

No. MTNL/ RA/MNP/2008-2009

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To,
Shri Sudhir Gupta
Advisor (MN)
TRAI, New Delhi.

Subject: Comments on TRAI Consultation paper on Determination of Port Transaction Charge, Dipping and Porting Charge for Mobile Number Portability.

TRAI vide its Press Release No. 60/2009 dated 22.07.2009 called views of stake holders on TRAI Consultation paper on Determination of Port Transaction Charge, Dipping and Porting Charge for Mobile Number Portability. The issue wise response of MTNL on TRAI consultation paper is as below:

Q1: Whether the Network elements, cost details and the cost structure considered for estimating the port transaction charges are appropriate? If not, give reasons.

Ans. At present, there is no experience available in India. It is evident from the data provided in the Consultation Paper that the porting rates are quite different in different countries. We expect that both the MNP operators are having good international experience and must have taken data/calculations based on their experience. Thus, TRAI may consider this data for arriving at the port transaction charges at the initial stage. Further, the actual porting rate is likely to play great role & should also be considered while deciding the port transaction charges. Hence, the port transaction charges may be reviewed by TRAI from time to time.

Q2. Do you agree with the factors affecting the number of porting as discussed above? Please indicate if any additional factors are required to be taken into account.

Ans. In our opinion the **quality & bouquet of services** offered by an operator will be the two key factors affecting the number of porting. Bouquet of services includes the various value added services offered by the service providers. In addition to these two factors the **tariff package** offered by various operators will also play an important role for the subscribers in deciding whether or not to port.

Q3. Whether the projection of the subscriber base and annual rate of porting as explained in the paper for the next 5 years is reasonable? If not give your estimation of annual porting rate along with the reasons.

Ans. In our opinion the porting rate in the initial years is expected to be higher as compared to following years. It may be due to the fact that initially the unsatisfied subscribers will port from one operator to another and in a short time they will settle with the most promising operator. In addition, the operators will also try to rectify their deficiencies as early as possible to avoid much porting out and to retain their subscribers for longer time.

Q4. Based on the cost details, what is your estimation of per port transaction charge, Justify your estimation and supplement with the worksheets?

Ans. In our opinion, the per port transaction charge may be kept on the higher side (Rs. 100 as calculated based on the data of MNP Service License 1) initially and may be reviewed, if required in future.

Q5. What should be the time period for review of per port transaction charges?

Ans. As mentioned in our comment under question 1 above, since the cost details furnished by the MNP service providers / Licensees are based on certain assumptions like expected yearly porting rates, expected OPEX etc., the initial charges would not represent the actual scenario, it would be fair to review the charges early. However, to have fairly good practical experience, at least one year period would be OK. Accordingly, it is suggested that TRAI may review the per port transaction charges after one year initially.

Q6. What is your estimation about the number of Voice/ SMS/MMS dipping which may take place in the MNP service providers query response system?

Q7. What should be factors which may be considered for the estimation of the dipping charge?

Ans to Q6 & Q7. In our opinion, considering the fact that every LRN (Location Routing Number) query from the NPDB will be on chargeable basis, the big service providers having very large **subscriber base and traffic** would like to opt for their own local number portability data base and only those operators which are having small subscriber base and traffic would like to use the query number portability data base (Q-NPDB) of the MNP service provider. However, it is difficult to estimate the usage figures at this point of time. We feel, there may be situation that none of the access provider is

opting for Q-NPDB of MNP Operator. Other operator who may need Q-NPDB dipping are ILD operators (who generally are also access providers).

Further, in our opinion to simplify the arithmetic and data recording mechanisms, the dipping charges can be charged in various query volume slabs rather than per dipping basis. For each slab, dipping charges will be different. This method will encourage the operators having large dipping volume to use Q-NPDB, rather than establishing their own L-NPDB.

In view above, the dipping charges should be left to the mutual agreement between the MNP service provider and concern service provider who is using the dipping service.

Q8. (a) Whether the recipient operator should be allowed to charge the porting charge from the porting subscriber?

(b) If yes, should porting charge be equal to or less than or more than the per port transaction charge? Give reasons to justify your view.

(c) If no, give reasons to justify your view.

Ans. (a) Yes, considering the fact that the efforts required by the recipient operator are equivalent or even more as compared to acquiring a new customers, it becomes necessary to charge some amount from the porting subscriber.

(b) Fixed line network of MTNL has multi-vendor environment and a mix of old & new switches. MTNL has large number of fixed line switches (local, tandem & Tax) which will be required to be upgraded as at the time of procurement of these switches, MNP feature was not a part of our specs based on TEC specs.

Post MNP implementation in the country, the fixed line switches should also be capable of correct routing of mobile destined calls (with LRN). All the fixed line switches need to interact over INAP protocol with the LNPDB (in STP) which will be common for both mobile as well as fixed line networks. This will require configuration in fixed line switches so that based on dialed number i.e. mobile number 9x (in future 8x also), these switches can originated an IN query to MNP NPDB (STP) and get LRN for mobile destined calls for correct routing of the calls.

Almost all switch equipment vendors are talking about modification in the switches which will involve commercials as these requirements are not covered in AMC charges.

Thus, the fixed line networks of MTNL will require modification/ upgradation involving additional cost without any gain to fixed line network operators due to MNP implementation. Hence, it would be prudent that the fixed line operators like MTNL should be compensated by giving suitable share from the porting charges.

Therefore, Porting charge should be more than per port transaction charge.

(c) Not applicable in view of (b) above.

Q9. Whether the porting charge, if any paid by the subscriber to the recipient operator, should be shared with the donor operator? Give reasons to justify your view.

Ans. Yes, Numbering scheme is a precious resource. Considering the facts that the number of the donor operator will remain blocked and the number ported by subscriber may be the prime number, the donor operator should be compensated. Moreover, donor operator is also putting some efforts in the process.

Fixed line operator should also be compensated for the huge additional expenditure required for upgradation of its local, tandem and tax switches for the implementation of mobile number portability.

Therefore, the porting charges should be shared between recipient operator, MNP operator, donor operator and fixed line operator.

(Mukta Goel)
DGM (RA)