

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

In the Matter of)	
)	
Numbering Resource Administration)	CC Docket No. 99-200
Optimization; Fifth Further Notice of)	
Proposed Rulemaking)	
)	

COMMENTS OF VERIZON¹

The Commission should grant states delegated authority to implement mandatory number pooling without filing a petition at the FCC if the following three criteria are met: (1) the North American Numbering Plan Administrator (“NANPA”) has determined that the NPA, or “area code,” is in jeopardy; (2) the NPA has a life expectancy of at least one year; and (3) mandatory pooling is projected to extend the life of the NPA by at least 18 months. If a state commission wishes to implement mandatory pooling in an NPA where these three criteria are not met, the state commission should be required to petition the Commission for delegated authority and demonstrate that special circumstances warrant mandatory thousands block pooling. This approach strikes a balance between streamlining the process for states to obtain delegated authority and ensuring that mandatory thousands block pooling is implemented only where pooling can provide meaningful gains in number conservation.

¹ The Verizon companies participating in this filing (“Verizon”) are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

Thousands-block number pooling is a valuable tool in conserving numbering resources and extending the life of the North American Numbering Plan. It has been over five years since the Commission mandated thousands-block pooling in the largest one hundred metropolitan statistical areas (“MSAs”) and encouraged voluntary pooling beyond the 100 largest MSAs.² Due to pooling and other number conservation efforts, the life expectancy of the current numbering plan has been extended by more than 20 years, to 2036, providing the industry more time to develop efficient plans for expanding the plan upon its eventual exhaust.³ Verizon fully supports pooling and participates in pooling throughout its network, complying with mandatory pooling procedures where applicable and voluntarily donating thousands-blocks in other areas. Because of the number conservation benefits mandatory pooling can provide, Verizon supports streamlining the process whereby state commissions may mandate thousands-block pooling beyond the top 100 MSAs. Streamlining that process will enable states to respond more quickly to pooling needs. In addition, streamlining that process will conserve the FCC’s resources by reducing the need for advance Commission review of individual mandatory pooling decisions.

There are circumstances, however, where mandatory pooling is not an effective or efficient method of conserving number resources. For example, mandatory pooling produces no gains if the rate center is served by only one carrier, as any donated thousands-blocks will necessarily be assigned back to the donating carrier when needed and mandatory pooling will not extend the life of the NPA. Mandating pooling also will not provide a perceptible benefit if the NPA is so near exhaustion that area code relief must be implemented in the short term, or so far

² See *Numbering Resource Optimization*, Report and Order and Further Notice of Proposed Rulemaking, 15 FCC Rcd 7574 (2000) (“*First Report and Order*”).

³ See NANPA, April 2006 NANP Exhaust Projection, available at <http://www.nanpa.com/pdf/NRUF/April%202006%20NANP%20Exhaust.pdf>.

from exhaustion that area code relief will not be needed for the foreseeable future. When the benefits of pooling are minimal, or even non-existent, pooling can impose unnecessary burdens on individual carriers and the industry as a whole. For example, under mandatory pooling, carriers must donate thousands blocks with less than 10% “contamination” – that is, thousands blocks with less than 10% of the individual numbers within that block in use. *See First Report and Order* ¶ 191. Mandatory pooling therefore requires carriers to analyze their number utilization on a block-by-block basis to identify any thousands blocks with less than 10% contamination. For those blocks that can be donated, the numbers already in use by end users must be ported back to the donating carrier, such that the end user’s service is not disrupted. *See id.* Mandatory pooling therefore should not be imposed in circumstances where it can provide little, if any, benefit.

The Commission’s Notice of Proposed Rulemaking seeks comment on potential changes to the process by which states obtain delegated authority to mandate thousands-block pooling, and proposes two alternatives: requiring state commissions to continue petitioning the FCC for each delegation of authority, and granting states authority to order mandatory thousands block pooling in their discretion. *See NPRM* ¶¶ 16-17.⁴ Any changes to state commissions’ delegated authority, however, should balance the need to streamline the process of delegating authority against the need to ensure that mandatory thousands block pooling provides significant gains to number conservation. Verizon therefore proposes instead a two-pronged approach that represents a middle ground between the two options set forth in the *NPRM*. First, the Commission should set forth specific criteria for identifying cases where mandatory thousands

⁴ *Numbering Resource Optimization*, Order and Fifth Further Notice of Proposed Rulemaking, 21 FCC Rcd 1833 (2006) (“*NPRM*”).

block pooling would unmistakably provide a meaningful benefit. The Commission should then authorize states to implement mandatory pooling, without filing a petition at the FCC, when those criteria are met. Specifically, the Commission should grant states “automatic” authority to impose mandatory pooling in a particular NPA if: (1) NANPA has determined that the NPA is in jeopardy; (2) the NPA has a life expectancy of at least one year; *and* (3) mandatory pooling is projected to extend the life of the NPA by at least 18 months. Second, if these three criteria are not met, states may still impose mandatory pooling, provided that they first seek authority from the Commission and demonstrate the special circumstances that justify mandatory pooling. Verizon’s proposal thus strikes a balance – speeding and simplifying state commissions’ efforts to mandate pooling where the benefits are clear, while maintaining Commission review in other cases to ensure that mandatory pooling is not imposed inefficiently.

Granting state commissions “automatic” delegated authority when specific conditions are met serves two functions. First, such an approach will eliminate the need for state commissions to petition the Commission in specific circumstances where mandatory pooling will unmistakably provide a meaningful benefit. Verizon’s proposed criteria are tailored to identify such cases. With regard to Verizon’s first criterion, limiting states’ automatic delegated authority to those NPAs that NANPA has deemed “in jeopardy” will ensure that pooling is mandated only in areas where an objective third party has identified a need for numbering relief. Verizon’s second criterion – requiring that the NPA have a life expectancy of at least a year – recognizes that mandatory pooling is most beneficial if the NPA is not so close to exhaustion that area code relief must be implemented in the short term, regardless of interim conservation measures. Granting states automatic authority to mandate pooling only if the NPA still has a life expectancy of at least a year will also encourage states to adopt mandatory pooling as a

conservation measure promptly when jeopardy situations are identified. Indeed, the Commission has already recognized the first two of Verizon's criteria – that the NPA is in jeopardy and has an expected life span of at least one year – as indicators that mandatory pooling will promote number conservation. *See First Report and Order* ¶ 170. Finally, the third criterion – that pooling is projected to extend the life of the NPA by at least eighteen months – will ensure that pooling is mandated only when it will significantly postpone area code relief. Authorizing states to order mandatory thousands block pooling when these criteria are met, without filing a petition, will empower states to take prompt action in clear cut cases and will reduce the administrative burden that advance petitions place on Commission resources.

Second, by specifying the criteria for states' exercise of delegated authority, rather than granting states unlimited discretion in this area, the Commission can ensure that mandatory pooling is not ordered inappropriately. Granting states unlimited discretion, as proposed in the *NPRM*, may encourage states to mandate pooling even when it will not provide a meaningful benefit. By setting forth the specific conditions under which states may act in the absence of a petition, the Commission will provide valuable guidance as to the efficient use of mandatory pooling. The Commission's specified criteria will also provide a formal check on states' expansion of mandatory pooling beyond the top 100 MSAs. Pursuant to its rules, the Commission may review a state's exercise of its delegated authority to ensure that it is consistent with Commission regulations, precedent, and established policies. *See* 47 C.F.R. § 1.115. By setting forth specific criteria, the Commission will establish a clear standard against which a state's exercise of its "automatic" delegated authority can be reviewed. Verizon's proposal to grant states delegated authority in specified circumstances will therefore streamline the process by which states may expand mandatory pooling, thereby enabling states to act more quickly and

conserving Commission resources, while ensuring that mandatory pooling produces meaningful gains in number conservation.

At the same time, under Verizon's proposal, states would still be able to mandate pooling even when the specified conditions are not met. The Commission recognized in its *First Report and Order*, there may be "special circumstances" where pooling would be of benefit in NPAs that did not meet the Commission's current criteria for petitions for delegated authority. See *First Report and Order* ¶ 170. The *First Report and Order* therefore invited state commissions to file petitions for delegated authority demonstrating special circumstances that warranted mandatory pooling. See *id.* In fact, the order accompanying the Commission's *NPRM* addressed several such petitions regarding NPAs that were not yet deemed "in jeopardy." See *NPRM* ¶ 10.

Under Verizon's proposal, state commissions that cannot exercise automatic delegated authority because the three specified conditions are not met may still obtain authority to mandate pooling by petitioning the Commission, just as they now can under the *First Report and Order*. Such an approach incorporates the flexibility to address special situations where mandatory pooling may be warranted, even though the three criteria for automatic delegated authority are not met, while still enabling the Commission to evaluate these special cases to ensure that mandatory pooling is efficiently employed.

CONCLUSION

For the foregoing reasons, Verizon's proposal strikes the appropriate balance between speeding and simplifying state commissions' efforts to mandate pooling where the benefits are clear and maintaining Commission review in other cases to ensure that mandatory pooling is not imposed inefficiently. The Commission should adopt Verizon's two-pronged approach regarding delegated authority to mandate thousands-block pooling. The Commission should

grant states delegated authority to implement mandatory number pooling without filing a petition at the FCC, but only when specified criteria are met. The Commission should also continue to evaluate petitions for delegated authority to implement mandatory pooling in other circumstances where these three criteria are not met.

Respectfully submitted,

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Dated: May 15, 2006

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