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Decision 98-11-065 November 19, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Order Instituting Rulemaking on the Commission's Own Motion into Competition for Local Exchange Service.

Rulemaking 95-04-043 (Filed April 26, 1995)

Order Instituting Investigation on the Commission's Own Motion into Competition for Local Exchange Service. Investigation 95-04-044 (Filed April 26, 1995)

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OPINION

I. Introduction

By this decision, we formally approve a single comprehensive overlay relief plan for the 408 Numbering Plan Area (NPA) based upon review of the alternatives as presented to the Commission by the North American Numbering Plan Administrator (NANPA)' by transmittal letter dated August 20, 1998, party position papers and filings, and comments received in response to an Administrative Law Judge (ALJ) ruling dated September 25, 1998.

The 408 area code was created through a split from the 415 area code in 1959. The 831 area code was created through a split from the 408 area code in July 1998. The remaining 408 area code still requires additional relief to meet the industry's projected NXX code exhaustion date of second quarter 1999. Since the 408/831 split, the 408 area code serves Local Access Transport Area (LATA) 722, and there are 11 Rate Centers in the 408 area code.

A 408 NPA relief plan proposal was developed by representatives of the California telecommunications industry in meetings facilitated by NANPA using a consensus decisionmaking process and following industry approved NPA relief planning guidelines. We have reviewed the industry's as well as alternative options. We conclude that 408 NPA relief should be implemented through a comprehensive overlay over the entire 408 area code geographical area. Existing numbers would retain the 408 area code, while new numbers

¹ Lockheed-Martin IMS has recently been appointed as the NANPA and is taking over the area code relief administration previously performed by Pacific Bell (Pacific) on a regional basis, and by Bellcore on a national basis. While Pacific retains responsibility for completing previous NPA relief plans, which it initiated, Lockheed-Martin will assume responsibility for all future NPA relief plans. The NANPA, as the neutral thirdparty administrator, has no independent view regarding the selected option.

at a minimum for competitive neutrality. These were: (1) mandatory 1+10-digit dialing for all calls within the service areas subject to the overlay;² and (2) the full implementation of permanent local number portability (LNP) within the service area subject to the overlay. We determined that a further record needed to be developed regarding the relative merits of overlays versus splits once anticompetitive impediments could be overcome.

On December 20, 1996, the Commission released D.96-12-086, further expanding on the policy regarding the use of overlays once the competitive impediments could be resolved. In D.96-12-086, we evaluated the relative merits of splits versus overlays in terms of how consumers would be impacted differently with an overlay versus a geographic split. In particular, we reviewed consumer surveys conducted by various parties concerning preferences for overlays and geographic splits as a means of creating new area codes. In that decision, we concluded that, at least for the near term, customers were better served with the geographic split option. We directed that splits should continue to be used for relief plans which would take effect at least through the year 2000. However, particularly in light of the consumer preference survey which reflected a greater receptiveness among certain classes of customers to the overlay proposal in the 310 NPA compared to other NPAs, we left open the possibility of adopting an overlay for the next round of relief in the 310 NPA to take effect prior to 2000. Because consumer preference for an overlay in the survey was premised on the longevity of NPA relief, we ruled in D.96-12-086 that the overlay

² In D.96-12-086, we decided not to adopt statewide mandatory 1+10-digit dialing concurrently with the first overlay. We concluded that the advantages of preserving seven-digit dialing, for as many customers and for as long as possible, outweigh any potential customer confusion resulting from instituting mandatory 1+10-digit dialing only in those regions subject to overlays.

policies, we now consider the proposed options submitted by NANPA for relief in the 408 NPA.

II. Industry Relief Planning Process

The planning process for NPA Relief is established in the industryapproved document INC 97-0404-016 "NPA Code Relief Planning and Notification Guidelines," to be used by NPA Relief Coordinators. The document lists the assumptions, constraints, and planning principles used in NPA Code relief planning efforts. It also lists the steps of the NPA Code relief planning process and describes the alternative methods of providing NPA Code relief and their characteristics.. The NANPA convened a series of meetings with the telecommunications Industry Planning Team to discuss and develop relief alternatives for the 408 NPA. This team is composed of the NANPA, the Telecommunications Division staff and current code holders: local exchange carriers, interexchange carriers, wireless carriers and competitive local carriers (CLCs).

The criteria to compare NPA relief alternatives are:³

- 1. Minimize end users' confusion.
- 2. Balance the cost of implementation for all affected parties.
- 3. Provide that customers who undergo number changes shall not be required to change again for a period of eight to ten years.
- 4. Not favor a particular interest group.
- 5. Cover a period of at least five years beyond the predicted date of exhaustion.

³ The criteria are based on the INC 97-0404-016 "NPA Code Relief Planning and Notification Guidelines."

three-way geographic split plan (Alternative 10A/B/C), and a two phased twoway geographic split with a subsequent overlay (Alternative 15) were presented.

Attendees at the public and local jurisdictions completed "Show-of-Interest" forms indicating their preference for the various plans. The Show-of-Interest is not intended to reflect a statistically significant sample of public opinion. The Show-of-Interest does provide the industry with some indication of which alternative has the most support by area, and also provides the industry a method of gathering comments and issues from those in attendance.

At the Local Jurisdiction meeting, a total of 10 Show-of-Interest forms were submitted, however, two were turned in with no selection. Three forms did not indicate a second choice. Of those alternatives that received a first choice selection four were for Alternative 14,⁴ one for Alternative 12A, one each for Alternative 1A and 1B. Two second choices were given to Alternative 10C, and one each to Alternative 1A and 10A.

Throughout the Show-of-Interest forms, a recurring remark was that every effort should be made to keep the City of San Jose in one area code. The grand total Show of Interest selections from both the Local Jurisdiction and Public Meetings resulted in 13 selecting Alternative 15, and seven for Alternative 10C, four each for Alternatives 1A, 1B, 10A, and 12A, and two for 12B. No selections were made for Alternative 10B. There is a dominant showing of interest towards Alternative 15, and a secondary interest towards Alternative 10C. An equal, but lesser interest in Alternatives 1A, 1B, 10A, and 12A. Alternative 15, calling for a

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⁴ Alternative 14 is the same as Alternative 15, except that it uses a second new area code for the Phase II overlay instead of simply extending the same area code as used in Phase I.

CORRECTION !!

THE PREVIOUS DOCUMENT(S) MAY HAVE BEEN FILMED INCORRECTLY

RESHOOT FOLLOWS