

Office of the Director of **Telecommunications Regulation**

Directory Access Codes: Completing the change from 119X to 118XX

Decision Notice D16/99

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1. Introduction

The Director of Telecommunications Regulation ("the Director") is responsible for regulation of the Irish telecommunications sector in accordance with National and EU legislation.

The Director published Decision Notice D2/98 on "Numbering in Ireland for the 21st Century" in July 1998. This covered, inter alia, the matter of changeover of directory assistance codes from the old 119X format to a new 118XX format. The ODTR subsequently issued its document ODTR 98/53 "Directory Information Access Codes", dated November 1998, which invited applications for the new 118XX series of codes that was proposed in Decision Notice D2/98.

In respect of the implementation of competitive directory information services, issues have arisen concerning withdrawal of the present 119X directory enquiry codes, particularly concerning the withdrawal timescale, and also with access from telephone payphones to directory enquiry services.

On 1 December 1999, the Director set out the alternative solutions and sought comments and views from interested parties in the consultation document No. ODTR $99/72^1$.

The Director would like to thank the organisations that responded to the consultation paper. The comments received have provided valuable input into the Director's consideration of the alternative solutions presented in the consultation. The responses received to the consultation paper can be viewed in this Office.

Responses were received from:

- Conduit Europe
- Eircell Ltd.
- eircom plc
- Esat Digifone Ltd.
- Esat Telecommunications Ltd.

The Director sets out herein her report on the consultation process, together with the decisions she has made with regard to the preferred solutions for ending use of the 119X codes and for dealing with payphone aspects of directory access. The Director arrived at these decisions after careful consideration of all representations from the above respondents.

¹ Changeover Process for Directory Information Access Codes: Document No. ODTR 99/72,

¹ December 1999.

2. Background

Consultation document ODTR 99/72 discussed the background to the various issues that arose in the consultation, while briefly summarising the relevant key points from each of the following documents:

- Decision Notice D2/98
- Relevant Task Force on Numbering documents (TFN)
- Document ODTR 98/53

The common commencement date for use of the new directory access 118XX codes was 25 May 1999. The consultation document referred to arguments on the one hand in favour of withdrawing the existing 119X codes after 12 or more months of parallel running from that date (i.e. on/after 25 May 2000) and on the other hand in favour of an earlier withdrawal date of 25 January 2000.

The consultation document further noted the difficulties with upgrading eircom payphones to handle the new 118XX codes, involving a timescale that extends to 31 September 2000^2 . Eircom has a legal obligation to provide a directory access service from each of its payphones, and the consequent need to upgrade all payphones before withdrawing the 119X codes potentially means continuation of the 119X codes throughout the network until at least September 2000.

Apart from these fundamental issues, the consultation document also raised questions about the routing of directory access calls from payphones and about the notices "advertising" directory services inside payphone call boxes.

² The 31st September 2000 is an eircom accelerated upgrade programme at 150 units per week.

3. About the Responses Received

In addition to answering the posed consultation questions, all responses contained introductory sections, with four of these being quite extensive.

Considering these introductory sections alongside the questionnaire sections (which are also dealt with more directly below), the following overall viewpoints have been summarised from the submissions:

Withdrawal date for 119X Services: Three operators are firmly of the view that 25 May 2000 should be the earliest date for removal of this service, based on the need for at least 12 months parallel running and/or industry-level agreement within the TFN. Two operators are equally firmly of the view that withdrawal should occur during January 2000, based on ODTR document 98/53 and their extensive preparatory work for the new codes.

Promotion of Services: Two operators pointed out the expensive promotional work they have undertaken for the new 118XX codes and their views that they thus have a stake in a January withdrawal of the 119X codes. A third operator pointed out it has not carried out any promotional campaign as it expected to start in May 2000, and that while such a campaign is essential to withdrawal of 119X, it could not be accomplished by January. A fourth operator stated its promotional campaign is based on withdrawal after at least 12 months parallel running and any sudden shortening of this would be unfair to it.

Public Perceptions: The two operators favouring a January withdrawal date stated that following the publicity to date, massive public confusion would ensue if a January withdrawal date was not adhered to, whereas a third operator stated there has been no public awareness yet of the withdrawal of 119X. The fourth and fifth operators felt there would be customer confusion and inconvenience if they do not have time to undertake/complete their planned communications exercise (i.e. resulting from a pre-May date for withdrawal).

Payphones: Two operators took serious issue with the lack of progress by eircom on payphones and with the fact this has become a factor in generally holding back the introduction of competing services in the wider networks. Eircom on the other hand claimed it was always recognised that its payphones would require longer than the traditional 12 months of parallel running before they could be upgraded to accept the 118XX codes and allow withdrawal of the 119X codes.

4. The Responses in Detail

4.1 Withdrawal of 119X service

As indicated above, there was a clear split of views between two operators in favour of a January date for 119X withdrawal and the remaining three, who favoured May 2000 or even September 2000. In addition, there is a practical issue involved, in that eircom payphones cannot be all upgraded sufficiently quickly to allow a very early withdrawal of 119X codes (see explanation in ODTR 99/72).

- Option 1 (25 May 2000) was acceptable as a general withdrawal date for 119X by Eircell and Esat only. Eircom could not accept because of (inter alia) its licence obligation to provide directory service access from payphones, which it stated could not be upgraded before 31 September. Digifone and Conduit both rejected option 1.
- Option 2 (25 January 2000 as a general withdrawal date for 119X) was supported by both Conduit and Digifone. It was not acceptable to eircom, Eircell or Esat.
- Option 3 (Earliest date that eircom's phones can be upgraded or 'workedaround'): This option was acceptable to eircom, rejected by Conduit and considered not relevant to Eircell (whose directory enquiry service has no access from payphones). Digifone considered this to be a reasonable approach.

[Note: Follow-up clarification by ODTR of Digifone's response established that its concerns about dates later than January 2000 are mainly or wholly conditioned by its wish to withdraw its own 119X offering at that time.]

The Director has considered all five responses very carefully and noted that the gap between the various opposing views can realistically be narrowed to four months, by availing of the best work-around for eircom's payphones (see later). She notes the strongly held views attached to both the January (at latest) and the May/September preferences. She does not accept arguments in favour of particular dates that are based on existing plans. However, she has pursued with eircom whether some additional advance might be possible on the May option (e.g. to 25 April 2000) as a way of bringing these positions even closer together but has concluded that such an advance would only be achieved by bringing an unacceptable level of risk to the speeded-up eircom programme.

The Director's main concern is the convenience of consumers. In that respect she notes that unlike a change in numbers or area code, for example, a change in the directory enquiry number does not require changes in stationery etc.

In respect of Digifone, which wishes for an earlier withdrawal of 119X codes (preferably by 1 January 2000), she sees no real disadvantage to other operators in permitting that withdrawal to take place and is prepared to agree to the withdrawal of 119X codes from 25 January 2000 at the earliest. However, any operator withdrawing 119X service before the main date of 25 May 2000 shall have regard to the situation of its customers.

The Director notes eircom's arguments in favour of a 31 September 2000 withdrawal date for 119X (i.e. customer friendly; avoids disruption to payphone programme). However, in view of the competitive imbalance that maintenance of 119X supports, she rejects any date beyond 25 May 2000, when 12 months of parallel running will be

complete. An investigation of the feasibility of 25 May 2000 (see below) shows that date is manageable by eircom.

The Director has therefore decided:

- 1. To require eircom to withdraw access to 119X codes from its core networks by or before 25 May 2000, excluding only its payphones;
- 2. To require eircom to complete the withdrawal of 119X codes from all of its payphones by or before 25 September 2000;
- 3. To require withdrawal of 119X codes by all operators other than eircom, on or before the dates set for eircom under 1 and 2, respectively, above;
- 4. To allow those operators who wish to make a January start on withdrawal of support for 119X codes from their own networks to proceed with withdrawal on or after 25 January 2000.

4.2 Recorded Announcement Redirection

There was a strong consensus among eircom, Eircell and Digifone that regulatory involvement by the ODTR in the directory service(s) mentioned in recorded announcements during 119X withdrawal would be highly undesirable and an interference with market conditions. Furthermore, they considered that the various available options all suffer from customer unfriendliness and/or complexity and/or are infeasible on their own networks. None of these operators considered it appropriate to force eircom or others to advertise their competitors services.

Esat and Conduit both considered that a method of selection of directory service by rotation was fair but only for eircom and Eircell (as the latter is wholly owned by eircom).

The Director believes that this issue is of less importance than that of the actual code withdrawal process, but nevertheless it has importance for all. Having studied the points made by the respondents she is particularly persuaded by the arguments concerning complexity and customer unfriendliness of the various options³. There is no doubt that any method of rotation or statistical selection would be complex to implement satisfactorily and would sound complex to customers – so a high level of support should be needed before intervention by the Director becomes appropriate. Also of importance are the market arguments against forcing one operator to advertise the services of others. In the final analysis, these factors against regulatory action regarding announcement content outweigh the arguments in favour of intervention, when the period for which such intervention would operate is limited.

The Director has therefore decided:

- 1. To make no orders concerning the directory services to be mentioned in recorded announcements, but to leave this to market forces;
- 2. To require eircom and all other operators of 119X services to discontinue their recorded announcements within 3 to 6 months of withdrawal of their 119X services.

³ Announcements referring to more than one operator and/or different price structures (possibly changing during the period in question), with or without specially devised operator precedence, would undoubtedly be complex, customer-unfriendly and subject to ongoing disagreements.

4.3 Upgrading of Payphones

There are two related issues involved in the upgrade program for eircom's payphones to change over from use of 119X to 118XX. First, all payphones must be upgraded to handle the new codes (directly or indirectly), or else they must be isolated (ring-fenced) from the core network, to allow removal from the core network of 119X. Second, it is necessary to ensure that all payphones are converted to proper use of the new 118XX codes (rather than translated 119X codes) at the earliest possible time. The optimum solution to the first of these issues should not unduly delay implementation of the second.

Eircell felt this question did not affect it as its directory services will not be open from payphones, and Digifone was also less concerned about it, but provided answers.

- 1. Option 1 (Existing eircom upgrade schedule) was only acceptable to eircom itself.
- 2. Option 2 (119X to 118XX translation) was acceptable to Conduit and Digifone and was second preference for eircom. Esat did not mention it.
- 3. Option 3 (Short prefix to 118XX) was preferred by Esat and Digifone and equal (with option 4) preference by Conduit. It was not acceptable to eircom as it was not considered faster than option 2 (because of need to physically place new notices in all payphones) and was felt to be customer unfriendly.
- 4. Option 4 (Addition of 1850-type prefix) was not acceptable to eircom for the same reasons as option 3, plus 1850 code implies a charge to customers. Esat rejected it because of the long number to be dialled (10 digits). Conduit and Digifone both found it acceptable, though less favourable than option 3 in the case of Digifone.

[Note: Conduit's acceptance in each case was linked to a January 2000 date for withdrawal].

The ODTR has investigated the practical implementation of each of the above options (and in addition, the use of a 1800 code) in conjunction with Eircom, in addition to reviewing the consultation responses. The outcome of this work is the conclusion that none of the other solutions will provide a faster route to 119X withdrawal than the code translation approach (option 2), for technical reasons related to how the payphones and network will handle the work-arounds.

Considering the four sets of responses, the Director has come to the conclusion that options 2 and 3 are both acceptable approaches to reaching a solution that minimises the impact of payphones on withdrawal of 119X from the core fixed network. However, for implementation reasons she accepts the view that the most practical and efficient approach is option 2. This involves upgrade of all eircom payphones at the fastest pace possible, combined with code translation (i.e. 119X dialled but 118XX forwarded from the local exchange) in each relevant exchange. It means that all payphones will be ring-fenced until all are fully upgraded to support 118XX codes.

The Director has decided:

1. To require eircom and other operators to isolate from their core networks - in respect of directory assistance calls - all their payphones that are incapable of supporting 118XX codes, by 25 May 2000 at the latest, so allowing the core networks to remove 119X codes from (or before) that date;

- 2. To require eircom and other operators to complete all payphone work related to support of 118XX codes by 25 September 2000 at the latest and to remove support for 119X codes from that date (or earlier);
- 3. That as the number translation work-around allows only a single directory service to be selected, to allow eircom and other payphone operators to continue to select their own services during the period of the work-around;
- 4. To encourage Conduit and other directory service operators to reach commercial agreements with eircom and other payphone operators for long term provision of their services from payphones.

4.4 Notices in Payphones

Notices of directory service numbers posted in public payphones are of advantage to those services listed in the notices. A question of fairness arises in respect of other operators services which are not listed. Additional questions arise as to how appropriate it is for the ODTR to intervene in an aspect of service which is peripheral to the basic telecommunications service being offered.

Eircom, Eircell and Digifone were all agreed that notices in payphones directing customers towards particular services should be a commercial matter, subject only to commercial agreement between the parties concerned. Conduit and Esat were in agreement that all available directory services should be mentioned, though Conduit was additionally concerned that, for legal and other reasons, this should only apply to operators with Significant Market Power (SMP).

The Director has carefully considered the responses provided and:

- 1. Decided to make no orders concerning the matter of notices in payphones.
- 2. To nevertheless strongly encourage eircom and other payphone operators to quickly reach commercial agreements with directory service suppliers concerning the opening of competing services from their payphones. Particularly in the case of eircom, which has SMP, this should be on terms which are essentially the same as those offered to eircom's own directory services operator. In those circumstances, the display of information about these competing services should be given equal prominence with eircom's own services.