November 1, 2013

By First Class Mail and E-mail

North American Portability Management LLC
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Dear Members of the North American Portability Management LLC:

COMPTEL, the leading industry association representing competitive communications service providers,[1] and the undersigned competitive carriers, are concerned about the potential impact on our companies and on competition in the marketplace that may result from the local number portability administration (LNPA) selection process currently underway. At the outset, let us express our appreciation for the hard work that the representatives of the North American Portability Management LLC (NAPM LLC) member companies have put into local number portability (LNP) since the mid-1990s. In conjunction with the North American Numbering Council (NANC) and its LNPA Working Group, the NAPM LLC has been a good steward of the NPAC/SMS even as the telecommunications industry has roiled with change. As competitive carriers, we have been the direct beneficiaries of your work, which has opened to us markets that were previously closed due to a lack of porting capability. Our appreciation of your work is heightened even more by the fact that our companies and many more like them, lack the financial and human resources to participate directly in these activities that nevertheless are so important to our industry.

We have three concerns with the LNPA selection process that, because of your stewardship of the NPAC/SMS, we would like to bring to your attention. The first of our concerns is with the regional multi-vendor approach that has been discussed as an alternate to the current single vendor provision of LNPA services. For small carriers, if a multi-vendor regional approach results, it should produce actual competition between vendors, such that a carrier may go to any region/vendor for its numbering services. If what results is instead one vendor per region for numbering resources in that area, requiring every carrier to deal with a vendor of LNPA services per region, would create economic and operational hurdles that may cause some carriers to rethink operating in multiple LNPA regions or to cancel or delay plans to expand into a new

[1] These concerns reflect the position of a majority of COMPTEL members; however, Sprint Nextel does not join in this letter.

region served by a different LNPA. The additional costs that small carriers will bear include maintaining connections to multiple providers of LNPA, training already stretched staffs to manage LNP on two or more different systems, and staying apprised of changes and updates to those systems. Such a result will unduly stretch smaller carriers' limited resources. Large carriers, particularly large incumbent carriers, may be able to absorb these additional costs; smaller competitive carriers cannot easily do so. Relatedly, we also are concerned with the operational aspects of multiple databases and how we will be able to ensure that their accuracy is maintained in real-time, including how updates would be coordinated from multiple vendors and multiple databases. We request that you please engage with industry, especially smaller carriers, to better explain your evaluation of the various approaches that are being considered, and COMPTEL offers to work with you as an interface to our member companies. We believe that your assessment of the bids must take into account the increased costs for smaller carriers. It is crucial that your evaluation of the costs includes dealing with more than one LNPA vendor and/or database and the impact of such additional costs on smaller carriers' current operations and their potential to expand their operations to new regions are carefully evaluated and considered before recommending a multi-vendors regional approach.

Our second concern is that, regardless of the approach taken, the cost of any transition on all members of the industry, but particularly on smaller carriers, must be thoroughly understood for all proposals and assigned great weight in your evaluation process. Smaller carriers, with their limited resources, simply do not have the wherewithal to undertake a costly and complex transition to a new LNPA provider, particularly if our transition costs are not offset by considerably lower LNPA charges to our companies. Further, the transition costs are not financial alone; significant technical and operational manpower in our companies will have to be diverted from revenue producing activities to support this transition. We are concerned that it will be very difficult for to recoup these costs from potential LNPA savings. If industry-wide cost savings cannot be documented in the proposal and ultimately achieved, then the proposal must change. A roadmap that ensures savings that traverse the industry is crucial to the success of any proposal. Please ensure that transition costs overall, and the impact of such costs on small carriers in particular, are fully evaluated and considered during your review of the competing proposals.

Our third concern is that the potential impact on consumers and businesses be given adequate weight in the evaluation of the proposals. Carriers, consumers, and businesses have become accustomed to a high level of performance from the current LNPA vendor when it comes to

number portability services. If a change in LNPA is made, there is substantial risk that the transition will not be smooth, particularly because so many carriers, large and small, must

modify their systems in such a short period. Even with the best efforts, there will no doubt be failures along the way. Smaller competitive carriers depend on LNP in far greater proportion than larger carriers because the majority of telephone numbers in our inventories comes through thousands-block pooling and porting. LNP is our lifeblood; it's how we get customers. If what were one-day ports slip to become one-week ports or one-month ports under a new LNPA, it will have a devastating impact on small carriers and our ability to compete for business. Again, large carriers are able to weather some rough patches in ways that smaller carriers cannot, so we want to bring this concern to the attention of the NAPM LLC so that the risk of consumer and business disruption can be assessed appropriately. Please ensure that the potential for disruption of a smooth functioning LNPA process, and the impact of such disruption on small carriers and their customers, is thoroughly considered and evaluated as you examine the various proposals.

We bring these concerns to you because an uninformed LNPA selection could have devastating consequences for smaller carriers. Congress and the FCC have recognized that LNP is a necessary component of telecommunications competition. It would be ironic if the selection of a multiple vendor, regional LNPA approach or the transition to another LNPA vendor was not fully evaluated and leads to impeding telecommunications competition rather than promoting it as our federal policymakers intended.

We thank the NAPM LLC for considering our views. We trust and expect that the NAPM LLC will continue to exercise good stewardship of LNP on behalf of the entire industry as it always has. We will continue to monitor the situation as it moves from the NAPM LLC to the NANC and the FCC to make sure our views are reflected in the outcome.

Sincerely,

/s/ Angie Kronenberg
Chief Advocate and General Counsel
COMPTEL

/s/Robert W. McCausland
VP, Regulatory and Government Affairs
HyperCube Telecom, LLC

/s/ William H. Weber
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