

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Telephone Number Portability)	CC Docket No. 95-116
)	
Petition of Telcordia Technologies, Inc. to Reform or Strike Amendment 70, to Institute Competitive Bidding for Number Portability Administration and to End the NAPM LLC's Interim Role in Number Portability Administration Contract)	WC Docket No. 09-109
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)	

COMMENTS

U.S. TelePacific Corp. d/b/a TelePacific Communications (“TelePacific”) and HyperCube Telecom, LLC (“HyperCube”) (TelePacific and HyperCube together, the “Commenters”), by their undersigned counsel, submit these comments pursuant to the Public Notice released June 9, 2014, by the Federal Communications Commission (“Commission”) in the above-referenced proceedings.¹ The Public Notice requested comment on the April 24, 2014 recommendation by the North American Numbering Council (“NANC”) of the appointment of a vendor to serve as the next local number portability administrator (“LNPA”): Telcordia Technologies, Inc. d/b/a iconectiv (Telcordia), as the sole LNPA. According to the Public Notice, the NANC forwarded, along with its vendor recommendation, reports from the NANC’s LNPA Selection Working Group (“SWG”) and the North American Portability Management LLC’s (“NAPM’s”) Future of the Number Portability Administration Center (“FoNPAC”). The NANC’s recommendation and

¹ *Commission Seeks Comment on the North American Numbering Council Recommendation of a Vendor to Serve as Local Number Portability Administrator*, CC Docket No. 95-116, WC Docket No. 09-109, DA 14-794 (rel. June 9, 2014) (“Public Notice”). *See also Commission Extends Comment Deadlines for Public Notice Seeking Comment on the North American Numbering Council Recommendation of a Vendor to Serve as Local Number Portability Administrator*, CC Docket No. 95-116, WC Docket No. 09-109, DA 14-794 (rel. June 27, 2014).

the accompanying reports were submitted to the Commission confidentially, and are subject to a Protective Order.²

The Commenters are highly dependent on a stable and reliable LNPA in order to compete in the telecommunications marketplace. The Commenters use the local number portability (“LNP”) process not only to acquire customers, but also use the LNP database to more efficiently manage their networks and thus provide service to their customers. The Commenters hereby address a number of concerns about the LNPA selection process, as well as the proposed vendor recommended by the NANC.

I. The LNPA Selection Process Should Be More Transparent

The Commenters have concerns over the transparency of the LNPA selection process. To date, the vendor bid, review and selection process has been conducted almost entirely behind closed doors. This lack of transparency has effectively left them unable to provide meaningful feedback during the bid and review process. Further, the Protective Order issued in this proceeding (as revised on June 24, 2014) is unnecessarily restrictive, and only deepens the overall lack of transparency in the selection process.

In particular, the Protective Order unfairly impacts small and medium-sized entities that do not have the budgets to pay outside counsel or consultants to review the “highly classified” documentation submitted under seal. Forcing companies to undertake such costly steps in order to review the recommendations, reports and vendor bid information is an unfair barrier to meaningful engagement in the vendor selection process. Further, even if the Commenters and other interested parties had the financial resources to undertake these steps, the Protective Order

² See *Petition of Telcordia Technologies, Inc. to Reform or Strike Amendment 70, to Institute Competitive Bidding for Number Portability Administration and to End the NAPM LLC’s Interim Role in Number Portability Administration Contract; Telephone Number Portability; Revised Protective Order*, WC Docket No. 09-109, CC Docket No. 95-116 (rel. June 25, 2014) (“Protective Order”).

prohibits such persons from engaging in meaningful dialog with their clients on much of the substantive information contained in the documents, especially with those employees and other insiders with first-hand experience with the existing LNPA and LNP process. This prohibition renders the entire exercise in obtaining such access essentially meaningless. While confidentiality protection may be appropriate with respect to the direct competitors that submitted bids in the process, the Commenters assert that CLECs and other industry participants that did not enter bids would not be competitively advantaged by reviewing the NANC's recommendations or the bids submitted themselves.

The overall lack of transparency during the NANC process has resulted in a "black box" that leaves outside parties that depend on these services unable to meaningfully understand how the process was conducted, and how the final recommendation was made. At this point, the Commenters are essentially left with a final recommendation on which to opine, along with a Protective Order that limits their access to information on which to form their opinions. As such, the Commenters respectfully request that the Commission further revise or revoke the Protective Order so that all service providers (that did not submit bids) can have equal and unfettered access to the NANC proposals, vendor bids, bid evaluations, and recommendation documents.

II. The LNPA Selection Process Must Minimize Consumer Impacts and Ensure Competitive Neutrality

Apart from their concerns over transparency, the Commenters also have significant concerns over the competitive neutrality in the LNPA selection process. NAPM is a private entity that is overseen by ten of the largest telecommunications providers in the country,³ which ultimately led the NANC's decision making process. The NAPM does not represent the broader telecommunications industry, nor the public at large, and as such the Commenters question

³ See Letter from Lisa A. Hook, President and CEO, Neustar to Betty Ann Kane, Chairman, NANC (Mar. 19, 2014), available at: <http://www.neustar.biz/corporate/docs/letter-to-chairman-kane-031914.pdf>.

whether the recommendation takes into account the interests of the broader carrier and consumer community or whether it is ultimately aimed at benefiting the large service provider members of the NAPM.

The U.S. numbering system must remain a neutral and balanced resource. And, neutrality of the LNPA is a significant foundation of that principle, especially given the confidential information that must be passed between the LNPA and service providers in the day-to-day administration of number portability. To meet the requirements of competitive neutrality of FCC Rule 52.9,⁴ the LNPA vendor selection process must give sufficient weight to the potential impacts on consumers and businesses that a transition to a new vendor may cause. Consumers demand the LNP process to go smoothly and efficiently, and hold service providers to high standards in this regard. In turn, service providers demand a high level of performance from the LNPA vendor to meet growing consumer demands.

Likewise, a costly or disruptive transition will be better withstood by larger service providers than CLECs and other small service providers. This requires the Commission to undertake a careful examination on the proposed recommendation by NANC to ensure that the proposed transition to a new vendor, and the risks that such a transition will create, are not unduly borne by small service providers as opposed to the larger service providers that made the recommendation. Given Telcordia's business ties to the wireless community (through its parent, Ericsson), the Commission should closely examine the recommendation that had been forwarded by a consortium of large providers with interests in the wireless community.

Given the substantial systems changes that will need to be undertaken to transition to a new LNPA vendor, any such vendor change comes with risks that the transition will not be smooth. These risks will be amplified if transition periods are too short to accomplish the

⁴ 47 C.F.R. § 52.9.

necessary rollout and testing of new systems. Given CLECs' high dependence on the LNP process (especially relative to larger service providers), any transition problems that occur will likely fall harder on smaller service providers than the large ones. As such, the Commenters urge the Commission to carefully consider the potential impacts to consumers and small service providers that any transition to a new vendor may have when considering any shift of LNPA to a new vendor, especially when that recommendation is developed through a consortium mainly comprised of the large service provider industry segment.

III. The FCC Must Carefully Consider the Recommended Vendor and Associated Cost Model

The Commenters request that the Commission ensure that any new LNPA vendor include all currently available LNPA services as part of its bid and cost model, including the continued availability of capabilities needed by the CLEC community (such as E.164 Number Mapping (ENUM), etc.). The entire telecommunications community, and especially CLECs (whose businesses surround primarily ported telephone numbers) – depends on the customized service offered by Neustar. Neustar currently includes a wide variety of services as part of the existing LNP fees, such as:

- “Mass ports,” where all of the customers of one service provider are moved to another;
- Access to highly customized Port PS databases that allow for crucial examination on code ownership, block ownership and telephone number ownership;
- Mass local routing number (“LRN”) migrations – at no additional cost - when service providers require the migration of numbering inventory between switches;
- Mass destination point code (“DPC”) updates - at no additional cost - which allows service providers to switch their various SS7 and other services (e.g., caller ID name (“CNAM”) and line information database (“LIDB”)) between vendors without interruption to their customer bases, and also works with service providers – at no additional cost - to update Service Provider ID (“SPID”) migrations necessary due to carrier acquisitions and mergers; and
- Neustar has also been extremely proactive in listening and being responsive to the CLEC community generally through the LNP Working Group--the company works intimately with Number Portability Administration Center (“NPAC”) users to provide services beyond single customer port transactions.

Any new vendor should be required to retain the existing service arrangements currently provided by Neustar as part of its bid and cost model. Given the importance of these services to the smooth functioning of the telecommunications market, these services, as well as those other services currently provided by Neustar (that are not subject to additional fees) should continue to be covered by any new LNPA vendor through the fees paid by all telecommunications carriers, and not changed to *a la carte* pricing on a per use basis. Generally speaking, Telcordia has not demonstrated to the Commenters the exceptional customer service provided by Neustar. The Commenters find that it is currently generally difficult to determine the appropriate group or person within Telcordia to address issues and the company upcharges for most support they provide, and the Commenters further note that Telcordia currently also has shorter support hours in general.

Given the differences in the Commenters' experiences between Neustar and Telcordia, and the significant services offered by Neustar as the existing LNPA vendor, the Commenters would like to better understand the cost model provided by Telcordia as part of its bid. The services offered by Neustar are a key to fair competition in the market. The existing pricing model requires those service providers with the largest number of lines and revenue to pay the highest percentage of the Neustar LNPA fees (not the transactional fees). As such, the large service providers generally do not like this model because the largest percentage of the costs to administer LNP resides with them, and it is in their best interests to change the cost model to one where more costs are borne by CLECs. The Commenters fear that a transition to a new LNPA may provide the larger service providers a means of achieving this result. The Commenters believe that the charges for current Telcordia services are already very high, and they fear that any additional costs imposed by the company for services not included in the bid will follow suit, and disproportionately affect CLECs and other smaller service providers. Again, due to the lack of transparency in the selection process to date, it is unclear whether Telcordia's bid includes

changes to the cost model and/or service offerings (as compared to the current offerings of Neustar), but the Commenters nonetheless expect that CLEC costs will rise sharply as a result of a change of LNPA to Telcordia, and that such costs must be taken into account by the Commission.

Likewise, the Commission must consider the proposed costs of any transition on all members of the industry, and particularly those costs that will be borne by CLECs and other smaller service providers. Smaller service providers do not have the resources available to undertake a costly and complex transition to a new LNPA provider, particularly if the transition costs are not offset by considerably lower LNPA charges. Significant technical and operational manpower will need to be diverted from revenue producing activities to support any transition, which must also be taken into account. The Commenters believe that any successful bid should clearly demonstrate industry-wide cost savings, with low transition costs especially for smaller service providers who will more acutely bear the brunt of such costs.

To be successful (*i.e.*, stable and reliable), the LNPA must become a centralized repository of numbering and porting information. Given that tall task, the Commenters request that the Commission establish a workable transition period to reduce the likelihood of consumer impacts, and ensure that sufficient time is made for systems modification and testing. The Commenters request that the FCC require the selected vendor, as soon as possible after selection is made, to provide access to basic information on the timing of the establishment of new interfaces, test plans, transition timelines, and related information. A one- to two-year transition period with identified milestones (each with clear and measurable criteria that must be met before the vendor can move to the next milestone) could be adequate so long as the new vendor selected immediately begins working with service providers on transition requirements, schedules, and testing.

IV. Conclusion

The Commenters thank the Commission for the opportunity to provide feedback on the LNPA vendor selection process, and look forward to working with the Commission to ensure that the process is undertaken in a fair a transparent manner, and that the interests of CLECs are addressed during the process, and by any new vendor selected.

Respectfully submitted,

By: /electronically signed/

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