

Report on the Status of Wireless LNP

CALIFORNIA PUBLIC UTILITIES COMMISSION TELECOMMUNICATIONS DIVISION

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Local number portability, or LNP, enables a telephone customer to change carriers within a given location and keep the same phone number. The CPUC has been a strong advocate of requiring wireline as well as wireless carriers to allow customers to “port” or take their phone numbers with them when they switch from one carrier to another, viewing LNP as a critical element in fostering competition in telecommunications markets for the benefit of telephone customers.

Background; Recent FCC Orders on LNP

In an October 3, 2003 order, the Federal Communications Commissions (FCC) upheld the November 24, 2003 deadline to provide wireless LNP, and held that wireless customers who port their numbers should have the same flexibility to switch carriers that non-porting customers have currently, even if they have not settled their account with the old carrier. While wireless carriers may include and enforce credit requirements, early termination fees, and similar contractual provisions in their customer agreements, carriers may not refuse to port numbers upon receipt of a valid request from the customer’s new carrier. The FCC’s October 3 order also encouraged wireless carriers to complete simple ports within the industry-established porting interval of two-and-a-half hours from the time the customer requests service from the new carrier. Although the FCC did not propose to adopt the industry standard as a mandatory rule, it found no evidence that the standard was technically infeasible, and stated that it would reexamine the issue if it received numerous consumer complaints about the length of the wireless porting process.

In a November 7, 2003 order, the FCC reaffirmed that wireline carriers must port numbers to wireless carriers under its current rules, and specified rules for such “intermodal” LNP.

Introduction of Wireless LNP

On November 24, 2003, wireless LNP became available to customers. Since its introduction, reports of implementation problems and complaints have surfaced. As a result of these reports, on December 4 Commissioner Kennedy called for determined monitoring and a possible investigation of whether carriers blocked customers from taking their cell phone numbers to new carriers.

On December 5, the Telecommunications Division responded to Commissioner Kennedy's call by sending a letter to six large wireless carriers. The letter requested data from the six wireless carriers on the number of requests to port-in numbers from other wireless carriers that have been delayed beyond the industry-established porting interval of two-and-a-half hours, the amount of time which each of these delayed requests took to complete, and the reasons for the porting delays, if known. The letter also requested the total number of port-in requests that each carrier had sent to each other carrier that had delayed processing of port-in requests. Together, these data items would enable TD staff to calculate a percentage of port-in requests that have been delayed beyond the two-and-a-half hour interval.

On December 10, the six wireless carriers replied with a written request that we suspend our data request and meet with them to discuss the issues. In this letter, the wireless carriers stated that responding to the data request would divert critical number portability resources away from the immediate demands of wireless LNP. They reported that the people who would work on compiling this information are the same people working on pending porting requests and on improving the porting process. The letter stated that the carriers do not have the data we requested in the form we requested it, and that efforts to compile this information, to the extent that it exists, would be arduous and time-consuming. The letter also stated that the porting process has improved each day since November 24, and that a snapshot of the first two weeks would thus not provide an actual assessment of wireless LNP today.

In coordination with Tim Sullivan, TD staff met with representatives of the six recipients of our data request on December 11. During that meeting, the industry representatives reiterated and elaborated on many of the points in their December 10 letter, explaining in greater detail how the porting process works and what some of the

early difficulties in the process were. The industry representatives committed to providing the CPUC with a contact person from each carrier for wireless LNP problems, and to seek to provide quantitative data that would show the magnitude of the wireless LNP problem.

Also during this meeting, the representative of AT&T Wireless Services (AWS) was asked about its response to a December 4 request for information from the FCC. AWS provided copies of its December 10 reply to the FCC's request. In its reply, AWS explained to the FCC the nature of the difficulties AWS had experienced, the steps it had taken to resolve these difficulties, and the progress that had been made. The key points AWS made in its reply letter were:

1. AWS chose Nightfire (an affiliate of NeuStar) to be its wireless LNP clearinghouse vendor in June 2002, before substantially all other wireless carriers chose TSI as their vendor for intercarrier communications.
2. The lack of uniform and enforceable LNP standards in a number of areas, including the intercarrier communications process, created conflict and confusion regarding the appropriate way to implement LNP.
3. The two wireless porting clearinghouse vendors (Nightfire and TSI) developed their systems based on differing interpretations of industry guidelines and agreements.
4. Two software upgrades by TSI during the last four weeks before November 24 shut down intercarrier communications testing for nearly two weeks.
5. Parts of Nightfire's system had insufficient capacity to quickly process the porting information flows.
6. Parts of TSI's system rigidly rejected delayed porting requests, compounding the problem.
7. AWS has devoted substantial resources to resolving the intercarrier communications problems.
8. As of December 10, AWS has successfully responded to more than 90 percent of backlogged port requests, and was responding to new port requests on a level comparable to the rest of the industry. Greater than 75 percent of port requests were being responded to within 30 minutes.

On December 16, the six cellular carriers sent another letter as a follow-up to TD staff's December 5 data request and the December 11 meeting. This letter describes the industry's ongoing efforts to refine the porting process, including meeting regularly to further adjust and automate the porting process, establishing carrier-to-carrier specific

teams to quickly address and resolve issues on specific porting requests, and participating actively in the Fallout Reduction Taskforce under the aegis of the North American Numbering Council to identify and eliminate obstacles to porting. The refinements to the process to date include (1) reducing the number of validation fields necessary to complete a porting request, and (2) standardizing certain data (e.g., 5-digit zip codes instead of 9-digit zip codes). The letter also provides contact information for CPUC inquiries on wireless LNP for each of the six companies, as promised at the December 11 meeting.

The December 16 letter also cites statistics that purport to indicate that the carriers have refined the porting experience for consumers since the onset of wireless LNP. The statistics state that the number of completed wireless porting requests has increased by 145% from the first week to the second week of wireless porting, and increased again by 16% from the second week to the third week of wireless porting, which ended December 14th. We note that these statistics do not tell us with certainty whether the percentage of porting requests that have been completed has increased over this time period, since we have been provided no information on the total volume of porting requests received in any of these first three weeks. Likewise, these statistics do not address the percentage of porting requests being completed within the two-and-a-half hour interval (or conversely the error rate), since the statistics provided make no mention of the average time intervals needed to process porting requests during any of the three weeks.

In summary, TD has received information about the sources of the difficulties and delays in processing porting requests, and the steps these carriers have taken to solve the problems. The December 10th letter from AT&T Wireless to the FCC suggests that AT&T Wireless has significantly improved its porting process and reduced delays in processing porting requests. The December 16th letter to the CPUC also suggests that the wireless carriers have made significant strides in refining the porting experience for consumers since the onset of wireless LNP. Nonetheless, from the wireless industry's response thus far, we cannot provide quantitative measures of the frequency of porting delays during the first three weeks of wireless LNP, or the overall rate of successful porting experiences for consumers.