

# STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

## PUBLIC SERVICE COMMISSION

HAROLD A. JERRY, JR.  
Chairman

LISA ROSENBLUM  
Deputy Chairman

WILLIAM D. COTTER  
RAYMOND J. O'CONNOR  
JOHN F. O'MARA



RECEIVED

SEP 12 1995

FCC MAIL ROOM

MAUREEN O. HELMER  
General Counsel

JOHN C. CRARY  
Secretary

September 12, 1995

William F. Caton, Acting Secretary  
Federal Communications Commission  
1919 M. Street, NW  
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

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

Dear Secretary Caton:

Enclosed are an original and nine copies of the comments of the New York State Department of Public Service in the above-referenced proceeding.

Respectfully submitted,

*Mary E Burgess*

Mary E. Burgess  
Staff Counsel

Enclosure  
MEB:ay:CC-95-116.Ltr

No. of copies rec'd  
DATE

009

RECEIVED

SEP 12 1995

Before The  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

FCC MAIL ROOM

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

COMMENTS OF THE NEW YORK STATE  
DEPARTMENT OF PUBLIC SERVICE

INTRODUCTION AND SUMMARY

The New York State Department of Public Service (NYSDPS) submits these comments in response to the Commission's Notice of Proposed Rulemaking (NPRM) regarding number portability released July 13, 1995. The NYSDPS agrees that service provider number portability<sup>1/</sup> is essential to meaningful local exchange competition. At the same time, we believe it would be inappropriate at this stage for the Commission to mandate a specific number portability methodology.

Instead, the Commission, the states and the various industry groups should work together to arrive at long-term number portability solution(s). As we have learned in the past, the most effective solution for arriving at technical standards is for the industry to develop the standards and for the Commission and the states to facilitate experimentation and problem solving. Finally, resolving the issue of location

---

<sup>1/</sup> As explained in the NPRM, service provider portability refers to the ability of customers to retain their telephone numbers when changing service providers.

portability<sup>1/</sup> should not complicate or delay the deployment of long-term service provider portability.

A. Portability for Geographic Telephone Numbers

1. Importance of Number Portability

- (i) Service provider number portability is clearly in the public interest

The Commission seeks comment on its tentative conclusion that the portability of geographic telephone numbers benefits consumers and the development of competition among local service providers. We agree that service provider portability is in the public interest. In March, the New York Public Service Commission (New York PSC) issued an order requiring interim service provider number portability and directing a study of the feasibility of a trial of true service provider number portability.<sup>2/</sup> Ten companies representing all segments of the telecommunications industry will participate in a six-month trial in Manhattan and Rochester, scheduled to begin in February 1996.

---

<sup>1/</sup> Location portability refers to the ability of customers to retain their telephone numbers when moving from one geographic location to another.

<sup>2/</sup> Case 94-C-0095 - Proceeding on Motion of the Commission to Examine Issues Related to the Continuing Provision of Universal Service and to Develop a Framework for the Transition to Competition in the Local Exchange Market ("Competition II" proceeding) -- Order Requiring Interim Number Portability, Directing A Study of the Feasibility of a Trial of True Number Portability and Directing Further Collaboration, issued March 8, 1995. On September 7, 1995, the New York PSC voted to approve the service provider number portability trial. A copy of the PSC's order authorizing the trial will be forwarded as soon as it is issued.

In making its decision, the New York PSC considered the views presented by various segments of the telecommunications industry -- including incumbent local exchange carriers, new competitive local exchange carriers, and interexchange carriers - - and the general public during a series of collaborative meetings held in connection with the New York PSC's "Competition II" proceeding. Specifically, new entrants indicated that number portability between service providers is the single most significant impediment to local exchange competition. Similarly, business and residential customers said that of the various forms of number portability, service provider portability would be most valuable to them.

- (ii) Service provider portability should be made available as soon as possible; other forms of number portability can be introduced at a later date

In addition to service provider portability, the Commission seeks comment on the relative importance and public interest benefits of location portability and service portability.<sup>1/</sup> While location number portability is worthy of further exploration, there are many attendant effects that would have to be considered before making a full assessment of its overall value to the public.

The impact on area code splits is one such consideration. For example, the 212 Number Planning Area (NPA) has already been split twice. Although new entrants have been

---

<sup>1/</sup> Service portability is the ability of customers to retain their telephone numbers when changing services.

allowed to obtain central office code assignments in the 212 NPA, the New York PSC has taken great care to limit the widespread exportation of these numbers from this NPA by new entrants. If location portability were to become widespread, however, exportation of 212 numbers would accelerate the need for another area code split. Customer confusion also may result if a caller believes he or she is making a local call that turns out to be 3000 miles away. Payment responsibility would then become an issue. Location portability also adds a layer of complexity in terms of the routing of calls since a number's location could, conceivably, be anywhere in the country.

On the other hand, service provider portability does not raise such questions since the customer is in the same physical location and since it is confined to a specific geographic region, routing the calls is much easier. Moreover, the need to mandate location portability is not critical at this time because of the importance of developing service provider portability.<sup>1/</sup>

Service portability allows carriers to increase the attractiveness of services like ISDN. Regarding the importance of its development, some LECs have chosen to install ISDN only in larger, business-rich exchanges, and if a customer in a non-equipped exchange wants ISDN, he or she will be assigned a

---

<sup>1/</sup> Some forms of location portability, such as foreign exchange and 500 services, do exist today. Cellular customers also enjoy location portability because they can be reached in most areas of the country through automatic call delivery.

different number from the "foreign" or ISDN-equipped exchange, necessitating what number portability seeks to address---a number change. While it appears that some consumers may benefit from this limited form of number portability, there appears to be no overriding policy objective to be served or benefit to be gained by encouraging or mandating service portability simply to stimulate selected carrier new service offerings.

2. The Commission's Role

- (i) The Commission should support and work with the states and the industry to further develop number portability.

The Commission seeks comment on its role in establishing standards for number portability and on areas where state and federal policies "are likely to diverge or become inconsistent, and on the additional costs associated with having different number portability approaches on a state-by-state basis or on a regional basis." (NPRM para. 32) The NYSDPS questions the Commission's tentative conclusion that state policies will diverge or become inconsistent with federal policies, or for that matter, will be more costly than mandating a "one size-fits all" national approach.

The Commission has an important role to play in working with the states to support the development of number portability technical and performance standards by industry organizations and standard setting bodies, such as the Industry Numbering Committee. The Commission also is in a position to provide support to state commissions in advancing service provider number

portability as a necessary condition for local service competition. A mandated national solution has the real potential to be more costly and less effective.

As a practical matter, the technical trials which are underway in various states demonstrate that at this point, there is no clear solution to number portability. Thus, we do not believe that one solution should be viewed more favorably than any other, since it is possible that none of the solutions currently proposed will turn out to be the perfect long-term resolution of the issue of number portability. State trials will provide valuable input in terms of highlighting and/or working around any technical limitations in the various proposals. Should it become necessary for it to develop national technical and performance standards because other voluntary or local efforts prove ineffective, these trials will be beneficial to the Commission and the states.

In addition, once these trials are completed, it may be evident that a variety of solutions can be accommodated. Since there is no evidence, at this point, to suggest that a "one size fits all" approach is the best way to proceed, the Commission should not prematurely mandate a specific number portability solution. Instead, by collaborating with the states, the industry and consumers, the Commission could develop number portability

principles and guidelines that recognize both national and local concerns.<sup>1/</sup>

3. Longer Term Number Portability Solutions

- (i) Long-term solutions should support the fundamental principle that a customer does not have to change his or her telephone number and should have no effect on the customer's service

The Commission asks for comment on the various long-term number portability proposals that have been offered by different industry participants. As the Commission notes, most of the carriers in New York State currently are in the planning stages of a service provider number portability trial. Because of our involvement in the New York trial with several of the vendors discussed in the NPRM, we are not in a position at this time to comment on the specifics of the various platforms which have been announced.

However, one overriding principle in any long-term solution should be that the customer does not have to change his or her telephone number in order to gain the benefits of service provider portability. Service provider portability is not a service to which a customer subscribes; it is an integral network

---

<sup>1/</sup> If the Commission decides to mandate a particular approach, it is our view that, as a legal matter, it does not have such authority. Section 152(b) of the Communications Act reserves state authority over intrastate charges, classifications, practices, services, facilities or regulations, and in this instance, number portability is being developed to allow customers to switch their local carriers or to take a different local service from their existing local carriers without changing their telephone numbers. Rules regarding interstate location portability, however, may be an issue subject to the Commission's authority.

function which allows a customer to have a choice of local telephone service providers. A change in local carrier should not create any inconvenience for the customer. Any proposed solution which requires a customer to change his or her number, even if only on a one-time basis, defeats this purpose and should be dismissed.

The NYSDPS supports the Commission's conclusion that number portability should support access to operator services and enhanced 911 services. We also agree that number portability solutions should be consistent with the efficient utilization of telephone numbers.

(ii) The "N-1" call processing  
scenario should be adopted

The Commission seeks comments on three call processing scenarios for routing calls in a number portability environment. The three call processing scenarios raised in the NPRM are originating, terminating, and "next-to-last carrier (or "N-1") data dip". Our comments regarding call processing scenarios assume a policy which advocates service provider portability. The originating data base dip requires nationwide deployment before the introduction of service provider portability. The originating dip, while a laudable long-term goal, should not be considered at this point because competition has already arrived in many metropolitan areas of the country (notably in New York) yet may never appear in other areas in the country; therefore originating dip processing may never be viable, or certainly will not be in the foreseeable future.

The terminating end data base dip, while attractive since only a central office which has portable numbers is required to be modified, nevertheless introduces network inefficiencies for incoming interLATA calls and intercompany calls. Only the "N-1" scenario allows service provider portability to be introduced on a regional basis, without affecting other areas where it is not needed, and results in greater network efficiencies. The "N-1" scenario also allows carriers to make a "business decision" regarding whether or not to dip a call. An IXC, for example, might decide to have the old number assignee perform the dip for it.<sup>1/</sup> It may turn out that the "N-1" approach proves to be the most cost effective.

As the Commission notes, the N-1 scenario may lead to inefficient routing if location portability is introduced beyond an NPA or LATA since a call could potentially be delivered by an IXC to the incorrect NPA. Assuming that the "N-1" scenario is the most effective solution for service provider portability, this information further suggests that location portability of geographic NAPA numbers beyond the NPA or LATA should not be implemented until service provider portability is introduced. We do not think this precludes an evolution to location portability at a later date when the networks become more mature in processing portable calls.

---

<sup>1/</sup> This assumes that standards are modified to allow a switch to tell if a dip has been performed on a call.

- (iii) Number Portability costs must be shared by all local carriers

The Commission asks for comment on number portability costs and how those costs should be allocated among carriers. At this time, we do not have information to share with the Commission regarding number portability costs. One of the purposes of the New York trial is to gather such cost information. As part of that process, the New York PSC has requested that participating carriers and vendors develop a cost model for determining the cost of deploying service provider number portability statewide.

Regarding the allocation of costs, we believe that such costs should be shared by all carriers, not just new entrants. An analogy to equal access is useful. All carriers were required to pay for a portion of the implementation costs of equal access, including AT&T, which did not directly benefit from equal access, but whose customers did eventually benefit from lower rates brought by competition. New entrants should not be required to shoulder the entire cost burden associated with number portability's interim or long-term solutions.

#### 4. Interim Number Portability Measures

- (i) Interim forms of number portability are necessary in the short term, but are not acceptable in the long term

The Commission seeks comment on the costs and benefits of interim number portability measures. While there are inherent limitations in interim solutions such as Remote Call Forwarding (RCF) and Direct Inward Dialing (DID) (e.g., limited CLASS

services, inefficient routing of calls, etc.), their primary advantage is that these methods are available with existing technologies. These interim solutions are just that --interim-- and should not in any way delay efforts to develop long-term number portability solutions.

Under the interim arrangements, the important issue is not the use of the technology but rather the cost imposed on the new entrant for use of either RCF or DID (which are intrastate services) to effectuate service provider number portability. The New York Commission accepted, as part of the Rochester Open Market Plan agreement, a process in which the costs of interim number portability are shared by all carriers in the affected area. This method allocates the incremental cost of switching and transporting "ported" calls to all carriers based on the numbers that have been ported versus those numbers retained by Rochester. The New York Commission also has allowed for other mutually agreeable solutions, including reductions in RCF charges. At this time, therefore, there is no need to mandate a single method for cost recovery of interim number portability solutions.

Respectfully submitted,  
  
Maureen O. Helmer  
General Counsel  
New York State Department  
of Public Service  
Three Empire State Plaza  
Albany, NY 12223  
(518) 474-2510

Mary E. Burgess  
Of Counsel

Dated: September 12, 1995

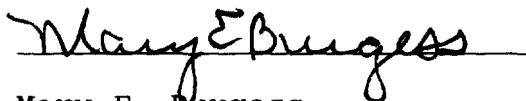
CC Docket No. 95-116 RM 8535

In the Matter of  
Telephone Number Portability

Comments of New York State  
Department of Public Service

CERTIFICATE OF SERVICE

I, Mary E. Burgess, hereby certify that an original and nine copies of the above-captioned proceeding were sent via Airborne Express to Mr. Caton, and by First Class United States Mail, postage prepaid, to all parties on the attached service list.



Mary E. Burgess  
Assistant Counsel  
Office of General Counsel  
NYS Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350  
(518) 473-8123

Dated: September 12, 1995  
Albany, New York

James Lanni  
Rhode Island Division  
of Public Utilities  
100 Orange Street  
Providence RI 02903

Joel B. Shifman  
Maine Public Utility Commission  
State House Station 18  
Augusta ME 04865

Charles F. Larken  
Vermont Department of  
Public Service  
120 State Street  
Montpelier VT 05602

Rita Barmen  
Vermont Public Service Board  
89 Main Street  
Montpelier VT 05602

Keikki Leesment  
New Jersey Board of  
Public Utilities  
2 Gateway Center  
Newark NJ 07102

Eileen E. Huggard, Esq.  
NYC Department of Energy and  
Telecommunications  
75 Park Place, 6th Floor  
New York NY 10007

Veronica A. Smith  
Deputy Chief Counsel  
Pennsylvania Public Utility  
Commission  
P.O. Box 3265  
Harrisburg PA 17105-3265

Mary J. Sisak  
District of Columbia  
Public Service Commission  
Suite 800  
450 Fifth Street  
Washington DC 20001

Telecommunications Report  
1333 H Street, N.W. - 11th Floor  
West Tower  
Washington DC 20005

Judith St. Ledger-Roty  
Pierson, Ball & Dowd  
1200 18th Street, NW  
Washington DC 20036

International Transcription  
Services, Inc.  
2100 M Street, NW  
Suite 140  
Washington DC 20037

Brad Ramsay  
NARUC  
Interstate Commerce  
Commission Bldg., Room 1102  
12th & Constitution St., NW  
Washington DC 20044

William Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, NW  
Washington DC 20554

Richard Metzger  
Common Carrier Bureau  
Federal Communications Commission  
1919 M Street, NW  
Washington DC 20554

Camille Stonehill  
State Telephone Regulation  
Report  
1101 King Street  
Suite 444  
Alexandria VA 22314

Greg Krasovsky  
Associate General Counsel  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee FL 32301

Alabama Public Service  
Commission  
1 Court Square  
Suite 117  
Montgomery AL 36104

Archie R. Hickerson  
Tennessee Public Service  
Commission  
460 James Robertson Pky.  
Nashville TN 37219

Sandy Ibaugh  
Indiana Utility  
Regulatory Commission  
901 State Office Bldg.  
Indianapolis IN 46204

Ronald Choura  
Michigan Public  
Service Commission  
6545 Mercantile Way  
Lansing MI 48910

Mary Street  
Iowa Utilities Board  
Lucas Building  
5th Floor  
Des Moines IA 50316

Gary Evenson  
Wisconsin Public  
Service Commission  
P.O. Box 7854  
Madison WI 53707

Gordon L. Persinger  
Missouri Public Service  
Commission  
P.O. Box 360  
Jefferson City MO 65102

Sam Loudenslager  
Arkansas Public Service  
Commission  
1200 Center Street  
P.O. Box C-400  
Little Rock AR 72203

Jane P. Olsen  
Sr. Assistant General  
Counsel  
Oklahoma Corp. Commission  
400 Jim Thorpe Building  
Oklahoma City OK 73105

Marsha H. Smith  
Idaho Public Utilities  
Commission  
Statehouse  
Boise ID 83720

Ellen Levine  
Public Utilities Commission  
of the State of California  
505 Van Ness Avenue  
San Francisco CA 94102

Edward Morrison  
Oregon Public Utilities  
Commission  
Labor and Industries Bldg.  
Room 330  
Salem OR 97310

Ernest Heller  
Washington U&TC  
1300 S. Evergreen Park  
Drive S.W.  
Olympia WA 98504

STF-SVC.Lst:ay:FCC-COMP.LST