



August 22, 2007

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: *In the Matter of the Petition of Telcordia Technologies, Inc. To Reform Amendment 57 and to Order a Competitive Bidding Process for Number Portability Administration, WC Docket No. 07-149*

Science Applications International Corporation, a leading provider of scientific, engineering, systems integration and technical services and solutions, supports competitive bidding for number portability administration, and removing the contractual provisions that prevent obtaining such services at the lowest possible price. Ultimately, one way or the other, consumers pay the price if the telecommunications industry has agreed to pay too much for these services. The Commission, through exercise of its retained oversight authority, must make sure that these contracts are administered in a way that best protects consumers.

Competitive bidding has long been recognized as the best way to ensure that an entity gets the best price for the services they want to purchase. That's why the government requires competitive bidding as the rule, rather than the exception. The number portability administration contract, however, although competitively bid in 1997, has not been subject to competitive bid since. What was initially bid as a contract to run through 2002, has now been extended *three* times without competitive bidding, and now does not expire until 2015.

Here, in Telcordia's petition, they are challenging contract provisions that they believe have the clear purpose of *inhibiting* competitive bidding and lower rates for the next four years - until 2012. It's their assertion that the clauses in question impose a \$30 million annual penalty simply for making a statement that the industry intends to seek lower rates or competitive alternatives. We agree with and support Telcordia's assertion that there is no legitimate purpose for such contract provisions, which essentially block the negotiation of lower rates, and mean that carriers - and therefore consumers - are locked in to paying higher rates.

In its petition, Telcordia estimates that an open bidding process would result in number portability charges that are at least \$60 million per year lower than today - or \$240 million in savings between now and 2012. Whether or not that estimate is right - and the savings could be even higher than Telcordia has stated - the value of competitive bidding for contracts is that the bidding process will ensure that these charges are as low as possible. Furthermore, the competitive bidding process brings transparency as to how charges that are ultimately passed on to the consumer are set.

Science Applications International Corporation therefore urges the Commission to grant Telcordia's petition, and to reestablish the primacy of competitive bidding to ensure that consumers are not being required, directly or indirectly, to pay more than they need to pay to administer the number portability database.

Sincerely,

Douglas R. Charles  
Senior Vice President and  
Business Unit General Manager

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