



General Services Administration
Office of General Counsel
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

September 12, 1995

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Subject: Telephone Number Portability, CC Docket No. 95-116.

Dear Mr. Caton:

Enclosed please find the original and nine copies of the General Services Administration's Comments for filing in the above-referenced proceeding. A copy of this filing has been served on all interested parties.

Sincerely,

Jody B. Burton
Assistant General Counsel
Personal Property Division

Enclosures

cc: Policy and Program Planning Division (2 copies)
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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
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Telephone Number Portability)
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DOCKET FILE COPY ORIGINAL

CC Docket No. 95-116

RM 8535

COMMENTS OF THE GENERAL SERVICES ADMINISTRATION

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September 12, 1995

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SUMMARY

The General Services Administration ("GSA") believes that number portability is critical to the development of local service competition because it removes one of the primary obstacles that many telephone users confront in changing local service providers. GSA also supports the implementation of geographic portability in an increasingly mobile society and service portability in an environment of accelerating technological development.

Market forces alone will not achieve an early solution to the problems of number portability, first, because not all participants in the market have an interest in its success, and second, because the various solutions that may be developed by different groups may not be compatible. GSA therefore urges the Commission to take an active and forceful role in promoting the development and deployment of number portability, possibly by mandating at least interim number portability by a date certain. It should also take a leadership role in ensuring compatible technical number portability specifications, monitoring development and deployment of number portability programs, and building a library of economic and technical information on number portability.

millions of telephone numbers across the country. As such, GSA is vitally interested in all aspects of number portability, the subject of this proceeding. The nature of this interest and the policy recommendations of GSA pertaining to this matter are set forth in these Comments.

II. BACKGROUND

The present numbering plan does not allow telephone subscribers to keep their current telephone numbers if they change service providers or if they move outside of their immediate local calling area. In some cases, customers must also change telephone numbers to obtain different services, such as Centrex or digital network services provided by their present local exchange company.

GSA believes that the availability of telephone number "portability" with changes in local carrier, location or service significantly affects the evolution of the telephone market from a system of regional monopolies to an environment of full and open competition. That is because the current inability to keep the same telephone number when a customer makes these changes is a major deterrent to the choice among competing local exchange companies or among different telecommunications services.

Several state regulatory commissions have recently authorized competition for local services, and additional commissions have proceedings underway to consider this option. If this trend continues, most consumers will soon be confronted with the opportunity to choose among telephone companies and

telecommunications services. This welcome flexibility brings telephone number portability to the forefront among issues being considered by regulatory bodies throughout the nation.

The Commission's NPRM recognizes the importance of number portability and poses several tentative conclusions concerning this issue. Specifically, the Commission tentatively concludes that number portability will benefit consumers and promote more competition. The Commission also tentatively concludes that it should assume a leadership role in developing a national number portability policy because of its impact on interstate communications. The NPRM solicits comments on the most appropriate role of the Commission in developing this policy.

In the following comments, GSA addresses these issues and others outlined in the NRPM.

III. NUMBER PORTABILITY IS CRITICAL FOR THE DEVELOPMENT OF LOCAL SERVICE COMPETITION.

Pursuant to the Competition in Contracting Act, P.L. 98-369, and other legislation, the Federal Government has adopted policies for acquiring as many telecommunications services as possible through competitive procurements. GSA has successfully implemented this policy with respect to the interexchange services that it procures, with resultant savings to taxpayers in the millions of dollars. It has been less successful in implementing competitive procurements at the local exchange level, due largely to the absence of viable alternative providers of local exchange service.

If GSA, one of the largest purchasers of telephone services in the country, has difficulty finding competitive providers of local service, then smaller consumers are far more encumbered in finding competitive providers and, as a consequence, are far more subject to the monopoly power of the entrenched telephone companies.

GSA concurs with the Commission's apparent conclusion that the absence of number portability is a significant deterrent to the development of alternative providers of local exchange service. Number portability is a necessary precondition for new carriers to be able to offer comparable service to that of incumbent telephone companies. As the Commission points out, opinion polls confirm that telephone subscribers are reluctant to change carriers if they must also change telephone numbers. According to a recent Gallup survey, about 45 percent of residential customers and 75 percent of business customers would probably not consider changing their local telephone company if a change in carrier also meant that it was necessary to abandon their present telephone numbers. That survey statistic provides ample evidence that telephone number portability is essential for viable local competition.¹

In the past few years, GSA has participated in proceedings in 13 states² concerning the requirements for effective competition in local telecommunications markets. In almost all of these cases,

¹ NRPM ¶ 22.

² California, Illinois, Kansas, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, Oregon, Pennsylvania, Virginia and Washington.

end users and new carriers have stated emphatically that competition will be limited if telephone numbers must be changed in order for a customer to switch local carriers. In 1993, this Commission recognized that 800 service subscribers must be able to change providers while keeping the same 800 number. GSA strongly urges the Commission to conclude that effective competition also requires that users be able to keep their local numbers when changing their local carrier.

IV. USERS ALSO REQUIRE NUMBER PORTABILITY AMONG DIFFERENT LOCATIONS AND SERVICES.

GSA has not been able to maintain the same telephone numbers when government employees, offices or agencies change location. Nor can Government employees use the same telephone number for both landline and mobile services. Because of the increasing mobility of Government operations, GSA -- and by extension the American taxpayer -- would benefit if employees and agencies could keep their telephone numbers when they move to a different location or when they change telephone services or service features. GSA endorses portability in these dimensions as well because it will provide the greatest opportunity for the Government to maintain stability in its telephone numbering system and to benefit from the increasing variety of services available with more competitors.

There is ample evidence of the demand for location portability. Since 1981, when AT&T implemented database technology in its network, 800 service subscribers have been able to retain their telephone numbers when changing the terminating location for

incoming calls. This locational flexibility has undoubtedly contributed to an increase in the demand for 800 services that has been so dramatic that a supplemental "888" number designation for this service has been required and will be introduced soon.

The demand for location portability is also shown by the initiation of 500 "follow-me" services about a year ago. This service permits customers to be called through a single telephone number regardless of their current location. The growth in the demand for this service will be a good indicator of the public's need for non-locational telephone numbers. If the service expands, and the supply of 500 numbers becomes depleted, then the absence of location portability will become a constraint on the availability of a popular service feature demanded by the public.

The demands for portability among services and service features are equally compelling. This type of portability is needed when a particular service is available only through certain switches in a local service area. For example, if a local exchange carrier deploys an integrated services digital network ("ISDN") by installing a new switch within an existing service area, customers served by other local switches must change telephone numbers if they wish to obtain ISDN services. The absence of number portability thus can deter the use of improved service features made possible by advanced technology. That deterrence in turn inhibits the deployment of the technology itself.

If number portability among carriers, locations and services existed today, telephone subscribers would be able to obtain

different parts of a single service from different suppliers. For example, a Centrex user could obtain dial tone from one carrier, call forwarding from a second carrier, and conferencing from yet a third carrier, all using the same telephone number. If the customer moved to a different city, the customer could transfer the entire arrangement without changing the single telephone number associated with all of these capabilities.

GSA urges the Commission to recognize the needs for number portability so that telephone networks in the near future will have these capabilities.

V. THE COMMISSION SHOULD PROVIDE STRONG LEADERSHIP IN THE DEVELOPMENT AND DEPLOYMENT OF NUMBER PORTABILITY.

In paragraph 28 of the NRPM, the Commission poses two possibilities: either market forces will drive the development and deployment of a number portability solution, or they will not. GSA submits that the likelihood of market forces alone resolving the problems of number portability are remote. That is because there are forces in the market that have an interest in delay, if not outright failure, of the effort to achieve effective number portability.

As noted earlier, the current absence of number portability is a deterrent to the development of viable alternative providers of local service. The perpetuation of that absence thus contributes to the continued maintenance of monopoly market power by the entrenched local exchange carriers. Those carriers have no

incentive whatever to resolve the impediments to effective number portability.

For this reason, GSA believes that the Commission must take a strong and central role in the development of number portability solutions, including possibly the mandating of this capability, even on an interim basis, by a date certain. The action taken on this issue should be as forceful as the Commission's earlier actions with respect to mandating equal access for competing interexchange carriers.

Even if market forces were unanimous in favoring the development of number portability, the Commission would still have to take a strong central role. At present, a number of state regulators, industry associations and technical groups are investigating alternative ways of achieving number portability. However energetic and creative these efforts, the scope and complexity of number portability issues suggests that the result may be a number of alternative and not necessarily compatible solutions. Thus the Commission must exert strong leadership to ensure that, in the end, a common number portability methodology can be deployed nationwide.

The Commission's jurisdiction in this matter is clear because number portability procedures must function efficiently nationwide to deliver interstate and international telecommunications messages. Moreover, virtually all large firms providing "local" exchange services operate in more than one state. Also, many metropolitan areas span more than one state and new area codes with

geographical "overlays" are being introduced in some areas.³ National standards are required to ensure that efficient nationwide communications are possible as "local" operating areas become more difficult to delineate.

In addition, there is a strong Federal interest in fostering the development of number portability because of the need for coordinating number resources on a national basis. Both "interim" and "long-term" approaches to number portability have impacts on the demands to employ the limited supply of numbers available for all subscribers.

VI. THE COMMISSION SHOULD APPROVE IMPLEMENTATION PLANS, MONITOR TECHNICAL ACTIVITIES AND PROVIDE A CENTRAL DATA SOURCE FOR INFORMATION ON NUMBER PORTABILITY.

The NPRM asks for suggestions concerning specific functions that the Commission might perform to address number portability issues. Specifically, the NPRM asks parties to address the question of whether the Commission should establish technical and performance standards for implementing number portability in the near or longer term, or leave the establishment of standards to industry organizations and consultative bodies.⁴

³ With an "overlay," a new area code is assigned to a geographic area that overlaps the area(s) of one or more pre-existing codes. The first overlay was established in 1992 in New York City, when the 917 area code was introduced to overlay both the 212 and the 718 codes.

⁴ NPRM, paras. 7 and 28-34.

GSA strongly urges the Commission to assume a leadership role in the development and implementation of a national number portability system, and suggests three important functions for the Commission in reaching this goal.

The Commission's most important function concerning number portability will be to ensure that all technical and operational specifications are compatible on a national basis so that number portability will be seamless and transparent for all users. All specifications developed by national organizations or by groups working at the state level, or locally, should be subject to review by the Commission to ensure compatibility. While the Commission may wish to designate an authoritative national organization, such as the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions, to help the agency perform this vital function, the ultimate power to approve or reject approaches should reside with the Commission itself.

A second important task for the Commission will be to monitor all current research, development and implementation activities concerning number portability so that it can make timely decisions concerning plans and proposals using the most current and complete data available. To help its staff perform this task, the Commission should request all groups working on number portability issues to provide copies of the reports they produce, as well as principal memoranda, minutes of substantive meetings, and transcripts of hearings.

In performing its monitoring function, the Commission will build an extensive library of information on economic and technical matters concerning number portability. The Commission could provide an important service by using this library to provide technical assistance through workshops for state regulators and other concerned groups on the current status of number portability activities.

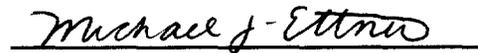
VII. CONCLUSION

As the agency vested with the responsibility for acquiring telecommunications services on a competitive basis for the Federal Executive Agencies, GSA urges the Commission to assume leadership in the national efforts to develop procedures so that all users will enjoy the benefits of number portability among carriers, subscriber locations and services provided by all telecommunications firms.

Respectfully submitted,

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September 12, 1995

CERTIFICATE OF SERVICE

I Jody B. Burton, do hereby certify that copies of the foregoing "Comments of the General Services Administration" were served this 12th day of September, 1995, by hand delivery or postage paid to the following parties:

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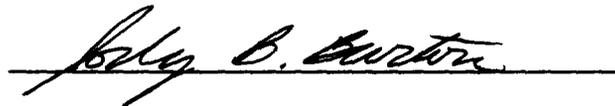
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A handwritten signature in cursive script, appearing to read "R. B. Lee", is written over a horizontal line.