Decision No. C04-0407

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 04M-129T

IN THE MATTER OF BIG SANDY TELECOM, INC'S COMBINED PETITION FOR SUSPENSION AND MOTION FOR EXPEDITED TREATMENT AND WAIVER OF RESPONSE TIME.

DECISION GRANTING PETITION IN PART

Mailed Date: April 20, 2004 Adopted Date: April 13, 2004

I. <u>BY THE COMMISSION</u>

A. Statement

1. On March 19, 2004, Big Sandy Telecom, Inc. (Big Sandy), filed a Combined Petition for Suspension and Motion for Expedited Treatment and Waiver of Response Time (Petition) requesting that the Commission temporarily suspend its wireline to wireless local number portability (LNP) obligations to Commercial Mobile Radio Service (CMRS or wireless) providers in its Simla exchange until May 24, 2006. Big Sandy makes this request pursuant to § 251(f)(2) of the Telecommunications Act of 1996 (the Act), 47 U.S.C. § 251 (f)(2).

2. At our weekly meeting on March 31, 2004, we shortened the notice period to this Petition to 15 days. On April 5, 2004, we received an Entry of Appearance and Notice of Intervention, or in the Alternative, Petition to Intervene of WWC Holding Co., Inc. (Western Wireless).

3. The Simla exchange is geographically located outside the Denver Metropolitan Statistical Area (MSA), which is the only MSA in Colorado that is in the top 100 in the United States. The Federal Communications Commission (FCC) rules require that telecommunications

carriers providing service outside the top 100 MSAs provide LNP by May 24, 2004, or six months after receiving a request to port a number, whichever is later. Big Sandy, in its Petition, requests that we find under § 251(f)(2) that it is contrary to the public interest and unduly economically burdensome for the Petitioner to implement LNP in its exchange.

4. Section 251(f)(2) of the Act provides:

Suspension and modifications for rural carriers. A local exchange carrier with fewer than 2 percent of the Nation's subscriber lines installed in the aggregate nationwide may petition a State commission for a suspension or modification of the application of a requirement or requirements of subsection (b) or (c) of this section to telephone exchange service facilities specified in such petition. The State commission shall grant such petition to the extent that, and for such duration as, the State commission determines that such suspension or modification –

(A) is necessary –

i. to avoid a significant adverse economic impact on users of telecommunications service generally;

ii. to avoid imposing a requirement that is unduly economically burdensome; or

iii. to avoid imposing a requirement that is technically infeasible; and

(B) is consistent with the public interest, convenience, and necessity.

5. Big Sandy qualifies as a "rural telephone company" as defined in 47 U.S.C.

§ 153(37) and is a local exchange carrier with fewer than 2 percent of the nation's subscriber lines installed in the aggregate nationwide.

6. Big Sandy states in its Petition that one of the most significant reasons why this Petition should be granted, and why the implementation of LNP by rural carriers is contrary to the public interest and unduly economically burdensome, is the complete lack of any demand for LNP in the Simla exchange. Big Sandy asserts that it has not received one customer request to

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port a number since the enactment of the Act eight years ago, even with the increased publicity since November 2003. Further, Big Sandy states that its Simla exchange is not adjacent to a major transportation corridor, and thus wireless coverage is not extensive.

7. As to economic burden, Big Sandy states that its known costs for implementing LNP will be about \$6,000 for a switch upgrade and \$12,000 for fixed vendor costs to secure required database capability. The costs that Big Sandy cannot at this time estimate include monthly recurring costs for the "per dip" charge and the associated facilities costs. Big Sandy asserts that it is contrary to the public interest to force Big Sandy's customers (currently 1,147 access lines) to incur the expense for a service that they do not demand.

8. Big Sandy does admit in its Petition that it has received two requests for LNP from CMRS providers, Verizon Wireless and T-Mobile. These requests were received on November 14, 2003 and February 21, 2004 respectively, with each requesting LNP service by May 24, 2004. However, Big Sandy states that, to its knowledge, neither of the CMRS providers requesting LNP have either a point of interconnection nor numbering resources in the Simla exchange. Also, to Big Sandy's knowledge, none of its end-user customers has made any request to have his or her wireline number ported to a wireless carrier.

9. We note that neither Verizon Wireless, nor T-Mobile filed an intervention in this docket. In the Western Wireless Petition for Intervention, however, Western Wireless states that it has good cause for intervening in this docket. Western Wireless contends that while it has not yet requested LNP implementation in the Simla exchange, it expects to do so within the next two years. Therefore, Western Wireless will be affected by any decision reached by this Commission to grant the Petitioner's request for a two-year suspension.

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10. In its November 10, 2003 order,¹ the FCC stated: "Carriers inside the 100 largest MSAs (or outside the 100 largest MSAs, after the transition period) may file petitions for waiver of their obligation to port numbers to wireless carriers, if they can provide substantial, credible evidence that there are special circumstances that warrant departure from existing rules." This high level of scrutiny imposed by the FCC is a direct result of the FCC's strong statement that "we continue to deem rapid implementation of number portability to be in the public interest."² Further, in its November 10, 2003 order, the FCC reiterated its position that "number portability promotes competition between telecommunications service providers by, among other things, allowing customers to respond to price and service changes without changing their telephone numbers."³

11. We agree with the Petitioner that consumers will not likely be adversely impacted by the grant of a waiver to this carrier. According to the Petitioner, it has not received requests or even inquiries from its customers concerning Big Sandy's ability to port their wireline numbers.

12. However, in balancing the FCC's and our State goals of increased competition throughout Colorado, including in the rural areas of the state, we believe that a two-year waiver of the LNP implementation requirements is too long. We agree with the FCC's statement in its January 16, 2004 order, that:

... [I]n order to offer intermodal portability to their subscribers, these smaller carriers must acquire the hardware and software necessary to provide porting, make the necessary network upgrades, and ensure that their upgraded networks work reliably and accurately. Some of the Petitioners also assert that Two Percent Carriers often lack the experience and technical experience with number porting

¹ See In Re Telephone Number Portability, CTIA Petitions for Declaratory Ruling on Wireline-Wireless Porting Issues, CC Docket No. 95-116 (November 10, 2003 Order).

² See In Re Telephone Number Portability, CC Docket No. 95-116 (January 16, 2004 Order).

³ November 10, 2003 Order, at ¶ 4.

to quickly implement the necessary upgrades to their systems to ensure accurate porting. Accordingly, we conclude that special circumstances exist to grant Two Percent Carriers who have not previously upgraded their systems to support LNP a limited amount of additional time to overcome the technological obstacles they face to successfully meet a request for wireline-to-wireless porting.⁴

13. In that order, the FCC granted these rural providers an additional six months to

provide LNP. We find that a one-year waiver of the LNP requirements should give Big Sandy adequate time to make necessary facilities hardware and software upgrades, and to work with vendor(s) for the administration part of portability. In addition, a one-year waiver should not unduly harm Western Wireless given the fact that it is not yet offering service in Big Sandy's exchange.

14. Big Sandy is required to implement LNP in its Simla exchange no later than May 24, 2005, absent further order from this Commission.

II. <u>ORDER</u>

A. The Commission Orders That:

1. The Petition for Suspension of the Local Number Portability Requirements of Big

Sandy Telecom, Inc., is granted in part, consistent with the above discussion.

- 2. WWC Holding Co., Inc.'s Petition to Intervene is granted.
- 3. This Order is effective on its Mailed Date.

⁴ January 16, 2004 Order.

B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING April 13, 2004.

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

Commissioners

COMMISSIONER JIM DYER ABSENT.

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