

Orange UK and Wanadoo UK response to Ofcom consultation: Telephone Numbering – Safeguarding the future of numbers

Introduction

This response represents the combined views of Orange UK and Wanadoo UK. We welcome the opportunity to comment on Ofcom's proposals. In this submission we focus on the questions raised in the main body of the consultation – sections 1 to 5. Our responses include consideration of the issues discussed by Ofcom in the annexes.

Orange UK and Wanadoo UK response to questions from sections 1 - 5

Question 1 What are your views on the strategic principles that Ofcom proposes to apply to its numbering policy decisions?

We believe that the proposed strategic principles should form a good basis for numbering policy decisions.

Question 2 What do you think are consumers' key current views on numbering, how do you think those views will change, and how should Ofcom's current decisions take these developments into account?

It is appropriate that policy decisions should be based on a sound evidence base and we welcome Ofcom's consumer research. Ofcom has identified three main themes from its research. We note the view that there may be a need for the Numbering Plan to be more transparent. The Numbering Plan is already transparent in terms of the service information it provides. The question that arises is whether further transparency is required in respect of pricing information that may be derived by consumers from the Numbering Plan. The research suggests that in respect of 01 / 02 and 07 numbers consumers generally derive sufficient information in relation to the relative expense of calling these numbers. Ofcom's plans to improve the structure of the 08 and 09 ranges should contribute significantly to provide consumers with a broad indication of the relative price for calls to numbers within these ranges. The Numbering Plan can only provide a broad indication of price and should not aim to establish specific price points for each service. It is the role of competing communications service providers to ensure that their consumers have access to pricing information for specific call types.

In terms of geographic significance it is possible over time that the local area significance of geographic numbers will diminish due to the evolution of competing fixed retail price plans. The Numbering Plan should not pre-empt of force such an evolution.

Question 3 What do you think are the main ways in which technological developments will change the focus of numbering policy decisions, and how should Ofcom's current decisions take these developments into account?

We agree that telephone numbers will continue to have an important role in the provision of communications services. Technological developments such as the transition to NGNs should mean that in the medium term the current challenges in respect of the scarcity of geographic numbers in some areas will diminish. Over time the utilisation levels of fixed number ranges should increase towards the levels achieved on mobile number ranges. It is appropriate that Ofcom should take these developments into account in its forward looking projections of numbering availability and utilisation.

Question 4 Do you have any comments on Ofcom's assessment of the current challenges to the Numbering Plan, in terms of a) number availability, b) transparency, or c) consumer abuses?

We agree with the bulk of Ofcom's assessment.

**Orange UK and Wanadoo UK response to Ofcom consultation:
Telephone Numbering – Safeguarding the future of numbers**

Question 5 Do you agree that the extension of conservation measures is the best approach to take before the impact of NGNs eases the pressure on geographic number demand?

Yes.

Question 6 Do you agree that the use of overlay codes is the best backstop approach in the event that extended conservation measures are not sufficient to meet demand for geographic numbers?

Yes.

Question 7 Do you agree that Ofcom should continue to respect the geographic identity of numbers until consumer understanding of the impact of technology change evolves further, and what do you consider is the best way to develop that consumer understanding?

As noted above, we agree that the geographic identity of 01 / 02 numbers should be allowed to continue.

Question 8 Do you agree with Ofcom's proposal to open a new '03' number range for non-geographic, non-revenue sharing services?

We remain to be convinced that it is appropriate to open an entire range of 1 billion numbers as proposed by Ofcom. We would welcome visibility of Ofcom's demand forecasts for services that will take up this range. The retail price of those services will presumably be the same as for 0870 and the regulatory regime different only in the minutest degree (revenue share will be "forbidden" on 03 and allowed, but not mandated, on 0870). Given that this is a new service, can Ofcom be sure that there will be enough demand for an entire range?

Question 9 How should the '03' range be structured, in terms of tariffs and services?

We would welcome the visibility of Ofcom's demand study before reaching a view on potential sub-structures for the 03 range.

Question 10 How should the '08' range be structured in terms of tariffs and services?

Ofcom's approach to NTS policy envisages a two-year review of 0845. At the moment, it seems possible that Ofcom's approach to numbering may prejudice the outcome of that review. We would welcome confirmation that this will not happen;

We see stability for 08 services generally as crucial and, while we think that the Ofcom proposals seem positive from this perspective, we would welcome Ofcom's confirmation that stability is a priority;

It would be helpful if Ofcom could be clearer on timing. The current proposals give some guidance on this but more clarity would be very welcome. In particular, we would welcome clarity as between the three "Options" and the longer-term vision set out in 5.48.

Question 11 Which broad approach should Ofcom take to structuring the '09' range, and if a re-structured '09' range is preferred how would you arrange the different types of '09' services (e.g., according to price per minute, price per call, inclusion of adult content)?

We agree that option 3 may be the best approach going forward. In order to ensure the effective operation of service barring at the request of the customer we believe that adult content services should reside behind discrete sub-ranges. We would also suggest that the sub-structure for non-adult PRS should be based on broad price bands (as opposed to service types) which could facilitate the provision of call barring for price conscious customers.

**Orange UK and Wanadoo UK response to Ofcom consultation:
Telephone Numbering – Safeguarding the future of numbers**

Question 12 Should any specific PRS service categories be identified or segregated in order that parents can block access by their children (e.g., sexually explicit content, gambling)? Is there merit in having a general 'adults only' classification, including a range of services to which access might be restricted on the grounds of content, or might consumers wish to apply different rules for different types of content?

Yes, see response to question 11.

Question 13 Are there any practical means by which the Numbering Plan could provide improved mobile tariff transparency?

We agree with Ofcom that there are no practical means to address potential concerns regarding the transparency of mobile on-net and off-net charges within the Numbering Plan. However it remains to be demonstrated by Ofcom that there is indeed an issue in respect of mobile tariff transparency. We also do not see any current need to establish a sub-structure within the 07 range for different service types (e.g. mobile multimedia services).

Question 14 Do you agree that personal numbers should have a tariff ceiling (or recorded message) to restore trust in those numbers? If so, what level, and should that ceiling include the cost of recorded messages?

We do not have a particular view on the question of establishing a tariff ceiling.

Question 15 Do you agree with Ofcom's proposals to move personal numbers (with the same consumer protection provisions) to the '06' range and to pursue the direct allocation of numbers to end users as proposed at some point in the future?

We support the proposal to migrate personal number services from the 07 range. There are a number of issues regarding the direct allocation of numbers to end users which require further exploration. Consequently we are not able to agree that Ofcom should 'pursue' the direct allocation of numbers but we are supportive of further exploration.

Question 16 Do you have any comments on the use of the 05 number range?

We have no significant views on the continued use of the 05 number range for experimental purposes.

Question 17 Do you agree that Ofcom's overall proposals for a future Numbering Plan are coherent and comprehensive, and do you have any comments on the timescales in which the changes should be implemented?

We agree with the overall proposals subject to:

- clarification of the linkage with the NTS review
- visibility of the demand study for the use of the 03 range
- further exploration of the potential to introduce individual allocations to end users supported by a full cost benefit analysis

The overall timescales appear reasonable.

**Orange UK and Wanadoo UK response to Ofcom consultation:
Telephone Numbering – Safeguarding the future of numbers**

Question 18 Do you agree with the principles of using consumer protection tests in numbering in order to limit consumer abuses, as long as the relevant legal tests are met? Do you have any suggestions for what tests would be appropriate or any conditions that should be met to pass such tests?

We agree with the principle of using consumer protection tests. Such an approach should help to ensure that the likelihood of consumer detriment created by scams operated by a very few organisations can be restricted. It is very important that consumer trust is restored and maintained. We note that Ofcom is introducing the idea of withdrawing numbers based on a consumer protection test. If this avenue of investigation is to be pursued then consideration will have to be given to creating an enforcement mechanism for GCOE compliance within condition 17.

Question 19 Do you support the proposal to extend the tariffing provisions of the Numbering Plan so that they apply to customers of all providers on all types of network?

We are fully supportive of the principle of maintaining transparency. However we feel that Ofcom's proposal could be equivalent to retail price regulation. Ofcom must not seek to regulate the retail prices of providers that do not possess Significant Market Power via the Numbering Plan. At most tariff transparency can only be promoted through the Numbering Plan by establishing broad price ceilings at appropriate levels.

Question 20 How do you think the new Numbering Plan could be effectively communicated to consumers?

We have no significant view on communicating the new Numbering Plan to consumers.

Question 21 What are your views on Ofcom's analysis and the different options for number charging?

We acknowledge that there may be a role for number charging to be introduced into the UK regime. The discussion presented by Ofcom is wide ranging. In order to take the debate forward Ofcom must clearly establish the primary objective(s) it is seeking for number charging to achieve. We believe that the following must be taken into consideration:

- Any mechanism must be fair to all providers. For example if the objective is to promote efficient use of numbers then consideration will have to be given to time in market i.e. a new entrant will initially have a low utilisation rate. If efficiency charging is to be introduced a transition period will be required for existing operators to review their number management practices and to implement efficiency improvements if relevant prior to the activation of charging.
- Any mechanism must fairly reflect practical constraints faced by provider whether that be related to technical constraints or constraints inherent in the Numbering Plan. For example a new entrant mobile operator would only require a single 100k block to commence offering a national service. By contrast a new entrant fixed operator wishing to offer a national service would require multiple 10k allocations.
- The mechanism should not result in an increase in the overall cost imposed by regulation on providers. Ultimately this cost will be borne by end-users (directly or indirectly) in the retail charges they pay. Any revenue collected by Ofcom in the form of number charges should be off-set against the costs generated by Ofcom in regulating the communications sector.
- The mechanism should consider a solution for situations when Ofcom makes changes to the numbering plan requesting numbering migrations. Providers should not have to pay double charges due to regulation instigated migrations

**Orange UK and Wanadoo UK response to Ofcom consultation:
Telephone Numbering – Safeguarding the future of numbers**

Question 22 Which, if any, numbers might appropriately be allocated using a value-based charge?

It is not clear to us that it will be practical to introduce value-base charging. The example number (07777777777) illustrated in the consultation document is likely to be of more value (a golden number) relative to some other numbers. However the value attributed to a number by an end-user (the ultimate measure of its value) will be difficult to objectively assess at the point of allocation to a communications provider. An end-user may value a number because of its alpha-numeric meaning or for some other personal reason such as birth date etc.

Question 23 Do you have any other comments on Ofcom's proposals for numbering as discussed in Section 5, or any other suggestions for how Ofcom might revise the current Numbering Plan or it's administration?

We have no additional comments to make at this time and look forward to the next round of consultation on more detailed proposals.