ITSPA

Internet Telephony Services Providers' Association

ITSPA response to Ofcom's statement and further consultation on geographic telephone numbers

About ITSPA

The Internet Telephony Services Providers' Association (ITSPA) is the UK VoIP industry's trade body, representing 60 UK businesses involved with the supply of VoIP and Unified Communication services to business and residential customers within the UK. ITSPA pays close attention to the development of the VoIP regulatory frameworks on a worldwide basis in order to ensure that the UK internet telephony industry is as competitive as possible amongst international markets.

Individual members may respond separately to this consultation.

A full list of ITSPA members can be found at http://www.itspa.org.uk/

Summary of ITSPA's Position

ITSPA members welcome the opportunity to input further into Ofcom's work surrounding geographic telephone numbers. Following on from our response to the November 2010 consultation, we continue to recognise the challenges that both Ofcom and the industry face in terms of number conservation. Geographic numbers continue to be of value to British citizens and it remains important that number ranges are still available to ensure a competitive telecoms market. ITSPA supported a number of the proposals outlined in the initial consultation and welcome that these initiatives will be implemented by Ofcom. However, the membership still has significant reservations about the charging for the allocation of numbers and the proposed pilot scheme outlined in the consultation document. ITSPA members would welcome further dialogue with Ofcom before the final statements are produced in early 2012.

Local Dialling and Overlay Codes:

ITSPA agree with Ofcom's proposal to end local dialling in any four-digit area code that needs more number blocks. We also agree that where necessary an overlay code should be used, should there continue to be a shortage of numbers after the ending of the local dialling. We

agree that this will help open up a significant amount of numbers as well as create the least disruption to consumers and industry.

Smaller Number Blocks:

ITSPA is supportive of the initiative to introduce number blocks of 100 numbers as another option to relive the scarcity in five-digit area codes. We would encourage Ofcom to go further in this project and develop similar number blocks in other areas where possible. As mentioned in our initial response, ITSPA members often do not require the 10,000 number blocks in certain areas provided by Ofcom. Where possible, ITSPA believe 100 number blocks should be allocated in other number ranges to complement 1,000 block ranges. Whilst we accept that the delay in Next Generation Networks (NGN) deployment and the constraints in legacy networks prevent this in some areas, we believe there is a definite opportunity to go further than Ofcom has currently indicated. ITSPA would welcome further discussion with Ofcom as how to best provide the most suitable number range blocks for respective areas.

Changes to the Administrative Process:

ITSPA members would agree with Ofcom's proposed changes to its administration of geographic number ranges. We believe that a strengthening of the numbering application process, with further evidence gathering would enable Ofcom to make a more informed decision about whether to allocate number ranges to Communication Providers (CPs). We welcome the recent audit conducted by Ofcom which has indicated that 69 million geographic numbers could be reclaimed. A strengthened administrative approach combined with a regular audit would prove invaluable. ITSPA would be happy to work with Ofcom to help in this process and ensure our members are compliant in any new process.

Reservation step:

As mentioned in our earlier response, in principle ITSPA accepts the proposal to introduce a time-limited reservation step, prior to allocation of geographic numbers for certain applications. We highlighted the potential concern surrounding new entrants who had to establish interconnect agreements between established providers. The timescales surrounding a reservation step needs to be properly consulted on with industry to ensure new entrants are not unfairly disadvantaged.

Charging of Geographic numbers:

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ITSPA members were disappointed with Ofcom's decision to continue with its pilot project to start charging in 30 four-digit area codes. ITSPA remain fundamentally concerned as to the reasoning surrounding the principle of charging and believe it will primarily impact on smaller providers within the industry as well as new entrants in the market. The recent audit has already indicated a significant amount of numbers that can be re-used and other Ofcom initiatives will also have a positive impact on the current problem in certain areas. We continue to believe that the ongoing deployment of NGNs will also provide Ofcom with the opportunity to deploy smaller number ranges in other areas across the UK. This will drive up the efficient use of numbers.

To charge on a per number basis would be extremely harmful to many CPs, especially if they are unable to hand back number ranges of less than 1,000 number blocks. The threat to competition should not be ignored and Ofcom must bear in mind the potential impact this will have when comparing fixed and mobile number ranges, which do not incur a charge.

In other countries where a charging model exists, ITSPA does not believe that there is sufficient evidence to suggest that charging has significantly affected operators behaviour in requesting number ranges. Nor do we believe that Ofcom has produced definitive economic evidence to support the appropriate level of charging outlined. Members are also concerned that this pilot scheme will effectively be rolled out nationwide to become a replacement to the proposed Landline Duty. We urge Ofcom to be transparent in its approach to charging to implement clear thresholds at which charging begins and at which charging is removed for all area codes prior to launch. Any rollout beyond the pilot scheme would require extensive consultation with industry and comprehensive evidence to suggest it was providing value to the telecommunications market. Should the pilot prove inconclusive or if the other measures proposed are successful in conserving numbers, we believe Ofcom should end the pilot altogether.

ITSPA would also like to know, whether the money raised in the pilot scheme will be reinvested into the industry in some form and would welcome further discussions on how best this could be used.

Number Porting:

The problems surrounding the UK number porting system continue and ITSPA remains frustrated that this issue could have been discussed as part of this review. ITSPA urges Ofcom to

investigate this increasingly frustrating problem for the industry as soon as possible. Number conservation is one area which could be improved if the number portability system was brought up to date and in line with other countries around the world.

Questions:

Question 1: Do you agree with our proposal to allocate up to 10,000 numbers in blocks of 100 numbers (i.e. 100 x 100-number blocks) in the following 11 five-digit area codes?

ITSPA welcomes this initiative as an important step in the right direction.

Question 2 (for CPs):   Would it be feasible for your network to handle up to 10,000 numbers allocated in blocks of 100 numbers in the 11 five-digit area codes listed in Question 1?

ITSPA members by nature operate over next generation networks and are able to handle smaller number blocks. It is something that the members have been actively asking for some time as they simply do not require the large number ranges currently provided.

Question 3 (for CPs): What are your predicted costs and timescale requirements for implementing the necessary changes in your network switches to support routing to blocks of 100 numbers in the 11 five-digit area codes listed in Question 1?

Individual members will respond where necessary on this issue. In general, ITSPA does not believe that implementing the changes will be a major cost concern to its members; nor will timescales act as a barrier. ITSPA believes that this step is fundamental in helping to preserve the supply of geographic numbers and should be rolled out in other areas where possible.

Questions 4-10

As indicated previously, ITSPA members fundamentally oppose the concept of charging and the proposed pilot scheme. Given that Ofcom has agreed on a number of other initiatives to improve number conservation, ITSPA believes that the pilot should be suspended until the effect of these new measures have ceased. Individual members may have comments on the specific questions outlined in relation to their own business and will respond separately.