



Second Response to the Office of Communications consultation on
“Numbering arrangements for Voice over Broadband services”

on behalf of the
Internet Telephony Service Providers Association (“ITSPA”)

Submitted to;

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This is the second and further response by ITSPA to the Ofcom consultation on "Numbering arrangements for Voice over Broadband services". This response addresses Ofcom's questions relating to access to and use of geographic numbers by Voice over IP ("VoIP") and Voice over Broadband ("VoB") services.

About the Internet Telephony Service Providers Association

The Internet Telephony Service Providers Association ("ITSPA") represents a group of 13 UK companies, from Internet Service Providers (ISPs) and existing telecoms companies to new market entrants all of whom are interested in developing and supplying services using Voice over Internet Protocol ("VoIP") technology.

ITSPA's position in regard to geographic number allocation

It is ITSPA's view that access to geographic numbers, in particular for allocation to voice services should be granted on fair and reasonable terms to any and all electronic communications network operators and service providers. This should be the case regardless of the underlying technology that an operator chooses to supply that service.

Competition in voice services

The purpose of introducing regulation to the telecommunications sector was to introduce competition and consumer benefit. Ensuring that new operators and service providers are able to enter and compete in the voice services market is essential to ensuring consumer benefit in the form of wider choice and lower prices. This is particularly important for innovative services and technology, such as those using VoIP, which will introduce a wider consumer choice and increase price competition for voice services in the United Kingdom.

Furthermore, any voice telephony service, regardless of the mechanism or technology by which it is delivered to the end customer, should be regarded as comparable and substitutable to existing and competing services that are delivered currently via the Public Switched Telephony Network ("PSTN"). This has been the basis of the introduction of European and UK telecommunications regulation and is essential to the success of competition in the telecommunications marketplace. Examples of such regulations include the requirements imposed on BT for the provision for indirect access and Carrier Pre-Selection as well as that imposed for number portability on all operators. ITSPA do not see any basis for Ofcom to make an exception in the case of VoB or VoIP to this general rule.

It is ITSPA's view that the take up of VoB and VoIP services will in part be determined by the ability of customers to port geographic and non-geographic numbers onto a VoB service. Many ITSPA members wish to be able to support number portability either directly with other operators or via BT's number portability product. Our view is that numerous legal, technical and consumer issues would arise if number portability were only to be applied to a specific range allocated to VoB. Furthermore, the shift from a localised geographic number to a non-geographic or "national" code would have a considerable deterrent effect for most consumers.

Technology Neutrality

ITSPA also repeats from its first submission its objection to Ofcom proposals to only allocate a non-geographic number range on the basis of technology specific criteria. In our view the refusal to grant VoB operators access to all number ranges would entail Ofcom ignoring several

obligations specified under Sections 3 and 4 of the Communications Act 2003. ITSPA continues to hold the view that allocating a number range on the basis of a specific technology in this instance would also be contrary to Ofcom's obligations under Section 4 (6) – (8) inclusive of the Communications Act.

Furthermore, in our view it would be beyond the scope of Ofcom's remit, and in any event unreasonable, to place a restraint on the development of innovative services by refusing to supply or limiting access to number ranges. In particular, access to geographic numbers which are in general use and which end users are most likely to wish to retain and transfer to a new service provider. Any mechanism which Ofcom would seek to use to manage the National Numbering Plan and ensure the continued reasonable access to numbers should apply to all operators of voice services, regardless of the mechanism that is used to supply those services. We would note Ofcom's obligations under section 60 (2) (b) of the Communications Act, which requires Ofcom not to revise or otherwise modify the National Telephone Numbering Plan such as to discriminate unduly against particular persons or against a particular class of persons.

ITSPA notes the possible concerns about increased demand for geographic numbers and risks associated with profligate allocation to end users resulting in a risk of forced renumbering becoming necessary. We would suggest that if number exhaustion is already an issue for the introduction of VoIP/VoB services, they will likewise be for the introduction of any other new technology or service capable of supporting multiple numbers. Ofcom may therefore have to address the same issue in the future when other new services are introduced and more limited options should it begin allocating technology specific number ranges. We would therefore suggest that under section 60 (2) (c) of the Communications Act excluding VoB operators would not be proportionate to what the proposed ruling is intended to achieve – i.e. preventing overwhelming demand for geographic numbering. ITSPA outline several options within this document and will propose further options subsequently.

Number Portability

Number portability is now a requirement in the United Kingdom by virtue of implementation of the Universal Service Directive 2002/22/EC. In Recital 40 the Directive notes that:

“Number portability is a key facilitator of consumer choice and effective competition in a competitive telecommunications environment such that end-users who so request should be able to retain their number(s) on the public telephone network independently of the organisation providing service.”

Article 30 further provides that:

1. Member States shall ensure that all subscribers of publicly available telephone services, including mobile services, who so request can retain their number(s) independently of the undertaking providing the service:
 - (a) in the case of geographic numbers, at a specific location;
 - and
 - (b) in the case of non-geographic numbers, at any location.

It is therefore the position of ITSPA that in addition to the allocation of geographic numbers to VoIP and VoB operators, we would also require access for mutual numbering porting arrangements with BT and other operators within the United Kingdom for geographic and non-geographic numbering.

Should number portability be available to customers, ITSPA would suggest, on the basis of the current industry experience of fixed and mobile number porting, that customers would behave in a similar way with VoB and VoIP services - i.e. they would wish for their principle, fixed, geographic number to be ported and not necessarily require additional numbers. Whilst some consumers and services would require additional numbers to be allocated, there is in practice a finite demand and use for numbers for voice based services per end user connection. In addition, ITSPA believes that the capabilities of the underlying VoB/VoIP technology, such as CLI identification and routing, will help alleviate the risk of an excessive demand for numbers.

Geographic number portability would also, in ITSPA's view, work in favour of Ofcom's objective of ensuring efficient and proper allocation of geographic numbering. The use of a single number for multiple connections on a VoB service would, in certain circumstances, reduce demand for additional numbers.

In the case of number portability more generally, Ofcom may wish to consider additional measure to assist in the conservation of numbers. This includes considering if it is necessary in all circumstances for the requirement of reciprocal code swapping with BT to apply. We would also note that it is open to Ofcom to consider at its discretion whether the obligations on geographic number portability requirements should be placed expressly on all operators, not only on PATS operators as is currently documented.

Self-Regulation

ITSPA would suggest that there are alternative measures that could assist Ofcom in managing the allocation and use of geographic numbers to VoB and VoIP operators.

One possible solution is that ITSPA members and other operators are willing to participate in industry discussions with a view to agreeing a Code of Practice, which Ofcom finds acceptable, adopting best practice in number allocation and encouraging moderation in the request for allocation, reservation and use of numbers, for all operators or specifically by those services able to offer multiple voice services and/or voice lines via a single PSTN connection.

ITSPA are therefore of the view that, whilst for the reasons stated below supervision of geographic number allocation is not required, ITSPA would be happy to participate in discussions with Ofcom and industry numbering groups with a view to ensuring that the issue of overuse or exhaustion of number ranges is adequately addressed via self-regulation. This in our view would be far more preferable for all parties as opposed to the refusal by Ofcom to supply number ranges and/or problems with numbering exhaustion occurring in the future without suitable planning by the industry collectively.

Response to specific questions asked by Ofcom

Question 9: Communications Providers have put forward arguments (involving consumer perception and ease of competing with existing services) in support of allocation of geographic numbers for VoB services and Ofcom has provided its thoughts in response. What are your views?

ITSPA believe that it is essential that VoB/VoIP providers that wish to offer a service based on provision to a fixed geographic location should be allocated geographic number ranges.

In addition ITSPA believes that the current National Numbering Plan provides sufficient scope and flexibility in a robust framework to allow for geographic numbers to be allocated to VoB/VoIP services.

The allocation of geographic numbering is important for the following reasons:

- The services that are proposed are identical or equivalent to existing voice services so as to be considered directly substitutable to those currently offered via the PSTN. In order for this to be reflected in consumer perception, the number range used by such services must be recognisable as substitutable. This is essential to ensure that there are no barriers to competition that might be caused by consumer confusion over numbering;
- Where calls are being terminated on a VoB connection, it is essential that confusion caused by the number range used does not deter consumers from making a telephone call because of uncertainty over the actual cost.
- ITSPA members propose to launch services as soon as possible. One of the key factors in determining how and when several forms of VoB services will be launched is the allocation of geographic numbering and arrangements for geographic number portability.

ITSPA have serious practical and economic concerns should only a non-geographic range be made available for VoB services. These concerns include:

- Non-geographic numbers are not usually accessible from carriers operating outside the UK due to routing restrictions applied by operators to control their exposure to international fraud or artificial inflation of traffic. Within the UK, the implementation and routing of new number ranges on non-geographic codes (i.e. those outside 01 and 02) has in some instances taken up to 18 months – particularly for mobile and new entrant operators. Hence, a subscriber's non-geographic number will be inaccessible from numerous countries and from mobiles for a period of months (and in some instances years) depending on the operators which are used to route a call.
- The charges applied by certain operators for non-geographic numbers, in particular overseas and mobile operators, are often excessive when compared to the standard BT tariff. This is particularly the case when compared to geographic number ranges. For example, callers may end up paying 35p/minute on a mobile network to dial a non-geographic number, compared to 5p via BT for an identical call. Also, most unmetered voice call packages exclude non-geographic number ranges. ITSPA is concerned that should Ofcom refuse to supply geographic numbers to VoB operators, Ofcom may actively reduce

the attraction of VoB services to consumers due to the variability of charging to non-geographic numbers.

Whilst some of these issues are more appropriately addressed separately to the issues raised by VoB, ITSPA do not want such an issue to hinder the take up of VoB and VoIP services at this critical point in time.

Question 11: VoB services might offer an element of mobility – do you think that this raises definitional issues for geographic numbers?

ITSPA would suggest that there is no issue raised by the possibility of mobility in VoB services. There already exist services that enable a customer to divert (using a variety of call forwarding options, available from most operators) a call from a fixed line service presenting a geographic number to other numbers/locations. In addition there are virtual office services that also provide mobility features. Furthermore, the current numbering guidelines do allow a customer to request a geographic number that is different from the designated area code for their location.

ITSPA would note that it is already part of the existing obligations of operators under the National Numbering Plan to use the appropriate number range which match the general category a service falls into. This also supports ITSPA's previous submissions in regard to access to non-geographic ranges and the proposals for allocating 056 to VoB services.

Question 12: Ofcom has identified four options for how it might allocate geographic numbers for VoB services. Which of the four options do you prefer and why? Are there any other options that Ofcom should consider?

ITSPA would once again highlight the importance of access to geographic numbering, number portability and the detriment to both the if access to geographic number ranges are not available for broadband services. Therefore ITSPA strenuously disagrees with, and formally objects to, Option 4.

ITSPA regard Option 1 as the only one that is currently acceptable. This is on the basis that it is the only one that adequately addresses issues, such as technology neutrality, and makes numbers available on a fair and equal basis. ITSPA regards it as vital to the development of broadband in the United Kingdom to ensure that VoB is available as widely as possible in the UK.

In the alternate, if geographic numbers are not available then there is a considerable deterrence to the development of new competitive services and additional innovation in voice and broadband services in the UK.

Question 13: If option one ('allocate to all VoB services') or option two ('allocate to PATS VoB only') were adopted, which of the five sub-options intended to ensure sufficient capacity was available for allocation would you favour and why?

ITSPA would agree with Ofcom that doing nothing is an impracticable solution to the issue. ITSPA likewise agree that it is highly undesirable to undertake a forced renumbering either in areas of high demand or on a national basis. We do not think move to wide area codes is appropriate at this point in time as citizen consumer will be unduly disadvantaged and in some

instances will attribute this, with limited justification to one specific sector of the voice services market – i.e. VoB and VoIP.

Whilst option 1 (e) has some merit, since it does address some of ITSPA's concerns, it does not give a local identity that consumers would expect and require from their service provider.

ITSPA's clear preference is therefore for Option 1(b) and, as a limited alternate, Option 1 (c).

ITSPA believes that there may be a case for introducing wide area codes at some point in future but any renumbering should be done on a systematic and potentially national basis.

Finally, ITSPA believes that technical solutions that would allow greater granularity of number allocation in high demand areas do exist. ITSPA intends to propose such a solution separately to this response and we look forward to discussing our proposals further in detail with Ofcom.

Question 14: What comments and quantitative data can Communications Providers supply on the likely impact and timescales for implementing the five approaches (sub-options a – e) for ensuring that sufficient geographic numbering capacity is available to meet demand if allocated for VoB services?

Options b & c, which ITSPA support as the most appropriate solutions will require some engineering resource on the part of network operators depending on the flexibility of their network routing facilities. However, this process is already well established for the existing conservation areas.

Conclusion

It is on the basis of the arguments outlined above that ITSPA therefore request that Ofcom allocate geographic numbers to VoIP/VoB operators and service providers on the same terms as it does to other Electronic Communication Network Operators and service providers.

We would also ask that Ofcom adopts the principle outlined in the consultation of smaller allocation blocks for geographic numbering to conserve the available numbering resource. We understand that there may be routing issues associated with this for certain operators. In respect of these possible issues, ITSPA intends to propose an alternative technical solution to Ofcom in a separate document.