

Internet Telephony Services Providers' Association

ITSPA Response to Ofcom Consultation: Arrangements for porting phone numbers when customers switch supplier - A review of General <u>Condition 18</u>

This response is on behalf of Internet Telephony Services Providers' Association (ITSPA) and takes a general overview of the consultation and accompanying statement. Detailed responses from member companies take precedence over this group response.

Question 1: Ofcom has decided to require fixed and mobile providers to implement and populate a common database to enable direct routing of calls to ported numbers. Do you agree that providers should be required to achieve this by 31 December, 2008?

ITSPA supports Ofcom's desire to get the new database up and running as soon as possible. ITSPA members are willing to populate the database as soon as it is available. However, the database cannot be populated until it is built, and it might therefore be better to couch the obligations on the industry in terms of "6 months after the database is ready for population", rather than setting a fixed date which is, essentially, outside of the control of many industry members. It should be Ofcom's responsibility to manage the design and implementation of the industry and this process cannot feasibly be a collective responsibility placed on all industry players, since no individual company is able to control the outcome.

Question 2: When setting the deadline for implementing and populating the database, should Ofcom simultaneously set deadlines for using the database to deliver Direct Routing of calls to ported numbers? If so, would it be appropriate to require mobile operators to achieve Direct Routing of calls to ported mobile numbers by 1 September 2009 and require mobile and fixed operators to ensure Direct Routing of all other calls by 31 December 2012? Could this be done any earlier?

The ability of providers to use the database will, no doubt, depend on the nature of their own networks and interconnects – those with a large amount of TDM infrastructure may find it difficult and costly to implement the new systems and processes, whereas it may be less of a burden for those already running NGNs.

Many ITSPA members have expressed an intention to begin using the database as soon as it is available. It is our understanding that individual operators could use the CDB for queries and make consequent routing decisions irrespective of whether or not the operator to whom the call is subsequently routed is, itself, using the database.

We understand Ofcom's rationale for choosing 2012 as a sunset date for direct routing. However, for some operators, it may be too soon to tell whether this date is too soon or unnecessarily distant. We therefore believe it would be appropriate for Ofcom to consult again on deadlines for use of the database once it is in place, or at least once the mechanics of the

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commercial arrangements are clearer. There are too many unknowns at this stage to assess the reasonableness of any particular date.

Question 3: If you believe Ofcom should not set a deadline for deploying the database to deliver Direct Routing at this stage but should, instead, consult again during 2008, how could Ofcom and industry ensure that appropriate momentum is maintained such that Direct Routing is achieved at the earliest practicable date?

The crucial element is to get the standards, commercial arrangements and governance agreed, the RFP published and the database built. Once that is done, and the processes and interfaces are apparent, operators may well feel more comfortable about committing to use the Database, as the cost implications will be clearer.

So, in terms of "momentum", Ofcom should focus on project managing the set-up phase and, we believe, implementation will follow quite naturally once the database is in place.

Question 4: Do you agree that, where a common database is in place and supporting Direct Routing of calls to ported numbers, changes could be implemented enabling (i) recipient led and (ii) near-instant (not longer than two hours) porting of mobile numbers at modest incremental cost proportionate to the benefits? Ofcom would welcome detailed views on the additional costs involved, including whether any additional costs would be incurred in ensuring that the database itself can support near-instant (not longer than two hours) recipient led mobile porting.

ITSPA has no comment on proposals as they relate to the porting of mobile numbers.

Question 5: Do you support Ofcom's approach to achieve industry agreement on effective governance of the new proposed number portability solution, as set out in paragraphs 4.74 to 4.78?

<u>Governance</u>

A clear distinction should be drawn between the initial phase of the design of the database on the one hand, and the ongoing governance and maintenance of the database on the other hand.

In terms of the solution design and agreeing standards, processes, governance and commercial arrangements, this should be Ofcom's overall responsibility, and not that of individual market players. Technical and commercial details should be discussed in industry working groups, facilitated by, and under the auspices of, Ofcom. Ofcom may or may not choose to sub-contract this finite work to a project management specialist.

Ofcom's costs in managing this project should, preferably, be recovered from its Administrative Charges. In this way, companies contribute according to their turnover, i.e. proportionate to their use of Ofcom's resources.

Alternatively, Ofcom could recover the cost of the project management and the database build from future usage fees of the CDB. These costs could be ring-fenced and used to calculate an appropriate per-query usage fee for the database.

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With regard to the ongoing running and maintenance of the database, this should be funded by those providers who use the database. The organisation running the database should be not for profit, and there might be a modest one-off joining fee, followed by usage-based charges (on a per-query basis).

Such a body might have a governing council, but such a council should be elected, rather than membership being on the basis of a two-tier membership category and fee structure.

There might also be an option to receive copies of the database (two hourly, for example) for those operators with very high volumes who would be querying the database extremely frequently. These copies could be downloaded in return for a monthly subscription fee. There would be a level of query volumes at which it became cost-effective to opt for the subscription fee, rather than the per-query fees.

Opting for the subscription fees would confer no other advantage than a cost benefit (no additional voting rights, for example). ITSPA rejects any suggestion of a quasi-regulatory body with a two tier membership for the ongoing management of the database.

Process Establishment

It is important that the database architecture is not designed in a vacuum, but rather that it synchronises with other relevant processes, such as customer migrations.

However, it is important, in order to improve efficiency and porting timescales, that processes are not over-engineered. One way of improving porting efficiency might be to avoid the need for bilateral commercial relationships between donors and recipients. The main reason for the requirement of a bilateral agreement would be for billing purposes. However, if the need for APCs is removed, and if parties can agree to bear their own costs for per-number ports (in the same way as they typically do for the DMA costs), then the need for a contract would be removed and customers would be able to switch provider more quickly and easily.

This would not obviate the need for commercial agreements between originating and terminating operators, only between Donors and Recipients. That said, working groups will need to consider authentication and anti-slamming processes and whether such procedures should be managed by a third party or on a bilateral basis.

Access to Database

The working groups should consider whether access to the database should be granted to a wider group than the "carriers of record", so that providers who do not directly hold number ranges can use the database to facilitate efficient routing of outbound calls. Industry would have to ensure that the database was not used for purposes such as direct marketing.

Design and Standards

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The technical solution proposed by NICC thus far is somewhat DNS orientated. NICC and the relevant industry working groups should not preclude other standards-based solutions, such as SOAP or XML, in order to minimise the cost burden on the industry. We look forward to contributing to this debate going forward.

About ITSPA:

The Internet Telephony Services Providers' Association (ITSPA) is the UK VoIP industry's trade body, representing over 60 UK businesses involved with the supply of VoIP services to industry and residential customers within the UK. ITSPA pays close attention to the development of VoIP regulatory frameworks on a worldwide basis in order to ensure that the UK internet telephony industry is as competitive as it can be within international markets.

A full list of ITSPA members can be found at <u>http://www.itspa.org.uk/</u>

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