

**Colorado Performance Assurance Plan  
Docket No. 02M-259T**

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**Colorado  
Public Utilities Commission**

**Technical Workshop  
Integra Presentation**

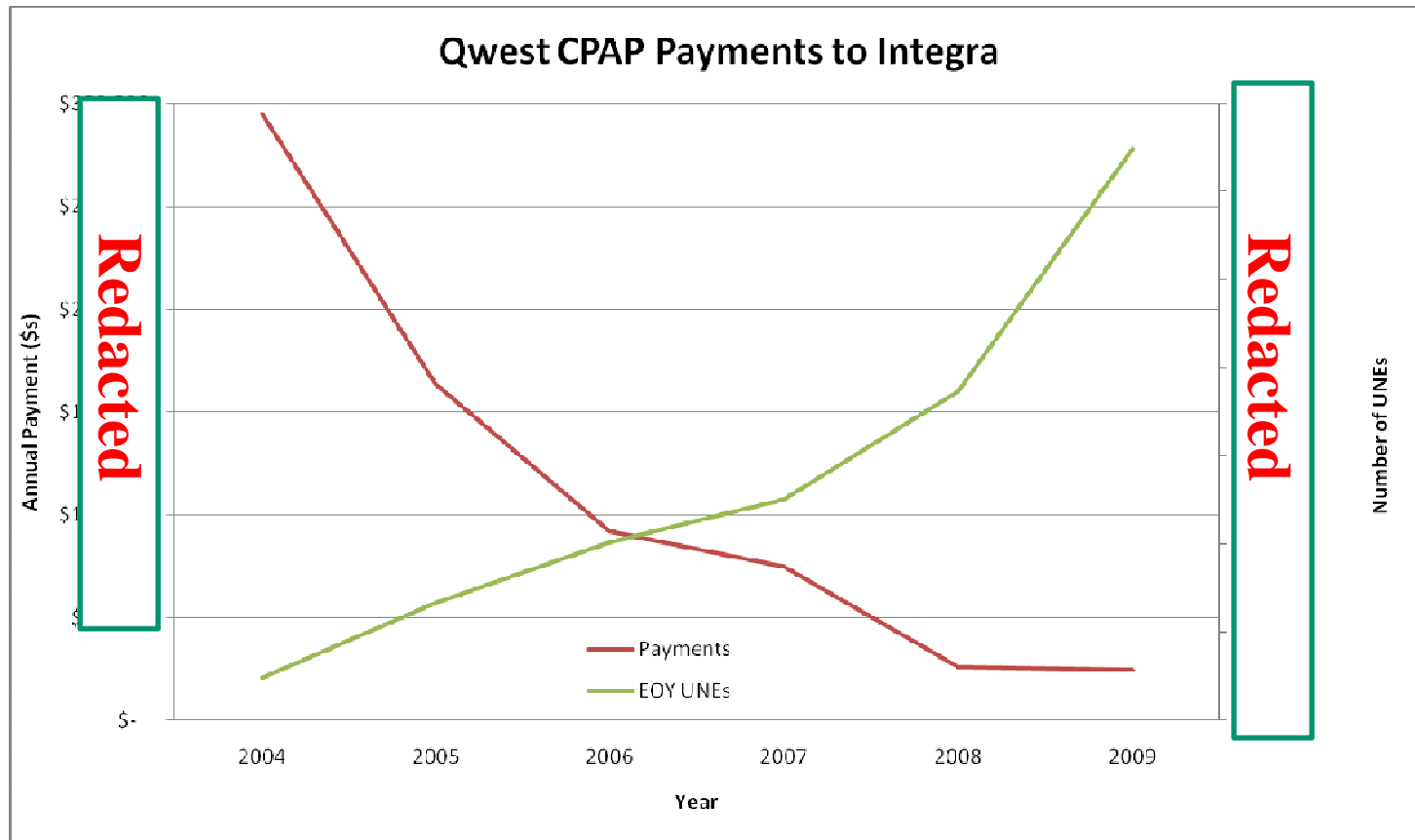
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# The CPAP Works and Continues to be Crucial

## Same Data – Opposite Conclusions



Doug Denney

Integra Confidential Material Redacted Page 2



# Qwest 2009 CPAP Payments to Integra

**CPAP Payments are Concentrated in Installation and Repair**

Product	Installation Commitments (OP-3)	Installation Interval (OP-4)	Delayed Days (OP-6)	New Service Quality (OP-5A)	Troubles Cleared within 4 hours (MR-5)	Mean Time to Restore (MR-6)	Repair Repeats (MR-7)	Trouble Rate (MR-8)	Total Dollars
DS1 Loop & DS1 EEL	\$	<b>Redacted</b>			\$	<b>Redacted</b>			
2-wire Digital Loop	\$								
2-wire analog loop	\$								
<b>Total Dollars</b>	\$				\$				

# Sixth Year Review Report

## Liberty Consulting Review

- Sixth Year Review Report Recommendations
  - “PAP incentive continues to be important” (p. 4)
  - Rec 2: Reinstatement / Removal Process
    - Add PO-9 Timely Jeopardy Notices
  - Rec 4: Low Volume Products
    - Remove DS3 loops, UDIT – above DS1, 4-wire non loaded, loops with conditioning, ISDN capable loops
  - Rec 5: Diagnostic Measures
    - Create Expedited Orders measure
    - Create Chronic Troubles measure
  - Rec 9: reinstate ADSL Capable Loops

# Qwest Proposed “CPAP-2”

## CPAP-2: No Incentives, No Commitments

- Removes Incentives
  - Response Intervals too Long
  - Escalation within Qwest no Guarantee of Results
- Reduces Reporting Interval (monthly to quarterly)
- Reduces Products
  - Analog loops, non loaded loops, DS1 loops and DS1 EELs
- Lowers Benchmarks

	Current PAP	Qwest Proposed PAP
Measures	53	6
Products	Up to 40	4
Reporting	Monthly	Quarterly
Accountability / Enforcement	\$	none

# Qwest Proposed “CPAP-2” (cont’d)

## Comparison of Measures CPAP and “CPAP-2”

Firm Order Confirmation Timeliness		
Name	PO-5	FOC
Terms	All Orders	<b>Electronically received, manually processed</b>
Products	4	<b>1</b>
Disaggregations	3	<b>1</b>
Measure	<ul style="list-style-type: none"> <li>analog loops within 24 hours</li> <li>EELs within 48 hours</li> <li>non-loaded loops and DS1 loops within 72 hours</li> </ul>	<ul style="list-style-type: none"> <li>analog loops within 24 hours</li> <li>EELs within <b>72 hours</b></li> <li>non-loaded loops and DS1 loops within 72 hours</li> </ul>
Benchmark	90%	90%
Performance Incentives	\$\$\$	<b>None</b>
Actual Average Performance (7/08-6/09)	99.1%	

Installation Commitments Met		
Name	OP-3	ICOM
Products	40	<b>4</b>
Disaggregations	5	<b>1</b>
Measure	<ul style="list-style-type: none"> <li>90% benchmark for analog loops</li> <li>90% benchmark for non-loaded loops</li> <li>90% benchmark for EEL</li> <li>Retail parity measure for DS1 loops</li> </ul>	<ul style="list-style-type: none"> <li><b>80% benchmark</b> for analog loops</li> <li><b>80% benchmark</b> for non-loaded loops</li> <li><b>80% benchmark</b> for EEL</li> <li><b>80% benchmark</b> for DS1 loops</li> </ul>
Performance Incentives	\$\$\$	<b>None</b>
Actual Average Performance (7/08-6/09)	<ul style="list-style-type: none"> <li>Analog loop 97.2%</li> <li>Non-loaded loop 97.6%</li> <li>EEL 98.3%</li> <li>DS1 loop 96.6%</li> </ul>	

# Qwest Proposed “CPAP-2” (cont’d)

## Comparison of Measures CPAP and “CPAP-2”

Order Installation Interval		
Name	OP-4	INST
Products	40	4
Disaggregations	5	1
Measure	<ul style="list-style-type: none"> <li>• 6 day benchmark for analog loops</li> <li>• 6 day benchmark for non-loaded loops</li> <li>• 6 day benchmark for EEL</li> <li>• Retail parity measure for DS1 loops</li> </ul>	<ul style="list-style-type: none"> <li>• 6 day benchmark for analog loops</li> <li>• <i>Retail parity measure</i> for non-loaded loops</li> <li>• <i>Retail parity measure</i> for EEL</li> <li>• Retail parity measure for DS1 loops</li> </ul>
Performance Incentives	\$\$\$	None
Actual Average Performance (7/08-6/09)	<ul style="list-style-type: none"> <li>• Analog loop 3.48</li> <li>• Non-loaded loop 2.72</li> <li>• EEL 4.35</li> <li>• DS1 loop 4.43</li> </ul>	

Trouble Rate		
Name	MR-8	TR
Description	Evaluates rate of trouble	Evaluates health
Products	34	4
Disaggregations	1	1
Measure	<ul style="list-style-type: none"> <li>• Retail parity measure for analog loops</li> <li>• Retail parity measure for non-loaded loops</li> <li>• Retail parity measure for EEL</li> <li>• Retail parity measure for DS1 loops</li> </ul>	<ul style="list-style-type: none"> <li>• <i>5% benchmark</i> for analog loops</li> <li>• <i>5% benchmark</i> for non-loaded loops</li> <li>• <i>5% benchmark</i> for EEL</li> <li>• <i>5% benchmark</i> for DS1 loops</li> </ul>
Performance Incentives	\$\$\$	None
Actual Average Performance (7/08-6/09)	<ul style="list-style-type: none"> <li>• Analog loop 0.6%</li> <li>• Non-loaded loop 0.7%</li> <li>• EEL 2.8%</li> <li>• DS1 loop 2.8%</li> </ul>	

# Qwest Proposed “CPAP-2” (cont’d)

## Comparison of Measures CPAP and “CPAP-2”

Troubles Restored within Estimated Intervals		
Name	MR-3 & MR-5	TREI
Products	33	4
Disaggregations	5	2
Measure	<ul style="list-style-type: none"> <li>Retail parity measure for analog loops</li> <li>Retail parity measure for non-loaded loops</li> <li>Retail parity measure for EEL</li> <li>Retail parity measure for DS1 loops</li> </ul>	<ul style="list-style-type: none"> <li>80% within 24 hours for analog loops</li> <li>80% within 24 hours for non-loaded loops</li> <li>80% within 4 hours for EEL without dispatch</li> <li>80% within 8 hours for EEL with dispatch</li> <li>80% within 4 hours for DS1 loop without dispatch</li> <li>80% within 8 hours for DS1 loop without dispatch</li> </ul>
Performance Incentives	\$\$\$	None
Actual Average Performance (7/08-6/09)	<ul style="list-style-type: none"> <li>Analog loop 94.4%</li> <li>Non-loaded loop 96.8%</li> <li>EEL (dispatch and no dispatch) 70.6%</li> <li>DS1 loop (dispatch and no dispatch) 68.9%</li> </ul>	

Mean Time to Restore		
Name	MR-6	MTTR
Description	Restore service to proper operation	Restoring reported troubles
Observations	All troubles	Troubles reported during business hours
Clock starts	When Qwest first notified	Time of receipt
Products	35	4
Disaggregations	5	2
Measure	<ul style="list-style-type: none"> <li>Retail parity measure for analog loops</li> <li>Retail parity measure for non-loaded loops</li> <li>Retail parity measure for EEL</li> <li>Retail parity measure for DS1 loops</li> </ul>	<ul style="list-style-type: none"> <li>Retail parity measure for analog loops</li> <li>Retail parity measure for non-loaded loops</li> <li>Retail parity measure for EEL</li> <li>Retail parity measure for DS1 loops</li> </ul>
Performance Incentives	\$\$\$	None
Actual Average Performance (7/08-6/09)	<ul style="list-style-type: none"> <li>Analog loop 7:52</li> <li>Non-loaded loop 5:17</li> <li>EEL (dispatch and no dispatch) 4:44</li> <li>DS1 loop (dispatch and no dispatch) 4:36</li> </ul>	

# State Wholesale Service Quality Requirements Remain Necessary

**Wholesale Service Quality Standards  
did not Start and do not End with the CPAP**

- Commission has Authority to Continue the CPAP
  - Performance Assurance predated the CPAP
    - Eschelon/Qwest ICA Attachment 8 (modified by CPAP)
      - 3.1.19 USWC shall reimburse CO-PROVIDER for incorrect Connectivity Billing charges, including, without limitation: overcharges, services ordered or requested but not delivered, interrupted services, services of **poor quality** and **installation problems**, if such problems caused by USWC. Such **reimbursements** shall be set forth in the appropriate section of the Connectivity Bill pursuant to appropriate standards.
  - Service quality for 251 Elements Contained in 252 Agreements (271 court cases do not apply)
  - CPAP (agreed to by parties) Gives Commission Authority
  - FCC Expected Commissions to Manage Performance Plans

# When can Individual Service Quality Measures be Removed

When Markets Replace Regulation to Discipline Providers

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- Mechanisms already exist to remove wholesale services from the PAP
  - TRO/TRRO
  - Non-Impairment Proceedings
  - Forbearance
  - 252 Negotiations of Acceptable Alternative
  - Commercial Agreements

# Recommendations

## Implement Sixth Year Review Report

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- This Commission has Authority over the CPAP
- The CPAP Continues to be Necessary and Should be Maintained
- Implement Sixth Year Review Report (Liberty Report)
  - Allow Qwest, Staff and CLECs to Negotiate Implementation
- Establish Ongoing Review Process
  - Encourage dialog and negotiation