5. [After the call Qwest identified that line splitting is already included in PO-5 (b) as is line sharing.] It was agreed that line splitting will be placed just prior to the line sharing in the Product Reporting section of the appropriate PIDs.
 - Qwest will determine how quickly the reporting of line splitting performance can begin and whether prior months' results can also be included.

- **Issue 26, including loop splitting as a separate product in PO-5, OP-3, OP-4, OP-5, OP-6, OP-15, MR-3, MR-4, MR-6, MR-7, and MR-8 PIDs:** Qwest declined to separately report loop splitting at this time since no CLEC has ordered loop splitting; consequently, no loop splitting line is in service.
 - **Resolution:** The issue remains open. MCI and Covad will discuss this issue offline and may offer an alternative proposal.

- **Issue 27, set a standard for line sharing and line splitting where diagnostic is listed for the OP-5, OP-6, and OP-15 PIDs:**
 - For OP-6, the CLECs requested that a parity standard with either Qwest DSL or retail Residence and Business POTs be established for line sharing. Qwest agreed to take this proposal back for consideration. The same request was made for line splitting and Qwest stated per prior PID negotiations that a diagnostic standard should be used for the first 6 months when reporting a new product to allow time to fine tune operational and reporting processes and to build a performance record on which a standard may then be set.
 - For OP-15, the CLECs requested that a parity standard with Qwest DSL be established for line sharing and line splitting. Qwest replied that the standard for OP-15 is diagnostic for all products and should remain so, including line sharing and line splitting.
 - For OP-5A, the CLECs requested the same parity standard be set for line splitting as was established for line sharing. As with the other requests, Qwest stated that the standard for line splitting should be diagnostic for the first 6 months. With the reporting of the new OP-5 to start in January 2004 with November 2003 results, the parties agreed that OP-5B for line sharing will remain diagnostic for the first 6 months of reporting. OP-5R is to be diagnostic for all products for the first six months after which a standard, yet to be determined, may be possible. OP-5T is to remain diagnostic for all products.
 - **Resolution:** The issue remains open. Qwest will return with its position on specific line sharing and line splitting standards and its implementation schedule for reporting the line splitting results.

- **Clarification of the Scope of LTPA:**
 - To clarify the scope of the LTPA discussions, John Kern clarified that Qwest's compliance with the PIDs was not within scope.

- **Status of Pending Action Items:**
 - The Inclusion of the Revised OP-5 in the Minnesota Wholesale Service Quality Plan: The revised OP-5 is in effect in the Minnesota SGAT. Qwest is in the process of requesting the

Commission to take notice of the revised OP-5 in the Wholesale Service Quality Plan.

- Filing of the Redlined Administrative Clean-up of the PID with Qwest's SGAT Filing in Early January to Put into Effect the Administrative Changes, Correct PO-16 and Deal with the GA-1 Issues: The parties agreed to the filing and agreed to include the deletion of shared loop from the PID in the redlined changes. The proposed deletion of the parenthetical reference to the "I" and "T" action coded line USOCs in several PIDs was approved subject to Ray Smith's concurrence. He will provide approval to Nancy Lubamersky.
 - Eschelon's Proposal for Issue 14b Distributed 12/17/03: John Kern will add the consideration of Eschelon's proposed redlined PIDs for MR-3, MR-4, MR-5, MR-6, MR-7, MR-8, MR-9 and the Definition of Terms to the Issues Matrix.
 - Reporting of Trouble Tickets to the Call Center within 72 Hours of Order Completion: Qwest has begun the analysis of this process and underlying documentation. This will be considered again when the other changes to the M&R measurements are discussed.
 - Inclusion of PAP Reference on Introduction Page i of PID document: Qwest proposed the following sentence be used: "Individual state performance assurance plans may specify and apply state specific variations from the Performance Measurement Definitions and/or standards contained herein." The parties tentatively agreed to the use of this sentence; however, if a party objects after considering the above sentence, they will contact Qwest by January 5th.
- **Potential Face-to-Face Meeting:** Since the LTPA will not meet the next two weeks and a number of issues still remain to be addressed, John Kern asked the parties to consider a one or two day face-to-face meeting in a location to be determined between late January and mid-February. This issue will be revisited in early January.

New Action Items:

- John Kern will distribute the next agenda and an updated Master Issues Matrix.
- Qwest will:
 - Propose a list of terms from the Definition of Terms which are generally more Qwest-specific to be hyperlinked in the first week in January.
 - Identify which PIDs include x-DSL-I capable loops and provide the volumes in service. Provide a "reference aid" identifying information such as which PIDs include all LSRs, which ones include electronic LSRs by interface or which PIDs include only

products specified in the Disaggregation Reporting section of the definition.

- Provide its position on the specific line sharing and line splitting parity standards and its implementation schedule for reporting line splitting results, and its ability to report prior months' results when beginning to report a new disaggregation.

- Covad and MCI may offer an alternative proposal for Issue 26, the inclusion of loop splitting as a separately reported product in various PIDs.

Next Meeting:

- January 8, 2004, at 1 p.m. M.S.T.
- Conference bridge: 1-877-552-8688 pass code 3381262#

Minutes
Long Term PID Administration Conference Call
 (Minutes Provided by Qwest)

Date & Time: Thursday, January 15, 2004, 1 p.m. M.S.T.

Purpose [LTPA participants had not received the agenda sent January 11th from John Kern. It was re-sent at the beginning of the meeting.]:

- To address Issue 10a, change phrase “of receipt” to “that Qwest is first notified of the trouble by CLEC” for MR-3, MR-4, MR-5, and MR-6
- To address Issue 10b, delete the phrase “indicated as” from MR-3 and MR-4
- To address Issue 22, adopt Arizona version of PO-19 region-wide
- To address Qwest’s response to Issue 27, standards for line sharing and line splitting for OP-6 and OP-15
- To address Issue 31, adopt Colorado EEL standards for PO-5, OP-3, OP-4, OP-5, OP-6, MR-5, MR-6, MR-7, and MR-8
- To review the following pending Action Items:
 - Proposed LTPA Web Site
 - Issue 3, MCI’s response to wording change in formula for BI-3A
 - Issue 32, Eschelon and Qwest x-DSL-I volume discrepancy
- To address the two day face-to-face meeting

<i>Organization</i>	<i>Name</i>		<i>Organization</i>	<i>Name</i>
LTPA Facilitator	John Kern		Qwest	Nancy Lubamersky
ID PUC	Wayne Hart		Qwest	Dean Buhler
AT&T	Joe Bloss		Qwest	Kathy Haile
Covad	Megan Doberneck		Qwest	Patricia Emigh
Eschelon	Ray Smith		Qwest	Duane Cooke
MCI	Chad Warner		Qwest	Barb Brohl
U S Link	Rod Cox		Qwest	Todd Staebell
IA Utilities Board	Penny Baker		Qwest	Tom Kowal
MN DOC	Sue Pierce		Qwest	Char Mahs
MT PUC	Kate Whitney		Qwest	Barry Orrel
MT PUC	Tina Shorten		Qwest	Dave Phillips
OR PUC	Irv Emmons		Qwest	Nancy Tangeman
UT Div. of Public Utilities	Joni Zenger		Qwest	Tim Francis
WA UTC	Tom Spinks		Qwest	John Hayat
WY PUC	Mike Korber		Qwest	Paul Diamond
			Qwest	Cindi Houston

- **Issue 10b, delete the phrase “indicated as” from MR-3 and MR-4:** Qwest agreed to the deletion of the “indicated as” phrase.
 - **Resolution:** Issue closed.

- **Issue 10a, change phrase “of receipt” to “that Qwest is first notified of the trouble by CLEC” for MR-3, MR-4, MR-5, and MR-6:** Qwest agreed to the language change with the understanding that the clock starts on trouble reports when, with all the required information available, the repair ticket is created. The CLECs reiterated their concern that the time from when a trouble is reported to the Call Center to the time when a repair trouble report is created is not captured in the M & R measures. Qwest provided October 2003 data showing that after service order completion less than 1% of the CLEC repair troubles involve the CLECs first calling the Call Center, the Call Center being unable to resolve the problem, and then being referred to Repair, resulting in an average elapsed time of one hour. The data also showed that after a service order completes, the CLECs predominantly submit a repair ticket through CEMR or call the Repair Center. In these latter situations and assuming all the required field information is provided, a repair ticket is created and all such time is captured in the M & R PIDs. Qwest also stated it sent a CMP notice to the CLECs that Qwest is reducing the time after service order completion that a CLEC is encouraged to contact the Call Center with a trouble from 72 hours to 24 hours. Eschelon requested adding the average one hour timeframe to the M & R PIDs. Qwest stated its unwillingness to do so reiterating that the CLEC always has the option to contact the Repair Center directly or submit a trouble report through CEMR, which is how the CLECs are predominantly reporting troubles after service order completion.

In response to a question about how Qwest measures repair time for its retail customers, Qwest stated that when a Qwest end user contacts the Business Office about a new service problem, the Business Office can often solve the problem. If the Business Office needs to refer the trouble to repair, the clock starts when the trouble report is created. For both end users and CLECs the time interval for repair is calculated the same way.

A CLEC expressed concern about what happens to the M & R measurements if the gateway for submitting repair trouble reports is experiencing unscheduled down time. Qwest stated that gateway availability has not been an issue and is captured in the applicable Gateway PIDs, not in the M & R PIDs.

- **Resolution:** The CLECs will review this issue and the data presented above with their internal experts. If a CLEC finds discrepancies between its data and Qwest’s, it should discuss this off-line with Qwest. This issue will be discussed further at a later date.

- **Issue 22, adopt Arizona version of PO-19 region-wide:** PO-19 measures the Stand-Alone Test Environment (SATE). The Arizona version has two sub-measures while the version for the other 13 states only has one. The Arizona version arose out of the Arizona 271 test and a recommendation from the vendor. Qwest is publishing the results for all 14 states in its monthly performance results report per discussions it had with the FCC Wireline Bureau. The additional submeasure measures the extent that SATE mirrors production by measuring the percentage of transactions that produce comparable results in SATE and the production environment. The region-wide standard would be 95%, the same as for Arizona.
 - **Resolution:** The CLECs will review this issue with their internal experts. It will be discussed further on the January 22 call.

- **Issue 27, standards for line sharing and line splitting for OP-6 and OP-15:** As agreed upon for Issue 29 on the January 8th call, discussions on standards for line splitting will begin after the February report with 5 months of data comes out. With respect to line sharing, Qwest stated that in response to Covad's request, Qwest is willing to adopt a standard of "Parity with retail Qwest DSL" for OP-6. Qwest stated that, since all standards within OP-15 are diagnostic, the line sharing standard should remain diagnostic but Qwest would be willing to add "(Expectation: Parity with retail Qwest DSL)." In response to a question about when the Qwest DSL standard for OP-6 would be reported, Qwest stated that the standard would be part of the next SGAT Exhibit B PID filing targeted for the early part of April, effective in the June timeframe, and then with the reporting starting in July with the June performance report.
 - **Resolution:** The CLECs agreed on using Qwest DSL for the OP-6 standards. The CLECs will review with their internal experts Qwest's proposal for OP-15.

- **Issue 31, adopt Colorado EEL standards for PO-5, OP-3, OP-4, OP-5, OP-6, MR-5, MR-6, MR-7, and MR-8:** Qwest stated its willingness to adopt the current Colorado EEL standards with the understanding that the TRO network modification requirements may impact multiple PIDs and product reporting, including the current Colorado EEL standards and these PIDs. Qwest does not yet know the full impact of these TRO requirements on its business processes and performance requirements. Qwest requested the CLECs share any information or documentation they may have on the subject. In response to a question about when these EEL standards would be reflected in the PAP reporting, Qwest stated that the April Exhibit B PID filing must first occur and become effective.
 - **Resolution:** Issue closed but the Issues Matrix should reflect that this issue may need to be re-opened as the impact of the TRO network modification requirements is better understood, especially

on the Colorado EEL standards. Qwest was invited to provide a new issue relating to the TRO network modifications.

- **Pending Action Items:**
 - **LTPA Web Site:** Qwest reviewed the proposed LTPA web site. The test URL sent out to the participants turned out to be inaccessible to parties external to Qwest. Qwest provided screen shots of each of the proposed 7 screens. Qwest reviewed each screen with the parties, requesting feedback if the web site included what was desired or whether it included too much. Feedback was especially requested about when individual PIDs and the 14-State PID documents should appear on the Draft PID screen versus the Agreed Upon PID screen. The web site will have a URL that the parties will have to access directly and will be unavailable through navigation or browsing on the Web.
 - **Resolution:** The parties will review the screen shots and provide their input on next week's call. The parties should contact Duane Cooke directly with any technical questions.
 - **Issue 3, changing formula language in BI-3A:** MCI agrees with the proposed language change.
 - **Resolution:** Issue closed.
 - **Issue 32 action item, reconciliation of x-DSL-I volumes:** When Qwest and Eschelon examined their respective x-DSL-I volumes for the same time periods, their numbers were essentially the same.
- **Other Items:**
 - **Face-to-Face Meeting:** Qwest stated that it had conflicts with the mid-February dates. John Kern recommended that the parties continue going through the issues on the weekly conference calls. Then in a two-day face-to-face meeting in March the parties will address any outstanding open issues and determine which issues, if any, will be going to impasse. John Kern asked the parties to submit their availability for such a meeting in the first two weeks of March excluding March 3rd and the weekends. Qwest will provide an audio bridge for those parties who cannot attend the meeting in person.
 - **Contract Extension:** Because the first three months of billings by John Kern have totaled well under half of the 6-month \$50,000 cap, if the State Commissions want to, his contract can be extended into April 2004. That would allow extra time after the March in-person meeting to complete any impasse issues as well as complete the all-inclusive SGAT Exhibit B filings.

New Action Items:

- John Kern will distribute the next agenda and an updated Master Issues Matrix by noon on Monday, January 19. **If parties do not receive the agenda and matrix by then, please notify John Kern.**
- Qwest will provide a new issue relating to the TRO network modification requirements impacting the PIDs and the product reporting.
- The CLECs will:
 - Review the Call Center information presented above by Qwest in Issue 10a.
 - Review the PO-19 information presented above by Qwest in Issue 22 for further discussion on January 22.
 - Review internally Qwest's proposal for the line sharing OP-15 standard presented above in Issue 27.
- The parties will:
 - Review the proposed LTPA Web Site screen shots for further discussion on January 22.
 - Provide to John Kern their availability within the first two weeks of March excluding March 3rd to attend a two-day face-to-face meeting in Denver.

Next Meeting:

- January 22, 2004, at 1 p.m. M.S.T.
- Conference bridge: 1-877-552-8688 pass code 3381262#

Revised Minutes
Long Term PID Administration Conference Call
 (Minutes Provided by Qwest)

Date & Time: Thursday, January 29, 2004, 1 p.m. M.S.T.

Purpose:

- To address the following issues:
 - Issue 8, Qwest's response to CLECs' Line Loss PID proposal
 - Issue 11, Qwest's response to CLECs' proposal for benchmark standards for OP-3 and OP-4
 - Issue 12, CLECs' response to Qwest's proposal to add OP-3 exclusion language for non-Qwest reasons to OP-4, OP-6, and OP-15
 - Issue 15, CLECs' response to Qwest's proposal to adopt region-wide the Arizona benchmarks for the 9th and 10th pre-order transactions in PO-1
- To address the following pending action items:
 - Issue 10a, CLECs' response to Qwest's position on measuring trouble tickets for MR-3, MR-4, MR-5, and MR-6
 - Issues 13 and 33, Qwest's response to CLECs' alternate new product reporting proposal

<i>Organization</i>	<i>Name</i>		<i>Organization</i>	<i>Name</i>
LTPA Facilitator	John Kern		OR PUC	Irv Emmons
ID PUC	Wayne Hart		SD PUC	Harlan Best
AT&T	Joe Bloss		UT Div. of Public Utilities	Joni Zenger
Covad	Megan Doberneck		WA UTC	Tom Spinks
Eschelon	Ray Smith		WY PUC	Mike Korber
McLeodUSA	Julia Redmond-Carter		Qwest	Nancy Lubamersky
MCI	Chad Warner		Qwest	Dean Buhler
MCI	Liz Balvin		Qwest	Kathy Haile
USLink	Jennifer Arnold		Qwest	Patricia Emigh
USLink	Rod Cox		Qwest	Duane Cooke
CO PUC	John Epley		Qwest	Char Mahs
IA UB	Penny Baker		Qwest	Todd Staebell
IA UB	Cecil Wright		Qwest	Dave Phillips
MT PSC	Kate Whitney		Qwest	Nancy Tangeman
NM PRC	Mike Ripperger		Qwest	John Hayat
			Qwest	Tim Francis

New Issues:

- **Issue 8, Qwest's response to CLECs' Line Loss PID proposal:** Qwest reviewed and expanded upon its written position in response to the CLECs' Line Loss PID proposal. Qwest pointed out that not all RBOCs have a Line Loss PID; BellSouth does not. The same major issues were raised before BellSouth and Qwest pointed out the reasons that BellSouth believed the responsibility of notifying lines lost resided with the Customer and the local carrier, not BellSouth. Additionally, Qwest pointed out that the Line Loss PID provided to Qwest with its four sub-measures goes well beyond the Line Loss PIDs in place with other RBOCs.

In response to CLEC CMP requests, Qwest shared that it has implemented two major system improvements in its line loss notification process. In both June and September 2003 it put new edits into its service order processor improving the ability to process the line loss notification electronically. On December 8, 2003, with IMA Release 14.0, it implemented a new line loss notification capability with near real-time notification via the IMA-EDI and IMA-GUI interfaces, rearchitected for stability and reduced the time from service order completion to availability of the line loss notification from up to 24 hours to two hours or less.

At the CMP meeting held January 27, 2003, which addressed line loss notification, the parties acknowledged the progress with the system improvements and focused on process concerns resulting from errors that occur due to manual handling of an order. Qwest stated that it invoked quality control measures. The next CMP meeting is on February 19, 2004 and will continue the discussion. As a result, Qwest proposed that the subject of a Line Loss PID be deferred to the February 26, 2004, LTPA meeting (1) to allow time for Qwest to evaluate the stability of the new system capability and to address the process issues with CMP and (2) to allow the CLECs to evaluate and provide input about the new system capability and the steps Qwest has taken to improve the manual handling of service orders.

A CLEC stated that the CLECs are to only receive external losses (those lines lost to another provider) via the line loss notification and not the internal losses (those lines that stayed with the CLEC but changed local service products). As a result of the manual handling of some of the orders, the CLEC pointed out that the wrong DCR code is sometimes placed on the order resulting in an internal loss being reported to the CLEC as a loss or an external loss not being reported at all. The latter case can cause the CLEC to continue billing the customer.

The CLECs asked if Qwest could quantify the frequency of the incorrect code being assigned in order to evaluate how large the process problem

may be. CLECs stated that Qwest should put controls in place prior to service order completion to address the manual errors and should consider auditing its wholesale billing to ensure double billing is not occurring.

CLECs stated that the most critical issue with line loss notifications does not involve timeliness of line loss notification but with line losses not being sent or being mis-reported.

John Kern suggested that the CLECs try to validate the system and process improvements and determine if modifications to the CLEC PID proposal are indicated. He stated that any process problems resulting from the validation should continue to be addressed via the CMP.

- **Resolution:** The issue remains open and will be revisited on February 26, 2004 after the continued process discussion occurs in the February 19, 2004, CMP meeting. The CLECs will begin validating the system and process improvements. Qwest will continue its process improvement steps and provide data on the frequency of incorrect DCR-coded orders.

- **Issue 11, Qwest's response to CLECs' proposal for benchmark standards for OP-3 and OP-4:** Eschelon explained that when developing the EEL standards in Colorado, the difference in the standard interval for loops between retail and wholesale was identified. Eschelon also stated its belief that when retail missed its DS1 interval, Qwest waives the NRC. No such remedy applies to wholesale DS1 loops. Eschelon stated that for these reasons the appropriate standard is a benchmark. Qwest stated other remedy provisions apply on the wholesale side but that in any case that does not go to whether commitments are met or missed which is the purpose of OP-3. As for OP-3 having different standards for retail and wholesale, that is not what is being measured. The measurement is, rather, whether the interval for each is met or missed and the parity with the analog of retail DS1 private line is an appropriate standard. Qwest stated that it could be argued Qwest is in fact working to its disadvantage since there was a shorter timeframe within which to meet the wholesale due date than to meet the retail due date.

USLink stated it generally favors a benchmark over a parity standards for PIDs and that these PIDs are no exception.

Qwest stated that in all 14 states the standard interval for retail DS1 loops is 9 days. For wholesale DS1 capable loops, seven states have an interval of 5 days and seven states have an interval of 9 days. The interval generally varies by loop volume ordered for retail and wholesale. In considering the standard for OP-4, Qwest asked whether the parties could ever envision situations whereby the standard interval for the same

product between wholesale and retail should differ because of some inherent difference in the ordering or provisioning process.

A conversation ensued in which the need for a new issue was identified to address the basis on which parity and benchmark standards should be applied. Qwest stated that some PID standards might be more reasonably set as benchmarks in certain instances because benchmarks provide a steady objective. CLECs agreed that such a discussion would be valuable. This issue also may result in benchmark standards in other PIDs.

Because of the differences in the standard intervals for different volumes of loops, the parties discussed how a benchmark should be established. Eschelon stated its belief that the benchmark should be equal to the applicable interval stated in the SIG. Qwest stated that this was tantamount to having a benchmark of 100% and that that was unreasonable. Eschelon stated that Qwest is not correct because each order completed earlier than the due date allows Qwest to “miss” the SIG guidelines on another so that Qwest can still meet the standard. CLECs were asked to propose a more specific benchmark proposal.

- **Resolution:** The issue remains open. Eschelon, USLink, and any other interested CLEC will develop a proposal for benchmark standards for OP-3 and OP-4 for Qwest to consider. Qwest will provide DS1 capable loop interval data for Zone 1 and Zone 2 and, if available, broken down by volumes ordered. Qwest will provide an update on the data availability on the February 5, 2004, call. Qwest will frame another issue for LTPA consideration on the assignment of benchmarks and parity as performance measurement standards.

- **Issue 12, CLECs’ response to Qwest’s proposal to add OP-3 exclusion language for non-Qwest reasons to OP-4, OP-6, and OP-15:** Qwest stated that to improve the consistency of the exclusion-type of language among the OP-3, OP-4, OP6, and OP-15 PIDs, it is proposing to use the exclusion language in OP-3 (see the redlined PIDs provided with the initial Master Issues Matrix in November 2003). Qwest is not proposing a change in how the results are calculated; it is simply proposing that the PID state what is currently happening. For the intervals being measured in OP-4, OP-6, and OP-15, the proposed language addition is to state in various sections of the PID that the time being excluded is also for non-Qwest reasons, Weather, Disaster, and Work Stoppage. These PIDs already state that time for customer-caused delays is excluded. The language addition simply makes clearer how the PIDs were implemented and audited.

In response to a question about why the language is needed in light of the Force Majeure language in the PAPs, Qwest stated that the PIDs are

measurements of performance and do not address payment of penalties. Consequently, they do not always reach Force Majeure significance. Qwest pointed out that the excluded data is readily available upon CLEC request.

A CLEC questioned whether non-Qwest reasons would affect both retail and wholesale similarly. Qwest stated that may not always be true dependent upon the circumstances associated with the specific non-Qwest reason.

CLECs requested (1) three or four specific examples of occurrences of non-Qwest reasons, (2) the frequency of these occurrences, and (3) comparisons of the OP-4, OP-6, and OP-15 results with the non-Qwest reasons included and excluded from the results.

- **Resolution:** The issue remains open. The data will be reviewed on the February 5, 2004, LTPA call.

- **Issue 15, CLECs' response to Qwest's proposal to adopt region-wide the Arizona benchmarks for the 9th and 10th pre-order transactions in PO-1:** Qwest stated as part of the Arizona test, the TAG met in May 2002 and agreed to the benchmark standards in PO-1 of 25 seconds for the 9th pre-order transaction, Connecting Facilities Assignment, and 30 seconds for the 10th pre-order transaction, Meet Point Inquiry. In the merged PO-1 PID, these benchmarks were stated for Arizona only and "TBD" was the listed standard for the other 13 states. Qwest has provided a redlined PID with the initial Master Issues Matrix which shows the Arizona standards for all 14 states.

- **Resolution:** The parties agreed with the proposal. The issue is closed.

Pending Action Items:

- **Issue 10a, CLECs' response to Qwest's position on measuring trouble tickets for MR-3, MR-4, MR-5, and MR-6:** Qwest sent out additional information pertaining to the number of New Service Quality calls to the ISC which result in repair trouble reports. Using the average of September and November figures, the ISC received a total of 35,950 New Service Quality reports. After its initial research, the ISC advised the CLEC to contact repair for only 41 (.12%) of these reports. Only 20 (.06%) of these 41 reports resulted in a repair trouble report. In addition, Qwest performed a manual study of October and November 2003 tickets to quantify the interval between the time a CLEC contacts the ISC to the time the ISC advises the CLEC to contact repair. The average time for the two months was 55 minutes. Based on this data and the proposed change to 24 hours after service order completion that Qwest recommends a CLEC contact the ISC with a trouble, Qwest does not support the CLEC proposal to change the manner in which the repair interval is calculated.

- **Resolution:** The issue remains open pending Eschelon reviewing the additional information with its internal experts. Eschelon will contact John Kern if the issue can be closed.

- **Issues 13 and 33, Qwest's response to CLECs' alternate new product reporting proposal:** In response to Qwest providing its clarifying questions to the CLECs, the CLECs provided their reply. Qwest asked if, putting aside product issues that arise from the regulatory environment, the parties could agree on volume thresholds for products that have very low volumes. Covad stated it needed to discuss that possibility with MCI and Eschelon but its initial reaction was the concern of committing to a "one size fits all" approach without knowing what might happen in the future. Covad stated that there might be specific scenarios where it would agree to a volume threshold but Qwest would need to bring forth a specific proposal. Covad stated that product volumes and growth are not necessarily indicative of the importance of a product to a CLEC. Covad stated that relative to its proposed product reporting process its primary concern is for current CLEC requests for new product reporting. Covad asked how likely it would be that for a product having very low volumes and extremely low current order activity, CLECs would ask for the product to be reported in the performance results.

In discussing the CLECs' proposal for setting of standards for newly reported products, Covad stated that it does not rule out the possibility of a diagnostic standard but does not agree that it would last for 6 months. Eschelon gave the example of the new OP-5B diagnostic standard as a case where the CLECs agreed to a diagnostic standard during an initial reporting period. Both Qwest and the CLECs stated that instances may arise where a standard needs to be changed.

- **Resolution:** The issue remains open. Qwest will re-examine its volume threshold proposal for the February 12, 2004, call.

Other Items:

- **Format of PID Reports:** AT&T raised the issue of replacing or enhancing the PDF format of the monthly Performance Result reports so that the data could be more easily accessed by the CLECs. MCI and USLink also concurred in the request. Qwest stated that it has already started looking at the options.
 - **Resolution:** The issue will be added to the Master Issues Matrix. Qwest will provide an update on the February 12, 2004, call.

New Action Items:

- John Kern will distribute the next agenda and an updated Master Issues Matrix by noon on Monday, February 2nd.
- Qwest will:

- Continue the CMP process pertaining to line loss notifications and provide data on the frequency of incorrect DCR-coded orders. (Issue 8)
- Provide DS1 capable loop interval data for Zone 1 and Zone 2 and, if available, volume breakdowns. Update on availability of data to be provided on February 5, 2004, call. (Issue 11)
- Frame an issue on the use of benchmarks and parity as performance measurement standards.
- Provide for the February 5, 2004, call (1) some examples of occurrences of non-Qwest examples,(2) the frequency of these occurrences, and (3) comparisons of the OP-4, OP-6, and OP-15 results with the non-Qwest reasons included and excluded from the results. (Issue 12)
- Re-examine its volume threshold proposal for discussion on February 12, 2004. (Issues 13 and 33)
- Provide an update on February 12, 2004, about enhancing or replacing the PDF format of the monthly PID reports.
- The CLECs will begin validating the Line Loss Notification system and process improvements. (Issue 8)
- Eschelon, USLink, and any other interested CLEC will develop a proposal for benchmark standards for OP-3 and OP-4. (Issue 11)
- Eschelon to review the Qwest data on ISC New Service Quality reports resulting in a repair trouble report and report to John Kern whether Issue 10a can be closed.

Next Meeting:

- February 5, 2004, at 1 p.m. M.S.T.
- Conference bridge: 1-877-552-8688 pass code 3381262#

Minutes
Long Term PID Administration Conference Call
 (Minutes Provided by Qwest)

Date & Time: Thursday, February 19, 2004, 1 p.m. M.S.T.

Purpose:

- To address the following issues:
 - Issue 14a, status of USLink's request to establish sub-loop standards
 - Issue 34, Qwest's response to Eschelon's proposal to discuss Tier Designations
 - Issue 36, Qwest's response to Eschelon's proposal to modify PIDs for batch hot cuts
 - Issues 16, status by Qwest of data availability for UNE-P Centrex 21 and Line Sharing
- To address the following pending action items from the February 12, 2004, call:
 - Issue 9, Qwest's update on coding issues for MR-7
 - Issue 12, Qwest's report on providing exclusion data for OP-4, OP-6, and OP-15
 - Issues 13 and 33, CLECs' response to Qwest's counterproposal on Volume Thresholds
 - Issue 23, Qwest's response to CLEC's counterproposal regarding the PO-20 proposed benchmark

<i>Organization</i>	<i>Name</i>		<i>Organization</i>	<i>Name</i>
LTPA Facilitator	John Kern		SD PUC	Harlan Best
ID PUC	Wayne Hart		UT Div. of Public Utilities	Joni Zenger
AT&T	Joe Bloss		WA UTC	Tom Spinks
Covad	Megan Doberneck		WY PUC	Mike Korber
Eschelon	Ray Smith		Qwest	Nancy Lubamersky
McLeod USA	Julia Redman-Carter		Qwest	Dean Buhler
MCI	Chad Warner		Qwest	Kathy Haile
USLink	Rod Cox		Qwest	Patricia Emigh
USLink	Jennifer Arnold		Qwest	Duane Cooke
CO PUC	John Epley		Qwest	Barb Brohl
IA UB	Dennis Rosauer		Qwest	Char Mahs
MN PUC	Ganesh Krishnan		Qwest	Barry Orrel
MT PSC	Kate Whitney		Qwest	Dave Phillips

Issues:

- **Issue 14a, status of USLink's request to establish sub-loop standards:** USLink contacted Qwest about this issue and they agreed to defer this issue to the next LTPA cycle.

○ **Resolution:** The issue is closed for this LTPA cycle and will be addressed in the next one.

- **Issue 34, Qwest's response to Eschelon's proposal to discuss Tier Designations:** Eschelon provided its proposal on establishing Tier Designations earlier in the week. Qwest commented that the proposal only addressed PO-20. Eschelon stated the parties should discuss PAP tier designations in this forum to avoid the need to address them with each of the 14 state commissions. Since the BI-5 and Line Loss proposed PIDs are not ready for PAP tier discussions, Eschelon's proposal specifically addressed tier designations for PO-20. Qwest stated that only PIDs should be addressed in the LTPA. Qwest expressed that, since tier designations vary among the 14 states, it would like to finish this LTPA cycle, make the required Exhibit B and Exhibit K filings, and revisit PAP tier designations after all the state commissions finish their review of these filings.

Eschelon stated that it recognizes that variances exist among the 14-state PAPs and its proposal is intended to not accentuate the variances. It stated that when discussing new PIDs, it believes there is enough "common ground" among the parties to minimize the differences among the states. MCI and several state commission staffs also stated that it would be more efficient to discuss the PAP issues in the LTPA than dealing with them separately with the 14 state commissions. Tom Spinks from the Washington PUC staff stated that it was Washington's understanding, when it decided to support the LTPA, that PAP issues would be discussed in the LTPA forum. Qwest stated a concern with this approach since some of the local or state-specific CLECs that have been quite vocal on PAP issues in the state commission proceedings do not participate in the LTPA. One of the CLECs stated that addressing PAP issues in a collaborative forum works quite well in the SBC-Midwest region. Qwest stated that it would review this issue with its Public Policy people.

John Kern stated that when PAP issues are being addressed it will be important to invite those state commissions that are not active in the LTPA to attend. He also stated that it will be important that each state provide a notice to the CLECs. Qwest requested that the state commission staff people on the call discuss this issue with their colleagues.

John Kern pointed out that the LTPA web site would be a good resource to provide information on a specific issue with PAP implications for those CLECs that are not very active in the LTPA forum.

Qwest stated that it would be convening an ad hoc meeting to address PAP issues for PO-20, a PID which was unique in its development from other PIDs.

- **Resolution:** This issue remains open and will be addressed on the February 26th call. ~~Qwest will review the noticing of regional CLECs with Public Policy.~~ State commission staffs will discuss this issue with their colleagues.

- **Issue 36, Qwest's response to Eschelon's proposal to modify PIDs for batch hot cuts:** Qwest discussed with its internal experts the status of the development of the batch hot cut process. Qwest stated that a couple of activities are still under way: (1) in the states, hearings will address disputed issues arising out of the collaborative forum, which could result in substantial changes to the batch hot cut process and (2) CMP is continuing to address issues associated with important areas of the system functionality which will likely be finalized no earlier than April. Qwest recommended that this issue be addressed when the process is sufficiently defined.

The CLECs concurred with Qwest that the batch hot cut process area is still in a state of flux and recommended that batch hot cuts be addressed with a high priority in the next LTPA or sooner if the process definition is completed in advance.

John Kern stated that, based on the parties' input, this issue should be deferred to the next 6-month LTPA cycle or addressed in ad hoc meetings if the batch hot cut process is defined earlier.

- **Resolution:** The issue is closed for this LTPA cycle.

- **Issues 16, status by Qwest of data availability for UNE-P Centrex 21 and Line Sharing:** Qwest stated that it does not have PID quality historical flow-through-eligible data for its UNE-P (Centrex 21) or Line Sharing products. In November 2003, when Qwest submitted this issue for LTPA consideration, it had not undertaken the development work required to begin reporting. Qwest does not do the coding for a PID issue until the parties reach agreement. The historical flow-through-related data cannot distinguish between line sharing and line splitting because, although line sharing is flow-through-eligible, line splitting is not. Qwest stated that it is inappropriate to look at the historical data until the full PID development has occurred, and importantly has been validated to be accurate. Qwest continued that it should go forward with full development, assuming the LTPA's agreement on Qwest's proposal, with June 2004 results being reported in July. Qwest stated that the parties should then use this data to set a standard. Qwest also stated that the establishment of a standard is partially dependent on the resolution of Issues 13 and 33, Volume Thresholds/New Product Reporting.

One CLEC asked if Qwest could look at the historical data for the line sharing/line splitting category prior to when line splitting was included in the category. Qwest reiterated its concern that the data has not been validated to ensure that the performance results are accurate and error free.

One CLEC stated that, in the CMP process, Qwest told the CLECs that it had an internal benchmark for flow-through-eligibility for Centrex 21 that was in the 90% range (see September 2003 CMP meeting minutes). The CLEC stated that the benchmark should be the same as for UNE-P POTs and that Qwest's current proposal adds a lot of delay to when the parties could discuss setting a standard.

- **Resolution:** The issue remains open. Qwest will investigate the material from the CMP meeting. The issue will be readdressed on the February 26th call.

Pending Action Items:

- **Issue 9, Qwest's update on coding issues for MR-7:** Qwest requested LTPA agreement to proceed with its forward-looking proposal for MR-7. Qwest stated that because of the specialization required to code MR measures versus PO measures, there are different development teams addressing changes to MR measures and PO measures; therefore, there is no resource contention between these two areas.

Based on the discussion from the February 12th call, one CLEC asked what the relationship is between MR-7 and MR-8. Qwest replied that having MR-7 be forward-looking would assist its network experts to identify and fix problems concerning the health of the overall network, thereby improving MR-8.

One CLEC stated that, while Qwest can go forward quickly with implementing its MR-7 proposal, it expressed concern regarding the development time related to other PIDs that the CLECs want. Qwest responded that, while resources are scarce across the industry, including with Qwest, its development cycles are typically shorter than other RBOCs, which take at least 4 months to implement PID changes, with 3-4 months for disaggregations and 4-9 months for new PIDs.

In response to John Kern's prioritization question, Qwest stated that it does not prioritize its own PID change work over that of the CLECs'.

One CLEC stated that it could agree to close this issue if Qwest could respond to its specific concerns about the implementation of Phase 3 of PO-20. The parties discussed the CLEC's concerns, reaching agreement

on that item. (See PO-20 discussion below.) The CLECs then agreed with Qwest's MR-7 forward-looking proposal.

- **Resolution:** The issue is closed.

Issue 12, Qwest's report on providing exclusion data for OP-4, OP-6, and OP-15: Qwest is proposing to take its OP-3 exclusion and update the language in OP-4, OP-6 and OP-15. In response to the CLECs' request for some data, Qwest sent out its data yesterday.

Qwest reviewed the data it had provided relating to the subtraction of time due to non-Qwest reasons. Since the data represented completed orders, the data pertains to OP-4 and OP-6. The data does not address OP-15 since that PID addresses pending orders. Qwest provided 10 examples region-wide: 2 for wholesale and 8 for retail. All of the examples address service order delays that had an association to severe weather. Qwest stated that it is unable to provide a comparison of PID results with and without the exclusions because (1) the 10 instances were a sampling of January data, (2) the January performance results are not yet available and (3) to do so requires a significant use of resources. For low volume products the parity could change but the exclusions would likely not impact the results of higher-volume products. Regardless of the quantitative impact, Qwest stated that the PIDs are focusing on Qwest performance and, therefore, subtractions of time for non-Qwest reasons are valid.

One CLEC stated that for PAP purposes provisions exist to deal with these kinds of events. It continued that the PID is supposed to show actual performance, regardless of these kinds of events. It provided an example where Qwest took an additional 27 days to complete an order that was delayed for a severe winter weather event. It felt the delay was too long and Qwest should have the burden to show that a delay is appropriate. Qwest responded that only the weather-related time would be excluded. That time associated with items under its control would be captured in a PID.

John Kern asked whether weather events come under the Force Majeure provisions. Qwest replied that a number of events do not rise to that level. It gave the example where the road was closed in Montana, preventing the installer from reaching the premises.

When a CLEC stated that the PIDs are not impacted by these performance anomalies, Qwest stated that with low volume product categories the results could be affected. The CLEC stated that Qwest could potentially abuse the use of the exclusion. It continued that Qwest should report what it actually did. Qwest responded that performance results are intended to

reflect Qwest's performance and that including delays outside of Qwest's control renders the results inaccurate.

One CLEC stated that it was not prepared to approve this proposal. It ~~stated that since OP-4 and OP-6 primarily use parity standards, these~~ events should impact both wholesale and retail equally, thereby not needing the exclusion. Qwest stated that if these events generally affected a large area, that might be the case; however, many of these events are very localized. Qwest stated that these exclusions are no different in principle from customer-initiated delays which are excluded from the PIDs.

John Kern recommended that Qwest collect data going forward and bring the issue back to the LTPA in the next session.

- **Resolution:** The issue is closed for this LTPA cycle, leaving the existing PIDs language as is. Qwest may collect data for February through April 2004 to support its position in the next LTPA cycle.

- **Issues 13 and 33, CLECs' response to Qwest's counterproposal on Volume Thresholds:** From the February 12th call, the CLECs were to review Qwest's counterproposal and contact Qwest if they were interested in pursuing it further.

Covad stated that it has some questions that it would like to discuss with Qwest prior to the next call. The other CLECs had no input at this time and would prefer to discuss this issue after Qwest and Covad have their discussions.

- **Resolution:** The issue remains open. Covad and Qwest will discuss Covad's questions off-line.

- **Issues 23, Qwest's response to CLEC's counterproposal regarding the PO-20 proposed benchmark:** In response to a CLEC asking for specific dates for implementation of Phase 3 which contain a majority of the blocking requirements, Qwest responded that it has a firm commitment to fund that phase. It has defined the requirements and is now determining the amount of coding hours required. Once it identifies the extent of the resources required, it will address where the project will fit into the prioritization schedule. In response to Qwest's question on what it would take for Eschelon to close this concern, Eschelon requested that (1) Qwest provide a monthly status on the progress of implementing its blocking requirements by end of first quarter 2005 with a target date of December 2004 and (2) the proposed PID be amended to reflect that time frame. Qwest agreed to provide both items.

In response to the CLECs' proposal on tier designations for the proposed PO-20, Qwest proposed a separate call to discuss PO-20 and discuss PAP

issues. While Qwest stated that it reserves the right not to discuss PAP issues in the LTPA, it is willing to address PO-20 PAP process issues in a multi-state collaborative forum separate from the LTPA because of the unique history associated with PO-20. Qwest recounted it voluntarily ~~developed the existing PO-20 after discussions with the FCC during the~~ §271 approval process. It is a region-wide measurement and is included in the PAP of some states. Under the proposed PO-20, each state will require changes in the Exhibit K of its SGAT.

All the CLECs agreed to such a meeting. One CLEC recommended that a notice be sent about the meeting to all the CLECs operating in the region. In response to the suggestion that the LTPA distribution list be used for such a notice, Qwest stated that it would investigate that possibility.

At the parties' request, Qwest agreed to provide information on the PAP issue and a notice of the meeting prior to the meeting date.

- **Resolution:** The issue remains open. Qwest will provide (1) a monthly status on Qwest's progress on addressing the CLECs' blocking requirements by end of first quarter 2005 with a target date of December 2004 and (2) the proposed PID amended to reflect these time frames. The ad hoc call is scheduled for March 1st at 11 a.m. MST. Qwest will provide information and notice no later than the morning of February 26th.

New Action Items:

- John Kern will distribute the next agenda and an updated Master Issues Matrix by noon on Monday, February 23rd.
- Qwest will:
 - Review the noticing of regional CLECs. (Issue 34)
 - Investigate the material from the CMP meeting. (Issue 16)
 - Provide (1) a monthly status on Qwest's progress on addressing the CLECs' blocking requirements by end of first quarter 2005 with a target date of December 2004 and (2) the proposed PID amended to reflect these time frames. (Issue 23)
 - Explore the possibility of using the LTPA list to notice CLECs about the ad hoc PO-20 meeting. (Issue 23)
 - Provide information and notice of the PO-20 PAP issues no later than the morning of February 26th. (Issue 23)
- Covad and Qwest will discuss Covad's questions about Qwest's counterproposal on volume thresholds/new product reporting off-line prior to the February 26th LTPA call. (Issues 13 and 33)
- State commission staffs will discuss noticing regional CLECs with their colleagues. (Issue 34)

Next Meeting:

- February 26, 2004, at 1 p.m. M.S.T.

- Conference bridge: 1-877-552-8688 pass code 3381262#
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Minutes
Long Term PID Administration Denver Meeting
 (Minutes Provided by Qwest)

Date & Time: Thursday, March 11, 2004, 9 a.m. M.S.T
 Friday, March 12, 2004, 8:30 a.m. M.S.T.

Purpose:

- To address the following issues:
 - Issue 8, Line Loss
 - Issue 5, BI-3A Proposals
 - Issues 4 and 6, BI-5 Proposals
 - Issue 17, PO-2 Diagnostic if Standard Met for OP-3 and OP-8
 - Issues 13, 33, 16, 26, 32, Volume Threshold and related PIDs concerning reporting
 - Issues 23, 24 and 34, PO-20 and Tier Designations
 - Issues 27, 28, 29, and 30, standards for line splitting and loop splitting
 - Issue 11, benchmark for OP-4 DS-1 Capable Loops
 - Next steps

<i>Organization</i>	<i>Name</i>	<i>Organization</i>	<i>Name</i>
Attendees in Denver:		Attendees on Audio Bridge:	
LTPA Facilitator	John Kern	AZ CC	Richard Boyles
CO PUC	John Epley	IA UB	Penny Baker
NM PRC	Mike Ripperger	ID PUC	Wayne Hart
UT Div. of Public Utilities	Jonathon Lee	MN DOC	Susan Peirce
WA UTC	Tom Spinks	MT PSC	Kate Whitney
Covad	Megan Doberneck	OR PUC	Irv Emmons
Eschelon	Ray Smith	SD PUC	Harlan Best
MCI	Chad Warner	WA UTC	Rebecca Beaton
Qwest	Cherie Axelrod	WY PUC	Mike Korber
Qwest	Dean Buhler	McLeod USA	Julia Redman-Carter
Qwest	Barb Brohl	USLink	Rod Cox
Qwest	Char Mahs	USLink	Jennifer Arnold
Qwest	Kathy Haile		
Qwest	Duane Cooke		
Qwest	Pat Emigh		
Qwest	Barry Orrel		
Qwest	Dave Phillips		

Issues:

- **Issue 8, Line Loss:** Qwest reviewed the description of the process it used to perform the Line Loss Accuracy study, which it had distributed earlier in the week. Although it showed that Qwest achieved a 99.25% accuracy rate in reporting line losses, Qwest further examined the misses that resulted in the 0.75% error rate, stating that only 0.11% of the error rate was for notices that were not sent and 0.64% were for internal loss notices that should not have been sent. Qwest stated that overall the results are excellent, supporting Qwest's position that a Line Loss PID is not needed.

During the discussion, Qwest stated a number of points. First, just because a performance area can be measured does not mean that it should be measured. Qwest stated that the CLECs have not provided any data to indicate a problem exists. Qwest continued that the PIDs arose in the various workshops for areas that were important to the CLECs where Qwest had demonstrable performance problems and needed to meet its nondiscrimination obligations. Second, Qwest stated that with the implementation of the line loss system enhancements and process improvements, most of which arose out of the CMP, the CLECs should evaluate these changes and if ongoing problems arise, bring them forward for further discussion; however, based on the current evidence, the need for a line loss PID is not supported. Third, line loss notices are only provided for those products for which the CLEC subscribed via the IT Help Desk. Fourth, not all RBOCs have a line loss PID in place and none have one as onerous as the one the CLECs have proposed.

The CLECs made a number of statements. First, the CLECs stated that to avoid the over-billing of end users who have switched to another CLEC, they need the line loss notice for UNE-P and resale products because the CLEC has no other reliable way of knowing about the customer loss. Second, they stated that a new PID is appropriate for a performance area that has material impact to CLECs' businesses and does not require evidence that a problem exists. Third, inaccurate line loss notification is a problem throughout the industry and involves considerable research to resolve a customer's double-billing complaint. Fourth, with partnership arrangements, the partner (usually the DLEC), which is not the partner of record, is especially vulnerable to the double-billing of an end user without a line loss notification first going to its partner. Fifth, line loss notification is more of a problem now with customers changing their carrier more often. Sixth, the CLECs are unable to fully evaluate Qwest's study data because it is too soon to know the extent of the missing line loss notices for the study's time frame. Lastly, one CLEC requested the study data be recalculated excluding the unbundled loop category because line loss notices are only critical for UNE-P and Resale. It had calculated its individual accuracy rates excluding unbundled loops to be for each week: 72.1%, 87.9%, 75.3%, 82.4%, 81.9%, and 93.8%.

On March 12, Qwest presented its recalculated study data excluding unbundled loops. For the studied entities, the overall line loss accuracy rate decreased minimally, from 99.25% to 99.24%.

- **Status:** CLECs are to provide data to Qwest on their line loss problems by March 19, 2004. Qwest requested that the CLECs include with their data, the time frame covered, the products impacted, and the system and products to which the CLECs subscribed for line loss notification via the IT Help Desk. The issue will be discussed further on the March 25th call.

- **Issues 4 and 6, BI-5 Proposal:** In response to the CLECs' proposal to add subpart BI-5C (CLEC-challenged resolutions) and BI-5R (repeated billing claims), Qwest stated that the sub-measures are unnecessary. Qwest recommended that the parties finish defining BI-5A and BI-5B, proceed with the system and process changes, begin performance reporting, and allow the results to speak for themselves. Under the CLECs' proposal, Qwest stated that it would be held accountable for the sub-measure performance but the CLECs determine the results. It also stated that PIDs are not meant to address operational problems. Qwest stated it will bring to CMP the billing dispute process including the use of a standard form for submitting the claim and the transmission of more complete, accurate, and clearer resolutions. Through CMP, the CLECs and Qwest can agree to the necessary process changes to support the proposed PID and address the process issues that underlie the CLECs' proposal for the 5C and 5R subparts. Qwest stated it is uncertain how long it will take CMP to address the billing claims issues but it expected that it will require a level 4 notice which takes the longest. If changes arise in CMP that are inconsistent with the proposed PID, the PID will need to be re-addressed. However, Qwest emphasized that CMP addresses the business processes and the LTPA addresses the performance measurements and representatives of the two forums will need to communicate with each other.

The CLECs, in supporting their proposed sub-measures, stated that BI-5B is little more than a stroke tally of resolutions that Qwest provides within the 28 days and does not address the clarity, completeness, or accuracy of the resolution. They stated that 5C goes more towards the quality of the resolution. They stated that the current resolutions are often unclear as to whether they are statuses or final resolutions, are incomplete in providing the reason for denying or denying in part a claim, and occasionally are changed after further consideration by Qwest. For resolutions that are denying a claim because of a cost docket, one CLEC highlighted the need for better information such as the docket number and the implementation date. The CLECs also stated that, even though Qwest might grant the billing dispute, it does not necessarily fix the problem in the billing system which causes the CLECs to submit the same type of claim in succeeding

months, which is the performance area 5R would address. While the CLECs agreed that CMP needs to address the billing dispute process, they expressed concern that the efforts of CMP and the proposed PID could get out of synchronization.

When the meeting reconvened on March 12th, Qwest reviewed proposed PID language changes that addressed improving the quality of the dispute resolutions, the details of which CMP will address.

Qwest also proposed that the proposed PID be reported at a CLEC-aggregate and not at a CLEC-specific level. Qwest stated that the existing BI-5 is reported only at the CLEC-aggregate level and that no CLEC has requested that it be reported at a CLEC-specific level. The CLECs stated a willingness to consider the PID being reported at the CLEC-aggregate only if they had access to their ad hoc data with the PID-defined numerator and denominator also being available with the data.

- **Status:** The issues will be addressed further on the March 18th call. Qwest will confirm with its CMP reps that they will be addressing in detail the business processes needed to implement BI-5A and BI-5B including improved dispute resolutions. Qwest will research its capability to provide the numerator and denominator figures with a CLEC's ad hoc data. The CLECs will (1) review the revised PID language to determine if it is sufficient and (2) consider CLEC-aggregate reporting if they can obtain their ad hoc data with the numerator and denominator figures.

- **Issue 5, CLECs' BI-3A Proposal:** Qwest stated that its BI-3A results are good but occasional dips in performance occur and Qwest has not yet been able to identify a trend in the data or any underlying performance problem. It stated that when high volumes are being measured as with this PID, a deviation can be considered statistically significant but not impact the CLECs' ability to compete. Qwest stated that the FCC concurs with this statement. Qwest proposed redoubling its efforts in analyzing the BI-3A data and would be looking at additional product granularity. It stated that the results from this analysis should assist the CLECs and Qwest to determine (1) what factors are at play, (2) whether they relate to performance, data, process or measurement issues, and (3) what modifications should be made to the PID.

Qwest stated that until the analysis was completed, it is premature to adopt the CLECs' proposed PID modifications because no data yet exists to confirm that these modifications would address any existing factors.

In response to the CLECs, Qwest stated that it was unwilling to report the data on an informal basis at the disaggregated level of the CLECs' proposal because (1) it would divert resources from its analysis of the

existing PID and (2) it would be using reporting resources on modifications that are not yet shown to be needed.

Also in response to the CLECs, Qwest stated that it would research collocation examples that the CLECs provide and share its findings. Qwest also stated that it would be willing to look at collocation data but was not willing to agree that collocation would be added to BI-3.

The CLECs stated that problems exist with BI-3A considering that over \$100 million has been credited back on CLEC bills. The CLECs maintained that their proposal with the diagnostic standards is meant to identify problems, which may result in the need for CMP to address process changes. They also expressed a concern that the study would not address their specific concerns with a number of products including collocation.

With respect to the CLECs' proposal to use a 6-month rolling average in the denominator of the calculation, Qwest stated that this modification to the PID should await the results of its proposed in-depth analysis to determine what the issues are. Qwest stated that the reasons for any lumpiness in the data may result from the "bunching" of disputes by CLECs or the implementation of cost dockets.

The CLECs stated that using the 6-month rolling average would address the "lumpiness" issue regardless of whether the underlying factors result from Qwest or CLEC actions and would avoid any "gaming" of PAP payments. They recommended implementing it now and modifying later, if indicated by the study results. The CLECs stated a concern that this issue was raised in a Colorado Commission proceeding where Qwest said that it would address the issue but so far it appears that nothing has been done. The CLECs continued that the study could continue on, resulting in no definitive action occurring to resolve this issue in a reasonable time frame.

- **Status:** Qwest will undertake an analysis that will include additional product granularity. Qwest will determine the availability of additional product-specific data that can be shared with the CLECs. The parties declared an impasse on the use of the 6-month rolling average issue.
- **Issue 17, PO-2B Diagnostic if Standard Met for OP-3 and OP-8:** In support of its proposal, Qwest stated that no evidence exists that links the flow-through level with a negative impact on the CLECs' ability to compete. In FCC proceedings no direct causal link has been shown between flow-through rates and customer impact and, therefore, flow-through rates have dropped in importance with the FCC. Qwest stated that when PO-2B was established, there was a lack of accountability for

service order accuracy but since then OP-5B captures some manual service order errors and the proposed PO-20 addresses this issue. Qwest stated that regardless of this proposal Qwest will continue to improve its flow-through rate because of a number of benefits including the significant cost reductions from the decrease in handling manual service orders.

Qwest stated that having one PID's standard dependent on another PID's results is not unique in that the standard for MR-11 is diagnostic when OP-17 meets its standard.

The CLECs stated their concerns. First, changing the standard for PO-2 to diagnostic effectively removes it from the PAP. The CLECs stated that this issue should first be addressed with the state commissions. Second, the CLECs are harmed as long as they need to continue with their quality control steps to review manual service orders prior to the due date, which they state will probably continue through implementation of Phase 4 of PO-20 because 2/3 of the service order errors pertain to blocking and due dates. Third, adopting this proposal removes the incentive for Qwest to increase its flow-through rate. The CLECs stated that their position is that this proposal is premature since the proposed PO-20 has not yet been implemented. The CLECs had varying opinions about which phase of PO-20 needed to be implemented before considering this proposal again.

- **Resolution:** Qwest withdrew its proposal. Qwest may re-introduce the proposal after PO-20 – Phase 2 implementation.

- **Issues 13, 33, 16, 26, 32, Volume Threshold and related PIDs concerning reporting:** Qwest stated that, as a result of some reorganization changes, its executive management was reviewing the volume threshold process and discussing issues related to it. It stated that it needs to continue the internal dialogue and is not in a position to resolve these issues in this 2-day meeting.

The CLECs expressed their disappointment on not being able to resolve these issues in this meeting. Considering they wanted to discuss each new product request on an individual basis, they stated that it had been a major concession on their part to discuss a process and now they feel that the LTPA session may conclude without any agreement on these issues. The CLECs continued that they needed the reporting of loop splitting and xDSL-I to be addressed in this LTPA session.

- **Status:** Qwest will address on the March 25th conference call what it is willing to do with respect to reporting loop splitting and xDSL-I capable unbundled loops.

- **Issues 23, 24 and 34, PO-20 and Tier Designations:** Qwest stated its concern about Eschelon's Minnesota filing that addressed PO-20 and

recommended the 99% benchmark in the absence of letting the LTPA process reach completion.

John Kern put forth for consideration an alternate sliding scale benchmark proposal tied to the implementation schedule of the phases: 97% for Phase 1, 95% for Phase 2, and 93% for Phase 3. Qwest expressed its willingness to go forward but with a caveat of a diagnostic burn-in period for each phase of 3 months.

The CLECs were opposed to the declining sliding scale proposal stating that a 7% error rate is too high. They continued that as each phase is implemented, the error rate should significantly decrease and their proposed 99% benchmark should be easily attainable.

Upon reconvening on March 12th a number of sliding scale options were discussed, none of which allowed the parties to reach agreement.

- **Resolution:** The parties declared an impasse on the benchmark issue.

- **Issues 27, 28, 29, and 30, standards for line splitting and loop splitting:** The CLECs had distributed their proposed line splitting standards earlier in the week. Qwest responded that for PO-5 the parties had previously agreed on that standard. Qwest also agreed to the CLECs' proposed standards for OP-6 (Parity with retail Qwest DSL) and OP-15 (Diagnostic (Expectation: Parity with retail Qwest DSL)). For the line splitting standard in the other measures, Qwest expressed concern about the extremely low volumes which result in Qwest not meeting the standard with only 1 miss. Qwest proposed a low volume caveat that permitted "one free miss" for volumes less than or equal to 20, similar to what is stated in MR-11.

In response to a question from a CLEC, Tom Spinks from the Washington Commission staff stated that the "Low Volume, Emerging Markets" provision in some of the PAPs only apply to certain services.

For OP-4, Qwest clarified that the 3.15 days standard is not effective in Colorado but is under formal reconsideration. After stating its disagreement with the 3.15 standard, Qwest countered with different standards for the three OP-4 sub-measures to reflect the significant volume differences. The CLECs did not support this proposal stating that it is unprecedented and because potential discrimination among CLECs might exist due to the different focus on urban and rural areas that a CLEC can have.

For OP-5A and the MR PIDs, Qwest countered that the proper parity measure is Qwest DSL and not Res and Bus POTs, reciting the similarities

in the processes used. One CLEC questioned why the line splitting standard should be parity with Qwest DSL when the line sharing standard is parity with Res and Bus POTs for all the MR PIDs except MR-7 (which has a line sharing parity standard with retail Qwest DSL). Qwest responded that initially these services were processed through the designed services process but that they have now migrated to the non-designed services process. Therefore, retail Qwest DSL is the better parity standard.

In response to the CLECs' statement that switching to a parity standard with Qwest DSL is of concern since generally Qwest DSL performance is lower than the Res and Bus POTs performance, Qwest stated that the parity standard should be with that product which best aligns with line splitting, not the product that establishes the higher performance standard. The CLECs asked Qwest if the performance difference between Qwest DSL and Res and Bus POTs could be attributed to ISP service issues being included in the Qwest DSL results. The CLECs stated that to the extent ISP service issues are included in Qwest DSL results and are not included in the CLECs' line splitting results, the more comparable standard may be Res and Bus POTs. Qwest countered that the appropriate retail analogue is the one that uses processes similar to those used for line splitting, which would be Qwest DSL. The POTs processes differ considerable from those used for line splitting.

- **Resolution:** The parties will discuss this issue further on the March 25th call. The parties agree on the CLECs' proposed standards for PO-5, OP-6, OP-15, and MR-7. For OP-3 Qwest will agree to a 95% standard if the CLECs agree to the low volume caveat of "one free miss" for volumes less than or equal to 20. For OP-4, the CLECs will consider a 3.3 days standard with the low volume caveat. For OP-5A and the other MR PIDs, the CLECs will consider using Qwest DSL as the parity standard after reviewing Qwest DSL results with the ISP issues removed. The CLECs are also considering the low volume caveat for OP-5A.

- **Issue 11, benchmarks for OP-3 and OP-4 DS-1 Capable Loops:** Prior to the meeting, the CLECs agreed to Qwest's proposal for OP-4 and withdrew their proposal for OP-3.

Schedules:

- **Impasse Issues:**
 - April 2, 2004: CLECs and Qwest submit separate position papers on BI-3A and PO-20
 - April 12, 2004: John Kern's recommendations due
 - April 20, 2004: State staff recommendations due
 - The state commission staffs will discuss whether a reply cycle should be inserted within the schedule

- **Redlined PID:**
 - April 2, 2004: Qwest to circulate the PID document with all the agreed-upon revisions redlined
 - April 9, 2004: CLECs to respond with any issues on an “exception only basis” via e-mail with silence being concurrence
 - May 1, 2004: Date by which Qwest will make its Exhibit B filing with each state commission absent any open issues arising from CLEC feedback

- **LTPA Change Recommendations:**
 - May 1, 2004: Parties to distribute to the LTPA list their comments and recommendations about changes to the LTPA process

- **Benchmark/Parity White Papers:**
 - May 15, 2004: White papers due on the appropriate criteria for setting a benchmark versus a parity standard

New Action Items:

- John Kern will distribute the next agenda and an updated Master Issues Matrix by noon on March 15th.
- Qwest will:
 - Address the BI-5 items addressed in Issues 4 and 6 above
 - Undertake an analysis for BI-3A that will include additional product granularity and will determine the availability of additional product-specific data that can be shared with the CLECs (Issue 5)
 - Address on the March 25th conference call what it is willing to do about reporting loop splitting and xDSL-I (Issues 26 and 32)
 - Will consider the line splitting items in Issues 27-30 above
- The CLECs:
 - May provide data to Qwest on their line loss problems by March 19, 2004 (Issue 8)
 - Will address the BI-5 items addressed in Issues 4 and 6 above
 - Will consider the line splitting items in Issues 27-30 above

Next Meeting:

- March 18, 2004, at 1 p.m. M.S.T.
- Conference bridge: 1-877-552-8688 pass code 3381262#

Minutes
Long Term PID Administration Conference Call
 (Minutes Provided by Qwest)

Date & Time: Thursday, March 25, 2004, 1 p.m. M.S.T.

Purpose:

- To address the following issues:
 - Issue 8, line loss notifications, continued discussions on line loss notices
 - Issues 13, 33, 26, 32, and 16: volume threshold/new product reporting process, reporting for loop splitting and xDSL-i, and standards for UNE-P and line sharing in PO-2
 - Issues 29 and 30, lines splitting standards
 - Issues 4 and 6, BI-5

<i>Organization</i>	<i>Name</i>	<i>Organization</i>	<i>Name</i>
LTPA Facilitator	John Kern	WY PUC	Mike Korber
ID PUC	Wayne Hart	Qwest	Cherie Axelrod
AT&T	Joe Bloss	Qwest	Dean Buhler
Covad	Megan Doberneck	Qwest	Kathy Haile
Eschelon	Ray Smith	Qwest	Duane Cooke
Eschelon	Bonnie Johnson	Qwest	Pat Emigh
MCI	Chad Warner	Qwest	Barb Brohl
USLink	Rod Cox	Qwest	Char Mahs
USLink	Jennifer Arnold	Qwest	Barry Orrel
IA UB	Penny Baker	Qwest	Laurel Burke
IA UB	Cecil Wright	Qwest	Nancy Tangeman
MN DOC	Sue Peirce	Qwest	Todd Staebell
MN PUC	Ganesh Krishnan	Qwest	Dave Phillips
UT PUC	Joni Zenger	Qwest	Paul Diamond

Issues:

- **Issue 8, line loss notifications, continued discussions on line loss notices:** The discussion focused on a number of areas. First, John Kern stated that the CLECs were to validate their own line loss data. One CLEC stated that it was fairly close to Qwest's timeliness figures which dipped into the 80% range for notifications provided within 1 business day. Qwest clarified that it had provided results for a timeliness study that showed for the IMA system 93% of the notifications in the study were provided in 80 minutes or less and 100% were provided in less than 3 hours. Qwest continued that it also conducted an accuracy study of line

loss notifications in the January and February time frames where the overall accuracy rate was 99.25%.

Another CLEC stated that it had provided Qwest its timeliness data but found that it had pulled data from both the IMA-EDI near-real time system and the batch report system for the same transactions, thereby double-counting the notifications. It was attempting to re-run the data to separately identify the notifications sent via IMA-EDI. It expressed concern about those notifications that appeared to be sent in the longer notification intervals. Qwest recommended that Qwest and the CLEC examine the data after it has been re-run and research areas of interest. Qwest pointed out that even the existing data shows that over 95% of the notifications were sent within one transmission day, which was the CLECs' proposed standard.

Secondly, at least one CLEC raised the issue that to convert to IMA Release 14.0 to obtain line loss notifications on a near-real time basis was too expensive. Qwest clarified that a CLEC does not have to be an IMA EDI 14.0 user but if it has GUI access, it can receive line loss notices via e-mail, fax or both or it can query for line loss notices. The CLEC continued that accessing the line losses via the Service Delivery Gateway via the older batch process provided the notices all together in one place and was easier to access. Qwest also stated that, while it provides a number of methods for the CLECs to obtain line loss notices, the discussions until now had totally focused on the IMA 14.0 near real-time capability. Qwest continued that the CLECs need to each evaluate and select which method best complements their business plans.

Thirdly, a CLEC stated that the accuracy data Qwest provided from its recently-implemented IMA 14.0 system is not representative of the accuracy rate that the CLECs have experienced over the last 2½ years. The CLEC continued that errors result from incorrect DCR codes being placed on those service orders that drop out for manual handling and that during the study time frame Qwest was focusing on improving the error rate in its centers. It expressed that over time the focus on minimizing the errors would decrease and the accuracy rate would drop. The CLEC continued that Qwest in CMP had agreed to send a notice to the centers periodically reminding them of the importance to use the proper DCR code. However, it stated that the PID is still needed.

Qwest stated that it has been responsive to the CLECs over time. Through CMP it has enhanced the system with both new SOP edits and later on implementing the IMA 14.0 near real-time capabilities. It has implemented in its centers quality steps to improve the errors on the manually-handled orders and has agreed to periodic reminders to the centers. Now in LTPA, the CLECs have expressed concern over the

timeliness of the notifications and Qwest's study showed that its timeliness is excellent with 93% of the notifications via IMA 14.0 are sent within 80 minutes of the service order being completed in the SOP and 100% in less than 3 hours. Then the CLECs focused on accuracy. Qwest responded showing a 99.25% accuracy rate for the sample and, when requested, it removed unbundled loops from the study with results of 99.24% accuracy. Qwest stated that now the CLECs are raising issues about the older batch process while it has been clear from the start of the LTPA discussions that Qwest is focusing and providing data on the enhanced near real-time version. Qwest stated that in light of the excellent study results it has provided and in the absence of any verifiable data by the CLECs, it does not agree to adopt a line loss PID.

Fourth, the parties declared an impasse. The CLECs agreed to withdraw their proposed sub-measures C and D of the CLEC-proposed PID which addressed missing notifications and only go to impasse on sub-measures A and B.

○ **Resolution:** The parties declared an impasse.

- **Issues 13, 33, 26, 32, and 16: volume threshold/new product reporting process, reporting for loop splitting and xDSL-i, and standards for UNE-P and line sharing in PO-2:** Qwest first addressed the volume threshold/new product reporting process issue and then specifically addressed the reporting of loop splitting and xDSL-i capable loops.

Qwest stated that it has continued to have discussions with its executive management about these issues. In reviewing the proposed process with them, PAP-related concerns arose about any new products automatically flowing into the PAPs. Qwest stated that they have been meeting their nondiscrimination obligations and the existing PAPs are in place to demonstrate that Qwest is not backsliding, and that continuing to add obligations was not appropriate as a matter of principle.

Qwest proposed that its current volume threshold proposal be left in tact through Step 5 and the subsequent steps be deleted. For those products that the parties reach agreement to have reported, Qwest would do so in a similar manner to how it reports the "*" measures (e.g., MR-7* and MR-8*) which it voluntarily reports but are not in Exhibits B and K. Such measurements would be included in Qwest's publicly-available monthly performance reports and be footnoted indicating that the measurement is being voluntarily reported on an informational basis only. Star measurements are not included in the official PID and therefore not included in the PAP. Qwest stated that the proposed "*" reporting would meet the CLECs' data needs.

Regarding the reporting of loop splitting, Qwest stated that the time was not ripe to report this product because there are no volumes in service and no other factors or changes in the regulatory environment indicate such reporting should yet occur.

In examining xDSL-i capable loops, Qwest stated that since the volumes are approaching the 1,000 threshold, Qwest has done the developmental work and is willing to begin reporting April 2004 results in the May report and do so as a "*" measure.

The CLECs responded with a number of points. First, one CLEC confirmed with Qwest that if Qwest's proposed thresholds were not met and therefore Qwest would not report the product, the product reporting may become an impasse issue or be taken to some other forum for resolution. Second, a CLEC stated that it preferred addressing a product reporting request on an individual case basis because of the differences in the importance of different products to a CLEC. Third, the CLECs stated that they could not agree to the "*" measure reporting. They continued that Qwest has not been willing to address PAP issues but is now using PAP issues as justification for not including the new product in the official PID. Qwest responded that the LTPA had been established to address PID issues and the intent was not to have PID agreements automatically flow into the PAP without being properly addressed. Fourth, the CLECs stated that, with Qwest's modifications to the volume threshold process, they could not agree with this revised proposal. Therefore, the CLECs disagreed with Qwest's positions on the reporting of loop splitting and xDSL-i loops.

After considerable discussion, the CLECs and Qwest agreed to withdraw Issues 13 and 33 (volume threshold/new product reporting) and to declare as impasse issues the reporting of loop splitting and xDSL-i loops.

Relative to Issue 16, the inclusion of UNE-P Centrex 21 and Line Sharing in PO-2, Qwest continued to propose a diagnostic standard for the first six months of reporting and the CLECs continued to propose a 95% benchmark. The parties declared an impasse on the standard. Covad and MCI agreed to determine their position for a standard on line sharing and provide that to Qwest on March 26, 2004.

- **Resolution:** Qwest and the CLECs withdrew Issues 13 and 33. They declared an impasse on Issues 26 (reporting of loop splitting) and 32 (reporting of xDSL-I loops). They declared an impasse on the portion of Issue 16 pertaining to the standard for UNE-P Centrex 21 in PO-2. Covad and MCI are to provide their proposal for the line sharing standard in PO-2 on March 26, 2004.

- **Issues 29 and 30, lines splitting standards:** At the March 11th-12th LTPA meeting in Denver, the parties discussed the appropriate line splitting parity standard for OP-5A, MR-3, MR-4, MR-6, and MR-8. Qwest proposed “Parity with retail Qwest DSL” because of the similarities in the processes used between line splitting and Qwest DSL. The CLECs proposed “Parity with RES and BUS POTS” because it is the same standard being used for line sharing in those PIDs. The CLECs also had pointed out that the performance for RES and BUS POTS has been higher than that for Qwest’s DSL. The CLECs had asked if this difference could be attributed to ISP service issues being included in the Qwest DSL results. After researching this issue since the March 12th meeting, Qwest stated that these ISP issues are coded to IEC and therefore excluded from the DSL results. Qwest acknowledged that some Qwest DSL performance changes had occurred but were temporary. In October 2003, Qwest had made process changes to handle the increased DSL volumes in its centers. Qwest stated that it has a lot at stake with its DSL product and continues to focus on process improvements. Qwest reiterated that Qwest DSL is still the appropriate standard for these PIDs because of the similarity in the products’ network elements and in the provisioning and repair processes.

A CLEC raised the issue that for these PIDs the ROC PID performance results for line sharing uses the RES and BUS POTS parity standard and the Colorado PAP uses Qwest DSL. The CLEC felt that the ROC PID should also use the Qwest DSL standard for Colorado results. It stated that by using the RES and BUS POTS parity standard instead of Qwest DSL for Colorado in the ROC PID performance results that Qwest’s appears to be performing better than it actually is. Qwest explained that the ROC PID is the standard 14-state offering and generally reports using the same standard for each state.

Qwest stated that it is inappropriate for the CLECs to propose a parity standard based on a product with the highest performance standard. The retail standard should be the product having the greatest product, provisioning and repair similarities, which for line splitting is Qwest DSL.

A CLEC commented that, when the retail analog for line sharing which is similar to line splitting was established, the parties including Qwest thought the RES and BUS POTS analog was appropriate and asked what has changed. Qwest responded that Qwest has migrated to different processes such as from designed provisioning to non-designed provisioning for Qwest DSL. In reply to a CLEC’s question, Qwest explained that the substantial change in the provisioning process for Qwest DSL caused large changes for the repair process which makes Qwest DSL the appropriate retail analog for use with line splitting in the MR PIDs.

In response to a question about why Qwest did not propose in this LTPA session that Qwest DSL be the parity standard for line sharing, Qwest stated that it had simply tried to be judicious in the total number of changes proposed.. However, Qwest stated that it would be willing to change the parity standards for line sharing from RES and BUS POTS to retail Qwest DSL.

The CLECs next raised the issue of the benchmark standards for OP-3 and OP-4. The parties reached agreement on the 95% standard for OP-3 and 3.3 days for OP-4. The discussion focused on Qwest's proposal to include a "one free miss" as part of the standard for low volume situations. The CLECs replied that the notion of "one free miss" is more appropriately a PAP issue and that the PID should measure what it is intended to measure. Qwest pointed out that (1) not all PAPs have the "one free miss" concept and (2) the PID performance report is used to determine if Qwest is providing good service and in the case of low volumes a reasonable standard should apply so as not to provide an improper view of Qwest's performance. The CLECs countered that (1) they felt those who reviewed the performance results would not generally gain a negative impression for a miss on a low volume product and (2) to the extent this is an issue, it is an issue for all measurements and products. Qwest responded that the reader should not have to figure out that a poor performance result pertains to a low volume situation. The parties declared an impasse on the "one free miss" issue.

Relative to OP-5A, Qwest's position was that the time was not ripe to set a standard with only two months of data being available. One CLEC asked whether Qwest would be willing to set a standard based on 3 months of data. Qwest replied that it needed to consider this internally before responding.

- **Resolution:** The parties declared an impasse on (1) the parity standard for MR-3, MR-4, MR-6, and MR-8, (2) the establishment of a standard for OP-5A, and (3) the "one free miss" low volume issue.
- **Issues 4 and 6, BI-5:** Qwest stated that Eschelon's proposal that it provided on March 17th provided only one month to implement business rules that are not defined pertaining to the content of responses denying or denying in part a billing claim and to the identification and handling of status responses. Qwest continued that it has met internally to evaluate Eschelon's proposal. Qwest has determined that the addition of the proposed business rules which have not been specifically defined and agreed to by the parties could be a substantial change to the implementation effort Qwest was undertaking. Given that Eschelon's proposal was made only a week ago, Qwest has not had enough time to identify all the issues, determine the programming impacts or even

determine whether it will eventually reject or accept the proposal. Qwest stated that it needed more time to do so and proposed working with Eschelon to resolve the outstanding issues via bi-weekly meetings. Qwest stated its willingness to continue these meetings even though this LTPA session may end before all issues are resolved. Otherwise, Qwest stated that it stands ready to adopt its currently-proposed BI-5 PID provided at the Denver meeting on March 12th with a possible implementation of July 2004 results in August. When asked by Eschelon whether the remaining issues could be resolved within the next two weeks prior to the end of this LTPA session, Qwest replied that the first discussion could be held but it was unclear whether all issues would be resolved.

The parties continued to discuss how much longer it would likely take to resolve the outstanding issues and what would happen if the issues did not get resolved within this LTPA session. To the extent the issues were not resolved within this session, the parties felt that the issue would then likely go to impasse. Qwest reiterated that, until it has more time to evaluate Eschelon's recent proposal, it is unknown whether there is sufficient time to resolve the issues and/or implement a solution before the end of this LTPA session even with a one-month extension. Qwest could not commit to the CLECs' proposal but offered to give it further consideration, and to move forward with its current proposal. The CLECs did not agree.

- **Resolution:** The parties declared an impasse.

Impasse Schedule:

- March 30, 2004: John Kern to provide issue statements for BI-3A and PO-20
- April 1, 2004: John Kern to provide issues statements for Line Loss; reporting of loop splitting and xDSL-i capable loops, the standard for UNE-P Centrex 21 (and possibly Line Sharing) in PO-2, line splitting standards, and BI-5
- April 9, 2004: CLECs and Qwest submit separate position papers for Line Loss, reporting of loop splitting and xDSL-i capable loops, the standard for UNE-P Centrex 21 (and possibly Line Sharing) in PO-2, line splitting standards, and BI-5
- April 19, 2004: John Kern's recommendations due for Line Loss, reporting of loop splitting and xDSL-I capable loops, the standard for UNE-P Centrex 21 (and possibly Line Sharing) in PO-2, line splitting standards, and BI-5
- April 27, 2004: State staffs' vote due for Line Loss, reporting of loop splitting and xDSL-i capable loops, the standard for UNE-P Centrex 21 (and possibly Line Sharing) in PO-2, line splitting standards, and BI-5

From: Maiser@puclist.state.id.us on behalf of Haile, Kathleen [Kathleen.Haile@qwest.com]
Sent: Tuesday, June 08, 2004 4:42 PM
To: LT271@puclist.state.id.us
Subject: Update on PO-20 Definition to be included in Exhibit B filings



DraftPO-20

Expanded) Manual S

In preparing the documents for the upcoming Exhibit B filings which will add the expanded PO-20 definition, Qwest noticed that in the last version distributed for concurrence on April 30, Qwest failed to delete the parenthetical addressing the need for possible PID revisions during the implementation process. Rather than include this language, which was intended to be part of the drafts circulated during the negotiation stage, Qwest will remove it in the final version to be included in the revised Exhibit B. In addition this version includes one other clean up item on page 4. In the remarks section for the LTY field the font color was changed from blue to black. For your information a redline copy of the PID with the parenthetical removed and the font color changed is attached. If comments are not received on or before June 16, 2004, the attached version will be included in Qwest's anticipated Exhibit B filings as the agreed upon PO-20.

Thanks,
Kathy Haile
Qwest