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March 6, 2006

Ms. Diane Rhéaume Secretary General Canadian Radio-television and Telecommunications Commission Ottawa, Ontario K1A 0N2

Dear Ms. Rhéaume:

RE: Telecom Public Notice CRTC 2006-3, Regulatory issues related to the implementation of wireless number portability – Reply Comments of TELUS

- 1. This reply comment is filed in accordance with paragraph 36 of Telecom Public Notice CRTC 2006-3, *Regulatory issues related to the implementation of wireless number portability* ("PN 2006-3") on behalf of TELUS Communications Company¹ ("TELUS"), which is the successor to TELUS Communications Inc. and TELUS Mobility.
- 2. TELUS is in receipt of comments by:

Aliant Mobility, Aliant Telecom Inc., Bell Canada, Bell Mobility, Télébec, Limited Partnership and Télébec Mobilité (collectively, the Companies), Canadian Wireless Telecommunications Association (CWTA), City of Calgary, MTS Allstream Inc. (MTS Allstream), Primus Telecommunications Canada Inc.

Effective 1 March 2006, TELUS Communications Inc. and the TELE-MOBILE COMPANY (the "Former carriers") assigned and transferred substantially all of their assets and liabilities, including all of their service contracts, to the TELUS Communications Company ("TCC"), where after TCC carried on the wireline and wireless businesses of the Former carriers in the territories in which the Former carriers operated.

- (Primus), Rogers Wireless Partnership (Rogers), Saskatchewan Telecommunications, SaskTel Mobility, TBayTel Mobility and Xit Telecom Inc.
- 3. Failure by TELUS to address any specific issue raised by any of the parties in PN 2006-3 should not be construed as agreement with or support of any other party's position on that issue where such agreement or support would not be in the interests of TELUS.
- 4. TELUS will address each of the issues in its reply as listed in PN 2006-3.

A. The Trunking Arrangements for the Interchange of Traffic between Wireless Carriers and LECs in a Portability Environment

- 5. The Companies, MTS Allstream and Xit have all proposed that WSP interconnection should be changed to a LIR-based regime rather than the current regime, which is based on the ILEC LCA. (Throughout this reply comment, TELUS' use of the term "LCA" shall mean the ILEC LCA or EAS area, unless otherwise stated.) Sasktel did not propose that this change be made prior to the implementation of WNP. The arguments put forth in favour of this change were generally related to ease of implementation, confusion regarding the boundaries of LCAs and consistency with CLEC arrangements. Rogers, like TELUS, supports the continuation of the existing LCA-based regime as the simpler and less costly approach.²
- 6. The Companies submitted that moving WSPs to LIR-based interconnection would be easier than maintaining the current ILEC LCA-based interconnection, noting that LIRs are already in place for the exchange of wireline traffic. MTS Allstream offered a similar rationale. Both parties argued that this would make implementation easier, quicker and/or less costly. The Companies argued against mandating the existing LCA-based interconnection regime on the grounds that LCAs differ between service providers and that there are overlaps in LCAs,

² Comments of Rogers, 27 February 2006, par 19 – 26.

³ Comments of the Companies, 27 February 2006, par 12.

⁴ Comments of MTS Allstream, 27 February 2006, par 9.

alleging that these factors will create confusion.⁵ The Companies add that existing WSP interconnections could be grandfathered in a new LIR-based interconnection regime,⁶ while MTS Allstream opposes the consideration of any other trunking arrangements.⁷

- 7. TELUS maintains that requiring conversion to LIR-based interconnection for WSPs would be the more costly and time-consuming alternative. First, TELUS notes that ILECs have, in many locations, designated different switches as CLEC local tandems and WSP local tandems.⁸ The time and effort expended on the translations and trunk rearrangements required to implement LIR-based interconnection at the CLEC tandems would have to be replicated for the WSP tandems. Alternatively, WSPs would have to re-home their interconnections to the ILEC's CLEC tandem switch. Clearly, both of these options would be more costly and time consuming than maintaining the status quo.
- 8. In addition, porting within a LIR (as opposed to within an LCA) creates the need for additional changes. Many LIRs contain exchanges that are outside the LCA of the exchange where interconnection is most likely to take place. As a result, local calls to the WSP customer in one of these distant exchanges would need to be routed based on an LRN related to a toll destination. Because a CLEC has an LRN for every exchange it serves, these toll routes do not currently exist. TELUS submits that opening up these routes would be an extra expense and would unnecessarily slow the initial implementation and subsequent rollout of WNP, especially to the smaller centres. Furthermore, the inclusion of toll routes would increase the cost of WSP Network Access service, since such toll routes are not included in the service today. The underlying costs of Call Routing LRN Absent will also increase, and other services may be similarly affected.

⁵ Comments of the Companies, 27 February 2006, par 11.

⁶ Comments of the Companies, 27 February 2006, par 12.

⁷ Comments of MTS Allstream, 27 February 2006, par 10.

In TELUS' case, exchanges where WSP and CLEC tandems are different include Vancouver, Edmonton and Calgary.

⁹ Canmore, for example, is in the same LIR as Calgary, but EAS does not exist between the two exchanges.

TELUS does not support the use of multiple LRNs or CO Codes per interconnection area – see below.

- 9. With respect to simplicity, TELUS observes that much of the confusion expressed regarding LCA-based interconnection seems to come from the consideration of non-ILEC LCAs. TELUS submits that non-ILEC LCAs are irrelevant to this discussion; it is the ILEC LCA that has always provided the basis for WSP interconnection. Consideration of other carriers' LCAs merely clouds the issue and is unhelpful to the Commission in resolving the matters at hand.
- 10. More confusion is attributed to the overlapping nature of LCAs. TELUS submits that its proposal that an LRN be assigned to each LCA where a WSP obtains WSP Network Access service¹¹ eliminates the confusion expressed by the Companies. Rogers proposed the same arrangement. 12 Using the Companies' example, 13 if a WSP were to obtain interconnection in Exchange A, it would assign an LRN relating to Exchange A to all ported numbers from ILEC LCAs W, X, Y and Z. The ILEC would route all such calls from LCAs W, X, Y and Z to the WSP in Exchange A on a local basis, using routes already in place to support the current LCA-based regime. In the reverse situation, a WSP could deliver a call to the ILEC for any exchange in the EAS area of Exchange A. TELUS anticipates that there may be unforeseen issues regarding LCA-based interconnection that arise during the implementation process (as there would with LIR-based WSP interconnection). However, TELUS expects that these issues will be manageable and cannot justify the imposition of a new interconnection regime for WSPs prior to the implementation of WNP.
- 11. Given the Companies' serious concerns about the viability of continuing LCA-based interconnection in a WNP environment, TELUS finds it somewhat surprising that they also propose to allow the grandfathering of the existing LCA-based interconnections after WNP is implemented. Clearly, if WNP and LCA-based interconnections do not mix, grandfathering becomes an unsound proposition. The grandfathering proposal also runs contrary to the Companies' assertion that adoption of a LIR-based interconnection regime would be simpler.

¹¹ Comments of TELUS, 27 February 2006, par 14.

¹² Comments of Rogers, 27 February 2006, par 31-37.

¹³ Comments of the Companies, 27 February 2006, par 11.

In fact, it will lead to additional complexity, as ILECs would be required to maintain two WSP interconnection regimes instead of one. Furthermore, given the extent of the existing WSP interconnections that could conceivably be grandfathered, TELUS questions the wisdom of adopting a new interconnection regime for the remainder of the country that WSPs currently do not serve. In any event, TELUS maintains that the existing LCA-based interconnection regime for WSPs does not have to be changed for the implementation of WNP. Should the Commission direct changes to this regime, TELUS cautions against directing that existing interconnections be grandfathered until the details and implications of the new interconnection regime have been understood by the industry.

12. TELUS does not suggest that LCAs are the ideal basis for an interconnection regime. On the contrary, TELUS opposed the use of LCAs in the proceeding that led to Decision 2004-46. Nonetheless, it must be recognized that WSP interconnection is done under different terms and conditions than CLEC interconnection, which was the substance of that proceeding. Furthermore, the LCA-based regime is currently in place for WSPs and, in TELUS' view, can support WNP with relatively few modifications. Converting WSPs to a LIR-based regime, on the other hand, would require activities that are unnecessary for the implementation of WNP. Therefore, TELUS maintains that the existing WSP interconnection regime, based on ILEC LCAs, should remain in place for the implementation of WNP, and notes that Rogers shares this view.

B. The Need for Wireless Carriers to have a Central Office (CO) Code in Every Wireline Exchange Area where Wireless Service is Available

13. TELUS has reviewed the comments submitted and finds divergence of opinion between those like the Companies and MTS Allstream that want WSPs to have one full CO code in every wireline exchange they serve, versus the rest of the parties which indicate that a full CO code is not required in every exchange served. TELUS agrees that common CO code assignment rules between WSPs and CLECs would be convenient. However, as with the interconnection rules, adoption of a common approach is not necessary for the implementation of WNP.

TELUS sees no compelling reason to make such a change given the short timelines for WNP and the excessive consumption of numbering resources it would entail. TELUS notes that wireless carriers were not required to hold a CO code for every wireline exchange served when WNP was implemented in the United States.

C. Shared CO Codes where the Carrier of Record is an Incumbent Local Exchange Carrier (ILEC)

14. TELUS has reviewed the comments submitted and finds a consensus that the shared CO codes held primarily by ILECs as code holders and leased in number blocks to WSPs should be "bulk ported" prior to the implementation of WNP. TELUS agrees that the industry will need to work with CLNPC in order to develop the process for bulk porting and to negotiate with NPAC for the cost for performing the bulk porting exercise. The cost for bulk porting will need to be substantially less than the per port cost currently charged to the carriers by NPAC for individual customer porting in order for bulk porting to be the preferred method for handling leased line ranges. If a satisfactory rate cannot be negotiated for bulk porting, then TELUS would recommend that the industry consider an alternative solution.

D. The Wireless Services Subject to Number Porting

- 15. To reiterate from its comments, TELUS notes that the current exercise is to implement wireless *NUMBER* portability, not wireless *SERVICE* portability. Furthermore, only NANP¹⁴ numbers dialable from the PSTN are to be ported. A subscriber with a certain set of services from one service provider may port his number to another service provider, hopefully receiving a similar set of services through that number, from the new service provider. However, it is not the services themselves that are ported.
- 16. In paragraph 49 of its comments, Rogers agrees that number portability should be limited to dialable two-way, voice communications associated with a 10 digit

telephone number and gives such examples as cellular, personal communications services and enhanced specialized mobile radio (ESMR), including ESMR pushto-talk services.

17. TELUS disagrees that the ESMR push-to-talk numbers should be portable. Push-to-talk service does not use numbers that are dialable from the PSTN. Instead, push-to-talk numbers are assigned by each ESMR network and can be duplicated between ESMR networks. Therefore, the main reason for number portability, i.e., the non-duplicability of a NANP number, does not apply to push-to-talk numbers and there is no reason to include them in WNP. TELUS agrees, however, that the 10 digit telephone number in ESMR handsets, i.e., the one dialable from the PSTN, should be subject to number porting.

E. The Criteria for Denying a Porting Request

- 18. TELUS notes that all respondents to Public Notice 2006-3 that commented on this issue supported, as a minimum, the continued use of the existing criteria for denying a porting request. Most also recommended adding on to the existing criteria, supporting the Canadian Wireless Telecom Association (CWTA) comments that wireless carriers should be able to deny or delay a porting request until appropriate payment arrangements for termination or outstanding balances have been made. Primus, a wireless reseller, was the only party to suggest that denying a porting request should be strictly limited to the existing criteria. Primus expressed concern that additional criteria related to account status are unprecedented and would be subject to gaming.
- 19. In TELUS' view, the existing criteria for denying a porting request are necessary but are not sufficient to ensure that subscribers honour their service and contractual obligations before moving on to another carrier's services. It is clearly unfair for the vast majority of consumers who do pay their accounts to have to also shoulder the burden of those who do not, because the latter are permitted to easily escape their obligations and port their numbers to another

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¹⁴ North American Numbering Plan

carrier. Therefore, while they may arguably be unprecedented, TELUS submits that the additional measures proposed are warranted. Regarding the potential for gaming, TELUS concludes that the CWTA would have no incentive to promote an arrangement that is too easily abused, since much of the wireless number porting will be amongst its own members. Should any gaming arise, the rules may have to be revisited, but TELUS is confident that workable guidelines among the industry participants can be established.

F. The Applicability of ILEC Winback Rules for Customers whose Numbers are Ported between Wireless Carriers and ILECs

- 20. In their comments, most carriers (including the Companies, MTS Allstream and SaskTel) agreed with TELUS that winback rules should not be applied for porting between an ILEC and a wireless carrier. Rogers, ¹⁵ Virgin ¹⁶ and Primus ¹⁷ supported the imposition of winback rules, with Virgin and Primus asserting that they should apply to the wireless carriers as well as the ILECs.
- 21. TELUS views the proposals of Rogers, Primus and Virgin as unwarranted and self-serving. The wireline market, when winback restrictions were originally imposed, was characterized by a single dominant carrier in each region which served all or most of the customers; entrants were not well known and the Commission was concerned that winback restrictions were needed to counter the dominance of the incumbent carrier in order to nurture a sustainable competitive market. In contrast to the competitive dynamics in the provision of wireline services in 1998, the wireless market is robustly competitive and no player enjoys market power over the retail or wholesale markets. Imposition of winback restrictions under these circumstances would distort the existing market by protecting certain competitors from competition.
- 22. Rogers proposes that it be granted the same winback protections as CLECs, many of which were dependent on the ILECs for customer access and transport when

¹⁵ Comments of Rogers, 27 February 2006, par 57 – 60

¹⁶ Comments of Virgin, 27 February 2006, par 7 - 17

Comments of Primus, 27 February 2006, par 4 - 14

winback rules were established. TELUS notes that Rogers Wireless has a national network and the most subscribers of any wireless carrier in Canada; it has grown steadily for twenty years without winback protection from strong competitors, but now attempts to characterize the ILECs as a dominant threat. TELUS submits that winback protection is not justified for WSPs since the wireless market is sustainably competitive, and will remain so regardless of the ILECs' ability to retain their customers.

23. Virgin and Primus demand that their entry be protected from winback attempts by both ILECs and wireless carriers. Both argue that they (like VoIP providers) deserve a chance to demonstrate the reliability and quality of their service. TELUS submits that this argument is without merit because, as resellers, both are offering the services of the established wireless carriers. There is no justification to artificially protect new entrants merely because they are new. The success of new entrants in a competitive market must depend on the merits of their service offerings. If they do not thrive on those grounds, the public interest is not served by artificially sustaining them.

G. Wireless Carrier Access to ILECs' Operational Support Systems (OSS)

24. All parties that submitted comments on this topic were in support of minimizing the service disruption and customer inconvenience associated with number porting, and all were in agreement that the ability to gain access to the OSS of the donor carrier would help to achieve that goal. Every argument in support of access to ILEC OSS also supports access to the OSS of wireless carriers and resellers. In fact, TELUS expects that the volume of ILEC-to-WSP porting will constitute a small portion of the total porting volume enabled by the implementation of WNP; the larger porting volume will be between WSPs. In TELUS' view, only reciprocal porting requirements can satisfy the public interest in smooth customer transfers and competitive equity. TELUS submits that the Commission should support reciprocal access as proposed by TELUS in its comments.

H. Enhanced 9-1-1 (E9-1-1) Customer Information for Numbers Ported between Wireless Carriers and LECs

- 25. TELUS notes comments made by the City of Calgary dealing with the potential for 9-1-1 "technical glitches" and also the provision of 9-1-1 consumer information to clients contemplating porting from a wireline service to a wireless service. In particular, the City of Calgary would like the wireless carrier to inform clients of "the characteristics and limitations of 9-1-1 service that is offered by the WSP." The concern raised by the City of Calgary that information should be supplied to a client who has ported to wireless has already been dealt with by the Commission in Telecom Decision CRTC 2003 –53¹⁸ where in the Summary of that decision, the Commission states: "Furthermore, all WSPs and wireless CLECs are required to provide subscribers with information regarding the availability, characteristics and limitations of the wireless emergency service that they provide."
- 26. The City of Calgary also raised concerns about the need to "minimize the likelihood of 9-1-1 functionality being impaired during the porting process." This is another concern that was addressed some years ago. There is already a clear process to deal with such concerns as a part of the process of porting from ILECs to CLECs, including wireless CLECs. No new procedures need to be developed to address the City of Calgary's concern. It was already done some years ago in the establishment of CLECs and LNP porting and needs not be repeated.

J. Any Other Regulatory Issues related to the Implementation of WNP

27. TELUS notes that the City of Calgary recommended the adoption of 1,000 block numbering in its comments on WNP as a way to conserve Canada's number resources. In TELUS' view, 1,000 block number pooling is not an issue that needs to be resolved for the implementation of WNP. In TELUS' view, 1,000 block number pooling is out of scope for this proceeding and it should be rejected.

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¹⁸ Telecom Decision CRTC 2003-53, Ottawa, 12 August 2003 Conditions of service for wireless competitive local exchange carriers and for emergency services offered by wireless service providers

28. Xit recommended the use of ENUM, the transferring of WSPs into CLECs and the forcing of WSPs to take part in the VoIP 9-1-1 system. TELUS suggests that each of these three recommendations is out of scope for this proceeding. The Commission should reject these recommendations by Xit in their entirety. Similarly, Rogers in paragraph 78 of its comments requests that the Commission order LECs and Independent telephone companies to exchange the calling name parameter with wireless carriers. This has nothing to do with the implementation of wireless number portability. TELUS recommends that the Commission rule this matter outside the scope of this proceeding.

Yours truly,

{original signed by Willie Grieve}

Willie Grieve Vice President Telecom Policy & Regulatory Affairs

PD/sa

cc: Parties to Telecom Public Notice CRTC 2006-3

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