

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Generic investigation) DOCKET NO. 960100-TP
into permanent number) ORDER NO. PSC-97-0324-FOF-TP
portability.) ISSUED: March 24, 1997
_____)

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING

PROPOSED AGENCY ACTION ORDER
ENDORING THE FLORIDA NUMBER PORTABILITY STANDARDS GROUPS'
SOUTHEAST REGION NUMBER PORTABILITY EFFORTS

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. BACKGROUND

We began to review the implementation of number portability with the passage of the 1995 amendments to Chapter 364, Florida Statutes. The intent of the amendments, as far as number portability was concerned, was to ensure that consumers have access to different local exchange service providers without being disadvantaged, deterred, or inconvenienced by having to give up the their existing local telephone number. Section 364.16(4), Florida Statutes, also required that all providers of local exchange services must have access to local telephone numbering resources and assignments on equitable terms that include a recognition of the scarcity of such resources and are in accordance with national assignment guidelines. The statute required us to ensure the implementation of temporary and permanent number portability solutions.

The 1995 amendments required this Commission to establish a temporary number portability solution before January 1, 1996. Section 364.16(4), Florida Statutes, required the parties, under

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the direction of the Commission, to set up a number portability standards group by no later than September 1, 1995. The standards group was to direct the investigation and development of appropriate parameters, costs, and standards for number portability, temporary as well as permanent.

On June 29, 1995, we established Docket No. 950737-TP to investigate the appropriate temporary local number portability solution as contemplated by the statute. The standards group met several times in the initial review of temporary number portability. Since the Commission was required to ensure the implementation of a temporary number portability solution by January 1, 1996, an expedited hearing schedule was established in the event the parties could not negotiate a mechanism by the statutory deadline. On August, 31, 1995, the parties submitted a proposed stipulation which addressed the mechanism to be used to provide temporary number portability. We approved the stipulation by Order No. PSC-95-1214-AS-TP issued on October 3, 1995.

The stipulation required all Local Exchange Companies (LECs) to offer certificated Alternative Local Exchange Companies (ALECs) remote call forwarding (RCF) as the mechanism to provide temporary number portability by January 1, 1996, while allowing the parties to continue to negotiate other mechanisms if so desired. Likewise, ALECs were required to offer RCF to the LECs, effective on the date they began to provide local exchange telephone service. The parties agreed that the price charged by the ALECs would mirror the price of the LECs. In addition, the parties agreed that RCF was the temporary mechanism for number portability. However, they did not believe that RCF was feasible as a long term number portability mechanism. Therefore, the parties, via the stipulation, agreed to continue to work to investigate and develop a permanent number portability solution.

Although the parties were able to negotiate the temporary number portability mechanism, they were unable to agree to a cost recovery mechanism for temporary number portability. Therefore, the Commission conducted an evidentiary hearing on October 20, 1995.

Since our initial review of temporary number portability, Congress passed the Telecommunications Act of 1996 (Act), which established the federal guidelines for the provision and cost recovery of number portability. In addition to the requirements in the Act, the FCC issued its interpretation of the Act in Order No. FCC 96-286 in Docket No. 95-116, Telephone Number Portability.

By Order No. PSC-95-1604-FOF-TP, issued December 28, 1995, we decided to investigate permanent number portability in a separate docket from temporary number portability, due to the complexity of the permanent solution. On January 29, 1996, we established Docket No. 960100-TP to investigate the appropriate permanent number portability mechanism to implement in Florida.

In the early stages of the FNPSG's review of permanent number portability, it determined which of the five permanent mechanisms, Location Routing Number (LRN), Carrier Portability Code (CPC), Release-to-Pivot (RTP), Local Area Number Portability (LANP), and Non-Geographic Number (NGN), that had been proposed in other jurisdictions, should be analyzed on a more detailed basis. A sixth method known as Query on Release (QOR) was introduced after the FNPSG's initial review of the available options. After considerable discussion, the FNPSG decided to evaluate LRN since it was the only solution being implemented in various other states.

LRN was proposed as a permanent number portability mechanism by AT&T. Under the LRN proposal, a carrier seeking to route a call to a ported number queries or "dips" an external routing database, obtains a ten-digit location routing number for the ported number, and uses that location routing number to route the call to the end office switch which serves the called party. The carrier dipping the database may be the originating carrier, the terminating carrier, or the N-1 carrier, the carrier prior to the terminating carrier. Under the LRN method, a unique location routing number is assigned to each switch. For example, a local service provider receiving a 7-digit local call, such as 887-1234, would examine the dialed number to determine if the NPA-NXX is a portable code. If so, the 7-digit dialed number would be prefixed with the NPA and a 10-digit query, e.g. 679 887-1234, would be launched to the routing database. The routing database then would return the LRN, e.g. 679 267-0000, associated with the dialed number that the local service provider uses to route the call to the appropriate switch. The local service provider then would formulate an SS7 call set up message with a generic address parameter, along with the forward call indicator set to indicate that the query has been performed, and route the call to the local service provider's tandem for forwarding.

LRN is a "simple-number solution" because only one number, i.e. the number dialed by the calling party, is used to identify the customer in the serving switch. Each switch has one network address -- the location routing number.

The FNPSG established four subcommittees to begin the long process of evaluating LRN in Florida. They are the Legal

Subcommittee, Operational Subcommittee, Requirements Subcommittee and the Service Management System Subcommittee.

During the FNPSG's evaluation of LRN, the FCC issued Order No. FCC 96-286, on July 2, 1996, in Docket No. 95-116. The FCC determined that number portability provides consumers flexibility in the way they use their telecommunications services and promotes the development of competition among alternative providers of telephone and other telecommunications services. The Order noted several studies that indicated customers were unwilling to change their service provider if they had to change their telephone number.

In its order, the FCC declined to choose a specific method for providing permanent number portability and left that decision to the states. However, the FCC established criteria for long-term number portability methods that must be met by the state solutions. The FCC believed these criteria would ensure an appropriate level of national uniformity, while maintaining flexibility to accommodate innovation and improvement. It required that any long-term number portability method, including call processing scenarios or query triggering, must:

- (1) support existing network services, features, and capabilities;
- (2) efficiently use numbering resources;
- (3) not require end users to change their telecommunications numbers;
- (4) not require telecommunications carriers to rely on databases, other network facilities, or services provided by other telecommunications carriers in order to route calls to the proper termination point;
- (5) not result in unreasonable degradation in service quality or network reliability when implemented;
- (6) not result in any degradation of service quality or network reliability when customers switch carriers;
- (7) not result in a carrier having a proprietary interest;
- (8) be able to accommodate location and service portability in the future; and
- (9) have no significant adverse impact outside the areas where number portability is deployed.

The FCC did not establish a national call processing scenario, which determines where a database query is done, since it believed the carriers may wish to determine among themselves how to process calls under alternative scenarios.

Although the FCC did not mandate the method to provide number portability, it did establish a schedule specifying the dates when companies would be required to implement long-term number portability. The FCC believed that requiring implementation of long-term number portability by a date certain is consistent with the Act's requirements that LECs, including CMRS providers, offer number portability as soon as they can do so. This will advance the Act's goal of encouraging competition in the local exchange market.

The FCC concluded that an impartial entity should be selected to be the database administrator. In addition, it believed that a regionally deployed database system will ensure that carriers have the number portability routing information necessary to route telephone calls between carriers' networks, and will also promote uniformity in the provision of such number portability data. The FCC required the North American Numbering Council (NANC), which is responsible for selecting the new North American Numbering Plan Administrator, to select the regional database provider as well as determine all technical interoperability and operational standards associated with a regional database. The FCC provided that the states could decide not to participate in a regional database and develop a state specific database. However, the state database must meet the national requirements and operational standards recommended by the NANC. Carriers within the state can petition the FCC for relief if a state decides not to participate in a regional database, and the state's decision delays the deployment of long-term number portability.

Once the FCC issued Order No. FCC 96-286, the FNPSG evaluated the six permanent number portability methods discussed above based on the FCC's criteria. LRN was the only long term number portability mechanism that met the FCC's nine criteria for a permanent mechanism. The group concluded that it was more efficient to evaluate LRN on a regional basis than on a state-by-state basis since, for the most part, the industry segments doing the evaluations were the same for a specific region. Therefore, the FNPSG believed it would be beneficial to the Florida carriers if the FNPSG worked to help implement a Southeast Region Number Portability mechanism. Since the Georgia effort to implement permanent number portability was ahead of Florida's efforts, the FNPSG believed it would be best to use the extensive work done by the industry in Georgia and apply that to Florida. This approach, the FNPSG concluded, would minimize the duplication of efforts in areas that would be shared between states in a regional approach, such as the development of the database. The initial step performed by the FNPSG subcommittees, subsequent to this change in direction, was to determine if there were any Florida specific

issues that needed to be addressed in the Georgia documentation. Except for some of the language contained in the Limited Liability Corporation (LLC) charter and the Request for Proposal sent to vendors for the development of the database, there was little if any modification necessary.

Before the FNPSG made any efforts to help develop the Southeast regional approach, it sent a letter to the Georgia Commission to determine if there was any interest in such an approach. The Georgia Commission agreed to some extent that the regional approach would be beneficial to the carriers, but it made it clear that the Florida Commission's efforts should not affect Georgia's implementation schedule.

II. DECISION

As discussed in the case background, the FNPSG has done considerable work to be in the position to implement permanent number portability as required by FCC Order No. FCC 96-286. The members of the FNPSG believe we should choose to participate in the Southeast Region Permanent Number Portability mechanism. Section 364.16(4), Florida Statutes, states that the FPSC should ensure that the industry will implement permanent number portability as soon as possible, once a national solution is developed. FCC Order No. FCC 96-286 establishes the national criteria, excluding cost recovery, that must be met prior to the implementation of any permanent number portability mechanism. The Florida telecommunications industry, via the FNPSG members, believes that the regional approach will minimize the cost of implementing LRN as a permanent number portability mechanism in Florida. In addition, the FNPSG has determined that LRN is currently the only solution that meets the FCC's criteria.

Upon consideration, we believe it is appropriate for the FNPSG to continue to work in conjunction with other state implementation groups to develop a Southeast Region Permanent Number Portability mechanism. We also find it appropriate to endorse LRN as the permanent number portability mechanism to be used in the Southeast region.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we endorse the efforts of the FNPSG to work in conjunction with other state implementation groups to develop a Southeast Region Permanent Number Portability mechanism. It is further

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ORDERED that we endorse Local Routing Number (LRN) as the permanent number portability mechanism to be used in the Southeast Region. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission, this 24th day of March, 1997.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Deen
Chief, Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 14, 1997.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.