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EX PARTE

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

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MAR 21 1996

Re: Docket No. 95-116

Dear Mr. Caton:

In the above mentioned docket, the Commission has sought comment on various aspects of number portability, including interim number portability arrangements. In its comments and reply comments, BellSouth stated that the implementation of remote call forwarding (RCF) or flexible direct inward dialing (DID) as interim number portability solutions should be a matter left for state commissions to decide. In BellSouth's states, we are moving forward with the implementation of RCF as an interim number portability solution. The costs of these solutions generally vary by state, therefore state specific analysis is appropriate. Additionally, in its comments and reply comments, BellSouth urged the FCC to focus its efforts on long term number portability, given the fact that the states have moved forward on interim solutions. BellSouth reiterates these positions here.

Nevertheless, in response to a Commission request, BellSouth submits the attached information regarding the costs of interim number portability via RCF or DID. Cost data and detail are considered proprietary. Therefore, the attached only provides any information that has been publicly released. As you will see in the attached, to date BellSouth has only released estimates of costs which do not include all cost components.

Feel free to call me if you have any questions on this information.

Sincerely,

Cynthia K. Cox
Director - State and Agency Relations

Attachment

cc: Matt Harthun
Jason Carp

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List ABCDE

Number Portability - Interim Solutions
FCC Questions

1. What are the incremental costs of providing service provider portability on an interim basis through RCF?

The only costs BellSouth has released were given during testimony in Florida, the costs were **estimated** at a non-recurring cost of $24.84 and a recurring monthly cost of $ 1.11. Note; there is a potential that the costs will vary by jurisdiction and that the final implementation costs have not been included in the above figures. Please refer to item 3, other operational costs and items 6 and 7 for additional information.

2. What are the incremental costs of providing service provider portability on an interim basis using DID?

BellSouth's primary focus has been on remote call forwarding (RCF) as the interim solution.

3. For #1 and #2 above, please diagram the cost components:

Termination costs or equivalents:
A physical, line-side termination is required for RCF in 5ESS switches deployed in BellSouth territory.

DID based number portability requires a trunk termination in the switch. The costs associated with a D4 bank and DSX bay are also appropriately included in trunk termination calculations.

Feature activation costs or equivalents:
Translation work must be done by network personnel in order to activate the RCF feature on the customer's line. Also, BellSouth must pay a Right-To-Use (RTU) fee to the switch vendors to allow for the activation of the RCF feature on the line.

To provision DID trunks, translation work must be done, both for the trunk group and the individual trunks within the group. Circuit provisioning reserves and engineers the physical trunk route. Central office equipment and frame control organizations are involved in building the DID trunks in the office. A RTU fee must be paid to one of the switch vendors for use of this feature.

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Call origination costs or equivalents:
In the switch, resources are required to process the RCF feature on terminating calls. Processor realtime is needed to forward the call and to check the counter if a limitation is placed on the maximum number of simultaneous forwarded calls allowed. Cost for switch memory is also considered.

A call to the number being ported, using the DID arrangement, requires special routing. The terminating number provides a code index which leads to the selection of an outgoing trunk dedicated to the service provider. Processor realtime is required to deliver the call to the trunk, and memory to associate the trunk group with the terminating (called) number.

Transport costs:
Forwarded calls are routed through additional local interoffice facilities to reach the service provider's central office. Costs incurred in the local interoffice network include trunk terminations, transport facilities, and signaling functions.

In the DID arrangement, it is assumed the service provider will purchase dedicated facilities between the BellSouth switch and their equipment.

Tandem switching costs:
Under RCF, if routing through a tandem is required, the costs are recovered under local interconnection arrangements.

Other operational costs:
Other areas of costs which are directly caused by the interim solutions include: individual number administration, repair, billing, directory listing administration, and dual number display for E911 service.

Other components and costs:
There is an added costs in the RCF arrangement for additional paths for the number ported (as in the case of calls terminating to a hunt group). Also, service order activity must take place to activate the service in both the RCF and DID interim solutions.

4. For #1 and #2 above, do the costs vary for intraoffice and interoffice calls? If so, how do the costs vary?

Both interim solutions to number portability result in additional interoffice traffic to transmit the call to the service provider's equipment. This change in calling patterns will effect the underlying fundamental costs used in the calculation of transport costs.

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FCC Questions

5. Please provide information on the relative number of intraoffice vs. interoffice calls on a monthly basis.

Currently, intraoffice calls account for approximately 33% of the calling traffic. With the introduction of number portability, interoffice traffic will increase because every call being ported will need to ride interoffice facilities between the BellSouth switch and the service provider's equipment.

6. What are the administrative costs of interim number portability via RCF and DID? Please provide the nature and amount of costs (i.e. billing, record keeping, service fees/charges for starting up the interim measure).

We are in the process of determining the amount of these start-up expenses for RCF. The costs used in our response to item #1 does **not** include the impact of these expenses.

7. Please identify any cost not already identified in these questions incurred for providing interim number portability via RCF or DID.

Interim number portability has the potential to advance NPA/NXX exhaust. The additional expense required to open another NPA/NXX has not been addressed.

8. Does the number of ported numbers or the number of calls to ported numbers affect the costs? If so, please explain in detail the cost relationship.

Yes, both items impact the costs:
Number of ported numbers - Service order costs are calculated based on a distribution of number of lines (ported numbers) per order. The costs per order increases with the number of lines on the order.

Number of calls - An increase in the number of calls increases the demand on the switch and on the transport facilities. This increased demand corresponds to an increase in costs.