

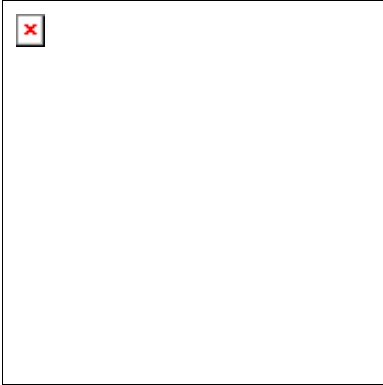
# AGENDA – 9/30/99

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Date Circulated – 9/29/99 **BEFORE THE PUBLIC SERVICE  
COMMISSION**

## **OF THE STATE OF MISSOURI**



In the Matter of the Implementation of )

Number Conservation Methods in the ) Case No. TO-99-14

St. Louis, Missouri Area )

**REPORT AND ORDER**

**Issue Date:** September 30, 1999

**Effective Date:** October 12, 1999

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Implementation of )  
Number Conservation Methods in the ) Case No. TO-99-14  
St. Louis, Missouri Area )

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## **REPORT AND ORDER**

### **I. Procedural History**

The Commission established this case in its Report and Order issued on July 22, 1998 in Case No. TO-98-212. Case No. TO-98-212 involved the issue of exhaustion of the central office codes (NXX or CO code) in the 314 numbering plan area (NPA). The Commission ordered the parties to meet and develop means of implementing area code number conservation in three areas: sequential numbering assignment, rate center consolidation, and number pooling. The Commission directed the parties to file a report on sequential number assignment, rate center consolidation, and number pooling on October 22 and December 22, 1998 and February 22, 1999 respectively. The Commission directed the parties to file a proposed procedural schedule no later than September 22, 1998 and directed any entity wishing to intervene to file its application no later than August 24, 1998.

In its July 22, 1998 order, the Commission made all parties to Case No. TO-98-212 parties in this case for all purposes. In addition to the Staff of the Public Service Commission (Staff) and the Office of the Public Counsel (Public Counsel), the parties in Case No. TO-98-212 included:

- Ameritech Mobile Communications, Inc. (AMCI);**
- AT&T Communications of the Southwest, Inc. (AT&T);**
- GTE Midwest Incorporated (GTE)**
- MCI Telecommunications Corporation (MCI)**
- Midwest Independent Coin Payphone Association (MICPA)**
- The Mid-Missouri Group of Telephone Companies**
  - (Alma Telephone Company, Chariton Valley Telephone Corporation, Choctaw Telephone Company, Mid-Missouri Telephone Company, MoKan Dial Inc., Northeast Missouri Rural Telephone Company, and Peace Valley Telephone Company) **(Mid-Missouri Group)**
- Orchard Farm Telephone Company (Orchard Farm)**

**Southwestern Bell Mobile Systems, Inc. (SWB Mobile)**

**Southwestern Bell Telephone Company (SWBT)**

**TCG St. Louis (TCG)**

**United Telephone Company of Missouri d/b/a Sprint**

**(Sprint-United)**

On October 16, 1998, the Commission granted intervention to Sprint Spectrum L.P. d/b/a Sprint PCS, Nextel West, Inc., Brooks Fiber Communications of Missouri, Inc., Citizens Telephone Company, Grand River Mutual Telephone Company, Lathrop Telephone Company, and Oregon Farmers Mutual Telephone Company. The Commission also established a procedural schedule and a protective order in its October 16 order.

Staff filed a motion with the Commission on December 28, 1998, requesting that the Commission cancel the established procedural schedule except for the hearing date to allow the Commission to examine the parties regarding these reports. Staff indicated in its motion that the parties were in agreement on all issues and had not identified any contested issues in the reports. Therefore, an adversarial hearing was not necessary. The Commission did not receive any objections to Staff's request. On January 26, 1999, the Commission granted the late-filed application of Mark Twain Rural Telephone Company for intervention and amended the procedural schedule by canceling all procedural schedule dates except the date for filing of the hearing memorandum and the date set for evidentiary hearing as requested by Staff. The Commission ordered the parties to file the Hearing Memorandum by April 19, 1999, and the hearing was scheduled on May 3, 1999 through May 7, 1999.

On April 19, 1999, the hearing memorandum was filed with the Commission. The parties requested that the witnesses be sworn in and

appear as a panel because there were no contested issues and because of the technical nature of the material at issue. The evidentiary hearing was held and completed on May 3, 1999. Various procedural motions were ruled upon at hearing. The witnesses were sworn and examined in panel

fashion as requested by the parties. The witnesses who were sworn and testified were:

1. **Dan Paul of Ameritech Mobile Communications, Inc.**
2. **John Rollins of GTE Midwest Incorporated**
3. **Suzanne Brooks of MCI Telecommunications Corporation**  
**and Brooks Fiber Communications of Missouri, Inc.**
4. **Barbara A. Meisenheimer of the Office of the Public**

## Counsel

1. Bill Adair of Southwestern Bell Telephone Company
2. Craig Unruh of Southwestern Bell Telephone Company
3. Hoke Knox of Sprint
4. Don Edwards of Sprint
5. Anthony Clark of the Staff of the Missouri Public

## Service Commission.

On September 27, 1999, Public Counsel filed a request that the Commission petition the FCC for authority to implement number conservation methods.

## II. Exhibits

Staff filed the Sequential Numbering Assignment Report with the Commission on October 22, 1998 on behalf of the parties. This report was marked as Exhibit No. 1 for identification purposes at hearing and will be admitted into evidence.

Staff filed the Rate Center Consolidation Report on December 22, 1998 on behalf of the parties in compliance with the Commission's July 22 order. This report was marked as Exhibit No. 2 for identification purposes at the hearing and will be admitted into evidence. GTE filed its highly confidential portion of the Rate Center Consolidation Report on December 21. GTE's HC report shall be marked as Exhibit No. 2A-HC for identification. SWBT filed its highly confidential supplement to the Rate Center Consolidation Report on December 22, 1998. SWBT's HC report has been marked as Exhibit No. 2B-HC for identification. Exhibit Nos. 2A-HC and 2B-HC will be admitted into evidence.

On February 22, 1999, a Report on Number Pooling was filed with the Commission by Staff on behalf of the parties in compliance with the Commission's July 22 order. The number pooling report was marked as Exhibit No. 3 for identification at the hearing. Exhibit No. 3 will be admitted into evidence.

## III. Official Notice Taken of States' Actions Filed before the Federal Communications Commission (FCC)

Federal statutes gave the Federal Communications Commission (FCC) authority to regulate telecommunications and to implement the Telecommunications Act of 1996. The FCC delegated authority to the state commissions to implement area code relief.

On September 28, 1998, the FCC released a Memorandum Opinion and Order and Order on Reconsideration in the FCC case In the Matter of 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 and the Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, NSD File No. L-97-42, CC Docket No. 96-98, FCC 98-224. (Pennsylvania Order (Released September 28, 1998)). In this decision, the FCC declared that Pennsylvania Public Utility Commission had exceeded the

scope of the authority the FCC had delegated to the state commissions. In its Pennsylvania Order released September 28, 1999, the FCC delegated additional authority to state commissions to order NXX code rationing, under certain conditions, so that state commissions would have more flexibility to assure that area codes will last until full implementation of relief. The FCC also directed the Chief of the Common Carrier Bureau to determine whether state commissions should be delegated additional authority to implement innovative or experimental area code number conservation efforts.

Some states have already received FCC orders granting additional authority for area code number conservation measures. On September 15, 1999, the FCC granted additional delegated authority to the states of Massachusetts, New York, California, and Florida by FCC Order Nos. FCC

99-246, FCC 99-247, FCC 99-248, and FCC 99-249 respectively. Additional

authority for number conservation measures granted by the FCC included 1,000 block pooling trials, establishing usage thresholds, reclamation of unused and reserved NXX codes, requiring sequential number assignment, setting numbering allocations standards, hearing and addressing claims of carriers seeking numbering resources outside of the rationing process, maintaining rationing procedures for six months following area code relief, and auditing carriers' use of numbering resources.

The FCC also stated that there was no need for the FCC to take any action regarding "consolidating rate centers/areas" or "authorizing carriers to use inconsistent rate centers and extended local calling areas" because those issues are already within the authority of the state commissions. Other states have also filed petitions requesting additional delegated authority but those petitions have not been resolved before the FCC. Those states with pending requests include New Hampshire, Wisconsin, Connecticut, Maine, and Texas.

The Commission shall take official notice of the petitions filed by those states referenced above with the FCC and the FCC orders issued September 15, 1999, for the purposes of this Report and Order.

#### **IV. Sequential Numbering Assignment and Number Pooling**

In the Sequential Number Assignment Report filed by the parties, the parties noted that the issues of sequential number assignment and number pooling have been determined by the FCC to be under its exclusive jurisdiction and that states issuing orders in the areas involving number conservation would be acting outside the scope of their authority. Pennsylvania Order (Released September 28, 1998).

In the Sequential Number Assignment Report, the parties stated industry members have already voluntarily begun to assign telephone numbers sequentially in an effort to prepare for the implementation of number conservation measures in the near future. The reporting parties stated that they intend to be consistent with the current applicable directions and definitions contained in the Industry Numbering Committee (INC) Guidelines. Further, the parties stated in their sequential number assignment report that the primary benefit of sequential assignment rules would appear to be keeping the maximum possible number of 1,000 blocks

uncontaminated for use in 1,000-block number pooling.

The 1,000-block number pooling report identifies 1,000-block number pooling as the allocation to service providers of telephone numbers in blocks of 1,000 from a common pool by a neutral administrator. Currently, the neutral administrator assigns telephone numbers to service providers in blocks of 10,000. Individual telephone number pooling is the allocation to service providers of individual telephone numbers from a common pool by a neutral administrator. The parties indicted in their report on number pooling that efforts continue at the national level to develop 1,000-block number pooling. The parties also included a copy of a portion of the Number Resource Optimization Working Group's Modified Report to the North American Numbering Council (NANC) on Number Optimization Methods dated October 20, 1998. In addition, the report on number pooling included a copy of the Industry Numbering Committee 1,000-block (NXX-X) Pooling Administration Guidelines dated January 27, 1999. The parties state that implementation of number pooling can only be accomplished after the issuance of a FCC order.

## **V. Rate Center Consolidation**

In their report on rate center consolidation, the parties analyzed and described various options that the parties have considered in their discussions and technical conferences. The parties also stated that they had determined, after analysis of the rate center consolidation issues, that while rate center consolidation does offer some long-term number conservation, it does not significantly delay the next NPA exhaust without severe customer impacts. After review of the options, the parties recommended that the Commission order SWBT to implement Rate Center Consolidation Report Option No. 1 (RCCR Option No. 1). The parties stated that RCCR Option No. 1 would reduce the number of rate centers within the new 314 NPA from 14 to 7 and would provide longer term NXX code conservation with minimal customer impact within 90 days of a Commission order. The parties' reported further that SWBT revenue impacts can be largely avoided by careful location of the new toll rating point. Depending on an individual customer's toll calling pattern, the report stated that individual customers may experience higher or lower toll bills. The Rate Center Consolidation Report discusses the other options and the reasons why those options are considered inferior and are not recommended.

## **VI. Findings of Fact**

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact. The positions and arguments of all of the parties have been considered by the Commission in making a decision. Failure to specifically address a piece of evidence, position or argument of any party does not indicate that the Commission has failed to consider relevant evidence, but indicates rather that the omitted material was not dispositive of this decision.

### **A. Rate Center Consolidation**

Implementation of RCCR Option No. 1 will likely result in some level of area code number conservation. In the Rate Center Consolidation Report filed by the parties and in the testimony provided in the hearing held on May 3, 1999, the parties agreed that RCCR Option No. 1 is the most reasonable option available for rate center consolidation in that it will have the least amount of impact

on consumers and can be implemented quickly to begin number conservation efforts. The Commission, therefore, finds that RCCR Option No. 1 is reasonable and SWBT will be directed to implement RCCR Option No. 1 in the St. Louis area.

## **B. Sequential Numbering Assignment and Number Pooling**

The Commission finds that it is necessary to seek additional delegated authority from the FCC in order for the Missouri Public Service Commission to pursue area code number conservation methods such as including sequential numbering assignment and number pooling. The Commission will direct the Commission Staff, with the assistance of the General Counsel's Office, to file a request with the FCC seeking additional delegated authority to implement all available number conservation measures in the state of Missouri including but not limited to those number conservation methods for which the FCC has granted additional delegated authority to other states. Staff shall also continue to consult with industry participants regarding exhaustion of area code numbers in the state of Missouri, currently using the 314, 636, 816, 660, 573 and 417 area codes.

## **VII. Conclusions of Law**

The Missouri Public Service Commission has arrived at the following conclusions of law:

The Commission has jurisdiction over the subject matter of this case pursuant to Section 386.250 and Section 392.520, RSMo 1994. The statutes provide the Commission with general regulatory authority over the operations of the telecommunications companies within its jurisdiction, including conditions and methods of providing service. The selection of a method for addressing NPA exhaustion and the changing of customer dialing patterns is within this broad statutory authority. The Missouri Public Service Commission already has issued decisions regarding the establishment and modification of rate centers and extended local calling areas under its broad authority referenced above.

The FCC has recognized that state commissions have a significant role in choosing area code relief mechanisms and deciding details of the implementation of those area code relief methods. Pennsylvania Order Released September 28, 1998. The FCC has not delegated to state commissions the authority to administer or allocate NXX codes. Id. In the Pennsylvania Order Released September 28, 1998, the FCC reconsidered the delegated authority granted to state commissions to implement area code relief. The FCC granted additional authority to state commission to order NXX code rationing, under certain conditions, giving the state commissions more flexibility in implementation of relief. In addition, the FCC ordered further consideration of additional delegation of authority to the states to implement number conservation methods.

## **IT IS THEREFORE ORDERED:**

1. That Southwestern Bell Telephone Company shall implement Rate Center Consolidation Option No. 1 no later than December 31, 1999. Southwestern Bell Telephone Company shall submit a report to the Commission by October 30, 1999, setting forth the proposal with time line information indicating when the Commission should expect completion of the implementation of the Rate Center Consolidation Report Option No. 1 as set forth in the Rate Center Consolidation



Report filed

with the Commission on December 22, 1998.

2. That the Staff of the Public Service Commission shall file a request with the Federal Communication Commission seeking additional delegated authority on an expedited basis to implement all available number conservation measures in the state of Missouri including but not limited to those number conservation methods for which the FCC has granted additional delegated authority to other states.

3. That this order shall become effective on October 12, 1999.

4. That this case may be closed after October 13, 1999.

**BY THE COMMISSION**

**Dale Hardy Roberts**

**Secretary/Chief Regulatory Law Judge**

( S E A L )

Lumpe, Ch., Crumpton, Murray,  
Schemenauer, and Drainer, CC.,

concur and certify compliance

with the provisions of

Section 536.080, RSMo 1994.

Dated at Jefferson City, Missouri,  
on the 30th day of September, 1999.

Register, Regulatory Law Judge

