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

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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of)
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Telephone Number Portability)
)
To: The Commission)

CC Docket No. 95-116
RM 8535

REPLY COMMENTS OF THE ASSOCIATION FOR
LOCAL TELECOMMUNICATIONS SERVICES

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SUMMARY

The initial comments reveal near-unanimous enthusiasm for the NPRM's proposal that the Commission provide leadership in the implementation of full number portability. Local exchange providers, wireless providers, local regulators, and the interexchange industry have all united in recognizing the importance of the Commission's new role in removing this major barrier to effective local competition.

The issue at hand for the Commission thus is not the importance of full number portability, but rather the manner of its implementation. Many comments from well qualified vendors (U.S. Intelco and AT&T, for example) urge particular technical approaches upon the Commission. But the lesson to be learned from this wealth of technical alternatives is that the Commission need not risk the perils of premature technology picking. Instead, the Commission need only adopt a few simple principles:

- Full number portability should be defined by its features and functions, and not by the particular technology used for its implementation.
- Tier 1 LECs should be required to provide full number portability in major markets or upon bona fide request in the near future.
- Until such time as full number portability is available to local exchange competitors, LECs should provide interconnection to their local competitors at a 50% discount.

- Local jurisdictions should remain free to pursue full, intermediate, or interim number portability solutions, provided such solutions create no appreciable impediments to the features and schedules of the Commission's national number portability approach.
- The industry should meet, along with Commission Staff, in the INC number portability forum to adopt within sixty days new working procedures and tentative benchmarks for implementing the above principles. In the absence of substantial agreement, the competing procedural and substantive views should be presented to the Commission, which would then select the single proposal most likely to vindicate its number portability principles, giving weight both to the number and nature of the industry groups supporting each proposal.

The Commission does not need now to select a particular technology, nor spell out a specific implementation procedure if it simply adopts these principles and schedule. In particular, the Commission need not -- and certainly should not -- attempt to employ either a new Federal Advisory Committee or the newly-created North American Numbering Council, because the procedural drawbacks of such a mechanism when applied to the multitude of technical details involved in an issue such as number portability would inevitably create procedural delay.

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LOCAL TELECOMMUNICATIONS SERVICES**

Pursuant to the Notice of Public Rulemaking ("NPRM") released July 13, 1995, in the above proceeding, the Association for Local Telecommunications Services ("ALTS") hereby replies to the initial comments on the Commission's proposal that it play a leadership role "in developing a national number portability policy" (NPRM at ¶7).

I. THE COMMENTORS ALL AGREE THAT PROMPT IMPLEMENTATION OF FULL NUMBER PORTABILITY IS IN THE PUBLIC INTEREST.

Perhaps the most significant aspect of the initial comments is their virtually unanimous agreement that prompt implementation of full number portability is in the public interest. ALTS pointed out in its initial comments that every public body and technical forum which has considered the issue has concluded that full number portability is essential to the implementation of robust local exchange competition. This theme was echoed throughout the initial comments from almost every sector of the telecommunications industry and its regulators.

Local Exchange Providers - USTA agrees that: "[t]he Commission's tentative conclusion is sound: local number portability will enhance competition" (USTA Comments at i). Individual local exchange companies ("LECs") also conclude, at least as to service provider portability, that the NPRM is on the right track.¹ Of course, many LECs voice concern that their shareholders should not have to bear an undue portion of the burden. See, e.g., GTE Comments at iii: "Before the Commission can conclude that LNP benefits consumers, however, its potential impact on competition must be weighed against the full cost of its implementation." Indeed, portions of the industry try to create cost justification thresholds and "network threats" considerations that are not cognizable under current law or likely future legislation. See,

¹ Pacific Bell: "... we are committed to working with other industry players on a national level, and at a state level, to develop technically and economically feasible solutions for service provider portability;" (Pacific Comments at iii). "NYNEX applauds the Commission's decision to assume a leadership role in pursuing the possible development of number portability in all its various forms ... ;" (NYNEX Comments at i). "Bell Atlantic agrees that the Commission should take a leadership role in developing a uniform national policy regarding number portability: (Bell Atlantic Comments at 1). US West: "The need for Commission leadership is apparent. Perhaps less obvious, but equally important, is the need for prompt Commission leadership;" (US West Comments at 3). "BellSouth supports the Commission's initiatives in this docket;" (BellSouth Comments at i). "SBC supports the Commission's tentative conclusion that the Commission should assume a leadership role in developing a national number portability policy ... ;(SBC Comments at i). "GTE shares the Commission's desire to promote competition in the provision of telecommunication services and agrees that LNP can contribute to its development;" (GTE Comments at iii). "CBT supports the development of a uniform, national, long-term number portability solution so long as the consumer benefits exceed the costs of implementation and the costs are borne equitably by all cost causers;" (CBT Comments at i).

e.g., the portion of BellSouth's comments entitled "The Industry and the Commission Must Consider Impacts on the Public Switched Network, Operational Systems, Number Administration, Customer Premises Equipment, End User Feature Functionality, and the Wireless Industry As a Long Term Number Portability Implementation Plan is Being Developed;" (BellSouth Comments at 36-46). And the small LECs remain apprehensive about any sea change which removes barriers to competition (OPASTCO Comments at 2): "OPASTCO believes that a number portability mandate would have adverse consequences for small LECs and their rural customers." But these fears concerning cost recovery, and the perceived fragile nature of rural small LECs, does not detract from the fundamental endorsement of service provider portability from the local exchange industry.

Interexchange Carriers - The interexchange industry also recognizes the need for the Commission to assume an important role in championing local number portability.² Indeed, in a

² "MCI states that the Federal Communications Commission should play an active role in establishing guidelines for development of service provider number portability;" (MCI Comments at 1). AT&T: "The Commission should act now to select and ensure the implementation of a permanent number portability solution;" (AT&T Comments at I). Sprint: "The public interest, the industry experience with 800 service, and available survey information all support the implementation of a system of service provider portability for geographic numbers. The Commission should take an active role in mandating the implementation of such a system by a date certain;" (Sprint Comments at iii). LDDS WorldCom: "The Commission's tentative decision to adopt rules requiring the implementation of local number portability is another small but important step that hopefully will help lay the groundwork for some form of facilities-based competition in some
(continued...)

highly unusual outburst of agreement from this industry segment, MCI and AT&T have joined hands to propose that MCI's Carrier Portability Code ("CPC") approach should act as a "critical first step toward implementation of AT&T's longer-term Location Routing Number ('LRN') approach." (MCI Comments at 10.) " ... [A]s a near-term database solution, CPC promotes competition to a much greater degree than current 'interim' portability arrangements such as RCF, and would serve well as a transitional 'bridge' to a permanent number portability solution;" (AT&T Comments at 3).

Equipment and Solutions Vendors - The equipment and database solutions vendor community sees no significant problem with the Commission assuming oversight responsibilities for the implementation of full local number portability. " ... Ericsson is in full agreement with the Commission that a national standard for number portability would serve the public interest for a number of reasons;" (Ericsson Comments at 1). "U.S. Intelco submits that the Commission should take a national leadership role in the development of a consistent and cohesive policy regarding local number portability, governed by certain overall public policy goals that, ultimately, are aimed at benefitting all consumers when demand for the local number portability function is present;" (U.S. Intelco Comments at 2-3.)

²(...continued)
parts of the local exchange market;" (LDDS WorldCom Comments at 1). TRA: "[T]he Commission should mandate that a uniform nationwide plan be developed for the deployment of service provider portability by a date certain;" (TRA Comments at ii).

Wireless Providers - Despite the fact that most parts of the wireless industry already enjoy mandated competition, and despite the perception that the high proportion of out-bound calls from wireless units renders number portability less beneficial for this segment, the wireless industry also supports the Commission's proposed role. Paging Network Inc.: "The Commission should adopt a long-term federal plan that applies to all service and that assures the seamless, cost effective and nondiscriminatory implementation of a plan;" (Paging Network Comments at i). " ... PCIA generally endorses the concept of a uniform, federal, long-term number portability solution, where technically and economically feasible;" (PCIA Comments at 1). "GO Communications strongly believes that telephone number portability is a necessary condition for competition in the provision of local telephone service and such competition will provide consumers with lower costs and a wider variety of telecommunications services than they presently receive. GO urges the Commission to take an active role in mandating as expeditiously as possible, a uniform national number portability plan;" (GO Comments at i).

Other Regulatory Bodies - Comments of local regulators display a remarkable enthusiasm for a Federal initiative that could be perceived -- however incorrectly -- as invading their jurisdiction. "While number portability is being developed at the state level in Illinois, the Illinois Commerce Commission recognizes the need for federal involvement if number portability

is to become a reality nationwide;" (ICC Comments at i). Florida Public Service Commission: "We believe it is important to develop a national method for long term number portability. Without a national method which has specific parameters and technical standards, carriers' ability to port numbers may be limited due to the different solution implemented on a state level;" (Florida PSC Comments at 1-2). New York State Department of Public Service: " ... the Commission, the state and the various industry groups should work together to arrive at long-term number portability solution(s);" (NY Dept. of Public Service Comments at 1). California PUC: "We agree with the FCC's tentative conclusion that number portability will contribute to the development of competition;" (Cal. PUC Comments at 2).

As might be expected, some states remain concerned the FCC's activity might impede their own efforts at local number portability: Ohio PUCO: " ... there is a need for FCC involvement in this process because number portability is a nationwide concern and the solutions settled upon are likely to have significant technical and economic impacts. The PUCO does not believe that the FCC should mandate particular technical solutions, but rather coordinate the industry standardization of all technical solutions that might be tailored to suit the individual market and technical needs for the various states;" (Ohio PUCO Comments at 2). "The MoPSC supports the development of a cost effective and manageable geographic number portability system, but questions the focus on national portability when

basic issues such a potential demand remain unresolved;" (MoPSC Comments at 1).

Overall Conclusion as to the Commission's Role in Championing Local Number Portability - Aside from a few natural concerns about potential interference with existing initiatives, and fears of Federal mandates which are not cost-justified (concerns which the Commission can and should be able to accommodate fully), there is remarkable unanimity in the initial comments that the Commission should promptly get about the business of making service provider number portability a reality.

II. THE COMMISSION SHOULD ADOPT GUIDING PRINCIPLES AND A SCHEDULE FOR IMPLEMENTING LOCAL NUMBER PORTABILITY.

Given the wide agreement that full number portability is necessary in order to advance substantial competition in local exchange markets, the critical issue for the Commission at the present time is how it can best assist this process. ALTS pointed out in its Initial Comments that the Commission should refrain from trying to choose among alternative technologies or topologies, and should adopt instead certain specific principles and schedules.

The mountains of technical detail thrown at the Commission in the Initial Comments amply demonstrate why it should avoid making technical decisions, and stick to institutional facilitation. Of course, it might seem tempting to the Commission to take seriously technical proposals that are jointly

sponsored by AT&T and MCI (proposing MCI's CPC as an interim database solution until AT&T's LRN approach can be implemented for the long term), as well as the approach of the Seattle trial, supported by a prominent and experienced vendor of database solutions to wide segments of the local exchange industry.

But the real lesson to be gained from this plethora of technological alternatives is that many fine solutions exist, and the Commission need only order the industry to pick one by a certain date. True, it is a great simplification to speak of "one" solution when the actual implementation will likely involve many phases and shifts in details as experience is gained from the various trials. But the basic outline and contours of an implementation schedules can be quickly decided upon, if the Commission will just order that it happen.

A. The Commission Should Promulgate Principles and Schedules, But It Should Not Appoint a Federal Advisory Committee.

While the universal enthusiasm for the Commission's proposed role in furthering local number portability is certainly encouraging, the Commission could still make a fatal error by appointing an advisory body to make technical decisions under the Federal Advisory Committee Act ("FACA"), P.L. 92-463. Unlike other situations involving advisory bodies, where common economic interest, the prestige of the members, and the requirements of comity to foreign sovereignties have served to expedite the process, the procedural shortcomings of FACA would create a field day for the many entities that would be happy to

delay local number portability if they could do so without taking any of the blame.

Fortunately, the Commission need only adopt principles and schedules that create incentives for all parties to work together in formulating prompt and effective solutions, and then order the industry to comply with that mandate. Once the Commission announces a schedule along with principles that protect the public interest and create incentives for all parties to participate in formulating effective solutions, the industry will be able to take meaningful action with minimal Commission involvement.

While some proponents of particular solutions have proposed thoughtful implementation proposals, their recommended implementation approaches are unavoidably colored by their individual technical recommendations.³ The Commission does not need to be subtle or detailed about this. Quite the opposite.

³ See, e.g., AT&T: "... the Commission should direct an industry group, such as the INC, to consider and make recommendations on the requirements for an industry SMS that will support interim and permanent number portability solutions. The industry should also direct this industry group to develop a full plan for implementation of a number portability solution, including recommendations for interim and permanent architecture, recommendations concerning the characteristics and capabilities of an industry SMS, and plans and provisions for a transition from the recommended interim to the recommended permanent solution. The Commission should direct this group to conclude its discussion and make a recommendation by early 1996;" (AT&T Comments at 37). MCI: "... the FCC should not select the technical model to be used for provider portability MCI recommends that the Commission issue guidelines that will assist industry participants and state regulators in the development process;" (MCI Comments at 6-7).

It need only order the industry to make local number portability happen in a timely, cost-effective fashion.

B. The Commission Should Adopt Explicit Principles and Schedules for the Implementation of Full Number Portability.

As ALTS noted in its initial comments, the Commission can best achieve its goal of fostering full number portability by adopting a few simple principles:

- Principle #1:** Full number portability should be defined by its features and functions rather than the technology used for its implementation.
- Principle #2:** Tier 1 LECs should be required to provide full number portability in major markets or upon bona fide request in the near future.
- Principle #3:** Until such time as full number portability is available to local exchange competitors, LECs should provide interconnection at a 50% discount.
- Principle #4:** Local jurisdictions should remain free to pursue full, intermediate, or interim portability solutions, provided such solutions create no appreciable impediments to the features and schedules of the Commission's national number portability approach.
- Principle #5:** The industry should meet, along with Commission Staff, in the INC number portability forum to adopt within sixty days new working procedures and tentative benchmarks for implementing the above principles. In the absence of substantial agreement, the competing procedural and substantive views will be presented to the Commission, which will then select the single proposal most likely to vindicate its number portability principles, giving weight both to the number and nature of the industry groups supporting each proposal.

These principles are entirely consistent with similar proposals that were made in this proceeding by the Number Portability Coalition, which also merit the Commission's close attention. Adoption of either of these approaches would quickly accommodate the need for prompt implementation of local number portability, without creating the entirely unnecessary risk of forcing the Commission to pick a particular technological approach, however sincere and well-qualified the proponents of various technological approaches in the present proceeding may be.

CONCLUSION

For the foregoing reasons, ALTS requests that the Commission adopt the principles and schedules proposed above for the implementation of local number portability.

Respectfully submitted,

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October 12, 1995

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I hereby certify that the foregoing Reply Comments of the Association for Local Telecommunications Services was served October 12, 1995, on the following persons by first-class mail or hand service, as indicated:


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