

## **FairPoint Cutover Monitoring Statement of Scope**

The Liberty Consulting Group (“Liberty”) understands that the Maine Public Utilities Commission, the New Hampshire Public Utilities Commission, and the Vermont Department of Public Service (“State Regulators”) are interested in engaging a consultant to monitor the cutover from Verizon’s back-office systems to those developed for FairPoint by Capgemini in the event that the MPUC, NHPUC, and VTPSB approve the proposed transaction. The purpose of this engagement is to address concerns raised in proceedings in each of the three states that failures in the transition from Verizon to FairPoint systems can produce adverse customer impacts. The State Regulators recognize that FairPoint is already developing and testing its systems and that Liberty's participation before any regulatory approvals may prove useful even if the transaction is not ultimately approved. The State Regulators' interest and participation in Liberty's engagement shall not be construed by any party as an indication that any of the state regulatory commissions will approve the proposed transaction nor consent to be bound by specific recommendations made by Liberty. Liberty understands that the work would include the following activities but would not include an explicit approval of FairPoint's testing criteria, practices, or strategies.

### **Review and Assessment of FairPoint Planned Testing and Cutover Readiness Process**

This part of the scope of work will begin immediately at commencement of the project and will involve a thorough review of FairPoint’s planned testing process to determine readiness to provide Verizon with notice of readiness for cutover and to proceed with the cutover of systems and functions provided by Verizon to the Northern New England operation. Liberty expects that this review will be accomplished through review of documents, telephone conferences, and on-site meetings with FairPoint and Capgemini personnel working on the conversion project. Liberty will also review the concerns and requirements expressed by the wholesale systems users. Through this process, Liberty will:

- Review the systems testing strategy.
- Review the systems testing plans.
- Review the specific test cases.
- Review the expected outcome of the test cases.
- Review the testing acceptance criteria.
- Analyze the testing strategy and plans for adequacy, feasibility, and comprehensiveness in addressing all necessary functions moving from Verizon to FairPoint.

- Review the testing acceptance criteria for adequate classification and disposition of outcome defects (severity 1, severity 2, etc.). Analyze the test cases for completeness and accuracy in addressing the necessary functions.
- Review staffing requirements and plans.
- Review system training plans and schedules, both for FairPoint personnel and wholesale customers.
- Review notice and readiness timetables given to wholesale customers for adequacy and reasonableness.
- Notify FairPoint of issues and concerns exposed in the review and recommendations for FairPoint action.
- Identify the key business processes and associated test criteria that FairPoint must use to demonstrate cutover readiness. Successful performance on these key test criteria by FairPoint should be necessary (although not necessarily sufficient) for proceeding with the final cutover.

*Key Deliverables:*

- A draft report to the State Regulators on the testing strategy, plans, acceptance criteria, and test cases after completing the initial review. This report will include comments and recommendations; a list and description of key business processes and associated test criteria, with explanation as to why they were selected; and identification of any key concerns raised with FairPoint that have not been addressed.
- Release of the draft report for review and comment by the State Regulators and interested parties, including wholesale customers.
- A final report on the testing strategy, plans, acceptance criteria, and test cases after Liberty review of the input from the State Regulators and interested parties.

### **Monitoring of Testing and Cutover Readiness Process**

This part of the scope of work will be ongoing from the beginning of the project through the notification by FairPoint to Verizon of readiness for conversion. During this process Liberty will collect information on the progress being made toward cutover readiness and flag emerging issues or areas of concern for the State Regulators. As part of monitoring, Liberty will:

- Participate in FairPoint project status meetings at least monthly.
- Participate in Capgemini and FairPoint test status and defect review meetings and key decision making meetings, as appropriate.
- Participate monthly in FairPoint conference calls with CLEC technical subject matter experts to verify progress towards cutover readiness from wholesale users' perspective.
- Review any updates or changes to the testing strategy, plans, acceptance criteria, test schedules, test cases, training plans, and training schedules that occur as the systems development and testing proceeds.

- Provide updates, comments, and recommendations on any changes to the State Regulators.
- Review the test results on a weekly basis as the testing proceeds, examining all severity 1 and severity 2 failures and a selected set of other results and comparing number of scheduled versus actually executed tests.
- Review systems training progress.
- Monitor FairPoint's progress in bringing on staff and developing the organization needed to support business processes post-conversion.
- Verify that FairPoint is using appropriate and sufficient methods to assure complete and accurate conversion of data from the Verizon systems to the new FairPoint systems. This would include but not be limited to verifying that the conversion team is using automated comparative conversion metrics reporting of key count statistics between the Verizon systems and the converted data in the new systems, including access line counts by type, customer counts by type, product counts by product code, and other comparably key statistics.
- Review and verify FairPoint's and Verizon's ability to successfully migrate necessary data from Verizon to FairPoint systems in a reasonable timeframe.
- Observe selected system and business process acceptance tests, as appropriate, and review the detailed test results for key acceptance criteria.
- Review and evaluate the readiness of FairPoint's systems, organization, and business processes to support retail operations at cutover.
- Review and evaluate the readiness of FairPoint's systems, organization, and business processes to support wholesale operations at cutover, including the readiness to offer those required services, products, and network elements specified by the State Regulators.
- Verify that FairPoint has performed the steps necessary to confirm accuracy of the data converted from Verizon systems in advance of cutover. This will include but not be limited to verifying that the conversion team has performed a conversion "audit" to confirm conversion data accuracy for important data on the final mock conversion in advance of cutover. This audit should involve statistically valid sampling of important converted data within the new systems to ensure that it is accurate as designed and required for business operation.
- Verify that FairPoint has taken the necessary steps to produce service quality and other required regulatory reports.

*Key Deliverables:*

- A weekly telephone status conference with the State Regulators to answer questions as the system development and testing proceeds.
- A monthly written report to the State Regulators, including a public version, commenting on the test results and systems training progress and making recommendations for use in decision making prior to cutover. Among other items, the monthly report would:
  - Review the overall test status and defect reporting at application and summary levels.
  - Highlight performance on key test criteria.

Summarize and comment on known workarounds planned by FairPoint. Summarize and evaluate FairPoint's contingency planning and escalation procedures.

- Summarize possible service-affecting issues, their magnitude and severity, and possible remedies.
- Summarize any remaining concerns of the consultant, based on the observations it has made and data it has reviewed.

### **Pre-Cutover Readiness Review and Final Report**

Through its monthly reporting process, Liberty will inform the State Regulators of the status of FairPoint's plans to provide its Cutover Readiness Notice to Verizon. Liberty anticipates that in the month before FairPoint is likely to provide this notice, the State Regulators will have an increased need for information about testing status. In addition, at the end of the monitoring process after cutover, Liberty will provide a final report to the State Regulators. In this portion of the review, Liberty will:

- Be available to answer additional questions that the State Regulators may have related to FairPoint's cutover readiness.
- Participate in conference calls and/or status conferences, as appropriate to each state.
- Produce a final report after cutover, summarizing Liberty's review and conclusions.

#### *Key Deliverables:*

- A conference call with State Regulators to answer questions about FairPoint's cutover readiness.
- Participation in a status conference in Vermont with the Vermont Public Service Board to present and answer questions from the Board on FairPoint's cutover readiness.
- One final report to the State Regulators two months after cutover, summarizing the project and final conclusions, including identifying any key business process gaps and ongoing FairPoint system development activities to them.
- A conference call with the State Regulators to answer questions about the final report.

### **Post-Cutover Review and Report**

If the cutover proceeds without significant problems, Liberty's review will end at cutover. However, if after cutover the State Regulators obtain information from customers or other interested parties that customer-affecting problems have arisen, the State Regulators may elect to retain Liberty for further work to ascertain the source of the perceived problems and FairPoint's actions and plans to alleviate them. In this part of the project, Liberty would:

- Identify and review problems associated with the conversion.

Confer with Consumer Affairs staffs of each of the State Regulators regarding consumer complaints post-cutover.

- Review FairPoint's continuing system development plans for work that will be completed post-cutover to address any gaps in the support of key business processes at cutover.

Evaluate the effectiveness of workarounds which were implemented and progress toward their elimination.

- Meet with FairPoint personnel to review and evaluate the results of the cut-over and ongoing performance.

*Key Deliverables:*

- A report to the State Regulators that summarizes the problems that have arisen as part of the conversion, identifies ongoing FairPoint system development activities to address key business process gaps, and recommends whether any further monitoring is necessary.
- A conference call with the State Regulators to answer questions about the report.

### **State Regulator Reporting and Oversight**

Liberty understands that the New Hampshire PUC will provide contract management for this contract, and that its agreement is with the New Hampshire PUC. Payment for services will be received through the New Hampshire PUC, and Liberty understands that it will not be receiving payment from any other party. It is the intention of the New Hampshire PUC to collaborate with the Vermont DPS and the Maine PUC in a collaborative inter-jurisdictional process. Liberty understands that the New Hampshire PUC intends that Liberty will report on work performed to an individual designated at each of the three State Regulators. Liberty agrees that it will respond to inquiries and requests from any of the three State Regulators that are within the Scope of Work agreed to in this contract.