

September 30, 2005

Ms. Diane Rhéaume
Secretary General
Canadian Radio-television and
Telecommunications Commission
1 Promenade du Portage
Gatineau, QC
J8X 4B1

**Re: Telecom Public Notice CRTC 2005-14 –
Implementation of Wireless Number Portability (PN2005-14)**

Dear Ms. Rhéaume:

The Canadian Wireless Telecommunications Association is in receipt of interrogatory CWTA(CRTC)23SEP05-1. The Commission staff interrogatory, received on Friday, September 23, 2005, requests that five potential WNP implementation scenarios be modeled and that Critical Path Management (CPM) charts showing critical path activities for each scenario be provided along with the estimated time period to implement WNP for each scenario. Each scenario contemplates implementation in two phases. The CWTA response to interrogatory CWTA(CRTC)23SEP05-1 is attached.

As the Commission is aware, CWTA engaged PricewaterhouseCoopers (PwC) at its considerable expense¹ to conduct an independent study with the aim of developing a detailed implementation plan for intermodal WNP in Canada. The CWTA and its members responded to the government's WNP directive seriously, committing significant resources (both financial and human) and developed, with considerable urgency, an aggressive, comprehensive nation-wide implementation plan, in response to that directive.

¹ The contract price with PwC for this effort was \$500,000 plus expenses. Over and above this amount are the time and resources of CWTA members and other stakeholders including CRTC, Industry Canada, CISC Groups, CLNPC, Primus, Virgin Mobile Canada, PIAC, Neustar, VeriSign, ILECs, PSAP Toronto, PSAP Montreal and PSAP Vancouver that were interviewed and/or directly or indirectly provided input to PwC's study.

In order to ensure the prompt and efficient development of such a plan, it was important that the stakeholders first considered and then agreed upon the fundamental basis for the plan. For example, it was considered essential that WNP be developed in a competitively neutral manner. Additionally, it was determined as a fundamental tenet that all Canadians, regardless of where they lived, should be offered the benefits of WNP simultaneously. It was also determined that another fundamental requirement of any plan was to incorporate "intermodal" porting (i.e. from wireline to wireless and *vice versa*) from day one, given the Minister of Industry's express indication that Canadian WNP was to include this significant element.

Although Commission staff observed this process, were interviewed as stakeholders by the PwC team and attended several meetings between the CWTA Task Force and PwC to oversee and comment on the direction and progress of PwC's study, neither PwC nor CWTA were made aware of any different view by the Commission. As such, PwC was not engaged to accumulate the necessary information to model the five additional scenarios outlined in the Commission's interrogatory, nor has it done so. As a result, CWTA is not in possession of the information requested.

Should the Commission indicate that the information requested in the interrogatory is required, and therefore modifies the process established in PN 2005-14, the CWTA is prepared to re-engage PwC to undertake a study of these new scenarios.

However, the Commission should also be fully aware of the implications of doing so.

First, studying the five scenarios cannot be completed within the timeframes set out in the letter of September 23, 2005, nor within the timeframes for the filing of comments and reply comments as established by PN 2005-14. As explained in the attached letter from PwC, a period of between four to six weeks would be required for PwC to develop plans based upon the five scenarios. Moreover, CWTA would bear additional expense to engage PwC to prepare the five plans. Furthermore, it would also be necessary for CWTA members and other stakeholders to again make their resources available to PwC. Given that virtually all of these resources are the same experts that currently are fully engaged towards implementing the original PwC plan, the work to examine the five scenarios would necessarily divert resources and could cause an implementation delay to the original PwC plan and launch date.

The Association would also submit that the proposed scenarios are problematic in a number of respects and offers the following comments on the scenarios posed by the Commission.

Each of the scenarios posed appear to contemplate the possibility of accelerating the availability of number portability for certain types of customers, types of carriers or regions of Canada at the expense of delaying its availability to others. The WNP implementation plan developed by PwC contemplates a national launch inclusive of all carriers (including resellers) and all types of customers (e.g. consumer and enterprise). A successful launch of WNP in September 2007 based upon the PwC Plan is less than

24 months away for Canadians. A 24 month implementation schedule is both aggressive and reasonable. Japan and New Zealand both recently mandated WNP – allowing two years for completion of only wireless-to-wireless number portability (i.e. not full inter-modal, as defined by the Minister of Industry and as reflected in the PwC Plan).

In this regard, one statement contained within the interrogatory is both inaccurate and misleading. The interrogatory suggests that wireline local number portability (LNP) was made available six months after the Commission issued Telecom Order CRTC 98-60, whereas it is a matter of record that LNP work began in 1994 and number portability was not launched until 1998, after the completion of numerous industry planning activities and CRTC proceedings and determinations. Moreover, by the end of 1998, LNP was rolled out to only seven exchanges across Canada which pales in comparison to the scope of the national launch proposed in the PwC plan. The reality is that PwC's implementation plan for WNP will bring wireless number portability, as defined by the Government of Canada, substantially faster to an overwhelming majority of Canadians than did the staggered implementation of wireline LNP implementation.

The CWTA is also concerned that the scenarios posed in the interrogatory are inconsistent with the Minister of Industry's views on this matter, which were the basis of the PwC Plan. As noted above, in his letter to the CRTC Chair, which called for the Commission to move in an expeditious manner in dealing with the issues related to the introduction of wireless and inter-modal portability, the Minister did not distinguish between the importance of one type of portability and another. It is critical for CWTA to be assured that both regulators (i.e. Industry Canada and the CRTC), are fully aligned on this requirement as significant expense and effort are required to implement WNP and to do so in a timely manner.

While CWTA does not have the results of a scenario that contemplates an initial introduction of wireless-to-wireless porting with inter-modal porting following at a later date, PwC did estimate that such an approach would save little time, prohibit the transfer of numbers across exchange boundaries and increase the costs to the industry. As stated on page 26 of the PwC report:

...some stakeholders supported the idea of wireless-to-wireless number porting initially with the introduction of intermodal capabilities later, if this allowed for an earlier implementation of WNP. In our estimation, while this approach may advance the WNP calendar by a few months (without the benefit of transfers across exchange boundaries or shared NXXs), it would require wireless carriers to carry out internal systems work in at least two phases – an unattractive outcome given that the same effort can be conducted more efficiently and at lower cost in one phase.

The Association is further concerned that the scenarios contemplated in the Commission's interrogatory would undermine the competitive wireless market in that:

- Resellers, such as Virgin Mobile Canada, and their subscribers would be excluded from participation in the benefits of WNP if the initial launch of WNP included

Simple Ports only (as is contemplated in four out of the five scenarios). As defined in the PwC report and consistent with the definition used in the US, Simple Ports would exclude a port request from a reseller. This definition is reflected in the wireless inter-carrier porting process that has been developed in the US.

- Only selected Canadians would be able to avail themselves of WNP if it is not launched nationally, and certain types of customers would be disadvantaged with the introduction of Simple Ports only.
- Regional carriers would be at a competitive disadvantage in their ability to attract new enterprise and national customers with a phased-in launch, and national carriers would be competitively disadvantaged in certain areas because of the delayed launch in certain regions (as contemplated in four out of the five scenarios).

It is also imperative to stress that significant customer confusion would arise from the scenarios contemplated in the interrogatory:

- In a release widely covered by the media, CWTA announced a national launch – it would be very difficult to explain why some Canadians in certain provinces would have to wait because of the phased implementation that the Commission is now contemplating.
- Customers expect to be able to port numbers to/from Virgin Mobile Canada and other resellers. This would not be possible with a launch that solely utilizes Simple Ports.
- All types of customers expect to be able to port numbers. The Commission is contemplating scenarios that would force some customers, such as enterprise customers, national customers, government customers and customers of resellers, to wait longer for the availability of WNP than consumer or single-account customers.
- The interrogatory also calls into question the porting interval. The vast majority of stakeholders agree that 2.5 business hours is the desirable wireless-to-wireless interval because it would minimize the time period during which a porting customer's service will not be available. We would also add that this is the interval that is used in the US, and it is consistent with the wireless industry's practice of moving swiftly in meeting customer demands and expectations. Canadian wireless customers expect their wireless service to be activated in a matter of hours, not days.

The original plan as prepared by PwC contemplates a September 2007 national launch of WNP in Canada and does so in a manner that avoids the serious disruptions to customer service experienced in the United States. Given that many systems and business processes of the companies involved in the implementation of WNP require changes, likely costing hundreds of millions of dollars, this plan is very aggressive when compared to implementation periods achieved in other countries. In order to ensure that the September 2007 launch date is not jeopardized, the CWTA and the wireless carriers are currently continuing with the planning process in accordance with the PwC plan. The CWTA notes that significant deviations from the plan may cause re-work and could place

the September 2007 launch date in jeopardy. Furthermore, while CWTA has obtained unanimous support from all its wireless carrier members for the original PwC plan, the Commission should be aware that we are unable at this time to guarantee that this level of support will extend to any revised approach.

The CWTA also notes that meeting the original PwC implementation schedule requires the Commission to provide expedient determinations regarding the other issues being explored in PN2005-14, such as the wireless carriers' ability to access number portability systems, the porting service interval and eligible porting scenarios. Timely determinations in these matters are critical to the development of detailed system and process designs that underpin network and system builds, which will allow the industry to meet the schedule identified in the PwC report. Therefore, the Association considers it critical that the procedure regarding these three issues remain as outlined in PN2005-14 in order to allow a Commission determination by October 31, 2005.

The CWTA respectfully requests that the Commission deal with this matter as expeditiously as possible so that the industry can continue implementing the PwC WNP plan. Unlike the "phased-in" approach adopted by some other jurisdictions, where WNP was introduced in different geographic areas over an extended period of time, WNP in Canada will become available to the vast majority of consumers and enterprise customers from coast to coast at the same time. The CWTA is committed to this significant implementation strategy that will offer an equitable, smooth and reliable introduction of the new service for all Canadians.

Sincerely,



J. David Farnes
Vice President,
Industry and Regulatory Affairs

c.c Mr. Richard French – CRTC
Mr. Michael Binder – Industry Canada
Mr. Leonard Katz - CRTC

Attachments (2)

Private and Confidential

Mr. David Farnes
Vice President, Industry and Regulatory Affairs
Canadian Wireless Telecommunications Association (CWTA)
130 Albert Street, Suite 1110
Ottawa ON
K1P 5G4

PricewaterhouseCoopers LLP
Suite 3000 Box 82
Royal Trust Tower TD Centre
Toronto, Ontario
Canada M5K 1G8
Telephone +1 (416) 941-8383
Facsimile +1 (416) 814-3215

September 26, 2005

Subject: September 23, 2005 Letter from the CRTC to CWTA

Dear David,

PricewaterhouseCoopers LLP (“PwC”) is prepared to assist the CWTA in preparing a response to the CRTC’s letter requesting additional scenarios be analyzed for Wireless Number Portability implementation. However, some of the PwC resources that were involved in developing the WNP Project Plan have been deployed on other projects and have limited availability in the short term.

The scenarios outlined in the CRTC’s letter are inconsistent with some of the guiding principles used in developing our report. As such, some of the information necessary to properly analyze and formulate the specific scenarios being requested by the CRTC was not fully considered as part of our initial work. In addition, clarification would need to be sought from the CRTC on the scenario planning. For example, Scenario Two (of Five) indicates simple ports only (bullet 2), though the third bullet excludes wireless-wireless porting. For PwC to undertake the work to a standard similar to that of the original report on all 5 scenarios, it would take four to six weeks, and be dependent upon the availability of information and people from the carrier community and other stakeholders, such as the CLNPC and Neustar.

We look forward to hearing from you at your earliest convenience.

Very truly yours,
PricewaterhouseCoopers LLP

Evan Kelly
Partner

**INFORMATION REQUESTED BY
Canadian Radio-television and Telecommunications Commission (CRTC)**

Q

The PricewaterhouseCoopers report recommends that wireless number portability (WNP) be launched by all wireless carriers in Canada at the same time with full wireless number portability functionality in place at the time of the WNP launch. This functionality would include both simple and complex ports, a 2.5 hour porting interval for wireless to wireless ports and a 2 business (sic) porting interval for wireless-wireline porting. The report suggests a national WNP launch date of 12 September, 2007, or some 24 months from the date of the report.

When local number portability (LNP) was introduced under local competition, a phased implementation approach was used to introduce LNP as quickly as possible. In Telecom Order 98-60, 29 January, 1998 LNP was to be available in some exchanges within six months of the Order. The Commission would like a phased implementation for the introduction of WNP.

For each of the WNP implementation scenarios outlined below, please provide:

1. A CPM chart that shows the critical path activities for each scenario; and
2. The estimated time period, in months, to implement WNP. Provide the time to implement the first phase and the additional months to implement the second phase.

Scenario One

The first phase includes:

- Simple ports only
- WNP nationally where LNP is currently available
- A 2 business day porting interval for wireless-wireless, wireless-wireline and wireline-wireless

The second phase includes:

- complex ports
- Wireless-wireless porting interval is reduced to 2.5 hours
- All types of WNP introduced in Regina and Saskatoon

Scenario Two

The first phase includes:

- WNP in Alberta, British Columbia, Ontario, and Quebec where LNP is currently available
- Simple ports
- Wireless-wireline porting is supported with a 2 business day porting interval (no wireless-wireless porting)

**INFORMATION REQUESTED BY
Canadian Radio-television and Telecommunications Commission (CRTC)**

The second phase includes:

- WNP to the balance of Canada where LNP is available plus Regina and Saskatoon.
- Complex ports are supported
- wireless-wireless porting is supported with a 2.5 hour porting interval

Scenario Three

The first phase includes:

- WNP in Alberta, British Columbia, Ontario, and Quebec where LNP is currently available
- Simple ports for wireless-wireless only
- A 2 business day porting interval

The second phase includes:

- WNP to the balance of Canada where LNP is available plus Regina and Saskatoon.
- Complex ports are supported
- Wireless-wireless porting interval is set at 2.5 hours
- Wireless-wireline ports are completed with a 2 day porting interval

Scenario Four

The first phase includes:

- WNP in Alberta, British Columbia, Ontario, and Quebec where LNP is currently available
- Simple ports only are supported
- A 2 day porting interval is used for all types of porting

The second phase includes:

- WNP to the balance of Canada where LNP is available plus Regina and Saskatoon.
- Complex ports are supported
- Wireless-wireless porting interval is set at 2.5 hours

Scenario Five

The first phase includes:

- WNP in Alberta, British Columbia, Ontario, and Quebec where LNP is currently available
- Simple and complex ports are supported

**INFORMATION REQUESTED BY
Canadian Radio-television and Telecommunications Commission (CRTC)**

- A 2 business day porting interval is used for all types of porting

The second phase includes:

- WNP to the balance of Canada where LNP is available plus Regina and Saskatoon.
- Wireless-wireless porting interval is set at 2.5 hours

NOTE: Simple and complex ports are as defined in the PricewaterhouseCoopers report

A

CWTA is not in possession of the information requested, nor were the above scenarios included in the engagement between CWTA and PricewaterhouseCoopers. CWTA has enquired about the possibility of PricewaterhouseCoopers performing the analysis requested, and we have been informed that it would require four to six weeks of work to complete.

end of document