to cater for the provision of number portability have indicated a need for portability to be provided in accordance with an industry-wide specification and to widen the scope of number portability beyond simple exchange line portability.

The Director is required by section 12(2) of the Act to consider any representations or objections which are duly made and not withdrawn.

Representations or objections to the proposed modifications may be made to: Alex Blowers, OFTEL, 50 Ludgate Hill, London EC4M 7JJ (telephone 0171-634 8798), no later than 22nd March 1995. Copies of the proposed modifications may be obtained from Peter Hammond at the above address (telephone 0171-634 8830). All responses will be publicly available, on receipt, in the OFTEL, library, unless clearly marked "Confidential".

SCHEDULE

Proposed Modifications to Condition 34B of the BT Licence

The existing condition 34B of BT's licence allows, at paragraphs 34B.11–15, for the introduction in a geographical area of number portability (defined as being enabled to retain a telephone number at an address if a person arranges for an exchange line to be provided by an operator other than BT, and vice versa), following the completion of a cost-benefit analysis which shows a net benefit from its introduction outweighing the likely costs. Such an analysis has been carried out and provided the requisite indication. Paragraph 34B.15 of the condition allows for BT to recover from other operators the "reasonable costs" incurred in providing, inter alia, numer portability. But it does not specify how these costs are to be measured or allocated. On this point, the proposed modification would introduce a power for the Director to determine the charges levied by BT on other operators to provide number portability. Any such determination would not permit BT to recover from other operators the costs of establishing the basic ability to provide portability of numbers (the "set-up costs"), nor could BT wholly recover from one other operator the costs of routing a ported call within the BT system which are over and above those which are incurred in routing an ordinary call (the "additional conveyance costs").

The modification also expands the definition of number portability to encompass mobility of the customer to another address either at the time the telephone number is ported to another operator, or subsequently, and obliges BT to provide number portability in accordance with an industry-agreed functional specification.

The modification also allows for the introduction of number portability in respect of "non-geographic numbers"—numbers which are associated with a particular service, such as freephone and personal numbers. Other operators would be able to ask BT to port a number of this kind which was a category specified in a list by the Director, where a customer wished to take a non-geographic service from that other operator rather than BT.

In addition, the modification allows for a simplification of the procedure for introducing number portability. This will no longer require a direction to the parties involved by the Director, but will be at the request of the other operator, subject to that operator being willing to enter a reciprocal agreement to provide number portability to BT, and to the technical feasibility of the request. (5 SI)