

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

RECEIVED
SEP 14 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

REPLY COMMENTS

The National Telephone Cooperative Association ("NTCA") hereby files its reply to oppositions filed on the petitions for reconsideration and clarification of the Commission's *LNP Cost Recovery Order*.¹

I. INTRODUCTION

NTCA is a national association of approximately 500 local exchange carriers that provide service primarily in rural areas. All NTCA members are small carriers that are "rural telephone companies" as defined in the Telecommunications Act of 1996 (the "Act").² Approximately half of NTCA's members are organized as cooperatives. NTCA filed a petition for reconsideration and clarification in the above referenced proceeding ("NTCA's Petition").

As explained in NTCA's Petition, most of NTCA's members operate outside of the 100 largest MSAs and therefore need not offer number portability until within six months of a request from another carrier offering competing local service. While most NTCA members will not

¹ *Telephone Number Portability*, CC Docket No. 95-116, Third Report and Order, FCC 98-82 (rel. May 12, 1998) ("*LNP Cost Recovery Order*")

² 47 U.S.C. §§ 151 *et. seq.*

0.5

immediately be required to offer number portability, they will incur immediate costs of contributing to regional databases, and those associated with their purchase of query services.³

II. NTCA'S PETITION TO ALLOW FULL RECOVERY OF COSTS ASSOCIATED WITH LNP IS SUPPORTED AND SHOULD BE GRANTED

The Commission should grant NTCA's Petition. In that petition, NTCA requested that the Commission create a cost recovery mechanism for the local number portability ("LNP") related costs of incumbent local exchange carriers ("LECs") that are outside the 100 largest MSAs and do not serve end users with number-portability-capable switches at this time. These costs involve regional database administration charges assessed on all telecommunications carriers and are recoverable under the rules from "each end user it serves from a number-portability-capable switch outside the 100 largest metropolitan statistical areas, one monthly number-portability charge per line . . ."⁴ Additionally, rural incumbent LECs will incur unrecoverable costs in those instances where they will be required to launch queries, but do not provide the query service themselves and do not have number portability software in their switches.

Several parties support NTCA's request.⁵ Even MCI, while it objects to recovery through

³ Smaller LECs that participate in Extended Area Service (EAS) or other joint local calling arrangements would be required to perform queries for their customers in all cases once any number within the NXX is ported even if the smaller LEC does not serve its customers from a number portability capable switch.

⁴ 47 C.F.R. § 52.33(a)(1)(A).

⁵ Comments of the United States Telephone Association (USTA); Expedited Petition for Reconsideration of the National Exchange Carrier Association, Inc. (NECA); Joint Petition of Oklahoma Rural Telephone Coalition and Texas Statewide Telephone Cooperative, Inc.; and Supporting Comments of the Organization for the Promotion and Advancement of Small

(continued...)

access charges, recognizes that rural incumbent LECs that do not offer LNP will face significant costs.⁶ The Commission has the jurisdiction to establish appropriate mechanisms, whether through access charges or end user charges. Section 251(e)(2) plainly provides that “The cost of establishing telecommunications numbering administration arrangements and number portability shall be borne by all telecommunications carriers on a **competitively neutral basis as determined by the Commission.**”⁷ Since the benefits of number portability accrue to interexchange carriers, the Commission is free to consider recovery through access charges as long as the mechanism it establishes is competitively neutral. In fact, a recovery mechanism providing for the recovery of these costs from access charges paid by interexchange carriers and other carriers is more appropriate than one that recovers the costs from end users who receive no direct benefits of number portability because there is no demand for the service in the areas where they are served.

⁵(...continued)
Telecommunications Companies (OPATSCO).

⁶ MCI’s Response to Petitions for Clarification and Reconsideration at 7.

⁷ 47 U.S.C. 251(e)(2) [emphasis added].

CERTIFICATE OF SERVICE

I, Rita H. Bolden, certify that a copy of the foregoing Comments of the National Telephone Cooperative Association in CC Docket No. 95-116 was served on this 14th day of September 1998, by first-class, U.S. Mail, postage prepaid, to the following persons on the attached list:

Rita H. Bolden

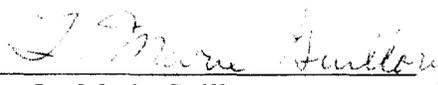
Rita H. Bolden

III. CONCLUSION

For the above stated reasons, NTCA requests that the Commission grant its petition for reconsideration and clarification.

Respectfully submitted,

NATIONAL TELEPHONE COOPERATIVE
ASSOCIATION

By: 
L. Marie Guillory
(202) 298-2359

By: 
Jill Canfield
(202) 298-2326

Its Attorneys

2626 Pennsylvania Avenue, N.W.
Washington, D.C. 20037

September 14, 1998

Chairman William E. Kennard
Federal Communications Commission
1919 M Street, N.W., Room 814-0101
Washington, D.C. 20554

Commissioner Gloria Tristani
Federal Communications Commission
1919 M Street, N.W., Room 826
Washington, D.C. 20554

Commissioner Michael Powell
Federal Communications Commission
1919 M Street, N.W., Room 844
Washington, D.C. 20554

Commissioner Susan Ness
Federal Communications Commission
1919 M Street, N.W., Room 832-0104
Washington, D.C. 20554

Commissioner Harold W. Furchtgott-Roth
Federal Communications Commission
1919 M Street, N.W., Room 802
Washington, D.C. 20554

International Transcription Service
1231 20th Street, N.W.
Washington, D.C. 20036

Glenn B. Manishin, Esq.
Michael D. Specht, Esq.
Lisa N. Anderson, Esq.
Blumenfeld & Cohen - Tech. Law Group
1615 M Street, N.W., Suite 700
Washington, D.C. 20036

Larry Serjeant Esq
Linda Kent, Esq.
Keith Townsend, Esq.
John Hunter, Esq.
USTA
1401 H St. N.W., Suite 600
Washington, D.C. 20005-2136

Ms. Mary De Luca
MCI Telecommunications Corp.
1801 Pennsylvania Avenue N.W.
Washington, D.C. 20006

Ron Comingdeer, Esq.
Comingdeer & Lee
Oklahoma Rural Telephone Coalition
6011 N. Robinson
Oklahoma City, OK 73118

Don Richards, Esq.
McWhorter, Cobb & Johnson, L.L.P.
1722 Broadway
Lubbock, TX 79401

Richard A. Askoff, Esq.
Perry S. Goldschein, Esq.
NECA
100 South Jefferson Road
Whippany, NJ 07981