13 August 2009

Public Consultation on Amended Draft Code for the Transfer of Telecommunications Services

The Telecommunications Carriers' Forum (TCF) has prepared a draft amended Code for the Transfer of Telecommunications Services ("The Customer Transfer Code") and is now issuing it for public consultation.

The draft amended Code was prepared by a TCF Working Party representing: Chorus, Communitel, Digital Island, Orcon, TelstraClear, Telecom Retail, Telecom Wholesale, Vodafone and WorldxChange.

You are invited to examine the draft amended Code and provide your feedback. If you wish to make a submission, please note that the closing date is **5.00 pm, Tuesday 15th September 2009**. Please send your submission via email to me at jackie.clark@tcf.org.nz or post it to the Telecommunications Carriers' Forum, P O Box 302469, North Harbour, North Shore City 0751.

Please note that unless stated otherwise, all submissions will be regarded as public and will be published on the TCF website.

Consultation Workshops

As part of our public consultation process we will be holding **workshops in Auckland on 25 August and Wellington on 27 August** to explain the Code changes in more detail and provide interested parties with an opportunity to ask questions. As the draft Code proposes changes that impact Service Provider's Customer Information and Billing Systems, we encourage Customer Service Representatives, Customer Care Managers, Service Delivery Managers, System Analysts and Billing Architects to attend.

To register for the **Auckland workshop** go to:
https://www.conferenceonline.com/index.cfm?page=booking&object=conference&id=14315&categorykey=89A1EFD3%2D87AD%2D423A%2DBE77%2D65D55CD49F64&clear=1

To register for the **Wellington workshop** go to:
https://www.conferenceonline.com/index.cfm?page=booking&object=conference&id=14317&categorykey=954EC40F%2D42A0%2D4F8D%2DAA91%2DF499F694CD53&clear=1

Background

The purpose of the Customer Transfer Code is to ensure a seamless experience for all parties involved in the transfer of a Customer's telecommunication services between service providers. Note that this is different, but closely related to, number portability in that Customer Transfer concerns the process

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of switching a customer's services between service providers; whereas number portability concerns the process of switching the telephone numbers associated with those services between service providers.

In 2006 the TCF finalised two Customer Transfer Codes, one for regulated services and one for non-regulated services. The regulated code was approved by the Commerce Commission on 12 October 2006, and the non-regulated code was endorsed by the TCF on 3 November 2006. These two Codes are substantively the same in terms of the obligations that they place upon parties.

In accordance with the TCF's minimum two (2) year code review policy, TCF members, parties to the regulated code and subscribers to the TCF Broadsheet were invited to review the Codes and evaluate whether or not changes should be made. Eight submissions were subsequently received, of which six submissions raised issues to be considered.

Key Issues

The submissions received were reviewed by the TCF Customer Transfer Working Party (CTWP) in order to determine the important issues that needed to be resolved as part of the Code review process. These key issues may be summarised as:

1. Updating the Code to reflect the changed nature of the wholesale supply of telecommunications services in light of Telecom's operational separation, local loop unbundling and alternative access networks.

2. Clarifying the roles and responsibilities of the multiple parties in the "supply chain" of telecommunications services, to ensure coordination of transfer activities.

3. Improving the process for managing the transfer of a customer's services between service providers, to improve the accuracy, speed and minimise confusion and rework within the process.

4. Reviewing the methods of communication used to transfer the necessary information between the parties involved in a customer transfer, including obligations as to when and how the various parties involved in a transfer must be notified.

5. Improving the compliance monitoring regime for the Code, and providing a mechanism through which issues, disputes and complaints may be resolved in a timely fashion.

Review Methodology

The CTWP agreed to explore a number of options for resolving the key issues listed above, and select the preferred solution in accordance with the following criteria:

1. How well the solution would deal with the issues raised in the submissions.

2. How well the solution would accommodate the new industry commercial structure, in light of Telecom's operational separation.

3. How quickly and cost-effectively the solution could be deployed.

4. How durable the solution would be, with the aim of having the solution last at least 2 years until the next Code review, if not longer.

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5. How flexible the solution would be, to meet a far wider range of transfer scenarios than that which was originally envisaged when the original Codes were developed, such as:

   a) Where there are multiple providers in the supply chain (retailers, wholesalers, access service delivers).

   b) For Bundled services including wholesale and broadband components. E.g. pair-bonded data connections and "triple-play" products.

   c) An End Customer where the telephone number is no longer the means of identification, such as in a 'naked DSL' world.

A number of solutions were considered by the CTWP, for more details on the solutions reviewed please refer to Appendix 1 at the end of this document.

Key Points about the amended Code

The most significant changes contained within the draft amended Code are as follows:

1. Replace the current 'Simple' and 'Complex' Category types used with definitions of two different types of End Customer. The distinction between these two types of customers (defined as 'Simple Customer' and 'Complex Customer' in the draft Code based on the number of telecommunication services they are supplied with by a Retail Service Provider) is important to understand the obligations that Retail Service Providers (RSPs) have for the provision of supply chain information.

2. Mandate all parties to the Code to store the full supply chain information for each of the End Customers services. Supply chain information includes the RSP Customer Account Number, the RSP Service or Billing ID, and identifying information for the relevant Access Service Wholesaler (ASW) and physical infrastructure provided by the ANP. See Annexure 2 for an illustration of the supply chain information.

3. Retail Service Providers to display the supply chain information for Simple Customers on, or with, the End Customer's Monthly Bill; or provide that supply chain information via a web portal, in which case the instructions for accessing that web portal must be available on the End Customer's Monthly Bill.

4. Retail Service Providers to make the supply chain information for Complex Customers readily available to the End Customer provided that instructions on how to access the information are on their Monthly Bill.

5. A streamlined single Transfer Process to replace the two Transfer processes currently in place for Simple and Complex Category types.

6. Remove Validation Step from the Transfer process. Replace this with a 'Notification' step with no response from the Losing Retail Service Provider required.

7. All Service Providers to maintain a generic company email address for Transfer communications.

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Further Feedback Requested

The TCF CTWP would appreciate feedback on the following items in particular:

1. Inclusion of a wholly new scenario of customer transfer, being those that involve moving a service between two wholly separate Access Network Providers (ANPs). See Annexure 4.

   Given that this scenario involves no common equipment in providing the services, the CTWP would appreciate feedback as to whether including this scenario is desirable. On one hand, including it within scope means that customers in this scenario are able to expect a transfer to be conducted on the same basis as if it was within a single ANP. However, the CTWP is also concerned that the complexity of such a scenario may make it inappropriate for inclusion within these parameters.

2. Advises parties of the appropriate methods for resolving disputes regarding errors within the transfer process. Customers should utilise the Telecommunications Dispute Resolution Service, if their service provider makes such an avenue available to them; and disputes between service providers should be resolved in accordance with the provisions of the code. See clause 56 of the draft amended Code.

   The CTWP would appreciate feedback as to whether such a dispute resolution framework is desirable, or what an alternative dispute mechanism could be.

3. In the case of Simple Customers, RSPs may either provide the supply chain information directly on, or with, the End Customer's monthly bill, or via a web-portal. However, if an RSP decides to place the information on a web-portal, sufficient information must be included on the customer bill on how the customer may retrieve that supply chain information without intervention from the RSP.

   The CTWP would appreciate feedback on whether the supply chain information for all Simple Customers MUST be included on the retail bill for that End Customer, with a web-portal being an additional optional solution, rather than an alternative. This will allow all parties in the industry to have confidence that the information is guaranteed to be on, or with, customer bills; however, it comes at the cost of restricting some RSP's billing formats.

4. The provisions regarding what is appropriate End Customer contact have been reviewed to provide Losing RSPs more ability to contact the customer in the event that services will be "broken" or to confirm any outstanding obligations that that customer may have with the Losing RSP. Note that the Losing RSP will only be receiving notification after the customer has confirmed that they wish to move services to the Gaining RSP, and have committed to a contractual relationship with that Gaining RSP.

   The CTWP would appreciate feedback as to whether these restrictions on Losing RSP contact with the customer is appropriate, with the caveat that the draft amended code grants significant concessions to Losing RSPs over the original Code.

5. Some members of the CTWP believe that the solution outlined in the draft amended Code will require substantially longer than the 6-9 months envisaged, and may take instead 12-15 months to implement.

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The CTWP would therefore appreciate feedback from other parties to the Code on how long these changes would take them to implement; how the implementation of the Code could be phased to deliver some aspects sooner than others; and what other interim improvements could be made to improve the transfer process.

6. Under this proposal, a number of new notifications need to be sent to various parties, to ensure the coordination of different actions and to ensure that all parties are sufficiently informed of an End-Customer's movement between providers. However, this raises questions about how these notifications should be delivered.

   The CTWP would like feedback as to the format and timing of the notifications referenced in this document, to try and develop an industry standard for these communications. These notifications are most clearly expressed in the flow charts provided in Annexure 1 & 2 of the draft amended Code.

Summary

The CTWP believes that the draft amended Customer Transfer Code is a solid step forward for the New Zealand telecommunications industry. The amendments that are proposed meet the majority of the concerns raised by industry participants, and deliver improvements in a relatively timely and cost-effective manner.

On that basis, the CTWP would appreciate understanding your perspective on the merits of the various amendments, and your thoughts on the various questions above. We encourage you to attend one of the scheduled workshops and to make a submission on the draft Code.

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Appendix 1 – Other Solutions Considered for the Customer Transfer Code

The TCF CTWP identified and analysed the following high-level solutions for delivering to the key issues, in accordance with the methodology outlined in the consultation letter.

	Description	Pros	Cons
Telecom Wholesale USID Proposal	As raised via the Dialogue process in October 2008. Proposed developing an industry standard Unique Service Identifier (USID) to allow all parties a common frame of reference when undertaking customer transfers. (Note that the this solution was primarily considered by the working party via the next three separate proposals – Customer Responsible for Supply Chain Information; LRSP Responsible, and Restricted).	Clear industry standard for communicating information between providers	Methods of actually delivering an improved customer transfer process and code had not been fulsomely considered. Split into three options for consideration of how to implement – Customer Responsible; LRSP responsible, and Restricted. Please see these options (detailed below) for these evaluations.

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Customer Responsible for Supply Chain Information	Customer responsible for providing the supply chain information to action the transfer. Customer provided with supply chain information by having it printed on their bill.	Quick reference with other LSP details Onus is mainly on the customer to provide correct info with their request Correct information provided right at the outset of the transfer request Potential for better timings No last minute surprise Empowers the customer – gives customer more control	Different services Split Services Length of the supply chain information Commercial issue with LRSP (Losing Retail Service Provider) supply chain being exposed to GRSP (Gaining Retail Service Provider) Management of the information (new service, new Wholesaler, …) Requirement for an industry agreement on the list of "wholesale services" No insurance of streamline process, only answers the "data issue" but not the 'how' issue. Timing for implementation Potential costs for providers Restricts providers on how they can market or present information on their customer invoices. Redevelopment of invoices
LRSP Responsible for Supply Chain Information	LRSP responsible for notifying GRSP of the appropriate supply chain information to action transfer. Customer not aware of supply chain information –	No customer involvement Data provided by the "player" (LRSP) who has the best knowledge of the current end to end Chain of supply No customer's responsibility	What to provide Management of internal processes/tasks Incorrect info – ownership Doesn't address problems

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		involved	Relies on the LRSP only who has no incentive to process the customer request in a timely manner Service Provider must update internal systems to maintain this information How can the GRSP tell the LRSP which customer to get information for without having it in the first place? Depending on how done, privacy concerns? If the customer is not aware of the supply chain information then how would data match happen? Timing for implementation of the new process Potential costs for providers
Supply Chain Information Restricted	All providers DO NOT have full visibility of supply chain information Customer not aware of supply chain information – LRSP responsible for correctly ascertaining which service to be relinquished based on information provided by GRSP. ANP (Access Network Provider) acts as 'clearing house' matching GRSP and LRSP requests.	Easy for both Service Providers. No customer involvement Data provided by the "player" (LSP) who has the best knowledge of the end to end Chain of supply	Relies heavily on good coordination/ communication within the Chain of Supply Potential for confusion/push back between all players involved in the process As per item 2, no one can see the supply chain information so how do you match services provided the customer? Timing for implementation of the new process Potential costs for providers All costs and responsibilities pushed on to the ANP
Retain Status Quo	No industry wide standard definition of	Workable. No changes required.	Same as per today.

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	supply chains in use. All actions will have to be coordinated via customer verified information and account numbers as they are currently.	No costs	Customer impact – high rejects Does not address the issue raised re the "data" to be provided to ensure seamless transfer Problems with email as the transport mechanism will stay the same Solves no problems
IPMS Type Centralised System	An online central system (perhaps expanding the current IPMS system) to manage Customer Transfers. If the concept of supply chain information is removed, what information would the centralised system need to contain? E.g. Dependent on security of access around of data. Authentication of data. *Notifications and audit logs Ability to view mechanics ie: copper pairs Hierarchy service information ASID and service on the ASID	Carrier and service provider combined in central view. Known application Independent management Streamline process Very similar to porting so should be transparent for the end user No missing requests (in theory) Confirmation of billing cessation once transfer is completed	Development of new application costs Costs for smaller providers Timing for the implementation of the solution Allocation of setup costs, commercially could be difficult to reach industry agreement
Customer has to get a 'certificate' from the LSRP	This certificate is to confirm that the Customer can be released and move and would include chain of supply	Timings: could mean Service Level timeframes are reduced, improving	Customer lose certificate

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	information required by GSP to affect a transfer.	the customer experience Minimal costs Implementation could be quick Accurate data set Provides customer with clear information on their obligations to LSP Less rejects for orders as information should match	No ease of transfer Cost to support. Potential for LRSP to retain customers Code's provisions need to be reviewed to tight up the obligations of the LRSP Bad experience for the customer. Will greatly lengthen time it takes to transfer a customer as other methods of certificate delivery will be required if the end customer does not have email or fax. Does not solve issue of dealing with multiple providers. Would a virtual ISP, who is consuming from another DSL Service Provider, know who the NAP is at the end of the chain?
LSRP responsible for providing the information to the GSP.	Losing Service Retail Provider is responsible for providing a correct and full-set of information to the GSRP in a timely manner to facilitate a customer transfer, based on industry mandated standards of what information is required and how it must be transmitted.	Accurate data set Good for the Customer Similar to solution 6 but without the customer in the middle Minimal cost to implement. Potential for LRSP to retain customers could be circumvented by enforced standards	Potential for LRSP to retain customers Does not solve the 'how do SPs communicate with each other' issue
"THIN" Centralised	Rather than trying to build a thick registry that contains all the necessary	Privacy issues addressed in	Development time and costs

Service Registry combined with Service Audit	information for GSP may need to determine their requirements for a customer transfer, a "thin" model could be developed which contains sufficient information to determine whether the is any 'complexity', and which service providers that they need to contact to coordinate a transfer.	comparison to other proposals Clarification of who provides service (helpful in the case of resellers where there is confusion over who the service is provided by) Eliminates email issue	Ongoing maintenance required. Complex

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