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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the matter of	)	
	)	
Numbering Resource Optimization	)	CC Docket No. 99-200
	)	
Petition for Declaratory Ruling and Request For Expedited Action on the July 15, 1997 Order of the Pennsylvania Public Utility Commission Regarding Area Codes 412, 610, 215 and 717	)	CC Docket No. 96-98

MICHIGAN PUBLIC SERVICE COMMISSION
FURTHER COMMENTS ON NUMBERING RESOURCE OPTIMIZATION

The Michigan Public Service Commission (MPSC) submits these Comments in response to the Further Notice of Proposed Rulemaking (FNPRM) issued by the Federal Communications Commission (FCC) in this docket on December 29, 2000.

I. INTRODUCTION

In the FNPRM, the Commission sought comment on eleven (11) issues: service-specific and technology-specific overlays, rate center consolidation, related carrier liability, state commission access to carrier mandatory reporting data, fees for numbering resources reservations, whether numbering resources should be withheld for failure to cooperate with an audit, state commission authority to conduct audits, market-based numbering resources allocation system, recovery of pooling costs (national), pooling for non-LNP-capable carriers, and growth numbering resources waivers. The MPSC's comments address the issues of concern to the State of Michigan.

II. PROHIBITION OF SERVICE-SPECIFIC AND TECHNOLOGY-SPECIFIC OVERLAYS

Several states have requested authority to introduce service-specific and technology-specific overlays. The MPSC also seeks such authority. The MPSC prefers permission for

technology-specific overlays on the basis of what was requested by the public[1] and the local government agencies[2] at public hearings on area code relief. However, the MPSC would welcome the authority to implement transitional overlays if that is what the FCC chooses. Technology-specific overlays are preferable because they enable the MPSC to assign a new code to the wireless industry only and not disrupt the existing customers. In addition, the new numbers would only be given to new customers when all of the old numbers assigned to the existing area codes were exhausted.

The "transitional overlay" proposal offered by the FCC in FNPRM ¶¶ 130-143 may offer numbering relief; however, it is important to recognize that there are negative aspects inherent in transitional overlays, including the necessity of ten-digit dialing, the loss of geographic association within the affected area codes, and that the "transitional overlay" may, over time, be used by wireline carriers. With respect to the latter drawback, a transitional overlay could initially assign new wireless customers to the new code, but when the old area code numbers ran out, then the wireline customers would also be given the new code. This means that the public could not easily tell from the new area code number whether the number they are calling belongs to a cellular telephone or a wired telephone. The MPSC has not yet ruled on any possible anti-competitive effects of a wireless-only overlay plan, so it cannot comment on the FCC's concern raised in the FNPRM about the potential competitive and efficiency implications of service and technology-specific overlays.

Despite these potential drawbacks to "transitional overlay," the MPSC would like to have "transitional overlay" added to the options available to the states for area code relief. In Michigan, a transitional overlay expanded over geographic area code boundaries could serve to relieve our smaller, technology-congested NPAs, such as Detroit, without the need to add several new area codes. It would create a larger pool of available numbers than those number pools offered by

[1]MPSC Order U-12588, Vol II (public hearing), pg 121, November 20, 2000, attached as Exhibit A.

geographic splits or overlays over current geographic areas alone. By making more options available to Michigan and other states states, the FCC would ultimately enhance the choice afforded the public because the states would be able to offer the best numbering tool for the specific geographic areas in need of numbering relief.

In sum, the MPSC encourages the FCC to lift its prohibition against, or redefine the issues, on service-specific and technology-specific overlays so that Michigan and similarly situated states might have the opportunity to achieve numbering resource optimization.3

III. RATE CENTER CONSOLIDATION

The MPSC agrees with the FCC that rate center consolidation could be successful in capturing and utilizing inactivated or stranded resources, thereby increasing the numbering resources available. FNPRM at ¶ 144. By consolidating the rate centers, those numbers that have been assigned to carriers but have not been assigned by the carriers to their customers could be pooled together with other "stranded" or "inactivated" resources and could be used to supplement the overall numbering resources. The MPSC has observed the success of other states in their rate center consolidation efforts and has taken steps to research the feasibility of rate center consolidation in Michigan.[4] The MPSC realizes that rate center consolidation is not a substitute for timely area code relief, but it agrees with the FCC that, when applied concurrently with, or prior to, thousands-block number pooling, future allocation of numbering resources would be increased to a higher level. By increasing the pool of numbers available, rate center consolidation supplements the number resources presently

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[2]MPSC Order U-12721, Vol I (public hearing), pg 24, December 19, 2000, attached as Exhibit B.
3 Michigan state law requires a public hearing before any area code relief plan is approved, so the MPSC cannot state for certain that authority to implement such overlays would be utilized.
[4]Id. at pg.4, attached as Exhibit B.

available until area code relief can be implemented. For this reason, the MPSC supports the FCC's efforts to encourage states to undergo resource center consolidation.

The MPSC has received information regarding rate center consolidation from its largest ILECs, including SBC-Ameritech, which supports the Commission's conclusion in FNPRM at ¶ 148 that there could be a negative revenue impact on the industry from rate center consolidation. SBC-Ameritech and other members of the industry are concerned with expanding consumers local calling areas, which would result from rate center consolidation, and thereby reducing the toll revenues the industry presently receives. In its Response to the MPSC's November 20, 2000 Order (Exhibit A), SBC-Ameritech requested that the MPSC consider rate center consolidation as long as the rate centers contain only one company and "local calling scopes and rates are not changed." See SBC-Ameritech's Response to Commission Order, pg.8, attached as Exhibit C. Otherwise, if the industry consolidates rate centers without reprogramming the system (which would be very expensive), the result would be a de facto larger calling area, which would reduce the industry's revenue. On the other hand, if the industry incurs significant expense for reprogramming as a result of rate center consolidation or if it loses revenue because the local calling areas are increased, the industry will likely demand that some method, possibly increases passed on to customers, be made available to them. So increased customer bills could be the end result.

In addition to concern over loss of toll revenue, there is industry concern that numbering resource allocation is being based on rate center levels versus switch levels and that rate center consolidation will make processing for Central Office ("CO") codes more difficult. Finally, the intraLATA toll calling in Michigan is projected to cost carriers an additional $10.62 per month for each telecommunications line.[5] The MPSC will continue to research the merits of rate center

[5] Where Have All the Numbers Gone? 2nd Ed., Economics and Technology, Inc. pg. 33, attached as

consolidation in Michigan and encourages the FCC to develop a nationwide platform that incorporates individual state discretion.

IV. RELATED CARRIERS AND NUMBERING RESOURCES

The MPSC agrees with the FCC's tentative conclusion that numbering resources should be withheld from a carrier when a related carrier (parent or sister company) fails to comply with mandatory reporting requirements. FNPRM at ¶¶ 149-150. However, due to the increasing levels of mergers and acquisitions by companies, it is often difficult for the NANPA to adequately know whether a carrier has failed to adhere to the reporting requirements. The MPSC believes that clarity regarding who is filing should be required at the federal level and that the numbering scheme and licensing process should be strengthened at the federal level. The November/December 2000 issue of the State Scene states that "NANPA had received over 3,700 submissions (i.e., Form 502). Unfortunately, more than 2,400 of these submissions contained errors." Many of these errors were "failure to provide an entry in the Parent Company Name or OCN field".[6] NANPA has informed the MPSC that the same company can have a different OCN for each state in which it has customers. Allowing the companies to have different OCNs for each state in which it has customers impedes the NANPA's ability to monitor the allocation of numbering resources. Therefore, the MPSC believes that the numbering system to track carriers should be strengthened to determine which carriers are getting the numbering resources. Strengthening the numbering system to track carriers will enable NANPA to better monitor the individual carriers' use of numbering resources and prevent the NANP from being exhausted prematurely.

We believe that broad federal enforcement authority is necessary, especially with companies

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Exhibit D.

[6]The State Scene, NeuStar, Inc., November/December 2000, pg 3, attached as Exhibit E.

reorganizing and merging on a day-to-day basis. State commissions must rely on the accuracy and completeness of NANPA databases if numbering resources are to be properly allocated.

V. DENIAL OF NUMBERING RESOURCES

The MPSC agrees with the tentative conclusion reached by the FCC that denying numbering resources is the only deterrent available for carriers who violate or falsify numbering requirements (NRUF, MTE), or who fail to cooperate with numbering resources auditing procedures. FNPRM at ¶150. Penalties should apply to both state and federally conducted audits.

VI. THOUSANDS-BLOCK NUMBER POOLING

The MPSC agrees with the FCC that the "implementation of thousands-block number pooling is essential to extending the life of the NANP by making the assignment and the use of NXX codes more efficient." First Report and Order, 15 FCC Rcd at 7625, para. 122. On January 26, 2001, the MPSC petitioned the FCC for delegated authority to implement thousands-block number pooling, based on national guidelines, in the Detroit MSA and the Grand Rapids MSA. See MPSC Petition for Delegation of Additional Authority Pertaining to NXX Code, Conservation Measures, FCC Docket No. 99-200, January 26, 2001, attached as Exhibit F. The MPSC realizes that number conservation, in any form, is not a substitute for timely area code relief, and it is working toward completion of the implementation of area code relief plans in Michigan. In the interim, however, large metropolitan areas such as the Detroit and Grand Rapids MSAs would benefit from further numbering resource optimization measures such as thousands-block number pooling.

The MPSC encourages the FCC to adopt a competitively neutral cost recovery system to thousands-block number pooling. The MPSC does not, at this time, have a state-wide cost study developed; however, it is the MPSC's understanding that SBC-Ameritech, one of Michigan's

largest ILECs, was to have submitted a cost analysis on thousands-block number pooling to the FCC by February 12, 2001.[7]

Should Michigan be granted delegated authority to adopt thousands-block number pooling, or should a national Pooling Administrator be named, the MPSC believes it is imperative that number pooling be mandatory for all carriers within the pooling area. In an effort to support the current NANPA system, it may be judicious (1) to direct all carriers (LNP- and non-LNP-capable) to distribute numbers sequentially to decrease block contamination and (2) to strongly encourage non-LNP-capable carriers to advance toward LNP-capability as expeditiously as possible.

VII. CONCLUSION

To summarize, the Michigan Public Service Commission has a strong interest in several issues set forth in the FNPRM. The MPSC encourages the FCC to adopt technology-specific or transitional overlays as an option for area code relief. This flexibility would enable Michigan and other states to provide the best tools for the specific geographic areas in the states. Such flexibility would only enhance the service and choice available to consumers.

The MPSC also encourages the FCC to develop a nationwide standard for rate center consolidation with room for individual state discretion. The MPSC has watched the successful efforts of other states in implementing rate center consolidation. Presently, the MPSC is studying the feasibility of rate center consolidation in the State of Michigan. However, it is also aware that rate center consolidation is not a substitute for timely area code relief. For this reason, it seeks the

[7] MPSC Order U-12721, SBC-Ameritech's Response to Commission Order, pg. 9, attached as Exhibit B.

flexibility for states to implement rate center consolidation as they see fit for the specific MSAs in the state.

The MPSC agrees that numbering resources should be withheld from related carriers due to delinquent or incomplete NRUF and MTE reports. Only when such strong actions are taken against related carriers by virtue of their affiliation with the reporting carrier, will the severity of the issue be addressed and the conviction with which the states approach the issue be understood. The denial of numbering resources is a strong deterrent for carriers who fail to cooperate with mandatory reporting and audit standards.

Finally, the MPSC encourages a nationwide, competitively neutral cost-recovery system, nationwide sequential distribution of numbering resources, and advancement of all carriers toward LNP-capability.

Respectfully submitted,

MICHIGAN PUBLIC SERVICE COMMISSION

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Dated: February 14, 2001

CERTIFICATE OF SERVICE

I hereby certify that I have this 14th day of February 2001, served the foregoing document upon each person identified below:

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EXHIBIT A

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion, to consider implementation of an 810 area code relief plan.	))))	Case No. U-12588

At the December 11, 2000 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

OPINION AND ORDER

The 1999 Central Office Code Utilization Survey's projected demand for new central office codes (frequently referred to as NXX codes) indicated that the still-available NXX codes in the 810 area code could be exhausted by the second quarter of 2000. Based upon the projected exhaustion date and an unanticipated increase in the demand for NXX codes within the 810 area code, the North American Numbering Plan (NANP) Administrator, which is currently NeuStar, Inc.,[1] formally declared the 810 area code's numbering plan to be in jeopardy and, on April 2, 1999, notified the Commission and the telecommunications industry of that fact. Following discussions both among its members and with NeuStar, the industry adopted procedures intended to delay the exhaustion of NXX codes within the 810 area code until the second quarter of 2001.

[1]In late 1999, all NANP and other numbering functions were transferred from Lockheed Martin IMS, Inc., to NeuStar.

On May 18, 1999, members of the industry met again with NeuStar, this time to discuss long-term relief alternatives for the 810 area code. In the course of that meeting, the relative benefits and pitfalls of several alternative relief plans were discussed. Those alternatives included proposals to implement various geographic splits or overlays.[2] As a result of that meeting, an all-services distributed overlay was recommended as the preferred means of relief. According to NeuStar and the industry, they reached this conclusion because customers located within the 810 area code have already been subject to a geographic split, and implementing the all-services distributed overlay would allow them to retain their existing 810 area code and not require them to change their seven-digit phone numbers. Because the statutes then in effect did not allow the Commission to assert jurisdiction over the proposed area code relief plan when it was initially presented, NeuStar and the industry submitted a petition to the Federal Communications Commission (FCC) for review and approval of their proposal.

On July 17, 2000, Governor John Engler signed into law Public Act 295 of 2000, which amended the Michigan Telecommunications Act, 1991 PA 179, as previously amended, MCL 484.2101 et seq.; MSA 22.1469(101) et seq. (the Act). Among other things, the Act's recent amendments grant the Commission authority to address proposed area code changes in Michigan. Specifically, Section 303(4) of the Act, which was added by Public Act 295, states that:

> The commission has the authority to approve or deny a proposed addition, elimination, or modification of an area code in this state. The commission shall give public notice and shall conduct a public hearing in the affected geographic area before an addition, elimination, or modification of an area code is made in this state.

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[2]A geographic split refers to situations in which the geographic area served by an area code in which there are few or no NXX codes left for assignment is split into two or more geographic parts, each with a separate area code. In contrast, an overlay provides relief by opening up another area code within the same geographic area as the area code requiring relief.

MCL 484.2303(4); MSA 22.1469(303)(4). In light of this recent extension of the Commission's authority, the FCC returned the issue of the 810 area code relief plan to the Commission for its consideration by letter dated July 28, 2000. On August 31, 2000, the Commission issued an order setting public hearings on the 810 area code relief plan for November 9, 2000 in Flint and November 20, 2000 in Mount Clemens. The Commission also provided an opportunity for interested persons to file written comments on or before November 21, 2000 and replies on or before December 5, 2000.

At the hearings, Frank Colaco, a representative of NeuStar, explained that the industry examined six alternatives for area code relief. The first alternative involved a geographic split of the existing 810 area code that would be accomplished by dividing it into eastern and western segments with a boundary line running from north to south that bisected Lapeer County down its center.

The second and third alternatives also involved geographic splits. In each case, Macomb County would be divided from the remainder of the 810 area code. Under the second alternative, Macomb County would retain the 810 area code designation and the remainder would be assigned the 586 area code designation. Under the third alternative, Macomb County would be assigned 586 area code designation, with the remainder retaining the 810 area code designation.

The fourth alternative involves an all-systems overlay. Existing customers would retain their current ten digit telephone numbers. Upon implementation of the overlay, new numbers would be assigned an 810 or 586 area code until all 810 numbers are exhausted. Following exhaustion of numbers associated with the 810 area code, all code assignments would involve the 586 area code. Implementation of the overlay approach would necessitate all customers dialing an area code in order to complete a local call.

The fifth alternative involved a proposal to simultaneously overlay four existing area codes in Michigan with the 586 area code. Finally, the sixth alternative proposes that a new area code apply only to wireless customers.

At the conclusion of his remarks, Mr. Colaco recommended that the Commission adopt the fourth alternative–the area-wide overlay proposal. In so doing, he stated that his recommendation was based upon a consensus of the industry representatives that was reached after much debate and consideration of the six alternatives.

The two public hearings were attended by over 30 persons. In addition, almost 100 written comments were submitted for the Commission's consideration. The overwhelming majority of the comments indicated substantial opposition to the area-wide overlay proposal. For the most part, the overlay alternative was viewed as having the potential for mass confusion. Many people expressed the belief that the general public would be greatly inconvenienced by any system that abandons the traditional link between area codes and geographic territories.

Support for the proposal came from a handful of citizens and the four telecommunications providers that submitted written comments, Ameritech Michigan, Verizon North Inc. and Verizon North Systems (collectively, Verizon), Verizon Wireless, and AT&T Wireless PCS, LLC (AT&T Wireless). The opinion of the citizens who supported the overlay proposal was that such an approach was inevitable and would prove to be the best long-term solution. The providers argued that adoption of the overlay proposal would be in the public interest because it would encourage flexibility in the assignment of resources, standardize dialing patterns, and facilitate future area code relief. They also contended that the overlay approach would be fairer to wireless customers and would take less time to implement.

Although supportive of the overlay alternative, the providers were well aware of the substantial opposition to that proposal by the general public. Accordingly, their comments reflect various concerns that could arise if the Commission were to order implementation of a geographic split. In their comments, Ameritech Michigan and Verizon argue that Section 303(5) of the Act, MCL 484.2303(5); MSA 22.1469(303)(5), does not require that the new area code boundaries conform to county lines because it is not "technically and economically feasible" to split the area code in that matter. Verizon Wireless and AT&T Wireless contend that adoption of a geographic split should be accompanied with wireless grandfathering, which would permit wireless customers throughout the existing 810 area code to retain the 810 area code designation. According to Verizon Wireless and AT&T Wireless, wireless grandfathering will spare them from the necessity of reprogramming the wireless telephones of many of their customers.

Finally, it was generally agreed that the Commission should provide a minimum of seven months between the Commission's order and the implementation of permissive dialing, with an additional four months between the start of permissive dialing and the start of mandatory dialing if the overlay option is approved. For a geographic split, it was agreed that there should be a minimum of nine months between the Commission's order and implementation of permissive dialing, with an additional six months between the start of permissive and mandatory dialing.

The Commission finds that the 810 area code relief plan recommended by NeuStar and the telecommunications providers should not be approved. The Commission is persuaded that implementation of an overlay remedy is not in the public interest. Given the overwhelming opposition to implementation of an overlay plan, coupled with the fact that the proposed overlay plan would not significantly delay the necessity of further area code relief in the affected region, the Commission concludes that implementation of a geographic split of the 810 area code constitutes a more

reasonable approach. Moreover, the Commission is persuaded that the third alternative, which calls for Macomb County to be assigned the new 586 area code designation and the remainder of the existing area code to retain the 810 area code designation, is preferable to the other two geographic split proposals.[3] The Commission recognizes that not all customers will be satisfied with approval of this alternative, but any other option will dissatisfy as many or more customers. The first alternative, which involves an east/west split of the existing 810 area code would be inequitable because the new area code to be formed out of the eastern portion of the existing area code is projected to require further area code relief in less than two years, whereas the western portion would not require further area code relief for more than seven years. The second alternative involves a split of the area code into the same geographical areas as called for under the third alternative. The only difference between the second and third alternatives is which customers will retain the 810 area code designation. Because the geographic split proposed in the second and third alternatives essentially separates Macomb County from the remainder of the 810 area code, the Commission finds that assigning Macomb County the new 586 area code designation constitutes the most reasonable solution.

The Commission also finds, as Ameritech Michigan and Verizon argue, that it is neither technically nor economically feasible to split the area code precisely along county lines and, therefore, the plan approved herein complies with Section 303(5) of the Act. To conform to county lines, providers along the boundary would have to reconstruct their networks and reconfigure their exchange boundaries. The required changes would likely be expensive and time-

[3]The Commission's approval of the third alternative includes approval of "wireless grandfathering," as proposed by AT&T Wireless and Verizon Wireless.

consuming, as well as disruptive to customers. However, the new 586 area code adopted today by the Commission does follow Macomb County lines as nearly as practicable.

The Commission is aware of the arguments presented by some, most notably the Oakland County Executive, that it should reject all the alternatives until all avenues for reclaiming and conserving numbers have been exhausted. The Commission has already opened a docket[4] on these issues and agrees that these measures may be helpful in the long-run. The Commission will actively pursue these options. However, the Commission believes that the projected exhaustion date necessitates immediate Commission action on the area code split.

Some persons urged the Commission to order a technology-specific overlay. In most cases, such suggestions called for assignment of the new 586 area code exclusively to cellular telephones and other wireless devices. At the public hearings, the Commission indicated that the FCC's current policies do not allow technology-specific overlays. However, on December 7, 2000, the FCC approved its Second Report and Order and Further Notice on numbering issues (FCC No. 00-429). The FCC, at the urging of Michigan and other states, has opened a comment period on modifying the current prohibition on service-specific and technology-specific overlays, which could result in permitting states to implement service-specific and technology-specific overlays subject to certain conditions. The Commission intends to file comments in that proceeding and encourages those persons who raised this issue at the hearings to do likewise.

The Commission directs that the industry implement permissive dialing by September 22, 2001 and mandatory dialing by March 23, 2002. This schedule allows the time recommended for

[4]Case No. U-12703 is dedicated to the reclaiming of NXX codes.

the implementation process. The industry should file monthly progress reports with the Commission, beginning January 1, 2001, until the area code relief plan is fully implemented.

Finally, to facilitate implementation of the plan, the Commission directs the industry to file, within 30 days, a plan for customer education. The plan should include training for company personnel in dealing with customer inquiries related to the area code relief plan as well as examples of training materials that will be used to educate company personnel involved in customer relations. The plan should address such items as billing insert schedules, press kits, public service announcements, and other resources that will be used to respond to customer education needs and inquiries. The plan should also identify primary contacts within each company to address area code questions.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1991 PA 179, as amended, MCL 484.2101 et seq.; MSA 22.1469(101) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACS, R 460.17101 et seq.

b. The third alternative 810 area code relief plan filed by NeuStar on behalf of the telecommunications industry, which is depicted on the map attached to this order as Exhibit A, should be approved.

c. Permissive dialing should commence by September 22, 2001 and mandatory dialing should commence by March 23, 2002.

d. The industry should file monthly progress reports until the area code relief plan is fully implemented.

e. The industry should file, within 30 days, a plan for customer education.

THEREFORE, IT IS ORDERED that:

A. The third alternative 810 area code relief plan filed by NeuStar, Inc., on behalf of the industry as shown on Exhibit A attached to this order should be approved.

B. Permissive dialing shall commence by September 22, 2001 and mandatory dialing shall commence by March 23, 2002.

C. Beginning January 1, 2001, the industry shall file monthly progress reports until the area code relief plan is fully implemented.

D. The industry shall file, within 30 days, a plan for customer education consistent with this order.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

(SEAL)

/s/ John G. Strand
Chairman

/s/ David A. Svanda
Commissioner

By its action of December 11, 2000.

/s/ Dorothy Wideman
Its Executive Secretary

/s/ Robert B. Nelson
Commissioner

e. The industry should file, within 30 days, a plan for customer education.

THEREFORE, IT IS ORDERED that:

A. The third alternative 810 area code relief plan filed by NeuStar, Inc., on behalf of the industry as shown on Exhibit A attached to this order should be approved.

B. Permissive dialing shall commence by September 22, 2001 and mandatory dialing shall commence by March 23, 2002.

C. Beginning January 1, 2001, the industry shall file monthly progress reports until the area code relief plan is fully implemented.

D. The industry shall file, within 30 days, a plan for customer education consistent with this order.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

By its action of December 11, 2000.

Commissioner

Its Executive Secretary

Commissioner

In the matter, on the Commission's own motion, to consider implementation of an 810 area code relief plan.	))))	Case No. U-12588

Suggested Minute:

> "Adopt and issue order dated December 11, 2000 approving one alternative of the 810 area code relief plan filed by NeuStar, Inc., on behalf of the telecommunications industry and requiring that permissive dialing for the new area code commence by September 22, 2001, as set forth in the order."

EXHIBIT B

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion, to consider implementation of a 248 area code relief plan.	))))	Case No. U-12721

At the November 20, 2000 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER AND NOTICE OF HEARING

The 1999 Central Office Code Utilization Survey's projected demand for new central office codes (frequently referred to as NXX codes) indicated that the still-available NXX codes in the 248 area code could be exhausted by the first quarter of 2000. Based upon the projected exhaustion date and an unanticipated increase in the demand for NXX codes within the 248 area code, the North American Numbering Plan (NANP) Administrator, which is currently NeuStar, Inc.,[1] formally declared the 248 area code's numbering plan to be in jeopardy and, on May 17, 1999, notified the Commission and the telecommunications industry of that fact. Following discussions both among its members and with NeuStar, the industry adopted procedures intended to delay the exhaustion of NXX codes within the 248 area code until the second quarter of 2001.

[1]In late 1999, all NANP and other numbering functions were transferred from Lockheed Martin IMS, Inc., to NeuStar.

On July 14, 1999, members of the industry met again with NeuStar, this time to discuss long-term relief alternatives for the 248 area code. In the course of that meeting, the relative benefits and pitfalls of several alternative relief plans were discussed. Those alternatives included proposals to implement various geographic splits or overlays.[2] As a result of that meeting, an all-services distributed overlay was recommended as the preferred means of relief. According to NeuStar and the industry, they reached this conclusion because (1) the 248 area code currently is divided into the smallest practical area without dividing communities of interest, and (2) implementing the all-services distributed overlay would allow customers to retain their existing 248 area code and not require them to change their seven-digit phone numbers. Because the statutes then in effect did not allow the Commission to assert jurisdiction over the proposed area code relief plan when it was initially presented, NeuStar and the industry submitted the proposal to the Federal Communications Commission (FCC) for review and approval.

On July 17, 2000, Governor John Engler signed into law Public Act 295 of 2000, which amended the Michigan Telecommunications Act, 1991 PA 179, as previously amended, MCL 484.2101 et seq.; MSA 22.1469(101) et seq. (the Act). Among other things, the Act's recent amendments grant the Commission authority to address proposed area code changes in Michigan. Specifically, Section 303(4) of the Act, which was added by Public Act 295, states that:

> The commission has the authority to approve or deny a proposed addition, elimination, or modification of an area code in this state. The commission shall give public notice and shall conduct a public hearing in the affected geographic area before an addition, elimination, or modification of an area code is made in this state.

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[2]A geographic split refers to situations in which the geographic area served by an area code in which there are few or no NXX codes left for assignment is split into two or more geographic parts, each with a separate area code. In contrast, an overlay provides relief by opening up another area code within the same geographic area as the area code requiring relief.