



Office of the Attorney General  
State of Texas

December 15, 1998

DAN MORALES  
ATTORNEY GENERAL

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Ms. Magalie R. Salas  
Office of the Secretary  
Federal Communications Commission  
The Portals, 12<sup>th</sup> Street Lobby, TW-A325  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Re: In the Matter of Petition for Declaratory Ruling and Request for Expedited Action on July 15, 1997 Order of the Pennsylvania Public Utility Commission Regarding Area Codes 412, 610, 215 and 717, NSD File No. L-97-42, CC Docket No. 96-98

Dear Ms. Salas:

Enclosed for filing in the above-referenced matter are the original and fourteen copies of a Petition For Reconsideration By The Public Utility Commission of Texas.

Please file stamp and return the additional copy of the instrument in the enclosed self-addressed and postage paid envelope.

Thank you for your assistance in this matter.

Sincerely yours,

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Enclosures

cc: Thomas S. Hunter, PUC  
All counsel of record  
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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of:	)	
	)	
Petition for Declaratory Ruling and	)	
Request for Expedited Action on	)	NSD File No. L-97-42
July 15, 1997 Order of the Pennsylvania	)	
Public Utility Commission Regarding	)	
Area Codes 412, 610, 215 and 717	)	
	)	
	)	
Implementation of the Local	)	
Competition Provisions of the	)	CC Docket No. 96-98
Telecommunications Act of 1996	)	
	)	

**PETITION FOR RECONSIDERATION BY  
THE PUBLIC UTILITY COMMISSION OF TEXAS**

On September 28, 1998, the Federal Communications Commission ("FCC") issued its Memorandum Opinion and Order and Order on Reconsideration ("Order" or "FCC Order")<sup>1</sup> regarding the July 15, 1997, Pennsylvania Public Utility Commission ("Pennsylvania Commission") order concerning area codes 412, 610, 215, and 717. The Public Utility Commission of Texas ("PUCT") respectfully requests that the FCC reconsider and/or clarify its Order relating to the delegation of authority on numbering issues to the states. Specifically, the PUCT requests that the FCC reconsider paragraph 24 of the Order

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<sup>1</sup> *Memorandum Opinion and Order and Order on Reconsideration* (Order), NSD File No. L-97-42 and CC Docket No. 96-98, September 28, 1998.

and delegate to the states the authority to order the return of NXX codes in certain circumstances. Additionally, the PUCT requests the FCC to reconsider paragraph 31 of its Order regarding the types of number conservation measures, if any, that must be submitted to the FCC for approval.

## **I. BACKGROUND**

The depletion of numbering resources in recent years has been significant. States have been required to make difficult decisions to address the ever-increasing exhaust of available numbers. Public response to area code relief ranges from mere frustration to outright hostility. The PUCT believes that it would be instructive for the FCC to understand the particular numbering resource demands confronted by Texas over the last several years as well as the PUCT's response to them.

Because of the explosive growth in many of its major cities, Texas citizens have endured many area code changes in the last few years. Since 1996, the PUCT has ordered the implementation of area code relief in all seven of Texas's defined metropolitan areas-- Dallas, Fort Worth, Houston, San Antonio, Waco, Austin and Corpus Christi. From 1947 through 1996 only five area codes were added in Texas. However, from 1996-1998 the PUCT has authorized the addition of nine new area codes.<sup>2</sup> Stated another way, it took just over forty years (1947-1990) to double the number of area codes necessary to serve the

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<sup>2</sup> Three of these nine new area codes (832 for Houston, 469 for Dallas and 361 for Corpus Christi) will actually be implemented in 1999.

population of the state. In just nine short years (1990-1999) the number of area codes in Texas will have more than doubled again.

### **NPA Relief Measures in Texas**

#### **Dallas and Houston**

On July 20, 1995, in response to complaints regarding the overlay plan for Dallas and Houston proposed by Southwestern Bell Telephone Company (SWBT), the PUCT initiated PUCT Docket No. 14447. After extensive hearings, the Administrative Law Judge (ALJ) recommended a geographic split of 214 (Dallas) and an overlay in 713 (Houston). The PUCT subsequently held a series of public meetings in Dallas and Houston in February 1996. After consideration of the public comments, the PUCT recommended geographic splits for Dallas and Houston with the addition of wireless overlays in both areas. The wireless overlay order was appealed by a Competitive Local Exchange Carrier (CLEC) to the Texas Number Administrator and the FCC ultimately rejected wireless overlays as anti-competitive and discriminatory pursuant to the *Ameritech* order.<sup>3</sup> Consequently, only the geographic splits were implemented. At that time, Bellcore prohibited issuance of more than one relief code at a time, allowing only 2-way splits of area codes. After numerous contentious public hearings, the PUCT ultimately approved doughnut-style geographic splits<sup>4</sup>

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<sup>3</sup> *Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech-Illinois*, 10 FCC Rcd. 4596 (1995).

<sup>4</sup> Under this form of relief, the PUCT created two NPAs with one central area ("doughnut-

for both Dallas and Houston. The Dallas split was effective on September 14, 1996, and the Houston split became effective on November 2, 1996.<sup>5</sup>

Within months of the implementation of the new area codes in Dallas and Houston, the Texas Number Administrator informed the PUCT that the new area codes were going to exhaust before the end of 1998. Jeopardy plans were agreed upon by the industry and were implemented in Dallas in May, 1997 (less than 10 months after relief) and in Houston in October, 1997 (11 months after relief).

After aggressive number conservation efforts failed to stall the exhaust, the industry filed a consensus recommendation on NPA relief for the Dallas and Houston areas in April 1998. By order issued on July 10, 1998, the PUCT approved the industry recommendation for additional area code relief for the Dallas and Houston areas. For Dallas, the PUCT approved the erasure of the geographic boundary between the 214 and 972 area codes creating an all-services overlay with mandatory 10-digit dialing effective on December 5, 1998. The PUCT also approved the addition of another all-services overlay to be implemented in the Dallas 214/972 overlay area effective July 16, 1999. For Houston, the

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hole”) surrounded by another “doughnut” area.

<sup>5</sup> Order, March 13, 1996, PUCT Consolidated Docket No. 14447--*Petition of MCI Telecommunications Corporation for an Investigation of the Practices of Southwestern Bell Telephone Company Regarding the Exhaustion of Telephone Numbers in the 214 Numbering Plan Area and Request for a Cease and Desist Order (cont'd) Against Southwestern Bell Telephone Company and Petition of the Office of Public Utility Counsel for an Investigation of the Practices of Southwestern Bell Telephone Company Regarding the Exhaustion of Telephone Numbers in the 713 Numbering Plan Area and Request for a Cease and Desist Order Against Southwestern Bell Telephone Company*. A copy of this order is included herein as Attachment 1.

PUCT authorized implementation of an all-services overlay coincident with the erasure of the geographic boundary between the 713 and 281 area codes effective on January 16, 1999. Upon learning that it was the industry number assignment practices, and not a lack of unused telephone numbers, that was causing the new area codes to exhaust so soon, the PUCT decided to ask the industry to examine methods of conserving central office (NXX) codes.

#### Fort Worth and San Antonio

PUCT Docket No. 15342 was initiated on February 8, 1996 to develop area code relief plans for the 817 (Fort Worth) and 210 (San Antonio) NPAs, to establish guidelines for area code relief and examine number conservation measures. Shortly thereafter the PUCT approved the first 3-way NPA splits in the country for 817 (to add 940 and 254), which became effective on May 25, 1997, and 210 (to add 956 and 830) which became effective on July 2, 1997.

#### Austin/Corpus Christi

Most recently, the PUCT authorized the split of the 512 NPA on November 19, 1998. Effective February 1999, the Austin LATA will retain the 512 NPA and the Corpus Christi LATA will receive the new 361 area code. However, this relief in the high growth area of the Austin LATA is expected to last only until 2004, when further area code relief will be required. The next relief in the Austin LATA will be in the form of an overlay which will require mandatory 10-digit dialing.

## **Number Conservation Measures Implemented in Texas**

Due to the repeated NPA relief efforts required for Dallas and Houston, the PUCT has actively explored and implemented several number conservation measures in an effort to forestall additional area code relief.

In an early attempt to preserve the maximum number of thousand number blocks for number pooling, the PUCT issued an order requiring all code holders to assign numbers from one 1000 number block within an NXX until 80-90 percent of the numbers within that block have been assigned, BEFORE beginning assignment of numbers from another 1000 block within that NXX.<sup>6</sup>

With the realization that industry number assignment practices were at least partially responsible for the rapid area code exhaust in Texas, the PUCT on September 12, 1997, created the Texas Number Conservation Task Force (TNCTF) to evaluate number conservation measures and recommend measures to be implemented for the Dallas, Houston and Austin/Corpus Christi areas.<sup>7</sup> The TNCTF was directed to review number conservation

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<sup>6</sup> Order Approving Sequential Number Assignment, September 12, 1997, issued in Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*. A copy of this order is included herein as Attachment 2.

<sup>7</sup> Order Empowering the Texas Number Conservation Task Force, September 12, 1997, issued in Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*. A copy of this order is included herein as Attachment 3.

measures for the State of Texas, including but not limited to rate center consolidation, number pooling, transparent overlays, and number administration procedures. In December 1997, the TNCTF Report was filed with the PUCT and included recommendations on these measures.<sup>8</sup>

In January 1998, the PUCT created the Number Conservation Implementation Team (NCIT).<sup>9</sup> This group, consisting of representatives of the industry and the public, meets regularly to address number conservation and area code relief issues. The charge of the NCIT is to develop a plan for number pooling and associated cost recovery, monitor the effect of each number conservation measure on the availability of NXX codes, monitor the implementation of rate center consolidation and monitor the development and implementation of a special rate center in the 972 NPA for wireless NXX assignments with the calling characteristics of the Grand Prairie rate center (also in the 972 NPA).

The TNCTF and NCIT have been very successful in reaching consensus on a variety of number conservation measures. As a result of the TNCTF report, the PUCT ordered rate center consolidations in Dallas, Houston and Austin.<sup>10</sup>

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<sup>8</sup> Texas Number Conservation Task Force Report, (hereafter "TNCTF Report") filed December 31, 1997, in Project No. 18438, *Number Conservation Measures in Texas*. A copy of the TNCTF Report (without attachments) is included herein as Attachment 4.

<sup>9</sup> Order No. 1, January 20, 1998, issued in PUCT Project No. 18438, *Number Conservation Measures in Texas*. A copy of this order is included herein as Attachment 5.

<sup>10</sup> *Id.*

Rate center consolidation reduces code requirements in areas where new entrants have NXX assignments, but service has not yet been activated. In Houston, 25 rate centers were consolidated to 15; in Dallas, 18 rate centers were consolidated into 4, and in Austin, 15 rate centers were consolidated into 2 by May, 1998.

As part of its order on rate center consolidation, the PUCT also ordered code holders to return all vacant, unused NXX codes in the 972, 713 and 281 NPAs to the number administrator for reassignment.<sup>11</sup> Code holders were permitted to seek good cause exceptions to this requirement. As a result of these rate center consolidations, 77 NXX codes were returned in five NPAs for future use by other service providers. Fifty-one of these NXXs were returned as a result of the PUCT's order mandating return of vacant, unused codes while the remaining 26 codes (for the 214 and 512 NPAs) were returned voluntarily by code holders.

**Code return breakdown in Texas as a result of rate center consolidation:**

214 NPA - Dallas	12
972 NPA - Dallas	16
281 NPA - Houston	30
713 NPA - Houston	5

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<sup>11</sup> *Id.* at 5.

77 total NXX codes returned

While the return of these NXX codes did not eliminate the need for relief in NPAs nearing exhaust, it did relieve some of the pressure on these NPAs. More importantly, the return of NXX codes assures those affected most by area code relief, telephone subscribers, that service providers are not holding empty NXX codes while subscribers endure the pain of repeated NPA changes.

Continuing efforts to conserve NXXs and delay the need for further NPA relief, the NCIT recommended additional rate center consolidations for Fort Worth and San Antonio. The PUCT adopted the recommended consolidations on July 10, 1998.<sup>12</sup> Effective September 13, 1998, Fort Worth rate centers were consolidated from 20 to 9 and San Antonio rate centers were consolidated from 29 to 1. As part of this order, the PUCT requested codeholders to voluntarily return all but one of their unused codes in these NPAs. The Texas Code Administrator has concluded that the rate center consolidation in San Antonio will extend the life of the 210 area code by two (2) years.

The NCIT also proposed what it has termed a “virtual pooling trial” to assess the effectiveness of number pooling. As part of this virtual pooling trial, the PUCT and the NCIT developed a data request designed to gather data concerning NXX utilization,

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<sup>12</sup> Order No. 5, July 10, 1998, PUCT Project No. 18438, *Number Conservation Measures in Texas*. A copy of this order is included herein as Attachment 6.

forecasted requirements, actual telephone activation information, and service order information in eight (8) Texas NPAs.<sup>13</sup> The PUCT staff is aggregating and evaluating the data for future analysis by the NCIT with the expectation that the NCIT can determine the real-life impacts of thousands block number pooling in those NPAs without actually going to the expense of a manual trial.

The PUCT has also been very active in the national number conservation efforts of the Numbering Resource Optimization Working Group (NRO-WG), including active participation in the State Issues Task and the Analysis Task Force.

The PUCT submits that state-initiated conservation measures such as those described above can and should continue to play a significant role in advancing the industry toward more efficient number utilization in the years ahead. The PUCT is concerned that the Order in this case may unnecessarily constrain state commission number conservation efforts and urges the FCC to reconsider and/or clarify certain portions of its Order.

## **II. DISCUSSION**

The FCC Order in this proceeding is ostensibly intended to address particular area code relief measures ordered by the Pennsylvania Commission. Specifically, the Order addresses the transparent area code overlays, number pooling plan and NXX code rationing

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<sup>13</sup> The NPAs included in the virtual pooling trial are as follows: 210 (San Antonio), 409 (Beaumont/Port Arthur area), 817 (Fort Worth), 214/972 (Dallas), 512 (Austin/Corpus Christi) and 281/713 (Houston).

plan for the 215, 610 and 717 area codes in the July 15, 1997, order issued by the Pennsylvania Commission.<sup>14</sup> Because the problems confronted by the Pennsylvania Commission are similar to the problems facing other states, the FCC used this order “to provide guidance to state commissions as they make decisions on area code relief.”<sup>15</sup> However, the “guidance” provided in the Order with respect to number conservation measures is not entirely clear. On the one hand, the FCC encourages states to develop innovative approaches to number conservation.<sup>16</sup> On the other hand, the Order may be read as restricting such efforts by requiring FCC approval of *any number conservation measures* prior to implementation.<sup>17</sup> The PUCT submits that state commissions are in the best position to determine when and how to implement number conservation measures for the benefit of customers in their respective states.

Even assuming that certain conservation measures should be applied on a national basis, the instant proceeding is not the appropriate forum to make that determination. The proper forum to address the FCC’s broader concerns on number conservation issues is in the proceeding initiated to consider the NRO Report recently submitted to the Common Carrier

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<sup>14</sup> See Order at paragraph 12.

<sup>15</sup> *Id.* at paragraph 1.

<sup>16</sup> *Id.* at paragraph 31.

<sup>17</sup> *Id.*

Bureau by the North American Numbering Council (NANC).<sup>18</sup> Decisions on issues pertaining to number pooling and other number conservation measures, beyond those specifically at issue in the Pennsylvania order, should be made only after the FCC considers comments from all interested parties on the NANC report.

The PUCT's specific concerns with the Order are discussed below.

#### **Paragraph 24**

Paragraph 24 of the Order provides in part:

We clarify that state commissions do not have authority to order return of NXX codes or 1,000 number blocks to the code administrator. First, a state commission may not order such a return pursuant to a pooling trial. As discussed below, we decline to grant states the authority to order mandatory number pooling. Thus, states do not have the authority to order a return of a partial or entire NXX as part of a number pooling trial. Further, a state commission may not order the return of an NXX code or a 1,000 block pursuant to a number rationing scheme implemented as part of a state-ordered area code relief plan. Such actions fall outside of the authority granted the states to initiate traditional area code relief, and would interfere with the code administrator's functioning pursuant to rules delegating to the code administrator the authority to manage the United States CO code numbering resource.<sup>19</sup>

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<sup>18</sup> On October 21, 1998, the NANC submitted a report to the Chief of the Common Carrier Bureau ("Bureau") entitled "Number Resource Optimization Group Modified Report to the North American Numbering Council on Number Optimization Methods" ("NANC Report"). On November 6, 1998, the Bureau issued a public notice requesting comments on the NANC Report. Comments are due on December 21, 1998, and are to be filed in NSD File No. L-98-134.

<sup>19</sup> Order at paragraph 24.

This portion of paragraph 24 would preclude states from ordering the return of NXX codes in the context of either a number pooling trial or as part of a “number rationing scheme” implemented pursuant to a state-ordered NPA relief plan. The PUCT submits that these prohibitions could severely constrain states from managing numbering resources efficiently. If a state is in a jeopardy situation and a service provider has excess NXX codes not necessary to meet that provider’s forecasted demand, that state should be allowed to require that service provider to return the excess NXX codes to the code administrator. States like Texas, that have conducted utilization studies, are in a much better position to judge the nature of a service provider’s need for numbering resources in that state than is the FCC. Moreover, assigning this responsibility to the FCC will almost surely result in unnecessary (and potentially harmful) delay in implementing needed relief.

States should also be given latitude in NXX code management in the area of number pooling. The Order includes contradictory statements on this issue which should be clarified. On the one hand, paragraph 24 provides that states do not have the authority to order the return of NXX codes or thousand number blocks pursuant to a pooling trial. On the other hand, in paragraph 27 of the order, the FCC encourages states to continue voluntary number pooling trials and toward that end concludes that “state commissions may order that a certain number of NXX codes in a new area code be withheld from assignment and saved for number pooling.”<sup>20</sup>

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<sup>20</sup> *Id.* at paragraph 27.

At best, the PUCT interprets paragraphs 24 and 27 as only permitting states to order return of NXX codes in the context of a voluntary pooling trial. The Order apparently precludes states from preserving uncontaminated 1000 blocks for eventual implementation of number pooling based on national standards. The PUCT submits that states should have the authority to order the return of NXX codes both as part of a number pooling trial and in preparation for the eventual implementation of number pooling based on national standards. Such authority would increase the effectiveness of any number pooling trial. Moreover, state commissions should have the authority to minimize code contamination by ordering the return of unused codes. Without such authority, it is conceivable that there could be insufficient uncontaminated codes remaining for pooling if and when it is implemented on a national basis. An area code that is near exhaust under current central office code guidelines could not benefit from number pooling unless unused, uncontaminated thousand blocks are returned to the pool. The Industry Numbering Committee's Thousand Block Pooling Guidelines require that each participating service provider contribute embedded thousand blocks to the pool that are up to and including 10% contaminated. The PUCT urges the FCC to clarify the apparently conflicting directives in paragraphs 24 and 27 consistent with the discussion above.

Another example of the need for state authority over NXX code administration is rate center consolidation. Rate center consolidation reduces the number of new NXXs necessary for new entrants to mirror the incumbent local exchange carrier's (ILEC) rate centers, thus

reducing overall demand on NXX codes. To realize the full benefits of rate center consolidation, however, codeholders should be required to return vacant, unused codes that are no longer need as a result of rate center consolidation. The PUCT's experience in this regard has been mixed. As discussed above, the PUCT ordered the return of vacant codes associated with rate center consolidations for the 972, 713 and 281 NPAs.<sup>21</sup> In response to this order, code holders returned 51 NXX codes. On rehearing, however, the PUCT amended its order to make return of NXX codes rendered unused as a result of rate center consolidation voluntary.<sup>22</sup> Code holders were "strongly encouraged to continue to return vacant, unused NXX codes whenever possible."<sup>23</sup> Notably, no code holders requested return of any of the 51 returned codes as a result of the PUCT's decision to make such return voluntary rather than mandatory.

Code holders voluntarily returned 26 NXX codes associated with rate center consolidations for the 512 and 214 NPAs.

As discussed above, the PUCT has also ordered significant rate center consolidations for Fort Worth and San Antonio which became effective in September 1998. To date, the PUCT is unaware that any NXXs have been voluntarily surrendered as a result of the Fort

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<sup>21</sup> Order No. 1, January 20, 1998, PUCT Project No. 18438, *Number Conservation Measures in Texas*.

<sup>22</sup> Order No. 3, March 13, 1998, PUCT Project No. 18438, *Number Conservation Measures in Texas*. A copy of this order is included herein as Attachment 7.

<sup>23</sup> *Id.* at 1.

Worth and San Antonio rate center consolidations. Explicit PUCT authority to mandate the return of unused NXXs resulting from rate center consolidation would significantly increase the effectiveness of rate center consolidation.

The PUCT asks the FCC to reconsider the prohibitions against state-ordered return of NXX codes outlined in paragraph 24. The PUCT respectfully urges the FCC to specifically delegate to the states the authority to order the return of NXX codes in preparation for or implementation of number pooling and to order the return of NXX codes that are no longer required as a result of rate center consolidation.

### Paragraph 31

Paragraph 31 of the Order states:

We are very interested in working with state commissions that have additional ideas for innovative number conservation methods that this Commission has not addressed, or state commissions that wish to initiate number pooling trials the implementation of which would fall outside of the guidelines we adopt in this Order. We therefore encourage such state commissions, prior to the release of any order implementing a number conservation plan or number pooling trial, to request from the Commission an additional, limited, delegation of authority to implement these proposed conservation methods, comparable to the authority we are granting to Illinois in this Order. Because of the NANC's broad industry representation and the subject-matter expertise of its members, the Commission will seek a recommendation from the NANC on the proposed conservation method that a state commission presents. We encourage state commissions to present their proposals to the NANC first. If a proposed conservation method will conserve numbers and thus slow the pace of area code relief, without having anti-competitive consequences, we will consider delegating additional authority to state commissions to use the conservation method. We direct the Chief, Common Carrier Bureau, to make this determination, consistent with the authority we have delegated to the Common Carrier Bureau to determine whether area code relief plans are

consistent with our regulations by acting on petitions filed by parties wishing to dispute proposed area code plans. We direct the Chief, Common Carrier Bureau, to consult with other Bureaus within the Commission, for example, the Chief, Wireless Telecommunications Bureau, when necessary to determine the potential ramifications on a particular industry segment of a proposed conservation method.<sup>24</sup>

The PUCT requests the FCC to clarify the meaning of the term “conservation method” as used in paragraph 31 of the Order. It is unclear from the Order in this case which, if any, number conservation measures state commissions may undertake on their own and which require FCC approval. Based on its overall reading of the Order, the PUCT does not believe the FCC intended to require state commissions to seek FCC approval before implementing *any* number conservation measure. Such a requirement would be inefficient, unduly burdensome and inconsistent with the purposes of the Telecommunications Act of 1996.

The FCC acknowledges that state commissions have a “unique familiarity with local circumstances.”<sup>25</sup> As such, state commissions are in the best position to determine whether and when number conservation measures should be implemented. The PUCT agrees with the FCC that number conservation measures should not be used as a means of avoiding difficult decisions on needed area code relief.<sup>26</sup> But, state commissions should not be prohibited from implementing number conservation measures that can reasonably postpone burdensome and disruptive area code relief plans.

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<sup>24</sup> Order at paragraph 31 (emphasis added).

<sup>25</sup> *Id.* at paragraph 9.

<sup>26</sup> *See Id.* at paragraph 25.

The FCC concludes that “substantial social and economic costs would result if the uniformity of the North American Numbering Plan were compromised by states imposing varying and inconsistent regimes for number conservation and area code relief.”<sup>27</sup> However, the Order fails to explain or support this sweeping conclusion. The Pennsylvania order addressed only transparent overlays, number pooling, and an NXX rationing plan.<sup>28</sup> The FCC’s overly broad conclusion regarding number conservation measures in general goes well beyond the specific issues presented in this case. The FCC has not articulated a clear distinction between state conservation measures that need FCC review and conservation measures that do not. The PUCT submits that FCC review of each and every state-initiated conservation method would be inefficient, unduly burdensome and inconsistent with the underlying purposes of the Telecommunications Act.

The instant proceeding is not the proper forum to implement broad restrictions on state commission number conservation efforts. Fairness and due process dictate that state commissions (and other interested parties) be given a meaningful opportunity to express their views on these issues. The appropriate forum in which to consider the restrictions imposed by paragraph 31 is in a proceeding initiated to specifically consider such restrictions such as the pending FCC proceeding (NSD-File No. L-98-134) to consider the NANC report on number optimization. The NANC has concluded that “number pooling is in the public

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<sup>27</sup> *Id.* at paragraph 21.

<sup>28</sup> *Id.* at paragraph 12.

interest and that national guidelines for number pooling architecture, implementation and administration are appropriate.”<sup>29</sup> In response to the NANC report, the FCC is expected to initiate rulemaking to develop national standards on number pooling.<sup>30</sup> The FCC's intentions regarding the other number conservation measures discussed in the October 21, 1998 NANC report are less clear. In its public notice of the NANC report, the FCC stated, “[w]e seek comment on the advisability of adopting nationwide standards for certain numbering resource optimization measures, as well as whether certain measures should be implemented on a regional or state-by-state basis rather than nationwide.”<sup>31</sup>

Because of the present uncertainty surrounding national number pooling standards as well as the treatment of other number conservation measures, the PUCT urges that the FCC reconsider whether its approval of state-initiated number conservation measures is necessary. If it is, then the PUCT requests that the process for FCC approval of state-initiated number conservation measures outlined in paragraph 31 of the Order be limited to the particular measures which were the subject of the Pennsylvania Order. In the alternative, the PUCT requests the FCC to clarify paragraph 31 to specify which number conservation measures state commissions may implement without FCC approval and which measures are subject to the approval procedure outlined in paragraph 31.

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<sup>29</sup> Order at paragraph 22, note 79.

<sup>30</sup>*Id.*

<sup>31</sup>Public Notice DA-98-2265, seeking public comment on NSD File No. L-98-134 at 9 (November 6, 1998).

### **III. REQUEST FOR RELIEF**

The PUCT respectfully requests reconsideration and/or clarification of the Order as follows:

1) Reconsider the Order relating to the delegated authority of the states to require the return of unused codes or blocks to the administrator. Specifically:

(a) Reconsider and/or clarify the apparently contradictory directives in paragraphs 24 and 27 of the Order and delegate to the states the authority to order the return of NXX codes as part of a number pooling trial and in preparation for implementation of number pooling pursuant to national standards, and

(b) Delegate to the states the authority to order the return of NXX codes that are no longer required as a result of rate center consolidation, and

2) Clarify that the process for FCC approval of state-initiated number conservation measures outlined in paragraph 31 of the Order is limited to the particular measures which were the subject of the Pennsylvania Order. In the alternative, the PUCT requests modification of paragraph 31 to specify which number conservation measures state commissions may implement without FCC approval and which measures are subject to the approval procedure outlined in paragraph 31.

Respectfully submitted,

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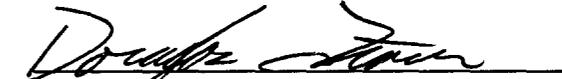
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CERTIFICATE OF SERVICE

I certify that on this 15<sup>th</sup> day of December, 1998, a true and correct copy of the foregoing document has been sent by United States mail, postage prepaid, to all persons listed on the attached service list.

  
DOUGLAS FRASER

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**ATTACHMENT 1**

PUC CONSOLIDATED DOCKET NO. 14447  
SOAH DOCKET NO. 473-95-1003

PETITION OF MCI §  
TELECOMMUNICATIONS §  
CORPORATION FOR AN §  
INVESTIGATION OF THE PRACTICES §  
OF SOUTHWESTERN BELL §  
TELEPHONE COMPANY REGARDING §  
THE EXHAUSTION OF TELEPHONE §  
NUMBERS IN THE 214 NUMBERING §  
PLAN AREA AND REQUEST FOR A §  
CEASE AND DESIST ORDER AGAINST §  
SOUTHWESTERN BELL TELEPHONE §  
COMPANY §

BEFORE  
THE PUBLIC UTILITY  
COMMISSION OF TEXAS

PETITION OF THE OFFICE OF PUBLIC §  
UTILITY COUNSEL FOR AN §  
INVESTIGATION OF THE PRACTICES §  
OF SOUTHWESTERN BELL §  
TELEPHONE COMPANY REGARDING §  
THE EXHAUSTION OF TELEPHONE §  
NUMBERS IN THE 713 NUMBERING §  
PLAN AREA AND REQUEST FOR A §  
CEASE AND DESIST ORDER AGAINST §  
SOUTHWESTERN BELL TELEPHONE §  
COMPANY §

BEFORE  
THE PUBLIC UTILITY  
COMMISSION OF TEXAS

**ORDER**

This Order requires (1) the creation of second area codes in the Dallas and Houston metropolitan areas, pursuant to a geographic split of the areas encompassed by current area codes, and (2) the future creation of third area codes, to be assigned only to wireless carriers in each of the two metropolitan areas. The Proposal for Decision (PFD), containing findings of fact and conclusions of law, is adopted and incorporated by reference into this Order, except to the extent specified by this Order or inconsistent with this Order. Those findings of fact (FoFs) and conclusions of law (CoLs) from the PFD adopted and incorporated into this Order appear

together with modified and new findings of fact and conclusions of law in Section III of this Order. The changed, added, and deleted FoFs and CoLs are as follows:

Changed FoFs: 3, 18, 22, 26-28, 30, 31, 33, 36-38, 40, 46-50, 53, 54-57, 59, 61, 64, 69, 70, 73, 74, 78, 79, 81, 85, 91-95, 97, 98-100, 103, and 105.

Added FoFs: 39a, 50a, 50b, 53a, 95a, 97a, 100a, 100b, 103a-103g, 104a-104j, 106a, and 106b.

Deleted FoFs: 10, 41-45, 65-67, 71-72, 75-77, 80, 88-90, 96, 101, 102, 104, and 106.

Changed CoLs: 7, 9, 11, and 13.

Added CoLs: 6a (was 10), 14a, 14b, 14c (changed from part of FoF 42), 14d (changed from part of FoF 42), and 14e (was FoF 43).

Deleted CoLs: 8, 10, 12, 14, and 15.

### **I. Procedural History**

On July 20, 1995, MCI Telecommunications Corporation (MCI) filed a petition (designated Docket No. 14447) for investigation and a request for a cease and desist order against Southwestern Bell Telephone Company (SWB) concerning SWB's proposal to implement a new Numbering Plan Area (NPA) in the Dallas area through an all-services overlay on the existing 214 NPA. On August 16, 1995, the Office of Public Utility Counsel (OPC) filed a petition (designated Docket No. 14575) for an investigation of the practices of SWB regarding the exhaustion of telephone numbers in the 713 numbering plan area in Houston and for a cease and desist order against SWB. Both requests for cease and desist orders were denied, but the proceedings were consolidated into Docket No. 14447 and progressed to a hearing on the merits beginning October 9, 1995, and concluding October 18, 1995.

In open meeting on December 20, 1995, the Commission determined that additional public comment would be helpful in formulating the policies relevant to making a decision based

of the evidence in this docket. The Commission then conducted a public forum in Houston on January 8, 1996, and in Dallas on January 9, 1996. In open meeting on January 10, 1996, the Commission determined that further evidentiary proceedings were needed to address certain issues. The Commission conducted its supplemental hearing on the merits on January 23, 1996. At that hearing the Commission admitted a number of exhibits, including the stipulation dated January 22, 1996, between the North Texas Alarm Association (which initially intervened in this proceeding as the Texas Burglar and Fire Alarm Association (TBFAA)) and SWB in regard to NXX code duplication and remote call forwarding arrangements. See Attachment A.

The Commission also conducted additional public forums to gather public comment in four suburban areas of Houston on January 31, 1996, and in three suburban areas of Dallas on February 8, 1996. In open meeting on February 9, 1996, the Commission discussed the merits of this case and issued an oral ruling. As part of its oral ruling, it admitted into evidence the February 9, 1996, weekly status report filed by SWB. In open meeting on February 22, 1996, the Commission admitted the tapes and transcripts from the public forums mentioned above, as well as all correspondence and written comments filed with the Commission in this docket. The additional evidence was admitted for the limited purpose of reflecting public sentiment and opinion as expressed through individuals commenting in these proceedings, with respect to the issue of preferred NPA relief, and not for the truth of the matters asserted therein.

This Order memorializes the Commission's decision. The date of this Order, rather than the date of the Commission's oral ruling, is the relevant date for determining the date by which a motion for rehearing must be filed to comply with the Administrative Procedure Act, Tex. Gov't Code § 2001.146(a) (Vernon Pamphlet 1996).

## II. Discussion

Neither of the two offered methods for NPA relief, the geographic split nor the all-services overlay, fully satisfies every possible policy objective. The Commission is not bound by specific statutory criteria in determining which relief plan to adopt, but in addressing the NPA relief issues in this docket, the Commission had the opportunity to review the generally relevant statutory principles and to consider appropriate policy in light of public comment and other record evidence. After reviewing the record evidence, the Commission selected a plan that best meets the needs of all the affected parties, while satisfying relevant statutory principles and Federal Communications Commission (FCC) precedents relevant to NPA relief. The Commission concludes that the best plan is a combination relief plan: a geographic split for landline customers and a prospective wireless overlay.

### Landline Geographic Split

The geographic splits for landline customers (Alternative 1 for Dallas, Plan 1 for Houston) adopted in this Order are shaped like a doughnut -- most of the area in each city and a few small portions of surrounding communities will be located in the doughnut hole and will retain the current area code (214 for Dallas, 713 for Houston), while the surrounding communities and a small part of the city will be located in the doughnut ring itself and will receive a new area code (972 for Dallas, 281 for Houston). All landline customers located in the doughnut ring will have their current area code replaced with the new area code. All existing wireless customers, regardless of their location, will be allowed to keep their entire ten-digit numbers, including the area code.

### Prospective Wireless Overlay

Under the prospective wireless overlay in each metropolitan area, new wireless customers and existing wireless customers who want additional lines will be assigned a third, as-yet-

unknown area code.<sup>1</sup> Existing wireless customers will be permitted and encouraged, though, to voluntarily migrate from any of the split area codes (214, 972, 713, and 281) to the wireless NPA code to be assigned in each area.

After the date on which NXX codes are first assigned for the prospective wireless overlay, wireless carriers holding NXX codes from the prior area codes (214, 972, 713, and 281) will not be allowed to assign any further numbers from those prior area codes, regardless of the fill factor of such NXX codes. Remaining unused numbers in those NXX codes shall be returned to the NPA administrator, to the extent possible and practical: also to be returned are any numbers released by virtue of voluntary migration by wireless customers from another area code to the wireless overlay area code.

#### Relevant Criteria for Evaluating Geographic Split and All-Service Overlay

Neither PURA 95<sup>2</sup> nor the Commission's rules express specific criteria for evaluating NPA relief plans. PURA 95 does, however, provide general statutory principles which can be applied to the evaluation of NPA relief plans. PURA 95 § 3.001 recites the Legislature's encouragement of a "fully competitive marketplace" and the requirement for the Commission to "foster free market competition" and to formulate and apply new rules, policies, and principles to achieve a competitive environment, among other goals. § 3.051(a) offers similar policy statements. Under § 3.215, "A public utility may not, as to rates or services, make or grant any unreasonable preference or advantage to any corporation or person within any classification or subject any corporation or person within any classification to any unreasonable prejudice or

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<sup>1</sup> Existing wireless customers who move may or may not have to change numbers, depending on where they move and whether the customer's service is Type 1 (from a wire center where a landline carrier shares a NXX code with a wireless carrier) or Type 2 (from a tandem). Existing wireless customers with Type 1 service who move within the same wire center may keep their ten-digit number (including their "old" area code). Existing wireless customers with Type 1 service who move outside their wire center will be assigned an entirely new ten-digit number (including the new area code). Existing wireless customers with Type 2 service who change the tandem from which they are served will be assigned an entirely new ten-digit number (including the new area code).

<sup>2</sup> Public Utility Regulatory Act of 1995, Tex. Rev. Civ. Stat. Ann. art. 1446c-0 (Vernon Supp. 1996).

disadvantage.” Under § 3.217, “A public utility may not discriminate against any person or corporation that sells or leases equipment or performs services in competition with the public utility, nor may any public utility engage in any other practice that tends to restrict or impair such competition.”

The PFD set out a number of criteria which proved useful in evaluating the NPA relief plans. Two major types of plans were evaluated in the PFD -- the geographic split and the all-services overlay. In a geographic split, the exhausting NPA is split into two geographic areas, leaving the existing NPA code to serve, for example, the area with highest customer density, but assigning a new NPA code to the remaining area.<sup>3</sup> In an all-services overlay, code relief is provided by opening up a new NPA code applicable to all services and covering the same geographic area as the NPA requiring relief.

#### Benefits of Geographic Split

The following criteria are found to favor the adoption of a geographic split for the Dallas and Houston areas rather than the all-services overlay:

- Consistency with PURA 95, particularly § 3.217, which forbids practices that tend to impair or restrict competition (*see* Finding of Fact (FoF) Nos. 34-40);
- Seven-digit intra-NPA dialing under the split versus ten-digit intra-NPA dialing under the all-services overlay (*see* FoF Nos. 49-52);
- Confusion under the all-services overlay regarding geographically intermingled customer NPA number assignments, versus geographically distinct regions to enable determination of customer NPA assignment based on location under a split (*see* FoF Nos. 54-55);

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<sup>3</sup> There was debate as to whether wireless carriers and their customers should be subject to the geographic split. Ultimately, the ALJ recommended that they should not. Therefore, the PFD actually recommended a landline geographic split for Dallas.

- More positive customer response and preference for the split versus the all-services overlay (*see* FoF Nos. 56-60);
- Significant burden on new customers under an all-services overlay due to the need to explain new area code to customers, suppliers, friends, and family, and the need of businesses to counter negative implications of being a new business (as indicated by the new area code) versus no such burden on new customers under a split (*see* FoF Nos. 61-62);
- Greater competitive fairness to service providers under a split (where both existing and new providers draw from the same area code), versus the all-services overlay, (where existing providers have access to numbers from the old area code, while new providers do not, except under limited conditions that result in only limited fairness) (*see* FoF Nos. 73-80);
- Local exchange carrier (LEC) convenience is increased (*i.e.*, the amount of labor is lessened) and cost is decreased under a split versus an all-services overlay (*see* FoF Nos. 81-84); and
- Consistency with other NPA relief plans, given that all other states (except Maryland) which have considered a split and an all-services overlay have chosen the split (*see* FoF No. 97).

#### Benefits of Prospective Wireless Overlay

The prospective wireless overlay offers the following benefits: (1) an extended life span for the relief plan; (2) a decrease in the possibility of confusion regarding NPA assignment (especially if, in the early years of this overlay, existing wireless customers voluntarily migrate to the wireless area codes, which the Commission encourages); (3) overwhelming support from the affected public, as indicated by filed written comments and oral comments heard at the Commission's public forums in the Dallas and Houston areas; and (4) continued use of seven-digit dialing for intra-NPA calls.

Consistent Treatment for NPAs

The PFD recommended different NPA relief plans for the Dallas and Houston areas, primarily on the basis that the near-complete implementation of the all-services overlay compelled selection of the all-services overlay for Houston. This recommendation was made despite an evaluation which concluded that the geographic split was the preferred policy choice for both Dallas and Houston. However, after reviewing the record evidence and public comment, the Commission has determined that the premature implementation of the all-services overlay should not prohibit the implementation of the geographic split. The Commission, therefore, has determined that the same NPA relief plan should be applied in both Dallas and Houston to avoid confusion and provide freedom in both areas to adopt the broadest possible range of NPA relief plans in the future.

FCC Order Regarding Ameritech Wireless Overlay Proposal

Because the FCC has already rejected one particular wireless overlay proposal,<sup>4</sup> the Commission must examine that precedent to determine whether the prospective wireless overlay proposal for Dallas and Houston complies with federal law.

In early 1994, Ameritech proposed to overlay a new wireless 630 NPA upon the same geographical area as the then-existing 708 and 312 NPAs in the Chicago area. In July 1994, Ameritech requested approval of the plan from the Illinois Commerce Commission (ICC). In August 1994, before the ICC had completed its review of the plan, three paging companies requested a declaratory ruling from the FCC that the plan violated the Federal Communications Act<sup>5</sup> and industry guidelines. The paging companies challenged three elements of the Ameritech plan: (1) the continued assignment of 708 codes to landline carriers, while excluding wireless

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<sup>4</sup> *In re Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech - Illinois*, FCC Declaratory Ruling and Order, IAD No. 94-102, 10 F.C.C.R. 4596 (Jan. 12, 1995) (*Ameritech Order*).

<sup>5</sup> 47 U.S.C. §§ 201(b) and 202(a).

carriers ("exclusion"); (2) the assignment of numbers from the new 630 NPA to wireless carriers only ("segregation"); and (3) the requirement that numbers previously assigned to wireless carriers' subscribers be taken back ("take-back").

The FCC first determined that it had jurisdiction over numbering resources and should issue its ruling without awaiting the ICC's final ruling. At the same time, however, the FCC recognized the legitimate interests of the states in administration of the North American Numbering Plan (NANP) and therefore did not preempt state action in this area. The FCC next stated three federal policy objectives for the NANP as follows: (1) administration of the NANP must facilitate entry into the communications marketplace by making numbering resources available on an efficient and timely basis to communications service providers; (2) administration of the NANP should not unduly favor or disadvantage any particular industry segment or group of consumers; and (3) administration of the NANP should not unduly favor one technology over another.<sup>7</sup>

The FCC then found the Ameritech proposal to be deficient when measured against those three policy objectives. In particular, the FCC concluded that the exclusion, segregation, and take-back elements of the Ameritech plan violated § 201(b) (unjust and unreasonable conduct prohibited) and § 202(a) (unreasonable discrimination prohibited) of the Federal Communications Act. Underlying this conclusion was the FCC's view that the Ameritech plan would confer significant competitive advantages on the landline companies in competition with wireless companies.

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<sup>7</sup> For a relatively brief time, wireless carriers would be assigned codes from the existing 312 NPA, for implementation transition reasons.

The Commission believes that these FCC policy objectives are consistent with PURA 95 and the Commission's own policy objectives.

Commission Analysis of NPA Relief Plans under *Ameritech* Order

The Commission reads the *Ameritech* order not to have issued a blanket rejection of all wireless overlay proposals, but instead to have rejected a particular wireless overlay proposal which *unduly* discriminated on the basis of technology. Thus, for the reasons set out in Finding of Fact (FoF) Nos. 104a-104j, 105, and 106b, and in Conclusion of Law (CoL) Nos. 14a-14e of this Order, the Commission finds that the combination of a landline geographic split and a prospective wireless overlay achieves a balance of burdens on landline and wireless carriers and customers that satisfies the federal policy objectives enunciated in the *Ameritech* order and complies with §§ 201(b) and 202(a) of the federal Communications Act. The integrated plan of NPA relief adopted in this Order reflects the Commission's commitment to the principles of the *Ameritech* order. The selected approach addresses NPA issues in Texas based upon an evidentiary record which may be unique to the State, while not unduly discriminating against any particular class of carriers. On the record presented, the Commission believes it has struck "the optimal balance" among the various objectives so that the "burden associated with the introduction of the new numbering code[s] falls in as evenhanded a way as possible upon all carriers and customers affected by its introduction." *Ameritech*, 10 F.C.C.R. 4596, 4611.

The landline geographic split proposals for the 214 NPA (Alternative 1) and the 713 NPA (Plan 1) do not involve two of the three elements included in the *Ameritech* plan -- exclusion and segregation. The proposals do, however, involve the third element of the *Ameritech* plan -- take-back. They require landline carriers to take back the area code portion of the ten-digit numbers from all their existing customers receiving service in the new NPA. Those landline customers will retain their seven-digit number, but will receive a new area code.

The prospective wireless overlay for the Dallas and Houston areas requires the future exclusion and segregation of wireless carriers and customers. Exclusion and segregation will occur because telephone numbers for wireless carriers -- but no other carriers -- will be assigned exclusively from the wireless area code after the effective date of the wireless overlay. There is

no take-back for wireless carriers and customers, because assignment to the wireless overlay will be prospective only. Existing wireless customers will have the option of giving back their existing number to migrate to the wireless NPA and receive the same seven-digit number, but that choice will be voluntary rather than mandatory.

Taken together, the landline geographic split and the prospective wireless overlay provide for a sharing of benefits and burdens between landline and wireless services that do not unduly favor or disadvantage one at the expense of the other. That is, the take-back requirement for landline service is balanced by the exclusion and segregation aspects of the prospective wireless overlay.<sup>8</sup> Accordingly, the integrated NPA relief plan established by this order meets the FCC's policy objectives as stated in *Ameritech* and this Commission's policies under PURA 95.

The Commission finds that this Order's integrated relief plan satisfies the Commission's and the FCC's policy objectives better than any single split or overlay plan could. A prospective wireless overlay, by itself, would place a disproportionate burden upon wireless carriers and customers, due to its exclusionary and segregational impact. An all-services overlay poses significant anti-competitive problems, places an unreasonable burden on new customers, and has been found inferior to the geographic split. In addition, the landline geographic split's take-back for only landline carriers and customers would be an unreasonable discrimination based on technology.

Admittedly, a geographic split could be applied in a technologically neutral manner by requiring take-back as to wireless carriers and customers, as well as to landline carriers and customers. The combination of the landline geographic split and the prospective wireless

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<sup>8</sup> The take-back of landline telephone numbers is a one-time change, and telephone users will adjust to the change within a reasonably short period of time. Furthermore, the disadvantages of exclusion and segregation should diminish over time as more wireless customers are assigned to the wireless overlay and as all customers become more fully aware of the appropriate dialing patterns to call to and from devices with the wireless overlay area code. Thus the wireless overlay's competitive liability should diminish rapidly. The Commission will monitor the implementation of this NPA relief plan, and if there do in fact appear to be troublesome, lingering anticompetitive effects due to any part of the plan, the Commission will reconsider its decision.

overlay, however, satisfies policy objectives better than an all-services geographic split alone. First, the prospective wireless overlay has important NPA relief benefits, as stated earlier in this Order. Second, for NPA relief purposes, wireless services are distinguishable from landline services in at least two ways: (1) wireless devices are mobile in nature and can easily be taken across NPA boundaries, unlike landline telephones, which must remain fixed in a single NPA in order to be reached at the given telephone number; and (2) wireless devices can be served from a tandem, unlike landline telephones, which must be served from a traditional central office. Therefore, it is reasonable to differentiate between wireless service and landline service, as long as the burdens are reasonably balanced and neither type of service or technology is unduly favored or disfavored.

In summary, it is reasonable to utilize the combination of a landline geographic split (Alternative 1 for Dallas, Plan 1 for Houston) and a prospective wireless overlay in both the Dallas and Houston NPAs. The integrated relief plan will be implemented: (1) without the necessity of mandatory ten-digit local dialing; (2) with less consumer confusion; (3) without unreasonable competitive discrimination as to providers for the entire life of the NPA relief plan; and (4) without significant burdens on new customers. Furthermore, the combination of the prospective wireless overlay and the landline geographic split balances the burdens on service providers and customers so as to satisfy the FCC policy objectives stated in *Ameritech* and the Commission's objectives under PURA. Finally, even in the Houston area, where continued implementation of the all-services overlay may be less costly to SWB than an abrupt change to implement the landline geographic split, the all-service overlay's benefits do not outweigh its disadvantages as compared to the combination of the split and prospective wireless overlay.

The Commission emphasizes, however, that the adoption of the landline geographic split and prospective wireless overlay combination does not preclude the possibility of other types of NPA relief for the same and/or different areas in Texas in the future. Indeed, the Commission's Project No. 15345 (NPA Relief Planning Process for Fort Worth and San Antonio) has already

begun to investigate the various types of NPA relief that may be appropriate in Texas in the future.

In the event the integrated relief plan is challenged and the prospective wireless overlay is determined to violate the *Ameritech* order or any state or federal law, the Commission will appropriately rebalance any remaining burdens. In achieving any such rebalancing, the Commission will consider a pro-rata mandatory take-back of wireless telephone numbers under the geographic splits in Houston and Dallas, plus such other relief necessary to achieve an equitable balancing of interests.

### **III. Findings Of Fact And Conclusions Of Law**

The Commission adopts the following findings of fact and conclusions of law:

#### **A. Findings of Fact**

1. On July 20, 1995, MCI filed a petition for investigation and a request for a cease and desist order against SWB concerning SWB's proposal to implement a numbering plan change in the Dallas area by overlay of a new NPA over the existing 214 NPA. This petition was designated Docket No. 14447.
2. On August 16, 1995, OPC filed a petition for an investigation of the practices of SWB regarding the exhaustion of telephone numbers in the 713 numbering plan area in Houston and for a cease and desist order against SWB. This petition was designated Docket No. 14575.
3. The Administrative Law Judge (ALJ) granted motions to intervene for the parties listed in Attachment A to the PFD.

4. On September 1, 1995, this docket was transferred to the State Office of Administrative Hearings. The hearing on the merits began on October 9, 1995, and concluded on October 18, 1995.

5. SWB provided notice by direct mailing to all Dallas and Houston entities who have received NXX assignments in the past. These entities include other Dallas and Houston-area LECs, as well as all cellular carriers, pager companies, and competitive access providers (CAPs) in the Dallas and Houston geographic areas affected by the NXX overlay proposal. SWB also published notice once in the *Dallas Morning News* on August 11, 1995, and once in the *Houston Chronicle* on September 4, 1995. SWB Ex. 7 and 8.

6. SWB was assigned the burden of proof because the matters at issue in this proceeding are uniquely within the scope of SWB's knowledge as NPA administrator. SWB is largely in possession of all information relating to the NPA relief plans due to its role as administrator.

### **Jurisdiction**

7. NPA relief planning is a telecommunications practice that affects LEC services, because SWB, as the NPA administrator, assigns NXX numbers to LECs and wireless carriers so as to enable them to assign telephone numbers to individuals.

8. NPA relief planning is based on industry guidelines that all telecommunication utilities follow and which profoundly affect the ability of all LECs and wireless carriers to provide telecommunication services in the Dallas and Houston areas.

9. SWB charges cellular carriers a non-recurring charge of \$8,000 per NXX to implement that NXX at the tandem level on the Type 2 connection.

10. [Deleted]

**NPA Administration**

11. Telephone numbers in North America are composed of a three digit Area Code or NPA (in the form NXX), a three digit central office code known as a CO or NXX code, and a four digit station or line number. NPA codes are assigned by Bellcore, which serves as the administrator of the NANP. There are 792 NXX codes which can be assigned within each NPA. Each central office code or NXX code includes 10,000 seven digit telephone numbers. Therefore, each NPA contains approximately 7.9 million telephone numbers available for assignment.

12. As NPA administrator, SWB is responsible for assigning NXX codes to itself as well as to other LECs and telecommunication service providers in the NPA, such as cellular and pager companies.

13. As NPA administrator, SWB is also responsible for planning NPA relief activities.

14. Within each NPA the primary constraint on the availability of numbers is the NXX code.

15. NPA relief planning is conducted pursuant to industry guidelines. Notification to the telecommunications industry as to NPA relief, including specific time intervals for key activities, is provided pursuant to the Industry Notification of NPA Relief Activity Guidelines.

16. There are three basic methods available to provide relief for an NPA. These methods are the geographic split, the boundary realignment, and an overlay.

17. There are two principal types of overlay: a growth overlay and a specific service (such as wireless) overlay.

18. The first, and so far only, overlay NPA in effect was implemented in 1992 in New York City, as a "wireless-only" NPA by agreement of the wireless service providers in that area. A growth or "all-services" overlay was approved by the Maryland Public Service Commission for the entire state on November 22, 1995, to become effective in 1997, by which time a permanent number portability solution will have been implemented in Maryland.

19. On an annual basis SWB projects the exhaustion dates of the NPAs it administers by means of annual Central Office Code Utilization Studies or COCUS reports, which are required by Bellcore as the NANP Administrator.

#### **Need for NPA Relief**

20. As a consequence of the impending exhaustion of the 214 and 713 NPA codes, SWB undertook a study on the appropriate means of providing relief to these two NPAs.

21. The 214 relief study reviewed three alternatives: a geographic split, a modified geographic split, and a general purpose overlay for the NPA. The study recommended that Alternative 3, a general purpose overlay, be adopted as the form of 214 NPA relief, because it provides 11 years of relief, does not require telephone number changes, and is the least cost alternative, when estimated costs for business customers resulting from telephone number changes under the geographic split are included.

22. Based on the 214 NPA relief study, the inter-industry team adopted an implementation schedule that starts with a permissive dialing period beginning in February 1996. The overlay permissive dialing period's major purpose is to introduce customers to ten-digit dialing. During the permissive dialing period, intra-NPA calls may be dialed using seven digits or ten digits, but inter-NPA calls must be dialed using ten digits. The permissive dialing period begins once NXX codes may be assigned under the new 972 NPA. The permissive dialing period ends January 1997. After that date, mandatory ten-digit local dialing begins.

23. The 713 NPA relief study was completed by SWB in February 1994 and reviewed eight plans, involving six different geographic split approaches and two different overlay approaches. However, of these eight alternatives, only three plans were given major consideration by the parties.

24. The study recommended that Plan 5, a general purpose overlay, be adopted as the form of 713 NPA relief, because it provides the longest period of NPA relief, does not require telephone number changes, and has the lowest cost to implement, when estimated costs for business customers resulting from telephone number changes under the geographic split are included.

25. Based on the 713 NPA relief study, the inter-industry team adopted an implementation schedule that starts with a permissive dialing period beginning March 1, 1995. NXX codes are assigned to wireless carriers (by mutual agreement) under the new 281 NPA after that date. The permissive dialing period ends March 1, 1996. After that date mandatory ten-digit local dialing begins.

26. As of February 7, 1996, there were ten vacant NXX codes remaining in the 713 NPA. One hundred and four NXX codes had been assigned out of the 281 NPA by that same date. The permissive dialing period for the 713 NPA involves the same type of permissive dialing as is proposed for the 214 NPA overlay relief plan.

27. When the old NPA is at exhaustion, all of the NXX codes have been assigned. Thus, it is no longer possible to assign NXX codes in the new NPA without such NXX being a duplicate of an NXX code already assigned in the old NPA. Therefore, ten-digit dialing is required immediately to distinguish between the old and new area codes, so it is not possible to have a normal permissive dialing period for a geographic split approach after the old NPA has reached exhaustion.

28. It is theoretically possible for even an exhausted NPA to be relieved through a geographic split approach. One possible form of permissive dialing for the geographic split of an exhausted NPA involves a hybrid combination of overlay (or mixed 7/10-digit dialing) permissive dialing with islands of split (or full seven-digit dialing) permissive dialing. In such a hybrid, a caller need only dial seven digits for inter-NPA calls if the called number is found only in the other NPA and not in the caller's home NPA. (Only seven digits are necessary for reaching a number in the same NPA, whether during or after the permissive dialing period in a split.) If the last seven digits of the called number are found in both NPAs, however, seven-digit dialing will reach the customer in the same NPA; to reach the customer in the other NPA with that same seven-digit number will require ten-digit dialing. Alternatively, a third NPA may also be a possible solution.

#### **Relief Plan Process Issues**

29. There is nothing much that can be done now with respect to what SWB should have done back in 1993-94 relating to management of the NXX codes or the decision-making process as to the two proposed NPA overlay relief plans. The Company did the minimum it believed it was supposed to do under the industry guidelines and kept the Commission Staff informed of NPA relief matters on an informal basis.

30. The traditional NPA relief planning process excludes all parties except NXX codeholders. As a result, non-codeholder parties with a stake in the choice of NPA plans do not have a ready means, outside of litigation, to provide any input to the NPA relief planning process.

31. Given the restructuring of Texas's telecommunications industry towards a more competitive environment as a result of the 1995 changes to PURA, it is not reasonable that NPA relief planning should be permitted to continue to fall entirely upon the shoulders of the dominant LEC.

32. Because of the long lead time associated with NPA relief planning, it would be reasonable to take steps now through the statutorily required rulemaking to ensure that the Commission and all parts of the telecommunications industry are involved in subsequent NPA relief planning.

33. Regarding the use of audits, it is reasonable that the Commission review possible audit methodologies of NXX code use in Project No. 15345 in order to establish a methodology to verify that NXX code use maximizes the lifetime of NPA relief plans.

#### **Consistency with PURA 95**

34. The Commission has not enacted any rule pursuant to PURA 95 § 3.455. Because nothing has been enacted under that particular provision, the overlay plans cannot be held to a standard that has not been implemented.

35. The traditional split approach is consistent with the PURA 95 policy of encouraging competition within the telecommunications industry.

36. The overlay approach would permit the existing LEC carriers to obtain a competitive advantage over new entrants due to the existing base of telephone numbers that the incumbent LECs may rely upon. This result would contravene the PURA 95 policy of encouraging competition within the telecommunications industry.

37. The Staff has proposed a set of competitive safeguards modifying the overlay proposal that generally provide a two year period in which the incumbent LECs may not utilize their existing base of telephone numbers as a means to gain an advantage over new local service competitors who are limited to using telephone number out of the new overlay NPA. The safeguards also rely on interim number portability as the means to ensure that competition for existing customers is not adversely impacted.

38. The Staff competitive safeguards modifying the overlay proposal lessen the overlay's harmful impact on competition for new customers, but do not cure or eliminate such harmful impact.

39. It is important to distinguish between the near term protections afforded by the Staff competitive safeguards and the further need for long term protection over the life of the overlay plan. The Staff competitive safeguards only provide protection for two years out of the ten year projected life of the 713 NPA overlay (or the eleven year projected life of the 214 NPA overlay).

39a. Furthermore, the Staff competitive safeguards rely on the inefficient and cumbersome use of remote call forwarding, which wastes number resources and may limit the types of additional services available to customers.

40. Long term protection from the anti-competitive aspects of the overlay plan rests on permanent number portability. However, because it is not known when permanent number portability will be available as a service in Texas, the overlay plan would remain anti-competitive for an indefinite time.

**Consistency with the Orders of the FCC [Deleted]**

41. [Deleted]

42. [Deleted]

43. [Deleted]

44. [Deleted]

45. [Deleted]

### **Customer Telephone Number Changes**

46. Under the all-services overlay plans, there would be no telephone number changes for existing customers.

47. Under the geographic split plans, 1.6 million customers in Dallas and 1.2 million customers in Houston would change their telephone numbers, specifically their three-digit area code.

48. The all-services overlay approach is superior to the split approach with respect to customer telephone number changes, because the overlay approach requires no number changes, while the split approach requires a significant number of customers to change their telephone numbers (the NPA is a part of the telephone number: the first three digits are a part of the Bellcore North American Numbering Plan methodology for telephone number addressing).

### **Seven-Digit Versus Ten-Digit Dialing**

49. The split approach is preferable to the all-services overlay approach from the criterion of seven-digit versus ten-digit dialing because it allows seven-digit dialing between numbers within the same NPA and requires ten-digit dialing only between NPAs.

50. The all-services overlay plan would be more confusing to customers because it would require a change in dialing habits due to the introduction of mandatory ten-digit local dialing. This overlay plan would be particularly confusing to customers who are used to the idea that telephone numbers communicate something about the called party's location. While there would be some change to dialing habits under a split, it will be a much more straight-forward change.

50a. While a split would involve a change to dialing habits, *i.e.*, the need to dial a new area code in certain instances, the all-services overlay would require a potentially permanently confusing and inconvenient change to dialing patterns.

50b. Approval of an all-services overlay for the Houston and Dallas areas would have the effect of making those areas national experimental test sites for a new solution to the NPA issue. Such an overlay plan could not be easily undone to permit future geographic splits if the experiment proved in favor of geographic splits over all-service overlays. Implementation of a split would result in a traditional solution, familiar to residents and to visitors from other parts of the state and the country, which could nonetheless easily allow for the imposition of an overlay in the future.

51. Although mandatory ten-digit local dialing may be inevitable nationwide, no witness could testify with any precision as to when ten-digit dialing will be implemented. While the split would not eliminate the need for ten-digit dialing, SWB does not know the number of ten-digit calls that would be required under either type of approach.

52. Under either NPA relief plan it is reasonable as a matter of consumer convenience that consumers should be able to obtain from Directory Assistance every number within their local calling scope, no matter which NPA they are calling to or from.

### **Customer Costs**

53. Neither SWB nor OPC provided a comprehensive analysis of customer costs associated with the split versus all-services overlay alternatives. There is no reliable evidence of an analysis of customer costs, such as the costs of changing telephone numbers under a split or the costs of dialing three extra digits under the overlay.

53a. An all-services overlay involving mandatory ten-digit dialing would appear to cause some direct customer costs, such as those costs attributable to notification of others as to the new dialing pattern, an increased need for programmable or speed dialing devices, and the additional time necessary to dial three extra digits. The split could cause many customers to incur costs to directly notify others of their area code change and to change business cards, stationery, signs, and advertisements. Extensive consumer education by Southwestern Bell regarding the split, the availability of long-term call forwarding (or some other form of number portability), and a permissive dialing period, however, could minimize or delay such costs.

#### **Customer NPA Number Assignments**

54. The split approach is superior to the all-services overlay approach with respect to customer confusion about NPA assignments.

55. The geographic split would provide a rational basis for determining which area code customers will need to dial. It, therefore, would provide an aid to dialing, which eliminates the need to remember the full ten digit telephone number. With an all-services overlay, while customers would keep their NPA, they would not easily know which area code to dial when calling someone. This problem would only be exacerbated as more and more numbers are assigned to the new overlay NPA.

#### **Customer Response**

56. Customers prefer the split approach in general; they favor the all-services overlay plan only if they believe that the entire country will be dialing ten digits in the near future.

57. SWB has not met its burden of proof to show that customers prefer the all-services overlay approach. SWB did no polling or research of customer preferences prior to or after its announcement of the proposed 214 NPA overlay.

58. The Turner 713 NPA survey was completed after the Houston overlay plan was adopted and is not useful as an indication of customer preference between the split and overlay because it overstated the imminence of ten-digit dialing; failed to inform customers that they would retain seven-digit dialing within their NPA after the split; and inaccurately indicated the period of relief afforded by the split.

59. The 708 NPA survey cited by PageNet witness Jackson is faulty for use as indication of customer preferences as to the all-services overlay or split approach in Dallas and Houston. The study does not specifically address intermediate periods of relief of six to nine years. Consumers reacted positively to a ten-digit dialing overlay only after they were informed that there would be mandatory ten-digit dialing in the near future, but the survey does not state how consumers reacted before they were provided with this information.

60. The Southern New England Telephone survey for Connecticut indicated that 54 percent of customers prefer the split versus the overlay approach with respect to the Connecticut area.

#### **Burden on New Customers**

61. The all-services overlay approach places much more of a burden on new customers than the split approach. Under the overlay approach, new businesses have the burden of educating all of their customers to use the new NPA, while existing customers have no such burden. Moreover, a business with the overlay NPA would likely be identified as a new business, which would place it at a competitive disadvantage with businesses having an older, more familiar NPA. Therefore, the all-services overlay could impede new economic development and entrepreneurship.

62. While existing customers will experience a telephone number change with the split approach and thus be required to give out their new telephone number, they do not face as much

confusion with the split approach as with the overlay approach, which requires a change in customer dialing habits to account for mandatory ten-digit local dialing.

#### **Burden on Alarm Company Industry**

63. Because alarm companies make use of automatic dialers, which typically dial seven digits, both the split and the overlay approach require that the industry reprogram its equipment.

64. Due to the length of time reprogramming will take the alarm companies, the public safety nature of the alarm industry, and the current scarcity of technicians in the Dallas area, the stipulation dated January 22, 1996, between SWB and the North Texas Alarm Association (*see Attachment A*), in regard to NXX code duplication and remote call forwarding arrangements, is a reasonable means by which SWB can address the burdens affecting the alarm company industry which would result from the adoption of a landline geographic split and prospective wireless overlay.

65. [Deleted]

66. [Deleted]

67. [Deleted]

68. It is reasonable that the Commission order SWB to develop a Texas "Customer Care Package" available to all customers in the Dallas and Houston area affected by the NPA change to help mitigate the impact of the change, such as that adopted in Washington state. This approach has been adopted in other states to mitigate the impact of an NPA change.

### **NPA Relief Plan Already Implemented**

69. Since March 1995, 104 NXX codes have been assigned to wireless carriers out of the 281 NPA (as of February 7, 1996). In combination with the 782 NXX codes already assigned out of the 713 NPA, the Houston area is being served by 886 NXX codes. The Houston 713 NPA is, therefore, exhausted because it is served by more than the 792 NXX code capacity of its assigned NPA.

70. Due to this exhaustion, the inability to have a traditional permissive dialing period in the 713 NPA is a factor that favors an overlay as compared to a geographic split in Houston. It is reasonable, however, to weigh long-term policy issues more heavily than short-term factual issues, such as the degree of implementation of an all-services overlay plan in Houston, in determining the appropriate NPA relief for the Houston area.

71. [Deleted]

72. [Deleted]

### **Competitive Fairness**

73. The unfamiliarity of the new area code is the cause of anti-competitive problems with the all-services overlay approach. As a result, an overlay would require customers to receive a number from a new, less-recognizable NPA when they change local service providers.

74. The Staff's proposed competitive safeguards, including interim number portability, mitigate but do not cure the anti-competitive aspects of the all-services overlay approach in the short term.

75. [Deleted]

76. [Deleted]

77. [Deleted]

78. Interim number portability is not a perfect solution to the problems associated with use of the all-services overlay approach. Reliance on this approach requires the use of two telephone numbers (thereby contributing to number exhaust) and competitors may not be able to provide their customers with the same enhanced features through remote call forwarding that the incumbent LECs are able to provide.

79. It is reasonable that the Commission initiate a rulemaking project relating to permanent number portability in Texas.

80. [Deleted]

#### **LEC Convenience and Cost**

81. The geographic split approach is cheaper to implement than the all-services overlay approach from the perspective of LEC convenience and cost.

82. When the private business costs are excluded from the 214 NPA relief study (SWB estimates these costs at \$15 million), then Alternative 1, the 214 NPA geographic split plan, is more attractive. Looking only at telephone company costs, the geographic split plan has a positive net present value in its favor of \$6 million. OPC Ex. 48 at 25.

83. When the private business costs are excluded from the 713 NPA relief study (SWB estimates these costs at \$11 million for Plan 3), then Plan 3, the geographic split plan, is more attractive. Looking only at telephone company costs, this geographic split plan has a positive net present value in its favor of \$7 million. OPC Ex. 49 at 32-33.

84. Because the Houston NPA relief plan has already been implemented in part, there would be additional costs for the transition from overlay to split of approximately \$1.2 million dollars. Even after those additional costs are considered for the Houston NPA, the geographic split approach is still cheaper from the perspective of LEC convenience and costs.

**Implementation Before the NPA Exhausts**

85. There were 14 vacant NXX codes remaining in the 214 NPA as of February 7, 1996. There were ten vacant NXX codes remaining in the 713 NPA as of the same date.

86. A permissive dialing period is necessary prior to implementation of NPA relief. It serves a critical role in NPA relief because it gives customers time to reprogram their telephone equipment, such as private branch exchanges (PBXs), cellular telephones, and automatic dialing equipment.

87. SWB has provided no studies to support the length of its proposed permissive dialing period in Dallas.

88. [Deleted]

89. [Deleted]

90. [Deleted]

91. Given the quantity of special NXX codes reserved for administrative purposes and the fill factor used in the NPA relief study, it is reasonable to conclude that SWB can develop and implement a conservation program for managing number resources in the 214 NPA and the 713 NPA pending completion of the splits, particularly if such a program uses NXX code sharing and audits to maximize the use of NXX codes. It is also reasonable that SWB should be ordered not

to assign any further NXX codes without first requiring the applicant to submit to an agreed audit to prove that it has a need for further NXX codes.

92. Because it is likely that new local service competitors will be authorized to provide local service through resale tariffs before the implementation of relief to the 214 NPA and the 713 NPA, it is reasonable that SWB adopt in each area a mixed 7 10-digit permissive dialing period of six months. Calls within the same NPA and calls to unduplicated NXX codes may be dialed on a seven-digit basis, but calls to duplicated NXX codes which cross the NPA boundary will require ten-digit dialing. Additional NXX growth is permitted by increasing the number of duplicated NXX codes.

#### **Projected Life of the Relief Plan**

93. According to the projections offered by SWB, Alternative 1 (geographic split) provides twelve years of relief for the 214 NPA, and Alternative 3 (all-services overlay) provides eleven years of relief to the 214 NPA.

94. According to the projections offered by SWB, Plan 1 (geographic split) provides five years of relief for the 713 NPA. Plan 3, which is a modification of Plan 1, provides seven years of relief to the 713 NPA. Plan 5 (all-services overlay) provides ten years of relief to the 713 NPA.

95. The projected lives are conservative figures developed in 1994. The future life of these NPA relief plans will likely be much shorter, because the projected exhaust dates were developed before the state legislature passed legislation permitting local competition. New services will also likely reduce the projected lives of these NPA relief plans. Furthermore, in its exceptions to the Proposal for Decision, SWB stated that its offered projection of twelve years as the lifespan of 214 NPA relief under the geographic split was incorrect. The credibility of all the NPA relief lifespan projections is therefore questionable. Because the NPA relief lifespan projections are

questionable, the projections are of limited usefulness in determining whether an all-services overlay approach or a geographic split approach is appropriate.

95a. It is reasonable and sufficient that an NPA relief plan last at least five years. Because all the proposed projections are for five years or more, the lifespan of any proposed NPA relief plan does not provide a basis on which to differentiate among the proposed plans.

96. [Deleted]

#### **Consistency with Other NPA Relief Plans**

97. A number of other states have wrestled with the same problem now facing this Commission, and in each instance these other Commissions (except in Maryland) have consistently adopted a split approach. Accordingly, the split approach is preferable to the overlay approach as a matter of consistency with other NPA relief plans.

#### **Adoption of Geographic Split Option**

97a. As reflected in Finding of Fact Nos. 34-97, the following criteria favor adoption of a geographic split over an all-services overlay: consistency with PURA 95; seven-digit versus ten-digit dialing; confusion regarding customer NPA number assignments; customer response; burden on new customers; competitive fairness; LEC convenience and cost; and consistency with other NPA relief plans. Therefore, the Commission adopts the landline geographic split approach for Dallas (Alternative 1) and for Houston (Plan 1).

### Location of Boundaries

98. The City of Dallas (Dallas) proposal that all of the city be placed in one NPA is not a reasonable proposal at this time. The time remaining before NPA exhaustion is too limited for a proposal, such as boundary redrawing, to be developed and implemented. Also, adoption of the Dallas proposal would be costly, due to the need to change existing wire center boundaries. It, therefore, is reasonable that the location of the NPA boundaries under the split approach be commensurate with existing wire center boundaries.

99. While Dallas contended that an all-services overlay approach will better serve its community of interest than the split option because an overlay does not split the city into two NPAs, such reason alone, if true, does not justify adoption of an all-services overlay for Dallas.

100. The combination of the landline geographic split and the prospective wireless overlay provides the most acceptable means of implementing NPA relief for the Dallas area because it does not place a disproportionate burden for NPA relief on any one outlying area of the city. The splits proposed by Dallas, however, would benefit Dallas only, while causing numerous divisions of surrounding municipalities.

100a. As shown by the evidence in the supplemental hearing on the merits, the Dallas proposal to realign wire center boundaries to match its political boundaries would be disproportionately costly and time-consuming in comparison to the benefits, would likely shorten the lifespan of the split, could not be accomplished in time to provide the needed NPA relief, and would presumably be subject to further disproportionately costly and time-consuming realignments each time Dallas changed its political boundaries.

100b. The benefits of the splits proposed by Dallas do not outweigh the disadvantages. Therefore, it would be unreasonable at this time to adopt any of the splits proposed by Dallas.

101. [Deleted]

### **Application to Wireless Carriers**

102. [Deleted]

103. The effect of the cellular proposal -- that wireless carriers receive duplicate NXX codes in the new NPA as part of the split -- would be to double the cellular NXX code assignment in the general Dallas and Houston areas to this group in advance of a demonstrated need for that many NXX codes. It is not known what the impact of this proposal would be upon the projected life of the NPA relief plan.

### **Prospective Wireless Overlay**

103a. A prospective wireless overlay employing another new area code for each of the Dallas and Houston areas should be adopted in addition to the geographic split adopted for each metropolitan area. Under the prospective wireless overlay -- which is to take effect no later than 12 months following the date of this Order -- wireless service providers will obtain telephone numbers only from a new area code (*i.e.*, not 713, 281, 214, or 972) assigned to each metropolitan area for dissemination to their customers after the effective date of the wireless overlay. Each wireless overlay NPA will extend to the boundaries of the entire existing 214 or 713 NPA, respectively (and therefore will cover both the doughnut and the hole after the geographic split).

103b. The benefits of an added prospective wireless overlay include (1) an extended lifespan for the overall relief plan; (2) decreased confusion regarding landline NPA assignment (especially if there is significant voluntary migration by existing wireless customers to the wireless overlay area codes); and (3) overwhelming support by the public, as indicated by filed written comments and oral comments heard at the Commission's public forums in the Dallas and Houston areas.

103c. Unlike the all-services overlay, a prospective wireless overlay does not require intra-NPA mandatory ten-digit dialing. A wireless customer would need to dial ten digits when calling a number in another area code, but would not need to do so when calling a number in the same area code.

103d. The benefits of the prospective wireless overlay would be enhanced by voluntary migration of wireless customers from the 214, 972, 713, and 281 NPAs to the future wireless overlay area codes. To encourage this, the Commission could require, on a city-specific basis, the assignment of a matching NXX code in the future wireless overlay area code for each NXX code held by a wireless carrier in one of the existing NPAs. This would allow a wireless customer to change to the future wireless overlay area code without changing his or her carrier or seven-digit telephone number. Automatic duplication of NXX codes in advance of a proven need is not reasonable, however, because such duplication could waste NXX codes.

103e. It is reasonable, nonetheless, to institute policies to encourage wireless voluntary migration. Therefore, it is reasonable to direct SWB to manage its NXX code assignments so as to: (1) avoid the assignment of an NXX code now held by a wireless carrier in the 214 or 713 NPA to a different wireless carrier in the 972 or 281 NPA, respectively, and vice versa,<sup>9</sup> and (2) avoid the assignment of an NXX code now held by a wireless carrier in the 214, 713, 972, or 281 NPAs to a different wireless carrier in the relevant future wireless overlay (that NXX code could, of course, be assigned to the same wireless carrier). These prohibitions shall be effective to the extent possible for a reasonable period of time. These policies will facilitate wireless voluntary migration without undue waste of NXX codes. This provision does not retroactively affect the assignment of NXX codes in the 281 NPA prior to the date of this Order.

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<sup>9</sup> This provision does not retroactively affect the assignment of NXX codes in the 281 NPA prior to the date of this Order.

103f. It is reasonable to prohibit wireless carriers from issuing any new numbers in NXX codes from the split area codes (214, 972, 713, and 281) after the wireless overlay becomes effective in each metropolitan area.

103g. It is also reasonable to require wireless carriers to return to the NPA Administrator, to the extent possible and practical: (1) from their NXX codes in the split area codes, any numbers which are not assigned to customers on the date the wireless overlay becomes effective; and (2) any numbers which are released due to voluntary migration by wireless customers into the wireless overlay area code.

104. [Deleted]

#### **Consistency with the Orders of the FCC**

104a. The landline geographic split proposals for the 214 NPA (Alternative 1) and the 713 NPA (Plan 1) do not involve two of the three elements included in the Ameritech plan -- exclusion or segregation.

104b. The proposals do involve the third element of the Ameritech plan -- take-back. They require landline carriers to take back the area code portion of the ten-digit numbers from all their existing customers who receive service in the new NPA. Those landline customers will retain their seven-digit number, but will receive a new area code.

104c. The prospective wireless overlay for the Dallas and Houston areas requires the exclusion and segregation of wireless carriers and customers. Exclusion and segregation occur because telephone numbers for wireless carriers -- but no other carriers -- will be assigned exclusively from the wireless area code after the effective date of the wireless overlay. There is no take-back for wireless carriers and customers, because assignment to the wireless overlay is prospective only.

104d. Taken together, the landline geographic split and the prospective wireless overlay provide for a sharing of benefits and burdens between landline and wireless services that do not unduly favor or disadvantage one at the expense of the other. That is, the take-back requirement for landline service is balanced by the exclusion and segregation aspects of the prospective wireless overlay.<sup>10</sup> Accordingly, the integrated NPA relief plan established by this order meets the FCC's policy objectives as stated in *Ameritech* and this Commission's policies under PURA 95.

104e. A prospective wireless overlay, by itself, would result in a disproportionate burden upon wireless carriers and customers, due to its exclusionary and segregational impact.

104f. An all-services overlay poses significant anti-competitive problems, places an unreasonable burden on new customers, and has been found inferior to the geographic split.

104g. The landline geographic split's take-back for only landline carriers and customers is, by itself, an unreasonable discrimination based on technology.

104h. A geographic split could be applied in a technologically neutral manner by requiring take-back as to wireless carriers and customers, as well as to landline carriers and customers. The combination of the landline geographic split and the prospective wireless overlay, however, satisfies policy objectives better than an all-services geographic split alone. First, the prospective wireless overlay has important NPA relief benefits, as stated earlier in this Order. Second, for NPA relief purposes, wireless services are in fact distinguishable from landline services in at least the following ways: (1) wireless devices are mobile in nature and can easily be taken across NPA boundaries, unlike landline telephones, which must remain fixed in a single NPA in order

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<sup>10</sup> The take-back of landline telephone numbers is a one-time change, and telephone users will adjust to the change within a reasonably short period of time. Furthermore, the disadvantages of exclusion and segregation should diminish over time as more wireless customers are assigned to the wireless overlay and as all customers become more fully aware of the appropriate dialing patterns to call to and from devices with the wireless overlay area code. Thus the wireless overlay's competitive liability should diminish rapidly. The Commission will monitor the implementation of this NPA relief plan, and if there do in fact appear to be troublesome, lingering anticompetitive effects due to any part of the plan, the Commission will reconsider its decision.

to be reached at the given telephone number; and (2) wireless devices can be served from a tandem, unlike landline telephones, which must be served from a traditional central office.

104i. It is reasonable to differentiate between wireless service and landline service, as long as the burdens are reasonably balanced and neither type of service or technology is unduly favored or disfavored.

104j. The Commission finds that this Order's integrated relief plan satisfies the Commission's and the FCC's policy objectives better than any single split or overlay plan could.

### **Conclusion**

105. It is reasonable to utilize the combination of a landline geographic split (Alternative 1 for Dallas, Plan 1 for Houston) and a prospective wireless overlay in both the Dallas and Houston NPAs. The integrated relief plan will be implemented: (1) without the necessity of mandatory ten-digit local dialing; (2) with less consumer confusion; (3) without unreasonable competitive discrimination as to providers for the entire life of the NPA relief plan; and (4) without significant burdens on new customers. Furthermore, the combination of the prospective wireless overlay and the landline geographic split balances the burdens on service providers and customers so as to satisfy the FCC policy objectives stated in *Ameritech* and the Commission's objectives under PURA. Finally, even in the Houston area, where continued implementation of the all-services overlay may be less costly to SWB than an abrupt change to implement the landline geographic split, the all-service overlay's benefits do not outweigh its disadvantages as compared to the combination of the split and prospective wireless overlay.

106. [Deleted]

106a. In the event that the implementation of the Houston all-services overlay plan results in a duplicated ten-digit telephone number once the geographic split takes place, it is reasonable to

allow the ten-digit number to be kept by the person who received the incorporated seven-digit number first. For example, assume landline Customer Y had been assigned 281/123-4567 pursuant to the already-implemented 281 overlay after March 1995, and the geographic split then placed him in the 281 NPA. Also assume that landline Customer X was assigned 713/123-4567 before March 1995, until the number was taken back and converted to 281/123-4567 due to her location in the new 281 NPA after the split. Customer X (who received 713/123-4567 before March 1995) will be allowed to retain 281/123-4567, while Customer Y (who received 281/123-4567 after March 1995) must give back 281/123-4567 and be assigned a new ten-digit number.

106b. Adoption of the landline geographic split and prospective wireless overlay combination does not preclude the possibility of other types of NPA relief for the same and/or different areas in Texas in the future.

#### B. Conclusions of Law

1. SWB is a telecommunications utility provider as defined in PURA 95 § 3.002(9) and (11).
2. The Commission has jurisdiction over this docket pursuant to the Public Utility Regulatory Act of 1995 §§ 1.002, 1.005, 1.101, and 3.051(a) and (b).
3. SOAH has jurisdiction over all matters relating to the conduct of a hearing in this proceeding, including the preparation of a PFD with findings of fact and conclusions of law, pursuant to TEX. GOV'T. CODE ANN. § 2003.047 and PURA 95 § 1.101(e).
4. This docket was processed in accordance with the requirements of PURA 95 and the Administrative Procedure Act, TEX. GOV'T. CODE ANN. § 2001.001, *et seq.* (Vernon 1995).
5. SWB provided adequate notice for this proceeding as discussed in Finding of Fact 5.

6. NPA administration constitutes a telecommunications practice under PURA 95 § 3.155(b); a service subject to the prohibition against unreasonable preferences under PURA 95 § 3.215; and is also subject to the Commission's authority under PURA 95 § 3.217, which prohibits practices that tend to restrict or impair competition.

6a. The Commission in Docket No. 11441 found jurisdiction and authority to review the assignment of abbreviated N11 dialing codes under former PURA §§ 45 and 47. PURA § 45 is now PURA 95 § 3.215 and PURA § 47 is now PURA 95 § 3.217. Because the N-1-1 arrangement involves NXX codes, that docket suggests authority for review of the NPA relief plan as well.

7. The FCC found that the Ameritech relief plan was unreasonably discriminatory because of the exclusion, segregation, and take-back elements which placed a disproportionate burden for NPA relief on one type of technology, wireless carriers.

8. [Deleted]

9. The combination of a geographic split and a prospective wireless overlay plan would not violate the *Ameritech* Order. Because the take-back burden on landline customers under a geographic split balances the exclusion and segregation burden on wireless customers under a wireless overlay, the proposed combination of geographic split and prospective wireless overlay does not violate the FCC's policies stated in the *Ameritech* order or the underlying federal law, Communications Act §§ 201(b) (unjust and unreasonable conduct prohibited) and 202(a) (unreasonable discrimination prohibited).

10. [Deleted]

11. Whether the overlay approach or the split approach is the more reasonable practice pursuant to PURA 95 §§ 3.125 or 3.155(b)(1) is a question of policy.

12. [Deleted]

13. For the reasons stated in Findings of Fact Nos. 34 through 40, the all-services overlay approach, with or without the Staff competitive safeguards, is inconsistent with PURA 95 §3.217.

14. [Deleted]

14a. In early 1994, Ameritech proposed to overlay a new wireless 630 NPA upon the same geographical area as the then-existing 708 and 312 NPAs in the Chicago area. In July 1994, Ameritech requested approval for the plan from the Illinois Commerce Commission (ICC). In August 1994, before the ICC had completed its review of the plan, three paging companies requested a declaratory ruling from the FCC that the plan violated the Federal Communications Act and industry guidelines.

14b. The paging companies challenged three elements of the Ameritech plan: (1) that Ameritech would continue assigning 708 codes to landline carriers, while excluding wireless carriers ("exclusion"); (2) that only wireless carriers would be assigned numbers from the new 630 NPA<sup>11</sup> ("segregation"); and (3) that wireless carriers would be required to take back numbers previously assigned to their subscribers ("take-back").

14c. Some parties and commenters, including the ICC, requested the FCC to delay its consideration until the ICC had acted on the plan. The FCC determined that it should proceed, however, and did so, but nonetheless did not preempt state action in this area, citing the legitimate interests of the states in administration of the NANP.

14d. The FCC's *Ameritech* decision articulated three policy objectives to guide review of NPA relief plans: (1) administration of the NANP must facilitate entry into the communications

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<sup>11</sup> For a relatively brief time, wireless carriers would be assigned codes from the existing 312 NPA, for implementation transition reasons.

marketplace by making numbering resources available on an efficient and timely basis to communications service providers: (2) administration of the NANP should not unduly favor or disadvantage any particular industry segment or group of consumers: and (3) administration of the NANP should not unduly favor one technology over another.

14e. The FCC found that the Ameritech relief plan was unreasonably discriminatory because of the exclusion, segregation, and take-back elements, which placed a disproportionate burden for NPA relief on one type of technology: wireless carriers.

15. [Deleted]

16. PURA 95 §3.455(a) requires that any Commission rulemaking regarding number portability not be inconsistent with FCC regulations.

17. PURA 95 §3.455(a) does not prohibit the Commission from acting immediately on number portability issues, so long as such actions are not inconsistent with something that the FCC has done.

#### IV. Ordering Paragraphs

**The Commission further issues the following Orders:**

1. A. SWB, in its role as Numbering Plan Area (NPA) administrator, shall initiate immediate action necessary to institute the NPA Relief Study Alternative 1, as the landline geographic split approach, for the Dallas 214 NPA, by establishing a 972 area code, as modified herein by this Order. Similarly, SWB shall initiate immediate action necessary to institute the NPA Relief Study Plan 1, as the landline geographic split approach, for the Houston 713 NPA, by establishing a 281 area code, as modified herein

by this Order. SWB shall cease its currently scheduled overlay plans for the Dallas 214 NPA and the Houston 713 NPA.

B. The Dallas 214 NPA shall be split at 12:01 a.m. on Saturday, September 14, 1996, and the permissive dialing period shall start on that date and end six months later at 12:01 a.m. on Saturday, March 15, 1997. The Houston 713 NPA shall be split at 12:01 a.m. on Saturday, November 2, 1996, and the permissive dialing period shall start on that date and end six months later at 12:01 a.m. on Saturday, May 3, 1997. SWB shall adopt a mixed 7/10-digit permissive dialing period for each area in which calls within the same NPA and calls to unduplicated NXX codes may be dialed on a seven-digit basis, but calls to duplicated NXX codes which cross the NPA boundary will require ten-digit dialing. Additional NXX growth is permitted by increasing the number of duplicated NXX codes.

C. Under the landline geographic split plans in Dallas and Houston, there shall be no mandatory conversions of wireless carrier telephone numbers.

D. SWB shall prepare and file, within 14 days of the date of this Order, a report providing a specific timetable leading to implementation of the splits in the 214 NPA and the 713 NPA. Such report shall also include a detailed plan and conservation measures for managing number resources in the 214 and the 713 NPAs pending completion of the 214/972 NPA split and the 713/281 NPA split, respectively. Such report may be in a format similar to that of the interim implementation report filed by SWB on February 21, 1996.

E. SWB shall negotiate with the North Texas Alarm Association (which initially intervened in this proceeding as the Texas Burglar and Fire Alarm Association (TBFAA)) in accordance with the stipulation dated January 22, 1996 between those parties in regard to NXX code duplication and remote call forwarding arrangements. See Attachment A.

SWB shall coordinate efforts with the alarm company industry in the Houston area to reach a similar agreement using a similar time frame.

F. SWB, in its role as Numbering Plan Area (NPA) administrator, is ordered to not assign any further 214 or 713 NXX codes without first requiring the applicant to agree to submit to an audit to prove that it has a need for further NXX codes. Such an audit shall be conducted according to the standards to be defined in Project 15345 (NPA Relief Planning Process for Fort Worth and San Antonio).

G. SWB and all other dominant certificated telecommunications utilities affected by this Order shall notify all customers, by bill insert, of the availability of remote call forwarding (*e.g.*, Preferred Number Service or Tele-Branch). Customer notification shall begin two months prior to the end of the permissive dialing period and shall be repeated for five consecutive billing cycles.

H. SWB shall manage its NXX code assignments so as to avoid the assignment of an NXX code now held by a wireless carrier in the 214 or 713 NPA to a different wireless carrier in the 972 or 281 NPA, respectively, and vice versa.<sup>12</sup> This prohibition shall be effective to the extent possible for a reasonable period of time.

2. A. SWB, in its role as Numbering Plan Area (NPA) administrator, shall take immediate action necessary to institute, no later than 12 months from the date of this Order, a Dallas-area wireless overlay, with boundaries matching those of the current Dallas 214 NPA (*i.e.*, the boundaries of both the 214 and 972 NPAs after the split of the 214 NPA). Similarly, SWB shall take immediate action necessary to institute, no later than 12 months from the date of this Order, a Houston-area wireless overlay, with boundaries matching those of the current Houston 713 NPA (*i.e.*, the boundaries of both

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<sup>12</sup> This provision does not retroactively affect the assignment of NXX codes in the 281 NPA prior to the date of this Order.

the 713 and 281 NPAs after the split of the 713 NPA). Such immediate action shall include requesting an additional area code for each metropolitan area from the North American Numbering Plan Administrator and all other steps necessary to implement wireless overlays in the Dallas and Houston areas.

B. The wireless-overlay-related permissive dialing periods in Dallas and Houston shall each begin as soon as SWB is able to complete all steps necessary to implementation of the wireless overlays described above. The permissive dialing period in each area shall extend for at least six months, but not more than twelve months; each period's length may be further defined upon the Commission Staff's review of the implementation report to be submitted in accordance with Ordering Paragraph 2(D) *infra*. SWB shall adopt a mixed 7/10-digit permissive dialing period for each area in which calls within the same NPA and calls to unduplicated NXX codes may be dialed on a seven-digit basis, but calls to duplicated NXX codes which cross the NPA boundary will require ten-digit dialing.

C. Under the prospective wireless overlay plans in Dallas and Houston, there shall be no mandatory conversions for wireless carriers; however, voluntary conversions of wireless carrier telephone numbers to the wireless overlay are permitted and encouraged.

D. SWB shall prepare and file within 42 days of the date of this Order a report providing a specific timetable leading to implementation of the prospective wireless overlays of the current 214 and 713 NPAs.

E. SWB shall manage its NXX code assignments so as to avoid the assignment of an NXX code now held by a wireless carrier in the 214, 713, 972, or 281 NPAs to a different wireless carrier in the relevant future wireless overlay (that NXX code could, of course, be assigned to the same wireless carrier). These prohibitions shall be effective to the extent possible for a reasonable period of time.

3. Southwestern Bell Telephone Company (SWB) shall file within 28 days of the date of this Order any change to its tariffs that are necessary to permit wireless carriers to rate multiple NPAs out of a single rate center.
4. SWB shall develop a Texas "Customer Care Package" similar in scope to that adopted in other states, and make that proposal available to all affected customers in the Dallas and Houston NPA areas to help mitigate the impact of the change in NPAs. Within 90 days from the date of this Order, SWB shall submit to the Commission a report outlining the elements and implementation of the Customer Care Package. This Customer Care Package shall include provisions that enable customers to obtain from Directory Assistance every number within their local calling scope, no matter which NPA they are calling to or from. SWB shall coordinate its efforts with the other parties to this proceeding in developing this package. This Customer Care Package shall also provide for customer education regarding the availability of long-term call forwarding.
5. The Commission Staff shall monitor SWB's compliance with this Order for the duration of the implementation period for both the 214 NPA and the 713 NPA relief plans.
6. With the exceptions of tariff filings, all reports and other filings required by Subsections 1-5 in Section IV of this Order shall be filed in Project No. 15452, NPA Relief -- Geographic Split / Wireless Overlay in Dallas and Houston -- Implementation Oversight.
7. In the event the integrated relief plan is challenged and the prospective wireless overlay is determined to violate the *Ameritech* order or any state or federal law, the Commission will appropriately rebalance any remaining burdens. Such rebalancing may require a pro-rata mandatory take-back of wireless telephone numbers under the geographic splits in Houston and Dallas, plus such other relief as may be appropriate.

8. The Commission Staff shall include as part of Project 15345 (NPA Relief Planning Process for Fort Worth and San Antonio) the following:

A. A determination of what changes, if any, need be made to NPA relief planning and NXX code administration in Texas to ensure that the process provides a fair, orderly, and competitively neutral result. This portion of the project should seek consistency with any rule resulting from the FCC's Notice of Proposed Rulemaking on this subject, *In re Administration of the North American Numbering Plan*, CC Docket No. 92-237, 9 F.C.C.R. 2068 (March 30, 1994), which is summarized at 59 Fed. Reg. 24103 (May 10, 1994) (*see also* the July 13, 1995, FCC report and order in that docket, which is summarized at 60 Fed. Reg. 38737 (July 28, 1995)); and with any relevant rules resulting from the FCC's exercise of its jurisdiction under § 251(e) of the federal Telecommunications Act of 1996. This portion of the project should consider, at a minimum, the following:

- To what extent should an independent third party assume the role of NPA administrator and what additional procedures should be developed for NPA relief activities as a consequence of a third party assuming responsibility for NPA administration?
- **What changes need to be made to the NPA administration process to ensure that NXX code assignment does not favor one particular industry or technology over another?**
- Which participants should be included in the NPA relief planning discussions?
- What changes need to be made to the NPA administration process to ensure that alternative solutions such as "eight-digit dialing" receive full consideration?

B. An investigation into the feasibility of implementing "eight-digit dialing."

C. A consideration of the advisability of requesting informal opinions or declaratory rulings from the FCC regarding the use of a prospective wireless overlay or other NPA relief solutions.

D. An investigation into the feasibility of implementing an NPA relief solution like that proposed by State Representative Debra Danburg at the Commission's public forum held in Houston on January 8, 1996.

E. An investigation into the feasibility of implementing an NPA relief solution like that proposed by Commission Chairman Pat Wood, III in his February 13, 1996, letter to the other Commissioners regarding a non-public number overlay.

F. An investigation into the feasibility of splitting the 10,000-number NXX code blocks into smaller blocks which can be assigned to more than one service provider.

G. An investigation into the measures necessary to implement permanent number portability in Texas. As part of this project, SWB shall report to the Commission, on a semi-annual basis, the status of the industry tests regarding permanent service provider local number portability (SPLNP). This portion of the project should seek consistency with any rule resulting from the FCC's Notice of Proposed Rulemaking on this subject, *In re Telephone Number Portability*, CC Docket No. 95-116, 10 F.C.C.R. 12350 (July 13, 1995), which is summarized at 60 Fed. Reg. 39136 (August 1, 1995); and with any relevant rules resulting from the FCC's exercise of its jurisdiction under § 251(b)(2) of the federal Telecommunications Act of 1996.

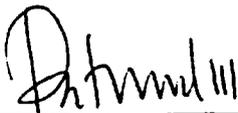
H. A review of possible audit methodologies of NXX code use in order to establish a methodology to verify that NXX code use maximizes the lifetime of NPA relief plans.

9. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied for want of merit.

This Order reflects the majority opinion of the Commission. However, it does not reflect individual concurrences and dissents, which may be filed hereafter.

SIGNED AT AUSTIN, TEXAS the 13<sup>th</sup> day of March 1996.

PUBLIC UTILITY COMMISSION OF TEXAS

  
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PAT WOOD III, CHAIRMAN

  
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ROBERT W. GEE, COMMISSIONER

  
\_\_\_\_\_  
JUDY WALSH, COMMISSIONER

ATTEST:

  
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PAULA MUELLER  
SECRETARY OF THE COMMISSION

# Bickerstaff, Heath, Smiley, Pollan, Kever & McDaniel, L.L.P.

San Jacinto Center, Suite 1500 98 San Jacinto Boulevard Austin, Texas 78701-4029 (512)472-9021 Fax (512)320-5638 <http://www.bickerstaff.com> - bbs

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Joseph A. ...	Stacy W. ...	Lowell ...	Eric H. ...	Bill ...	...

January 22, 1996

Mr. Joseph E. Cosgrove  
Southwestern Bell Telephone Company  
1616 Guadalupe, Room 600  
Austin, Texas 78701-1298

RE: SOAH Docket No. 473-95-1003 and PUC Docket No. 14447

Dear Mr. Cosgrove:

This is to confirm our telephone conversations of January 18, 1996, during which we reached agreement in principle on a stipulation between the intervenor alarm companies in this case and Southwestern Bell Telephone Company (SWBT).

As you know, and as we discussed during our telephone conference, Bickerstaff, Heath, Smiley, Pollan, Kever & McDaniel, L.L.P. represents the Dallas alarm companies that intervened and have participated in the evidentiary hearing in this proceeding. These companies are listed in the attachment to the Texas Burglar and Fire Alarm Association's Motion to Intervene. We formally will change the name of the alarm company intervenors, from the Texas Burglar and Fire Alarm Association to the North Texas Alarm Association (NTAA) to clarify that only Dallas alarm companies are participating as intervenors in this case.

We reached an agreement in principle which satisfactorily addresses NTAA's concerns in this case. My understanding of our agreement is that, in the event a geographic NPA split is implemented in Dallas, the NTAA and SWBT agree to the following:

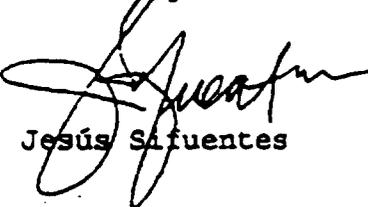
1. SWBT will "open" 24 NXX codes in the 972 area code and keep open 24 NXX codes in the 214 area code to provide NTAA member companies with duplicate seven digit numbers in each NXX and area code for use by these companies' central monitoring stations;
2. The NTAA will provide SWBT a list of the 7 digit numbers that member companies use for their central monitoring stations in the 214 area code and which must be duplicated in the new 972 area code and vice versa;

Mr. Joseph E. Cosgrove  
January 22, 1996  
Page 2

3. NTAA member companies will purchase remote call forwarding from SWBT to forward calls from alarms in the foreign area code, either 214 or 972, to their central monitoring stations;
4. NTAA member companies will place their orders for remote call forwarding at the beginning of the permissive dialing period established by the new area code split. Such remote call forwarding service, however, will not be initiated, and charges for the service will not begin, until the end of this permissive dialing period;
5. This remote call forwarding arrangement will remain in effect for a period of 18 months following the end of the permissive dialing period established for the new area code split, or until a new relief plan is implemented, whichever occurs later;
6. NTAA member companies who are intervenors in this proceeding agree that they will not raise the same issues they have raised in this proceeding, Docket No. 14447, in any future NPA relief case docketed at the Commission;
7. In the event the PUC orders an overlay in Dallas in this proceeding, the NTAA and SWBT will negotiate a mutually agreeable extension of the permissive dialing period associated with such overlay.

If this is your understanding of our agreement, please sign the enclosed duplicate of this letter and return it to me as soon as possible. As we discussed, this letter serves as our agreement and stipulation in PUC Docket No. 14447. My understanding is that you will file this letter with the Commission as our stipulation and agreement in this case.

Sincerely,

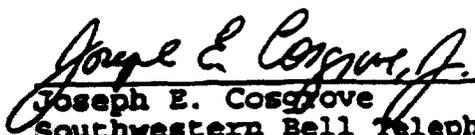


Jesús Sifuentes

cf

Mr. Joseph E. Cosgrove  
January 22, 1996  
Page 3

AGREED TO:

  
\_\_\_\_\_  
Joseph E. Cosgrove  
Southwestern Bell Telephone Company  
1616 Guadalupe, Room 600  
Austin, Texas 78701-1298



**ATTACHMENT 2**

PROJECT NO. 16899 - NUMBERING  
PLAN AREA CODE RELIEF  
PLANNING FOR THE 214/ 972 AREA  
CODES; PROJECT NO. 16900 -  
NUMBERING PLAN AREA CODE  
RELIEF PLANNING FOR THE 713/ 281  
AREA CODES; PROJECT NO. 16901 -  
NUMBERING PLAN AREA CODE  
RELIEF PLANNING FOR THE 512  
AREA CODE.

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## ORDER APPROVING SEQUENTIAL NUMBER ASSIGNMENT

### I. BACKGROUND

In order to ensure that the maximum number of thousand number blocks are available for number pooling, staff recommended that the Commission order that all NXX code holders employ number sequencing for assignment of telephone numbers out of a single one thousand number block group at a time. Rather than restricting the practice of number sequencing only to those code holders in currently exhausting NPAs, this Order is extended to all code holders in the state in order to preserve relief options for all of Texas' NPAs.

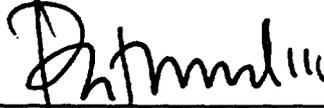
### II. ORDER

All NXX code holders within the State of Texas shall assign numbers from one 1000 number block within an NXX until 80 to 90 percent of the numbers within that 1000 number block have been assigned to an end user, or are unassignable or reserved due to internal testing, number churn/aging, or planning, BEFORE beginning assignment of numbers from another 1000 block within that NXX. However, if a code holder receives a request for numbers within an NXX which cannot be met by the vacant numbers of the 1000 number block currently being utilized for assignment (for example, a code holder has assigned 750 numbers within the 1000 number block and receives a request for 300 consecutive numbers), then the code holder may go to the next 1000 block of numbers within the NXX to meet the request.

**Order Approving Sequential Member Assignment**  
**Project Nos. 16899, 16900, 16901**  
**Page 2**

SIGNED AT AUSTIN, TEXAS the 11<sup>th</sup> day of September, 1997.

**PUBLIC UTILITY COMMISSION OF TEXAS**



**PAT WOOD, III, CHAIRMAN**



**JUDY WALSH, COMMISSIONER**



**ATTACHMENT 3**

PROJECT NO. 16899 - NUMBERING  
PLAN AREA CODE RELIEF  
PLANNING FOR THE 214/ 972 AREA  
CODES; PROJECT NO. 16900 -  
NUMBERING PLAN AREA CODE  
RELIEF PLANNING FOR THE 713/ 281  
AREA CODES; PROJECT NO. 16901 -  
NUMBERING PLAN AREA CODE  
RELIEF PLANNING FOR THE 512  
AREA CODE.

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**ORDER EMPOWERING THE TEXAS NUMBER CONSERVATION TASK FORCE**

**I. BACKGROUND**

During the August 26, 1997 number conservation workshop the participants recommended the creation of the Texas Number Conservation (TNC) Task Force to review number conservation alternatives for implementation in the State of Texas. The TNC will develop specific recommendations that might extend the life of the 214/972, 713/281, and 512 area codes, which are currently undergoing NPA Relief Planning in Projects 16899, 16900, and 16901. The staff will use information gained through the TNC studies and its recommendations to develop relief plans that will make the best possible use of all remaining available telephone numbers in the Dallas, Houston, and Austin/Corpus Christi areas before proposing that a new NPA be implemented. In addition, the TNC will recommend a long-term number conservation solution for implementation throughout the State of Texas.

**II. ORDER**

The Public Utility Commission of Texas creates and empowers the Texas Number Conservation (TNC) Task Force to:

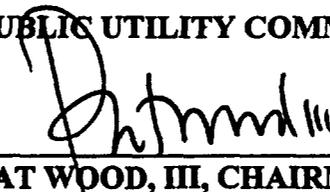
identify, evaluate, and recommend number conservation measures for implementation in Texas that will facilitate an uninterrupted supply of telephone numbers for telecommunications customers while minimizing the need for new NPAs within the state.

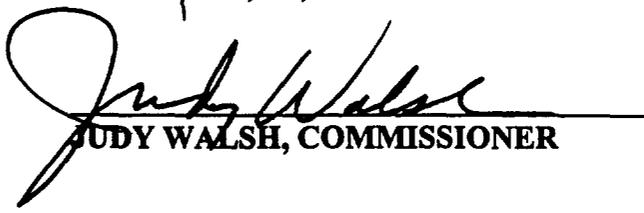
The TNC Task Force will evaluate various number conservation measures, including, but not limited to, rate center consolidation, number pooling, transparent overlay systems, and number administration procedures. The TNC will also examine the impact of local number portability on number exhaust and interact with the Southwest Region Industry Local Number Portability Task Force. The TNC will provide staff with recommendations for implementation of a number conservation plan specific to and for the 214/972, 713/281, and 512 area codes. The recommendation for each NPA will address how the plan will provide the best solution for relief in that specific NPA, and outline any potential problems associated with the plan. The recommendation will further inform the Commission regarding any technical or administrative changes that will be required of the industry to implement the plan, and include specific time lines for implementation of those changes. Finally, the recommendation will provide revised estimated exhaust date for each NPA based upon implementation of the recommended number conservation measures.

The TNC will also recommend a long-term number conservation solution for implementation throughout the state of Texas that will ensure optimal efficiency in the use of telephone numbers in all current area codes.

SIGNED AT AUSTIN, TEXAS the 11<sup>th</sup> day of September, 1997.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
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**PAT WOOD, III, CHAIRMAN**

  
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**JUDY WALSH, COMMISSIONER**



**ATTACHMENT 4**

**PROJECT 18438**

**TEXAS NUMBER CONSERVATION TASK FORCE  
REPORT**

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- I. Mission Statement
- II. Summary of Participating Companies/Entities
- III. Conservation Methods Considered-Description
  - A. Rate Center Consolidation
  - B. Number Pooling
  - C. "Transparent Overlay"
  - D. Other Number Conservation Methods
  - E. Test Codes, Special Codes, Protected Codes, etc.
- IV. Analysis of Options
- V. Recommendations
- VI Participant Comments
- VII Glossary Of Terms

## Summary of Attachments

1. Central Office Code (NXX) Assignment Guidelines
2. ICCF Report on Rating and Routing In A Local Environment
3. INC Initial Report to the North American Numbering Council(NANC) on Number Pooling
4. Pennsylvania PUC Docket No. P-00961027,61,71
5. Rate Center Consolidation Issue Matrix
6. North American Numbering Council Architecture & Administrative Plan for Local Number Portability
7. SW Region Position Paper-Location Portability Scope
8. INC Status Report on Issue 105- Number Pooling
9. Inconsistent Rate Center Description
10. Illinois Number Portability Workshop-Report on Number Pooling
11. Number Pooling Management group- Report on Results of September 15 Meeting- NANC
12. October 7, 1997 letter from Illinois Number Pooling group to Richard Metzger, Acting Chief, Common Carrier Bureau, FCC
13. NPA Exhaust Projections Worksheets—Lockheed/Martin model
14. FCC Public Notice-Comments on Petition for Declaratory Ruling and Request for Expedited Action By Providers of CMRS in Pennsylvania
15. GTE Contribution—Rationale of a Rate Center ID Number(RCID)
16. Summary of Number Utilization from Data Request
17. NXX Assignment History for NPAs 214/972/713/281/512
18. Georgia PUC Order for Relief in Atlanta Area
19. Colorado PUC Order for Relief in Denver Area
20. Jeopardy Summary—972-713-281

## I.

### Mission Statement

On September 11, 1997, the Public Utility Commission of Texas created and empowered the Texas Number Conservation (TNC) Task Force to:

**“identify, evaluate, and recommend number conservation measures for implementation in Texas that will facilitate an uninterrupted supply of telephone numbers for telecommunications customers while minimizing the need for new NPAs within the state.”**

The TNC was asked to review number conservation alternatives for the state of Texas that might extend the life of NPAs 214/972 (Dallas), 713/281 (Houston), and 512 (Austin/Corpus Christi). Each of these NPAs are currently under NPA relief planning in Projects 16889, 16900 and 16901.

The TNC was also asked to recommend a “long term” number conservation solution for implementation throughout the state of Texas.

This report is broken into seven separate sections each detailing a particular portion of the TNC's activities over the past three months. This report takes advantage of number conservation activities taking part in virtually every region of the country. Efforts currently underway in Illinois, Colorado, Minnesota, Missouri, Pennsylvania, etc., as well as activities of the Industry Numbering Committee and the North American Numbering Council (NANC) were considered during the TNC evaluation process. Attached to this report will be pertinent documents used during our analysis. Rather than reword previous efforts, these resource documents are attached for thorough, in context review.

## II.

### Summary of Participating Companies/Entities

The following is a list of companies/entities that participated in the TNC efforts.

A total of 9 "in-person" meetings were held in Austin and Dallas to discuss the number conservation issue. In addition, weekly conference calls were held since September to facilitate the creation of the TNC report and recommendations.

City of Plano  
Ed Jones-Private citizen  
Kingsgate Telephone, Inc.  
Golden Harbor  
AT&T  
MCI  
Fort Bend Telephone Company  
Eric Drummond/BHS  
AllTel  
  
LCTX  
Aerial  
GTE

PCS Primeco  
Sprint  
Sprint PCS  
AT&T Wireless  
PUCT Staff  
Lockheed-Martin  
TSTCI  
Time Warner  
360 Communications  
GTE Wireless  
Cathey, Hutton & Assoc.  
SWBT

It is worth noting that a significant number of interested parties participated in the TNC activities; however numerous telecommunications companies as well as citizens, consumer groups, political bodies, etc. that may be effected or may have wanted to participate were not involved in any of the TNC efforts and, as such, did not contribute to this report.

### III.

## CONSERVATION METHODS CONSIDERED DESCRIPTIONS

### A. Rate Center Consolidation

#### Description

A "rate center" is a specific geographic location, (identified by vertical and horizontal coordinates) associated with a telephone company's central office (CO) switch, used to calculate mileage for inter and intra LATA toll billing and intercompany settlement purposes. The rate center is also used to provide specific customer information regarding the call—a description of the location being called. One or more CO's may be a part of the same rate center. RC's have traditionally been associated with the Incumbent Local Exchange Carrier (ILEC) serving areas and are approved by the PUCT.

Competitive Local Exchange Carriers (CLECs) are likely to provide service using a network infrastructure which is not a mirror image of the ILEC infrastructure. Specifically, the area served by a CLEC switch is likely to be much larger than that of the ILEC and may/will cover a multitude of existing rate centers. (Consequently, a CLEC might satisfy the demand for its services with numbering resources from a few (possibly one) NXXs (e.g. 512-221) for an ILEC Rate Center while an ILEC may have multiple NXXs assigned to COs within the same Rate Center.) The requirement for the CLEC to have one NXX per rate center is necessary if the CLEC is to perform call rating/billing consistent with the ILEC. This arrangement assumes the CLEC and the ILEC Rate Center structure is "consistent"—the geography covered by CLEC and ILEC rate centers is identical in a consistent rate center structure.

An alternative Rate Center arrangement, referred to as "inconsistent rate centers" (IRC) also exists. A description of the inconsistent rate center structure follows:

An "inconsistent rate center" exists when, for the serving area of a competing telephone company, the rate center assignment does not match the rate center assignment of the ILEC. Typically, IRCs involve competing telephone companies having RCs with a larger geographic area represented by the V&H coordinates of the ILEC rate center. The existing IRCs, and those considered by the TNC are Commission approved arrangements. These rate center structures are used, by those CLECs who choose it, in the same manner and for the same purposes as the ILEC rate centers. The Commission in Texas has previously approved at least three inconsistent rate center structures for CLECs—Golden Harbor of Texas, Inc., Kingsgate and American Telco. This was done in order to conserve NXX codes since the CLEC did not require a separate NXX per ILEC rate center in order to serve its customers and did not desire to mirror the ILECs existing rate center structure. A basic characteristic of an inconsistent rate centers presumes that calling within the inconsistent rate centers area, between the ILEC and the CLEC using the IRC, will be rated as local. This requires specific provisions in the carrier's interconnection agreements and/or TPUC action.

Call rating/billing is typically effected by downstream processes supported by each service provider. These processes rely upon knowledge of the calling and called party locations to determine if the call is local or toll, and to compute the specific charge for the call. The calling and called party locations are associated with the NPA-NXX of calling and called party numbers and are listed in industry documents maintained by the Traffic Routing Administration (TRA) within Bellcore.

The practice of assigning an NXX code per provider, per ILEC rate center, per CO, is allowable under the *CO Code (NXX) Assignment Guidelines* (Attachment 1) and consistent with regulatory requirements in Texas. In a competitive marketplace, this ILEC assignment practice creates NXX demand greater than necessary to serve customers growth. This increased demand ultimately results in an accelerated exhaust of the NPA serving the area.

To the extent the number of Rate Centers in an NPA for which CLECs must have an NXX can be reduced, the requirement of CLECs for NXXs may also be reduced. The specific time required for implementation of a modified rate center structure will be dependent upon the complexity of the existing rate center structure and the extent of changes made to that structure and associated network elements to accommodate RCC or inconsistent rate centers.

The Commission can, through rate center consolidation or inconsistent rate centers, reduce the number of new NXXs necessary for new entrants to mirror ILEC rate centers, thus reducing the demand on NXX codes (number blocks). However, as long as any ILEC(s) continue to request codes or blocks of numbers on a rate center basis, it is possible that new entrants will choose to mirror the ILEC's NXX arrangement. Even after Local Number Portability is implemented, both ILECs and CLECs may determine that where there are multiple switches per rate center, it is desirable to have number blocks assigned per CO within a Rate Center.

Except as noted in the various options, the benefits of RCC or inconsistent rate centers are primarily realized in reduced future NXX demand. It is important to note that when a Rate Center is consolidated, assigned NXX codes are not returned to the Code Administrator. Assuming all NXX codes assigned to telecommunications providers have assigned and working customers within the code, the only way for NXXs to be returned to the Code Administrator for assignment to another provider would be for working numbers within the NXX to undergo a 7D number change, thus freeing up all 10,000 numbers within the NXX. It is possible that some carriers may have a small number of recently assigned NXXs in which no telephone numbers have yet been assigned. It is possible these NXXs could be returned by the code holder to the Code Administrator. (This situation, while possible, seems unlikely to exist in most cases.)

Attachment 2, the *ICCF Report on Rating and Routing in a Competitive Local Environment* provides additional explanation and industry study on both consistent and inconsistent rate center consolidation models.

The following is a breakdown of incumbent Rate Centers in each of the areas currently analyzed by the TNC.

NOTE: The review of the 512 NPA focused on rate centers within the Austin metro area.

<u>Area</u>	<u>Current Rate Center's</u>
Dallas	63
Houston	55
Austin	27

## **B. Number Pooling**

### **Description**

Although not completely defined by the industry, number pooling is a concept where numbers are no longer allocated to individual industry participants in blocks of 10,000 (known as central office codes or NXXs), but are allocated between multiple industry participants in some quantity less than 10,000.

The industry-accepted definition for number pooling is:

**“Pooling of geographic numbers in a local number portability environment is a number administration and assignment process which allocates numbering resources to a shared reservoir associated with a designated geographic area.”**

The Industry Numbering Committee, (INC), at the direction of the North American Numbering Council (NANC) is currently considering a number of pooling alternatives, all of which require long-term Local Number Portability using Location Routing Number (LRN LNP) to maintain call routing and billing capabilities. Only LRN LNP capable service providers will be capable of participate in Number Pooling. Number Pooling will require a Number Pool Administrator ( a separate activity as compared to the Central Office Code Administrator) who will manage the Industry Inventory (pool) for all pooling participants. The Number Pooling Administrator will follow national guidelines which will ensure neutral administration across the North American Numbering Plan. Attachment 3 is a copy of the Industry Numbering Committee (INC) *Initial Report to the North American Numbering Council (NANC) on Number Pooling*.

Service providers will have the ability to maintain a supply of unassigned telephone numbers in a Service Provider Inventory for subsequent assignment to subscribers. As the Service Provider Inventory depletes, the service provider would request additional numbering resources from the Industry Inventory. The Pooling Administrator would likely be required to validate the need of each service provider before providing any number resources.

The TNC focused its efforts on 1000 block pooling. Many in the telecommunications industry feel individual Telephone Number (TN) pooling is the long term goal. However, at this time 1000 block pooling appears to offer the highest probability of implementation in the shortest timeframe.

### **\*\*1000 Block Pooling\*\***

Thousand Block Pooling (or NXX-X LRN Number Pooling) allocates 1000 consecutive numbers (000-999) within an NXX to service providers that are providing service within a rate center. This would allow up to ten (10) service providers to be allocated unassigned telephone numbers within the same NXX. The Pooling Administrator would be required to manage the assignment of number resources according to NXX-X.

### **OUTSTANDING ISSUES**

#### **\*\*Pre-port Versus Port-on-demand\*\***

This issue addresses when the pooled telephone number should be placed into the Number Portability Administration Center (NPAC) database, or Regional Service Management System (RSMS). Pre-port requires all numbers be placed in the NPAC upon allocation to a service provider (although not assigned to a customer). Port on demand requires the telephone number to be placed in the RSMS once assigned to a customer.

The implications of pre-port vs. port on demand on the provisioning, systems and database capacity are still under evaluation. A analysis of these two pooling options is currently being aggressively pursued by the INC.

#### **\*\*Utilization of Embedded Numbers for Establishment of Pool\*\***

The Industry Inventory requires telephone number resources in order to allocate them to service providers. This issue addresses whether to utilize "growth" numbers (number resources which have not been allocated to any service provider by the Central Office Code Administrator) versus utilizing "embedded" numbers (number resources which have been allocated to a service provider by the CO Code Administrator). If it is determined that embedded numbers will be utilized, an additional issue is raised regarding what the criteria will be to determine which embedded numbers will be used.

#### **\*\*Snapback\*\***

Currently disconnected ported telephone numbers "snapback" to the service provider identified in the Local Exchange Routing Guide (LERG) as the default carrier. Once Number Pooling is established, there is a question whether the existing snapback policy should be

reconsidered. Alternatives include snapping back to the NXX code holder (default carrier), snapping back to the 1000 block code holder (for 1000 block pooling), or not snapping back at all (remains with the disconnecting service provider for re-assignment/vacant number treatment).

**\*\*National Pooling Architecture\*\***

The architecture and process flows that will be developed will be greatly impacted depending on which Number Pooling alternative is chosen. The details will also include what information is necessary in Service Provider Pools and the Industry Pool for the Pooling Administrator to perform their management activities, including an audit process.

**\*\*Assignment Guidelines/Requirements\*\***

If Number Pooling is implemented within the state of Texas prior to a national Pooling Administrator(s) being chosen, a decision as to an interim PA will be required. An associated issue will be "who will pay the Pool Administrator?"

Once the pooling alternative is developed, extensive guidelines must be developed. Much detail is required to establish the responsibilities of the new Pooling Administrator and how that administrator will interact with the NANPA/CO Code Administrator and the NPAC. Those responsibilities will be developed into a requirements document which will be utilized to make a recommendation regarding the selection of the Number Pooling Administrator.

## **C. Transparent Overlay**

### **Description**

Among methods considered, but not recommended is the following:

Most notable is the "Transparent Overlay", which has gained attention primarily due to regulatory and industry action in Pennsylvania. The following is from a Pennsylvania PUC order entered July 15, 1997: (Attachment 4)

**"The proposal is use of a temporary, transparent and fictitious new NPA (area code) for any new NPA-NXX needed. It would be reached by Remote Call Forwarding (RCF). The first three digits of the NPA-NXX would be from an area code that is not in public use. The number given to the customer would be from an existing NXX but calls to that number will in fact be switched to the switch with the transparent or "virtual" NPA-NXX and routed from there. Since numbers from the virtual NPA would not be given out, this would not require use of any existing NXXs.**

**If a customer wants to add new service and the provider does not have an NXX in that rate center, a LEC will be required to provide the number and use RCF to transfer calls to the transparent number switch. As with the long term solutions, the NPA-NXX must be in the same rate center. Some services may be unavailable and others may be of lower than standard quality, although this should be minimized. These parties indicate that upon implementation of LNP, the NPA-NXX transparent NPA would be released."**

**It is important to understand that implementation of a transparent overlay is *not* a number conservation mechanism, and is *not* designed to extend the life of an NPA. Rather, it provides a means ,in a pre LNP enviornment, by which a new service provider can begin to provide service in an area where NXX shortages prevent it from obtaining an NXX to serve a new customer in a given rate center.**

## **D. Other Number Conservation Methods**

### **Description**

- **Unassigned Number Pooling (INP) - This solution, using Route Index INP technology (a single number solution), would only be viable for a short-term application, due to the general disadvantages of INP. No additional NPA (e.g., PA Transparent Overlay) would be required. Vacant line numbers could be ported, providing an immediate reduction in the need to add NXXs (assuming enough vacant numbers were available to satisfy new customer orders). However, due to the above stated disadvantages, this method is not seriously considered for use in Texas.**
- **Expanded NPA Overlay - This method was not supported due to complications similar to IRC, but with a larger geographic implication.**
- **Extended Local Calling Area - This method was not supported due to limited application available (CMRS only).**
- **Sequential Number Assignment - Already ordered by the PUC, this method should be maintained in anticipation of the benefits of Thousands Block Number Pooling. A 5% contamination factor (50 numbers per 1,000) should be allowed to enable sale of vanity numbers by the NXX holder. These numbers would be ported upon deployment of Thousands Block Number Pooling. Any party being certified for local or wireless service, plus, any party receiving an NXX from the COC Administrator should be reminded of the PUC order in this regard to allow for greater compliance.**
- **Unassigned Number Pooling (LRN) - This method, basically NXX-X/LRN at the line number level, is not well developed, nor advocated in any state or national forum currently. Future developments will be monitored for application in Texas.**

## **E. Test Codes, Special Codes and Protected Codes**

Within every NPA, a varying supply of NXXs are not available for assignment to telecommunications providers. These codes are used for plant test purposes—testing of the various communications providers networks, codes reserved for some future use, or special codes that are assigned consistently on a national level, i.e. Time and Temperature, 411, 911, etc. To the extent this quantity of codes can be minimized, more telephone numbers are available for customer use.

The following is a summary of all codes that currently fall into this unavailable category. In addition, the use of each code is provided.

**PROTECTED**

214	433	EAS-ANNA-VAN ALSTYNE-IK. WORKING IN 903
214	440	EMS AUBREY-PROSPER/FRISCO
214	482	EAS ANNA-VAN ALSTYNE-IK

**RESERVED**

214	214	HOME NPA
214	285	RESERVED FOR WORKING ALARM COMPANY
214	383	RESERVED FOR WORKING ALARM COMPANY
214	430	ADJACENT NPA RELIEF (903)
214	469	214 NPA RELIEF CODE #1
214	817	ADJACENT NPA
214	846	214 NPA RELIEF CODE #2
214	903	ADJACENT NPA
214	940	ADJACENT NPA RELIEF (817 #1)
214	945	ADJACENT NPA RELIEF (972 #1)

**SPECIAL**

214	211	
214	311	
214	411	LOCAL DIRECTORY ASSISTANCE
214	511	
214	555	TOLL DIRECTORY ASSISTANCE
214	610	SPL XLTNS-CHOKE NTWK
214	611	
214	700	INDUSTRY INTRA-LATA PIC VERIFICATION CODE
214	703	SPIDS - SPECIAL PREFIX INFO DELIVERY SVC
214	711	
214	787	DALLAS METRO CHOKE NETWORK
214	811	
214	844	TIME & TEMPERATURE
214	911	NATIONAL EMERGENCY ACCESS
214	936	WEATHER SERVICE
214	950	FGB ACCESS CODE
214	976	BELLCORE INFO DELIVERY SVC

**PROTECTED**

972	433	EAS-ANNA/VAN ALSTTNE, IK
972	440	EMS-AUBREY/PROSPER/FRISCO
972	482	EAS ANNA/VAN ALSTYNE-IK

**RESERVED**

972	214	ADJACENT NPA
972	430	ADJACENT NPA RELIEF (903)
972	469	ADJACENT NPA RELIEF (214)
972	737	972 NPA RELIEF CODE #2
972	817	ADJACENT NPA
972	903	ADJACENT NPA
972	940	ADJACENT NPA RELIEF (817 #1)
972	945	972 NPA RELIEF CODE #1
972	972	HOME NPA

**SPECIA****L**

972	211	
972	311	
972	411	LOCAL DIRECTORY ASSISTANCE
972	511	
972	555	TOLL DIRECTORY ASSISTANCE
972	610	SPL XLTNS-CHOKE NTWK
972	611	
972	700	INDUSTRY INTRA-LATA PIC VERIFICATION CODE
972	703	SPIDS - SPECIAL PREFIX INFO DELIVERY SVC
972	711	
972	787	DALLAS METRO CHOKE NETWORK
972	811	
972	844	TIME & TEMPERATURE
972	911	NATIONAL EMERGENCY ACCESS
972	936	WEATHER SERVICE
972	950	FGB ACCESS CODE
972	976	BELLCORE INFO DELIVERY SVC

**PLANT TEST**

972	955	LOAD BOX TRK TEST MILLIWATT
972	958	BELLCORE AUTHORIZED PLANT TEST CODE
972	959	BELLCORE AUTHORIZED PLANT TEST CODE

972	970	PLANT TEST 10-DIG ANAC
972	971	STATION RINGER TEST
972	973	STATION RINGER TEST
972	974	STATION RINGER TEST

**PROTECTED**

713	372	PROTECT FOR WALLER, TX (409 EMS)
713	384	UNASSIGNABLE

**RESERVED**

713	389	RESERVED PER PUC ORDER
713	713	HOME NPA
713	832	ADJACENT NPA RELIEF (281 #2)
713	848	713 NPA RELIEF CODE #2
713	936	ADJACENT NPA RELIEF (409 #2)

**SPECIAL**

713	211	
713	311	
713	390	CHOKE NETWORK
713	411	LOCAL DIRECTORY ASSISTANCE
713	511	
713	555	TOLL DIRECTORY ASSISTANCE
713	611	
713	700	INDUSTRY INTRA-LATA PIC VERIFICATION CODE
713	711	
713	766	SPIDS - SPECIAL PREFIX INFO DELIVERY SVC (PRESCOTT)
713	811	
713	889	CHOKE NETWORK (1ESS)
713	911	NATIONAL EMERGENCY ACCESS
713	950	FGB ACCESS CODE
713	976	BELLCORE INFO DELIVERY SVC

**PLANT TEST**

713	231	STATION RINGER
713	234	STATION RINGER - ANAC FOR ANI CKT
713	258	STATION RINGER (281 NPA RELIEF CODE #1)
713	281	CAROT TEST (ADJACENT NPA)
713	322	DALCOM TRUNK
713	325	BAT GD. REM
713	352	TENNECO TESTING
713	380	AUTO NUMB ANN
713	381	PLANT TEST CODE (GTE SOUTHWEST)
713	489	TEMP TEST FOR LNP
713	573	TEMP TEST FOR LNP
713	574	TEMP TEST FOR LNP

713	958	BELLCORE AUTHORIZED PLANT TEST CODE
713	959	BELLCORE AUTHORIZED PLANT TEST CODE
713	979	PLANT TEST (409 NPA RELIEF CODE #1)

**RESERVED**

281	258	713 NPA RELIEF CODE #1
281	281	HOME NPA
281	409	ADJACENT NPA
281	713	ADJACENT NPA
281	741	281 NPA RELIEF CODE #2
281	832	281 NPA RELIEF CODE #1
281	936	ADJACENT NPA RELIEF (409 #2)
281	979	ADJACENT NPA RELIEF (409 #1)

**SPECIA**

**L**

281	211	
281	311	
281	390	CHOKE NETWORK
281	411	LOCAL DIRECTORY ASSISTANCE
281	511	
281	555	TOLL DIRECTORY ASSISTANCE
281	611	
281	700	INDUSTRY INTRA-LATA PIC VERIFICATION CODE
281	711	
281	811	
281	889	CHOKE NETWORK (1ESS)
281	911	NATIONAL EMERGENCY ACCESS
281	950	FGB ACCESS CODE
281	976	BELLCORE INFO DELIVERY SVC

**PLANT TEST**

281	223	DAVAR TRUNK TEST
281	254	PLANT TEST FOR BATTERY & GROUND REMOVAL
281	825	TEMPORARY TEST FOR LNP
281	826	TEMPORARY TEST FOR LNP
281	827	TEMPORARY TEST FOR LNP
281	887	ANAC
281	958	BELLCORE AUTHORIZED PLANT TEST CODE
281	959	BELLCORE AUTHORIZED PLANT TEST CODE

**PROTECTED**

512 839 EAS - SMITHVILLE/ROCKYCREEK

**RESERVED**

512 210 ADJACENT NPA  
512 214 ADJACENT NPA  
512 254 ADJACENT NPA RELIEF (817 #2)  
512 361 512 NPA RELIEF CODE #2  
512 382 RESERVED FOR NEW LOCAL EXCHANGE SVC.  
512 409 ADJACENT NPA  
512 512 HOME NPA  
512 713 ADJACENT NPA  
512 809 ADJACENT NPA (CARIBBEAN - PUERTO RICO)  
512 817 ADJACENT NPA  
512 915 ADJACENT NPA  
512 979 ADJACENT NPA RELIEF (409 #1)

**SPECIAL**

512 201 NETWORK MGMT SPECIAL ROUTING CODE  
512 211  
512 311  
512 390 AUSTIN CHOKE NETWORK  
512 411 LOCAL DIRECTORY ASSISTANCE  
512 511  
512 555 TOLL DIRECTORY ASSISTANCE  
512 611  
512 700 INDUSTRY INTRA-LATA PIC VERIFICATION CODE  
512 711  
512 766 SPIDS - SPECIAL INFO DELIVERY SVC  
512 770 CHOKE NETWORK (CORPUS CHRISTI)  
512 811  
512 911 NATIONAL EMERGENCY ACCESS  
512 950 FGB ACCESS CODE  
512 973 TIME & TEMPERATURE  
512 975 ESS INWATS  
512 976 BELLCORE INFO DELIVERY SVC

IV.

**Analysis of Conservation Methods**

**A. Rate Center Consolidation**

The following section is comprised of nine scenarios (1-6 for Rate Center Consolidation, 7-9 for Inconsistent Rate Centers) that have been evaluated for their impact on Number Conservation, and the customers and carriers involved.

Attachment 5 provides a summarized matrix of all nine consolidation options.

**Option No. 1**

Consolidate rate centers in the metropolitan exchanges within the ILECs existing local exchange boundary, without affecting local exchange calling scopes (proposal does not consolidate zones in the local exchange area with unique calling arrangements due to EMS, EACS, etc.).

<b># of Rate Centers Consolidated</b>	<b>Dls 19 : 5 Aus 15 : 2 Hou 25 :16  SWBT only</b>
<b>ISSUES Associated with Proposal</b>	

1. Update TPM (Industry Document with Rate Center & V/H required)
2. OSS Update Requirements to reflect Rate Center Change i.e. TPM, Operator Tables
3. Implementation Estimated in 3-6 Months from Approval of Compliance Filing--ILEC schedule. CLEC could be shorter
4. Rate Center Name Change--Billing records reflect new name
5. Impact To Texas Pooling Alternative Settlement Practice (The Toll Pool)
6. Customer Toll Charges Impacted
7. Golden Harbor will require the following add'l NXXs: Dallas: 214 - 0; 972 +4 Austin: 512 +1 Houston : 713 - 0; 281 +22

**NOTE:** These additional NXX requirements will be necessary if Golden Harbor must match this rate center structure.

**8-9. The maximum # of initial NXXs to match the ILEC RC structure is as follows (customer demand may necessitate add'd NXXs)**

<b>Dallas:</b>	<b>19 RCs to 5</b>
<b>Austin:</b>	<b>15 RCs to 2 ( All locations are SWBT RCs)</b>
<b>Houston :</b>	<b>25 RCs to 16</b>

**10. No Mechanism to recover the cost of RCC Implementation.**

**11. ILECs do not expect to return any NXX codes as a result of RCC. Assumed: No forced # changes; Present NXXs are for current/future demand; presently cannot share NXXs between CO Switches.**

**12. MCI would return any NXX codes in which no numbers had been assigned at the time the consolidation is implemented. However, based on MCI's marketing plans, and the TNC estimates of implementation timeframe for this consolidation, it is likely that MCI will have begun serving customers with most, if not all, of the NXXs allocated to MCI by that time. Thus, MCI would have few if any entire NXXs to return. However, given the current practice of sequential number assignment, if 1000 block number pooling were simultaneously implemented with the consolidation, MCI could potentially have a significant number of unassigned 1000 blocks to return to the pool once the consolidation and pooling is implemented.**

**13. Does not affect local calling scopes.**

**14. Does not impact rate groups or local rates.**

**15. The rating of local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll changes gets bigger.**

**16. Procedural Requirements - Tariff Filing req'd, (Private Line & Local)**

**17. SWB 911 Routing, Provisioning & Database not Affected Minor Affect - Potential Increase to Existing Problems with Default Routing.**

**Option No. 2**

Consolidate rate centers in the metropolitan exchanges within the ILECs existing local exchange boundary, affecting local exchange calling scopes. (Proposal consolidates all zones within the local exchange area including zones with unique calling arrangements due to EMS, EACS, etc.-ONE rate center per exchange).

<b># of Rate Centers Consolidated</b>	<b>Dls 19:2</b>
	<b>Aus 15:1</b>
	<b>Hous 25:2</b>
	<b>SWBT only</b>

**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H)
2. OSS Update Reqs to reflect Rate Center Change i.e. TPM, Operator Tables
3. Implementation Estimated in 6-9 Months from Approval of Compliance Filing
4. Rate Center Name Change
5. Impact To Texas Pooling Alternative Settlement Practice
6. Magnitude of Customer Toll Changes may be Greater than Option 1.

7. Golden Harbor will return the following quantity of NXXs:

Dallas:	214 - 0;	972 -1
Austin:	512 - 0	
Houston :	713 - 0;	281 -1

8-9. If a CLEC enters NPA they would require: (i.e. the maximum # of NXXs to cover the entire RC) will reduce from 19 to 2 in Dallas)

Dallas:	19 RCs to 2
Austin:	15 RCs to 1
Houston :	25 RCs to 2

10. No mechanism to recover the cost of RCC Implementation

11. ILECs do not expect to return any NXX codes as a result of RCC; no forced # changes; growth demand; presently cannot share NXXs between CO Switches.

12. MCI would return any NXX codes in which no numbers had been assigned at the time the consolidation is implemented. However, based on MCI's marketing plans, and the TNC estimates of implementation timeframe for this consolidation, it is likely that MCI will have begun serving

customers with most, if not all, of the NXXs allocated to MCI by that time. Thus, MCI would have few if any entire NXXs to return. However, given the current practice of sequential number assignment, if 1000 block number pooling were simultaneously implemented with the consolidation, MCI could potentially have a significant number of unassigned 1000 blocks to return to the pool once the consolidation and pooling is implemented.

13. Does affect local calling scopes

14. Depends on decisions regarding expansion of local calling scopes

15. The rating of local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. Rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.

16. Procedural Requirements - Tariff Filing req'd, (Private Line & Local) Interconnection Agreements brought into compliance with ordered plan.  
Expect Contested Case.

17. EAS,EMS,ELC impact. can allow "local" calling to calling scope in excess of that originally planned

Lost Toll - Possible Solutions:

- 1) Grandfather - No port out of ILEC WC  
( Port In ILEC may req NXX )
- 2) Eliminate EAS/EMS/ELC
- 3) Expand Calling Scope for EAS Exchange

18. IXC Revenue & ILEC Access Payments will be +/- affected, depending whether local EAS scope remains or eliminated..

19. CMRS - Grand Prairie does have toll-free dialing access to all of Metro Ft Worth: therefore, RCC including Gr Prairie will open all the exchanges in the new rate center to CMRS toll free dialing from Ft Worth - Other similar arrangements may exist for CMRS

20. SWB 911 Routing, Provisioning & Database not Affected  
Minor Affect - Potential Increase to Existing Problems with Default Routing

### **Option No. 3**

**Consolidate, with each other, contiguous rate centers of a single ILEC with common calling scopes, without regard to exchange boundaries. (Does not change calling scope).**

# of rate Centers Consolidated	<u>Dallas 8:2</u>
	<u>GTE</u>
	<u>Austin N/C</u>
	<u>Houston</u>
	<u>6:4 (GTE)</u>
	<u>4:2 (Sprint)x</u>

**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H.
2. OSS Update Reqts to reflect Rate Center Change i.e. TPM, Operator Tables
3. Implementation Estimated in 6-9 Months from Approval of Compliance Filing
4. Rate Center Name Change
5. Impact To Texas Pooling Alternative Settlement Practice
6. Customer Toll Changes Impact will be + or -.
7. Golden Harbor will return the following NXXs:
 

Dallas:	214 - 0;	972 -5
Austin:	512 - 0	
Houston :	713 - 0;	281 -2
- 8-9. If a CLEC enters NPA they would require: (i.e. the maximum # of NXXs to cover the GTE RC) will reduce from 8 to 2 in Dallas.
 

Dallas:	8 RCs to 2 (GTE)
Austin:	0 RCs
Houston :	6 RCs to 4 (GTE); 4 RCs to 2 (Sprint)
10. No mechanism to recover cost of RCC Implementation
11. ILECs do not expect to return any NXX codes as a result of RCC; : no forced # changes; growth demand; presently cannot share NXXs between CO Switches
12. MCI would return any NXX codes in which no numbers had been assigned at the time the consolidation is implemented. However, based on MCI's marketing plans, and the TNC estimates of implementation timeframe for this consolidation, it is likely that MCI will have begun serving customers with most, if not all, of the NXXs allocated to MCI by that time. Thus, MCI would have few if any entire NXXs to return. However, given the current practice of sequential number assignment, if 1000 block number pooling were simultaneously implemented with the consolidation,

MCI could potentially have a significant number of unassigned 1000 blocks to return to the pool once the consolidation and pooling is implemented.

13. Although the calling scope is the same within each existing rate center, the charge for basic local service may not be the same after the change. This is because the local rate is a two part rate based on the number of customers in the exchange plus a mandatory EAS rate based on the size of the calling scope. While the EAS rate would not change the rate based on exchange size would. This option, if implemented, would require some change in basic rates and therefore require Commission approval.

14. Can increase rate group size & associated rates in accordance with existing tariffs.

15. The rating of local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. Rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.

16. Procedural Requirements - Tariff Filing req'd, (PL & Local) Interconnection Agreements brought into compliance with ordered plan.

17. CMRS Land to mobile calls will continue to be rated as before as long as the consolidated rate centers all share the same calling scope.

18. Dallas 911 Constrained - Not provisioned by common 911 Database Mgt ; nor common Selective Router System Implications to other Agencies besides PUC for Eqpt ; Trnks Contract & Database - Optimal RCC may not be reached. Can be Corrected within 6-9 mo timeframe.

**Option No. 4**

**Consolidate with each other the rate centers of non-metro exchanges of a single ILEC that currently have mandatory expanded calling scopes into the metropolitan exchange.**

<b># of NXXs Rate Centers Consolidated</b>	<b>Dls</b> <b>8:1 GTE</b> <b>2:1 SWBT</b> <b>Aus N/C</b> <b>Hous</b> <b>2:1 GTE</b> <b>4:1 Sprint</b>
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**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H.
2. OSS Update Reqts to reflect Rate Center Change i.e. TPM, Operator Tables
3. Implementation Estimated in 6-9 Months from Approval of Compliance Filing
4. Rate Center Name Change
5. Impact To Texas Pooling Alternative Settlement Practice
6. Magnitude of Customer Toll Changes may be Greater than Option 3.
7. Golden Harbor will return NXXs as follows:  
Dallas: 214 - 0; 972 -5  
Austin: 512 - 0  
Houston : 713 - 0; 281 -3
- 8-9. If a CLEC enters NPA they would require: (i.e. the maximum # of NXXs to cover the RC) will reduce from 10 to 2 in Dallas;  
Dallas: 8 RCs to 1(GTE) and 2 to 1(SWBT)  
Austin: N/C  
Houston 2 RCs to 1 (GTE); 4 RCs to 1 (Sprint)
10. No mechanism to recover cost of RCC Implementation
11. ILECs do not expect to return any NXX codes as a result of RCC: no forced # changes; growth demand; presently cannot share NXXs between CO Switches

12. MCI would return any NXX codes in which no numbers had been assigned at the time the consolidation is implemented. However, based on MCI's marketing plans, and the TNC estimates of implementation timeframe for this consolidation, it is likely that MCI will have begun serving customers with most, if not all, of the NXXs allocated to MCI by that time. Thus, MCI would have few if any entire NXXs to return. However, given the current practice of sequential number assignment, if 1000 block number pooling were simultaneously implemented with the consolidation, MCI could potentially have a significant number of unassigned 1000 blocks to return to the pool once the consolidation and pooling is implemented.

13. Does affect local calling scopes This option has the same issues as option three for GTE. In addition, it would require the restructuring of Expanded Metro Dialing to Ft Worth from the exchanges of Lewisville, Irving, and DFW or require this option be offered to Carrollton, Plano, Rowlett, Wylie, and Garland. In other companies this may result in an expansion of the local calling scope. This option, if implemented, would require some change in basic rates and therefore require commission approval.

14. Does impact rate group size & associated rates in accordance with existing tariffs. Access revenues effected

15. The rating of local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.

16. Procedural Requirements - Tariff Filing req'd, (Private Line & Local) Interconnection Agreements brought into compliance with ordered plan. Expect Contested Case.

17. EAS,EMS,ELC arrangements that allows "local" calling to calling scope in excess of that originally planned. In areas within the RCC, point to point IntraLATA toll is eliminated. Also, "islands" of EAS/EMS calling arrangements exist with certain areas within the RCC.

18. IXC Revenue & ILEC access payments will be +/- affected, depending whether local EAS scope remains or is eliminated. While RCC eliminates toll calling., IntraLATA Toll revenues for all providers (ILECs& IXCs) is reduced. As a result, access revenues for toll will also decrease. Reduction to revenues may prompt Local Rate Increase Requests.

19. CMRS - Grand Prairie does have toll-free dialing access to all of Metro Ft Worth: therefore, RCC including Gr Prairie will open all the exchanges in the new rate center to CMRS toll free dialing from Ft Worth. Other Similar Arrangements May exist for CMRS.

20. Austin 911 - Not Affected.

SWB 911 Routing, Provisioning & Database not Affected. Minor Affect -

Potential Increase to Existing Problems with Default Routing

Dallas 911 Constrained - Not provisioned by common 911 Database Mgt ; nor common Selective Router System. Implications to other Agencies besides PUC for , Eqpt ; Trnks, Contract & Database. -

Optimal RCC may not be reached. Can be Corrected within 6-9 mo timeframe.

**Option No. 5**

**Consolidate with each other rate centers of non-metro contiguous exchanges of a single ILEC who currently have any form of expanded calling scopes into a metropolitan exchange.**

<b># of Rate Centers Consolidated</b>	<b>Dls</b> <b>12:2 GTE</b> <b>16:4 SWBT</b> <b>Aus</b> <b>5:1 SWBT</b> <b>4:1 GTE</b> <b>Hou</b> <b>13:3 GTE</b> <b>5:1 SPRINT</b> <b>2:1 FBTC</b>
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**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H
2. OSS Update Reqs to reflect Rate Center Change i.e. TPM, Operator Tables
3. Implementation Estimated in 9-12 Months from Approval of Compliance Filing
4. Rate Center Name Change
5. Impact To Texas Pooling Alternative Settlement Practice
6. Customer Toll Charges Impacted.
7. Golden Harbor will return the following NXXs:  
    Dallas                    214 - 0;            972 -9  
    Austin:                    512 - 3  
    Houston :                 713 - 0;            281 -6

**8-9. If a CLEC enters NPA they would require: (i.e. the maximum # of NXXs to cover the RC);**  
**Dallas:            12 RCs to 2 (GTE), 16 RCs to 4 (SWB)**

Austin: 5 RCs to 1 (SWB); 4 RCs to 1 (GTE)  
Houston : 9 RCs to 3(SWB);  
13 RCs to 3 (GTE\*); 5 RCs to 1 (Sprint);  
2 RCs to 1 (Ft Bend)

10. No Mechanism to recover cost of RCC Implementation

11. ILECs do not expect to return any NXX codes as a result of RCC: no forced # changes; growth demand; presently cannot share NXXs between CO Switches

12. MCI would return any NXX codes in which no numbers had been assigned at the time the consolidation is implemented. However, based on MCI's marketing plans, and the TNC estimates of implementation timeframe for this consolidation, it is likely that MCI will have begun serving customers with most, if not all, of the NXXs allocated to MCI by that time. Thus, MCI would have few if any entire NXXs to return. However, given the current practice of sequential number assignment, if 1000 block number pooling were simultaneously implemented with the consolidation, MCI could potentially have a significant number of unassigned 1000 blocks to return to the pool once the consolidation and pooling is implemented.

13. Does affect local calling scopes

14. Can increase rate group size & associated rates in accordance with existing tariffs. Effects access revenues

15. The rating local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. Rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.

16. Procedural Requirements - Tariff Filing req'd, (Private Line & Local) Interconnection Agreements brought into compliance with ordered plan. Expect Contested Case.

17. EAS,EMS,ELC impact. can allow "local" calling to calling scope in excess of that originally planned

Lost Toll - Possible Solutions:

- 1) Grandfather - No port out of ILEC WC  
(Port In ILEC may req NXX )
- 2) Eliminate EAS/EMS/ELC
- 3) Expand Calling Scope for EAS Exchange

18. IXC Revenue & ILEC Access Payments will be +/- affected, depending whether local EAS scope remains or eliminated. While RCC eliminates Toll Calling., IntraLATA Toll revenues for all providers (ILECs& IXCs) reduced. As a result, access revenues for toll will also decrease. Reduction to revenues may prompt Local Rate Increase Request

19. Land to mobile call will continue to be rated the same as long the consolidated rate centers have all have expanded calling scope into a metro exchange.

20. Austin 911 - Not Affected

Houston 911 - GTE/ Sprint /Centel SWB 911 effected Full effect must be evaluated/  
determined

Dallas 911 - GTE/ Sprint /Centel SWB 911 effected Full effect must be evaluated/  
determined

**Option No. 6**

**Consolidate non-metro and metropolitan rate centers of multiple ILECs who currently have mandatory local calling scopes.**

<b># of Rate Centers Consolidated</b>	<b>Dls 28:1 Aus N/C Hous 32:1</b>
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**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H.
2. OSS Update Reqs to reflect Rate Center Change i.e. TPM, Operator Tables
3. Implementation Estimated in 9-12 Months from Approval of Compliance Filing
4. Rate Center Name Change
5. Impact To Texas Pooling Alternative Settlement Practice
6. Customer Toll Charges significantly impacted.
7. Golden Harbor will return the following NXXs:  
    Dallas:                 214 - 0;             972 -8  
    Austin:                 512 -3  
    Houston :             713 - 0;             281 -5
- 8-9. If a CLEC enters NPA they would require: (i.e. the maximum # of NXXs to cover the RC) will reduce from 28 to 1 in Dallas.  
Dallas: 28 RCs to 1 (All ILECs)  
Austin: 0 RCs  
Houston : 32 RCs to 1 (All ILECs);
10. No Mechanism to recover cost of RCC Implementation
11. ILECs do not expect to return any NXX codes as a result of RCC; no forced # changes; growth demand; presently cannot share NXXs between CO Switches
12. MCI would return any NXX codes in which no numbers had been assigned at the time the consolidation is implemented. However, based on MCI's marketing plans, and the TNC estimates of implementation timeframe

for this consolidation, it is likely that MCI will have begun serving customers with most, if not all, of the NXXs allocated to MCI by that time. Thus, MCI would have few if any entire NXXs to return. However, given the current practice of sequential number assignment, if 1000 block number pooling were simultaneously implemented with the consolidation, MCI could potentially have a significant number of unassigned 1000 blocks to return to the pool once the consolidation and pooling is implemented.

13. Does affect local calling scopes

14. Can increase rate group size & associated rates in accordance with existing tariffs. Effects access revenues

15. The rating local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. Rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.

16. Procedural Requirements - Tariff Filing req'd, (Private Line & Local) Interconnection Agreements brought into compliance with ordered plan.  
Expect Contested Case.

17. EAS,EMS,ELC impact. Can allow "local" calling scope in excess of that originally planned  
Lost Toll - Possible Solutions:

- 1.) Grandfather - No port out of ILEC WC  
Port In ILEC may req NXX )
- 2) Eliminate EAS/EMS/ELC
- 3) Expand Calling Scope for EAS Exchange

18. IXC Revenue & ILEC Access Payments will be +/- affected, depending whether local EAS scope remains or eliminated.. While RCC eliminates Toll Calling., IntraLATA Toll revenues for all providers (ILECs& IXCs) reduced. As a result, access revenues for toll will also decrease. Reduction to revenues may prompt Local Rate Increase Requests.

19. As long as CMRS carriers continue to have the ability to have EMS exchanges within the new consolidated rate center there would be no effect on CMRS carriers.

20. Austin 911 - Not Affected  
Houston 911 - OK as soon as LNP is in place.

Dallas 911 Constrained - Not provisioned by common 911 Database Mgt ; nor common Selective Router System. Implications to other Agencies besides PUC for , Eqpt ; Trnks Contract & Database - Optimal RCC may not be reached. Can be Corrected within 6-9 months timeframe.

**Note:**

Examples of this includes incorporation of GTE's IRVING and PLANO with SWBT Dallas. Another example will be GTE's ARCOLA, SWBT's HOUSTON, and CENTEL's PORTER.

These combinations have similar problems and issues demonstrated in proposals #2 and #4. Some of these include:

- the larger the combined area, the more likely unique ELC calling scopes which reside on the outside of the combined area, will be impacted. This could create toll calling where local is required (see Porter and Conroe #13255)
- creates Local calling where only toll exists today (see Arcola to Porter)

To the extent you combine ILEC rate centers into a single, combined rate center, and to the extent ILEC specific agreements or services are effected, this option would eliminate the ability to distinguish between the ILECs.

**Option No. 7**

**Consolidate some rate centers of some metropolitan exchanges of a single ILEC which an SWB and Golden Harbor have arbitrated/stipulated.**

<b># of Rate Centers Consolidated</b>	<b>Dls 35:6 Aus 19:3 Hous 35:5</b>
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**ISSUES Associated with Proposal**

1. In place today for Golden Harbor.
2. Rate Center Name will, in some cases, differ from ILEC RC. GH does not participate in Texas PASP, no effect
4. Changes for ILEC Customer Toll Either + or -.
5. This is Golden Harbor's plan, so no impact on Golden Harbor NXXs.

6. New CLECs that choose this plan, would require reduced NXXs:

Dallas: 214 - N/C; 972 - 35 RCs to 6  
Austin 19 to 3  
Houston : 713 N/C; 281 - 35 RCs to 5;

If an ILEC/CLEC wanted to match both sets of rate centers (ILEC and IRC), additional codes would be required. No additional codes would be required for those ILECs staying with existing rate center structure; some reduction for those moving to IRC.

PUCT should decide whether companies should be allowed to match both or choose 1 RC plan. Competitive issues may exist if choice is limited

7. In some cases local/toll call of ILEC/ILEC customers may be different than ILEC calling CLEC customers within the IRC.
8. Does not effect rate group or local exchange rates. Access revenues will change +/-.

9. The rating of local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll

change gets bigger.

10. Procedural Requirements - Rulemaking required  
Interconnection Agreements brought into compliance with  
ordered plan and equitable compensation.

11. Optional calling plan impact not an issue for CLECs  
ELCs are allowable for ILECs only

12. IXC Revenue & ILEC Access Payments will be +/- affected,  
depending whether local EAS scope remains or eliminated.

13 No affect. CMRS carriers would continue use ILEC rate centers for call rating.

14. SWB 911 Routing, Provisioning & Database not Affected

15. Portability Issue with IRCs

- \* Unresolved debate amongst TNC participants:
  - Technical feasibility of porting customers between networks using different Rate Center designs.
- \* If a customer of a carrier using 1 RC structure ports to a carrier using a different RC structure some inbound calls to the ported-to carriers new customer may be rated differently than inbound calls to the ported-to carriers other customers.
- \* In a number pooling environment, a separate number pool is required for each rate center. This represents an increase in RC pools from a "consistent" RC plan.
- \* A billing problem occurs for a CLEC/ILEC customer if the customer ports to a different RC(location) as defined by the IRC.

**Option No. 8**

Consolidate with each other existing single ILEC rate centers of non-metro exchanges which currently have any form of expanded calling into the Metropolitan exchange, on an optional basis.

<b># of Rate Centers Consolidated</b>	<b>Dallas 56:6 Austin 29:4 Hous 56:6</b>
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**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H. OSS Update Reqts to reflect Rate Center Change i.e. TPM, Operator Tables.

2. Does affect local calling scopes

3. The rating local area calls does not change. Toll call chgs for interexchange and private line services (mileage sens. Rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.

4. IXC Revenue & ILEC Access Payments will be +/- affected, depending whether local EAS scope remains or eliminated..

5. CMRS - Grand Prairie does have toll-free dialing access to all of Metro Ft Worth: therefore, RCC including Gr Prairie will open all the exchanges in the new rate center to CMRS toll free dialing from Ft Worth - Other Similar Arrangements May exist for CMRS

6. ILECs do not expect to return any NXX codes as a result of RCC due to : No forced # changes; growth demand; presently cannot share NXXs between Co Switches

7. Golden Harbor would be able to return the following codes:

Houston	14
Austin	8
Dallas	16

8. Austin 911 - OK as soon as LNP in place.  
Houston 911 - GTE ,Ft Bend, Sprint /Centel  
Dallas 911 -OK

## 9. Portability Issue with IRCs

- \* Unresolved debate amongst TNC participants:
  - Technical feasibility of porting customers between networks using different Rate Center designs.
- \* If a customer of a carrier using 1 RC structure ports to a carrier using a different RC structure some inbound calls to the ported-to carriers new customer will be rated differently than inbound calls to the ported-to carriers other customers.
- \* In a number pooling environment, a separate number pool is required for each rate center. This represents an increase in RC pools from a "consistent" RC plan.
- \* A billing problem may occur for a CLEC/ILEC customer if the customer ports to a different RC(location) as defined by the IRC.

**Option No. 9**

**Consolidate with each other existing multiple ILEC rate centers of non-metro exchanges which have any form of expanded calling into the metro, on an optional basis.**

<b># of NXXs Rate Centers Consolidated</b>	<b>Dallas N/A Austin 29:2 Hous N/A</b>
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**ISSUES Associated with Proposal**

1. Update TPM (Industry Document with Rate Center & V/H.)
  2. OSS Update Reqts to reflect Rate Center Change  
i.e. TPM, Operator Tables
  3. ILECs do not expect to return any NXX codes as a result of RCC; no forced # changes; growth demand; presently cannot share NXXs between CO Switches
  4. Does affect local calling scopes
  5. The rating local area calls does not change. Toll call charges for interexchange and private line services (mileage sens. Rates) from outside the consolidated rate centers will change + or - or not at all. As rate center expands, the effect of toll change gets bigger.
  6. Golden Harbor would be able to return the following codes:  
Austin 11
  7. Austin 911 None
- Due to 911 constraints, Option 9 is removed from consideration for Dallas and Houston at the present time**

## Summary

Most participants agree that actual NXX conservation resulting from rate center consolidation will be a result of providers who will require fewer NXXs under a consolidated rate center structure or those who return NXXs already assigned, but not needed due to consolidation (RCC or IRC). ILECs are likely to continue to request whole codes, or blocks of numbers, on a wire center or central office basis. Options 1 thru 6 seeks to reduce the number of rate centers that exist in each NPA, thus reducing the number of codes required by a CLEC.

Options 7 thru 9 describe rate center consolidation plans that are inconsistent with the existing ILEC rate center structures. In this situation, CLECs, choosing the IRC structure, would require fewer NXXs than the ILECs rate center structure would normally require.

The Rate Center Consolidation options described in this report are not meant to represent "either/or" options. Several of the options can be implemented concurrent with one another—the options can build on each other.

Because many members of the TNC have raised numerous issues to the extensive rate center consolidation necessary of achieve the largest NXX conservation suggested in options one thru six, the concept of broader geographic rate centers for CLECs, inconsistent rate centers as compared to the ILEC rate centers, was discussed at length by the TNC. These inconsistent rate center options do not require an ILEC to match the new structure thereby reducing the numerous regulatory issues associated with consolidation options 1 thru 6.

A lengthy debate took place amongst the members of the TNC concerning implementation, technical and billing issues surrounding inconsistent rate centers. The debate primarily surrounded the compatibility if inconsistent rate centers and the initial deployment of Local Number Portability. Attachment 6, NANC-Architecture and Administrative Plan For Local Number Portability, Attachment 7-Position Paper-Location Portability Scope and Attachment 8-Report to the NANC, September 23, 1997 all relate to the scope LNP, and were introduced for consideration by the TNC. Attachment 9, Inconsistent Rate Centers, is a document submitted by Golden Harbor outlining its position on inconsistent rate centers.

As is pointed out earlier in this report, inconsistent rate centers for three separate CLECs , Golden Harbor, Kingsgate and American Telco, have been approved by the Commission. These rate centers structures are currently operational within various NPAs in Texas. For the purposes of this report, only the Golden Harbor rate center structure was considered. How these other plans would be accommodated in any deployment would have to be considered by the Commission.

## 911 Considerations

Summary of 9-1-1 Issues considered and discussed by the Task Force

The existing emergency service (911) arrangements in Texas might limit or impact certain rate center consolidation options. Most 9-1-1 problems should be able to be avoided or mitigated by performing a case-by-case evaluation of each rate center consolidation option. The task force performed an initial case-by-case evaluation at its meetings in Dallas on November 20th and 21st and that case-by-case evaluation is reflected in the body of the task force's report.

The three major 9-1-1 limitations/constraints on rate center consolidation considered by the task force are as follows:

Only rate centers within the geographic limits of a single 9-1-1 selective routing tandem should be consolidated. The existing 9-1-1 selective routing tandems and systems, as of this time, do not support a single NXX being applied across 9-1-1 selective routing tandem boundaries.

Rate centers of different ILECs should not be combined because of the current problems resulting from putting the same 9-1-1 data from two different 9-1-1 databases into the same 9-1-1 selective routing tandem and resulting from charging the 9-1-1 entities twice for the same 9-1-1 database records. A possible exception may exist if the applicable 9-1-1 entity can request that those different ILEC rate centers be modified to be served by a single 9-1-1 database and network. For the Austin area, ACSEC staff represented that the Capital Area Planning Council (CAPCO) might likely be agreeable to requesting modifications necessary to further the PUC's rate center consolidation efforts in their area, subject to an evaluation of any additional costs and any necessary approval by ACSEC, if applicable.

Re-homing some Public Safety Answering Points (PSAPs) to other 9-1-1 tandems to further rate center consolidation efforts (i.e., modifying 9-1-1 tandem boundaries) might be a possibility in some cases, but compatibility and Interoperability or timing and contractual/monetary issues might constrain actual re-homing or its usefulness. For example, 9-1-1 Customer Premises Equipment (CPE) from Nortel in a PSAP working off a 9-1-1 tandem that is a DMS-100, as well as CPE from Lucent in a PSAP working off a 9-1-1 tandem that is a SESS, might have compatibility and Interoperability problems with the potential 9-1-1 tandem proposed for re-homing. Furthermore, the time required to accomplish a re-homing might be too long to assist number conservation efforts, especially if CPE modifications were actually necessary.

Potential impacts of rate center consolidation that are not necessarily current limitations/constraints but that should still be considered include the following: Rate center consolidation expands further the imprecision of 9-1-1 "default routing" resulting from the emergence of CLECs. It was noted at the task force meeting in Dallas that the impact of this default routing issue might be somewhat mitigated by telephone companies in this state being more accurate in their 9-1-1 database processing to further reduce "no record found" situations that result in default routing. Due to the time constraints of preparing the task force report, affected 9-1-1 entities that might have individual opinions on the default routing issue for their particular areas were not contacted before submitting the task force's

report. Default routing issue might become more of a concern to effected 911 entities as larger geographic area are considered for rate center consolidations.

If "additional" 9-1-1 tandems are added in the future, this might further limit or undermine rate center consolidation. It was noted at the task force meeting in Dallas that GTE is currently contemplating additional 9-1-1 tandems and that GTE might have current proposals outstanding to 9-1-1 entities for this service. Further review of the impacts of adding additional 9-1-1 tandems is appropriate.

If inconsistent rate centers are permitted after consistent rate center consolidation, it could limit or constrain the deployment of fewer, new digital 9-1-1 tandems serving a greater geographic area or other 9-1-1 network modifications. It was noted at the task force meeting in Dallas that still permitting inconsistent rate centers after consistent rate center consolidation might make some future 9-1-1 network modifications more difficult because of the mix of rate center structures. For example, because the 9-1-1 tandems are limitations/constraints in certain matters, such as the scope of service provider long-term number portability, deployment of fewer, new digital tandems serving larger geographic areas or other 9-1-1 network modifications might have potential benefits that might be hampered by still permitting inconsistent rate centers after consistent rate center consolidation. Further review of the potential 9-1-1 impacts of inconsistent rate centers after any consistent rate center consolidation, is appropriate.

The potential limitations/constraints and impacts discussed above relate to the existing 9-1-1 service arrangements. Future, appropriate modifications to the existing 9-1-1 database configurations and the existing 9-1-1 selective routing networks, perhaps including modifications by switch manufacturers, might ultimately lessen or eliminate the potential rate center consolidation limitations/constraints and impacts on 9-1-1 service discussed above.

## IV.

### Analysis of Conservation Methods

#### B. Number Pooling

##### General:

The NXX-X LRN method reduces number block assignment to service providers from 10,000 to a 1000 block (or NXX-X level) within a given NPA. These complete NXX's will be shared among carriers that offer service to subscribers within a specified geographic area (i.e., a rate center), thereby reducing the aggregate number of total NXXs codes needed in that given area. Because routing must be determined from the Location Number Portability (LNP) Database to determine the LRN of the 1000 block, the implementation of NXX-X LRN must be confined to offices equipped with LRN.

The LRN architecture routes calls without using switched-based, seven-digit (NPA-NXX-X) analysis and translations. Since the use of pooled 1000 blocks is restricted to the defined rate center, the identification of calling and called party locations along with call rating information (i.e. V & H Toll Rate Center Coordinates) remains the same, and implementation of number pooling should be transparent to the customer.

NXX-X LRN proposal is applicable to new central office codes and can be applied to 1000s blocks when no subscribers have been assigned to that 1000s block within a current central office NXX code. In order to maximize number utilization, consideration may also be given to including assigned central office codes that have a some level of subscribers assigned within certain 1000s blocks ( this is referred to as "contaminated blocks"). In these cases, to release a 1000 block for use, assigned numbers in the NXX to be pooled would be ported back to the customers original carrier and the remaining unassigned numbers in the NXX are assigned to a new carrier. This porting activity would be transparent to the customer. No standard limit of customers ( contamination level) assigned within a 1000 block has been established by the industry at this time.

Although several approaches are currently under discussion , the approach to implement NXX-X LRN was identified in by the Number Pooling Subcommittee of the Illinois Number Portability Workshop (Attachment 10) and is scheduled for trial in the Chicago MSA. The Illinois Subcommittee recommended "pre-porting" of an entire block of 1000 numbers to the "block holders" network when the block is assigned. The industry is concerned that use of this method to produce NXX-X LRN Routing will increase the network call processing demands and the size requirement for existing databases. However, since this method appears to be easiest to provision, long-term enhancements to improve hardware and increase capacity of the CCS7 signaling network are under discussion. An alternative to pre-porting has been identified in the Carrier Liaison Committees September report to NANC recommended that only those numbers actually assigned to subscribers should be entered into the LNP SMS (port on demand). This arrangement lessens demand on Service Management System/Service

Control Point (SMS/SCP) capacity, but adds steps to the provisioning process as it requires each assigned number to be entered into the SMS before calls can be completed.

**Technical Limitations:**

This proposal has many elements that have never been implemented. As such, issues may develop resulting in delays to proposed number pooling implementation schedules. In addition, implementation may require unanticipated technical changes to existing switching elements and networks.

As stated earlier, use of NXX-X LRN option is limited to only those switches that have operate in an LNP environment, including a requirement that all LNP supporting processes are in place and functioning. An underlying premise of this alternative is that all LNP-capable switches participating in LNP in a specified area will be required to utilize this method. Because this solution requires LNP, this solution is not technically feasible for all segments of the industry at the present time.

In addition, it may not be either possible nor appropriate for CMRS providers to utilize numbers made available in 1000s blocks, given the high growth associated with cellular services. Nonetheless, CMRS providers, along with non-LRN capable wireline carriers can utilizing entire complete 10,000 Number NXX codes in association with the NXX-X LRN proposal. Since it is recognized that CMRS providers will not be LNP capable before June 30, 1999, they cannot realistically be expected to participate in NXX-X LRN prior to that time. As such, CMRS and other non-LNP capable providers/switches will continue to use full blocks of Central Office codes (10,000 numbers) after number pooling is implemented.

The INC local Number Portability Workshop and the NANC LNPA Working Group recommended at the 9/23/97 NANC meeting that a national, uniform Number Pooling solution be adopted (Attachment 11). In response to this recommendation, the NANC unanimously approved the following language:

**“The NANC recognizes the ongoing activities and investigations by the states into number pooling. However, the states must recognize the**

need to be consistent with the NANP-wide standard, when available."

Any Number Pooling arrangement agreed to and implemented within the state of Texas will need to be mindful of this requirement

### **Implementation Impacts**

No determination has been made with respect to the administration of the 1000s blocks; therefore, no assessment can be made regarding change to the process of : application for, and receipt of, 1000 blocks of telephone numbers.

Because of the technical limitations concerning the storage of numbers in LNP databases (SCPs), the Number Pooling Subcommittee of the Illinois Number Portability Workshop recommended that the FCC and State Commission "control implementation of NXX-X/LRN number pooling".(Attachment 12)

We do not recommend the implementation of Number Pooling accelerate the schedule set forth by the FCC in Order 96-115 for the deployment of LNP, nor that LNP deployment be advanced in any switch, including CMRS provider switches. Further, in case of an a LNP-capable switch, an NXX code will not be opened for porting merely to facilitate NXX-X LRN.

### **Potential NXX impact:**

CMRS providers still need equal and non-discriminatory access to numbers. Since CMRS providers will not be LNP capable before June 30, 1999, they will require access to full NXX code assignment until that time. As such, the implementation of NXX-X LRN alone may not be sufficient to relieve a jeopardy NPA situation.

In addition to CMRS, paging companies are not currently required by the FCC to ever provide LNP and will not be able to utilize number pooling.

It is important to note that current assignment processes such as time frames for aging calls, number allocations for vanity numbers, and the desire on the part of businesses to reserve sequential numbers for future growth will affect the utilization of numbers.

It is also important to note that the numbers obtained for pooling must be used within the existing area for which they are currently identified from a rating and billing perspective. Depending upon the size of the rating area, this could restrict the benefit gained from pooling.

**Practical Impact:**

**Technical Changes:**

If a decision is made to identify numbers in ranges without requiring all 1,000 number to be ported, changes in the SMS and SCP programs will be required.

Changes in the existing operational and administrative systems will be required to allow for the utilization of number portability. The NXX-X LRN proposal will impact number assignment processes necessitating the need for modifications in Operations Support Systems (OSSs), including billing systems and customer contact systems. These proposals differ by implementation so they cannot really be started until there is consensus as to the implementation.

**Administrative Changes:**

Proper administration of the pool of numbers is imperative if any efficiencies are to be gained from the establishment of this approach. Without control of the resource, its implementation could actually encourage number hoarding and result in a more rapid exhaust of the NPA. No currently approved National guidelines exist for administration of such a number pool.

As cited earlier, no determination has been made with respect to the administration of the 1000s blocks; therefore, no assessment can be made regarding change to the process of application for, and receipt of, 1000 blocks of telephone numbers. No Texas policies and/or rules exist to govern this administration.

The NXX-X LRN proposal will require changes in the *Central Office Code Assignment Guidelines* and possible expansion of the responsibilities of the Central Office Code Administrator. The currently defined responsibilities of the North American Numbering Administrator selected by the FCC (Lockheed) does not include administration of numbering resources below the NXX level.

For some entities, modifications to the LERG are necessary to implement the NXX-X LRN proposal in order to support internal operational support systems as well as 1000s block administration. However, some parties contend that modifications to the LERG are not necessarily required and that a single entity can be identified with the NPA-NXX as the LERG designated carrier.

The entity responsible for a 1000 block administration will have additional workload in order to administer the NXX in a neutral manner. As pointed out above, the newly identified NANPA requirements do not envision administration below the NXX code level. To some extent the current LERG code owner is performing this function. However, the responsibility would be more extensive than is currently being performed due to the necessity to allocate and police the code utilization across ten entities as opposed to one.

Number assignment will be impacted by the manner in which the LNP SMS is utilized. Regardless of how the data is loaded, further investigation is needed into the NPAC/SMS costs and LNP NPAC functional impacts.

#### **Revenue Impacts/Cost Recovery :**

Cost recovery for LNP has still undecided by the FCC. Since significant investment has already been made for LNP with no decision regarding cost recovery, carriers may be reluctant to implement NXX-X LRN Number Pooling without specific cost recovery mechanisms in-place.

The recovery of additional administrative costs associated with 1000s block administration will need to be addressed. Because some of these costs will need to be expended prior to deployment for systems development, the benefit obtained from pooling should be fully document prior to a deployment decision.

In some instances, a non-LNP carrier will have an incremental increase in the number of ported calls that they will have compensate the query-providing carrier to terminate through an LNP-capable carrier which may increase the compensation they owe the carrier that provided the LNP functionality.

#### **Customer Impact.**

As long as the pool of numbers is utilized within the existing rating area, the implementation should be transparent to customers.

Depending upon the degree of freedom provided in the assignment of 1000 blocks, there might be some difficulty in obtaining vanity numbers due to a reduction in the available pool of numbers.

#### **Considerations:**

##### **Procedural (Voluntary, Contested Case, Rule Making)**

There are significant advantages to having federal/national consistency in whatever number pooling method is selected. Currently there are three methods being discussed and there is no national consensus on the appropriate method. Until these issues are resolved at the state and federal level, standards for vendor compliance cannot be written.

We anticipate that a rulemaking will be required, at minimum, for number pooling to be implemented. After the rule is effective, implementation of the NXX-X method will take additional time for network testing and conversion. In addition, some carriers may require waivers to the technical compliance standards due to limitation in their existing switching and signaling networks.

Finally, a number pooling administrator will need to be selected at a state level if implementation takes place prior the establishment of national guidelines. In addition, operational procedures would also need to be developed and approved for those participating in the pool.

## **Analysis of Number Pooling for Dallas/Houston/Austin**

A Data Request was issued by the TPUC staff on 10/1/97.

The aggregated results of the Data Request requiring all telecommunications providers in Texas to provide utilization numbers as well as forecasted requirements was provided to the TNC for analysis. The TNC decided to use a forecasting model developed by Lockheed Martin to analyze this data. The Lockheed Martin model was also used in Illinois in that states NP activity.

One forecast was developed using the Lockheed Martin model.

This model assumes no NXXs are returned as a result of any form of rate center consolidation.

Attachment 13 are the spreadsheets generated by the forecasting model.

Data included in the model.

1. Working NXXs in each NPA
2. Unavailable codes in each NPA
3. Spare 1000 blocks in every Rate Center in each NPA
4. Forecast data for all wireless carriers thru 4Q99.

Assumptions used with the model

1. Number pooling would be available 6 months after LNP is available.
2. Jeopardy assignments in each NPA would be fully made each .month
3. Wireless providers would receive their full NXX forecasts
4. Rate Center structure is as of 11/97

Data Not Included in Model

1. Forecasted 1000 block forecasts for ALL wireline companies
2. Wireline non-LNP forecasts for any NPA—this is most significant for 512.

Using the assumptions listed on the preceding page, the forecast exhaust for the five NPAs under review is as follows:

### Forecast Exhaust Projections

512	January, 1999
214	August, 2010
972	August, 1998
713	December, 1998
281	November, 1998

Several factors contribute to these forecast exhaust projections:

1. The quantity of spare, whole NXXs is small in four of the NPAs. Even assigning NXXs at the artificially low Jeopardy allocation totals, between now and the assumed number pooling date, significantly reduces the supply of available NXXs.
2. Number pooling cannot be made available until after the deployment of LNP.
3. Non-LNP provider forecasts thru mid 1999 further reduce the spare NXXs available for pooling. Non-LNP providers are assigned full NXXs.

The above factors make any possible effects Number Pooling can have on the exhaust of the four NPAs minimal.

It is important to note that the above forecast projections are projections based on wireless (Non-LNP capable) carriers only. Wireline requirements (LNP capable) are not included in these projections. In other words, even if number pooling was implemented that enabled LNP capable wireline carriers to use NXXs more slowly, the demand for NXXs by non LNP carriers alone will result in the exhaust of four of the NPAs under review to exhaust in late 1998 or early 1999.

In order to have any real impact on NXX conservation the Commission would have to pursue aggressive RC consolidation, which would include the possible reduction and/or elimination of multiple calling plans and consolidation of RC with less utilized codes. Even then, based on the audit information it appears the 281, 713 and 972 area codes will exhaust before the end of 1998 due to the forecasted demand of non-LNP carriers.

It is important to remember, the above forecasts do not include ANY wireline forecast information for the duration of the period under review. The data request results for the wireline providers required modification from the original format received and time did not permit the use of this data. When wireline data is included in the model, the forecasted exhaust of each NPA will shorten. This forecast information will be provided to the staff

when available.. It is also important to remember, the rate center structure presently in place was also assumed in this model. As the number of rate centers reduce, future requirements for number blocks will possibly reduce because of the smaller number of rate centers. However, unless additional, full codes are somehow retrieved and made available to the pool, the benefits of number pooling for the 512, 713,281 and 972 are minimal.

The importance of full, unassigned NXXs is critical to the efficiency of number pooling. Only unassigned NXXs can be assigned to any rate center. Codes that are made available but are contaminated will provide numbering resource to the rate center in which the contaminated code is assigned, but it cannot be used in any other rate center.

For additional details review the latest draft on the Number Pooling from the Industry Numbering Committee (INC) at <http://www.atis.com>.

### **C. Transparent Overlay**

On November 17, 1997, a group of CMRS providers in Pennsylvania filed a petition (DA 97-2418) with the FCC requesting that the Commission issue a declaratory ruling and issue an expedited decision regarding the Pennsylvania transparent overlay plan. The petitioners, Nextel Communications, Inc., Sprint PCS, Vanguard Cellular Systems, Inc., 360 Communications Company, and Bell Atlantic Mobile, Inc. (collectively, Petitioners), requested that the FCC declare that the transparent overlay Order issued by the Pennsylvania Public Utility Commission (PaPUC) on July 15, 1997 is unlawful.

It is important to note the FCC , as of 12/1/97, has not assigned the requested NPAs requested by the Pennsylvania Commission for Transparent Overlay implementation.

The FCC issued a public notice on the petition accepted public comments through December 1, 1998 and accepted reply comments through December 8, 1998. (Attachment 14)

## **D. Test Codes, Special Codes and Protected Codes**

The reclamation of all NXXs not available for customer use should be an ongoing activity of the Code Administrator. Care must be given that reclamation efforts does not effect the ability of the telecommunications industry to adequately test services provided to their customers. In addition, since some NXXs are reserved to minimize customer calling confusion, care should be taken when reclaiming these codes..

A report on the status of all unavailable codes in each of the five NPAs under review will be provided to the TNC by 12/15/97. A specific timeline for any/all reclamation of codes will be included in this report.

## V. Recommendation

### A. Rate Center Consolidation

The TNC recommends Options 1 and 3 of the Rate Center Consolidation study be ordered. This consolidation effort met the widest support from the industry in regards to practicality and timeframe in which these options could likely be implemented. As suggested in the Section 4 of this report, implementation of options 1 and 3 is estimated at 3 to 6 months after the approval of the Compliance filing.

The effect of these rate center consolidation options would be to reduce the total number of rate centers in each of the reviewed areas as follows:

<u>Metro</u>	<u>From</u>	<u>To</u>
Dallas	63	43
Houston	55	42
Austin	27	14

Implementation of these options will have the effects summarized above on future requirements of NXX codes by new entrants as compared to the existing rate center structure. For example, every facility based CLEC wishing to compete in ALL rate centers in Dallas requires 20 fewer codes. Also, although harder to quantify, facility based CLECs will be able to use their existing and growth NXXs more efficiently (i.e., over a larger geographic area), and thus their future NXX demands may be reduced. However, implementation of Options 1 and 3 is not likely to result in the return of many (if any) currently-assigned NXXs codes, unless existing customers are required to change their 7-digit telephone numbers.

The TNC recommends the Commission undertake a comprehensive investigation of Options 2, 4, 5 and 6. These options would result in greater NXX savings than can be realized under Options 1 and 3. However, because these options involve areas with EAS, EMS and ELC arrangements, consolidation will raise significant issues with regard to changes in dialing scope, customer toll charges, carrier toll revenue, and associated impacts that require further consideration by the Commission. In fact, these arrangements are by themselves a cause of inefficient NXX use in a competitive environment, because separate NXXs may be required by ILECs and CLECs, beyond those necessary to identify rate centers, to identify the calling plan subscriber for billing and call rating purposes. Thus, the Commission will need to consider all implications of special calling plans and number conservation, including a weighing of the benefits of number conservation against the difficulties of disrupting historical calling

arrangements. In addition, to the extent that options 4, 5, and 6 eliminate toll calling and associated revenues, the Commission would need to consider the impact of these options on toll revenue, customer confusion, dialing scope changes, etc. Finally, E911 impacts need to be considered. Because of the customer and company impacting issues listed above, the implementation of options 4 5 and 6 are likely to result in contested hearings.

Concerning options 7 thru 9 (inconsistent rate center consolidation options); to the extent IRCs are determined to be workable, if implemented more broadly than they are today, the number of NXXs required in options 7 thru 9, for those CLECs who choose the inconsistent rate center option, may be substantially reduced as compared to the consistent rate center structure of the ILECs. Therefore, if the Commission wants to pursue inconsistent rate centers as a number conservation measure, the Commission should order the Southwest Region Industry LNP Steering Committee to address and resolve the issue of whether the delivery of a ported call is adversely impacted by inconsistent rate centers and report back to the Commission no later than January 31, 1998.

In addition to the technical review by the LNP Steering Committee, the commission should undertake a review to consider other issues concerning wider implementation of inconsistent rate centers, including: 1) whether end user billing impacts associated with IRCs should preclude wider ICR implementation; 2) which plan CLECs and ILECs may choose from—the consistent rate center option, the inconsistent option or both; and 3) whether and how adoption of Option 7 (which represents the inconsistent rate center structure approved for Golden Harbor) should impact the other two inconsistent plans currently approved in Texas. The TNC assumed that only one alternative rate structure would be adopted, rather than numerous inconsistent rate center structures. Option 7 assumes that any CLEC adopting a different rate structure than the SWBT would use the Golden Harbor structure.

If inconsistent rate centers are proven to be unfeasible for any reason, CLECs currently using IRCs will require additional NXXs to conform to whichever consistent rate center structure is adopted.

## **B. Number Pooling**

The members of the TNC generally agreed on the benefits of number pooling. It appears number pooling provides a more efficient use of numbering resources than the present method of assignment of whole NXXs to providers.

The TNC recommends number pooling be aggressively reviewed and specific deployment schedules be developed for the state of Texas. As pointed out in section 4, the implementation of number pooling assumes the successful deployment of LNP in an area. The current schedule for landline LNP for Houston is 3-31-97, for Dallas 5-15-97 and for Austin 9-30-97. The many technical, cost and administrative issues associated with number pooling must be worked to conclusion before a firm implementation date can realistically be set. In Illinois, the original target date for number pooling was set for January of 1998. After further review and study, this date is now tentatively set for June of 1998. At this time it is difficult to predict with any degree of certainty a timeframe for pooling deployment, given that many pooling implementation details are still incomplete.

Nevertheless, the TNC believes a target interval of 6 months may be necessary between LNP implementation and pooling deployment, at least in the initial LNP deployment area (Houston). The necessary interval may be shorter in subsequent areas where pooling may be deployed in Texas (e.g., Dallas and Austin). Any implementation sooner than six months may require local solutions to very complex issues which may be resolved in a different manner nationally by the INC. and NANC, both of whom are working on number pooling. As a result, any subsequent modifications to the Texas pooling model which would be required by national standards, may be costly to implement. The TNC received commitments from its various provider participants to aggressively push for the identification and resolution to the many issues associated with number pooling at both the state and the national level.

The TNC recommends the PUCT modify its Order Approving Sequential Numbering (dated 9/11/97) to allow the assignment of up to 5% of the numbers within assigned NXX thousand blocks. This modification to the order would allow providers to meet various customer "vanity" number requests while not precluding these blocks of numbers from being a part of a number pool.

Because wireless carriers will not be LNP capable before mid 1999, they will require full NXX codes until they are technically capable of number pooling.

Other non-LNP capable carriers will also require full NXX codes until such time as they are LNP capable.

Due to the deployment schedule of pooling and the lack of whole NXXs in Houston, Dallas and Austin , number pooling has little or no positive effects on the exhaust of four of the five NPAs in these locations. Number pooling requires a resource of numbers for assignment therefore it could provide benefits for future requirements that has little impact on NPAs that are nearing exhaust.

Several members of the TNC pointed out that a cost recovery mechanism associated with the incremental costs associated with the deployment of Number Pooling must be developed before Number Pooling is deployed.

C. **Transparent Overlay**

A transparent overlay is *not* a number conservation mechanism, and is *not* designed to extend the life of an NPA. The TNC does not recommend its implementation for number conservation purposes within the state of Texas.

**D. The TNC**

The TNC recommends to the Commission that the charter of the TNC be continued through 1998. The TNC should continue to meet on a regular basis to further analyze issues associated with number pooling and other number conservation methods identified. Specific recommendations will be forwarded to the staff.

The TNC should provide quarterly status reports (at a minimum) to the staff regarding developments in any number conservation area. The TNC should also continue its aggressive efforts towards the expedited implementation of number pooling within Texas. Areas to be worked on include the development of administrative guidelines for a pool administrator, analysis of pre-port vs. port on demand, work with Lockheed/ Martin and the SW Region LNP Steering Committee to develop enhancements to the LNP infrastructure to accommodate necessary changes required by number pooling, develop an RFP for a pool administrator, etc..

The TNC should actively investigate the contribution of GTE concerning the creation of a Rate Center ID Number (Attachment 15). GTE should also be encouraged to forward this contribution to the appropriate industry forum(s).

## **Additional Information**

Attached are various documents and other information that might prove helpful to the staff in their review of number conservation issues.

<b>Attachment 16</b>	<b>Summary of Number Utilization Data from Data Request</b>
<b>Attachment 17</b>	<b>NXX Growth Data for NPAs 214/972/713/281/512 '95 thru '97</b>
<b>Attachment 18</b>	<b>Georgia PUC Order for Relief of the Atlanta area</b>
<b>Attachment 19</b>	<b>Colorado PUC Order for relief of the Denver area</b>
<b>Attachment 20</b>	<b>NPA Jeopardy Summary 713-281-972-512</b>

## VI. Participant Comments

## **Comments by Edwin G. Jones regarding the Texas Number Conservation Task Force**

I appreciate the opportunity to serve on the TNC task force. As the sole participant not representing the industry or government, my charge is to represent the interest of residential and small business users. These are the users that are most affected by traditional area code relief measures.

I have learned to appreciate the commission's dilemma when logical orders such as wireless overlays and call forwarding to the new area code are simply thrown out by the FCC. Additionally, the Commission is given the charge to deal with number conservation, but in a way that will retroactively be in compliance with national standards that are not yet established. My comments and recommendations follow.

### **Wireless Myth**

There is a common misconception that the vast usage of telephone numbers is from the demand for wireless services (Cellular, PCS and Paging). A closer look tends to dispel the myth. In 972, of the codes in use/unavailable, wireless represents less than 11%. This simply is not the problem.

### **NANP Network Architecture and Local Competition**

The primary problem is a network architecture that never anticipated local competition. In a worst case scenario, 630 NXXs (6,000,000 phone numbers) would be required to accommodate ten CLECs serving less than a total of 1000 customers. This is based on requiring each carrier to have one NXX per rate center. This number could double if an EAS offering were also included.

The tradition of large numbers of rate centers in a metropolitan area simply does not make sense today. Metropolitan areas have grown to the point of being a contiguous single community of commerce. Calling plans reflecting this should be available throughout the whole area. There is public demand in metropolitan areas for wider calling scopes that extend beyond those customers in the borderline rate centers. The popularity of expanded calling scopes is evidenced in its popularity in wireless offerings and in the vote results for rural expansion.

### **Don't Give Polio to Adam Smith's "Invisible Hand of The Marketplace"**

The greatest advantage of a free market is competition in price and product offerings. The traditional determination of service offerings based on filings, hearings, contested cases, etc. does not make sense in a competitive environment. This round of area code relief is primarily due to competition. It is incumbent on the Commission to establish policies that facilitate diverse service offerings, including 2-way EMS in the metropolitan areas. Competition will do the rest.

### **Number Administration**

Local competition has changed the paradigm for number administration. As Lockheed-Martin becomes the number administrator, it is critical that the guidelines for the administrator are carefully crafted to optimize utilization. The current scheme worked well in a regulated monopoly, but it is not well suited for competition. Codes are given to any certified applicant who applies with a simple "first fax in" scheme used for rationing.

With the transition to the new administrator, new methods must be established to insure the code holders optimize number usage for conservation, not simply to meet their individual needs. Also, issues such as utilizing codes 100-199 need to be considered.

This is really a national/FCC issue. It is unclear what authority the Texas PUC has in this area. At minimum the Commission should communicate it's desires to the FCC.

### **Recommendations**

I concur with the recommendation submitted by David M. Smith, with the following additions:

In the Dallas area, immediately make prefixes from the 214 area code available with Metroplex-wide toll free 2-way calling to wireless and also to wireline carriers using a new rate center.

Develop a comfort level that the "911" issues relating to rate center consolidation are real, not just a way to slow consolidation. Also, press for timely solutions to these problems.

Be aggressive in your orders for rate center consolidation, including inconsistent rate centers. Anything significant you do will probably be contested anyway. The industry can range from good corporate citizens to litigious self-serving bullies. Publicity creating public awareness of the issues may create more pressure on companies excessively litigious companies.

If splits are in the future, implement them quickly to make the permissive period as long as possible. Add multiple new NPAs to an area to maximize the life of the split.

5. Remove the regulatory restrictions that limit the ability of carriers to offer innovative services and calling plans, including 2-way EMS.

### **Texas Statewide Telephone Cooperative, Inc. (TSTCI) Remarks Regarding TNC Report 12/02/97**

#### **General**

TSTCI endorses the Commission effort to develop number conservation efforts for the state of Texas and appreciates the opportunity to provide the Commission comments regarding proposed methods contained herein. However, we believe that the report does not adequately explain that customer demand for numbers is the true cause of rapid number exhaust in the state. Considering the increase in the number of households that subscribe to paging, cellular, burglar alarms, modem services and additional voice lines, the Commission can readily see

that numbers are being used at an accelerated and unanticipated pace. TSTCI contends that NPA relief, in the form of adding new NPAs, may be delayed, but not ultimately avoided, through number conservation measures.

#### **Rate Center Consolidation**

TSTCI believes that any Rate Center Consolidation (RCC) that decreases intraLATA toll calling and as a result reduces the overall toll and access revenue in an area must be reviewed carefully. The small companies rely heavily on intraLATA toll revenues, and if toll revenue is lost it must some how be replaced. While expanding local calling scopes may be a popular concept with consumers, the popularity with the consumers may dissipate when local and toll rates are increased. Rates for extended area service (optional EAS arrangements) have proved acceptable to consumers only when the perceived value of the rate additive is less than the amount the consumer would pay for toll calls to a specific area. We expect that consumers would oppose increases in local rates established to compensate for lost toll revenue to areas where a community of interest does not exist.

TSTCI acknowledges that the inordinate number of unique local calling scopes and local calling plans, will have a significant effect on number exhaust when competition enters a local exchange market. A new entrant must request new NXX codes to match all existing plans and "islands" of local calling in order to compete. Until this situation is simplified, through RCC, ineffective number usage will continue. However, the Commission must realize that local calling scopes, expanded local calling scopes and local calling plans have been developed over time in response to specific customer request and application with the Commission. Changes to existing plans should not be made without careful consideration of the revenue effects and are likely to involve extensive evaluation by the Commission, in contested cases.

TSTCI members prefer that the Commission adopt a position that supports the evaluation of the Rate Center Identification Number (RCID) as proposed in this report. TSTCI believes that the proposed RCID method will allow the most flexibility for all local exchange providers to effectively minimize utilization of NXX codes in establishing their own originating local calling scopes. As we see it, the use of RCID eliminates the requirement for RCC to conserve numbers. Moreover, with strong Commission support, RCID may be developed within the time frame necessary to evaluate the proposed RCC.

#### **Effect on Small LECs Without Competition**

Commission Orders regarding number pooling requirements and sequential numbering may affect all NXX code holders in Texas whether or not the threat of number exhaust exists. TSTCI contends that such broad directives are inappropriate in areas with an ample supply of unassigned NXXs. In addition, none of the TSTCI member companies have active facilities-based competition in their service areas today. TSTCI contends that its members should not be required to comply with code holder requirements that have been designed to accommodate number assignment and conservation in metropolitan areas of the state where facilities-based competition is well underway.



Remarks from  
Councilman David M. Smith  
City of Plano

Thanks to the Public Utility Commission, its staff and the members of the Texas Number Conservation Task Force for allowing participation by the City of Plano in the task force meetings and the preparation of this report.

Our primary perspective is well aligned with the mission of the task force. Telephone number conservation is a paramount objective to avoid or delay further area code changes.

Both forms of "area code relief" available today entail major cost, disruption and/or inconvenience for the general public and municipalities.

An area code overlay that requires ten-digit dialing for all calls requires modification of many alarm, control and other computer systems that automatically dial local telephone numbers. Some systems will require major modification or replacement because they were designed many years ago when few contemplated use of more than seven numbers for local calls. Others will require simply updating tables, but this can be time-consuming and costly. Much of the public can quickly adjust but they simply will not like it.

An area code split requires businesses and others to spend money for such expenses as reprinting cards, stationary and literature and notifying customers and other contacts worldwide of a telephone number change. And, to the extent a new area code line splits the geographic domain of an alarm or control system or any group of computer-dialed numbers, a split also brings the disadvantages of an overlay.

Because of the highly undesirable consequences of not conserving telephone numbers, the reader of this report is asked to view the issues herein as problems to be resolved or decisions to be made. Issues should not be viewed as reasons for inaction.

Further, issues should be evaluated for applicability to any number conservation plan. Some issues, such as preserving the integrity of the 911 communications system, absolutely must be addressed. Others do not have to be addressed and therefore are not issues depending on how number conservation is implemented.

For example, most of rate center consolidation issues identified herein can be avoided by not changing inbound toll-free calling scopes for existing prefixes and not significantly changing area calling scopes for the new

**prefixes assigned to the new, larger rate centers. This also implies confining number availability and geographic number portability within a set of wire centers or other geographic areas potentially smaller than a larger consolidation of rate centers. Order of magnitude improvements in number usage efficiency are available with a fraction of the issues.**

**Finally, your attention is called to a recommended plan for extending use of the existing Texas area codes that has been separately communicated to the chair of this task force and PUC staff. It includes the best ideas from this report and other measures that can avoid imminent "area code relief".**

**Remarks from  
Mark Lancaster  
AT&T**

I appreciate the opportunity to respond to the report produced by the Texas Number Conservation Task Force. It has been a privilege to work with industry, community and regulatory representatives on the critical issue of number conservation. This experience confirms my belief that stakeholder experts, responding to direct Commission initiative, will deliver the data necessary to create sound regulatory policy.

Not surprisingly, however, agreement was not reached on all subjects addressed by the task force. Reasons for this lack of agreement may be based on the following three factors:

1. **Shortage of usable data** - Despite the best efforts of PUC Staff, status of current number usage, plus credible forecasts of future number usage were incomplete. Without an accurate picture of current and future number usage, it is difficult to prescribe the best plan for number conservation in any particular application (e.g., Dallas 972 NPA).
2. **Implementation inexperience** - With regards to both Rate Center Consolidation (including Inconsistent Rate Centers), and Number Pooling, little or no precedent exists for these solutions. Consequently, parties are apprehensive about the strain on resources necessary to accomplish these two promising number conservation approaches. Certainly, national standards are in the formative stages even now.
3. **Uncertainty of outcome** - How much difference will these solutions make when it comes to forestalling NPA relief? This is the salient question when any number conservation methods are considered. The team collectively believes that these methods will make a positive impact on the use of numbers, but cannot project with certainty how long future relief can be delayed. Consequently, agreement about the timing and the extent of number conservation method deployment is at issue.

Given the possibilities explored, and tempered with factors listed above, my recommendations are as follows. These recommendations are generally broader and more aggressive than those of the task force report. I have included specific dates that I believe are reasonable for implementation. I have recommended specific ordering provisions that will facilitate the process. I have attempted to apply a sweeping view of how number conservation can not only be an aid to current number resource problems, but also a facilitator for future telecommunications offerings in Texas.

- **Order Options 1, 3 and 8 of Rate Center Consolidation with an effective date of April 15, 1998.** Options 1 & 3 have the lowest threshold for implementation, and among RCC choices, deliver the biggest benefit. Option 8 (Inconsistent Rate Center) is simply an expansion of IRC in Houston, Dallas and Austin, where it is already functioning, and where if used only by Golden Harbor would yield significant NXX give-back. I support full disclosure of the negative implications of IRC in a Number Portability environment (analysis which I believe already exists in national LNP forums), but find compelling the number conservation implications, if IRC is used solely by Golden Harbor in the state of Texas. I recommend that existing IRC arrangements be grandfathered, and that any new applications must comply with either incumbent rate center structures, or the approved Option 8 structure. Option 7 would

be unnecessary with Option 8 in place. Note: Existing or future interconnection agreements may be the proper regulatory avenue to consummate usage of Option 8.

- Order Options 2, 4 and 5 of Rate Center Consolidation with an effective date of August 1, 1998. These options continue the move toward simplifying and minimizing the historical rate center structures. More time is allowed for these RCC options, due to the implications of changes in local calling scope and related tariff filings.
- Study further Options 6 and 9 for future implementation. These options involve rate center consolidation among incumbent LECs. Rate center structures have historically been LEC-specific, but perhaps should give way to a combined arrangement in a more competitive local exchange environment.
- Establish an industry Number Pooling Implementation Team with a goal of reporting to the Commission, by February 1, 1998, plans to implement NXX-X LRN Number Pooling on September 15, 1998 in Dallas. This team should be encouraged to follow closely the standards available within industry forums (NANC, INC, etc.). To the extent necessary, this implementation date could be modified based on pertinent input. However, an implementation date should be established to focus the team on the task of deploying Number Pooling in Texas. The implementation team could make recommendations on deploying to other areas in Texas based on factors it has investigated.
- Continue with the Sequential Number Assignment order previously issued. Allow a 5% contamination factor to enable sale of vanity numbers within unused blocks.
- Although not specifically within the scope of the NCTF, discussion about NPA relief leads me to conclude that the Commission should have a plan for NPA relief available to allow adequate lead-time for consumers to react to a potential change in calling patterns. Despite the best efforts of this task force, NPA relief must be considered as a possibility.

Without aggressive efforts to alter the traditional rate center and number block paradigms used in the telecommunications industry, numbering resources will continue to be at risk. Consequently, so will competition in the local market place. Further, while this report, and these specific recommendations are for the Houston, Dallas and Austin areas specifically, number conservation methods documented herein should be applied liberally across the state to minimize future numbering crises, and facilitate competition statewide. I appreciate the Commission's consideration of these recommendations.

Southwestern Bell Telephone Company (SWBT) supports the Commission's efforts to encourage all NXX code holders to implement number conservation so an uninterrupted supply of telephone numbers is available for all telecommunications competitors and customers. SWBT believes industry agreement on these issues is conducive to achieving number conservation goals, while avoiding litigation and harm to individual companies. SWBT fully participated in the Texas Number Conservation (TNC) Task Force and believes the information gained during this process will aid the PUC Staff in making a proper recommendation for the Commission to proceed with its NPA relief activities. Based on the information gained during this process, SWBT recommends the Commission take the following actions:

1. The Commission should issue an order encouraging all telecommunications providers operating in the metropolitan exchanges throughout the State of Texas to consolidate rate centers as described in the TNC Task Force Proposal Nos. 1 and 3. The order should provide for adequate notice to all affected entities and persons.
2. If the Commission decides that further consolidation of rate centers is warranted throughout the State of Texas, the Commission should initiate a formal proceeding to consider such action. This proceeding will allow the Commission to carefully weigh all of the factors involved with such a major consolidation effort, and will allow all providers and other affected persons to participate. Such consolidation efforts will have a major financial impact on SWBT and other ILECs, and will have related impacts on resellers and intraLATA toll carriers as well.
3. The Commission should encourage number pooling at the one thousand block (1000) level as a number conservation initiative after Local Number Portability (LNP) is successfully completed. The Commission should encourage quick resolution to the numerous technical, administrative and policy issues that are needed for a uniform national number pooling method. Further, to insure competitive neutrality, the Commission should require: 1) equal access to numbering resources for all carriers; 2) a specific and predictable cost recovery mechanism prior to implementation; 3) realistic implementation timeframes based on factual information.
4. The Commission should forbid any carrier to implement inconsistent rate centers to: 1) avoid customer confusion and complaints caused by routing and rating anomalies; and 2) allow successful implementation of number pooling after LNP is implemented.
5. To insure that complete number exhaust does not occur in the Dallas, Houston and Austin areas before the benefits of the number conservation efforts can be fully realized, the Commission should continue its process of area code relief under Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*, to implement a new area code for use in the event it becomes necessary.

**GTE Comments:**

In addition to Texas, GTE has been and continues to be active in area code exhaust discussions in other states including Illinois, California and Pennsylvania. GTE also supports industry efforts through its participation on various standards bodies, the North American Numbering Council (NANC), and via comment/discussion with the FCC. GTE understands the issues and as a company that operates in multiple states, we are striving for a universal solution.

While some blame the current area code exhaust on misuse of the numbering resource, nothing could be further from the truth. The problem we face today is to a large degree due to the increased demand for numbers as a result of the availability of new technology, a growing economy, and the ability of customers to change service providers. Many customers have multiple lines to their home and work in an environment that provides them a work number, a fax number, a pager, and a cellular phone. The evolution of technology has introduced a plethora of services that utilize individual telephone numbers. These conditions reflect positive aspects for the majority of the consumers in the state of Texas. The current number assignment structure places a geographic significance to the number that permits the proper routing and billing of a call. This structure is designed to promote the efficiency of network design, satisfy customer requests (for reserved blocks of numbers and the use of vanity numbers), and allow for a logical number assignment process. Attempting to change this in an effort to mitigate NPA exhaust, has caused the Texas Number Conservation Task Force (TNCTF) to struggle for solutions.

In addition, the Local Number Portability (LNP) capability being deployed, will also restrict the use of numbers based on the current design standards (i.e. portability is restricted to a rate center boundary thus limiting the geography over which a number can be assigned). As more companies enter the telecommunications market, the industry must develop a long-term solution that allows all companies to compete fairly in an LNP environment.

The TNCTF has looked at various number conservation options that may impact existing area codes in Dallas, Austin, and Houston, in particular rate center consolidations, inconsistent rate centers, and number pooling. Although a limited rate center consolidation may alleviate the initial demand for codes and be feasible without greatly impacting the customer, the impact on existing NPAs is minimal. While inconsistent rate centers (IRC) appear on the surface to be a viable option for number conservation, they also hold major problems as companies attempt to convert to LNP. Wide spread use of IRCs will result in massive customer confusion, restrict companies' ability to structure rates in a manner they desire, and may impact LNP reliability. Though current intercompany agreements allow for local calling within the three limited IRCs, the advent of multiple carriers within an IRC will make it impossible to guarantee this relationship. If the use of inconsistent rate centers became more wide spread, customers would receive toll billing on calls that were previously local and local billing for calls that were previously toll.

GTE believes that the number pooling option, which requires LNP, is not technology neutral, will not provide the relief needed, will increase cost and add a new layer of number administration. A review of the benefits of pooling in Pennsylvania, Illinois, and Texas have shown it will provide little short-term benefit. In addition, the cost and cost recovery issues have yet to be discussed. The real problem is that the dialed number is used for rating and is therefore restricted in the range over which it can be utilized. Consequently, no conservation method appears to provide major short-term relief for codes, especially those in a jeopardy situation.

While there may be some short term benefit to limited rate center consolidations, GTE does not believe this to be an appropriate method for codes in jeopardy nor a long term method that eliminates a need for code relief. Nor does GTE believe number pooling will be an efficient solution even if the technology neutral issue is resolved. In the near term, relief for the existing NPAs in jeopardy must be provided. The use of a retroactive overlay (RO), would avoid the assignment of a third area code in Dallas and Houston for the next few years and provide time to develop longer-term solutions. However, as with area code splits, the RO or any overlay, while preferred by GTE, should not be viewed as a final solution. The growth in the demand for numbers will continue as technology evolves and new providers enter the market. Therefore, the industry must address the evolution from a structure that places a geographic significance to the number for purpose of routing and billing. The introduction of location routing numbers with LNP is beginning the process.

GTE recommends that the industry immediately work to define standards that would allow for a Rate Center ID (RCID) to be appended to billing records. This would permit numbers to be ported or assigned across existing ILEC rate centers while providing the necessary information to properly bill calls based upon the serving carriers rate structure. Disassociating the NPA-NXX from the rate center and implementing overlays as the code relief method will provide a much larger area for use of a block of 10,000 numbers. In addition, number pooling would not be necessary, the consolidation of rate centers would not be needed, the need for special NXX codes for extended metro type services could be eliminated and all companies would be able to independently design rates for their customers.

### **Remarks from Sprint Spectrum**

The CO Administrator notified the industry of exhaust in the 972, 713, 281, and 512 area codes. Jeopardy has been declared in each of those area codes and rationing already begun in all but the 512 area code, which will begin December 3, 1997. The 972 area code was declared in jeopardy on May 15, 1997, and the 713 and 281 area codes declared in jeopardy on October 6, 1997, but industry meetings were not held to plan area code relief. Rather, in September 1997, the Public Utility Commission of Texas charged the Texas Number Conservation Task Force (TNCTF) with reviewing number conservation techniques to try to extend the life of the 972, 713, 281 and 512 area codes. Industry meetings to address NPA exhaust relief were then effectively folded into the TNCTF meetings, but industry consensus

has not been reached on an area code relief plan. Therefore, the Commission is required to open a contested case docket to consider recognized area code relief, and Sprint Spectrum expressly requests that it do so.

Sprint Spectrum objects to the use of rate center consolidation (RCC) and number pooling (NP) as means to address area code exhaust. RCC and NP should only be implemented after, or in conjunction with, real area code relief that allows carriers full, impartial access to numbering resources to meet demand, not as a substitute for such area code relief. Moreover, RCC and NP are not recognized forms of area code exhaust relief. See, for example, NPA Code Relief Planning and Notification Guidelines. While they could potentially contribute to long term number conservation, the facts show that RCC and NP alone do not solve immediate numbering exhaust problems in Texas.

There were only 68 NXX blocks available for assignment in the 972 area code at the beginning of the Fourth Quarter of 1997; 131 NXXs blocks in the 281 area code; 98 NXX blocks in the 713 area code; and 134 NXX blocks in the 512 area code. Demand currently forecasted by wireless carriers would exhaust the available NXXs in the 972 area code by the end of the Third Quarter 1998, for example; and the 281 area code would be virtually exhausted in the Fourth Quarter 1999. (See Attachment 1, hereto.) This is based on information gathered by the PUCT. If all of the wireless carriers did not respond to the PUCT's information requests, actual wireless demand could be higher.

Four codes per month are being rationed in the 972 area code; 8 per month in the 713 area code; 9 per month in the 281 area code; and 7 per month in the 512 area code. Wireless demand per month exceeds the number of codes allotted per month for rationing, and that doesn't even take into account demand by CLECs. See Attachment 1. Compared to wireline, wireless carriers are very efficient users of NXX blocks.

Under a RCC plan, rationing is expected to continue through at least the date a plan is implemented. Southwestern Bell estimates that it will take three to six months to implement the most basic RCC plans – Option 1, and perhaps Option 3 – following an order from the PUCT. The PUCT would likely take some time to issue an order, given the fairly complicated issues it would have to address. For example, it would have to reconsider rates of the Incumbent LEC under any RCC plan. Bolder RCC plans would take even longer to implement, even more severely stressing the number supply without area code relief. The PUCT would also have to consider and deal with complicated issues such as 911 routing to PSAPs and the treatment of calls in larger RCA that formerly were toll calls, as well as cost recovery issues.

Even assuming that RCC could be implemented in as little six months, by June 1998 (including the time it would take the PUCT to issue an order), the demand of wireless carriers would consume any remaining NXXs codes available for assignment in the 972 area code, for example, within about one Quarter after RCC is implemented, taking into account demand that could not be met during rationing. There appears to be a similar situation in at least the 281 area code, too, in which wireless demand would rapidly consume any unassigned NXXs. While that kind of situation in 972 and 281 does not take into account any NXX blocks that might be returned under a RCC plan, Incumbent LECs have stated that they do not expect to return any NXX codes under RCC given forecasted growth demand and given that there will

be no forced number changes under a RCC plan, and that NXXs presently cannot be shared between Central Office switches. Only a relatively small number of CLECs even participated in the industry meetings, and those that did participate have not committed to returning NXXs for similar reasons.

In addition, with respect to NP, the Lockheed Martin forecasting tool results only contain information on 1000s blocks. The wireless carriers have not been provided with forecasts of demand, so they are unable to determine whether a NP plan would really make more NXXs available. But, in any case, wireless carriers cannot use 1000s blocks, before number portability is implemented for them, which will be no sooner than June 30, 1999 if no extensions are taken. In the meantime wireless carriers must use 10,000 blocks in order to provide service, and the Lockheed Martin results do not address whether NP would free up 10,000s blocks, let alone does it address whether it frees up enough 10,000s blocks to meet wireless demand.

There are other considerations. If a carrier is compelled under a RCC scheme to return a code in which they have active customers, those customers may have no choice but to change their numbers. In addition, incumbent carriers should not be allowed to recoup lost revenues through higher interconnection rates.

As mentioned, NP discriminates against wireless, and other carriers that are not LNP capable. Even if non-LNP capable carriers are excepted from a NP plan, *the plan must contain a provision that provides non-LNP capable carriers with sufficient full NXX blocks to meet their forecast demand.* But, as just discussed, the facts suggest that ILECs and CLECs will not return sufficient 10,000s blocks.

Sprint Spectrum agrees with another wireless carrier's recommendations for area code relief as presented in their participant comments. The lack of true NPA relief in any of these areas would act as a barrier to the ability of some carriers, like Sprint Spectrum, to do business in the State of Texas.

## **Comments of PrimeCo Personal Communications, L.P.**

### **Introduction**

The Texas Number Conservation Task Force ("TNCTF") was empowered by the Public Utility Commission of Texas (PUCT) earlier this year with reviewing number conservation techniques which would extend the life of the 214/972, 713/281 and 512 NPAs. Based upon the conclusions reached by the TNCTF, rate center consolidation and number pooling only contribute to long-term number conservation. As such, these methods provide a poor means of solving immediate numbering exhaust.

### **Rate Center Consolidation**

- 1) While rate center consolidation has the potential to reduce the quantity of NXX codes needed on a going-forward basis, carriers may not return much needed existing codes in NPAs that are exhausted or near exhaustion.
- 2) Due to technical implementation timing requirements of 3-12 months, rate center consolidation may have little immediate impact on numbering relief and litigation is likely to occur for a variety of reasons.

Although the intent of implementing rate center consolidation is to reduce the demand for NXX codes by new entrants, it will not guarantee the return of codes that have already been assigned to both new entrants and existing carriers. Moreover, if a carrier is compelled to return a code in which they have active customers, those customers may have no choice but to change their numbers. Furthermore, while rate center consolidation is generally viewed as a positive long-term number conservation technique, if incumbent carriers attempt to recoup lost revenues through higher interconnection rates, the positive nature of this method of number conservation will be drastically reduced.

### **Number Pooling**

- 1) Number pooling as a method of number conservation is unproved, even considering the work done in Illinois.
- 2) At this time, no national standards have been definitively established or approved.
- 3) Since local number portability (LNP) will not be deployed until March 31, 1998 for Houston, and May 15, 1998 for Dallas, the industry is likely to need an additional several months after LNP is implemented to begin assigning numbers with number pooling.
- 4) Wireless access to NXXs must remain unfettered, especially because wireless carriers will be LNP capable no earlier than June 1999.

While contributing to a better utilization of numbering resources, number pooling does not provide immediate NPA relief. Number pooling is a specialized form of number assignment utilizing the LNP infrastructure. Carriers that are not initially LNP capable will continue to require the same access to full 10,000 number NXX blocks as they currently do. It should be noted that a review of the NPA-NXX audit in Illinois demonstrated that instituting number pooling for the 847 NPA would only extend the life of the NPA by an additional 6-12 months. In addition, because number pooling cannot be effectively used until some time after LNP has been fully deployed in a metropolitan area, this delay makes its utility to forestall NPA exhaust for some NPAs (*i.e.* 972) even less likely. It would not be appropriate at this time to depend

upon any benefit from number pooling in the short term. The PUCT should direct the TNCTF to continue to monitor the Illinois trial and make recommendations as LNP is deployed in Houston and Dallas. Finally, due to various limitations in number pooling, the likely deployment schedule of pooling and the lack of whole 10,000 block NXXs in the five affected NPAs, number pooling has little or no positive effects on the exhaust of four of the five NPAs.

#### **Conclusion**

- 1) The PUCT should issue a new overlay NPA and require 10 digit dialing for Houston and Dallas.
- 2) A new overlay NPA should be followed by the implementation of rate center consolidation and number pooling.
- 3) Current rationing of NXXs can be a competitive disadvantage for new carriers and can impair ability to do business. This is because incumbent carriers, both wireline and wireless, already have codes in use and may not be impacted as greatly.
- 4) Number pooling may place certain carriers at a competitive disadvantage and this is inconsistent with the spirit of the Telecommunications Act of 1996.

A solution that can provide adequate numbering resources in the Houston and Dallas metropolitan areas is to overlay the two existing area codes with a third area code. This new area code can be assigned in either of the areas served by the existing area codes. This proposal, when combined and implemented with rate center consolidation and number pooling, can significantly forestall the need for future NPA relief. Both rate center consolidation and number pooling, if implemented without prior and immediate NPA relief (e.g. NPA overlay), will contribute to furthering the current jeopardy exhaust situation.

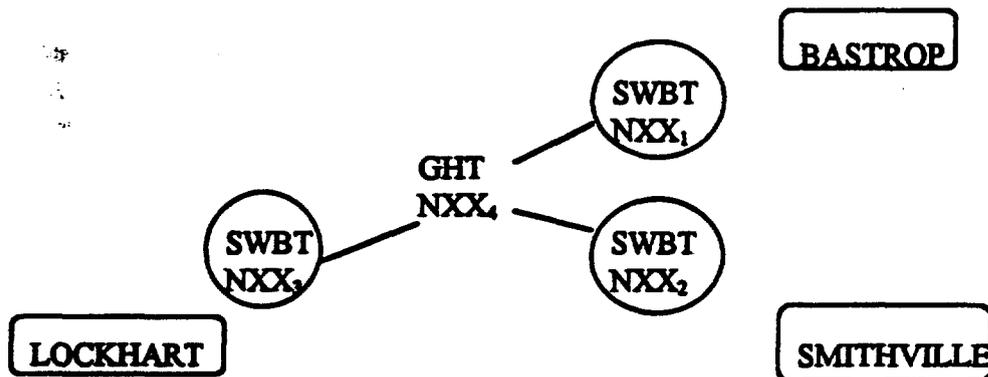
## Comments of Golden Harbor of Texas, Inc. Regarding Inconsistent Rate Centers

Golden Harbor of Texas, Inc. (GHT) has been the strongest proponent of preserving and expanding the conservation of NXXs by reducing the number of NXXs CLECs entering the market must have in order to serve their customers. This conservation method, which has been described as an "inconsistent rate center", is another form of rate center consolidation. GHT urged the benefit of this NXX conservation approach during its interconnection arbitration with SWBT last spring and subsequently the Commission approved the GHT/SWBT interconnection agreement with "inconsistent rate centers" in numerous geographic areas of the state, including in the 214/972, 713/281, and 512 area codes. GHT views this conservation method as the best alternative with the greatest near- and long-term NXX conservation impact, especially in light of heavy ILEC resistance to aggressive consistent rate center consolidation.

An "inconsistent rate center" as it has been considered by the TNCTF is a rate center approved by the Commission which is larger than the rate center of the incumbent LEC. Within that "inconsistent rate center" all calls between the ILEC and the CLEC are local calls.

The most efficient utilization of NXX codes would be accomplished by assigning to each CLEC only the number of codes necessary to serve its customers. However, because ILECs have traditionally relied on each specific NXX to indicate the unique geographic boundaries within which the code holder resides AND thus the ILECs have rated and routed the calls based on that NXX specific geographic location, inconsistent rate centers with different geographic boundaries for CLECs have the potential to alter the jurisdictional nature of calls between ILECs and CLECs as compared to the same call between ILEC and ILEC.

For example, the Commission has approved for GHT the use of one NXX for the geographic areas of Bastrop, Smithville and Lockhart. SWBT has a separate rate center in each of those locations and each rate center has a unique NXX. All calls between SWBT and GHT's customers within the broader geographic area are local calls.



When SWBT's NXX<sub>1</sub> calls GHT's NXX<sub>4</sub>, SWBT cannot determine if GHT's customer is located in Bastrop, Smithville or Lockhart. Therefore, while a call from Bastrop to Lockhart may be a toll call between SWBT's customers (NXX<sub>1</sub> to NXX<sub>3</sub>), the call between SWBT's customer and GHT's customer is a local call. SWBT does not have to determine where the GHT NXX<sub>4</sub> customer is located because GHT's NXX<sub>4</sub> could either be physically

located next door to SWBT's NXX<sub>1</sub> customer in the same exchange or physically located next door to SWBT's NXX<sub>3</sub> customer in the distant exchange and in either case the call is a local call.

Thus, within the inconsistent rate centers all calls between the ILEC and the CLEC within the larger geographic area covered by the CLEC's rate center are local calls.

In the example above, a customer in Lockhart may choose GHT because the customer wants local outbound calling throughout the larger geographic area covered by GHT's rate center; whereas SWBT offers local calling to SWBT's customers within only a portion of the larger geographic areas (e.g. NXX<sub>1</sub> to NXX<sub>2</sub>, but not to NXX<sub>3</sub>) and local calling to GHT customers throughout the larger area.

An "inconsistent rate center" is really simply a form of new EAS between ILECs and CLECs. The Commission has jurisdiction and authority to approve new EAS serving areas between ILECs and CLECs and has an existing interconnection rule which recognizes that such new arrangements may be negotiated between ILECs with more than one million access lines and CLECs.

The Commission could add to that rule or adopt a new rule that sets forth these new "Competitive EAS Exchanges"<sup>1</sup> which would be the geographic areas within which a CLEC may establish only one rate center and within which ILEC to CLEC calls are local calls. Option 8 for Austin, Dallas and Houston could be adopted almost immediately as "Competitive EAS Exchanges". Option 9 for Austin<sup>2</sup> instead of Option 8 for Austin could be adopted as an even more aggressive consolidation by consolidating multiple ILEC exchange boundaries. Within such "Competitive EAS Exchanges", calls between ILEC and CLEC customers would be local calls and the intercompany compensation would be established by the Commission in the interconnection agreement. This inconsistent rate center alternative has the dual advantage of conserving NXXs and giving customers a choice of service characteristics as well as service providers.

Creating inconsistent rate centers is a very innovative solution to the heavy demand for NXXs from CLECs who, with few exceptions, have been required to mirror ILEC rate centers. Inconsistent rate centers can be implemented almost immediately and can provide either an interim relief to NXX demand pending aggressive rate center consolidation or a permanent alternative to the deeply entrenched and difficult to change ILEC rate center boundaries.

A careful analysis of the issues raised by those opposed to inconsistent rate centers reveals that either the issues are non-existent (e.g. numbers can be ported in an inconsistent rate center environment); or they can be easily accommodated (e.g. coordinate with 911 interested parties to ensure that future deployment of 911 tandems takes into account

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<sup>1</sup> "Competitive EAS Exchange" is a descriptive term GHT has adopted which describes conceptually this larger geographic area within which traffic between ILECs and CLECs is local and within which CLECs can designate a single rate center utilizing only the number of NXXs they actually need to serve their customers.

<sup>2</sup> Option 9 for Dallas and Houston has certain 911 tandem constraints and therefore could not be implemented prior to addressing 911 issues.

Commission approved inconsistent rate center boundaries as well as Commission approved consolidated rate center boundaries); or they are company specific billing and revenue issues for which the Commission could seek quantification and then balance against other public interest concerns.

In summary, GHT urges the Commission to take the following actions:

- Immediately implement rate center consolidations reflected in Options 1 and 3.
- Immediately adopt "Competitive EAS Exchanges", reflected in Option 8, as alternatives to ILEC rate centers.
- Permit GHT to replace its existing Option 7 with Option 8 once Option 8 is implemented.
- Immediately initiate a proceeding to achieve further rate center consolidation as reflected in Options 2, 4, 5, 6 and 9.

### **360° Communications**

While 360° Communications supports the Texas PUC's efforts at number conservation, we respectfully submit that any conservation method ordered by the Texas PUC must take all users of numbering resources into consideration.

The FCC has provided until June 30, 1999 for CMRS carriers to implement Local Number Portability. In accordance with FCC rules, we do not expect to be technically able to participate in number pooling before any date set forth by the FCC. In the interim, our need for codes will continue to exist. In a number pooling environment, those carriers whose networks use LNP technology will be able to acquire numbers in 1,000 number blocks while those whose networks are not LNP capable will not. Carriers whose networks do not use LNP technology will be disadvantaged with respect to their ability to obtain numbers.

If the Texas PUC issues a Number Pooling order without making specific provisions granting access to whole NXX codes to non LNP capable carriers, these carriers will not be able to obtain numbers at all. As Air Touch pointed out in its Reply Comments in the matter of NANC's letter seeking clarification of the term *technology neutral*, "Numbers are a critical element of the provision of telecommunications services. A discriminatory arrangement that precludes certain carriers from acquiring numbers will have a significant negative impact on consumers. Moreover, since wireless carriers have a high efficient rate for number usage, these carriers will run out of numbers in a shorter period of time if no additional resources are available"<sup>3</sup>.

An additional consideration is the timing of any such Number Pooling order. In its report to the North American Numbering Council, the Industry Numbering Committee has said<sup>4</sup> that "It does appear however that the benefit associated with pooling - that is, the ability to better utilize numbering resources and delay the need for NPA relief - is better realized if pooling is initiated "early in the life" of a given NPA, when there exist a large number of NXX codes still unassigned. It further appears that the implementation of pooling "late in the life" of an NPA, for example when the code is already in a jeopardy situation, is likely to provide relatively little delay in the need for NPA relief."

360° Communications would support a Texas PUC order which included both the introduction of Number Pooling by capable carriers and access to full NXX number blocks for those carriers who are not LNP capable. Moreover, once the number of full NXX codes are exhausted, non LNP capable carriers must be guaranteed that additional codes would be made available through traditional area code relief, whether that be in the form of a geographic split or an overlay.

Even though the Texas Number Conservation Task Force does not recommend a Transparent Overlay, 360° would like for the Texas PUC to understand the basis for 360°'s strong objection to a Transparent Overlay. For wireless carriers, the problems with a transparent overlay are numerous. Roaming would be impossible for a customer with a number issued

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<sup>3</sup>Reply Comments of Air Touch at 3.

<sup>4</sup>Industry Numbering Committee (INC) Initial Report to the North American Numbering Council (NANC) on Number Pooling, October 17, 1997, Section 14, Page 44.

from a transparent overlay. Wireless systems nationwide cannot reasonably be expected to be programmed to recognize individual numbers from the transparent overlay. Certain enhanced features, such as caller ID and automatic call back, would be unavailable to customers who have the transparent numbers because RCF involves loss of functions such as Automatic Number Identification that are required for such features.

A transparent overlay is, in fact, not transparent to wireless customers. Because wireless phones need to be programmed with the phone number used by RCF to reach that phone, the overlaid number would be the one programmed into the phone unit. Customers will see the overlaid number when they use their phone keypad, not the number that the customer has been told is their phone number.

911 operators would also see the overlaid number and not the phone number that the customer believes they have. Since this transparent or virtual number cannot be dialed to reach the wireless customer, it is not a call back number that can be used by 911 operators. As such, numbers from a transparent overlay cause wireless carriers to violate the FCC requirement that the carriers provide call back numbers to 911 operators.

Use of a transparent overlay could also violate the FCC Second Report and Order because dialing parity among different types of customers and carriers would be lost. Since wireless customers with an overlaid number now have a different area code than other customers, these wireless customers will need to dial 10 digits to reach any landline customer or any customer with a wireless number that did not come from the transparent overlay.

**ALLTEL Communications, Inc.**  
**Response To**  
**Number Conservation Task Force Initiative for Rate Center Consolidation**

ALLTEL recognizes that something has to be done in the area of number conservation. To achieve number conservation, certain tools must be used to reduce the exhaust of NXX's. Among these tools are retroactive overlay, local number portability (LNP), and number pooling. ALLTEL is moving forward with LNP in the Houston area and presume that number pooling will be implemented along with LNP .

ALLTEL feels local number portability and number pooling are number conservation tools that will be available in the short term. LNP and number pooling will be available in Houston and Dallas by March and May of 1998 respectively.

ALLTEL feels the effect that number portability and number pooling have on number exhaust should be studied before any RCC proposal is recommended or implemented. However, rate center consolidation in one form or another may be a long term possibility.

ALLTEL has studied all rate center consolidation proposals and at this time would view Proposal #1 which recommends consolidating rate centers in the metropolitan exchanges within the ILEC's existing local exchange boundary, without affecting local exchange calling scopes as the only favorable option for rate center consolidation.

RCC proposals 2-9 cannot be supported by ALLTEL until such a time that a quantitative analysis can be developed that accurately and in detail analyzes the technical, systems, and revenue impacts that are created by each proposal.

Consolidation of rate centers will impact revenue (toll/access). The consolidation could cause a reduction in toll or a complete loss of toll. Methods for recovery of lost revenue need to be explored and/or created before any RCC recommendation can be made.

Any systems impact will require a six month review followed by a minimum implementation period of six months. This will be at a high cost to all ILECs.

Technical impacts including changes in translations, routing methods, and vertical/horizontal coordinates will, along with systems and revenue impacts, affect all existing telecommunication agreements.

Inconsistent Rate Centers are not supported by ALLTEL. IRCs over time and without strict regulation have the potential to act as a virus and cause a lack of control which will overwhelm the ILECs with numerous contracts for separate IRCs for each CLEC. With strict regulation, CLECs could claim that the IRCs are not competitively neutral and arguments for different IRCs could ensue.

## VII. Glossary of Terms

**Rate Center** – A specific geographic location, associated with a telephone company's Central Office (CO) switch, used to calculate mileage for toll billing and intercompany settlement purposes. This geographic location is defined by the Vertical and Horizontal (V&H) coordinates of a single site in the serving area of the CO switch. Multiple CO switches may use the same V&H coordinates. The V&H coordinates of the Rate Center (RC) are not necessarily the same as the V&H coordinates for any CO switch. RCs have traditionally been associated with Incumbent Local Exchange Company (ILEC) serving areas.

**Serving Area** – The geographic area associated with the physical plant and facilities of a particular telephone company's Central Office (CO) switch; the area the CO switch serves. Serving Areas are typically exclusive within a telephone company's network, but are not between competing telephone companies.

**Local Calling Scope** – The set of Telephone Numbers (TN) that any Local Service Customer (LSC) may call without incurring Toll charges. This set of TNs is usually defined by the NPA-NXX (e.g., 512-936) of the called party. Local Calling Scope (LCS) generally refers to outbound calling. LCS will not necessarily coincide between competing telephone companies.

**Inconsistent Rate Centers** – For the Serving Area (SA) of a competing telephone company, Rate Center (RC) assignment does not comply with the RC assignment of the Incumbent Local Exchange Company (ILEC). Typically, IRCs involve competing telephone companies having RCs with a larger geographic area represented by the V&H coordinates.

**Rate Center Consolidation** – The combining of multiple existing Incumbent Local Exchange Company (ILEC) Rate Centers (RCs) into a single RC. Rate Center Consolidation (RCC) results in a single V&H coordinate serving as the toll reference point for Central Office (CO) switches which previously were associated with different V&H coordinates.

**Call Rating** – The establishing of a pricing basis for calls between two Telephone Numbers (TNs), usually in a toll calling situation. Call rating relies on establishing a relationship between the calling number and the called number. This is historically done on an NPA-NXX-to-NPA-NXX relationship. Call Rating is not normally performed for calls within the Local Calling Scope (LCS).

**Call Routing** – The creation of an electronic or mechanical path between two Telephone Numbers (TNs) for the purpose of Local Service Customer (LSC) communications. Call Routing historically relies on NPA-NXX-to-NPA-NXX relationships understood by telephone companies' networks to establish the desired communications path.

**NPA-NXX** – The combined telephone number prefixes used to identify, 1) the three digit Area Code, or NPA (Numbering Plan Area), and, 2) the three digit Exchange Code, which are associated with a four digit line number to produce a unique Telephone Number (TN). NPA-NXXs are currently assigned by the Central Office Code Administrator for the jurisdiction in question. NPA-NXXs have traditionally been assigned to a single telephone company, and have been used for Call Rating, and Call Routing purposes, as they have been associated with a single Central Office (CO) switch.

**Extended Area Calling Plan** – Local service dialing plans which include a larger Local Calling Scope (LCS) than is normally offered for the Serving Area involved. Extended Area Calling Plans (EACPs) may be mandatory or optional to the Local Service Customer (LSC), and typically require an increased service fee over basic local service. EACPs may be two way (both inbound and outbound) or one way (either inbound or outbound). Consequently, EACPs potentially effect the LCS of both the subscriber (outbound) and of other callers (inbound).

**Local Number Portability** – The Local Service Customer's (LSC) ability to retain working Telephone Numbers (TNs) when changing either location, service, or service provider. The current Local Number Portability (LNP) focus is on service provider portability, with implications on limited location portability. LNP only applies when a competing telephone company has a Central Office (CO) switch in service for the Serving Area; LNP is not necessary for service resale. LNP has two forms: Interim Number Portability (INP), which uses non-database methods to forward calls to the new service provider, and Location Routing Number (LRN) or Permanent LNP, which employs a database method of routing calls to the new service provider. INP is available in various forms today, while LRN will be available on a schedule as ordered by the FCC in Docket No. 95-116.



**ATTACHMENT 5**

PROJECT NO. 18438

§  
NUMBER CONSERVATION MEASURES § PUBLIC UTILITY COMMISSION  
IN TEXAS § OF TEXAS  
§

ORDER NO. 1

1. Texas is expected to experience an exhaust of NXX codes within several NPAs<sup>1</sup> in the near future according to the most recent forecasts.<sup>2</sup> The potential exhaust is due in part to customer demand for wireless telephones, pagers, computer modems, facsimile machines, and requests for multiple lines for homes and businesses. Additionally, as competitive local exchange carriers (CLECs) enter the Texas market, their requests for NXX codes have contributed to the exhaust situation.

2. The simplest regulatory response would be to add NPAs, through either a geographic split of existing NPAs or through an overlay of one or more NPAs. The consequences of additional NPAs are significant for Texas customers, however, and the commission seeks to ensure that other alternatives are explored fully and adopted when possible as part of the NPA relief process.

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<sup>1</sup> A telephone number is comprised of a three-digit NPA (area code or number planning area), a three-digit central office code (NXX), and a four-digit line number. Each NPA contains 792 NXX codes. Each NXX code contains 10,000 telephone numbers.

<sup>2</sup> NPA exhaust is anticipated in the 972 NPA (Dallas) by December 1998, in the 281 NPA (Houston) by February 1999, in the 713 NPA (Houston) by February 1999, and in the 512 NPA (Austin/Corpus Christi) by December 1998, even with NXX code rationing through a jeopardy plan implemented by the number administrator. Relief planning for each of the NPAs has been instituted by the commission in Project Nos. 16899, 16900, and 16901.

3. In September 1997, the commission created an industry task force to review the NPA exhaust situation and to develop number conservation responses to it.<sup>3</sup> The Texas Number Conservation Task Force presented its report to the commission on December 4, 1997 (Task Force Report).<sup>4</sup> The commission commends the telecommunications industry participants for their work on the report.

4. Based on the information provided in the Task Force Report and in oral and written comments presented to the commission, the commission orders that the following measures be implemented to ensure number conservation is an integral part of the NPA relief process.

### I. RATE CENTER CONSOLIDATION

5. NXX codes are assigned on the basis of rate centers. Consequently, if the number of rate centers are reduced through consolidation, the need for NXX codes should be reduced for each code holder. The commission orders code holders to implement Option 1 and Option 3 presented in the Task Force Report, subject to the following modifications: (1) the North Mesquite rate center shall be included in the Dallas consolidation in Option 1; (2) the Greenspoint rate center shall be included in the Houston consolidation in Option 1; and (3) the Channelview rate center and Deer Park rate center shall be excluded from the Houston

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<sup>3</sup> Order Empowering the Texas Number Conservation Task Force, September 12, 1997, issued in Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*.

<sup>4</sup> Texas Number Conservation Task Force Report, filed December 31, 1997, in Project No. 18438, *Number Conservation Measures in Texas*, and incorporated here by this reference.

consolidation in Option 1. Option 1 and Option 3 shall be implemented on or before March 15, 1998.

6. The commission recognizes that rate center consolidation may affect rating and billing of calls and basic local exchange service. Accordingly, at this time the commission is implementing rate center consolidation conservatively. The commission does not anticipate that any rate adjustments will be needed under Options 1 and 3. The commission orders any incumbent local exchange carrier (ILEC) that desires to adjust rates in response to rate center consolidation Options 1 and 3 to obtain express commission authorization in a separate proceeding before implementing any such rate adjustment.

7. Within 10 days of the issuance of this order, GTE shall provide to the Advisory Commission on State Emergency Communications (ACSEC) the following information.

(a) For each individual rate center included in the Dallas consolidation in Option 3, GTE shall provide a list of: (1) all ILECs providing service within the rate center, (2) all CLECs providing service within the rate center, (3) all PSAPs providing service within the rate center, and (4) all 9-1-1 administrative entities with oversight over the PSAPs providing service within the rate center.

(b) GTE shall provide an explanation of how 9-1-1 service will be provided in the new consolidated rate center for GTE customers, other ILEC customers, and other CLEC customers. If GTE has knowledge of a CLEC that intends to provide 9-1-1 service by the routing method known as "class marking,"<sup>5</sup> GTE shall provide to the CLEC, upon request, copies of the Master Street Address Guide (MSAG) by rate center.

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<sup>5</sup> Class marking is a less efficient method for routing 9-1-1 calls that involves the manual assignment of specific 9-1-1 routing instructions by class of service code during service order processing.

(c) GTE shall provide an explanation of how implementation of permanent local number portability (LNP) will function in the consolidated rate center created under Option 3. The explanation shall include a description of how the Automatic Location Identification (ALI) query protocol will function after the implementation of LNP in PSAPs served by a GTE stand-alone database and/or a Southwestern Bell E-9-1-1 database management system.

8. In order to implement Options 1 and 3 without any degradation of 9-1-1 service, code holders shall contact the responsible local 9-1-1 entities to determine whether any modifications are necessary to default routing designations, contingency plans, or other 9-1-1 processes linked to a 9-1-1 caller's NXX.

9. In order to fully realize the benefits of rate center consolidation, all code holders are ordered to assign and use NXX codes on a full rate center basis, rather than assigning them on the smaller, wire center basis, not later than March 31, 1998 for NXX codes in the 281 and 713 NPAs, and not later than May 15, 1998 for NXX codes in the 214 and 972 NPAs.

10. The commission further orders the commission staff, the ACSEC, and code holder representatives to begin evaluating implementation of rate center consolidation Options 6 and 8 presented in the Task Force Report. The commission staff is directed to report to the commission regarding a timeline for implementation within 30 days of the issuance of this order.

## II. TAKE BACK OF NXX CODES

11. The commission conducted an audit of NXX code usage in the 214, 972, 512, 713, and 281 NPAs in November 1997. Though not all code holders responded to the data

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request, the audit results strongly suggest that a number of NXX codes have been assigned by the number administrator but remain unused.

12. The commission orders all holders of vacant, unused NXX codes in the 972, 713, and 281 NPAs as of December 17, 1997 to return the NXX codes to the number administrator on or before January 31, 1998 for reassignment. If numbers have been assigned from such an NXX code since December 17, 1997, or if the code holder seeks a good cause exception to this requirement, the commission orders the code holder to make a written statement to the commission staff on or before January 31, 1998 regarding the timing and volume of usage of the NXX code or the basis for the good cause exception. The commission staff is directed to report to the commission on a monthly basis all such statements and any recommendations regarding them. The number administrator is directed to report to the commission on a monthly basis the number and status of returned codes.

13. Pursuant to a prior commission order, all code holders are presently required to assign numbers from no more than one 1000 number block within an NXX at a time, and must use 80-90 percent of the numbers within that 1000 number block before assigning any numbers from the next 1000 block within that NXX.<sup>6</sup> Code holders should be aware that the commission intends to implement a takeback of vacant 1000 number blocks at a later date in preparation for number pooling.

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<sup>6</sup> Order Approving Sequential Number Assignment, September 12, 1997, issued in Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*.

### III. NUMBER CONSERVATION IMPLEMENTATION TEAM

14. The commission directs the commission staff to form a Number Conservation Implementation Team (NCIT) to develop a plan for number pooling and associated cost recovery. The commission expects the NCIT to coordinate its number pooling efforts with those already underway through the North American Numbering Council (NANC), the Industry Numbering Committee (INC), the National Association of Regulatory Utility Commissioners (NARUC), and other state commissions.

15. Number pooling can be a very effective number conservation tool. The number administrator currently must issue numbers in blocks of 10,000, an entire NXX code, even though the requesting party may need fewer numbers. In a competitive telecommunications environment, this number assignment method is wasteful and inefficient. The implementation of local number portability (LNP) and number pooling should reduce the need to issue whole NXX codes to each code holder.<sup>7</sup>

16. In addition to the development of number pooling, the NCIT shall undertake the following activities and report on each to the commission staff on a monthly basis: (1) monitor the effect that each completed number conservation measure has had on the availability of NXX codes in each NPA; (2) monitor the implementation of rate center consolidation Options 1 and 3, including the ILEC use of NXX codes on a rate center rather than wire center basis; (3) monitor the development and implementation of a rate center in the 214 NPA with the ELCA characteristics of the Grand Prairie rate center (see Section V below); (4) develop a process for

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<sup>7</sup> Wireless providers will not implement LNP until June 30, 1999, or later. Until that time, wireless providers will continue to be assigned full NXX codes.

implementing rate center consolidation Options 6 and 8; and (5) develop a process for implementing rate center consolidations and/or inconsistent rate center options for Fort Worth, San Antonio, and El Paso area exchanges.

#### IV. CONTINUATION OF JEOPARDY PLANS

17. The commission seeks to ensure that the diminishing supply of NXX codes in certain NPAs does not impair the development of competition in those areas. The commission therefore directs the commission staff to meet with the number administrator to review the current jeopardy plans for the 972, 713, 281, and 512 NPAs and to report on possible revisions to the jeopardy plans at the commission open meeting on February 5, 1998.

#### V. CREATION OF A SPECIAL RATE CENTER

18. The commission recognizes that a significant use of NXX codes in the 972 NPA arises from the preference wireless providers have expressed for NXX codes in the Grand Prairie rate center. The Grand Prairie rate center, within the 972 NPA, has unique extended local calling area (ELCA) characteristics among all of the rate centers in the 214 and 972 NPAs. To alleviate this circumstance, the commission orders the creation of a rate center in the 214 NPA with the identical ELCA characteristics of the Grand Prairie rate center, to be used exclusively by wireless providers (e.g., cellular, paging, and PCS providers). In turn, all wireless providers in the Dallas metropolitan area shall obtain NXX codes only from the 214 NPA. This is intended to relieve the jeopardy situation that exists for the 972 NPA, while at the same time ensuring a ready supply of NXX codes for wireless providers.

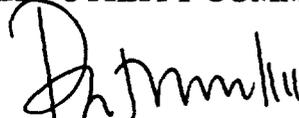
## VI. EVALUATION OF RATE CENTER IDENTIFICATION METHODOLOGY

19. The commission staff is directed to consult with NARUC and other federal advisory groups regarding the possibility of developing and implementing the Rate Center Identification (RCID) methodology identified in the Task Force Report. RCID may hold great promise to resolve many number conservation and number portability issues. However, there is insufficient information regarding implementation of such a solution, and any successful implementation would probably have to be undertaken on a national basis.

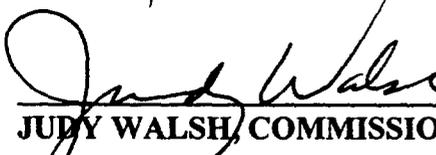
20. The commission staff may extend the deadlines set forth in this order for up to 30 days if it finds that circumstances warrant.

SIGNED AT AUSTIN, TEXAS the 16<sup>th</sup> day of January 1998.

PUBLIC UTILITY COMMISSION OF TEXAS



PAT WOOD, III, CHAIRMAN



JUDY WALSH, COMMISSIONER



PATRICIA A. CURRAN, COMMISSIONER



**ATTACHMENT 6**

PROJECT NO. 18438

NUMBER CONSERVATION MEASURES §  
IN TEXAS §

PUBLIC UTILITY COMMISSION

RECEIVED  
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ORDER NO. 5

This Order authorizes Southwestern Bell Telephone Company (SWBT) to implement proposed number conservation measures in the Fort Worth and San Antonio metropolitan exchanges, modifies the restriction for NXX code assignment in the 972 numbering plan area (NPA), and authorizes a virtual number pooling trial and delegates to the staff of the Public Utility Commission of Texas (Commission Staff) the authority necessary to implement the trial.

*Procedural History and Background*

At the May 6, 1998 open meeting, the Commission reviewed a proposal submitted by Southwestern Bell Telephone Company (SWBT) for implementing number conservation measures in the Fort Worth and San Antonio metropolitan exchanges.

The Commission provided notice, by publication in the *Texas Register* on May 22, 1998, of its intent to approve SWBT's proposal for implementing number conservation measures in the Fort Worth and San Antonio metropolitan exchanges. The notice provided for a reasonable comment and intervention period.

The Advisory Commission on State Emergency Communications (ACSEC), AT&T Communications of the Southwest, Inc. and AT&T Wireless (collectively, AT&T), PrimeCo Personal Communications, L.P., as sole general partner and on behalf of Dallas MTA, L.P., San Antonio MTA, L.P., and Houston MTA, L.P. (PrimeCo), Sprint Spectrum L.P. d/b/a Sprint PCS, and SWBT filed motions to intervene, which were granted by the Commission at the June 24, 1998 open meeting.

ACSEC, AT&T, and SWBT filed comments along with their motions to intervene, as discussed below.

**Rate Center Consolidation**

SWBT shall, by September 13, 1998,<sup>1</sup> consolidate rate centers in the Fort Worth and San Antonio metropolitan exchanges according to the following plan:

**Fort Worth:** consolidate 20 rate centers to 9 according to the matrix and map in Attachment 1.

**San Antonio:** consolidate 29 rate centers to 1 according to the matrix and map in Attachment 2.

No tariff changes are necessary as a result of the rate center consolidations. The changes in the rate centers will be reflected in the Bellcore Local Exchange Routing Guide (LERG).

The current Texas Code Administrator (Code Administrator) shall notify all Texas code-holders, within 10 days of the date of this order, that holders of more than one unused (vacant) NXX code in the proposed consolidated rate center area should voluntarily return all but one of those unused codes if there are no numbers assigned at implementation of the rate center consolidation. In addition, the Code Administrator shall now assign new NXX codes according to the consolidated rate center boundaries.

ACSEC proposed that language on 9-1-1 default routing be included in the order on rate center consolidation. The Commission finds the request to be reasonable and necessary. Therefore, in order to implement rate center consolidation for the Fort Worth and San Antonio metropolitan exchanges without any degradation of 9-1-1 service, code-holders shall contact the

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<sup>1</sup> In its original proposal, Southwestern Bell Telephone Company (SWBT) had stated that the effective date of the rate center consolidations would be October 1, 1998. Subsequently, in its response to Order No. 4, SWBT proposed an effective date of September 13, 1998.

responsible local 9-1-1 entities to determine whether any modifications are necessary to default routing designations, contingency plans, or other 9-1-1 processes linked to a 9-1-1 caller's NXX.

*Modification of Restriction for NXX Code Assignment in the 972 NPA*

In Order No. 1 issued in this proceeding, and as modified by Order No. 3, wireless providers were directed to obtain NXX codes from a 214 NPA rate center with the characteristics of the Grand Prairie rate center rather than to obtain NXX codes from the 972 NPA. In conjunction with the dockets concerning area code relief, AT&T and Southwestern Bell Wireless, Inc. (SWB Wireless) have filed requests that the Commission modify its prior orders and remove this restriction.

The Commission believes the removal of the restriction is reasonable and approves this modification contingent upon the implementation of area code relief in the 972 NPA, projected to occur on December 5, 1998. When assigning new NXX codes, the Code Administrator shall consider the removal of the restriction beginning 66 days prior to implementation of area code relief in the 972 NPA.

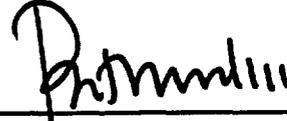
*Virtual Number Pooling Trial*

The Number Conservation Implementation Team (NCIT) filed a report on June 16, 1998, regarding a plan for a number pooling trial. NCIT participants sought to avoid duplicating trial activities occurring in Illinois and New York and to develop a plan that would complement the number pooling analysis presently being conducted by the Number Resource Optimization Working Group under the direction of the North American Numbering Council and the Federal Communications Commission. Consequently, the NCIT proposed a "virtual" number pooling trial based on data reported over the trial period by all local telecommunications providers in the trial areas. The proposed "virtual" number pooling trial is approved.

NXX code holders in the trial areas are directed to participate and provide information as requested by Commission Staff. The Commission delegates to Commission Staff the authority necessary to implement the trial.

SIGNED AT AUSTIN, TEXAS the 10<sup>th</sup> day of July 1998.

PUBLIC UTILITY COMMISSION OF TEXAS



PAT WOOD, III, CHAIRMAN



JUDY WALSH, COMMISSIONER



**ATTACHMENT 7**

PROJECT NO. 18438

NUMBER CONSERVATION MEASURES  
IN TEXAS

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PUBLIC UTILITY COMMISSION  
OF TEXAS

### ORDER NO. 3

This project is an integral part of the Commission's statewide NPA<sup>1</sup> planning process. Number conservation is intended to delay or even eliminate the need for new NPAs in the state.

#### I. RECONSIDERATION OF ORDER NO. 1

1. Paragraph 5 of Order No. 1 issued on January 16, 1998, in the above-captioned proceeding (Order No. 1, attached hereto for reference) is modified to delegate to Commission staff the authority to modify the structure and implementation of rate center consolidation Options 1 and 3 as necessary.

2. Paragraph 9 of Order No. 1 is withdrawn.

3. Paragraph 12 of Order No. 1 required the return of vacant, unused NXX codes in the 972, 713, and 281 NPAs as of December 17, 1997. This provision is modified to provide that return is not mandatory. All requests for good cause exception arising from Paragraph 12 of Order No. 1 are deemed moot, and the Commission will take no further action regarding them. Code holders are strongly encouraged to continue to return vacant, unused NXX codes whenever possible.

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<sup>1</sup> A telephone number is comprised of a three-digit NPA (area code or number planning area), a three-digit central office code (NXX), and a four-digit line number. Each NPA contains 792 NXX codes. Each NXX code contains 10,000 telephone numbers.

4. Paragraph 18 of Order No. 1 is modified to provide that, pending further order of the Commission, wireless providers in the Dallas metropolitan area (a) may obtain whole NXX codes from the 214 NPA and (b) may obtain blocks of numbers from the 972 NPA from other code holders but not whole NXX codes from the 972 NPA.

5. All other relief sought in motions for reconsideration or motions for rehearing of Order No. 1 is denied.

## **II. NUMBER CONSERVATION IMPLEMENTATION TEAM**

6. Order No. 1 directed Commission staff to form a Number Conservation Implementation Team (NCIT) to develop a plan for implementation of number conservation measures, including number pooling and associated cost recovery. The NCIT met on January 22, 1998, February 6, 1998, and February 26, 1998. At the February 26 meeting, participants suggested that a Commission order providing more specific direction would assist in focusing the NCIT.

7. The Public Utility Commission of Texas directs the Number Conservation Implementation Team (NCIT) to:

(a) Present a proposal to Commission staff on or before May 1, 1998, to reduce the number of rate centers in the El Paso, Fort Worth, and San Antonio metropolitan areas. Such a proposal should be limited to rate center consolidation that does not affect existing local calling scopes, similar to the rate center consolidation Options 1 and 3 prepared by the Texas Number Conservation Task Force for the Austin, Dallas, and Houston metropolitan areas;

(b) Present a proposal to Commission staff on or before May 15, 1998, that provides up to three different plans for further consolidation of rate centers and for the

reevaluation of extended metropolitan service (EMS) and extended area service (EAS) that require separate NXXs for the Austin, Dallas, and Houston metropolitan areas; and

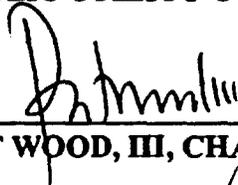
(c) Present a proposal to Commission staff on or before June 1, 1998, for a trial of number pooling including, but not limited to: the number pooling methodology, the geographic area, the time period, the need for and selection of a number pooling administrator, an estimate of the costs associated with the trial, and a funding mechanism for the trial.

8. The Commission staff is authorized to issue data requests to obtain information they deem necessary to evaluate rate center consolidation and number pooling. The Commission directs recipients to respond to such requests within twenty days of their issuance; if a recipient is unable to respond in this time period, it should provide a letter of explanation and an estimate of when the information can be provided.

9. The Commission staff may extend the deadlines set forth in Paragraph 7 of this order for up to 30 days if they find that circumstances warrant.

SIGNED AT AUSTIN, TEXAS the 13<sup>th</sup> day of March 1998.

PUBLIC UTILITY COMMISSION OF TEXAS

  
PAT WOOD, III, CHAIRMAN

  
JUDY WALSH, COMMISSIONER

  
PATRICIA A. CURRAN, COMMISSIONER

PROJECT NO. 18438

NUMBER CONSERVATION MEASURES IN TEXAS      §  
   §      PUBLIC UTILITY COMMISSION  
   §     OF TEXAS  
   §

ORDER NO. 1

1. Texas is expected to experience an exhaust of NXX codes within several NPAs<sup>1</sup> in the near future according to the most recent forecasts.<sup>2</sup> The potential exhaust is due in part to customer demand for wireless telephones, pagers, computer modems, facsimile machines, and requests for multiple lines for homes and businesses. Additionally, as competitive local exchange carriers (CLECs) enter the Texas market, their requests for NXX codes have contributed to the exhaust situation.

2. The simplest regulatory response would be to add NPAs, through either a geographic split of existing NPAs or through an overlay of one or more NPAs. The consequences of additional NPAs are significant for Texas customers, however, and the commission seeks to ensure that other alternatives are explored fully and adopted when possible as part of the NPA relief process.

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<sup>1</sup> A telephone number is comprised of a three-digit NPA (area code or number planning area), a three-digit central office code (NXX), and a four-digit line number. Each NPA contains 792 NXX codes. Each NXX code contains 10,000 telephone numbers.

<sup>2</sup> NPA exhaust is anticipated in the 972 NPA (Dallas) by December 1998, in the 281 NPA (Houston) by February 1999, in the 713 NPA (Houston) by February 1999, and in the 512 NPA (Austin/Corpus Christi) by December 1998, even with NXX code rationing through a jeopardy plan implemented by the number administrator. Relief planning for each of the NPAs has been instituted by the commission in Project Nos. 16899, 16900, and 16901.

3. In September 1997, the commission created an industry task force to review the NPA exhaust situation and to develop number conservation responses to it.<sup>3</sup> The Texas Number Conservation Task Force presented its report to the commission on December 4, 1997 (Task Force Report).<sup>4</sup> The commission commends the telecommunications industry participants for their work on the report.

4. Based on the information provided in the Task Force Report and in oral and written comments presented to the commission, the commission orders that the following measures be implemented to ensure number conservation is an integral part of the NPA relief process.

### I. RATE CENTER CONSOLIDATION

5. NXX codes are assigned on the basis of rate centers. Consequently, if the number of rate centers are reduced through consolidation, the need for NXX codes should be reduced for each code holder. The commission orders code holders to implement Option 1 and Option 3 presented in the Task Force Report, subject to the following modifications: (1) the North Mesquite rate center shall be included in the Dallas consolidation in Option 1; (2) the Greenspoint rate center shall be included in the Houston consolidation in Option 1; and (3) the Channelview rate center and Deer Park rate center shall be excluded from the Houston

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<sup>3</sup> Order Empowering the Texas Number Conservation Task Force, September 12, 1997, issued in Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*.

<sup>4</sup> Texas Number Conservation Task Force Report, filed December 31, 1997, in Project No. 18438, *Number Conservation Measures in Texas*, and incorporated here by this reference.

consolidation in Option 1. Option 1 and Option 3 shall be implemented on or before March 15, 1998.

6. The commission recognizes that rate center consolidation may affect rating and billing of calls and basic local exchange service. Accordingly, at this time the commission is implementing rate center consolidation conservatively. The commission does not anticipate that any rate adjustments will be needed under Options 1 and 3. The commission orders any incumbent local exchange carrier (ILEC) that desires to adjust rates in response to rate center consolidation Options 1 and 3 to obtain express commission authorization in a separate proceeding before implementing any such rate adjustment.

7. Within 10 days of the issuance of this order, GTE shall provide to the Advisory Commission on State Emergency Communications (ACSEC) the following information.

(a) For each individual rate center included in the Dallas consolidation in Option 3, GTE shall provide a list of: (1) all ILECs providing service within the rate center, (2) all CLECs providing service within the rate center, (3) all PSAPs providing service within the rate center, and (4) all 9-1-1 administrative entities with oversight over the PSAPs providing service within the rate center.

(b) GTE shall provide an explanation of how 9-1-1 service will be provided in the new consolidated rate center for GTE customers, other ILEC customers, and other CLEC customers. If GTE has knowledge of a CLEC that intends to provide 9-1-1 service by the routing method known as "class marking,"<sup>5</sup> GTE shall provide to the CLEC, upon request, copies of the Master Street Address Guide (MSAG) by rate center.

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<sup>5</sup> Class marking is a less efficient method for routing 9-1-1 calls that involves the manual assignment of specific 9-1-1 routing instructions by class of service code during service order processing.

(c) GTE shall provide an explanation of how implementation of permanent local number portability (LNP) will function in the consolidated rate center created under Option 3. The explanation shall include a description of how the Automatic Location Identification (ALI) query protocol will function after the implementation of LNP in PSAPs served by a GTE stand-alone database and/or a Southwestern Bell E-9-1-1 database management system.

8. In order to implement Options 1 and 3 without any degradation of 9-1-1 service, code holders shall contact the responsible local 9-1-1 entities to determine whether any modifications are necessary to default routing designations, contingency plans, or other 9-1-1 processes linked to a 9-1-1 caller's NXX.

9. In order to fully realize the benefits of rate center consolidation, all code holders are ordered to assign and use NXX codes on a full rate center basis, rather than assigning them on the smaller, wire center basis, not later than March 31, 1998 for NXX codes in the 281 and 713 NPAs, and not later than May 15, 1998 for NXX codes in the 214 and 972 NPAs.

10. The commission further orders the commission staff, the ACSEC, and code holder representatives to begin evaluating implementation of rate center consolidation Options 6 and 8 presented in the Task Force Report. The commission staff is directed to report to the commission regarding a timeline for implementation within 30 days of the issuance of this order.

## II. TAKE BACK OF NXX CODES

11. The commission conducted an audit of NXX code usage in the 214, 972, 512, 713, and 281 NPAs in November 1997. Though not all code holders responded to the data

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request, the audit results strongly suggest that a number of NXX codes have been assigned by the number administrator but remain unused.

12. The commission orders all holders of vacant, unused NXX codes in the 972, 713, and 281 NPAs as of December 17, 1997 to return the NXX codes to the number administrator on or before January 31, 1998 for reassignment. If numbers have been assigned from such an NXX code since December 17, 1997, or if the code holder seeks a good cause exception to this requirement, the commission orders the code holder to make a written statement to the commission staff on or before January 31, 1998 regarding the timing and volume of usage of the NXX code or the basis for the good cause exception. The commission staff is directed to report to the commission on a monthly basis all such statements and any recommendations regarding them. The number administrator is directed to report to the commission on a monthly basis the number and status of returned codes.

13. Pursuant to a prior commission order, all code holders are presently required to assign numbers from no more than one 1000 number block within an NXX at a time, and must use 80-90 percent of the numbers within that 1000 number block before assigning any numbers from the next 1000 block within that NXX.<sup>6</sup> Code holders should be aware that the commission intends to implement a takeback of vacant 1000 number blocks at a later date in preparation for number pooling.

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<sup>6</sup> Order Approving Sequential Number Assignment, September 12, 1997, issued in Project No. 16899, *Numbering Plan Area Code Relief Planning for the 214/972 Area Codes*, Project No. 16900, *Numbering Plan Area Code Relief Planning for the 713/281 Area Codes*, and Project No. 16901, *Numbering Plan Area Code Relief Planning for the 512 Area Code*.

### III. NUMBER CONSERVATION IMPLEMENTATION TEAM

14. The commission directs the commission staff to form a Number Conservation Implementation Team (NCIT) to develop a plan for number pooling and associated cost recovery. The commission expects the NCIT to coordinate its number pooling efforts with those already underway through the North American Numbering Council (NANC), the Industry Numbering Committee (INC), the National Association of Regulatory Utility Commissioners (NARUC), and other state commissions.

15. Number pooling can be a very effective number conservation tool. The number administrator currently must issue numbers in blocks of 10,000, an entire NXX code, even though the requesting party may need fewer numbers. In a competitive telecommunications environment, this number assignment method is wasteful and inefficient. The implementation of local number portability (LNP) and number pooling should reduce the need to issue whole NXX codes to each code holder.<sup>7</sup>

16. In addition to the development of number pooling, the NCIT shall undertake the following activities and report on each to the commission staff on a monthly basis: (1) monitor the effect that each completed number conservation measure has had on the availability of NXX codes in each NPA; (2) monitor the implementation of rate center consolidation Options 1 and 3, including the ILEC use of NXX codes on a rate center rather than wire center basis; (3) monitor the development and implementation of a rate center in the 214 NPA with the ELCA characteristics of the Grand Prairie rate center (see Section V below); (4) develop a process for

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<sup>7</sup> Wireless providers will not implement LNP until June 30, 1999, or later. Until that time, wireless providers will continue to be assigned full NXX codes.

implementing rate center consolidation Options 6 and 8; and (5) develop a process for implementing rate center consolidations and/or inconsistent rate center options for Fort Worth, San Antonio, and El Paso area exchanges.

#### **IV. CONTINUATION OF JEOPARDY PLANS**

17. The commission seeks to ensure that the diminishing supply of NXX codes in certain NPAs does not impair the development of competition in those areas. The commission therefore directs the commission staff to meet with the number administrator to review the current jeopardy plans for the 972, 713, 281, and 512 NPAs and to report on possible revisions to the jeopardy plans at the commission open meeting on February 5, 1998.

#### **V. CREATION OF A SPECIAL RATE CENTER**

18. The commission recognizes that a significant use of NXX codes in the 972 NPA arises from the preference wireless providers have expressed for NXX codes in the Grand Prairie rate center. The Grand Prairie rate center, within the 972 NPA, has unique extended local calling area (ELCA) characteristics among all of the rate centers in the 214 and 972 NPAs. To alleviate this circumstance, the commission orders the creation of a rate center in the 214 NPA with the identical ELCA characteristics of the Grand Prairie rate center, to be used exclusively by wireless providers (e.g., cellular, paging, and PCS providers). In turn, all wireless providers in the Dallas metropolitan area shall obtain NXX codes only from the 214 NPA. This is intended to relieve the jeopardy situation that exists for the 972 NPA, while at the same time ensuring a ready supply of NXX codes for wireless providers.

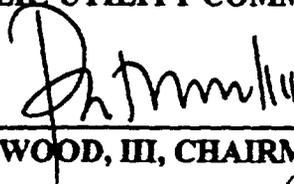
## VI. EVALUATION OF RATE CENTER IDENTIFICATION METHODOLOGY

19. The commission staff is directed to consult with NARUC and other federal advisory groups regarding the possibility of developing and implementing the Rate Center Identification (RCID) methodology identified in the Task Force Report. RCID may hold great promise to resolve many number conservation and number portability issues. However, there is insufficient information regarding implementation of such a solution, and any successful implementation would probably have to be undertaken on a national basis.

20. The commission staff may extend the deadlines set forth in this order for up to 30 days if it finds that circumstances warrant.

SIGNED AT AUSTIN, TEXAS the 16<sup>th</sup> day of January 1998.

PUBLIC UTILITY COMMISSION OF TEXAS



PAT WOOD, III, CHAIRMAN



JUDY WALSH, COMMISSIONER



PATRICIA A. CURRAN, COMMISSIONER