

service provider portability where, in a given locality, the market demand for the capability is minimal or non-existent.

These considerations dictate that new forms of service provider portability be implemented in phases and over a period of time. This realization, in turn, dictates that policies be developed to determine when any new form of service provider portability should be introduced in any locality.

One possibility would be for the state commissions to decide when and where service provider portability should be introduced within their respective jurisdictions. Another possibility would be to adopt a bona fide request procedure similar to that used for the introduction of equal access. There are undoubtedly other alternatives which could be utilized.

It is not imperative that this “when to deploy” issue be decided immediately. Nonetheless, new portability solutions will be implemented more rapidly if, at the time the Commission decides such solutions are in the public interest, it has already considered these timing issues. U S WEST therefore recommends that the Commission release a supplemental rulemaking specifically addressing this timing question so a record is developed when the industry submits a preferred portability solution for the Commission’s consideration.

2. The Need For, and Form of, a New Toll Indicator Should be Examined

A related issue in need of exploration is the matter of different local calling areas. The public has come to understand and rely upon the different prices associated with local and toll calls, knowing that toll calls (and other calls involving special surcharges or rates) are preceded by dialing the digit "1" before the telephone number of the person being called.

However, the development of competition in the local exchange and the deployment of a new service provider portability solution introduce a new complexity. Different local exchange carriers may not have the same local calling area. As a result, if local portability solutions are available in a given area, consumers may no longer know whether the call they are making is a local call or a toll call. This is because, in a portability environment, the public may no longer be able to discern from the dialed digits whether a call is a local or toll call.

U S WEST believes some type of toll indicator is in the public interest and should be maintained; indeed, the public will almost certainly demand that they continue to have the ability to distinguish toll from local calls. Meeting this need may very well require development of a new type of toll indicator.

The same considerations dictating the development of a national service provider portability solution dictate the development of a national solution for new toll indicators. U S WEST recommends that the Commission obtain additional facts concerning this toll indicator issue in any supplemental rulemaking it releases.

3. Policies Are Needed to Determine Who Should Own and Operate Any Common Elements

Any new portability solution will necessarily involve the development and deployment of some common network elements — elements which all carriers serving a given locality will

access in supporting service provider portability. As noted, this common element will likely involve an administrative data base (or a service management system) which stores needed information about customers having ported numbers and which carriers can download to their own processing data bases (or service control points). It is possible that the common elements will involve other functionalities. Regardless of what the shared common elements will entail, the fact remains that there will be a common element, and this factor raises new issues: who will develop, own and operate any common elements, and how will that entity recover its costs in deploying and operating those common elements?

The Commission was largely able to avoid this issue in connection with 800 service portability because U S WEST and the other Bell companies developed, purchased and initially operated the 800 administrative data base (800 SMS). However, rather than being commended for having jump started the availability of 800 portability by engaging in this activity, the Bell companies were instead criticized for owning and operating the common elements required by all 800 carriers. Needless to say, U S WEST has no interest in owning a common element for another service provider portability solution.

The lesson to be learned from this 800 experience is that any common element should be owned and operated by a neutral third party — one who does not compete with the carriers using the common elements. Having stated the obvious, the issues then become: (a) who selects this third party, and (b) how will this third party recover its costs?

The industry will recommend to this Commission whether the shared common elements for new portability solutions should be an administrative data base or something else (or something in addition to such a data base). However, regardless of the specific common element recommended by the industry, prudence would dictate that the Commission begin developing now a

better record so it can establish policies concerning the development, ownership, and operation of this common element. A supplemental rulemaking would appear warranted for this purpose so a process is in place when the industry makes its technical recommendation.

4. The Full Impact of New Portability Solutions Needs to be Examined

Any discussion of new service provider portability solutions will understandably focus, at least initially, on the ways to best support this new capability. This technical discussion is critically important because the selection of a preferred portability solution will directly impact the cost/benefit equation.

But there are other, less obvious impacts of new portability solutions. Billing systems are impacted, as are repair and maintenance systems. Also impacted are directory publishing, operator services, and 911 emergency systems, to state only a few.

Because implementation of new service provider portability solutions requires the participation of all carriers in a given area, because these new solutions can potentially impact all aspects of a carrier's business, and because some carriers do not have the resources to participate directly in the industry process, U S WEST recommends that the Commission commence a supplemental proceeding to develop a check list of the systems, services, and processes which could be impacted by deployment of a new portability solution. This proceeding, in addition to identifying the areas which need to be examined by all carriers, can also be used to ferret out any public policy issues which are not now apparent.

VI. CONCLUSION

The availability of new forms of service provider portability is certainly desirable. The issue, as the Commission has correctly observed, is to determine whether the benefits of new portability solutions exceed their costs.

This cost/benefit equation cannot be addressed (or at least addressed intelligently) until more information is obtained about the relative costs and benefits of new portability solutions. Even then, costs and benefits cannot be considered until a preferred service provider portability solution is identified.

There are two paths down which the Commission can proceed: it can try to develop the preferred service provider portability solution, or it can refer this matter to the industry. U S WEST believes that the better course is the latter approach, and it has submitted in these a comments a blueprint for addressing these important issues.

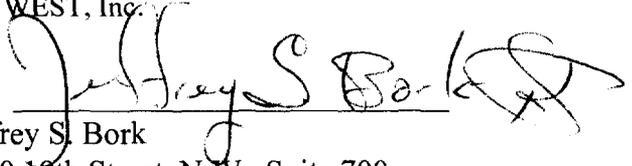
It bears repeating that new service provider portability solutions can either facilitate or retard competition in the local market. The chance that portability will facilitate, rather than retard, competition will be enhanced significantly if the industry is given the opportunity to de

velop preferred solutions. The Commission's job, at least at this point in time, should be to articulate the policies under which the industry should operate.

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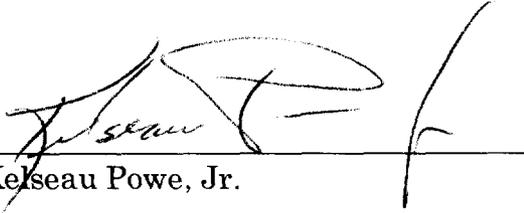
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September 8, 1995

CERTIFICATE OF SERVICE

I, Kelseau Powe, Jr., do hereby certify that on this 8th day of September, 1995, I have caused a copy of the foregoing **Comments of U S WEST, Inc.**, to be served via hand delivery, upon the persons listed on the attached service list.



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