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

In the Matter of	)	
	)	DA 98-111
Telephone Number Portability	)	CC Docket No. 95-116

COMMENTS OF SPRINT PCS ON NORTH AMERICAN NUMBERING COUNCIL RECOMMENDATION CONCERNING LOCAL NUMBER PORTABILITY ADMINISTRATION WIRELINE AND WIRELESS INTEGRATION

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SUMMARY

Number portability is intended to promote competition by allowing customers to respond to price and service variations by changing carriers without changing telephone numbers. Sprint PCS believes, however, that number portability is far less important to wireless competition than to wireline competition. New wireless providers have limited funds, which would be better devoted to network buildout, system expansion, and price competition. In these comments, Sprint PCS contends that mandatory nationwide wireless number portability at this time is not in the public interest, that the Commission need not address the distinction in wireless and wireline approaches to rating, and that it should forbear at this time from ruling on the appropriate wireline-to-wireless porting interval.

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Sprint Spectrum L.P. d/b/a Sprint PCS hereby comments on the North American Numbering Council's Recommendations to the Commission regarding local number portability wireless-wireline integration.

I. Introduction

A. The NANC Report

The Telecommunications Act of 1996 defines "number portability" as "the ability of users of telecommunications services to retain, at the same location, existing telephone numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another." 47 U.S.C. § 153(30). Section 251 of the Telecommunications Act requires all local exchange carriers to offer number portability "to the extent feasible . . . in accordance with requirements prescribed by the Commission." 47 U.S.C. § 251(b)(2). Pursuant to Commission regulation, local exchange carriers were to have implemented number portability in the seven largest Metropolitan Service Areas ("MSAs") between October 1, 1997, and March 31, 1998, and in the rest of the top-100 MSAs in quarterly stages between

January 1, 1998, and December 31, 1998 (and, thereafter, anywhere in the country within six months of a request). Although commercial mobile radio service ("CMRS") providers are not within the statutory definition of "local exchange carrier," see Telephone Number Portability, First Report And Order and Further Notice of Proposed Rulemaking, 11 F.C.C.R. 8352 ¶ 152 (1996) ("First R&O"), the Commission has exercised its discretion to require CMRS providers to implement number portability. See id. ¶¶ 152-53. Accordingly, all cellular, broadband PCS, and covered SMR providers must have the capability of delivering calls from their networks to ported numbers anywhere in the United States by December 31, 1998, and must offer service provider portability -- including the ability to support roaming -- throughout their networks by June 30, 1999. Id. ¶¶ 165-66.

The North American Numbering Council ("NANC") is a Federal Advisory Committee established under the Federal Advisory Committee Act, 5 U.S.C. App. 2 (1988), to advise the Commission on numbering issues. In August 1997, the Commission directed NANC to develop standards and procedures to govern CMRS provision of number portability. See Telephone Number Portability, Second Report and Order, 12 F.C.C.R. 12281 ¶¶ 87-92 (1997) ("Second R&O"). The Commission specifically directed NANC to consider the differences between service area boundaries for wireline and wireless services and the logistics of number portability implementation in a roaming environment. Id. NANC delivered its report to the Common Carrier Bureau on May 18, 1998. See North American Numbering Council, Local Number Portability Administration Working Group Report on Wireless Wireline Integration (May

8, 1998) ("NANC Report"). The Bureau solicited comment on the NANC Report on June 29, 1998. See Public Notice DA 98-1290.

B. Sprint PCS's Basic Position

Number portability is intended to promote competition by allowing customers to respond to price and service variations by changing carriers without changing their telephone numbers. Telephone Number Portability, Third Report and Order, 1998 WL 238481 ¶ 18 (May 12, 1998) ("Third R&O"). In particular, requiring number portability capability of all local exchange carriers will lower barriers to entry into the local exchange market and thereby promote competition. See First R&O ¶ 28-31 ("The record developed in this proceeding confirms the congressional findings that number portability is essential to meaningful competition in the provision of local exchange services.") However, the Commission wisely adopted a "phased approach" to wireline implementation of number portability, such that number portability would be available first in "the most populous local markets where competition already has begun to develop or is likely to develop in the near term." First R&O ¶ 59. Phased implementation balances the need for rapid deployment with the capital constraints that typically face individual carriers using new technologies. Phased implementation is cost effective, whereas a uniform nationwide deadline would have been neither practical nor necessary.

We believe that similar considerations justify the Commission's forbearance on wireless number portability implementation. The Commission believes that number portability will promote competition between different types of wireless provider, and

ultimately between wireless and wireline service providers. See First R&O ¶ 154 (imposing number portability on CMRS providers "will foster increased competition in the CMRS marketplace, and furthers our CMRS regulatory policy of establishing moderate, symmetrical regulation of all services, and a preference for curing market imperfections by lowering barriers to entry in order to encourage competition").[1/] But CMRS providers have been virtually unanimous before the Commission on one point: number portability is far less important to wireless competition than it is to wireline competition. Simply put, new wireless providers (particularly PCS providers) have limited funds, and believe it in the greater interest of the public (and, frankly, in their own competitive interest) to devote those resources to network buildout, system expansion, and price competition. The high cost of implementing nationwide number portability in a roaming environment is also unjustified given the fact that there are already multiple wireless (even multiple PCS) carriers in many markets (i.e., competition is developing without it).

Sprint PCS's comments below on the rate center "disparity," on the integration of roaming and number portability, and on porting intervals, are informed by its basic position that mandatory wireless number portability is, at this juncture, technologically premature, and competitively and fiscally counterproductive.

[1/] See also Telephone Number Portability, First Memorandum Opinion and Order on Reconsideration, 12 F.C.C.R. 7236 ¶ 135 (1997) ("First Recon.") ("[R]equiring cellular, broadband PCS, and covered SMR providers to provide number portability is in the public interest because these entities are expected to compete in the local exchange market, and number portability will enhance competition among wireless service providers, as well as between wireless service providers and wireline service providers.")

II. The Rate Center "Disparity"

Wireless carriers are licensed to provide service within geographic areas that do not necessarily correspond to wireline serving areas.[2/] Furthermore, as explained below, wireless and wireline approaches to rating structure and pricing are fundamentally different.

Wireline telephone numbers follow a **NPA-NXX-XXXX** model. The **NPA**, or numbering plan area, is also colloquially known as an area code. The **NXX** typically identifies the central office switch to which the particular telephone line is assigned. The **XXXX** is the specific telephone line to the specific customer's location. The **NPA-NXX** portion of wireline subscriber's phone number is associated with a specific (geographic) rate center, and a subscriber's service (i.e., line) lies within the (geographic) rate center.[3/] In short, in the old wireline rate center system, every ten-digit telephone number is associated with an individual switch operated by a particular company in a specific geographic area. Thus, a given **NPA-NXX** is limited to a particular geographic area.

The wireless world is structured very differently. To be sure, all numbers follow a **NPA-NXX-XXXX** model. But while the **NPA-NXX** portion of a wireless subscriber's phone number is still associated with a specific rate center and switch for routing

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[2/] PCS carriers, for instance, are licensed to provide service within Basic Trading Areas ("BTAs") and Major Trading Areas ("MTAs").

[3/] Wireline rate centers, which are approved by the public utilities commission of the state in question, form the basis of wireline interexchange billing; billing for telephone calls between rate centers is calculated based on the distance between the center points of each rate center.

purposes, wireless service providers do not use the wireline rating structure. Instead wireless carriers define calling areas, in which no additional charges are applied for calls, to meet the competitive needs of the market in question. A wireless calling area might be, for instance all or part of a BTA, all or part of an MTA, a state, a combination of states, a Local Access Transport Area ("LATA"), or an NPA.[4/] The wireless rating structure is determined purely by business considerations.[5/]

In the present environment, wireline carriers accept that wireline-to-wireless porting can occur so long as the initial wireline rate center is within the wireless service provider's service area and the wireless service provider has interconnection agreements for calls to wireless numbers within that rate center. But due to their use of a rate center regime, wireline carriers want to permit wireless-to-wireline porting only if the subscriber's physical location is within the wireline rate center associated with the wireless **NPA-NXX**. This "restriction" on wireless-to-wireline porting would be mitigated and could potentially be eliminated outright if wireline rate centers were

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[4/] NANC Report App. D ¶ 2.2. See also CTIA Report on Wireless Number Portability ¶ 1.6 (Version 2.0, July 7, 1998) ("CTIA Report") (describing relevant differences between wireline and wireless carriers).

[5/] Wireless carriers are not regulated at the state or federal level with respect to their pricing or rate structure. There are differences also in the way **XXX** blocks are assigned to and used by wireless and wireline carriers. While a wireless carrier might use **NXX** blocks assigned to one or two rate centers to serve an entire metropolitan area, a wireline carrier is likely to have **NXX**'s assigned to all or nearly all the rate centers.

consolidated or enlarged.[6/] Rate center consolidation has occurred in several states and would surely be adopted on a broader scale if supported by wireline carriers.[7/]

Sprint PCS submits that the distinction in rating approaches does not merit further Commission consideration. Furthermore, it may be misleading to refer to the porting implications of the rating approach distinction as a rate center "disparity." The public interest lies in ensuring more (rather than fewer) choices, and variations in rating approaches are part and parcel of that. There is no reason for the Commission to address the rate center "issue" and interfere with the essential way wireless service providers compete.

III. Number Portability in a Roaming Environment

All wireless carriers now use a ten-digit mobile identification number, or MIN, which serves as both a mobile directory number (i.e., telephone number dialed to reach the person carrying the set) and a mobile station identifier (i.e., number used to identify the physical interface of the handset to the network). Prior to number porting, a wireless service provider could assume that the two were the same. When a subscriber roamed, the serving switch of the visited carrier could use the 10-digit "phone" number as an indicator of the mobile unit and the home carrier. Someone with a ported number, however, will have a "telephone number" different from the "station identifier." A

[6/] Clearly it would be inappropriate to force wireless service providers into the traditional landline rate center paradigm.

[7/] To be sure, rate center consolidation may require wireline carriers to "rebalance" their rates. (That there may be revenue effects, without rebalancing, which need to be addressed is, of course, one reason for the Commission to forebear.) Rate center consolidation would also require all carriers to use numbering resources more efficiently.

wireless switch's inability to treat the numbers as separate and distinct has negative implications for wireless E911, billing for toll calls, and caller-identification services.[8/]

The industry's solution, and NANC's recommendation, is that the MIN must be split into two numbers -- an MDN (the customer's dialable telephone number which will be portable) and the MSID (a ten-digit non-dialable and non-portable number associated with the actual mobile station). The critical point is that even though number portability is only required of wireless providers in the top 100 MSAs,[9/] all wireless carriers will have to upgrade simultaneously to distinguish between the MDN and MSID, in order to continue to participate in automatic roaming agreements. This is the only way number portability and nationwide roaming can be achieved together.[10/]

While all wireless service providers will have to be able to distinguish between MDN and the MSID in order to continue to support roaming agreements, the cost of upgrading switches nationwide will be extraordinary. Every mobile unit will have to be reprogrammed, and network and back-office software systems will also have to be upgraded. Smaller carriers, rural carriers, and start-up operations that bid for PCS licenses at auction may not yet be able to afford this investment or could better use their resources for buildout and aggressive marketing. Particularly when CMRS providers are

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[8/] See CTIA Report ¶ 3.3.5.1 (discussing impact of inability to recognize MIN as separate from MDN).

[9/] See First Recon. ¶ 137 (ordering that CMRS providers need only deploy local number portability by the June 30, 1999, deadline in the 100 largest MSAs, in which they have received a specific request for number portability at least nine months prior to that deadline).

[10/] See CTIA Report ¶ 3.3.5.1.

focusing resources and energy on network buildout and expansion of coverage through roaming agreements, a mandatory nationwide system upgrade that is counterproductive to fostering competition would be contrary to the public interest.

Since the first Report and Order in this proceeding, wireless carriers have urged the Commission to modify the implementation schedule for wireless number portability in light of the fact that they face special technological issues in integrating roaming with number portability. Sprint PCS has supported, and continues to support, the still-pending Petition For Forbearance filed with the Commission by the Cellular Telecommunications Industry Association on December 16, 1997. The Commission should concern itself with promulgating number portability policies and goals, and let wireless carriers implement number portability in a flexible fashion, in the manner and speed dictated by the market.

IV. Porting Intervals

Although the currently recommended porting interval for a wireless-to-wireless transition is 2.5 business hours, the currently recommended interval for wireline-to-wireless porting is three days. See NANC Report ¶ 3.3. The three-day wireline-to-wireless interval is based on the three-day wireline-to-wireline interval, which itself is justified on the theory that wireline-to-wireline porting requires complicated paperwork, a number of separate time-consuming procedures, and considerable physical work. A three-day interval for wireline-to-wireless porting is, however, technologically unnecessary; wireline-to-wireless porting does not require as many steps and clearly does not require physical work. Indeed, all that is required of the wireline carrier is a simple

instruction to disconnect the telephone number from the switch, and notification to the Number Portability Administration Center ("NPAC") that the number is being ported. Even if the process is not fully automated, it should take no more than a few hours. The attractiveness of wireless service is its mobility; also, customers expect to literally walk out of a store with a functioning unit. A long wireline-to-wireless porting interval, such as three days, will serve as a disincentive to new wireless customers, and so is competitively harmful.

The Wireless and Wireline Integration Task Force ("WWITF") will work during the remainder of 1998 to review systems and work processes in order to determine an appropriate reduction in the porting interval from wireline to wireless service providers. The Technical and Operational Requirements ("T&O") Task Force is also continuing to work on the technical specifications for the NPAC LNP provision service process flow. The Commission should refrain from ruling on the appropriate porting interval until the WWITF and the T&O Task Force have completed their work.

V. Conclusion

Competitive growth in the wireless industry will come about as a result of enhanced coverage through additional buildout, roaming agreements, aggressive marketing, and reduction of consumer prices. As we have maintained in our filings throughout this proceeding, CMRS providers and in particular PCS carriers must devote their finite resources towards meeting the current competitive demands of the market -- network buildout and pricing competition -- not mandatory number portability by a time

certain. The NANC Report should be received by the Commission with this fundamental point in mind.

Respectfully submitted,

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