

**Proposed licence modification issued by OFTEL for consultation  
on 22 February 1995**

**Explanatory memorandum**

The proposed modification is intended to replace the existing provisions in BT's licence which apply to number portability, paragraphs 11-15 of Condition 34B.

The modification allows for number portability to be provided by BT to other operators on request in respect of numbers associated with exchange lines at a fixed address ('Exchange Line Number Portability') and in respect of non-geographic numbers associated with services, for example 0800 numbers ('Non-Geographic Number Portability'). In either case, BT is not obliged to provide the service unless it is technically feasible and the other operator is prepared to offer reciprocal number portability to BT. Provision is also made for 'Subsequent Portability'-the situation where a number which has been ported from BT to another operator is then in turn ported by that operator to a second operator.

The modification introduces a power for the Director General to determine the charges and the costs on which they are based, payable to BT for number portability on the request of either party. It sets out the framework of cost-allocation within which the Director General would make such a determination, addressing four specific categories of costs:

- '*System Set-up Costs*', which are the costs that BT incurs in establishing the capability to provide number portability on its network and in its administrative systems. These are borne by BT itself, on the basis that all other operators incur similar costs which they too will bear;
- '*Additional Conveyance Costs*', which are the costs of the extra routing required within BT's network in order to identify a ported number and pass it on to the operator to whom the customer has ported. It is proposed that they will be shared between the Licensee and other operators in proportion to market share. It should be noted that Additional Conveyance Costs will include the extra conveyance costs in the case of a call which originates on the network of another operator and is transmitted through the BT network on its way to a ported number.
- '*Per-line Set-up Costs*', which are the costs that BT incurs when setting up number portability in respect of each specific number to be ported. It is proposed that BT should be able to recover these costs from the other operator.
- '*Administrative Costs*' are costs which BT may incur if a BT number has been ported to another operator and is either simultaneously or subsequently relocated to another address ('Simultaneous Mobility' and 'Subsequent Mobility') or ported a second time to another operator ('Subsequent Portability'). The modification allows for such costs to be recovered from the operator to whom portability is provided by BT in the case of Simultaneous and Subsequent Mobility. In the case of Subsequent Mobility the modification allows for BT to recover the data amendment costs it incurs from the operator who is the ultimate recipient of the number. These costs and associated charges are subject to a separate determination procedure.

The proposed modification will establish a requirement for BT to adhere to the terms of the industry-agreed Functional Specification for number portability, published by OFTEL, in providing portability to others. The purpose of this requirement is to underpin the need for clear technical standards to be adhered to in this area, and (on the basis that the functional specification indicates the most effective methods for implementing number portability) to seek to ensure that BT provides number portability in an efficient and effective manner.

As previously noted, the modification expands the definition of number portability to encompass portability of non-geographic numbers as well as numbers associated with exchange lines. Such portability would apply to categories of non-geographic numbers which the Director General had specified for the purpose.

The text also includes a prohibition on BT charging customers for numbers other than so-called 'Coveted Numbers' (ie numbers which, by the nature of the arrangement of the digits, have attractive properties to customers).

#### **CONDITION 34B: NUMBER PORTABILITY**

Substitute for paragraphs 34B.11 to 34B.15 the following:

34B.11 Subject to paragraph 34B.14, where it is technically feasible for an Operator to enter into an agreement with the Licensee to provide either or both of

- (i) Reciprocal Exchange Line Number Portability in relation to Exchange Lines;
- (ii) Reciprocal Non-Geographic Number Portability in relation to Non-Geographic Numbers,

and such Operator is willing and able to do so, then upon such Operator requesting the corresponding provision of Exchange Line or Non-Geographic Number Portability as the case may be by the Licensee, the following provisions shall apply.

34B.12 In the case of a request for the provision of Exchange Line Number Portability, the Licensee shall, subject as provided below, offer to provide Exchange Line Number Portability to the Operator throughout or within such part of the licensed area of that Operator as shall be agreed by the Licensee and that Operator, provided that the Licensee shall have no obligation to provide Exchange Line Portability in any geographical area or any part of any geographical area if it is not technically feasible for the Licensee so to do.

34B.13 In the case of a request by an Operator for Non-Geographic Number Portability, the Licensee shall, subject as provided below, offer to provide such Non-Geographic Number Portability in relation to any Numbers comprised in Non-Geographic Number Groups specified in any direction which shall be made by the Director from time to time following the coming into force of this paragraph and for the purposes of this Condition, provided that the Licensee shall have no obligation to provide such Non-Geographic Number Portability in relation to any Number or group of Numbers as may be specified if it is not technically feasible for the Licensee so to do.

34B.13A If Number Portability shall be provided to any Operator, the Licensee may not unreasonably refuse to provide for Subsequent Portability should any second Operator (as mentioned in the definition of that expression) require it.

34B.14 The Licensee shall offer to provide Number Portability to any Operator requesting its provision in accordance with the provisions of the Number Portability Functional Specification published by OFTEL following consultation with the Licensee and other Interested Parties updated from time to time, and which shall specify:

- (a) the technical interfaces required to recognise and route ported numbers between the Licensee's Applicable Systems and the applicable systems of other Operators;
- (b) the preferred method to be used for such interchange of administrative information between the Licensee and any other Operator as is necessary to support the provision of Number Portability by the Licensee and those other Operators;
- (c) in respect of Exchange Line Number Portability, the extent of the Simultaneous Mobility and Subsequent Mobility which it is technically feasible to provide for a particular ported Number or

Numbers;

(d) any other practical or technical matters which the Director General, having consulted the Licensee and other Interested Parties, considers should be specified in the Number Portability Functional Specification in order to ensure that Number Portability can be efficiently provided between operators.

34B.15 If after such period as appears to the Director to be reasonable for the purpose the Licensee has failed to enter into an agreement with an Operator for the provision of Number Portability by the Licensee to that Operator, then the Director shall, on the application of the Licensee or that Operator determine the terms and conditions of such an agreement including (as necessary):

- (a) the geographical area in which Exchange Line Number Portability is to be provided;
- (b) subject to paragraph 34B.15A and without prejudice to Condition 13, the reasonable charges, based on the costs set out below, which shall be payable by the Operator to the Licensee for the provision of Number Portability;

34B.15A Such charges shall be determined and calculated on the basis of the Licensee's fully allocated costs and a reasonable return on investment (subject as provided below), as determined, in the categories set out below:

- (a) the Licensee's Per Line Set-Up Costs shall be recoverable as the basis of any charge to the Operator to whom Number Portability is to be provided;
- (b) the Licensee's Administrative Costs incurred in connection with providing either of Simultaneous Mobility or Subsequent Mobility shall be recoverable as the basis of any charge to the Operator to whom such services are to be provided;
- (c) all Additional Conveyance Costs shall be shared between the Licensee and all Operators (including any Operator to whom any determination under Condition 34B.15 applies) as appropriate;

provided that no charge to any Operator may be based upon or otherwise incorporate the Licensee's System Set-Up Costs.

34B.15B Where the Licensee incurs any Administrative Costs in providing Subsequent Portability to the second Operator (as mentioned in the definition of Subsequent Portability), then either the Licensee or the second Operator may apply to the Director for a determination of those Administrative Costs and the resulting charge which shall be made to the second Operator.

34B.15C Before making a determination under paragraph 34B.15 and 34B.15B, the Director shall consult with the Licensee and the Operator and Interested Parties. If the Director concludes that a determination is appropriate, he shall notify the Licensee and the Operator of the proposed determination and his reasons for making it and give each of them a reasonable opportunity to make representations.

34B.15D No charge, other than a reasonable single payment for allocation of a number specifically requested by any customer of the Licensee (a 'coveted' Number), may be made by the Licensee for the allocation of any Number to any of its customers, unless the Director consents otherwise.

Insert in alphabetical order, the following definitions into Condition 34B.16:

'Additional Conveyance Costs' means any costs of conveyance necessarily incurred and additional to the costs of the simple conveyance of any Message, being so incurred in order that such Message may be ported from any switch within the Applicable Systems to another switch within the Applicable Systems for the purpose of re-directing that Message to the Operator's applicable systems by reference to the Number dialled by the user of the Exchange Line upon which the Message originated;

`Administrative Costs' means one-off costs incurred in providing for Subsequent Mobility and Subsequent Portability and relating to the amendment, reordering, checking and testing of data within the Applicable Systems and elsewhere in order that the Licensee may route correctly any Number which has been ported;

`Exchange Line Number Portability' means a facility provided within a specified geographic area which enables a person provided with an Exchange Line by the Licensee at an address at a set of premises to be able to retain the same Number at the said address if, instead of that Exchange Line, he arranges for a line to be provided by an Operator which, if provided by the Licensee, would have been an Exchange Line ('an Operator Exchange Line').

`Interested Parties' has the meaning given to it in condition 16B;

`Licensee's System Set-Up Costs' means costs incurred by the Licensee

(i) in network and system modifications, configurations or reconfigurations, including adapting or replacing software;

(ii) in testing functionality within the Applicable Systems and in conjunction with the Operator's applicable systems;

anywhere within the Licensed Area in establishing the technical and administrative capability to provide Exchange Line Number Portability or Non-Geographic Number Portability to an Operator, or to avail itself of Reciprocal Number Portability;

`Licensee's Per-Line Set-Up Costs' means costs incurred by the Licensee in providing switching and administration with respect to each Number ported;

`Non-Geographic Number' means a Number which, within the National Numbering Plan, is allocated to any public telecommunications operator, including the Licensee, for use in conjunction with a specific category of telecommunication service rather than to an Exchange Line in a specific geographic area;

`Non-Geographic Number Group' means a collection of Non-Geographic Numbers which share a similar identifying characteristic, such as the same first three or four digits;

`Non-Geographic Number Portability' means a facility which enables a person provided with a Non-Geographic Number which is associated with a particular type of telecommunication service provided to him by the Licensee to be able to retain the same Non-Geographic Number if a telecommunication service of a similar type is provided by an Operator instead of the Licensee;

`Number Portability' means either or both of Exchange Line and Non-Geographic Portability;

`Operator' has the same meaning as in Condition 13.1;

`Reciprocal Exchange Line Portability' means that a person provided with an Operator Exchange Line at an address at a set of premises is able to retain the same Number at the said address if he arranges for an Exchange Line to be provided by the Licensee instead of that Operator;

`Reciprocal Non-Geographic Number Portability' means the facility which enables a person provided with a Non-Geographic Number which is associated with a particular type of telecommunication service provided to him by an Operator to be able to retain the same Non-Geographic Number if he arranges for a telecommunication service of a similar type to be provided by the Licensee;

`Reciprocal Number Portability' means either or both of Reciprocal Exchange Line and Reciprocal

Non-Geographic Portability;

`Simultaneous Mobility' means the ability, where a Number associated within an Exchange Line is ported from one Operator to another, for the customer associated with that Exchange Line to relocate that Number at the same time to another address at a set of premises within the area in which Number Portability is provided in accordance with any particular agreement between the Licensee and an Operator providing telecommunication services to such customer;

`Subsequent Mobility' means the ability, where a Number associated with an Exchange Line has been ported from one Operator to another, for the customer associated with that Exchange Line at a later stage to relocate that Number to another address at a set of premises within the area in which Number Portability is provided in accordance with any particular agreement between the Licensee and an Operator providing telecommunication services to such customer;

`Subsequent Portability' means the ability, where Number Portability has already been provided to an Operator in respect of a particular Number, for such portability to be provided to a second Operator, the customer wishing to retain that Number and having or intending to have telecommunication services provided to him by that second Operator instead of the Operator to whom Number Portability was originally provided by the Licensee.