

(Decision No. C94-1585)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

* * *

THE APPLICATION OF MOUNTAIN)
STATES TELEPHONE AND TELEGRAPH)
COMPANY, DBA U S WEST)
COMMUNICATIONS, INC., FOR)
APPROVAL OF A FIVE-YEAR PLAN FOR)
RATE AND SERVICE REGULATION AND)
FOR A SHARED EARNINGS PROGRAM.)

DOCKET NO. 90A-665T

DECISION AND ORDER ON STIPULATION
RE: SERVICE QUALITY GUARANTEE PLAN
FOR SWITCHED ACCESS

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Mailed Date: December 20, 1994
Adopted Date: December 14, 1994
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I. BY THE COMMISSION:

A. This docket comes before the Colorado Public Utilities Commission ("Commission") for consideration of a Joint Motion for Acceptance of a Stipulation of a Service Quality Guarantee Plan for Switched Access filed by U S WEST Communications, Inc. ("U S WEST"), American Telephone and Telegraph Company of the Mountain States ("AT&T"), and MCI Telecommunications, Inc. ("MCI"). Having reviewed the same, the Commission will accept, in part, the plan proposed in the Stipulation, and modify the plan, in part.

B. Findings of Fact and Conclusions of Law

1. By a series of decisions, this Commission adopted an alternative form of regulation plan for U S WEST. One of the main components of the plan focuses on service quality. However, this

service quality plan, as first proposed, did not address service quality for switched access. In Decision No. C92-854, we acknowledged this shortcoming.

Some of the criticisms leveled at the stipulation have some validity. Specifically, AT&T's objections regarding the absence of certain measurements related to carrier access is noted and should be addressed. Switched access is an important, mostly non-competitive service provided by the Company, and the quality of this service should be measured in any fine-tuned AFOR plan.

Decision No. C92-854, pp. 50-51. Subsequently, U S WEST, MCI and AT&T submitted a stipulation for a missed service commitment reimbursement to AT&T or MCI.¹ The stipulation also provided that U S WEST, AT&T, and MCI would develop a service guarantee plan for switched access services to be completed by October, 1993. This stipulation was approved in Decision No. C93-20.

2. After several extensions to this deadline were granted by the Commission, U S WEST, MCI, and AT&T filed a Joint Motion for Acceptance of Stipulation ("Stipulation") regarding this aspect of the AFOR plan.² By Decision C94-1111, the Commission set the Joint Motion for hearing on September 8, 1994. Linda Jones, on behalf of U S WEST, testified in support of the Stipulation. MCI and AT&T supported the Stipulation but offered no testimony. No other parties appeared for the hearing.

3. The Stipulation retains some portions of the earlier stipulation, and modifies and supplements it in other areas. The

¹ Paragraph 6 of stipulation adopted in Decision No. C93-20.

² The Stipulation, as amended by this Decision, is attached hereto as Appendix A to this Decision.

Stipulation retains the bill credit for missed service installation first outlined the stipulation adopted in Decision No. C93-20.³ However, the current Stipulation is more definitive in terms of how the missed service installation bill credit is determined than that included with Decision No. C93-20. The Stipulation also expands the commitment reimbursement to all Colorado interexchange carriers ("IXCs") and specifies an effective date of January 1, 1994. Under the Stipulation, U S WEST agrees to meet at least 97 percent of its service installation commitments for intrastate switched access circuits (Feature Groups B, C, and D) for all Colorado. Each unmet commitment in excess of 3 percent will result in a \$10.00 payment to an IXC. We find that this portion of the switched access plan is reasonable and we will adopt it.

4. The Stipulation substitutes a performance measurement called "NXX Isolation Hours" for the trunk blocking measurement within the current AFOR service performance matrix.⁴ Paragraphs 3 and 4. of the Stipulation describe this parameter, how it is measured, and how it is included within the service performance matrix adopted under Decision C92-854. Specifically, service quality for switched access would be measured based on increments of 100 NXX isolation hours. If U S WEST has an incident of less than 100 isolation hours, then there would be no negative impact on its scoring. If there is an incident of 200 hours or more, or if there are two or more incidents within the year, U S WEST would

³ See paragraph 7, page 6, of stipulation attached to Decision No. C93-20.

⁴ See Appendix A, Decision No. C92-854.

receive the maximum number of negative points. Ms. Jones explained that an incident is not a cumulative measure. This means that there would have to be numerous simultaneous NXX incidents to obtain 100 hours of isolation. Several small outages separately occurring over the day would not be added together to determine whether the 100 isolation hours standard had been met. Thus, the NXX measurement would not be affected by small incidents that may be recorded under the trunk blocking measurement. Moreover, in order to qualify as an "incident," the outage must involve the entire NXX. We view, and Ms. Jones confirmed in her testimony, the NXX isolation hour measurement to be limited to a measurement of catastrophic capacity problems.

5. The trunk blocking measurement included in the original AFOR service performance matrix, on the other hand, is an indication of how well U S WEST's trunk blocking groups meet daily traffic requirements. The NXX measurement, as planned, would not provide such an indication. The trunk blocking measurement is for trunk groups "behind the access tandem." This would include all local calling area and other interoffice trunks homing on the access tandem. It would not include trunks directly from a U S WEST central office or the access tandem that terminate on an IXC point-of-presence. This latter set of trunks, terminating at the IXC's point-of-presence, would be picked up within the NXX measurement, but only if there was no ability to reach the IXC and only if this inability was very widespread or very long in duration.

6. In earlier decisions, the Commission has encouraged the IXCs and U S WEST to develop a plan to address the service quality of switched access. However, we also note that U S WEST witness Jones stated at the hearing that it would be acceptable from the standpoint of the parties to include both the NXX and U S WEST only trunk blocking measurements within the AFOR performance plan. In light of the IXCs' agreement in the current Stipulation, we will accept the use of the NXX measurement within the AFOR performance plan. But, the Commission will not completely substitute this measurement for the current trunk blocking criteria. The latter criteria addresses the daily provisioning of trunks over which local and intrastate communications traffic is carried. Because all trunk groups often ride the same cable, especially in the rural areas, the NXX with its measurement based on outage duration might be viewed as a supplement to the trunk blocking measurement. We find that the use of both measurements presents a more accurate picture of U S WEST's service quality for switched access. Therefore, we will modify paragraph 3 of the Stipulation to include both measures.

7. Given our adoption of both the NXX and trunk blocking measurements, the scoring proposed in the Stipulation must also be modified. The original AFOR service quality performance plan assigns a total of five points to the trunk blocking performance measurement. By incorporating the NXX measurement, some portion of the five points must be assigned to the NXX measurement, with the balance of the points assigned to the U S WEST only trunk blocking

measurement. Again, the parties agreed at the hearing that such a division would be acceptable and recommended that 3 of the 5 points be assigned to the NXX measurement.

8. We will assign a maximum of 2 points to the NXX measurement, and 3 points to the current trunk blocking measurement, out at the current total of 5 maximum points allocated to trunking facilities within the AFOR performance measurement plan. We make this assignment because of some uncertainty concerning the appropriateness of the 100 and 200 hour thresholds used in the NXX measurement. In Decision No. C94-1111, we gave notice to the parties that we desired a full explanation of the thresholds adopted in the Stipulation. However, at the hearing, Ms. Jones stated that the thresholds were simply the product of negotiations between U S WEST and the IXC's. There was no information presented as to the reasonableness of the selection of less than 100 isolation hours for the one NXX Isolation Hour incident. No historical records for this measurement were offered, nor was it explained how specifically these thresholds relates, if at all, to Federal Communications Commission service quality reporting requirements. Because of the unknown significance of the breakpoints and the track record for the NXX measurement, the Commission will fix the value of the NXX measurement lower relative to that of the more familiar trunk blocking measurement. Therefore, a maximum of 2 points of the 5 points currently assigned to the trunk blocking parameter within the AFOR performance measurement plan will now be assigned to the NXX measurement.

9. In Decision No. C92-854, the Commission ordered that scoring should be on a graduated scale. The proposed Stipulation departs from this requirement. U S WEST offers that the proposed departure is done to simplify the scoring. However, Ms. Jones indicated that U S WEST would not object to a graduated scoring system. We find that maintaining consistency in the scoring is better to avoid confusion. We will modify this portion of the Stipulation so that scoring on this portion of the plan remains consistent with the scoring on the other parts of the plan.

10. In order to maintain consistency with the calculation of the other measurements within the AFOR performance plan and with the preceeding revisions in mind, we will modify paragraph 3 of the Service Guarantee Plan as set forth in the Stipulation to read as follows:

The measurement of NXX Isolation Hours will be included within the current service quality measurement plan with a maximum weighting of 2 basis points. The weighting for the Trunk Blocking element, included in the current AFOR service quality measurement plan, will be adjusted from the present maximum weighting of 5 basis points to a maximum weighting of 3 basis points. The Trunk Blocking element will continue to be scored on a graduated basis as required in C92-854. Consistent with the original plan of the AFOR for service quality measurements, the scoring for the NXX measurement shall be on a graduated scale using the occurrence of 1 NXX Isolation Hour incident as 0 basis points and 2 or more NXX Isolation Hour incidents as -2 basis points. Between these two measurements, the scale graduation will be in terms of a .25 NXX Isolation Hour incident or 25 NXX isolation hours for either a second incident or for a single incident in excess of 100 NXX isolation hours. For example, occurrence of 1 NXX Isolation Hour incident during the year for the NXX measurement score up to a performance of 1.25 (implying an incident of 100 hours plus any other single incident of less 25 hours or a single incident of less than 125 hours but of at least 100 hours duration) would not change the AFOR quality-of-service score.

In order to provide a graduation to the maximum possible score of +2 basis points, the maximum incident of less than 100 isolation hours will also have a scale graduation using .25 NXX Isolation Hour incident or 25 NXX isolation hours. For example, if the single largest incident during the year is less than 100 isolation hours but greater than or equal to 75 NXX isolation hours, this would result in an increase of .5 points in the score; etc. The scoring for this measurement is as given in the following table:

NXX isolation hours single incident (SI)	AFOR score
SI < 25 hours	+2.00
25 ≤ SI < 50 hours	+1.50
50 ≤ SI < 75 hours	+1.00
75 ≤ SI < 100 hours	+.50
single or two incidents (S/DI)	
100 ≤ S/DI < 125	0.00
125 ≤ S/DI < 150	-.50
150 ≤ S/DI < 175	-1.00
175 ≤ S/DI < 200	-1.50
200 ≤ S/DI	-2.00

11. U S WEST represents in the Stipulation that information regarding the NXX performance measurement will be available to the IXCs beginning July 1, 1994. There is no provision in the Stipulation regarding an effective date for implementing this switched access service quality measurement plan. In the absence of such an agreement, we will order that the measurement be effective January 1, 1995. While we considered making the measurement effective July 1, 1994, this would only give six months of measurement for 1994. It is not clear how six months of this measurement would be combined with annual information under the AFOR plan to derive a score for 1994. In order to avoid the confusion of implementing the measurement for only six months in 1994, we will require its use beginning in 1995. Therefore, we

modify the plan as set forth in the Stipulation by adding the following paragraph:

5. The measurement of service quality for switched access described in paragraph 3 and 4 of this Stipulation shall apply to service provided beginning January 1, 1995.

Paragraph 5 of the Stipulation shall be renumbered as paragraph 6. Our decision to implement the service quality plan in January 1, 1995 does not eliminate U S WEST's obligation to continue to accumulate and report the information for the last six months of 1994. The Commission anticipates using that information for evaluating the effectiveness of the plan in the 1995 mid-term review.

12. Finally, the Stipulation refers to the 303 and 719 area codes which currently comprise all of Colorado. This Commission has recently approved U S WEST's plan, as Numbering Plan Administrator for Colorado, to add a third area code (970). The Stipulation will be modified to provide that it shall include areas within the new 970 area code when the new area code is made effective. The phrase, "(and 970 area code at the conclusion of the permissive dialing period)" shall be inserted in paragraph 4 of the Stipulation immediately following the phrase "303 and 719 NPAs" in the first and fourth sentence of that paragraph.

II. ORDER

A. The Commission Orders That:

U S WEST Communications, Inc.'s, MCI Telecommunications, Inc.'s, and American Telephone & Telegraph Company of the Mountain States' Service Quality Guarantee Plan is modified in part, as set forth in Appendix A of this Decision. As modified, the Plan is adopted. Applicants' Joint Motion for Acceptance of Stipulated Service Quality Guarantee Plan for Switched Access is granted to the extent that the Service Quality Guarantee Plan is adopted, as modified.

B. This order is effective upon its Mailed Date.

ADOPTED IN OPEN MEETING December 14, 1994.

(SEAL)



ATTEST: A TRUE COPY

Bruce N. Smith

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ROBERT J. HIX

CHRISTINE E. M. ALVAREZ

VINCENT MAJKOWSKI

Commissioners

SWITCHED ACCESS SERVICE QUALITY GUARANTEE PLAN

1. The quality of service measurements pertaining to switched access contained in this Stipulation exist solely for the purpose of implementing the AFOR approved for U S West Communications, Inc. ("USWC"). Nothing herein limits, supersedes, or affects any switched access performance measurement or service criteria that may exist outside of the AFOR.

2. USWC is required to meet at least 97 percent of its service installation commitments for intrastate switched access circuits (Feature Groups B, C, D) for all Colorado interexchange carriers ("IXCs"). Each failure will result in a \$10.00 payment to the affected IXC for each unmet commitment in excess of 3 percent.

Commitments will be tracked by USWC. The payment to each IXC will be determined and paid on an annual basis. This payment will be recorded "below the line" and not be used to determine ratemaking expenses.

For the purposes of this agreement, the term commitment will be equal to an Access Service Request ("ASR").

Performance here will be measured by the Firm Order Confirmation date. Due dates will be determined by the Standard Interval Guide parameters. Misses created by the customer, expedites, natural disasters and national emergencies will be excluded. Commitments will be retroactive to January 1, 1994.

3. The measurement of NXX Isolation Hours will be included within the current service quality measurement plan with a maximum weighting of 2 basis points. The weighting for the Trunk Blocking element, included in the current AFOR service quality measurement plan, will be adjusted from the present maximum weighting of 5 basis points to a maximum weighting of 3 basis points. The Trunk Blocking element will continue to be scored on a graduated basis as required in C92-854. Consistent with the original plan of the AFOR for service quality measurements, the scoring for the NXX measurement shall be on a graduated scale using the occurrence of 1 NXX Isolation Hour incident as 0 basis points and 2 or more NXX Isolation Hour incidents as -2 basis points. Between these two measurements, the scale graduation will be in terms of a .25 NXX Isolation Hour incident or 25 NXX isolation hours for either a second incident or for a single incident in excess of 100 NXX isolation hours. For example, occurrence of 1 NXX Isolation Hour incident during the year for the NXX measurement score up to a performance of 1.25 (implying an incident of 100 hours plus any other single incident of less 25 hours or a single incident of less than 125 hours but of at least 100 hours duration) would not change the AFOR quality-of-service score. In order to provide a graduation to the maximum possible score of +2 basis points, the maximum incident of less than 100 isolation hours will also have a

scale graduation using .25 NXX Isolation Hour incident or 25 NXX isolation hours. For example, if the single largest incident during the year is less than 100 isolation hours but greater than or equal to 75 NXX isolation hours, this would result in an increase of .5 points in the score; etc. The scoring for this measurement is as given in the following table:

	AFOR
NXX isolation hours	score
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single or two incidents (S/DI)	
100 ≤ S/DI < 125	0.00
125 ≤ S/DI < 150	-.50
150 ≤ S/DI < 175	-1.00
175 ≤ S/DI < 200	-1.50
200 ≤ S/DI	-2.00

4. NXX Isolation Hours means incidents of USWC service outages which result in 100 NXX isolation hours in the combined 303 and 719 NPAs (and 970 area code at the conclusion of the permissive dialing period). An "NXX Isolation Hour" is an NXX isolated for one hour of duration. This is computed by multiplying the number of NXXs isolated during an incident, by the duration of the actual

isolation. For example, an incident in which 10 NXXs are isolated for 2 hours will be equal to 20 hours of NXX Isolation. "Isolation" means that subscribers in the 303 or 719 NPAs (and 970 area code at the conclusion of the permissive dialing period) are unable to originate an interLATA call via their interexchange Carrier (IXC). The number of incidents in which this measurement is not met will be reported by USWC based on their current technical ability.

When isolation information is reported for dispatch, it is logged into a data base; the calculation is completed at a later time. Beginning with July, 1994 data, this report will be provided quarterly. Each Carrier will receive the information pertinent to their service when there is an incident to report. Incidents resulting from acts of God, natural disasters, national emergencies and sabotage will be excluded.

5. The measurement of service quality for switched access described in paragraph 3 and 4 of this Stipulation shall apply to service provided beginning January 1, 1995.

6. All Stipulations previously entered in the Docket, shall remain in effect and are not modified by the terms of this Stipulation.