

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

Application of Southwestern Bell Telephone)
Company to Provide Notice of Intent to File an)
Application for Authorization to Provide In-)
Region InterLATA Services Originating in)
Missouri Pursuant to Section 271 of the)
Telecommunications Act of 1996.)

Case No. TO-99-227

**STAFF'S REPORT ON SOUTHWESTERN BELL TELEPHONE COMPANY'S
PERFORMANCE METRIC RESULTS FOR NOVEMBER 2004**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its report states:

1. By order titled "ORDER DENYING MOTIONS TO RECONSIDER RECOMMENDATION AND OPENING CASE FOR MONITORING PURPOSES" and dated September 4, 2001, in ordered paragraph no. 3, the Commission ordered "[t]hat this case shall remain open for administrative purposes and for the continued receipt of periodic reports from the Staff of the Missouri Public Service Commission regarding Southwestern Bell [Telephone Company]'s continued performance." In describing the nature of the reports in the subsequent sentence of that ordering paragraph the Commission stated, "The reports should include but not be limited to the results of the six-month performance reviews, any penalties paid to the state treasury as a result of the Performance Remedy Plan, recommendations for reductions of performance measures, and the results of the LMOS database audit in the state of Texas."

2. In the attached Memorandum, which is labeled Appendix A, the Staff reports that Southwestern Bell Telephone Company, LP d/b/a SBC Missouri's rolling three-month period all-measures success ratio for the months September through November 2004 was 97.1%.

3. The Staff also reports that for the month of November 2004 SBC Missouri met benchmark or parity levels for an all-measures success rate of 93.9%.

4. The Staff reports that SBC Missouri reported fewer submeasures on the basis that the submeasures were for activity related to broadband activity that should never have been reported. The Staff reports that it reviewed the eliminated submeasures and found no activity reported in any submeasure for all months reported (beginning in April 2001 to the present), only one of the submeasures was subject to Tier I or Tier II payments, and that the Staff has neither received nor heard of complaints by any CLEC about any of the deleted submeasures.

5. The Staff reports that for the reporting month of November 2004 SBC Missouri credited \$13,967 to competitors for Missouri 271 Interconnection Agreement Tier I Performance Remedy Plan results. Additionally, the Staff reports that for the reporting month of November 2004 SBC Missouri paid \$30,000 into the Missouri State Treasury for Tier II Performance Remedy Plan payments. Since inception of the plan in Missouri through the reporting month of November 2004 SBC Missouri has issued to competitors and paid into the Missouri State Treasury an aggregate of \$6,969,453 in credits and payments for Missouri 271 Interconnection Agreement Tier I and Tier II Performance Remedy Plan results. The Missouri 271 Interconnection Agreement, including the Performance Remedy Plan, expired on March 6, 2005.

WHEREFORE, the Staff, in compliance with the Commission's Order dated September 4, 2001, files the attached Staff Memorandum, labeled Appendix A, that reports on payments and credits made by SBC Missouri under the Missouri 271 Interconnection Agreement

Performance Remedy Plan and certain performance measurement results through the reporting month November 2004.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ Nathan Williams

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 8th day of March 2005.

/s/ Nathan Williams

Nathan Williams

Memorandum

To: Official Case File

Case No. TO-99-227

From: Walt Cecil

Date: March 8, 2005

Re: Southwestern Bell Telephone, L.P. d/b/a SBC—Missouri Performance Metric
Results Report For November 2004

On January 18, 2004 SBC Missouri (SBC) submitted performance measurement results for the month of November 2004 and the three-month rolling time period ending November 2004. The report indicates:

- During the month of November 2004, SBC monitored 1,392 submeasurements, a reduction of 66 submeasures from the previous report. According to an SBC legal determination, since the eliminated submeasures monitored activity related to broadband services they never should have been reported. Further, the submeasures monitored activity performed for ASI as the benchmark. ASI no longer receives service from SBC under the M2A, and accordingly, the benchmark no longer exists. (ASI now receives its service through a “commercial agreement.”)
 - Staff examined all of the deleted submeasures for each month since such data has been reported:
 - Staff found no activity reported in any submeasure for all months reported (beginning in April 2001 to the present);
 - Of the 66 submeasures that were deleted, only one is subject to tier 1 liquidated damages or tier 2 assessments to the state; all others are not subject to either tier 1 or tier 2 payments. Given there has been no activity reported in the deleted submeasures, no liquidated damages or assessments have been paid to or are due to be paid to any competitive local exchange carrier (CLEC) or the State;
 - Staff has neither received nor heard of complaints by any CLEC about any of the deleted submeasures;

Appendix A

- Based on November 2004 activity, SBC analyzed 377 submeasurements of which SBC successfully met 354 yielding an all measures success rate of 93.9%. By way of comparison, in November 2003, SBC monitored 1,428 sub-measurements and experienced a success rate of 95.4% for the 371 that it analyzed. During the previous twelve months, SBC has achieved monthly success rates ranging from 93.4% (February 2004) to 96.8% (October 2004).
- For the September 2004-to-November 2004 period, SBC reported a rolling three-month period all-measures success rate of 97.1%. This percentage indicates that for the submeasurements analyzed, SBC met 97.1% of those sub-measurements in at least two of the three months. Eleven submetrics were missed in at least two of the three months during this three-month reporting period, six of which are subject to credits and/or payments to competitive local exchange carriers and/or the State of Missouri. The data reported for the same three-month period last year indicated a success rate of 97.3% and ten missed submetrics in at least two of the three months.
- As a result of missing Tier I performance metrics in November 2004, SBC credited an aggregate of \$13,967 to competitors providing service in Missouri. For missing Tier II performance standards in the three-month rolling period ending November 2004, SBC paid \$30,000 to the State of Missouri. For the past twelve months Tier I credits to competitors have averaged about \$120,814 per month while Tier II payments to the state have averaged about \$26,250 per month. Since inception of the plan, Tier I credits and Tier II payments total \$6,969,453.

The M2A expired on March 6, 2005.