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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Administering of the North American Numbering Plan	)	CC Docket No. 92-237
	)	Phase Two

REPLY COMMENTS OF THE

AMERICAN PUBLIC COMMUNICATIONS COUNCIL

The American Public Communications Council ("APCC") hereby replies to the comments submitted in Phase Two of these proceedings, in response to the Commission's Notice of Inquiry, FCC 92-470, released October 29, 1992.

The comments reflect widespread industry concern about the costs and inconvenience that would be caused by an expansion of the format for feature group D access codes from 10XXX to 101XXXX. Most of the local exchange carriers ("LECs") who commented indicated that this expansion would require complex technical changes and would be very expensive to complete. According to the United States Telephone Association ("USTA"):

> FGD expansion will impact all areas of the exchange carrier network provision of equal access, including switching systems, database systems, operator services systems, signaling systems, billing systems and operational support systems. Software changes will be required in every switch and hardware changes will be required in many. Some of the switches which currently provide equal access will require only modest upgrades. However, others will require extensive modifications. Some vendors have not provided information on whether their switches can be modified to process a four digit CIC. In a number of cases, the switch may have to be replaced. Translation changes will be required for every subscriber line and every access trunk group. Support

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> systems used to process access service requests and the carrier access billing system will require upgrades.

USTA at 10-11. USTA goes on to state that "[e]ven a conservative estimate of the switching related costs for the exchange carrier industry will put the cost in the billions of dollars." Id. at 11. Individual LECs estimate their individual costs as high as $130 million. NYNEX at 4. For the smaller LECs and their rate payers, the costs of FGD expansion loom particularly large in relation to their revenues. According to the National Telephone Cooperative Association ("NTCA"), "[t]hese changes have the potential for an extraordinary expense to the industry . . . ." NTCA at 2. Almost all the large LECs urge the Commission to authorize exogenous treatment of the costs. Thus, all the billions of dollars incurred by LECs to implement 101XXXX will be passed on to end users.

Moreover, the costs entailed by FGD expansion are by no means limited to LECs. As the Ad Hoc Telecommunications Users Committee ("Ad Hoc") notes, the Commission must recognize and consider the costs that would be incurred by other entities. Ad Hoc at 35. Costs would be incurred by every "aggregator" (hotel, motel, hospital, university, etc.) and independent public payphone operator subject to the Commission's operator service access rules, as well as the manufacturers, distributors and retailers who supply these entities with equipment. Many payphone owners and other aggregators may be required to replace their equipment completely, at a cost of hundreds of dollars per telephone. See Comments of

APCC; Intellicall; North American Telecommunications Association ("NATA").

In this regard, the comments of APCC, Intellicall, and NATA all highlight the fact that FGD expansion is unlike other numbering plan decisions. Most of the time, customer premises equipment ("CPE") "compliance" with numbering plan changes is not compelled by law but is left to marketplace forces. In the case of FGD access codes, however, the Commission has intervened to impose regulatory requirements on a significant class of CPE customers -- those fitting the Telephone Operator Consumer Service Improvement Act's ("TOCSIA") definition of "aggregator." 47 U.S.C. § 226; 47 CFR § 64.704(c). A specific schedule of regulatory deadlines has been imposed on payphone owners and other aggregators for conversion of their CPE to 10XXX capability. Id. While no deadlines have been set at this time for conversion of CPE to 101XXXX capability, it can be expected that the Commission will feel pressure to impose such deadlines if an expansion to 101XXXX access is approved. As explained in APCC's and NATA's comments, most of the CPE currently in-place lacks the capability to process 101XXXX access codes, and even much of the equipment currently being manufactured lacks this capability. Therefore, payphone owners and other equipment owners face the prospect of massive and costly retrofitting or replacement of CPE if 101XXXX access codes capabilities are required in the 1995-97 time frame apparently being contemplated.

In light of the massive costs, consumer inconvenience, and technical complexities involved, it is important to note that support for FGD expansion among the commenting parties is lukewarm at best. None of the commenters appears enthusiastic about the prospect of 101XXXX access codes. Most of those supporting FGD expansion rely solely on the argument that "the industry is already committed" to FGD expansion because "there is no alternative." Actually, however, there are plenty of alternatives, as explained in comments filed by, inter alia, Ameritech (at 6-7), Bell Atlantic (at 3-4), Ad Hoc (at 36-37), Centel (at 4), Intellicall (at 3-4), APCC (at 6-8). The more accurate statement is that the industry could not agree on an alternative. This may not be surprising, since agreeing to an alternative might have required some IXCs to give up some of their excess three-digit codes. The result, however, is that the industry has chosen a "solution" that requires everyone ultimately to give up their codes, while imposing massive costs and inconvenience on equipment owners and end users.

Thus, even if it were otherwise appropriate in this context for the Commission to defer to a decision made by a private sector entity, it is apparent here that the private sector decision-making process has gone awry. But in any event, it is not appropriate for the Commission to defer to the private sector on this particular numbering plan issue. In enacting TOCSIA, Congress made clear that it is up to the Commission to approve future access codes, and to develop policies for the implementation of code recognition capabilities in CPE:

> The Commission should develop and implement policies to ensure that equipment is designed to recognize future access codes approved by the FCC within a reasonable amount of time.

S. Rep. No. 439, 101st Cong., 2d Sess. 19 (1990). Therefore, it is incumbent on the Commission to make its own evaluation of what is in the public interest.

Before making any decision on FGD expansion, the Commission should require Bellcore to disclose how many interexchange carriers ("IXCs") have demonstrated that they actually use a carrier identification code for equal access purposes. This will tell the Commission how many codes would be needed if FGD codes were limited to one per carrier, and limited to interexchange carriers who actually use FGD access.* Bellcore should be required to categorize the remaining codes as (1) codes held by IXCs for non-equal access purposes (e.g., feature group B access, billing and collection, identification); (2) extra codes held by IXCs who have more than one code; (3) codes held by nonIXCs (LECs, enhanced service providers, or end users).

APCC believes that the result of this classification will show that there is no actual shortage of FGD codes if those codes are limited to the purpose for which they were created -- the provision of equal access to IXCs. The Commission should rule that the three-digit codes will be so limited, and that any entity who wants more than one carrier identification code, or wants a code for purposes other than equal access, should use a four-digit code.

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* With "sectorization," however, the number of codes needed could be reduced even more.

It is APCC's understanding that four-digit codes will soon be available for such other purposes, as the result of Feature Group B expansion. The Commission should require that three-digit codes which are not needed for non-equal access purposes be reclaimed as necessary to ensure that sufficient three-digit codes are available for equal access purposes.

If the Commission does decide to approve the expansion of Feature Group D, the Commission must act to limit the cost impact on the thousands of payphone owners and other equipment owners who may be required by law to retrofit or replace existing CPE. As Congress has directed it to do, the Commission must provide a "reasonable amount of time" to ensure that equipment is designed to recognize the 101XXXX codes. In addition, if the Commission intends to impose a regulatory requirement on payphone owners and other "aggregators" (hotels, motels, hospitals, universities, etc.) to allow 101XXXX dialing from their new and embedded equipment, the Commission must allow a reasonable period of time for equipment owners to amortize and replace their existing equipment, most of which is not capable of recognizing 101XXXX access codes.

For all these reasons, if the Commission decides to approve an expansion to 101XXXX access codes, the Commission must provide a transition period substantially longer than the 18 months proposed by Bellcore. According to AT&T, at the current rate of CIC assignments, there is no reason why the transition period could not last as long as 12 years. AT&T at 9. A 12-year transition period would allow payphone owners and other CPE owners to avoid

the prohibitive costs involved in prematurely retiring equipment well in advance of the end of its useful life. The Commission should direct Bellcore to implement appropriate code assignment restrictions and reclamation procedures, as discussed above, to the extent necessary to ensure a reasonable transition period for all parties, including payphone owners.

Respectfully submitted,

Albert H. Kramer
Robert F. Aldrich
Keck, Mahin & Cate
1201 New York Avenue, N.W.
Penthouse Suite
Washington, D.C. 20005-3919
(202) 789-3401

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Attorneys for American
Public Communications Council