

**STATEMENT OF
CHAIRMAN TOM WHEELER**

Re: *Telcordia Technologies, Inc. Petition to Reform Amendment 57 and to Order a Competitive Bidding Process for Number Portability Administration, WC Docket No. 07-149, Petition of Telcordia Technologies, Inc. to Reform or Strike Amendment 70, to Institute Competitive Bidding for Number Portability Administration, and to End the NAPM LLC's Interim Role in Number Portability Administration Contract Management, WC Docket No. 09-109, Telephone Number Portability, CC Docket No. 95-116.*

Since becoming FCC Chairman, my mantra has been clear and consistent: Competition, Competition, Competition. And I've consistently identified consumer protection, public safety, and national security as components of the network compact. That is why I am glad the Commission utilized a competitive process to determine who should administer the FCC's "local number portability" system, which, fittingly, is one of our most successful pro-competition programs. And our staff here at the FCC has given each of the bids a thorough review to ensure that the values of the network compact are protected and preserved regardless of which bid is ultimately selected. This effort has led to a better deal for American consumers; one that will yield significant cost savings over the existing contract. Today, the Commission conditionally approves switching administrators of the program that helps us switch phone companies.

Every day, more than 100,000 individuals and businesses in America switch their phone carriers but keep their old phone number. This ability to transfer – or "port" – our numbers enhances consumer choice and makes for a more competitive marketplace. These transfers happen almost seamlessly, and we take them for granted, but these transactions are actually carried out by a neutral third-party called the Local Number Portability Administrator (LNPA).

The same company has held the contract to serve as LNPA for more than 15 years. Ironically, this company received multiple "no-bid" extensions of its contract to run this pro-competition program. Putting this contract out for competitive bidding was long overdue.

Starting in 2011, we conducted a lengthy, thorough, and transparent process, which was supported by the incumbent and other contenders for the contract.

We engaged both an industry consortium – the North American Portability Management, LLC (NAPM) – and our federal advisory committee on numbering issues – the North American Numbering Council (NANC) – to help conduct the bidding process and then to review and provide a recommendation on the bids. They recommended that we select a new company, Telcordia, as the next LNPA.

We requested and received comment from stakeholders at various points throughout the process, including early on as we established the process and again most recently when we sought comment on the recommendation from NANC.

Every bidder was invited to improve on its initial bid, and every bidder took advantage of that opportunity to submit a "best and final offer."

Commission staff independently evaluated the recommendation and the record while also conferring with national security and law enforcement experts. The integrity and reliability of the porting system is our paramount concern. After extensive review and analysis of all the data submitted to the Commission, staff concurred with the recommendation of the NANC that Telcordia best met the evaluation criteria.

Importantly, this Order is approval for the NAPM to move forward with contract negotiations with Telcordia. The NAPM and – if contract negotiations are successful – Telcordia are the ones with the business relationship; the FCC oversees that relationship. Accordingly, this Order requires Telcordia to

comply with specific conditions to ensure that it serves as a neutral administrator and to ensure that Telcordia's service conforms with national security and law enforcement needs. The approach we adopt in this Order is consistent with the one the Commission used to ensure the neutrality of the current LNPA.

This Order is only one important step toward implementing a new contract. There is more to do. We will continue to engage law enforcement and national security experts as we look at the post-selection process to ensure that national security and law enforcement concerns are adequately addressed.

If there is a successful contract negotiation with Telcordia, we will work closely with stakeholders to ensure that the transition process is as smooth as possible so that the LNPA continues to facilitate the kind of competition in the voice marketplace that consumers have come to expect and deserve.