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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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February 24, 1997

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

Dear Mr. Caton:

Re : Local Number Portability, CC Docket No. 95-116

As you know, we continue to support the use of Query on Release (QoR) within our network for number portability. QoR will substantially reduce network reliability risk for portability implementation and will save several hundred million dollars nationwide. While some parties have objected to the use of QoR, we have shown through many submissions that any additional post dial delay caused by QoR is imperceptible, and that any delay will be incurred by our own customers, not those of a competitor.

We continue to have serious concerns about network reliability, particularly if QoR is not permitted to be used to control some of the risk. The schedule chosen by the Commission poses unprecedented risks to the national network and is a departure from time proven national service implementation strategies. The current plan calls for simultaneous service introduction in major Metropolitan Statistical Areas (MSAs) on virtually the same day with a wide range of differing equipment configurations and embedded services. Principles that have served the national communications infrastructure well in the past are:

- A National Approach To Service Introduction - Services which affect the very underpinnings of call completion, such as SS7 trunk signaling and national 800 service were introduced by developing a national testing and service introduction strategy. That structure provided a common forum for communicating problems and solutions. Equipment and interworking issues discovered by one network provider were shared with other network providers and vendors to reduce risks nation wide. The best practice operating methods were also shared to ease and speed service introduction. The current implementation schedule and structure is a departure from this practice. Operating and interworking problems will be visited on all network providers independently with no opportunity to learn from the first adopters.

- Coordinated Laboratory Testing and Analysis - With previous national service introduction, network operators worked with vendors to focus testing for specific configurations at one laboratory site. For example, Pacific Bell will use DSC Signaling Transfer Points(STPs), the Lucent No. 5ESS and the Bellcore/IBM Service Control Point (SCP) as one of our principle serving arrangements for Local Number Portability (LNP). Other regions will use this configuration as well as many other configurations. As an example, Pacific Bell has a

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complete laboratory test facility configured with these systems and can focus our energies on a specific configuration for testing and acceptance. Results from these tests can be shared nationwide and allow other network operators to focus their efforts on other combinations of equipment. This approach also allows the equipment suppliers to direct their best engineering talent to the point of national focus. If they are forced to support all network operators simultaneously the results will be very uneven, and potentially incomplete, putting our nation's network at risk.

- Controlled Service Introduction - It has been our practice to introduce major technology and service changes to the network in a single small serving office and let that office and service soak for a prudent amount of time before beginning to scale the service across our network. That practice has served us well. We have often found unexpected service interactions that cannot be reasonably discovered in testing, no matter how rigorous the process. By introducing the services in a small area and gaining valuable experience and confidence in the design, the risk of catastrophic failure across a wide network area is significantly reduced. The FCC schedule and introduction plan does not allow it to use this time proven method and has a much higher risk than any previous nation wide service introduction plan.

If the FCC is unwilling to entertain any sort of radical departure from the schedule it ordered last August, it should, at a minimum, give carriers more time to deploy the number portability in the initial phases. We have attached to this letter our proposed changes to our schedule, which will relieve some of the risk of the deployment schedule. Even if our proposed schedule change is approved, it will not reduce the risk to that same extent that QoR or the changes suggested above will.

In addition, if QoR is not permitted to be used, the Commission must quickly resolve the issue of cost recovery. By advocating the use of QoR, we have tried to save consumers hundreds of millions of dollars. If the Commission does not allow that technology to be used, it must be prepared to permit the full cost of local number portability to be recovered from consumers. We look forward to working with you on this important aspect of portability implementation.

Sincerely,

Ross Ireland

Attachment

Why We Need LRN With QoR

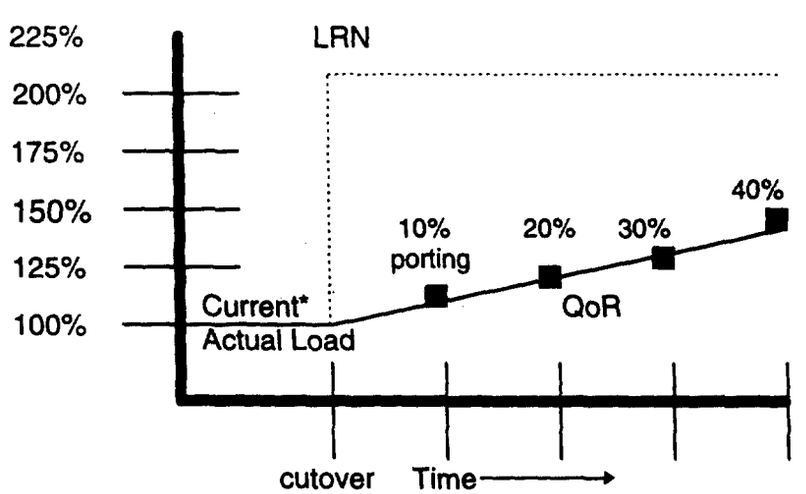
Pacific Bell
Bell Atlantic
SBC

LRN With QoR Reduces Risk Of Service Impairment

- With LRN Data Base look-up required for all interswitch calls on Day 1
  - Less than 1% of these calls require a Data Base look-up today
- LRN with QoR only requires a database look-up for ported numbers
  - Provides a graceful transition to Local Number Portability
- LRN with QoR permits problems to be isolated more quickly than with LRN, preventing network failure propagation
- LRN is the largest feature implementation since divestiture
  - Very aggressive implementation timing

Recent Bellcore Study (SR-4257)	***Overall Risk of Catastrophic Outage***
Current Schedule: LRN	35 times greater than today
Current Schedule: LRN with QOR	6 times greater than today
Normal schedule: LRN	4 times greater than today
Normal schedule: LRN with QoR	No greater risk than today

SS7 Utilization



**Not Engineered Load*

LRN With QoR Dramatically Reduces Costs

- Number portability implementation is very expensive

- LRN requires network to be overbuilt on Day 1
  - Does not permit "ramp up"

- QoR cost savings are inversely proportional to porting increases and even at 40% porting savings are significant

- Using AT&T Divestiture as a model for market loss, QoR saves several hundred million dollars nationwide
  - QoR savings are even higher if competition is via resale where numbers stay within our switch

- Using AT&T divestiture as a model for market loss:
  - 10 years after implementation (estimate 40% ported numbers)
  - 50% of offices remain more economic with LRN with QoR than pure LRN

	5 Year View
Our view of QOR Savings	30% ported: $130M (from model sent to FCC)
AT&T actual market loss *(approximations)*	30% ported

Schedule

Given the additional data in the Bellcore Reliability study, Pacific Bell believes, at a minimum, the following adjustment in the schedule is warranted.

MSA and Number of Switches	Current Schedule	Proposed Schedule
Los Angeles - 89	4Q97	1Q98-2Q98
Riverside - 15	1Q98	3Q98
San Diego - 45	1Q98	3Q98
Orange - 36	2Q98	4Q98
San Francisco -39	2Q98	4Q98
Oakland - 45	2Q98	4Q98
San Jose - 25	3Q98	1Q99
Sacramento - 25	3Q98	1Q99
Fresno - 12	3Q98	1Q99
Stockton - 5	4Q98	2Q99
Ventura - 11	4Q98	2Q99
Bakersfield - 12	4Q98	2Q99
Vallejo - 9	4Q98	2Q99