STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

In the Matter of the Petition of Indiana Bell Telephone Company, Incorporated d/b/a Ameritech Indiana Pursuant to I.C. 8-1-2-61 For a Three Phase Process For Commission Review of Various Submissions of Ameritech Indiana to Show Compliance with Section 271(c) of The Telecommunications Act of 1996	)	Cause No. 41657

AMERITECH INDIANA'S COMMENTS ON QUESTIONS RAISED BY THE PRESIDING OFFICERS AT THE APRIL 14, 2000 ATTORNEYS' CONFERENCE

Comes now, Indiana Bell Telephone Company, Incorporated d/b/a Ameritech Indiana ("Ameritech Indiana"), by counsel, and responds to the questions raised by the Presiding Officers at the Attorneys' Conference held on April 14, 2000, in this Cause. In support of its positions on the questions, Ameritech Indiana states as follows.

I. PROPOSED PROCESS

Ameritech Indiana has proposed a three phase process for reviewing various submissions of Ameritech Indiana to show compliance with Section 271(c) of the Telecommunications Act of 1996. The first phase of the process involves a comprehensive, military-style test of Ameritech's regional Operating Support Systems ("OSS") through an independent third party tester. The state commissions in Michigan, Illinois, Ohio and Wisconsin have chosen, or are close to choosing, KPMG as their third party tester. It makes sense for the Indiana Utility Regulatory Commission ("IURC" or "Commission") to consider using KPMG as well as the Master Test

Plans used in the other Ameritech states, because the OSS used by Indiana carriers are the same OSS used throughout the Ameritech region.

There are three main components to OSS. The first component includes electronic interface functionality and capacity testing. This would include end-to-end functionality testing on certain interfaces and ordering scenarios and capacity testing for pre-ordering, ordering and maintenance and repair functions, at both normal and peak levels. These components are identical throughout the Ameritech region. From a functionality standpoint, it would be a waste of time, money and resources to conduct a test of this component five times, i.e., once in each state. From a capacity standpoint, a common third party tester who was testing state-specific matters for five states would be testing a greater capacity of OSS than a separate test for Indiana only. Again, testing in five states would be redundant.

The second component includes the methods and procedures for business processes used in OSS. This encompasses Account Team Management, Change Management, Operational Support and Provisioning. Except for the physical provisioning, these are regional processes, that involve common methods and procedures that have been implemented in each of the five Ameritech states. Again, it is redundant to test them five different times.

The third component of the OSS independent test is performance measurement-evaluation. The primary inquiry in this component is whether Ameritech has methods and procedures in place to rely upon the accuracy of the performance measures. For the vast majority of performance measures, Ameritech has implemented the same performance measurement data collection, integrity and recordkeeping rules, methods and procedures in each of the five Ameritech states. Once again, one common performance evaluation for these measures for the Ameritech region is appropriate. Of course, Ameritech Indiana does understand

that any performance measurements unique to Indiana would need additional state-specific testing.

Since this Commission would presumably be interested in the same issues as the other Ameritech state commissions, using the same Master Test Plan as used by the Michigan and Ohio commissions should be more efficient, both in terms of time and substance. The Michigan commission started with the Florida test plan document and tweaked it for the Ameritech region. Additionally, the same carriers involved in the Michigan case are involved in the instant case and will comment on or participate in the development of the Master Test Plan in Michigan and will not be disadvantaged by the IURC adopting it. The IURC could take administrative notice of the Michigan Master Test Plan and incorporate it into the evidentiary record in this case.

The second phase of Ameritech Indiana's process involves the checklist compliance filings. As part of this second phase, Ameritech Indiana proposes to file a draft application under section 271, a generic section 271 interconnection agreement and a proposed performance assurance plan. Ameritech Indiana presently plans to make its checklist compliance filing in late July, although a number of factors could impact this timeline. Ameritech Indiana has advocated a process that involves comment and reply filings. Ameritech Indiana will continue to update the Commission on the timing of this filing. Therefore, Ameritech Indiana would propose that comments responsive to the initial filing are made within 20 days and Ameritech Indiana's reply comments would be filed within 20 days of the responsive comment filings. Again, the parties to this case will have reviewed and filed comments in other Ameritech states on the checklist compliance items prior to these filings and will be familiar with the issues and concerns.

The third phase of Ameritech Indiana's process is the review of the final independent third party test report and a review of actual performance results. Comments from interested

parties on the test results and on Ameritech Indiana's performance results would complete the record upon which the Commission can rely upon in providing its comments to the FCC pursuant to section 271(d)(2)(B) of the 1996 Act.

This three-phase approach is discussed in more detail in Ameritech Indiana's Petition filed in this docket on February 2, 2000. During each phase of this proposed process Ameritech Indiana would make Terry Appenzeller, Vice President, Long Distance Compliance, and other subject matter experts, available at convenient times to meet with the Commission and interested parties to discuss the activities in the Ameritech region and explain how the process is working in the other states.

II. PRESIDING OFFICERS' QUESTIONS

A. Objections To Facilitator And/Or Project Administrator

On April 24, 2000, the IURC issued a docket entry stating that they are considering hiring John Kern as the facilitator of the collaborative process in this proceeding. Mr. Kern would not serve as advisory to the Commission in his role as facilitator. Ameritech Indiana strongly encourages the Commission to hire Mr. Kern to avoid duplication and take advantage of knowledge of the process in other Ameritech states and to avoid duplication where possible.

In the April 24, 2000 docket entry the Commission also stated that they still plan on pursuing the RFP proposal to select a project administrator who will serve as the surrogate staff and be advisory in nature. The Commission does not anticipate allowing the parties to participate in the RFP process to select this project administrator. Ameritech Indiana has the following concerns with the hiring of the project administrator.

First, Ameritech Indiana cannot tell from the docket entry and the discussion on the record at the April 14, 2000 attorneys' conference the role and the scope of the project administrator's duties. Therefore, since the parties will not have the benefit of knowing the role of the project administrator from the RFP, Ameritech Indiana is concerned that the parties be afforded due process with regard to the project administrator. Following is a list of potential problems with regard to the recommendations of the project administrator to the Commission.

1. The Commission must comply with its obligation of impartiality under I.C. 8-1-1-5 in its hiring and use of a project administrator.

2. If the Commission hires the project administrator as an "agent" under I.C. 8-1-2-51, any recommendations of the project manager shall be advisory only and shall not preclude the taking of further testimony nor further investigation.

3. Since the project administrator will be assisting the Commission, in preparing a recommendation based on his/her investigation and analysis, there should be compliance with the provisions of I.C. 8-1-15(b) governing the use of Staff Reports. Failure to observe the rules applicable to Staff Reports would be a violation of the Commission's statutory and constitutional obligation of impartiality. These proceedings involve complex matters about which there may be many controverted issues relating to OSS, testing and competition matters.

4. The project administrator should be subject to the Commission's ex parte rules (170 IAC 1-1.5-1, *et seq.*)given his/her role as investigator and a potential witness in this proceeding.

5. If the project administrator is to assist the Commission in the formulation of issues, as the issues are defined and further proceedings are contemplated, the

Commission will need to give reasonable and adequate notice consistent with statutory and constitutional standards to give definition to the issues to be decided in order to safeguard the rights of the parties and to permit the Commission to use any otherwise admissible work of the project administrator.

For a thorough discussion of the due process and other concerns surrounding the hiring of a facilitator and a project administrator, see *Comments of Indiana Bell Telephone Company, Incorporated D/B/A Ameritech Indiana on March 26, 1997 Order filed on April 15, 1997 in IURC Cause No. 40785.*

B. Advantages/Disadvantages To A Regional Test

1. As stated previously in these comments, there are numerous advantages to conducting a comprehensive, military-style test of Ameritech's regional OSS through a common third party tester and, to the maximum extent possible, a common Master Test Plan. Indiana will benefit from using the resources committed in other states by hiring the same third party tester (KPMG), by using the Michigan Master Test Plan, and by using the results of a test conducted at a higher capacity with commercial volumes. Indiana will be able to join the OSS process at the same point as other states that have been in collaborative or other workshops for several months. Indiana will conserve resources by hiring John Kern, who is the facilitator in the other Ameritech states since Mr. Kern will be attending the collaborative in the other states and the IURC will not have to send a representative to the other collaborative to be informed of progress in other states.

2. There is really no identifiable disadvantage to the IURC by participating in the Ameritech process in other states. The IURC will still be able to establish its own record in this cause, but

will be able to be more efficient in using scarce resources to compile necessary test and other checklist compliance information.

3. However, in order to take advantage of the testing that is expected to begin in Michigan on June 1, 2000, the IURC needs to decide no later than mid-May that they will hire Mr. Kern as facilitator, hire KPMG as the third party tester, adopt the Michigan Master Test Plan and participate in the state-specific test of Ameritech's regional OSS.

4. The IURC needs to identify the Indiana-specific issues to be included in the test no later than the end of May.

C. Taking Advantage Of Collaboratives In Other Ameritech States

1. To the extent that collaboratives in other states result in improvements, enhancements, new products, etc., Indiana will receive the same benefits as the other states.

2. As stated previously, if the IURC decides to hire Mr. Kern as a facilitator, Indiana will benefit from current collaboratives in Michigan and Ohio that resulted in the Master Test Plan and hiring of KPMG as a third party tester. Also, collaboratives addressing performance measures may benefit Indiana. Using Mr. Kern's knowledge will save time and process for Indiana.

3. Additionally, Mr. Kern could provide periodic reports to the Commission on the status of the collaboratives in other states.

D. Michigan LSOG4 Implementation

1. LSOG4 implementation for ordering is scheduled for September 2000, but this is not expected to delay the OSS test in Michigan, which is scheduled to begin June 1, 2000. LSOG4 is simply the latest iterative stage in the ongoing software upgrades that are part and parcel of a complex ordering system. The implementation of LSOG4 during the third party OSS test provides an opportunity to fully measure and test Ameritech's change management process and methods and procedures, problem resolution and release testing by the third party tester.

2. As additional enhancements to Ameritech's OSS technologies and software continue to be upgraded on a periodic basis, it is important for the change process itself to be tested and it will be. Since there will never come a time when no further enhancements can be contemplated, it does not make sense to delay testing for any particular upgrade, and LSOG4 specifically, to be accomplished.

WHEREFORE, Ameritech Indiana requests:

1. That a third party test of Ameritech's OSS systems and processes should be conducted for the Commission in anticipation of an upcoming Ameritech Section 271 application.
2. That the Commission and Ameritech should begin the process of contracting with KPMG to serve as the test administrator.
3. That the Commission should adopt the Michigan MasterTest Plan or on substantially similar thereto.
4. That the Commission's fundamental objective for the test is to examine whether Ameritech's OSS and related process provide nondiscriminatory access in a

manner that provides an efficient competitor a meaningful opportunity to compete.

5. That the results of the test should be formally presented in this case for Commission review.

6. That the test should commence by mid year 2000 and should be completed by early fourth quarter, 2000.

7. That it is the Commission's preference to conserve Staff and party resources by participating in and benefiting from similar third party testing work being performed in Michigan, Ohio and Wisconsin, and that to the extent possible, regional testing is the preferred course of action.

8. That the Commission schedule a time for Ameritech's Vice President, Long Distance Compliance ,Terry Appenzeller, to do a presentation on Ameritech's proposed process, with an opportunity for questions and answers with Commissioners, IURC Staff and other parties.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of *Ameritech Indiana's Comments on Questions Raised by the Presiding Officers At the April 14, 2000 Attorneys' Conference*" was served upon the following this 1st day of May 2000:

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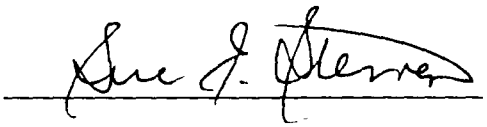

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