

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
)  
Telephone Number Portability ) CC Docket No. 95-116  
) RM 8535

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To: The Commission

COMMENTS OF U.S. AIRWAVES INC.  
ON NOTICE OF PROPOSED RULEMAKING

U.S. Airwaves Inc. ("AirWaves") hereby submits its comments in response to the Notice of Proposed Rulemaking ("NPRM") in the above-captioned proceeding. AirWaves is a wireless communications company, established to develop and operate a nationwide digital Personal Communications Service ("PCS") network.

AirWaves supports the Commission in recognizing that number portability can significantly enhance competition in the telecommunications marketplace. AirWaves agrees with the Commission's tentative conclusions that "the portability of telephone numbers benefits consumers of telecommunications services and would contribute to the development of competition among alternative providers of local telephone and other telecommunications." AirWaves further concurs that there is a leadership role for the Commission to play in developing a nationwide number portability policy; indeed, active Commission leadership in this area is essential to the success of this endeavor.

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I. SERVICE PROVIDER AND SERVICE PORTABILITY  
OF TELEPHONE NUMBERS BENEFITS CONSUMERS

Consumers look for simplicity in meeting their telecommunications needs. As the NPRM reflects, studies suggest that the likelihood of even a relatively minor disturbance of the status quo may dissuade a consumer from changing to a service better tailored to its needs or one that is more economic. The opportunity for consumers to change carriers or services, while retaining the same telephone number, will become increasingly important to consumers, as they navigate through the new competitive telecommunications marketplace.

Service provider and service number portability give consumers the flexibility they need to take advantage of opportunities in the marketplace as their telecommunications needs evolve. AirWaves agrees with MCI<sup>1/</sup> that businesses, in particular, may be reluctant to change their telecommunications carriers because of the additional expense and potential customer dislocation associated with having to change telephone numbers. This willingness by relatively sophisticated consumers to forego what, overall, may be the more rational economic choice, represents an enormous barrier to new competitors. The availability of number portability on a national basis would eliminate at least one serious competitive obstacle faced by a new entrant.

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<sup>1/</sup> See NPRM at ¶ 22.

With the already completed A/B Block PCS auctions and the upcoming auctions of the C, D, E, and F Block PCS spectrum, consumers soon will experience a breadth of new competition within the wireless telecommunications market, and between the wireline and wireless markets as well. Number portability will enable consumers to base their telecommunications decisions on their individual needs and desires, without artificial and unnecessary complications -- such as having to change listings in telephone directories, replace personal and/or business stationery, and the like -- which place a burden not only on the individual or business making the change, but on others as well (friends, family, customers, etc.).

## II. LOCATION PORTABILITY PROVIDES BENEFITS ONLY FOR SPECIAL NUMBER CLASSES

The key issue in number portability is whether the number more appropriately defines a place or a person. Historically, a number identified a place and the area code provided a rough indication of the geographic whereabouts of a telephone user. This was, and remains, useful to a calling party, as an indication of potential toll charges, and a reminder of the effect of the country's various time zones. It also serves as an aid to callers by often eliminating the need to memorize the first three digits of a user's number. Except in urban areas covered by many exchanges, the NXX portion of the number serves a similarly defining role.

The use of geographically defined numbers -- particularly the area code system -- is likely to remain necessary, or at least user preference, for the foreseeable future. Within this framework, however, NXX number portability between adjacent or overlapping area codes should be available to all carriers. This becomes especially necessary in dense urban environments that utilize multiple area codes such as the San Francisco area.

There is, in addition, a growing need for non-geographic numbers identifying persons rather than places. Current examples include 500, 800 and 900 numbers. These types of numbers should be fully portable for the same reasons enumerated in Section I.

### III. THERE IS AN ESSENTIAL LEADERSHIP ROLE FOR THE COMMISSION

AirWaves believes that it is essential that the Commission take the lead in assisting the industry to formulate a uniform national number portability plan. The Commission is best equipped to establish and enforce the uniform policy needed to ensure the equitable treatment of all carriers and their customers, including developing, in conjunction with the industry, an implementation schedule.

Only a uniform national policy can ensure that national networks, such as the one that AirWaves is preparing to build and operate, will be able to offer services to their customers in the most efficient, cost-effective manner. Consumers throughout the U.S. should have

the same ability to pursue the telecommunications service solution that works best for each of them. With regard to the issue of number portability, it should not matter whether a PCS customer lives or works in Maine, Montana, or California. With our increasingly mobile society, a non-uniform approach to this issue is simply not a rational alternative.

AirWaves believes there is an important role for market/industry forces to play in this process, including: (1) the initial and ongoing development of the technical standards for number portability; (2) the establishment of a numbering scheme; and (3) the development and ongoing maintenance and support of a national database. AirWaves supports the framework the Commission has adopted to address the issue of the availability of numbers, through the establishment of the North American Numbering Council and its associated Advisory Committee, and recommends to the Commission that it consider using a similar framework in a joint industry/government council to develop a national number portability policy and database system.

#### IV. TIMING AND TRANSITION

##### A. Long Term Plan

The long term solution for a national plan for number portability must focus in large measure on that which is the simplest for the customer. In this regard, AirWaves

supports the approach espoused by AT&T.<sup>2/</sup> This number mapping approach is the most efficient in conserving numbers by distinguishing the identification and location of the telephone users in separate sets of numbers.

B. Short Term Solution

AT&T's number mapping approach requires the development of a national database. Until this is established, the use of Remote Call Forwarding ("RCF") and Direct Inward Dialing ("DID") can provide a viable short term solution. In either case, the industry should be challenged to provide an implementation plan that avoids the potential loss of the ability to provide custom local area signaling services ("CLASS"), such as Caller ID.

In addition, the short term plan must be truly transitional in nature, and be consistent on a nationwide basis, so it can easily be folded into the national long term plan. U.S. AirWaves believes that a reasonable time frame for implementing this short term plan is third quarter of 1996. By requiring each carrier to bear its own costs over the short term, economic incentives can be provided to encourage individual carriers to move expeditiously toward the long term solution.

V. CONSUMERS OUGHT TO BENEFIT FROM THE COST RECOVERY PLAN.

AirWaves recommends that each telecommunications carrier pay its own costs (1) to acquire the customer, and

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<sup>2/</sup> See NPRM at ¶ 37.

(2) when a customer decides to switch carriers. This method ensures that each carrier will incur its own costs for its own level of "churn," in recognition of the fact that these costs vary from carrier to carrier. This approach also ensures that each carrier will have an incentive to move to the long term plan, in order to avoid the higher costs that most likely will be associated with a transitional framework.

AirWaves believes the funding for a national database, as envisioned by the AT&T approach, should be assessed on a proportional scale based on the size of the carrier's customer base. This ensures an equitable funding scale without penalizing new and/or smaller telecommunications carriers.

The NYNEX plan<sup>3/</sup> would create a disincentive for the original carrier to ensure that the customer smoothly moves to its new carrier along with its number. That plan unfairly penalizes new telecommunications companies, by charging them in full for the original carrier's cost to provide number portability, which, of course, ultimately penalizes the consumer.

#### CONCLUSION

U.S. AirWaves support the Commission's tentative conclusions that the portability of telephone numbers benefits customers and enhances competition in the telecommunications marketplace. AirWaves believes there is an

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<sup>3/</sup> See id. at ¶ 63.

essential role for both the Commission and the industry in developing and implementing a nationwide number portability plan. The long term approach of developing a plan utilizing the same NPA-NXX-XXXX as the current telephone user has today is the most beneficial to the customer. However, in the short term, the use of RCF and DID services can be utilized, recognizing there may be a decrease in the availability of certain CLASS services during the transitional period. Finally, the consumer ought to benefit from the cost recovery plan by having each carrier incur its own costs for bringing customers onto its network and releasing them.

Respectfully submitted,

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