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**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)
)
Application by SBC Communications Inc.,)
The Ohio Bell Telephone Company d/b/a) CC Docket No. _____
Ameritech Ohio and Southwestern Bell)
Communications Services, Inc. d/b/a)
Ameritech Long Distance for Provision of)
In-Region InterLATA Services in Ohio)

**AFFIDAVIT OF DANIEL R. McKENZIE
ON BEHALF OF AMERITECH OHIO**

STATE OF OHIO)
)
COUNTY OF CUYAHOGA)

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I, Daniel R. McKenzie, being of lawful age and duly sworn upon my oath, do hereby depose and state as follows:

1. My name is Daniel R. McKenzie. My business address is 45 Erieview Plaza, Cleveland, Ohio. I am the Senior Director - Regulatory/Local Competition, 271 and Wholesale Products for The Ohio Bell Telephone Company d/b/a Ameritech Ohio (“Ameritech Ohio”).¹ I am responsible for wholesale regulatory issues for Ameritech Ohio, including rate and tariff administration. I also have responsibility for interacting with the Public Utilities Commission of Ohio (“Ohio Commission”) and its Staff on various wholesale issues concerning the Ohio telecommunications industry.

PROFESSIONAL EXPERIENCE

2. I began my career with The Ohio Bell Telephone Company in 1974 as an associate manager in the business research organization. I held numerous financial and regulatory positions in Ohio until 1986, when I transferred to Ameritech Services, Inc. in Chicago. While in Chicago, I held positions in the Federal Regulatory organization, representing all five Ameritech states before the FCC. I returned to Ohio in 1990 and held two financial positions before joining the Ohio Regulatory organization in 1993 as Director – Rates and Tariffs. Since 1997 I have been Ameritech Ohio’s lead representative to the Ohio Commission on wholesale, local competition and long distance issues. I hold a

¹ The Ohio Bell Telephone Company, an Ohio corporation, is a wholly owned subsidiary of Ameritech Corporation, which owns the former Bell operating companies in the states of Michigan, Illinois, Wisconsin, Indiana, and Ohio. Ameritech Corporation is a wholly owned subsidiary of SBC Communications Inc. Ohio Bell offers telecommunications services and operates under the names "Ameritech" and "Ameritech Ohio" pursuant to trade name registrations with the state of Ohio.

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Bachelor of Arts degree in economics from Miami University and a Masters of Business Administration degree from Cleveland State University.

PURPOSE OF AFFIDAVIT

3. Ameritech Ohio has traveled a long road with the Ohio Commission and the Competing Local Exchange Carriers (“CLECs”) to prepare for a § 271 application that will allow the Federal Communications Commission (“FCC”) to approve Ameritech Ohio’s entry into the long distance market in Ohio. The journey is not over yet, but as demonstrated below, the end is in sight. The purpose of this Affidavit is to document the progress made to date in Ohio. In doing so, I will summarize the steps taken, and the remaining steps to be completed, to comply with the three phased approach to reviewing Ameritech Ohio’s compliance with Section 271(c), as set forth by the Public Utilities Commission of Ohio in its Entry dated June 1, 2000 in Case No 00-942-TP-COI. I will also discuss the overall status of local competition in Ohio and summarize the results and pending issues in the Ohio Commission’s proceedings in Case Nos. 00-942-TP-COI, 96-922-TP-UNC and 00-1368-TP-ATA.

REGULATORY BACKGROUND AND PROCESS

4. The extended review of Ameritech Ohio’s processes for irreversibly opening the Ohio market to local competition began in 1996 when the Commission opened Case No. 96-702-TP-COI. As part of that case the Commission began to gather data on Ameritech Ohio’s compliance with the checklist items set forth in Section 271 of the Telecommunications Act. After that case was opened, several events occurred which substantially advanced the status of competition and Ameritech Ohio’s checklist

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compliance. A key event occurred in 1999 when the Ohio Commission approved the merger of SBC Communications Inc. (“SBC”) and Ameritech Corporation in Case No. 98-1082-TP-AMT.² The Ohio Commission approved a series of important commitments designed to further enhance local competition and to address concerns of the CLECs. These included: (1) a comprehensive set of performance measurements for Ameritech Ohio, enforced by a self-executing remedy plan, based on the measurements and remedy plan adopted in Texas for use by Southwestern Bell; and (2) industry-wide collaboratives to discuss further modifications to the performance measures and remedy plan, and to examine Operations Support Systems (“OSS”) enhancements.

In addition, the extension of Ameritech Ohio’s alternative regulation plan in Case No. 93-487-TP-ALT, brought forth several pro-competitive elements, including the commitment to resolve open OSS issues, the adoption of an expedited alternative dispute resolution process for use by the CLECs and a commitment to make available to CLECs the Unbundled Network Element Platform (UNE-P).

5. In its June 1, 2000 Entry, the Ohio Commission closed Case No. 96-702-TP-COI and created a new docket to gather information concerning Ameritech Ohio’s checklist compliance. As part of its Entry the Commission adopted the following phased approach:
 - a) Phase One involves the development and supervision of an extensive third party test of Ameritech Ohio’s OSS interfaces and performance measurements;

² In the Matter of the Joint Application of SBC Communications Inc., SBC Delaware Inc., Ameritech Corporation, and Ameritech Ohio For Consent and Approval of a Change In Control, Case No. 98-1082-TP-AMT, Opinion and Order (April 8, 1999)(SBC/Ameritech Merger Order)

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- b) Phase Two involves a review of Ameritech Ohio's compliance with the Section 271 checklist, generic interconnection agreement, performance assurance plan and any other evidence provided by Ameritech Ohio in support of its checklist compliance;
- c) Phase Three involves a review of the results of the OSS third party test and of actual performance measurement data.

The balance of my affidavit outlines the progress made to date in Phase 1, the filing made with the PUCO on this day, which is a key component of Phase II, and the remaining steps to be taken in Phase III. Because a large part of the success of both Phase I and Phase II depended on numerous industry wide collaborative workshops, I begin with an overview of those proceedings.

6. This filing includes and demonstrates, for each of the products offered:

- That each product is provisioned in a non-discriminatory manner;
- That each product is appropriately priced, showing that TELRIC based rates are used as determined by the Commission, where appropriate; and,
- How performance is measured for each product.
- Pursuant to the Commission's June 1, 2000 Entry in this case comments from interested parties in response to this filing are due 31 days after the filing date. Reply comments are due 30 days after the filing of comments.³
- Thereafter, Ameritech Ohio requests that the Commission issue an order providing its evaluation of Ameritech Ohio's checklist filing and approve as

³ Case No. 00-942-TP-COI, Entry, June 1, 2000 at p. 8.

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requested, the Ohio 271 Interconnection Agreement Amendment (“Oh2A”) as described in Paragraph 19.

Collaborative Results

7. Ohio OSS and performance measurement collaboratives began meeting in December 1999. The Ohio Commission issued an Entry on November 4, 1999 inviting interested parties to participate in the collaboratives. The collaboratives included the Commission Staff and were open to and attended by industry participants and other interested parties including parties representing residential customers in Ohio. Numerous collaborative meetings were held throughout 1999, 2000 and 2001. In addition to OSS enhancements (many of which were implemented in April, 2000 and March 2001), the collaborating parties also resolved many issues that have further enhanced the CLECs’ ability to provide their services in Ohio’s local telecommunications market and have likewise reinforced Ameritech Ohio’s compliance with the checklist items. These collaborative agreements were documented and filed with the Commission in a series of four progress reports.⁴ Through the collaborative process, Ameritech Ohio has taken tremendous strides to ensure that the telecommunications market in Ohio is irreversibly open to competition and that CLECs have a meaningful opportunity to compete in Ohio.
8. Ameritech Ohio approached the important collaboratives established by the Commission with the CLECs in a proactive and pro-competitive manner. For example, Ameritech Ohio brought to the table in Ohio the significant pro-competitive conditions in the FCC’s SBC/Ameritech Merger Order dated October 8, 1999 which included twenty separate

⁴ Case No. 00-942-TP-COI, First Progress Report, filed 7/7/00; Second Progress Report, filed 10/10/00; Supplement to Second Progress Report, filed 10/25/00; Third Progress Report, filed 1/16/01 and Fourth Progress Report, filed 3/13/01.

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conditions designed to further open local markets and to promote the ability of CLECs to provide advanced services. These market opening conditions are backed up by a detailed Performance Remedy Plan (“PRP”). On top of those commitments, Ameritech Ohio’s approach in Ohio is a mirror image of the detailed blueprint that the FCC found fully satisfied the competitive checklist requirements in its New York, Texas, Kansas, and Oklahoma Orders.

9. Because Ameritech Ohio’s proposals were based on these proven blueprints, its collaborative discussions were, in many cases, successful. The collaborative discussions resulted in a prompt selection of the OSS test vendors -- KPMG Consulting, Inc. (“KPMG”) and Hewlett Packard (“HP”) -- and the development of a Master Test Plan (“MTP”). In addition, literally hundreds of issues regarding OSS enhancements, process improvements, new product introductions, and performance measurement refinements have already been resolved (or soon will be resolved as discussed in paragraph 15 below) through the collaborative process for purposes of Ameritech Ohio’s § 271 application, subject only to successful implementation and testing. Continued adherence to the FCC’s blueprint will expedite this § 271 process and bring the benefits of full competition to Ohio consumers sooner.

PHASE I - THIRD PARTY OSS TEST PLAN

10. The development of the third party test plan for OSS has been the subject of numerous industry collaboratives held in Ohio and other states. Throughout these proceedings, the Ohio Commission has ensured that the process was open to participation by all interested parties. Numerous CLECs took advantage of the opportunity to participate. That participation is documented in the four progress reports jointly filed by the participants.

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11. The Ohio Commission's Entries in this case have reviewed the progress of the collaborative participants in resolving issues associated with the third party test and the Master Test Plan.⁵ After a number of collaborative discussions and after seeking the Commission's approval, KPMG and Hewlett Packard were engaged, subject to the oversight of the Commission, to perform a comprehensive and independent test of Ameritech Ohio's OSS systems. Development of the MTP was facilitated by using KPMG's test plans and experiences from other states as a base model. The Ohio MTP was finalized through the collaborative and jointly submitted to the Commission for adoption.
12. The Ohio MTP was submitted to the Commission as part of the Second Joint Progress Report, on October 10, 2000, in Case No. 00-942-TP-COI by the collaborative participants. In an Entry dated December 7, 2000, the Commission adopted the Master Test Plan as submitted.
13. The third party test began on February 9, 2001. After the test is completed, the results of the test will be presented to the Ohio Commission along with actual performance results in Phase Three of Case No. 00-942-TP-COI.

PHASE II - CHECKLIST COMPLIANCE

14. Before the "official" start of Phase II, Ameritech Ohio worked with the Commission Staff and the industry to address OSS and product and process concerns associated with the competitive checklist. The results of these collaboratives, along with other evidence are detailed in today's Phase II filing. Numerous OSS interface and process issues (referred

⁵For a further discussion of OSS Testing and the OSS Master Test Plan, refer to the Cottrell

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to as the “A - AA issues”) were discussed at collaborative sessions in 2000. Because many of the same CLECs participated in collaboratives in multiple states throughout the Ameritech region, the Ohio collaborative deferred to the Wisconsin collaborative to take the lead in resolving these issues. Subsequent to the conclusion of the Wisconsin collaborative, the Ohio collaborative met and discussed adoption for Ohio of any resolution reached in those states. Most of the A – AA issues were resolved by negotiation, and the resulting agreements were embodied in the parties’ joint reports to the Ohio Commission.

15. By the end of 2000, there remained only seven issues in Ohio to resolve; CABS billing, Hours of Availability, Charges for Facility Modification, DSL Loop Qualification Information Update Process, Cooperative Testing and Acceptance Testing, Special Access Conversion to EELs and Application of Performance Measures and Associated Remedies to Special Access Services. The DSL Loop Qualification issue has been subsequently resolved. Ameritech Ohio believes that significant progress has been made toward resolving several of the remaining issues and is attempting to schedule a collaborative meeting to discuss the issues with the participants.
16. An additional OSS test issue regarding resale of DSL transport service was raised by the CLECs on May 29, 2001. This issue stems from the CLEC’s interpretation of the DC Circuit Court’s ASCENT decision.⁶ Apart from the open issues described above, numerous OSS interface and process improvements were agreed to during the collaboratives, including those described in below.

Affidavit.

⁶ Association of Communications Enterprises v. F.C.C., 235 F.3d 662 (D.C. Cir. 2001) (“the ASCENT decision”).

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17. OSS Interface Improvements:

a. Local Service Ordering Guide, Version 4 (“LSOG4”):

- LSOG4 is a telecommunications industry standard for computer systems dealing with local service ordering and provisioning. The parties reached agreement regarding how Ameritech Ohio should update its existing electronic data interchange (“EDI”) interfaces used for ordering and pre-ordering to be consistent with LSOG4. These enhancements have since been implemented. (For a further discussion of Ameritech’s successful deployment of LSOG4 in March 2001 refer to the Cottrell Affidavit).

b. Order “Flow-through” Process Improvements

- “Flow-through” refers to orders that can be electronically received and processed to Ameritech Ohio’s ordering systems without manual intervention. As a result of collaborative discussions, the parties reached agreement on a number of “flow-through” process improvements. (For a further discussion of these “flow-through” process improvements, refer to the Cottrell Affidavit).

c. Graphical User Interface

- Ameritech Ohio agreed to provide a graphical user interface (“GUI”) for CLEC use in ordering unbundled loops, UNE Platform and resale. The permanent GUI was implemented in the LSOG4 release and was made available for CLEC use on March 26, 2001. Prior to that date, Ameritech offered an interim GUI. (For a further discussion of GUI, refer to the Cottrell Affidavit).

d. Directory Listing and Ordering Improvements

- Before June 25, 2001, CLECs used separate electronic interfaces to place orders for services (from Ameritech) and for directory listings (from Ameritech Advertising

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Services). At the request of the CLECs, Ameritech Ohio committed to implement an enhancement that would allow CLECs to submit directory listing requests over the same interface they use for local service. This enhancement was made available for CLEC production use on June 25, 2001. (For further discussion, refer to the Cottrell and Kniffen-Rusu affidavits).

18. Operational Process Improvements

- Through the Ohio collaborative process, several operational process improvements were made, including:

e. Facilities Modification Process

- Concerns were raised by CLECs claiming that Ameritech Ohio's methods of ordering and provisioning unbundled loops to CLECs did not always identify, on a timely basis, facility problems that could delay order completion. As a result of extensive collaborative discussions which led to resolution of this issue in Wisconsin, Ameritech Ohio significantly revised its facility modification policy, agreeing to implement these improvements in Ohio. (For a further discussion of the Facilities Modification Process, refer to the Brown and Deere Affidavits).

f. Availability of IDLC Information and Tools

- As a result of collaborative discussions, and in addition to all required loop make-up information, Ameritech Ohio now offers two new tools for CLECs to use to determine the presence of integrated digital loop carrier ("IDLC"): a Digital Subscriber Line ("DSL") Tracking Inquiry Tool ("DTI"), and Distribution Area Reports. (For a further discussion of these tools, refer to the Deere Affidavit).

g. Unbundled Loop "Hot Cut" Procedures

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- Prior to May of 2000, a fully documented process for Coordinated Hot Cuts (“CHC”) was not available to the satisfaction of the CLECs. As a result of extensive collaborative efforts in Wisconsin, Ameritech Ohio and the CLECs developed a detailed process flow for Coordinated Hot Cuts (“CHC”). Related processes are now used in Ohio as well. (For a further discussion of these procedures, refer to the Brown affidavit).

h. Network Interface Devices (“NIDs”)

- As a result of discussions with the CLECs, Ameritech Ohio clarified its procedures for moving existing internal NIDs outdoors to the satisfaction of the CLECs. (For a further discussion of NIDs, refer to the Deere Affidavit).

i. E 9-1-1 Database Management (parity of Ameritech and CLECs)

- Based on collaborative discussions regarding E 9-1-1 Database Management, Ameritech Ohio agreed to notify CLECs through the CLEC User Forum of any new processes or updates to the E 9-1-1 database. (For a further discussion of E 9-1-1 Database Management, refer to the Harrison Affidavit).

j. TC/Net Change Policy

- The CLECs initially raised concerns regarding the manner and content of the notification of changes to Ameritech Ohio’s CLEC website that contains comprehensive information for CLECs regarding resale, interconnection, UNE provisioning and OSS. In response, Ameritech Ohio changed its procedure to resolve these concerns. Prior to this procedure change, Ameritech Ohio disseminated notices on TCNet informing CLECs of changes. To address CLEC concerns, however, on September 30, 2000, Ameritech Ohio implemented SBC’s policy on “Accessible

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Letters,” and began migrating its TC/Net information to SBC’s company-wide website for CLECs. Ameritech Ohio further agreed to provide “before and after” images of “Accessible Letters” as well as a Change Log reflecting changes posted on the web page so that CLECs could follow/track changes made. (For a further discussion of TC/Net, please refer to the Regan and Cottrell Affidavits).

- As a result of the collaboratives, Ameritech Ohio and the CLECs also reached agreement on a Change Management Process for non-OSS issues. The parties agreed that Ameritech Ohio would communicate changes to its processes, procedures, and manual forms to CLECs via “Accessible Letters” and would follow the change process outlined in the CLEC Users Forum. The CLEC Users Forum allows CLECs and Ameritech Ohio to identify, submit, discuss and resolve issues that impact Ameritech Ohio and CLECs in daily business practices. Examples of issues addressed in the CLEC Users Forum include network operations, business practices, maintenance and repair, and billing. The three categories of changes that were addressed using the Change Management Process included: a) Changes impacting CLEC methods and procedures; b) Informational changes; and c) Exception changes. (For further discussion, refer to the Regan Affidavit).

k. Account Management

- Given the significant role the account manager plays with regard to customer satisfaction and Ameritech Ohio’s ability to provide good customer service, Ameritech Ohio worked with the CLECs to establish a well-documented account manager’s handbook. This handbook contains the practices that various Ameritech

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Ohio employees are expected to follow as they pertain to customer contacts. (For details, please refer to the Regan Affidavit).

Multi-state Generic Interconnection/Resale Agreements (“GIAs”) and Ohio Section 271 Interconnection Agreement Amendment (“Oh2A”)

19. Ameritech Ohio is filing in this proceeding an Ohio 271 Amendment (“Oh2A”) proposal. The Oh2A proposal is an interconnection agreement amendment offered by Ameritech Ohio to CLECs which provides the rates, terms, and conditions under which Ameritech Ohio agrees to provide, as part of the § 271 process, existing and specific new combinations of UNEs as requested by the CLECs in order to facilitate in-region interLATA approval.⁷ The Oh2A proposal also offers to CLECs another UNE combination known as the enhanced extended loop (EEL). (For further discussion of the Oh2A, refer to the Alexander Affidavit.)
20. In demonstration of checklist compliance in this § 271 filing, Ameritech Ohio references binding terms and conditions in its effective interconnection agreements and in addition, its multi-state Generic Interconnection/Resale Agreement, hereinafter referred to as the Generic Interconnection Agreement (“GIA”). The GIA incorporates the prices approved by the Commission in Case No. 96-922-TP-UNC and a comprehensive set of terms and conditions under §§ 251 and 252 of the Act. The GIA is available to all CLECs in Ohio as a “Generic Agreement,”⁸ and is a dynamic, living document, that incorporates a

⁷As discussed in the Alexander affidavit, the Oh2A language dealing with UNE combinations was based on the UNE combinations offerings contained in the Texas 271 Agreement (“T2A”).

⁸The GIA can be found at: <https://clec.sbc.com/unrestr/interconnect/multi/index.cfm>.

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comprehensive set of terms and conditions under §§ 251 and 252 of the Act.⁹ The GIA is further discussed in the Alexander Affidavit.

21. Under §§ 251 and 252 of the Act, the Commission applies federal statutory law in its review and approval of interconnection agreements between telecommunications carriers. Under § 252 of the Act, prior to the Commission approving an interconnection agreement, the Commission must conclude that the agreement and amendment are consistent with federal and state law, are in the public interest, and that the services provided under the agreement and amendment are available to other telecommunications carriers upon the same terms and conditions.
22. Ameritech Ohio has entered into 130 wireline Interconnection and Resale Agreements with CLECs in Ohio. (For further discussion, refer to the Heritage Affidavit).

PERFORMANCE MEASURES AND REMEDY PLAN

23. Ameritech Ohio implemented all of the technically feasible Texas performance measurements adopted by the Commission as a part of its merger approval in Case No. 98-1082-TP-AMT (122 of 128 Texas measures) along with the numerous additions and modifications to those Texas measurements as agreed to in the performance measurement collaborative.¹⁰ The Texas performance measurements were found to be reasonable by the FCC as part of its review of Southwestern Bell's Section 271 applications for Texas, Kansas and Oklahoma. Those measurements include implementation of the FCC-requested measures for the "Average Installation Interval" for service order accuracy,

⁹Ameritech Ohio has entered into multi-state Generic Interconnection/Resale Agreements with numerous CLECs in Ohio. See Alexander Attachment A.

¹⁰ SBC/Ameritech Merger Order, Section IV.D.

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“flow through” for “held orders,” and provisioning accuracy for billing quality and accuracy. In addition, the performance measures were, in part, refined in Ohio, with separate measurements for individual checklist items (i.e., resale, unbundled network elements), and with separate categories for different products or services (i.e., residential, business) within each checklist item as appropriate. Ameritech Ohio has also implemented a remedy plan based on the Texas remedy plan, pursuant to the Ohio Commission’s Order in the SBC/Ameritech merger case.¹¹ (For a further discussion of Ameritech Ohio’s implementation of its performance measurements, refer to the Fioretti Affidavit).

24. Discussed below are the performance measurement issues addressed and resolved through the collaborative process, including the performance measurement process enhancements, for the year ending 2000:

a. Performance Measurement Refinements

- In that Ameritech Ohio’s performance data is made available to the Commission and any interested CLEC in Ohio, Ameritech Ohio’s application of the specified statistical tests demonstrating parity are readily auditable. Therefore, beyond clearly and precisely identifying the level of performance required for each measure (and every additional submeasure), Ameritech Ohio’s Performance Plan ensures that any inadequate performance is identified and, if appropriate, remedies are paid. The Business Rules that accompany each of Ameritech Ohio’s performance measurements precisely define what service activity is being measured, what is included and excluded from the measurement, whether it is a parity or benchmark measurement, and if the latter, define the relevant benchmark. The performance

¹¹ SBC/Ameritech Merger Order, Section IV.D.8.

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measurements and associated business rules are offered to CLECs in Ohio via an interconnection agreement amendment.

- After much work in Ohio and across the Ameritech region, the collaborative agreed on modifications and additions to the original Texas performance measures that would serve as the baseline for the OSS test. On August 24, 2000, the Commission adopted a Joint Progress Report, filed by the collaborative participants, which submitted baseline performance measures for inclusion in the third party test.
- The Collaborative continued its efforts and reached agreement on several performance measures, especially for advanced services related offerings. On 1/16/01, the collaborative filed the Third Joint Progress Report documenting the multitude of agreements reached on performance measures. Additionally, this Third Progress Report included a request for a procedural Entry asking the Commission to resolve a single narrow performance measurement issue that remained in dispute among the parties. That issue, Issue 17, involved the application of performance measures and associated remedies to special access services. An additional performance measurement issue was raised by the CLECs on May 29, 2001. The CLECs have sought the implementation of new measurements for resold DSL transport based on their interpretation of the ASCENT decision.

b. Performance Remedy Plan

- The Commission's Order in the SBC/Ameritech merger case, Case No. 98-1082-TP-AMT also adopted a plan for automatic remedy payments to CLECs and to the State of Ohio in the event of specified failures to meet performance standards. The plan was based on the remedy plan developed for use by Southwestern Bell in Texas.

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Collaborative sessions were held in which parties proposed alternative remedy plans as well as modifications to the Texas remedy plan implemented by Ameritech Ohio. The remedy plan implemented by Ameritech Ohio included all of the key elements that had been approved by the FCC in its Texas § 271 Order. Although the CLECs submitted a proposed alternative remedy plan during the collaborative sessions, Ameritech Ohio had several objections to the CLECs' proposals. Collaborative discussions were not successful on this front. The Commission has indicated that remedy plan issues will be addressed in a future proceeding. However, Ameritech Ohio has in place a remedy plan, based on the Commission's SBC/Ameritech Merger Order, which fully meets the requirements of the FCC's Section 271 review process. (For details of the plan, refer to the Fioretti Affidavit).

COST PROCEEDINGS

25. The Commission has established costs for UNEs and interconnection services for Ameritech Ohio. In Case No. 96-922-TP-UNC, the Commission considered the total element long run incremental costs ("TELRIC") for UNEs and interconnection for Ameritech Ohio (For a further discussion of TELRIC pricing and cost methodologies, refer to the Currie Affidavit).
26. During the year 2000, Ameritech Ohio submitted for Commission approval cost studies and terms and conditions for shared transport, UNE-P, xDSL line sharing, loop conditioning, loop information and shared and cageless collocation. Case Nos. 96-922-TP-UNC and 00-1368-TP-ATA consolidated several separate filings by Ameritech Ohio. Proceedings (including hearings and extensive records) have been held concerning the terms and conditions and cost studies and Ameritech Ohio is awaiting a Commission

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decision. Ameritech Ohio also has pending before the Ohio Commission TELRIC cost studies for dark fiber, DS-3 unbundled loops, sub loops, ENSA, CNAM, custom routing for use with shared transport, pole inspections, dial tone verification and manual service orders. (For further information, refer to the Currie Affidavit, Attachment C).

MARKET CONDITIONS

27. Ameritech Ohio data demonstrates that Ameritech Ohio is facing increasing competition in the local telecommunications market in Ohio and that the requirements of Section 271(c)(1)(A) have been met.
28. Current market data demonstrates that as of July of 2001, over 200 companies filed applications for certificates of service authority to provide basic local exchange service in Ohio. The Commission granted certificates of service authority to more than 145 of these applications, with 12 applications currently pending Commission approval. (See Heritage Affidavit, Attachment "B," for the list of CLECs granted certificates of service by the Commission). In addition, Ameritech Ohio has entered into 130 wireline interconnection/resale agreements and is currently negotiating new interconnection/resale agreements with several other CLECs.
29. Ameritech Ohio also provides collocation offerings enabling requesting carriers to collocate their transmission equipment on Ameritech Ohio's premises for the purpose of interconnecting with Ameritech Ohio or accessing unbundled network elements. As of June 30, 2001, requesting carriers were collocated in 121 Ameritech Ohio wire centers. In addition, a total of 1,012 collocation arrangements were in service, consisting of 937 physical and 75 virtual collocation arrangements. Based on operational collocation

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arrangements, facilities-based CLECs are in a position to serve 90% of the lines in Ameritech Ohio's serving areas.

30. In addition, CLECs are providing local service in Ohio via resale, the use of UNEs, and entirely through their own facilities. Both the business and the residential markets are being served by CLECs using all 3 methods. (For a further discussion of collocation offerings and market coverage, refer to the Heritage Affidavit).
31. The Ohio local exchange market has been fully opened by Ameritech Ohio to all CLECs. CLECs are serving customers throughout the state of Ohio on a facilities basis and through resale. The number of customers currently being served by the CLECs, coupled with the volume of additional facilities they have purchased in anticipation of their marketing efforts, clearly demonstrate that the local markets are open throughout Ohio.
32. On February 20, 1997, the Commission issued an order adopting the Local Service Guidelines in Case No. 95-845-TP-COI, that further opened the intraLATA market to long distance competition by establishing a timeframe for Ameritech Ohio and all other local exchange carriers in Ohio to implement 1+ intraLATA dialing parity to all customers in all exchanges in Ohio.¹² Ameritech Ohio implemented 1+ dialing on February 8, 1999 in accordance with the Commission's order. The Commission's Order put interexchange carriers and any other carriers seeking to provide intraLATA toll service on an equal footing with Ameritech Ohio in the provisioning of all intraLATA long distance services.
33. Ohio customers will not have full choice in obtaining their telecommunications services until Ameritech Ohio and its affiliates are granted freedom to compete in the interLATA

¹² Ohio Local Service Guidelines, Case No. 95-845-TP-COI, Section X.B.

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market. The efforts described in this checklist filing allow the Commission to ensure that the local markets in Ohio are and will remain open to competition.

34. Clearly, approval of the § 271 Application in Ohio will further benefit Ohio consumers by allowing SBC/Ameritech Ohio to compete in the interLATA long distance market. Approval of the § 271 Application will result in more choices of service providers and lower prices, encourage innovative new service plans, and spur the development of new technology in Ohio. As discussed in my Affidavit, Ameritech Ohio has supported the Commission's efforts to open the local markets to competition and, toward this end, has taken an active role to promote competition.

PHASE III - OSS TEST and ACTUAL PERFORMANCE RESULTS

35. As outlined above, significant progress was achieved in 2000. In addition, great progress has already been accomplished during the first seven months of 2001.
36. Additional work, however, needs to be accomplished this year. The plan for 2001 includes two basic components: 1) the timely completion of third party OSS testing; and 2) a review of the final OSS testing report and a demonstration of at least three months of actual performance results demonstrating nondiscriminatory access consistent with all legal requirements. Subsequent to completion of all three phases of this proceeding, Ameritech Ohio will then file its § 271 application with the FCC. Discussed below are the components that will be accomplished this year:
- a. Completion of Third Party OSS Testing
- A major milestone in 2001 that goes directly to the ultimate completion of the Commission's review of Ameritech Ohio's compliance with the competitive

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checklist of § 271 will be the completion of OSS testing and the issuance of the KPMG Final Test Report. KPMG began preliminary work on Ameritech Ohio's OSS test in the 3rd quarter 2000, and the test began on February 9, 2001. In addition, several target dates have been developed for 2001 for the types of evaluations undertaken by KPMG. These are a) process evaluations; b) performance measurement collection; c) calculation and reporting audits; and d) system testing, both functional evaluations and capacity testing. When all testing has been completed, KPMG will issue its complete OSS Final Test Report to the Commission for approval.

b. OSS Test Report

- After the third party testing is successfully completed, parties will have an opportunity to review and comment on the Final KPMG Report. At such time, Ameritech Ohio would provide a succinct description of its compliance with the § 271 competitive checklist as demonstrated by the KPMG OSS test evaluation results.

c. Performance Measure Results

- Ameritech Ohio anticipates filing its Performance Measurement report in the fourth quarter of 2001. Pursuant to the Commission's June 1, 2000 Entry in this case comments in response to the OSS test and the performance measurement report are due 31 days after Ameritech Ohio files the OSS test results and performance data with the Commission. Reply comments are due 14 days following the filing of comments.¹³

¹³ Case No. 00-942-TP-COI. Entry, June 1, 2000 at p. 8.

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d. Performance Remedy Plan

- Pursuant to the performance remedy plan implemented by Ameritech Ohio as a result of the Commission's order in the SBC/Ameritech merger case, in the event Ameritech Ohio's performance does not meet the standards ordered by the Commission, it will make self-executing performance payments in compliance with the referenced Orders.

CONCLUSION

37. The Commission has already done a great deal of investigation into Ameritech Ohio's efforts to open its markets to competition. Completing the remaining phases of this proceeding will complete the examination and allow the Commission to affirm Ameritech Ohio's readiness for entry into the long distance market, per § 271(c) of the Act.
38. Ameritech Ohio's compliance with the requirements of Section 271 has been investigated with input from Commission Staff, the CLEC industry, and other interested parties who have chosen to participate.
39. Ameritech Ohio's § 271 Application demonstrates that the Ohio local exchange market has been fully opened by Ameritech Ohio to all CLECs.
40. Ohio customers will not have a full choice in obtaining their telecommunications services until Ameritech Ohio is granted freedom to compete in the interLATA market.
41. The efforts described herein allow the Commission to ensure that the local markets in Ohio are and will remain open to competition.

DRAFT

This concludes my affidavit.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on _____, 2001.

Daniel R. McKenzie
Senior Director

STATE OF OHIO
COUNTY OF CUYAHOGA

Subscribed and sworn to before me
this _____ day of _____, 2001.

Notary Public