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

In the Matter of	)	
	)	
Numbering Resource Optimization	)	CC Docket No. 99-200
	)	
Petition of the California Public Utilities Commission for Authority to Implement Two Specialized Overlay Area Codes	)	DA 03-3262

SPRINT CORPORATION COMMENTS

Sprint Corporation submits these comments in response to the petition filed by the California Public Utilities Commission ("CPUC") seeking authority to implement two specialized overlay area codes in California.[1]

Sprint supports the CPUC's efforts to evaluate new methods for area code relief and applauds the decision to exclude wireless services and burdensome wireless takebacks from this specialized overlay proposal. Sprint also commends the CPUC's efforts in scheduling workshops to discuss technical aspects associated with the proposed overlays. Sprint believes that numbering issues can best be resolved by cooperative efforts between state commissions and the industry such as these workshops.

However, Sprint remains concerned that potential confusion persists regarding which services use non-geographic based numbers and it asks that the CPUC provide clarification in that regard. Additionally, as shown below, the latest proposal runs the real risk of being less efficient than traditional area code relief because it appears certain carriers would require duplicate

[1] *See Public Notice*, Wireline Competition Bureau Seeks Comment on the Petition of the California Public Utilities Commission for Authority to Implement Specialized- Overlay Area Codes, CC Docket No. 99-200, DA 03-3262 (Oct. 16, 2003). *See also* California Public Utilities Commission, Petition for Au-

thousand-blocks in the same rate center (*i.e.,* blocks in the existing area code and additional blocks in the proposed area codes) simply to serve their existing customer base. In this regard, the CPUC Petition does not demonstrate that the proposed specialized overlay ("SO") implementation would be superior to an all-services overlay. Especially since the CPUC proposes that the new SOs would be permanent, Sprint submits that the Commission should, at most, permit the assignment of one SO for the entire state. If subsequent demand warrants assignment of a second SO, another area code can be assigned if and when the demand materializes.

I. CMRS AND DIAL-UP SERVICES ARE GEOGRAPHICALLY-BASED

The CPUC Petition creates the impression that mobile telephony, Voice over Internet Protocol ("VoIP") and dial-up services are non-geographically based – that is, the rate center association of these telephone numbers is irrelevant to the customer.[2] The proposal excludes wireless service from the new SO codes, but does include, among others, VoIP and dial-up services. This view is fundamentally mistaken, for the geographic location of telephone numbers is as important to these customers as it is for LEC customers.

As a preliminary matter, Sprint presumes that when the CPUC refers to "cellular services," it is referring to all broadband CMRS providers, which includes cellular, broadband PCS and certain SMR licensees.[3] Congress amended the Communications Act to ensure parity among

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thority to Implement Specialized Overlay Area Codes, CC Docket Nos. 96-98 and 99-00 (Oct. 6, 2003)("CPUC Petition").

[2] *See* CPUC Petition at 2, 3 and 5 ("We propose to place in the SOs all "transparent" or "non-geographic based" numbers, except for cellular services...The CPUC also proposes to include paging companies, Internet Telephony/voice over Internet protocol (VoIP) services and dial-up numbers for Internet service providers such as American Online into the SOs.").

[3] *See, e.g., First LNP Order,* 11 FCC Rcd 8352, 8433 ¶ 155, 8443 ¶ 172 (1996).

competing wireless carriers[4] and Sprint believes the CPUC intended the term "cellular services" to include all broadband wireless service providers.

The geographic location of telephone numbers is important to customers – LEC or wireless – because telephone numbers determine whether inbound calls will be rated as local or toll. Incumbent LECs have established rate centers, and a land-to-land call originating and terminating within the same rate center is generally rated as a local call, whereas calls between rate centers are generally billed as toll calls. Wireless customers expect that if friends and family can call their landline telephone on a local basis, the same people can reach their mobile handset on a local basis. Mobile customers certainly do not expect that friends and family will incur toll charges in calling the mobile handsets, and wireless customers complain when their callers incur toll charges in calling their handsets.

Indeed, the CPUC has recognized that wireless numbers are geographically-based. Earlier this year, the CPUC re-examined its policy concerning "grandfathered" numbers and considered whether customers should be "re-homed" (assigned to a new rate center).[5] Recognizing that a change in a customer's incoming calling area would have "negative consequences," the CPUC decided that "re-homing" a customer to a new rate center should be utilized only where customer inbound calling areas are not changed:

> Where the re-homing would transform local calls into intraLATA toll calls, the resulting disadvantages may likely outweigh any advantages. Customers subject

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[4] *See, e.g., Implementation of Sections 3(n) and 332 of the Communications Act,* 9 FCC Rcd 2863, 2863 ¶ 5 (1994).

[5] *See Competition for Local Exchange Service,* Rulemaking 95-04-043, Decision 03-04-056 (April 17, 2003). Because wireless customers historically faced special burdens when an area code was split, some states permitted wireless customers to retain their existing telephone number after the split, even though the number ordinarily would have been assigned to the new, relief NPA. This practice is known as "wireless grandfathering." *See Third Local Competition Reconsideration Order,* 14 FCC Rcd 17964, 18000 ¶ 53 (1999).

> to significant call rating changes as a result of a re-homing would face distinct disadvantages. We shall not require re-homing in such instances.[6]

For several services targeted for inclusion in the SO, the Commission should be aware that callers to dial-up services and VoIP customers similarly are sensitive to whether a call is local or toll.[7] Customers may understandably be reluctant to convert to VoIP services if such a conversion means that neighbors and business associates must dial extra digits or pay toll charges for what would otherwise be local seven-digit calls. Sprint has also observed that schools are converting to VoIP services and local calling is critical to this type of community institution. Similarly, dial-up numbers are obtained so that users can dial a local number to reach their internet service provider.

The administration of telephone numbers should not unduly favor one technology over another.[8] Simply because numbers are assigned to service providers other than the incumbent LEC does not mean that the numbers are not geographically-based. The telephone numbers assigned to wireless customers, dial-up numbers, and VoIP numbers are as "geographically based" as the numbers assigned to LEC customers. The CPUC should clarify that numbers assigned to service providers other than the incumbent LEC may be geographically-based.

II. THE CPUC HAS NOT SHOWN THAT ITS PROPOSAL MEETS THE CRITERIA FOR APPROVAL

The Commission has held that it would entertain specialized overlay proposals if the petitioning state commission demonstrates "why the numbering resource optimization benefits of the

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[6] *See* Decision 03-04-056, note 5 *supra,* at 15.

[7] Other services also have a geographic affinity. For example, OnStar has stated that its service is geographically-based. *See, e.g.,* OnStar Comments, CC Docket No. 99-200, at 3-4 (Nov. 25, 2002).

[8] 47 C.F.R. § 52.9(a)(3).

proposed SO would be superior to implementation of an all-services overlay."[9] While the CPUC states that its proposal will "optimize telephone number usage,"[10] the Petition does not demonstrate that its proposed SOs would be superior, or more number efficient, compared to traditional, all-services overlays.

In fact, the CPUC petition suggests that the SO proposal may actually require carriers to obtain *more* numbers to serve the same number of customers – that is, undermine number efficiency. The Petition assumes that "all CLECs, all ILECs and 50% of the cellular carriers [would] need a thousands-block in each rate center in which they operate" in the new SOs.[11] Assume a carrier has 150 customers in a rate center. Today, that carrier would require only one thousand-block to serve its customers. However, if even one of the carrier's customers uses its number for a service targeted for inclusion in the new SO, the same carrier would then require two thousand-blocks (one block in the existing NPA and one block in the new SO) to serve the same 150 customers – thereby reducing number efficiency from 15 percent to 7.5 percent. The CPUC SO proposal would thus appear to have the effect of *decreasing* rather than improving number efficiency.

Moreover, the Commission has ruled that a state commission seeking authority to implement a specialized overlay must also "demonstrate that the benefits will outweigh the costs of implementing the SO."[12] The CPUC Petition does not include data regarding the benefit associated with this proposal.[13] Further, while the Petition acknowledges that significant costs would

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[9] *Third NRO Order,* 17 FCC Rcd 252, 288 ¶ 81 (2001).

[10] *See* CPUC Petition at 4.

[11] CPUC Petition at 5.

[12] *Third NRO Order,* 17 FCC Rcd at 288 ¶ 80.

[13] *See* CPUC Petition at 3 ("At this time, the industry can neither estimate the current level nor the future demand of numbers used for these services.").

be incurred in the implementation of the proposal,[14] it provides no analysis that these costs would be exceeded by the benefits. It appears that more information would be necessary in order for the Petition to satisfy the Commission's initial cost/benefit requirement.

III. THE COMMISSION SHOULD AT MOST AUTHORIZE THE CPUC TO IMPLEMENT ONLY ONE STATEWIDE SO CODE

The CPUC seeks authority to implement two specialized overlays, one covering northern California and the other covering southern California.[15] Sprint submits that if the Commission does permit the CPUC to implement a specialized overlay, it should at most authorize only one SO covering the entire State of California. A second, relief SO can be assigned if and when additional numbers are needed. The assignment of unnecessary area codes would drive the exhaust of the North American Numbering Plan.

The purpose of the Commission's number optimization policies is to "prolong the life of the North American Numbering Plan":

> Because the estimated cost of expanding the NANP is enormous, and the time to effect such an expansion is estimated to be on the order of ten years, the need to extend the life of the current NANP through effective conservation and efficient utilization of numbering resources is apparent and immediate. * * * By maximizing efficient use of numbers within area codes, we reduce the need to introduce new area codes, which can help prevent premature exhaust of the existing NANP.[16]

Simply put, avoiding the unnecessary assignment of scarce NPA codes prolongs the life of the NANP.

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[14] *See* CPUC Petition at 3 and 6.

[15] *See* CPUC Petition at 4.

[16] *Numbering Resource Optimization NPRM,* 14 FCC Rcd 10322, 10324 ¶¶ 1 and 5, 10414 n.361, 10423 ¶ 241 (1999). *See also First NRO Order,* 15 FCC Rcd 7574, 7577 ¶ 1 (2000)(We must "ensure that the limited numbering resources of the NANP are used efficiently, to protect customers from the expense and inconvenience that result from the implementation of new area codes, some of which can be avoided if

Each area code contains approximately eight million usable telephone numbers.[17] The CPUC Petition does not demonstrate that there are eight million "non-geographic-based" numbers in California, much less that there are over eight million such numbers justifying the initial assignment of two scarce area codes.

As discussed above, Sprint notes that the Petition does not contain the requisite cost/benefit analysis. But if the Commission does permit the CPUC to implement a specialized overlay, it should at most authorize the assignment of only one SO. An additional, "relief" NPA code can be assigned if and when demand warrants the assignment of an additional code. The assignment of two scarce NPA codes, when only one may be needed, would undermine the Commission's objective to prolong the life of our North American Numbering Plan.

Respectfully submitted,

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November 17, 2003

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numbering resources are used more efficiently, and to forestall the enormous expense that would be incurred in expanding the NANP.").

[17] *See, e.g.,* FCC News, *FCC Releases Telephone Numbering Resource Utilization Report,* at 2 (July 9, 2003)("Each area code has up to 7.9 million usable telephone numbers.").