

**STATEMENT OF
CHAIRMAN TOM WHEELER**

Re: *Numbering Policies for Modern Communications*, WC Docket No. 13-97, *IP-Enabled Services*, WC Docket No. 04-36, *Telephone Number Requirements for IP-Enabled Services Providers*, WC Docket No. 07-243, *Telephone Number Portability*, CC Docket No. 95-116, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, *Connect America Fund*, WC Docket No. 10-90, *Numbering Resource Optimization*, CC Docket No. 99-200.

As our communications infrastructure transitions to IP networks, the Commission has worked to preserve the values that consumers and businesses have come to expect from their networks, while unleashing new waves of better products and services made possible by these more efficient networks. Today, the Commission moves to expedite the ongoing technology transitions and enhance one of the most popular services they have already enabled: Voice over Internet Protocol (or VoIP as it's commonly known).

VoIP already accounts for nearly one-third of all local phone subscribers – 48 million connections. Interconnected VoIP providers have been able to do this despite a competitive disadvantage. Specifically, under our current rules interconnected VoIP providers have to go through a third party to obtain telephone numbers for new customers. With this item, we amend our rules to enable interconnected VoIP providers to obtain their own telephone numbers directly from the Numbering Administrators.

This promises to deliver significant benefits for consumers:

- More competition. Leveling the playing field for interconnected VoIP providers when it comes to accessing numbers will make it easier for them to compete, giving consumers more options for phone service.
- Lower prices. Allowing interconnected VoIP providers to directly access numbers should deliver cost savings for VoIP providers, which, through increased competition, we expect to be passed down to consumers.
- Better service. Direct access will promote more efficient number utilization, and eliminate the extra time, complexity, and potential for confusion associated with transferring or “porting” a customer’s existing number to or from an interconnected VoIP provider.
- Enhanced reliability. Direct access to numbers by interconnected VoIP providers will facilitate IP-to-IP interconnection, and increase the transparency of call routing. This will enhance carriers’ ability to ensure that calls are being completed properly, and allow us to address concerns about rural call completion through more expedient troubleshooting of problematic calls to rural local exchange carriers (LECs) from interconnected VoIP providers.

Let there be no mistake – numbers are a critical national resource, and we are adopting protections to ensure that only good stewards of our numbering resources have access. Applicants must agree to a number of conditions, such as certifying that they comply with Universal Service Fund and public safety obligations, giving advance notice to state commissions of number requests, and provide contact information for personnel who can address issues relating to 911, law enforcement, and regulatory compliance.

Finally, I want to call out the FCC staff for running a diligent process to make sure we get this right. They took a business-like approach of testing the proposition before proposing its rollout. Today’s action was informed by a six-month technical trial in which five interconnected VoIP provider participants obtained numbers directly from the Numbering Administrators. During the trial, over 4,500 new numbers went into service, with over 139,000 port-in requests and over 800 port-out requests, all of which were successful. There were no routing failures or billing or compensation disputes reported during the trial.

The Bureau's report concluded that it is technically feasible for interconnected VoIP providers to obtain telephone numbers directly from the Numbering Administrators and use them to provide services, and gives me confidence that the steps we are taking today will promote competition and lead to significant consumer benefits.