Agenda Date: June 9, 2004

Item Number: A1

**Docket: UT-031822** 

Company Name: Inland Telephone Company

Staff: Dave Dittemore, Telecommunications Engineer

### **Recommendation:**

Grant the request for a revision of the schedule for temporary suspension of wireline to wireless number portability obligations, and require that interim local number portability be made available in the meantime.

# Background:

On April 27, 2004, Inland Telephone Company (Inland) requested a further extension of time to implement number portability. The Commission had granted a temporary suspension of FCC requirements in November 2003 for local number portability, due to the limitations of company's four switches.

#### Discussion:

Inland has notified the Commission that testing performed on the first switch in Roslyn has determined that the switch proposed by their vendor will not provide local number portability satisfactorily, and also has limitations in equal access and Communications Assistance for Law Enforcement Act (CALEA). Inland has selected another vendor, and proposed the following changes to the schedule approved by the Commission on January 28, 2004:

<u>Schedule Approved</u>	<u>Schedule Proposed</u>
<u>by First Order</u>	by Second Request
June 30, 2004	December 31, 2004
December 31, 2004	June 30, 2005
June 30, 2005	December 31, 2005
December 31, 2005	December 31, 2005 (no change)
	by First Order June 30, 2004 December 31, 2004 June 30, 2005

Since all Local Exchange Carriers, who have received a Bona Fide request, have been required to provide local number portability as of May 24, 2004, the Commission has required interim number portability, using call forwarding and any transport necessary,

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until regular number portability is provided. Inland could have complied with local number portability by upgrading their switch software, at a cost of approximately \$400,000 per switch. Since Inland serves under two thousand customers per switch, upgrade costs pose a substantial burden. Inland has decided to take this opportunity to replace its switches with new "softswitch" technology instead of upgrading. In November 2003 the Commission has agreed to allow Inland to avoid that payment and instead upgrade their switches.

While Inland is working on its switch replacements, staff believes that Inland needs to provide interim local number portability, using call forwarding technology, and deliver calls to the wireless carrier at the most convenient interface, usually the access tandem. At this point Inland has agreed to provide interim number portability, but wants to collect revenue for transporting the calls to the wireless carrier. Staff believes that Inland should be compelled to transport the calls to the wireless carrier at no cost for the following reasons:

- a) The number of consumers who have moved their wireline telephone to wireless has been very low, only around one tenth of one percent, so transport costs should be minimal. In Inland's petition, they also anticipate the number of customers who would port to wireless would be very limited.
- b) Unless a wireless carrier were to locate a point of presence (POP) in an Inland central office, Inland will have the same transport responsibility of traffic to the serving tandem after conversion to regular local number portability, as the staff interprets the most recent FCC documents.
- c) Other small companies that have been granted similar extensions have agreed to interim local number portability and transport of traffic, thus the staff feels that it fair, just and reasonable that Inland also comply.

Staff feels that Inland's request to be compensated for toll charges by the wireless carrier constitute a barrier to entry. Staff recommends that the Commission order, as a condition of any further extension of time, Inland to comply with interim LNP using call forwarding, and transport these calls to the nearest convenient interface with the wireless carrier. FCC NPRM in docket 95-116, released November 10, 2003 notes in paragraph #24 that wireless carriers are not required to have points of interface or

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numbering resources in the same rate center. Paragraph #34 in the same order states that interconnection agreements are not required.

# Legal Standard

The WUTC's authority to consider a suspension comes from Sec. 251(f)(2) of the Telecommunications Act of 1996. The law provides that the WUTC consider the technical feasibility and economic burdens that would be imposed on a small company and/or its users if it is required to implement number portability.

# **Analysis**

Staff believes that Inland has generally made a reasonable attempt to comply with FCC requirements to upgrade its central office switches to LNP capability, though it has some concerns about the decision to focus on a single vendor and the failure to identify very basic shortcomings in the proposed technology earlier. Staff therefore recommends that the Commission approve Inland's requests to modify the schedule for suspension of their local number portability obligations, while offering interim local number portability.

#### Conclusion

Grant the request for a revision of the schedule for temporary suspension of wireline to wireless number portability obligations, and require that interim local number portability be made available in the meantime.