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July 29, 1999

Hon. Magalie Roman Salas
Secretary
Federal Communications
Commission
445 12th Street, S.W., TW-B204F
Washington, D.C. 20554

Re: In the Matter of Numbering Resource Optimization -
Docket No. 99-200; Connecticut Department of Public
Utility Control - Petition for Rulemaking to Amend the
Commission's Rule Prohibiting Technology-Specific or
Service-Specific Area Code Overlays, RM 9258;
Massachusetts Department of Telecommunications and
Energy - Petition for Waiver to Implement a Technology-
Specific Overlay in the 509, 617, 781 and 978 Area
Codes, NSD File No. L-99-17; California Public
Utilities Commission and the People of the State of
California - Petition for Waiver to Implement a
Technology-Specific or Service-Specific Area Code,
NSD File No. L-99-36

Dear Secretary Salas:

Enclosed is an original and four (4) copies of the
Comments of the New York State Department of Public Service in
the above-captioned proceeding. A copy was also filed using the
Commission's Electronic Comment Filing System and copies were
sent to all parties on the attached service list.

Sincerely,

Lawrence G. Malone
General Counsel

Enclosure
cc: All Parties

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.

In the Matter of)	
)	
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)	
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Utility Control)	
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Commission's Rule Prohibiting)	
Technology-Specific or Service Specific)	
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Telecommunications and Energy)	
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Specific Overlay in the 508, 617, 781)	
and 978 Area Codes)	
)	
California Public Utilities Commission)	NSD File No. L-99-36
and the People of the State of)	
California)	
Petition for Waiver to)	
Implement a Technology-Specific or)	
Service-Specific Area Code)	

COMMENTS OF THE NEW YORK STATE
DEPARTMENT OF PUBLIC SERVICE

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Dated: July 29, 1999
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COMMENTS OF THE NEW YORK STATE
DEPARTMENT OF PUBLIC SERVICE

INTRODUCTION AND SUMMARY

The New York Department of Public Service (NYDPS) submits these comments in response to the Commission's Notice of Proposed Rulemaking (NPRM) in the above-captioned proceeding. The Commission seeks comments on various numbering optimization measures to slow the pace of area code exhaust and prolong the life of the North American Numbering Plan (NANP). In addition to seeking comment on specific numbers optimization measures (i.e., thousand block-pooling), the Commission seeks comment on whether new national numbering rules should be adopted or whether industry guidelines are sufficient. It also seeks comment on area code relief methodologies including splits, overlays, and boundary assignments. Finally, the Commission asks whether it

should develop a comprehensive audit program.

NYDPS agrees with the Commission that current industry guidelines are inadequate given a burgeoning competitive local market with numerous carriers seeking access to finite numbering resources. The industry guidelines do not provide sufficient incentives to ensure that numbering resources will be allocated and used efficiently to prevent waste. More stringent requirements are necessary, including well-defined need-based number assignment requirements, to ensure that numbering resources are distributed to carriers efficiently.

The traditional system of allocating numbers in 10,000 blocks to each carrier, regardless of the underlying need for numbers, is outmoded and is the root cause of the nation's current numbering crisis. While conversion to a common, industry-wide number inventory (individual number pooling) would be the most effective way of achieving number allocation efficiency, an intermediate step of assigning numbers in 1000 blocks (1000 block pooling) would go a long way toward achieving the efficiencies inherent in common industry inventory. Thousand block assignment would allow service providers to continue to use internal inventories, while building on the network and operational changes already in place for local number portability. Moreover, it is readily implementable and "trial tested," and is minimally disruptive to service providers, administrative operations and systems. Furthermore, in order to test the viability of further efficiency enhancements found necessary, trials of individual number pooling and unassigned number porting should continue while 1000 block assignment is implemented.

Although national rules are appropriate in some respects, any rules that are adopted should not hamper the state commissions' ability to provide meaningful area code relief. NYDPS recommends that states be given greater flexibility to implement numbering optimization measures best suited for local market conditions. We recognize that the Commission seeks to adopt a national strategy for numbering resource optimization; however, one size does not fit all numbering issues. National uniformity may well be appropriate for establishing a uniform set of definitions for the purpose of collecting accurate data on utilization and demand. Yet, national uniformity is not appropriate for determining which optimization strategies should be implemented. Specifically, the Commission should delegate to the states additional number administration authority to implement thousand block pooling, require unassigned number porting, and establish individual telephone number pooling trials. Also, the Commission should remove the 10-digit dialing requirement for area code overlays and the prohibition on service/technology-specific area codes. There are six billion numbers available in the North American Numbering Plan with continued seven-digit dialing (about 20 numbers per person). Ten-digit dialing, with all of its disruption, inconvenience and cost, will only add an additional five numbers per person. We seriously question whether the public will need 20, or for that matter, 25 numbers per person as we move to the communications environment of the future.

Finally, NYDPS is concerned that diverting resources and attention to develop a comprehensive recordkeeping, reporting and audit program in this sector may be premature. Instead,

improvements in number assignment and utilization should be the focus of new rules.

I. NEED-BASED NUMBER ASSIGNMENT STANDARDS SHOULD BE ADOPTED

The Commission observed that the current Central Office Code Guidelines do not require carriers to justify initial code assignments with a demonstration of readiness, but merely require carriers to self-identify the need for additional codes before they are assigned. The Commission requested comments on certain verification measures to preclude carriers from obtaining numbering resources they do not need.

In general, the number administration program should mandate a stringent need-based approach for allocating numbers to carriers. Carriers should be required to demonstrate that their market entry is imminent before they receive an initial number assignment, and that their existing number inventory is inadequate before any additional resources are assigned to them.

The Commission has sought comment on a variety of efficiency measures applicable to the existing number assignment scheme, involving the assignment of NXX codes in 10,000 number blocks. As a threshold matter, NYDPS supports the adoption of a plan where carriers are assigned numbers in smaller quantities according to their needs. Assignments in small blocks would minimize waste and promote efficient number utilization. Our comments below are made in the context of the existing 10,000 block plan. The need for modifications could be obviated by smaller number assignments.

A. Initial Codes

The Commission requested comments on whether carriers should show that they are ready to provide service before

obtaining their initial codes and that they have a license or certificate. Carriers should, as part of the code application process, provide proof that they have the appropriate license or certificate and a timely start service date of not more than 12 months from the date they apply for codes. This requirement would ensure that numbering resources are assigned only to carriers that are ready to provide service.

B. Verification of Need For Growth Codes

The Commission has tentatively concluded that carriers must demonstrate sufficient need for additional numbering resources (growth codes) and NANPA must assess such needs before it allocates additional numbers. The following factors should be considered in determining the need for number assignments: (1) current NPA relief plans, (2) historical and current code utilization, (3) demand forecasts, and (4) number conservation efforts. These criteria would require carriers to maximize use of existing resources and would help prevent premature exhaust of area codes and the NANP.

The Commission has also sought comment on whether carriers should submit information on the projected longevity of their existing codes (months-to-exhaust projections) with their applications for growth codes and whether NANPA should evaluate the projections before allocating growth codes. Months-to-exhaust projections can provide useful information, but these forecasts are only projections and may be inaccurate. To increase the realibility of months-to-exhaust projections, minimum requirements for utilization surveys should be adopted and all carriers should be required to provide utilization data with their applications. For example, carriers should be

required to provide evidence of firm order requests and actual usage. They also should be required to include data on the accuracy of earlier projections to exhaust.

C. Utilization Rates

The Commission requested comments on the efficacy of utilization thresholds and requirements. Experience in New York shows that many carriers have very low number utilization rates in numerous central offices.¹

NYDPS recommends that in order to maximize the use of current numbering resources before the assignment of new resources, carriers should be required to achieve a fill level of at least 65-85% before they obtain additional numbers. Requirements for numbers can vary widely from one state to another and vary by rate centers; therefore, the Commission should adopt an acceptable range and allow state commissions to set target "fill levels" within the range. It is neither necessary nor advisable to distinguish among types of service providers for the purpose of setting utilization threshold

¹ The Commission asked whether uniform number status definitions should be codified in rules or incorporated in the industry-developed Central Office Code or Pooling Guidelines. Carriers frequently use conflicting definitions to describe the same category of numbers. Inconsistent definitions make it difficult to compare utilization rates among carriers. Therefore, uniformity is important and the Commission should establish such rules. For example, we recommend that an "aging" number be defined as any number on intercept due to a number change, directory misprint, or disconnection of service. However, a specific intercept time frame should continue to be based upon existing state standards. We also recommend that references to "assigned numbers" be replaced by "working numbers." We agree with the Commission that carriers should not be permitted to use "reserved" number status to establish large inventories for which there is no immediate need and numbers should be held in reserve no longer than 45 days. Specific information regarding end-users' number reservations (*i.e.*, quantity of numbers needed and the dates numbers will be placed in use) should be entered into the carriers' administration systems where it can be audited.

ranges, as suggested in the Notice. Nor is any utilization adjustment period necessary because carriers have had ample opportunity to assess their use of numbers. They should now be expected to increase their efficiencies.

D. Calculating Utilization Levels

The Commission requested comments on carrier utilization levels, proposing to calculate utilization rates by dividing the numbers unavailable for assignment by the total numbers in all NXXs assigned to the carrier to obtain utilization rates.² NYDPS supports the Commission's formula for calculating utilization levels. However, as long as rate centers play a role in code assignment, fill rates should be calculated on a rate center-wide rather than NPA-wide basis. If carriers were required to demonstrate utilization over an entire NPA, this could prevent new entrants from serving customer demand in certain rate centers.³

E. Central Office Code Reclamation Procedures

The Commission requested comments on several proposals to clarify and strengthen the process for returning NXX codes that are not activated within a specified period. NYDPS believes the current reclamation process, as reflected in the Central Office Code Guidelines, is inefficient and cumbersome. In addition, it has not been well-enforced. We support

² To facilitate a complete and accurate analysis of utilization levels, newly acquired codes in the same rate center should be included in the utilization rate.

³ The size of a carrier does not determine whether its use of numbers is efficient. Therefore, there is no competitive reason to differentiate the utilization rates of the new entrants and the incumbents. These considerations aside, however, the number of codes or quantity of numbers a carrier has in a particular area could be relevant to the required fill rate.

modifications to shorten the applicable time frames and to provide more expeditious enforcement and compliance.

The Commission proposed an aggressive process to reclaim codes within 60 days of assignment, rather than six months; to reduce carrier code reservation extensions from 18 months to three months; and to reduce the reservation extensions from six months to 30 days. NYDPS supports these proposed changes, which should improve the availability of numbers.

We also endorse the proposed clarification of the "in service" definition to include actual assignment to, and activation for, end users in a sequential numbering arrangement.

This clarification will ensure that numbers are actually in use and not nominally "in service" for an indefinite period.

We agree also with the Commission's tentative conclusion to delegate additional authority to the states to order NXX reclamation consistent with the code reclamation procedures that will be adopted in this proceeding. The current guidelines, which require the Central Office Code Administrator to refer noncompliance to the Industry Numbering Committee for resolution, is cumbersome and time-consuming. The Code Administrator should simply refer noncompliance to a state commission for enforcement. State commissions are experienced in balancing the interests of the competitors and can act quickly. More importantly, they are aware of the conditions prevailing in their respective jurisdictions that may bear upon a proper resolution. New York, and other state commissions, have processes in place to handle carrier disputes and are addressing numbering issues in this context. Consequently, the Commission need not mandate a separate and distinct process to address

reclamation issues.

II. THE COMMISSION SHOULD AUTHORIZE STATES TO IMPLEMENT MEASURES THAT PROMOTE EFFICIENT NUMBER USAGE

A. Thousand-Block Pooling

The Commission has tentatively concluded that thousand-block pooling is essential in major markets to extend the life of the NANP.⁴ NYDPS strongly supports number pooling to use numbering resources efficiently and to preserve numbering plan areas (NPAs or area codes). In general, mandatory 1,000 block number pooling should be ordered as quickly as possible and swift implementation should be the paramount consideration in deciding all issues related to 1,000 block pooling.⁵

⁴ Although the Commission tentatively concluded that individual telephone number (ITN) pooling trials should not be adopted at this time, states should still be allowed to conduct ITN pooling trials.

⁵ Case 98-C-0689 - Omnibus Proceeding to Investigate Telephone Numbering Resources. Opinion and Order Directing Geographic Split of the 516 NPA, Opinion 99-6 (issued April 29, 1999). Over the last two years, NYDPS has worked actively with the industry to implement thousand block number pooling. In July 1998, an interim thousand block number pool was established in the 212 NPA which was subsequently expanded to the 718 NPA in January 1999. The New York Commission recently ordered that NXXs be set aside for pooling in its relief order for the 516 NPA.

1. Implementationa. Administration

The Commission has sought comment on whether the NANPA should be the Pooling Administrator or whether competitive bids from others should be sought. Given NANPA's current responsibility to allocate NXXs, it would not make sense for another entity to allocate thousand blocks. Soliciting bids would be wasteful and would only delay pooling.⁶

Finally, the Commission requested comment on whether the methods used to develop local number portability (LNP) administration process should be used to develop the thousand-block pooling administration process. NYDPS believes it can and notes that it is well underway; industry pooling guidelines have been developed by Industry Numbering Committee and NANC has developed a requirements document for pooling administration.⁷ These guidelines will be useful when mandatory pooling is implemented.

b. Cost Recovery

The Commission tentatively concluded that the costs of thousand-block pooling implementation should be borne by all telecommunications carriers on a competitively neutral basis. NYDPS agrees with this conclusion because number conservation measures, including pooling, will provide all classes of local carriers with adequate numbering resources.

⁶ NANPA is currently performing pooling administration functions in Illinois and New York. The Commission has recognized that area code relief implementation need not be performed by NANPA and has delegated that authority to the states.

⁷ The Guidelines created for the 212 and 718 pools in New York City were designed to be consistent with the industry-developed guidelines.

We also agree with the Commission's tentative conclusion that thousand-block pooling involves three categories of costs: common costs incurred by the industry as a whole; carrier-specific costs directly related to implementing pooling, and carrier-specific costs that are not directly related to implementing pooling. The costs that are not directly related to pooling should be recovered by carriers outside the framework of this proceeding.

The Commission sought comment on a variety of cost recovery methods. Although there are advantages and disadvantages to each, we believe that the costs are not of sufficient magnitude to require an end-user surcharge or other special recovery mechanism.⁸

c. Transition Issues

The Commission sought comment on whether a 10% contamination threshold should be adopted and whether sequential number assignment should precede the implementation of pooling. NYDPS agrees that thousand blocks with 10% or less contamination are suitable for pooling and would support that initial threshold in order not to delay pooling. We do not believe this will disadvantage any particular industry segment.

NYDPS supports sequential number assignments that will minimize the contamination level of numbering resources and make pooling more effective. As a practical matter, to maximize efficiency and the availability of uncontaminated thousand

⁸ Most of the costs for modifications to accommodate 1000 block pooling have been incurred in connection with LNP for which there is already a recovery mechanism. In the Matter of Telephone Number Portability Cost Classification Proceeding, CC Docket No. 95-116, Memorandum Opinion and Order (released: December 14, 1998).

blocks, the Commission should order carriers to sequentially assign numbers.

2. Deployment Schedule

The Commission tentatively concluded that thousand-block pooling should initially be deployed in the 100 largest MSAs, similar to the roll-out adopted for LNP. NYDPS agrees with this approach for thousand block pooling because these MSAs are experiencing the greatest pressures on numbering resources. Nonetheless, other MSAs are facing area code exhaust within the next three years and they, too, will need thousand block pooling. States should be given sufficient flexibility to deploy thousand block pooling in these areas. The Commission should delegate authority to state commissions to implement pooling as needed in areas outside the 100 largest MSAs.

The Commission requested comment on the time frame to implement thousand-block pooling. NANC estimates that it would take 10-19 months after a regulatory order to implement pooling. However, the Commission should insist on a more aggressive deployment schedule, given the industry's experience in deploying LNP and the great need for numbering relief in many areas. Many of the tasks needed to implement pooling are well underway. Regional Limited Liability Corporations (LLCs) are already investigating the cost to make Number Portability Administration Center (NPAC) changes to accommodate thousand-block pooling. NANPA is examining the costs of the pooling administrative function. Most LECs are (or should be) exploring necessary modifications to their operation support systems (OSS) for thousand-block pooling. Consequently, the Commission should provide no more than one year to deploy pooling. State

commissions should be allowed to require pooling even sooner when circumstances warrant and when it is feasible to do so.

The Commission sought comments on whether entities other than LECs (e.g., state commissions) should be able to request that switches be made LNP capable to provide thousand-block pooling. Just as state commissions should have the authority to require pooling, they should be able to require that switches be made LNP capable to optimize pooling efforts. This approach will help maximize the use of numbering resources, develop more effective area code relief, and prevent premature exhaust of the NANP.⁹

3. Mandatory Pooling Criteria

The Commission concluded that any decision to implement pooling in a particular area should balance benefits and costs. It sought comments on the criteria that should be used to mandate pooling in an area. The Commission listed such criteria as the number of LNP-ready service providers in the area, the number of remaining NXXs in an NPA, and the expected number of thousand blocks to be returned within an NPA pursuant to a pooling plan. Instead of establishing criteria, the Commission should establish a rebuttable presumption that pooling is technically feasible. Using this approach, it appears likely that the largest 100 MSAs have a sufficient number of LNP-ready service providers to make pooling useful.¹⁰ Even if there were not a sufficient number of

⁹ For instance, most small LECs have not implemented LNP. Yet, in many cases, these carriers have vast unused numbering resources based purely on the size of rural exchanges. It may be possible to develop a plan where these untapped resources can be used in other areas of the NPA.

¹⁰ A quick review of the Local Exchange Routing Guide (LERG) for New York MSAs shows that there are 27 carriers in the New

unassigned NXXs in an MSA to fill the pool, pooling could be used in relief planning for either split or overlay codes.

With respect to projected NPA exhaust, the Commission observed that where few NXXs remain, pooling might not be able to extend the life of the NPA. Although there may be instances where pooling may not extend the life of an NPA, there are some situations where this can be accomplished -- even if few NXXs remain. For example, NPA exhaust can be delayed where numbers have been assigned sequentially and/or where there are significant quantities of uncontaminated thousand blocks.

The Commission also sought comments on whether thousand-block pooling should be tied to the number of rate centers. There is no reason to believe that the efficacy of number pooling is affected by the number of rate centers.

B. Unassigned Number Porting

The Commission sought comments on whether to allow carriers to port unassigned numbers among themselves. The Commission noted no reason to prohibit the practice. Indeed, NYDPS would support making this practice mandatory. Unassigned number porting (UNP) can be used to promote number efficiencies.

The Commission is aware that it can serve as a stop gap to slow the depletion of numbering resources.¹¹

LNP provides the capability needed to implement UNP. The only difference between UNP and LNP is that unassigned

York MSA, 12 in the Buffalo MSA, and 10 in the Albany MSA with LNP capable offices.

¹¹ On February 2, 1999, NYDPS requested authority to adopt unassigned number porting. NYDPS has identified several instances in New York where service providers can benefit from unassigned number porting.

numbers, rather than assigned numbers, would be ported. Carriers that can port assigned numbers can easily port unassigned numbers as well, given that there is no physical connection to change in central offices and no need to convert any billing and customer records. Thus, the industry should have few, if any, objections to porting unassigned numbers.

C. Rate Center Consolidation

The Commission requested comment on the steps it should take to encourage rate center consolidations, believing that they can be used for numbering optimization purposes.¹² Rate consolidations raise a myriad of issues unrelated to numbering and, while it may be proper to consolidate rate centers in some cases, it may generate unacceptable consequences in others. The establishment of rate centers inextricably involve local calling and rate issues within the states' jurisdiction.¹³ Each state commission must consider billing and rate impacts as well as technical and operational issues, such as, the impact on 911 services, as we are doing in New York.

D. Mandatory 10-Digit Dialing

The Commission requested comments on whether it should adopt nationwide 10-digit dialing or encourage states to implement 10-digit dialing. It suggested that such a change in local dialing patterns would facilitate recovery of protected NXX codes (i.e., codes used in close proximity in an adjacent NPA or

¹² However, rate center consolidations do not yield additional numbering resources; rather, they reduce the demand for existing NXX codes by consolidating, and thus enlarging, the areas where specific codes are used.

¹³ In the Matter of Telephone Number Portability, 11 FCC Rcd. 8352, 8449, &18 (1996) [wherein the Commission stated that local calling areas and rate centers are created by the states].

N11 codes) and allow NXX codes that begin with a zero or a one to be used.¹⁴

The Commission's jurisdiction with respect to numbering administration does not extend to mandatory 10-digit dialing for intrastate calls (See 47 U.S.C. § 152(b)). Further, changes in dialing patterns do not conserve existing number resources -- they simply add more supply. The existing supply of usable telephone numbers in the North American Numbering Plan, with continued seven-digit dialing, is approximately six billion, or about 20 numbers per capita. Implementing mandatory 10-digit dialing (and the administrative changes necessary to actually deploy the freed-up codes) would expand the supply to 25 numbers per capita. It is unlikely that there is a need for 20 numbers per capita, much less 25.

Mandatory 10-digit dialing for number optimization purposes cannot be justified given the customer confusion and inconvenience it will cause.¹⁵ Further, 10-digit dialing is not needed to reclaim protected NXX codes. As to the claim that 10-digit dialing is needed to utilize NXX codes that begin with either zero or one, the costs and inconvenience of imposing mandatory 10-digit dialing far outweigh the potential benefit of opening these NXX codes.

The Commission's efforts should be directed at ensuring the telephone numbers now available are being used efficiently by service providers. All feasible efficiency measures should be

¹⁴ People of the State of New York v. Federal Communications Comm'n, Docket No. 99-3015, Order (March 26, 1999).

¹⁵ See New York Department of Public Service Petition for Expedited Waiver of 47 C.F.R. Section 52.19(c)(3)(ii), NSD File No. L-98-04 - Petition for Reconsideration Pending.

implemented before number supply expansion mechanisms, such as mandatory 10-digit dialing, are considered.

E. Carriers Should Not Be Allowed to Choose Which Numbering Optimization Strategies to Adopt

The Commission requested comments on whether it should establish the thresholds for efficient use of numbering resources, while leaving the method of achieving the thresholds to individual carriers. Under this proposal, specific solutions, such as pooling, would not be mandated as long as the thresholds were achieved.

Carriers should not be allowed full discretion to choose the numbering optimization measures they will use. With such flexibility, carriers could defeat various number optimization measures that require participation by many carriers, such as pooling. Any number of carriers in a given area could choose differing methods to conserve numbers and one carrier's choices could undermine others' decisions thereby limiting the effectiveness of the number optimization tools employed. For example, although some carriers operating in New York have cooperatively participated in our voluntary thousand block pools, others have not been cooperative. Without a uniform approach to optimizing numbering resources, like mandatory pooling, numbering shortages are only exacerbated.¹⁶

Some carriers have claimed to be waiting for a "national solution" to participate in number optimization measures but this will only delay the actions that are needed now. A national scheme would also be far more difficult to

¹⁶ The fact that carriers have not voluntarily implemented number optimization measures without any regulatory involvement makes the case for mandatory conservation requirements.

administer than applying mandatory measures in a competitively neutral manner to all carriers on a regional or local basis.

In sum, the Commission should not implement a "carrier choice" approach because the drawbacks to such a scheme far outweigh any perceived benefits. Further delay in implementing effective number optimization measures will add to the existing national numbering resource crisis and only lead to more consumer inconvenience, confusion, and costs.

III. SEVEN DIGIT DIALING AND TECHNOLOGY-SPECIFIC AREA CODES SHOULD BE PERMITTED.

A. Federal Guidelines Should Provide Flexibility For The States

The Commission sought comments on the steps it should take to assist states in implementing area code relief consistent with the objectives of this proceeding. To optimize the use of numbering resources, it requested comments on whether the existing area code relief guidelines should be amended to be more specific. Additional specificity is unnecessary. Instead, the states should be given greater flexibility to implement area code relief.

State commissions balance competing interests when they consider area code relief plans. The states have consistently sought to optimize the use of existing resources and to delay premature exhaust of available area codes. A "one size fits all" approach or any other requirement that hampers the states' flexibility will thwart effective efforts to prolong the life of the NANP. The Commission should not adopt guidelines that would restrict state commissions' ability to adopt meaningful area code relief.

B. Geographic Splits, Overlays, and 10-Digit Dialing

The Commission has sought comments on the advantages and disadvantages of these methods of obtaining area code relief. It has also asked whether additional federal guidelines would benefit the states. NYDPS believes that the introduction of new area codes using either geographic splits and overlays will not optimize the use of numbers; they will only serve to increase the supply of NXX codes. Each approach has advantages and disadvantages in particular locations, and states are well equipped to assess. Therefore, additional guidelines are unnecessary. Regarding 10-digit dialing, discussed above, the minimal increase in numbers produced by this strategy does not justify its wide-ranging negative impact on consumers.

C. Technology-Specific Overlay

The Commission has sought comments on whether it should reexamine its technology-specific overlay prohibition and whether any particular services or technologies can be assigned numbers from a technology- or service-specific overlay without presenting competitive concerns. NYDPS agrees that technology- and service-specific overlays may be appropriate in particular instances, particularly for wireless carriers, without producing anti-competitive effects. While wireless service is expected to compete with wireline service in the future, it is not yet a practical replacement for wireline residence or small business services and will not be a replacement until at least 2002, when wireless carriers are required to provide LNP. Until that time, allowing states to implement technology/service-specific area codes would better optimize the use of numbers.¹⁷

IV. RECORDKEEPING AND REPORTING REQUIREMENTS SHOULD NOT BE THE FOCUS OF THE RULEMAKING

The Commission requested comments on a number of recordkeeping and reporting requirements related to number utilization by carriers. The fundamental premise underlying the need for these requirements is that they are necessary to ensure discipline in the number administration process.

We agree that recordkeeping and reporting of key number utilization information is necessary to ensure that number administration is working efficiently. We further agree that the Commission has identified many utilization measurements that

¹⁷ Prior to the Commission's prohibition, NYDPS adopted a technology-specific overlay in New York City. There is no evidence that this decision resulted in unjust discrimination or hindered competition in any industry or market segment. Rather, wireless competition is continuing to flourish in New York City.

might be significant for future number administration. We are concerned, however, that diverting resources and attention to improving number utilization reporting and recordkeeping now would delay the more important improvements in number administration. Implementation of recordkeeping and reporting systems now would not provide sufficient efficiencies to allow preservation of the current number administration system. No possible reporting enhancement could overcome the inherent inefficiencies in the current approach of assigning numbers in blocks of 10,000 to every carrier, regardless of the actual need for numbers. Once the system is revised, the focus could shift to the identification and implementation of reporting and monitoring necessary to ensure efficient operation of the new system. To make this investment now at the expense of needed improvements in number assignments is premature and unwise.

CONCLUSION

We applaud the Commission for addressing the number crisis that is looming. The number administration program should mandate a stringent needs-based approach for allocating numbers.

Mandatory 1,000 block pooling will lead to more efficient utilization of numbers and states should be permitted the flexibility to establish other approaches. We continue to object to mandatory 10-digit dialing on jurisdictional and policy grounds. Finally, a comprehensive audit program now will detract from the immediate need to make necessary changes to the Numbering Administration Program.

Respectfully submitted,

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