BELLSOUTH

BellSouth D.C., Inc.
Suite 900
1133 21st Street, N.W.
Washington, D.C. 20031-3351

mary.henze@bellsouth.com

Mary L. Henze
Assistant Vice President
Federal Regulatory

202 463 4109
Fax 202 463 4631

December 3, 2004

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, TW-A325
Washington, DC 20554

Re: CG Dkt. 02-386; Rules and Regulations Implementing Minimum Customer Account Record Exchange Obligations on all Local and Interexchange Carriers

Dear Ms. Dortch,

On December 2, the undersigned and Ron Pate of BellSouth met with Jennifer Manner, Senior Counsel to Commissioner Abernathy. During the meeting BellSouth expressed support for requiring all carriers to exchange customer account information not only when a customer requests a change in their primary interexchange carrier but also when a customer changes local carriers. BellSouth noted that the local-to-local carrier change issue has already been raised in a number of venues by ILECs and CLECs concerned that the lack of standards is harming consumers. BellSouth urged the Commission to issue a Further Notice of Proposed Rulemaking in the above docket in order to develop a complete record to support the adoption of minimum information exchange standards for local end user migrations. All material used during the meeting is attached.

This notice is being filed pursuant to Sec. 1.1206(b)(2) of the Commission's rules. If you have any questions regarding this filing please do not hesitate to contact me.

Sincerely,

Mary L. Henze

Mary L. Henze

Attachment
cc: J. Manner

December 2, 2004

Minimum Standards for Local-to-Local Carrier Changes Docket No. CG 02-386

BELLSOUTH®

>> Exchange of Information for PIC Changes is not the Only Issue

- **The sharing of necessary customer information is not limited to changes involving presubscribed IXCs.**

- **The exchange of end user account information between local service providers is equally critical when a customer is switching local service.**

- **The same problems experienced by IXCs are shared by local service providers in the local exchange market.**
  - Many local service providers, that are not subject to regulatory requirements, do not exchange information in a uniform manner and/or provide incomplete and untimely information.

- **The result is often delayed service for the customer and/or double billing.**

>> What is an End User Migration (EUM)?

- **"EUM" is a term that the industry uses to describe the migration of end users from an "old" local service provider to a "new" local service provider.**
  - EUM includes CLEC-to-ILEC, CLEC-to-CLEC, etc.

- **ILEC-to-CLEC migrations are regulated by the Commission and the states.**

- **For the most part, CLEC-to-ILEC and CLEC-to-CLEC migrations are not regulated by the Commission or the states.**
  - Some states that have established guidelines: New York, New Hampshire, Illinois, Texas, Oregon.
  - The Commission's local service freeze and number portability rules regulate aspects of these migrations.

>> Why are EUM issues of a concern now?

- Competition and churn have increased in the local market.
- The increase of facilities-based competition with number portability requires cooperation between competing local service providers.
- The increase of migrations that are not seamless and timely due to a lack of uniformity, timeliness, business rules, and accountability.

>> Facilities-Based End User Migration (EUM)

- **It is critical for local service providers to exchange customer account information when the customer:**
  1. switches between facilities-based local service providers, and
  2. wants to keep the same telephone number (LNP).

- **The following must occur for successful migrations:**
  - The old provider must provide the new provider with business rules for exchanging account information and submitting local service requests (LSRs).
  - The old provider must provide the new provider with account information in a uniform and timely manner.
  - The old provider must provide the new provider with clarifications to, or confirmations of, the LSR in a timely and uniform manner.

>> Impact to the End User

- Customers switching local service providers demand seamless and timely migration of local service.

- Because many CLECs do not exchange customer account information in a consistent and timely manner, customers frequently do not receive seamless and timely migrations of local service.

- The following chart outlines BellSouth's experience:

	CLEC to BellSouth	BellSouth to CLEC
CSR Retrieval	2+ days	Electronic real-time access
LSR Reject/FOC Timeliness	5+ days	Less than 1 day
FOC Due Date	8 days – Consumer 10 days – Small Business	3 days
Average Overall Interval	15 days – Consumer 22 days – Small Business	5 days

BELLSOUTH

>> EUM Issues are being raised in many venues

- **A few states have established guidelines for end user migrations between facilities-based providers: Illinois, New Hampshire, New York, Oregon Public Utility and Texas.**

- **The Michigan and Florida Commissions are looking into the end user migration issues.**

- **Issues about end user migrations between facilities-based providers were raised in the state TRO proceedings and the FCC remand proceedings.**

- **The industry has developed standards** (*Local Service Migrations Guidelines, Issue 1* of the Ordering and Billing Forum (OBF) of the Alliance for Telecommunications Industry Solutions (ATIS) became "final" during the OBF meeting of October 2004).

>> Only the FCC can help consumers nationwide

- **The Commission, rather than the individual states, should develop mandatory minimum standards for EUM.**
  - Customers will benefit from a required uniform set of minimum standards. This will ensure customers throughout the nation have a positive experience when changing local service providers. BellSouth's *ex parte* presentation on September 22, 2004 for CG Dkt. 02-386 contains recommended mandatory minimum standards.
  - Only a few states have established standards; BellSouth's experience in Florida shows that it can be time-consuming to proceed on a state-by-state basis. The parties in Michigan have worked collaboratively for nearly a year, but have nine (9) issues still in dispute.
  - The states could provide additional guidance, such as metrics.

BELLSOUTH

>> The Commission can act now

- **The Commission has authority to adopt mandatory minimum standards for EUM that would be applicable to all local service providers. Action by the Commission here would be consistent with:**
  - the 1996 Act's objective to promote competition in the local exchange market;
  - the Commission's authority under Section 258 to adopt verification rules applicable to both local and long distance services.

- **The Commission has found that its authority to adopt regulations under Section 258 to prevent anticompetitive conduct regarding carrier changes extends "to all telecommunications carriers in connection with changes to all telecommunications service, including local exchange service." *Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996; Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers*, CC Docket No. 94-129, *Second Report and Order and Further Notice of Proposed Rulemaking*, 14 FCC Rcd 1508, 1514, ¶ 6 (1998) (emphasis added) ("*Second Report and Order*").**

- **The Commission's broad authority under Sections 201 and 202.**
  - Section 201(b) – "The Commission may prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of this chapter."
  - Section 202(a) – Carriers may not engage in unjust and unreasonable discrimination in charges, practices, or services.

>> Recommendation

- BellSouth recommends that the Commission issue a Further Notice of Proposed Rulemaking addressing the local-to-local EUM issue when it issues an order in Docket No. CG 02-386 regarding minimum CARE standards.

- An FNPRM would allow the Commission to develop a complete record on the issues related to EUM and the need for mandatory minimum standards and guidelines.

- EUM issues should be addressed in the FCC Minimum CARE proceeding (Docket No. CG 02-386), not in the FCC TRO remand proceeding (Docket No. WC 04-313).