Comments of The Nebraska Rural Independent Companies, The Iowa Rural Companies, The Ohio Rural Companies, and The South Dakota Telecommunications Association

I. Introduction

The Nebraska Rural Independent Companies, the Iowa Rural Companies, the Ohio Rural Companies, and the South Dakota Telecommunications Association (collectively the “Rural Companies”) hereby file comments in the above captioned proceeding. On September 16, 2004, the Federal Communications Commission (“Commission”) released a Second Further Notice of Proposed Rulemaking (“Notice”). In the Notice, the Commission sought comment on the recommendation of the North

---


2 The Iowa Companies submitting these collective comments include: Arcadia Telephone Cooperative, Citizens Mutual Telephone Cooperative, Farmers Mutual Cooperative Telephone Co. (Moulton, Iowa), Hawkeye Telephone Company, and South Slope Cooperative Telephone Company.


4 SDTA represents thirty-one rural incumbent local exchange carrier (ILECs) in the state of South Dakota.
American Numbering Council ("NANC") for reducing the time interval for intermodal porting (porting between wireline and wireless carriers). Additionally, the Commission also sought comment on implementation issues in the event that a reduced intermodal porting interval is adopted.

On November 10, 2003, the Commission released a Memorandum Opinion and Order and Further Notice of Proposed Rulemaking ("FNPRM") clarifying certain aspects of intermodal porting and seeking comment on issues relating to intermodal number portability. Specifically, the Commission sought comment on whether carriers should be required to reduce the current four day porting interval for ports between wireline and wireless carriers. The Commission also sought comments on what the reduced porting interval should be and comments from the NANC on the porting interval issue.

II. NANC Recommendation

In response to the FNPRM, NANC submitted a report, prepared by the Intermodal Porting Interval Issue Management Group (IMG) for the NANC, which describes alternative methods for reducing the intermodal porting interval from the current 4-day time frame. In the report, NANC describes the current wireline porting process which is generally made up of two processes: (1) the Confirmation Interval (which currently takes up to 24 hours for ports involving wireline carriers) and (2) the Activation Interval (which currently takes up to three business days for ports involving wireline carriers). The Confirmation Interval involves inter-carrier communications for the exchange of the Local Service Request ("LSR") and the Firm Order Confirmation ("FOC") between the Old Network Service Provider ("ONSP") and the New Network Service Provider ("NNSP"). The Activation Interval involves system updates and the physical work
required to complete a simple port. The Activation Interval generally commences after
the Confirmation Interval and after the Number Portability Administration Center
("NPAC") receives information from either the ONSP or the NNSP regarding the
pending port.

To reduce the current four-day porting interval, NANC developed two
Confirmation Interval proposals (Proposals C1 and C2) and three Activation Interval
proposals (Proposals A1, A2, and A3).

The various proposals considered in the report are listed below.

**Proposal C1**: Reduce the Confirmation Interval to 1 hour, by:
1) having all carriers adopt a standard mechanized interface among
   carriers;
2) having all carriers adopt a standard format for data exchange;
3) having all carriers adopt the same validation criteria as are now used by
   the major wireless carriers.

**Proposal C2**: Reduce the Confirmation Interval to 5 hours, by implementing
mechanized interfaces that do not require the ONSP to re-type LSR
information.

**Proposal A1**: Reduce the Activation Interval to 2 days, by using a new set of
NPAC timers for only simple intermodal ports.

**Proposal A2**: Reduce the Activation Interval to 2 days, by changing the current
"wireline" NPAC timers from 9 hours to 5 hours.

**Proposal A3**: Reduce the Activation Interval to 2 days, by:
1) requiring the ONSP to apply the ten-digit trigger in its switch no later
   than 2 days prior to the due date (instead of the currently recommended
   1 day prior);
2) requiring the ONSP to send a "create" message to the NPAC no later
   than 1 day prior to the due date (which is now optional); and
3) requiring the NNSP to send a "modify" message to the NPAC to change
   the due date (from day X to day X-1), after it is notified by the NPAC
   of the ONSP's "create" message.

These actions by the two service providers would allow the NNSP to
activate the port 1 day prior to the original due date.
After reviewing the proposals, the NANC found that the costs of Proposal C1 outweighed the potential benefits. NANC also found that Proposal A3 provides a substantial reduction in the porting interval at a lower cost to the industry and to consumers than the other proposals. Based upon the IMG’s analysis, the NANC concluded that the C2/A3 combination is the most economical approach to reducing the intermodal porting interval.

The Rural Companies agree with the NANC findings that the costs of Proposal C1, estimated to range from $600 to $1 billion, outweigh the potential benefits and should be removed from consideration. Although Proposal C2 provides the most economical approach to reducing the confirmation interval, the IMG did not determine whether the quantity of intermodal ports which actually flow through as a result of its C2 proposal would rise to a level that regulators believe would warrant such implementation. Thus, the Rural Companies urge the Commission to carefully consider if the benefits of Proposal C2 outweigh the estimated costs of $50 million to the industry and consumers.

The Commission recognized, in its Notice, that in response to the Intermodal Porting Order and FNPRM certain commenters argued that there is no evidence that reducing the porting interval will benefit consumers or that the current four day porting interval is hindering intermodal portability. The Rural Companies concur with the NANC that there is a need for intermodal porting data in order to determine if the benefits to consumers of a shorter porting interval justify the costs. The Rural Companies believe that prior to the adoption of a shorter confirmation interval, in particular Proposal C2, the Commission must quantify that the demand for intermodal

---

5 See Notice at para. 13.

6 See the NANC Report, at p. 28.
porting will increase significantly as a result of reducing the confirmation interval by 19 hours and that this benefit is worth the estimated costs.

The Rural Companies concur with the NANC finding that with respect to the Activation Interval Proposals, Proposal A3 provides a substantial reduction in the intermodal porting interval at a much lower cost to the industry and consumers than the other Activation Interval proposals. However, prior to adopting any of the Activation Interval proposals, the Commission must consider the reasons the current interval was initially introduced and must find that the benefit of a shorter activation interval outweighs the potential increase in adverse affects on consumers caused by the shorter interval.

As the NANC report discusses, the current interval serves as a process brake when questions arise concerning a specific port, for instance, when steps are performed out of normal sequence. The intervals are designed to allow enough time for the carriers to work out, before a port occurs, differences or conflicts that could potentially put an end-user out of service. Any reduction of the intervals leaves less time for the service providers to communicate and to resolve problems consistent with the desires of the end-user. The Rural Companies submit that reducing the Activation Interval will increase the risk that an end-user will inadvertently be left without service. Thus, the Commission must find that the benefit of consumers' ability to port their numbers one day early as a result of Proposal A3 outweighs the risk of an increased number of end-users being inadvertently placed out of service as a result of Proposal A3 and the associated costs.
III. The Commission Must Not Require that Rural Telephone Companies Adopt a Shorter Porting Interval.

Confirmation Proposal C2 Would Burden Rural LECs’ End Users

Even if the C2 Proposal and/or the A3 Proposal is adopted, the Rural Companies agree with the NANC findings that the Commission should recognize that the NANC C2/A3 recommendation will cause economic impacts on rural telephone companies that may not be justified considering the size of their customer base and the lack of significant porting volumes.

According to the NANC Report, Confirmation Proposal C2 would require service providers to use a “mechanized interface.” Use of low tech interfaces for port request and port response would not support this shorter porting interval. Low tech interfaces, according to the report, include the use of fax and email. Thus, for service providers that currently use fax transmission or email for the LSR/FOC exchange or for those service providers who have not implemented LNP, proposal C2 would involve the implementation of a new computer system capable of performing the following two functions:

1. Receive an LSR via electronic transmission (e.g. internet or dial-up)
2. Send an FOC via electronic data transmission.

Although the NANC Report states that this “mechanized interface” would avoid manually retyping an order, the report does not provide sufficient detail to allow a determination whether any manual intervention would be involved between the receipt of the LSR and the transmission of the corresponding FOC. Either the computer system that provides the “mechanized interface” performs a fully automated LSR validation, or

---

7 See the NANC Report at p. 30.
8 See NANC Report at p. 12.
manual validation of the LSR would be required in order to cause the “mechanized interface” to send the FOC. In the latter case, the service provider would need to extend staffing operations to 24/7 in order to ensure compliance with Proposal C2.

Regardless of how this issue is resolved, there will be a trade-off between the higher cost of a fully automated system (LSR validation would require the new computer system to be integrated with an existing customer records management system) and the alternative of a less expensive new mechanized system combined with additional staffing requirements. Either alternative would prove to be costly resulting in a significant increase in the rural LECs’ end-users monthly bills.

**Rural LECs Should Not Be Required to Implement a Reduced Activation Interval.**

In order to comply with Proposal A3, a rural LEC would be required to activate the unconditional ten-digit trigger software feature in its central office 24 hours sooner than is required today. In essence, the unconditional ten-digit trigger would need to be activated on the same day as the rural LEC receives the LSR and sends back the FOC. In addition, the rural LEC would be required to send a “create” subscription version to the NPAC one day prior to the due date, a process that is optional under the four day porting interval. Given the small size of rural LECs’ staffs, there would be no guarantee that the appropriate personnel would be available to apply the unconditional ten-digit trigger on the day the LSR is received. Thus, in order to comply with Proposal A3, a rural LEC would be forced to adjust or add to its workforce, again, increasing the cost to the rural LECs’ end-users. Rural LECs should not be required to implement Proposal A3 because the small or no benefit to customers is not justified by the cost of implementation.
IV. Conclusion

Based upon the low level of porting activity, the increased costs of additional staff for porting and the additional cost of implementing automated porting processes, together with the small customer based over which to spread the additional costs, the Commission should not reduce the porting interval for rural telephone companies.


Respectfully submitted,

"The Nebraska Rural Independent Companies"

Arlington Telephone Company,
The Blair Telephone Company,
Cambridge Telephone Company,
Clarks Telecommunications Co.,
Consolidated Telco, Inc.,
Consolidated Telecom, Inc.,
Consolidated Telephone Company,
Eastern Nebraska Telephone Company,
Great Plains Communications, Inc.,
Hartington Telecommunications Co., Inc.,
Hershey Cooperative Telephone Company, Inc.,
K&M Telephone Company, Inc.,
Nebraska Central Telephone Company,
Northeast Nebraska Telephone Co.,
Rock County Telephone Company,
Stanton Telephone Co., Inc. and
Three River Telco

"The Iowa Rural Companies"

Arcadia Telephone Cooperative,
Citizens Mutual Telephone Cooperative,
Farmers Mutual Cooperative Telephone Co.
(Moulton, Iowa),
Hawkeye Telephone Company, and
South Slope Cooperative Telephone Company
“The Ohio Rural Companies”

The Arthur Mutual Telephone Company,
The Farmer’s Mutual Telephone Company,
The Germantown Independent Telephone Company,
The Minford Telephone Company,
The Nova Telephone Company,
Sherwood Mutual Telephone Association, Inc.,
Sycamore Telephone Company, and
The Wabash Mutual Telephone Company

“South Dakota Telecommunications Association”

By:

Paul M. Schudel, No. 13723
James A. Overcash, No. 18627
WOODS & AITKEN LLP
301 South 13th Street, Suite 500
Lincoln, Nebraska 68508
(402) 437-8500
(402) 437-8558 Facsimile