

# EXHIBIT

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Issue(s):

Wireline to Wireless Porting

Witness/Type of Exhibit: Meisenheimer/Testimony

Sponsoring Party:

Public Counsel

Case No.:

TO-2004-0458

TESTIMONY

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OF

Missouri Public  
Service Commission

BARBARA A. MEISENHEIMER

Submitted on Behalf of the Office of the Public Counsel

MARK TWAIN RURAL TELEPHONE COMPANY

CASE NO. TO-2004-0458

June 18, 2004

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My Commission expires January 31, 2006.

**TESTIMONY**

**OF**

**BARBARA A. MEISENHEIMER**

**MARK TWAIN RURAL TELEPHONE COMPANY**

**CASE NO. TO-2004-0458**

1 **Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.**

2 A. Barbara A. Meisenheimer, Chief Utility Economist, Office of the Public Counsel, P. O.  
3 2230, Jefferson City, Missouri 65102.

4 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND EMPLOYMENT BACKGROUND.**

5 A. I hold a Bachelor of Science degree in Mathematics from the University of Missouri-  
6 Columbia (UMC) and have completed the comprehensive exams for a Ph.D. in Economics  
7 from the same institution. My two fields of study are Quantitative Economics and Industrial  
8 Organization. My outside field of study is Statistics. I have taught Economics courses for  
9 the following institutions: University of Missouri-Columbia, William Woods University,  
10 and Lincoln University. I have taught courses at both the undergraduate and graduate  
11 levels.

12 **Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THIS COMMISSION?**

13 A. Yes, I have testified on numerous issues before the Missouri Public Service Commission.  
14 (PSC or Commission)

15 **Q. WHAT IS YOUR PREVIOUS EXPERIENCE RELATED TO NUMBERING**  
16 **RESOURCES?**

1 A. I have been a utility economist with the Office of the Public Counsel since 1995. As the Public  
2 Counsel's expert witness before the PSC, I have analyzed area code relief and number conservation  
3 proposals and issues over the last 9 years. On behalf of the Missouri Public Counsel and in  
4 conjunction with other state consumer advocates, I helped draft numbering issues comments to the  
5 FCC. Also, from 2000-2001, I served as a consumer representative on the North American  
6 Numbering Council (NANC), a committee of industry and governmental stakeholders appointed by  
7 the FCC to make recommendations on numbering issues including portability.

8 **Q. WHAT IS LOCAL NUMBER PORTABILITY?**

9 A. Local number portability is defined as "the ability of users of telecommunications services to retain,  
10 at the same location, existing telecommunications numbers without impairment of quality,  
11 reliability, or convenience when switching from one telecommunications carrier to another."<sup>1</sup>

12 **Q. PLEASE DESCRIBE THE PORTING PROCESS.**

13 A. In the past, changing carriers would have required the customer to change their telephone number.  
14 Number porting describes reconfiguration of processing calls on the network to allow customers to  
15 retain their existing telephone number while changing to a different service provider. When a  
16 customer changes service providers using a ported number, calls are originated in the same manner  
17 as they would be if they had changed service providers without taking their old telephone number  
18 with them.

19 The significance of porting is that it affects how customers receive calls after switching service  
20 providers. Building on the traditional call routing process, once a call is placed to a customer who

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<sup>1</sup> 47 U.S.C. § 153(30); 47 C.F.R. §52.21(k).

1 has changed service providers, a modification allows for a database query at what was previously  
2 the next to the last switch that a call would pass through in terminating the call. The database query  
3 identifies the new service providers telephone switch to which the call should be routed in order to  
4 complete the call.

5 **Q. PLEASE DESCRIBE THE TYPES OF NUMBER PORTING THAT EXIST.**

6 A. Wireline porting refers to porting telephone numbers between landline telecommunications service  
7 providers.

8 Wireless porting refers to porting telephone numbers between wireless telecommunications service  
9 providers.

10 Intermodal porting refers to porting numbers between different technologies. The focus of this  
11 Commission proceeding is wireline-to-wireless intermodal porting.

12 **Q. WHAT IS THE GEOGRAPHIC AREAS IN WHICH CALLS CAN BE PORTED?**

13 A. A rate center is the geographic area in which wireline porting can occur. A local calling area is at  
14 least as big as a single rate center but may include more than one rate center.

15 **Q. PLEASE SUMMARIZE PUBLIC COUNSEL'S CONCERNS WITH MOVING**  
16 **FORWARD WITH WIRELINE-TO-WIRELESS INTERMODAL LOCAL NUMBER**  
17 **PORTABILITY.**

18 A. The FCC directed that wireline-to wireless intermodal porting proceed without first addressing all  
19 necessary implementation issues. As a result, some significant issues still need to be resolved  
20 regarding implementation of local wireline-to-wireless number portability. These unresolved items

1 include concerns regarding service reliability, customer confusion, billing, jurisdictional conflicts  
2 between local and federal requirements and intercarrier compensation issues that may ultimately  
3 affect customer rates.

4 The unresolved issues arose because the FCC relied heavily on standards recommended by the  
5 NANC group for wireline porting without full consideration of the effect the application of these  
6 standards to wireline to wireless porting would have on consumers and the wireline industry and  
7 other issues. The FCC relied on the NANC recommendation for the implementation of wireline  
8 number porting and incorporated the working group recommendation into FCC Rules when it  
9 mandated wireline porting in 1997, in the Local Number Portability *Second Report and Order*<sup>2</sup>  
10 However, the FCC failed to address the additional issues before mandating wireline-to-wireless  
11 porting in its Order dated November, 10, 2003 in CC Docket No. 95-116.

12 **Q. WHY IS THIS A PROBLEM?**

13 A. The NANC working group standards established technical requirements for wireline porting and  
14 were not designed or intended to address all of the more complex issues related to wireline-to-  
15 wireless intermodal porting. The working group clearly indicated in their recommendations  
16 (Sections 3 and 7) that additional work would be needed to address wireless issues in the future. As  
17 a result, the FCC heavily relies on wireline standards for this type of porting even though it is clear  
18 from the report that it did not fully address wireless issues or wireline to wireless integration.

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<sup>2</sup> Telephone Number Portability, CC Docket No. 95-116, *Second Report and Order*, 12 FCC Rcd 12,281 (1997) (*Second Report and Order*).

1    **Q.    PLEASE   IDENTIFY   OTHER   SPECIFIC   CONCERNS   IN   INITIATING**  
2    **WIRELINE TO WIRELESS PORTABILITY.**

3    A.    The FCC also makes the assumption that "... calls to the ported number will continue to be rated in  
4    the same fashion as they were prior to the port. As to the routing of calls to ported numbers, it  
5    should be no different than if the wireless carrier had assigned the customer a new number rated to  
6    that rate center." This ignores a number of potential issues, including an important issue of  
7    interconnection agreements and arrangements for the exchange of traffic as well as the related issue  
8    of intercarrier compensation.

9    The FCC specifically frees wireless carriers from any obligation to enter interconnection agreement  
10   with local exchange carriers setting out the terms and conditions for exchanging ported traffic. The  
11   FCC seems to believe that wireline carriers can be required to port numbers to wireless carriers  
12   without necessarily entering into an interconnection agreement because this obligation can be  
13   discharged with a minimal exchange of information. As a result, the FCC said that wireline carriers  
14   may not unilaterally require interconnection agreements prior to porting. The Commission also  
15   specifically forebears the applicability of Section 252 requirement as applied to wireless porting  
16   and removes the state commission involvement under 251 and 252 requiring interconnection  
17   agreements be filed with the state commission. The FCC took these actions in concluding that  
18   interconnection agreements are not necessary to prevent unjust or unreasonable charges or practices  
19   by wireless carriers. However, the FCC also requires that the LEC must deliver traffic even without  
20   receiving compensation. Public Counsel believes that ultimately wireline customers that did not  
21   switch numbers will bear the greatest cost of this policy. The FCC has already ordered that LECs  
22   can recover the costs of porting from their local wireline customers.

1 **Q. WHAT ABOUT THE RELIABILITY ISSUES YOU MENTIONED?**

2 A. Carriers have reported that 911 calls can be incorrectly routed during the initial switch from  
3 wireline to wireless service provider. Another large area that needs to be explored is the more  
4 complex porting where a wireline customer ports to a wireless provider and then changes wireless  
5 providers. There are a host of issues left unresolved, most of them relating to jurisdiction. The PSC  
6 is responsible for oversight of quality of service, billing and collection standards, snapback  
7 provisions upon discontinuation of business by a new provider, and other consumer protection  
8 issues. But in the wireless arena, the PSC has little to no authority over these issues while at the  
9 same time, the FCC has not regulated this industry to the same level. For example, who is  
10 responsible for insuring that the customer is able to resolve problems concerning the customer's  
11 number? What is the process? Who oversees it?

12 The FCC allows the LEC to recover their costs of implementing number portability. What are these  
13 costs?

14 For Public Counsel another significant concern is the cost to customers. Some LECs have  
15 estimated their costs, and they vary widely. In addition there may be new costs that may not yet be  
16 identified or quantified. One such cost is trunking needed to transport calls to the wireless carrier  
17 after the appropriate terminating carrier for the calls have been identified by the data base query

18 **Q. PLEASE SUMMARIZE YOUR KEY CONCERN AND RECOMMENDATION TO THE**  
19 **PSC.**

20 A. While Public Counsel supports the ability of telecommunications customers in Missouri having the  
21 ability to choose service providers and communication technologies all in an effort to bring better

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1 service, more options, and lower prices to consumers, it is essential to have seamless transitions and  
2 reliable service, just and reasonable pricing and appropriate cost recovery. The environment under  
3 the present FCC Order is too uncertain at this time to give Public Counsel assurance that these goals  
4 can be attained and maintained. For that reason, Public Counsel is concerned that ultimately the  
5 group of customers who will bear the greatest burden, but receive the least benefit of wireline to  
6 wireless portability will be the LECs remaining customers.

7 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

8 **A.** Yes, it does.