

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the  
Commission's Own Motion Regarding  
Commission Policy on Area Code Relief.

**FILED**  
Public Utilities Commission  
December 17, 1998  
San Francisco Office  
Rulemaking 98-12-014

**ORDER INSTITUTING RULEMAKING**

## I. Summary

By this order, the California Public Utilities Commission (CPUC or Commission) institutes a rulemaking to consider the following policy options to govern the implementation of new area codes<sup>1</sup>: (1) the use of geographic splits to implement all new area codes, (2) the use of overlays to implement all new area codes, and (3) some combination of the previous two options.<sup>2</sup> The area code policy adopted in this rulemaking will supersede the policy adopted in Decision (D.) 96-12-086 which required the use of geographic splits to implement all new area codes scheduled to become operative through calendar year 2000.<sup>3</sup> Appendix B of this order summarizes the specific issues we intend to consider in this proceeding. Opening comments addressing the issues in Appendix B are due by February 1, 1999, and reply comments are due by March 5, 1999.

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<sup>1</sup> The structure of telephone numbers in the United States is governed by the North American Numbering Plan (NANP). Telephone numbers in the NANP utilize a 10-digit dialing format composed of a 3-digit area code, a 3-digit central office (NXX) code or “prefix,” and a 4-digit line number. Area codes are assigned by the NANP administrator to specific geographic areas known as Numbering Plan Areas (NPAs).

<sup>2</sup> When the supply of telephone numbers within an area code becomes exhausted, there are presently two options to relieve the exhausting area code. Under the geographic split option, the NPA served by the exhausting area code is split into two regions, with one region keeping the existing area code, and the other region receiving a new area code. Under the overlay option, the NPA served by the exhausting area code is “overlaid” with a new area code, resulting in two area codes (i.e., both the existing area code and the new area code) serving the same NPA.

<sup>3</sup> There are two exceptions to the Commission’s policy that geographic splits be used for all new area codes implemented through the end of the year 2000. In D.98-05-021, the Commission adopted an overlay for the 310 NPA, and in D.98-11-065 the Commission adopted an overlay in the 408 NPA.

## II. Background

### A. Commission Decisions

The demand for new area codes in California has been explosive. During 1997 and 1998, for example, 10 new area codes were implemented in California,<sup>4</sup> and five more area codes are scheduled to be implemented over the next two years.<sup>5</sup> Planning for an additional nine area codes is now underway.<sup>6</sup> Indeed, some area codes in California now face a third round of area code relief within a relatively short time period.

In D.95-08-052, we recognized the need to develop a statewide policy for implementing new area codes in a competitively neutral manner while minimizing cost and disruption to the public. In D.96-08-028, we took our first steps in the development of such a policy when we stated that overlays would not be used to implement new area codes until several conditions were in place to mitigate the anti-competitive effects of overlays. First, we stated that mandatory 1+10-digit dialing must be in place by the time the overlay is implemented. Second, permanent Local Number Portability (LNP) must be fully deployed in the NPA subject to the overlay. Finally, all new customers who initiate service within an NPA after an overlay becomes operative must be assigned numbers from the new “overlay” area code; while existing customers

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<sup>4</sup> These area codes are: 323, 530, 559, 562, 626, 650, 760, 831, 925, and 949.

<sup>5</sup> In 1999, the 805 NPA will be split creating the 661 NPA, and the 424 NPA will be overlaid on the 310 NPA. In addition, the 619 NPA will be split twice, once in 1999 creating the 858 NPA, and again in 2000 creating the 935 NPA. In 2000, the 669 NPA will be overlaid on the 408 NPA.

<sup>6</sup> Relief planning is currently underway in the following NPAs: 415, 510, 562, 650, 714, 760, 805, 818, and 909.

would be able to receive additional lines at the same location served by numbers from the “old” area code to the extent that such numbers are available.

In D.96-12-086, we continued our progress in the development of a statewide area code policy. In that decision, we concluded that geographic splits cause the fewest negative impacts to customers, and ordered that splits should be used to implement all new area codes through the year 2000, with the possible exception of an overlay for the 310 NPA. We also stated that we would consider in a later phase of the Local Competition docket (Rulemaking (R.) 95-01-020/Investigation (I.) 95-01-021) the development of a policy that allowed for the use of overlays in densely populated regions where new area codes will not be implemented until after January 2001.<sup>7</sup>

In D.96-12-086, we refined and expanded our conditions for approving overlays. First, we concluded that mandatory 1+10-digit dialing shall be implemented as a condition of approving any overlay, but only in the NPA regions covered by the overlay. Second, we required that a customer education program, which explained the new overlay and accompanying 1+10-digit dialing requirement, be instituted at least 12 months prior to the implementation of the overlay. Third, we required that carriers without NXX codes in the existing NPA have an opportunity to acquire at least one NXX code in the existing NPA during the 90-day period preceding the implementation of the overlay.<sup>8</sup> Finally, we

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<sup>7</sup> As discussed elsewhere in this order, our consideration of overlays for densely populated regions will occur in this proceeding and not in the Local Competition docket.

<sup>8</sup> The Federal Communications Commission (FCC) in FCC Order 96-333, Second Report and Order and Memorandum Opinion and Order (adopted and released August 8, 1996), required (1) mandatory 1+10-digit dialing between and within geographic areas that have overlays; and (2) that every telecommunications carrier be

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required that upon approval of any overlay, procedures would have to be developed to:

- a) Notify the industry, national code administrator, and customers of the proposed dialing plan change;
- b) Educate customers, the industry, and telephone company employees of the dialing plan change;
- c) Correct signage for dialing instructions on payphones and in directories;
- d) Perform switch translation work for implementing mandatory dialing 12 weeks prior to cut-over; and
- e) Provide instructional announcements to customers who make “misdialed” 7-digit calls beginning with the cutover.

To date, we have approved overlays for the 310 NPA and the 408 NPA. With the adoption of each of these overlays, we concluded that our previously established conditions for the implementation of overlays would be satisfied by the time the overlays were implemented.

**B. Public Utilities Code**

The implementation of new area codes is governed, in part, by the California Public Utilities Code (PU Code). In 1998, the Commission, working closely with the telecommunications industry, proposed to the California Legislature certain changes to PU Code to protect both the industry and the public. The Legislature enacted the changes, which will take effect on January 1, 1999<sup>9</sup>. The revised statutes require: (1) a 30-month industry planning process

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assigned at least one NXX code in the existing area code during the 90-day period preceding the introduction of the overlay area code.

<sup>9</sup> The revisions to the PU Code include repealing §2887, which pertains to consideration of communities of interest and municipal boundaries when establishing new area codes. Consideration of those items are, however, included in the revision

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whenever a new area code is established in California, (2) notices to the public and the CPUC regarding upcoming area code relief, (3) meetings with local jurisdictions and the public regarding relief proposals, (4) protection of customer rates for service during area code changes, and (5) transitional dialing periods when new area codes are established.

**C. Industry Guidelines**

In order to plan and implement area code relief, the telecommunications industry relies on the industry-approved document INC 97-0404-016 “NPA Code Relief Planning and Notification Guidelines.” This document lists the assumptions, constraints, and planning principles used in NPA relief planning. It also lists the steps of the NPA relief planning process and describes the options for providing NPA relief. Using INC 97-0404-016, the telecommunications industry adopted a set of criteria in May 1997 to evaluate options when a new area code needs to be implemented in California. These criteria are:

- 1) Minimize end users’ confusion.
- 2) Balance the cost of implementation for all affected parties.
- 3) Provide that customers who undergo an area code change shall not be required to change area codes 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 predicated date of exhaustion.
- 6) Provide that in the case of a geographic split, all the newly created NPAs will exhaust their area codes at about the same time. In practice, this may not be possible, but severe imbalances such as a difference in NPA lifetimes of more than 15 years should be avoided.

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of §7930 of the PU Code. In addition, a new section §7931 is added and existing code sections are amended and renumbered as §7932 and §7933.

- 7) Comply with state and federal statutes, regulations, and orders.

### **III. Future Area Code Policy**

The explosive demand for new area codes shows no signs of abating. Because of this, we seek to ensure that each of the many new area codes to come will be implemented in a way that (1) minimizes costs and disruption to customers, and (2) is competitively neutral towards the different segments of the telecommunications industry. At this point, there appear to be four policy options for implementing new area codes: (1) the mandatory use of overlays for all new area codes (statewide overlay policy); (2) the mandatory use of overlays for only specific regions of the State (region-wide overlay policy); (3) the mandatory use of geographic splits for all new area codes (statewide geographic split policy); and (4) a case-by-case approach to determining whether an overlay or geographic split should be used to implement each new area code (case-by-case policy). To help us choose from among these four policy options, we ask parties to comment on the following:

- ◇ What are the pros and cons of each of the following policies: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, and (iv) a case-by-case policy?
- ◇ What factors should be considered when determining whether to adopt: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, or (iv) a case-by-case policy?
- ◇ What conditions should attach to the adoption of: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, or (iv) a case-by-case policy?
- ◇ How does the demand for telephone number resources support the adoption by the CPUC of the following policies: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, or (iv) a case-by-case policy?

**A. Statewide Overlay Policy**

Under a statewide overlay policy, all new area codes would be implemented by the use of overlays. In previous decisions, we adopted several conditions that must be satisfied prior to the implementation of an overlay. We do not intend to reconsider our previously adopted conditions in this proceeding; we only intend to consider how these conditions should be implemented as part of any overlay policy that we may adopt in this rulemaking.

Our first condition for implementing an overlay is that mandatory 1+10-digit dialing must be in place in the NPA at the time the overlay is implemented. We have declined to adopt mandatory statewide 1+10-digit dialing as a condition for implementing overlays on the basis that consumer surveys showed a strong preference for 7-digit dialing. However, with the proliferation of smaller NPAs, consumers with 7-digit dialing in their own NPA are having to dial 1+10 digits more frequently in order to reach a party in another NPA. Therefore, we seek to explore in this rulemaking whether circumstances have changed such that we should revise our previous decision that mandatory 1+10-digit dialing should be confined to only those NPAs that have an overlay.<sup>10</sup>

Our second condition for an overlay is that LNP must be fully deployed in the NPA by the time the overlay is implemented. In accordance with FCC Order 96-286, First Report and order and Further Notice of Proposed Rulemaking (Docket 95-116, adopted June 27, 1996) and FCC Order 97-74, First Memorandum

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<sup>10</sup> On November 6, 1998, the FCC issued a Public Notice seeking comments regarding a report by the North American Numbering Council (NANC) titled "Number Resource Optimization Working Group's Modified Report on Number Optimization Methods." Included in the NANC's report are various proposals regarding mandatory 1+10-digit dialing. Should the FCC issue an order that affects this proceeding, we may

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Opinion and Order On Reconsideration (Docket 95-116, adopted March 6, 1997), all local exchange carriers (LECs) are required to provide LNP within the 100 largest Metropolitan Statistical Areas (MSAs) by no later than December 31, 1998, provided that another carrier has requested LNP in the MSA.<sup>11</sup> Beginning on January 1, 1999, a carrier may request LNP in areas outside the 100 largest MSAs, and the LEC must provide LNP in these areas no later than six months after the request. The FCC also requires Commercial Mobile Radio Services (CMRS) providers to (1) be able to deliver calls from their networks to ported numbers by December 31, 1998, and (2) offer number portability and the capability to support roaming nationwide by June 30, 1999.<sup>12</sup> On September 1, 1998, the FCC extended the deadline for LNP implementation by CMRS providers to March 31, 2000. Small, rural LECs may also seek a waiver from the FCC's LNP requirements.<sup>13</sup>

Consistent with the previous discussion, we seek comments on the following issues related to the statewide overlay policy:

- ◇ If a statewide overlay policy is adopted, should mandatory 1+10-digit dialing be limited to only those NPAs where overlays are implemented, or should mandatory 1+10-digit dialing be required statewide?
- ◇ Is it technically feasible to adopt mandatory 1+10-digit dialing on a statewide basis? If so, when?

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seek additional comments in this proceeding on the implications of such an FCC order.

<sup>11</sup> Of the 100 largest MSAs, the following are in California: Los Angeles, Riverside, San Diego, Orange County, Oakland, San Francisco, San Jose, Sacramento, Fresno, Ventura, Bakersfield, Stockton, and Vallejo.

<sup>12</sup> FCC Order 96-286. Several CMRS providers have filed petitions at the FCC asking for exceptions and/or forbearance from the FCC's LNP deployment requirements.

<sup>13</sup> To date, no small, rural LEC in California has sought such a waiver.

- ◇ If the adoption of a statewide overlay policy is accompanied by a requirement to implement 1+10-digit dialing on a statewide basis, under what terms and conditions should statewide 1+10-digit dialing be implemented? For example, should the “1+” in 1+10-digit dialing be used as a toll indicator in a statewide 1+10-digit dialing regime?
- ◇ If a statewide overlay policy is adopted, is it technically feasible to also adopt LNP on a statewide basis? If so, when? Besides “statewide LNP,” what other alternatives exist for fulfilling our condition that LNP be fully deployed in an NPA by the time an overlay is implemented in the NPA? What is the technical feasibility of each of these alternatives, and when can these alternatives be implemented?
- ◇ If a statewide overlay policy is adopted, should special exemptions or other consideration be given to CMRS providers and small, rural LECs with respect to LNP deployment?

***B. Region-wide Overlay Policy***

Under a region-wide overlay policy, overlays would be mandated for specific regions of the State and geographic splits for the remaining parts of the State. Parties are invited to comment on what criteria should be used to select regions where overlays should be required. One possible criterion is that overlays should be mandatory for densely populated NPAs (“DP-NPAs”). A clear definition is needed, however, as to what constitutes a DP-NPA. One possibility is to define a DP-NPA as an NPA in which LNP has been deployed in accordance with FCC regulations. However, since NPA and MSA boundaries may not always match, there must be a clear understanding of how this definition of an DP-NPA would work in practice. Parties are encouraged to suggest other methods for defining DP-NPAs (e.g., by the size of the NPA).

A second criterion for selecting regions that should be subject to overlays might be whether an overlay has previously been implemented in the region. There is a general assumption in the telecommunications industry that once an

overlay has been implemented in an NPA, any subsequent relief must also be in the form of an overlay. The rationale for this assumption, however, has never been put before the Commission. It may be that technical constraints prevent the split of an NPA that already has an overlay. On the other hand, there may also be technical constraints on the number of overlays that can be “stacked” in any given NPA.

A third criterion for selecting regions that should be subject to overlays might be whether a region has previously experienced a geographic split that failed to provide sufficient relief. According to some parties, several recent splits have exhausted prematurely and thereby failed to provide sufficient NXX codes to end NXX rationing in one or both of the “split” NPAs. Others suggest that the premature exhaust may instead be related to the need for better forecasting,<sup>14</sup> tracking, and conservation of NXX codes. In deciding whether to adopt this criterion, we seek parties’ comments on whether overlays are better at conserving numbering resources than geographic splits. We also seek comments on (1) the methods and data that should be used to forecast demand for numbering resources, and (2) how forecasts should be used to determine which areas should be subject to a region-wide overlay policy.

If we adopt a region-wide overlay policy, we must also consider how to apply our “overlay conditions” regarding mandatory 1+10-digit dialing and LNP.

Consistent with the previous discussion, we solicit comments on the following topics related to adoption of a region-wide overlay policy:

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<sup>14</sup> In D.98-08-037, the Commission noted that the CA is expected to initiate a new forecasting tool for estimating NXX code demand and area code relief durability.

- ◇ If a region-wide overlay policy is adopted, what criteria should be used to select regions where overlays should be mandatory and/or where splits should be mandatory?
- ◇ What are the pros and cons of using each of the following criteria to select regions where overlays should be mandatory: (a) the densely populated NPA criterion; (b) the existing overlay criterion; and (c) the failed geographic split criterion?
- ◇ Can an DP-NPA be defined as an NPA in which LNP has been deployed? What other alternatives are there for defining what constitutes an DP-NPAs in a region-wide overlay policy? What are the pros and cons of using each alternative?
- ◇ Which California NPAs have or will have LNP deployed in them by December 31, 1998, in accordance with FCC requirements? To what extent will LNP be deployed in each of these NPAs by December 31, 1998, i.e., will LNP be deployed in all the switches serving the NPA, or only in some of the switches?
- ◇ Which California NPAs will have LNP deployed in them by December 31, 2000, in accordance with FCC requirements? To what extent will LNP be deployed in each of these NPAs by December 31, 2000, i.e., will LNP be deployed in all the switches serving the NPA, or only in some of the switches?
- ◇ What technical or other constraints limit the use of a geographic split for relief in an NPA that is already subject to an overlay?
- ◇ Are there technical constraints that limit the number of overlays that can be “stacked”? How many overlays can be “stacked” on top of one another given existing technology? If there is a limit to the number of overlays that can be “stacked” in a given NPA, what are the alternatives for providing area code relief after the maximum number of “stacked” overlays has been reached?

- ◇ If the Commission adopts a region-wide overlay policy, how should the “overlay conditions” regarding LNP and mandatory 1+10-digit dialing be implemented? For example, should the Commission implement LNP and mandatory 1+10-digit dialing (a) simultaneously across all NPAs in the areas affected by the region-wide overlay policy, (b) only in those NPAs where overlays are implemented, or (c) using some other approach?
- ◇ In those California NPAs that have exhausted sooner than the projections contained in NPA relief plans, were there problems with the data or the method used in the NPA relief plans to forecast the lives of the original and new NPAs? If so, what were these problems? Do these problems apply equally to the projected lives of geographic splits and overlays?
- ◇ If the forecasting methodology had problems, does the CPUC have authority to revise the methodology? What are the alternatives for improving the methodology? What efforts are on-going at national and state levels to improve the forecasting methodology?
- ◇ Has the Commission’s policy of allowing wireless carriers who are connected at tandem switches to remain in the existing area code when there is a geographic split contributed to premature exhaust of geographic splits<sup>15</sup>?
- ◇ Have overlays adopted in other states exhausted prematurely? If so, what factors have led to their premature exhaust?

### **C. Statewide Geographic Split Policy**

Under the statewide geographic split policy, all new area codes would be implemented via the use of geographic splits. There are several advantages to this policy. For example, geographic splits have traditionally been used to implement new area codes, so the technical process for their implementation is well understood. Moreover, splits provide customers with a sense of whether telephone numbers are located in the old or new area codes, and allow customers

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<sup>15</sup> This policy is described in Conclusion of Law 23 of D.96-08-028.

to retain 7-digit dialing when making calls within their NPA. On the other hand, with the continued use of splits to implement the growing number of new area codes, it becomes increasingly difficult to (1) draw new area code boundaries that do not divide local communities, and (2) balance the projected lives of the old and new NPAs.

We solicit input on the following issues related to whether the Commission should continue its traditional reliance on geographic splits as the primary means to implement new area codes:

- ◇ If the Commission adopts a statewide geographic split policy, what criteria should be used to draw new area code boundaries? Should all of these criteria be given equal weight, or are some criteria more important than others?
- ◇ What is the smallest level at which an NPA can viably be split?

***D. Case-by-Case Policy***

Under the case-by-case policy, the Commission would determine on a case-by-case basis whether an overlay or geographic split should be used to implement each new area code. A case-by-case policy has the advantage of providing more flexibility in designing area code relief plans that satisfy (a) regulatory mandates, (b) statutory mandates, (c) industry guidelines, and (d) the needs and concerns of local communities. For example, under the case-by-case policy the Commission could implement a geographic split with a subsequent overlay in an effort to provide more durable relief. On the other hand, without definitive criteria for choosing between splits and overlays, time and resources could be expended re-litigating the same issues every time a new area code is implemented. Therefore, if the case-by-case policy is adopted, we intend to concurrently adopt criteria for selecting the appropriate area code relief in order to minimize the number and intensity of disputes over new area codes.

Consistent with the previous discussion, we ask parties to comment on the following issues related to the case-by-case policy:

- ◇ Would a case-by-case policy be more effective than a statewide overlay policy, a region-wide overlay policy, or a statewide geographic split policy in satisfying (a) regulatory mandates, (b) statutory mandates, (c) industry guidelines, and (d) the needs and concerns of local communities.
- ◇ If a case-by-case policy is adopted, what criteria should be adopted to (i) select the appropriate area code relief, and (ii) minimize disputes when area code relief proposals are developed by the industry and the CA, and considered by the Commission?
- ◇ If the Commission adopts a case-by-case policy, how should the “overlay conditions” regarding LNP and mandatory 1+10-digit dialing be implemented in those NPAs where overlays are adopted? For example, should mandatory statewide 1+10-digit dialing be adopted even if the Commission adopts overlays only a case-by-case basis?

#### **IV. Timetable and Applicability of Area Code Policy**

Our intent is to apply the policy we adopt in this proceeding to all new area codes as soon as possible. We therefore seek parties’ comments on when any “new” area code policy can be implemented and to which NPAs it can be applied.<sup>16</sup> In providing comments on this matter, parties should assume that we will not adopt a new area code policy before the end of 1999.

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<sup>16</sup> If an overlay is adopted as the relief option in each of the 415, 510, 650, 714, 760, and 818 NPAs, the telecommunications industry has tentatively selected implementation dates within the first six months of 2001. Relief planning has just begun for the 562 and 805 NPAs, and the industry has not yet selected dates for implementing any relief options, including overlays. Among the alternatives being considered for the 909 NPA is a geographic split to be implemented in 2000 followed by an overlay in 2001.

- ◇ Which NPAs would be subject to a “new” area code policy assuming the new policy is effective on (a) January 1, 2000, or (b) January 1, 2001?
- ◇ What are the technical, statutory, and other limitations to implementing any area code policy adopted in this proceeding prior to December 31, 2000?
- ◇ What are the technical, statutory, and other limitations to implementing any area code policy adopted in this proceeding after December 31, 2000?

## **V. Related Issues**

There are various consumer, competitive, technical, and regulatory issues which we must consider in developing our area code policy. These issues are discussed below.

### **A. Consumer Issues**

The area code policy we adopted in D.96-12-086 was based, in large part, on the results of three surveys of consumers regarding their preference for splits versus overlays.<sup>17</sup> In general, these surveys showed a marked consumer preference for splits. However, given the number of area codes splits that have recently been implemented in California, many consumers may have changed their preferences for splits, and the results of the consumer surveys that we relied upon in D.96-12-086 may no longer be valid. Instead of conducting new surveys, we intend to obtain public input on area code policy by using public forums such as full panel hearings, public participation hearings, roundtable discussions, and focus groups. Parties are invited to comment on (1) our use of

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<sup>17</sup> The three consumer surveys were conducted by (1) Pacific Bell (Pacific), (2) GTE California Incorporated (GTEC); and (3) the Area Code Coalition which included ICG Access Services, AT&T Communications, California Cable Television Association, Sprint, MFS, TCG and MCI.



public forums as the primary means for obtaining public input on area code policy and (2) how these forums should be structured.

In D.96-12-086, we required that any overlay be accompanied by an education program designed to mitigate potential customer confusion associated with overlays and the accompanying 1+10-digit dialing requirement. In our decisions approving overlays for the 310 and 408 NPAs, we directed the CA and the telecommunications industry to devise and implement customer education programs, subject to Commission approval. We ask parties to comment on whether the customer education programs for the 310 and 408 overlays can serve as a model for future overlay education programs.

Consistent with the above discussion, we solicit comments on the following consumer issues:

- ◇ How should the CPUC obtain public input on: (1) consumer preferences for splits versus overlays, and (2) ways to mitigate the negative impact of area code changes? Is the use of full panel hearings, public participation hearings, and roundtable discussions an effective means of obtaining public input on these two matters? How should public forums be structured?
- ◇ Should the Commission use consumer surveys to obtain public input on: (1) consumer preferences for splits versus overlays, and (2) ways to mitigate the negative impact of area code changes? If so, then (a) what questions should be included in the surveys (e.g., use the same questions that were included in the consumer surveys which the Commission found reasonable in D.96-12-086), and (b) who should be responsible for conducting the surveys (e.g., require each incumbent local exchange carrier to conduct a survey in its own service territory)?
- ◇ Should the Commission adopt the customer education programs and the program funding mechanisms used in the 310 and 408 NPA overlays as the model for mandatory customer education programs for all new overlays to be introduced in the State?

**B. Competitive Issues**

We observed in the Local Competition docket that the use of overlays raises competitive issues. For example, when an overlay is implemented, customers may perceive telephone numbers in the new “overlay” area code as less desirable than telephone numbers in the existing area code. This may cause a business to seek to avoid numbers in the overlay area code since potential customers of the business may perceive the new area code as evidence that the business is not well established. As a result, overlays may confer a competitive advantage to incumbent local exchange carriers (ILECs) who, when compared with other carriers, have a large supply of numbers in the existing area code and can thus offer consumers new and additional service in the existing area code.

We have taken several steps to reduce the anti-competitive effects of overlays. First, in D.96-08-028 and D.96-12-086, we required LNP and mandatory 1+10-digit dialing in NPAs where overlays are implemented. Second, in D.96-08-028, we required new customers to be assigned phone numbers from the new “overlay” area code while customers with phone numbers in the existing area code should be able to receive additional lines at the same location with numbers from the existing area code. However, we have yet to flesh out how to implement this requirement. Finally, in D.98-05-021 and D.98-11-065, we directed the ILECs to first assign telephone numbers to their customers in the 310 and 408 area codes (where we have adopted overlays) from NXXs with more than 25% utilization in an effort to preserve NXXs codes for number pooling.<sup>18</sup>

Consistent with the above discussion, we solicit comments on the following issues:

- ◇ How should the CPUC implement the requirement that new customers who initiate service within an NPA after an overlay becomes operative must receive numbers from the “overlay” area code regardless of which carrier provides service?
- ◇ Besides the measures already adopted by the Commission, what additional measures, if any, should be implemented to mitigate the potential anti-competitive effects of overlays?

**C. Technical Issues**

In the Local Competition docket, we received information on the constraints that Pacific’s and GTEC’s Operational Support Systems (OSS) impose on area code relief. Pacific indicated that it could implement 10 area code splits per year (i.e., its OSS could support 10 permissive and ten mandatory dialing periods per year), while GTEC indicated that it could implement one permissive and one mandatory dialing period each month, which translates into twelve area code splits each year.<sup>19</sup> No other carrier detailed specific OSS constraints in scheduling permissive or mandatory dialing periods for multiple new area codes.

Future NPA relief may entail the implementation of multiple new area codes within a short time period. We therefore seek parties’ comments regarding what OSS or other technical issues may arise as a result of implementing multiple new area codes within a short period of time.

- ◇ What OSS or other technical constraints exist when implementing (a) multiple overlays within a short time period of time, (b) combinations of geographic splits and overlays

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<sup>18</sup> Where numbering resources are scarce, number pooling promotes competitively neutral access to numbering resources for all carriers participating in the pool.

<sup>19</sup> Under special relief circumstances, GTEC indicated that it could implement more NPA splits, but noted certain OSS constraints with implementing more than one NPA relief conversion on the same weekend.

within a short time period of time, or (c) multiple geographic splits within a short period of time?

- ◇ How many splits, overlays, or combinations of the two, can be implemented in a given month and in a given year?

***D. Conservation of Numbering Resources***

Work has been initiated at both the national and state levels to devise number conservation measures. At the national level, the FCC directed the NANC to develop recommendations on the implementation of number pooling and other conservation measures. At the state level, in D.98-08-037, we ordered TD to convene workshops to address measures for conserving numbering resources, including number pooling and rate center consolidation. As a result of the workshops conducted thus far, the industry has formed a state taskforce to develop recommendations on a number pooling trial in California.<sup>20</sup>

Consistent with the previous discussion, we ask parties to comment on the following matter:

- ◇ How does work on number conservation measures at both the national and state levels affect the implementation of any area code policy we develop in this rulemaking and the timing of the policy's implementation?

***E. Compliance with Statutory Requirements***

As noted earlier, the PU Code imposes several mandates regarding the implementation of new area codes, including: (1) notice to the Commission and the public regarding proposed area code relief options, and (2) meetings with local jurisdiction officials and the public to solicit their input. Depending upon the area code policy adopted in this proceeding, we need explore alternatives for

fulfilling statutory requirements. For example, if we adopt a statewide overlay policy, we may wish to change our approach to holding public meetings to solicit input on area code relief proposals since the relief plan would be predetermined under that policy. We therefore request comments on the following:

- ◇ For each of the following area code policy options, how should the CPUC fulfill PU Code requirements: (a) the statewide overlay policy, (b) the region-wide overlay policy, (c) the statewide geographic split policy, and (d) the case-by-case policy?

## **VI. Preliminary Scoping Memo**

This rulemaking shall be conducted in accordance with Article 2.5 of the Commission's Rules of Practice and Procedure (Rules).<sup>21</sup> As required by Rule 6(c)(2), this order includes a preliminary scoping memo<sup>22</sup> as set forth below.

The scope of this rulemaking is to examine whether the primary means for implementing new area codes should be through the use of geographic splits, the use of overlays, or some combination of these two options. In addition, we will explore when any area code policy adopted in this rulemaking should become effective and which NPAs it will be applied to. We will also consider in this proceeding Pacific's petition to modify D.96-12-086 in which Pacific proposed several modifications to our existing area code policy. We shall not consider in this proceeding any area code policy options that require changes to the NANP

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<sup>20</sup> TD staff has held workshops on number pooling and lotteries for NXX codes. Future workshops will be held on rate center consolidation and NPA/NXX forecasting.

<sup>21</sup> The Rules of Practice and Procedure are posted on the Commission's web site at [www.cpuc.ca.gov](http://www.cpuc.ca.gov). Article 2.5 of the Rules implements many of the reforms contained in Senate Bill 960 (Stats. 1996, ch. 856).

<sup>22</sup> Rule 5(m) defines "scoping memo" as an order or ruling describing the issues to be considered in a proceeding and timetable for resolving the proceeding.

since implementation of such changes is beyond our jurisdiction. Appendix B contains a summary of the issues we intend to consider in this proceeding.

Pursuant to Rule 6(c)(2), we preliminarily determine the category of this rulemaking proceeding to be “quasi-legislative” as the term is defined in Rule 5(d).<sup>23</sup> Consistent with this categorization, we intend to modify our policy governing the implementation of new area codes based on written comments we receive from parties and legislative facts<sup>24</sup> we receive during a formal hearing before the Commission. We do not anticipate holding an evidentiary hearing since we do not foresee a need to receive testimony regarding adjudicative facts.<sup>25</sup>

The timetable for this proceeding is set forth in Appendix A. Interested parties shall file opening comments at the Commission’s Docket Office on February 1, 1999. Reply comments shall be filed at the Commission’s Docket Office on March 5, 1999. Absent substantial controversy among parties, we expect this proceeding to be concluded by December 1999. In no event shall this proceeding remain open for more than 18 months.

As required by Rule 6(c)(2), parties shall include in their opening comments any objections they may have regarding (1) the categorization of this proceeding as “quasi-legislative,” (2) the determination to hold a hearing for the presentation of legislative facts, and (3) the preliminary scope and timetable for this proceeding as described in this order. Any party who believes that an

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<sup>23</sup> Rule 5(d) defines “quasi-legislative” proceedings as those that establish policy or rules affecting a class of regulated entities.

<sup>24</sup> Rule 8(f)(3) defines “legislative facts” as general facts that help decide questions of law, policy and discretion.

<sup>25</sup> Rule 8(f)(1) defines “adjudicative facts” as those which answer questions such as who did what, where, when, how, why or with what motive or intent.

evidentiary hearing is required should file a motion requesting such a hearing by March 26, 1999. Any such motion must identify and describe (1) the material issues of fact, and (2) the adjudicative evidence the party proposes to introduce at the requested hearing. Any right that a party may otherwise have to an evidentiary hearing will be waived if the party does not submit a timely motion requesting an evidentiary hearing.

Following the receipt of comments and motions requesting an evidentiary hearing, if any, the assigned Commissioner shall issue a ruling that finalizes the category, scope, and schedule of this proceeding (Rules 6(c)(2) and 6.3). After the issuance of this ruling, parties may file and serve an appeal to the Commission regarding the assigned Commissioner's ruling on category (Rule 6.4).

Commissioner Josiah L. Neeper and Administrative Law Judge (ALJ) Timothy Kenney are assigned to this proceeding.

## **VII. Service of this Order and Service List for Proceeding**

The Local Competition docket has been used to develop our area code policy, implement specific area code relief plans, and to resolve complaints concerning new area codes. Therefore, so that potentially interested parties are notified of this rulemaking, we shall serve this order on the service lists for (1) R.95-04-043/I.95-04-044 and (2) complaint Cases (C.) 97-07-020, C.94-09-058, C.95-01-001, C.95-12-084, C.96-03-006. An electronic copy of this order may be obtained from the Commission's web site ([www.cpuc.ca.gov](http://www.cpuc.ca.gov)). Hard copies of this order will also be available from the Commission's Central Files Office, Public Advisor's Office, and Telecommunications Division.<sup>26</sup>

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<sup>26</sup> The Central Files Office can be reached at (415) 703-2045. The Public Advisor's Office can be reached at (213) 897-3544 in Los Angeles and (415) 703-2074 in San Francisco. The TD staff person, Risa Hernandez, can be reached at (415) 703-5331.

Persons and entities wishing to appear as an interested party in this proceeding must file either opening comments on February 1, 1999, or reply comments on March 5, 1999. After reply comments are filed on March 5, 1999, any person seeking to appear as an interested party in this proceeding shall serve a written request for party status on the assigned ALJ and all parties on the service list. Persons and entities who wish to be on the “state service” or the “information only” portion of the service list<sup>27</sup> may send a letter at any time to the Commission’s Process Office<sup>28</sup> with copies to the assigned ALJ and the Director of TD.<sup>29</sup> The assigned ALJ shall have on-going oversight of the service list and may institute changes to the service list or rules governing it, as needed.

Interested parties shall file opening comments at the Commission’s Docket Office on February 1, 1999, with copies to the Director of TD, the assigned ALJ, and the assigned Commissioner. An “initial” service will be posted on the Commission’s web site ([www.cpuc.ca.gov](http://www.cpuc.ca.gov)) by February 10, 1999.<sup>30</sup> After the initial service list becomes available, interested parties shall serve their opening

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<sup>27</sup> Those who qualify for state service are (1) Commission staff members, divisions, or branches; (2) Legislators or their staff members; and (3) State agencies of their staff members. Those in the state service category receive the same documents as “appearances,” and parties are required to serve their pleadings on all those included in the state-service category. However, those in the state-service category may not file pleadings, and they are not parties to the proceeding. Those in the information-only category will receive all Commission generated notices of hearings, rulings, proposed decisions, and Commission decisions at no charge.

<sup>28</sup> The address of the Commission’s Process Office is Room 2000, 505 Van Ness Avenue, San Francisco, CA 94102. The phone number of that office is (415) 703-2021.

<sup>29</sup> Persons on the state service or information only portions of the service list who wish to receive pleadings from active parties via e-mail should include in their letters their e-mail addresses. Upon request, active parties shall send their pleadings via e-mail to the state service and information only portions of the service list.

<sup>30</sup> A hardcopy of the “initial” service list may be obtained from the Process Office.



comments on the initial service list by no later than February 17, 1999. A certificate of service for the opening comments shall also be filed at the Commission's Docket Office by February 17, 1999.

Reply comments shall be filed and served on March 5, 1999, with copies to the Director of TD, the assigned ALJ, and the assigned Commissioner. An "updated" service list will be posted on the Commission's web site by March 12, 1999.<sup>31</sup> Parties shall serve their reply comments by March 19, 1999, on persons newly included on the "updated" service list and not previously served with their reply comments.<sup>32</sup> An updated certificate of service for the reply comments shall also be filed at the Commission's Docket Office by March 19, 1999.

We will be posting significant documents (e.g., rulings and decisions) on the Commission's web site, and some may find it convenient to follow this proceeding by periodically checking the web site. No letter is needed to monitor the proceeding in this fashion. Any person interested in participating in this rulemaking but unfamiliar with the Commission's procedures should contact the Commission's Public Advisor's Office.<sup>33</sup>

#### **VIII. Pacific Bell's Emergency Petition to Modify D.96-12-086**

On October 15, 1998, Pacific filed an Emergency Petition to Modify D.96-12-086 (petition). In its petition, Pacific contends that D.96-12-086 should be modified to eliminate the policy that geographic splits are to be used for all new

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<sup>31</sup> A hardcopy of the "updated" service list may be obtained from the Process Office.

<sup>32</sup> If a person did not file opening comments but filed reply comments, that person would not be on the "initial" service list for this proceeding. Such persons would, however, be included on the "updated" service list available on March 12, 1999.

area codes scheduled to become operative prior to the year 2001 (excepting the 310 NPA). Pacific recommends that the Commission adopt a rebuttable presumption in favor of overlays where: (1) the area to be relieved already has an overlay area code or mandatory 1+10-digit dialing, (2) the previous geographic split failed to provide sufficient relief to comply with industry standards for minimum length of relief, and (3) where demand for telephone numbers is at a premium (i.e., in high growth, densely populated regions of the state). Responses to Pacific's petition were filed on November 16, 1998.

Although Pacific's petition was filed in the Local Competition docket, we shall consolidate the petition into this proceeding since it raises issues directly related to this rulemaking.<sup>34</sup> Parties' written comments should not address Pacific's petition since parties have already had an opportunity to respond to it under Rule 47(f).<sup>35</sup> We shall act on Pacific's petition in either a stand alone decision or in conjunction with another decision in this proceeding.

#### **IX. Coordination with R.95-04-043/I.95-04-044**

In D.96-12-086, we stated that we would consider in the Local Competition docket the development of an overlay policy for densely populated regions where relief will not be implemented until after January 1, 2001. This matter will

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<sup>33</sup> The Public Advisor can be reached at (213) 897-3544 in Los Angeles and (415) 703-2074 in San Francisco.

<sup>34</sup> We note that many of the issues in Pacific's petition to modify are identical to those in its application for rehearing of D.96-12-086 filed on January 22, 1997. We denied most of Pacific's application for rehearing in D.97-09-050. Ordinarily, we would reject a party's petition for modification to the extent the petition raises the same issues as the party's previous application for rehearing. However, since the scope of this OIR encompasses the issues contained in Pacific's petition to modify, we do not need to address whether Pacific's petition is proper.

<sup>35</sup> Rule 47(f) states in pertinent part: "Responses to petitions for modification must be filed and served within 30 days of the date that the petition was served."

now be considered in this proceeding and not in the Local Competition docket. However, the Local Competition docket will continue to be used to address various matters affecting area code policy, including the development of NXX code conservation measures, and the review and approval of specific area code relief plans. We therefore instruct the ALJs assigned to this proceeding and the Local Competition docket to coordinate efforts with one another, as appropriate.

**X. Ex Parte Communications**

This proceeding is subject to Rule 7 which specifies the standards for engaging in ex parte communications and reporting these communications. Pursuant to Rules 7(a)(4) and 7(d), ex parte communications will be allowed in this proceeding without any restrictions or reporting requirements until the assigned Commissioner makes an appealable determination of category. Following the Commissioner's determination, the applicable ex parte communication and reporting requirements will depend on such determination unless and until the determination is modified by the Commission pursuant to Rules 6.4 or 6.5.

**O R D E R**

**IT IS ORDERED** that:

1. A rulemaking is instituted on the Commission's own motion for the purpose of considering the following policy options to govern the implementation of new area codes: (i) the use of geographic splits to implement all new area codes, (ii) the use of overlays to implement all new area codes, and (iii) some combination of the previous two options.

2. The area code policy adopted in this rulemaking, if any, will supersede the policy adopted in Decision (D.) 96-12-086 that geographic splits are to be used to implement almost all new area codes that become operative prior to 2001.

3. Persons and entities wishing to appear as interested parties in this proceeding must file either opening comments on February 1, 1999, or reply comments on March 5, 1999. After March 5, 1999, any person or entity seeking to appear as an interested party shall serve a written request for party status on the assigned ALJ and all parties on the service list.

4. Persons who wish to be on the “state service” or the “information only” portions of the service list may send a letter at any time to the Commission’s Process Office with copies to the assigned Administrative Law Judge (ALJ) and the Director of the Commission’s Telecommunications Division (TD).

5. The assigned ALJ shall have on-going oversight of the service list and may institute changes to the service list or rules governing it, as needed.

6. Written comments on matters within the scope of this proceeding shall be filed and served in accordance with (i) the instructions set forth in the body of this order and (ii) the timetable in Appendix A to this order.

7. As required by Rule 6(c)(2) of the Commission’s Rules of Practice and Procedure (Rule), parties shall state in their opening comments their objections to (i) the categorization of this proceeding as quasi-legislative, (ii) the determination to hold a hearing for the presentation of legislative facts, and/or (iii) the preliminary scope and timetable for this proceeding.

8. The Commission’s Process Office shall create an initial service list based on (i) opening comments filed by February 1, 1999, and (ii) letters requesting state service or information only status received by the Process Office by February 1, 1999. The initial service list shall be posted on the Commission’s web site ([www.cpuc.ca.gov](http://www.cpuc.ca.gov)) by February 10, 1999.

9. The Process Office shall create an updated service list based on (i) the initial service list, (ii) reply comments filed by March 5, 1999, and (iii) letters requesting state service or information only status received by the Process Office by March 5, 1999. The updated service list shall be posted on the Commission's web site by March 12, 1999.

10. The category of this rulemaking is preliminarily determined to be "quasi-legislative" as this term is defined by Rule 5(d).

11. There shall be hearing in this rulemaking to receive "legislative facts" as this term is defined by Rule 8(f)(3). The date of this hearing shall be set in a ruling by the assigned Commissioner.

12. There shall be no evidentiary hearings in this rulemaking to receive "adjudicative facts" as this term is defined by Rule 8(f)(1). The determination not to hold a hearing for the receipt of adjudicative facts may be reversed after the receipt of motions submitted in accordance with Ordering Paragraph 13.

13. Any party who believes an evidentiary hearing is required in this proceeding shall file a motion requesting such a hearing by March 26, 1999. Any such motion must identify and describe (i) the material issues of fact, and (ii) the adjudicative evidence the party proposes to introduce at the requested hearing. Any party that does not submit an timely motion for an evidentiary hearing shall have waived any rights to an evidentiary hearing that may exist.

14. The Executive Director shall cause this order and the appendices to this order to be posted on the Commission's web site.

15. The Executive Director shall serve this order on the service lists for the following dockets: (a) Rulemaking 95-04-043/Investigation 95-04-044, (b) Case (C.) 97-07-020, (c) C.94-09-058, (d) C.95-01-001, (e) C.95-12-084, and (f) C.96-03-006.

16. Parties may obtain this order and its appendices by downloading these documents from the Commission's web site, or by obtaining a hard copy of these documents from the Commission's Central Files Office, Public Advisor's Offices, or TD. The relevant telephone numbers for the Central Files Office, Public Advisor's Office, and TD are listed in the body of this order.

This order is effective today.

Dated December 17, 1998, at San Francisco, California.

RICHARD A. BILAS  
President  
P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners

## **APPENDIX A Proceeding Schedule**

|                          |   |
|--------------------------|---|
| <b>December 17, 1998</b> | Commission issues Order Instituting Rulemaking.   |
| <b>February 1, 1999</b>  | Opening comments filed at the Commission's Docket Office. Comments should include any objections to (1) the categorization of the proceeding, (2) the preliminary determination not to hold legislative hearings and (3) the preliminary scope and timeline for the OIR.  |
| <b>February 1, 1999</b>  | Letters due to the Process Office requesting placement on the initial service list in the state service category or the "information only" category.  |
| <b>February 10, 1999</b> | Initial service list available on the CPUC's web site or from the Commission's Process Office.  |
| <b>February 17, 1999</b> | Opening comments served on the initial service list and certificate of service for opening comments filed at the Commission's Docket Office.  |
| <b>March 5, 1999</b>     | Reply comments filed and served.  |
| <b>March 12, 1999</b>    | Updated service list available on CPUC web site or from the Commission's Process Office. The updated service list will include (i) persons on the initial service list, (ii) parties who only filed reply comments, and (iii) persons who filed letters after February 1, 1999, requesting placement on the state service or information only portions of the service list. |
| <b>March 19, 1999</b>    | Reply comments served on parties newly included on the updated service list. Updated service list for reply comments filed at the Commission's Docket Office.   |
| <b>March 26, 1999</b>    | Motions for evidentiary hearings due.   |
| <b>April 12, 1999</b>    | Reply to motion(s) due. (Rule 45(f))  |
| <b>May 1999</b>          | Assigned Commissioner Ruling (ACR) on the scope, schedule, need for hearing, and categorization of this proceeding. (Rule 6.3)  |
| <b>May - June 1999</b>   | Appeals of categorization may be filed no later than 10 days after the ACR. (Rule 6.4(a))   |
| <b>June 1999</b>         | Response to appeals of categorization may be filed no later than 15 days after the date of categorization from which timely appeal has been taken. (Rule 6.4(b))  |

|                       |  |
|-----------------------|--|
| <b>June 1999</b>      | Legislative hearing.   |
| <b>July 1999</b>      | Public forum(s) for public input.  |
| <b>August 1999</b>    | Requests for final oral arguments before the Commission due. (Rule 8(d)) |
| <b>September 1999</b> | Opportunity to present final oral arguments. (Rule 8(d))                 |
| <b>September 1999</b> | Proceeding submitted. (Rule 8.1(a))                                      |
| <b>October 1999</b>   | Proposed decision issued for comment. (Rule 8.1(b))                      |
| <b>November 1999</b>  | Comment filed on draft decision. (Rules 8.1(b) and 77.1 - 77.6)          |
| <b>December 1999</b>  | Commission issues final decision. (Rule 8.1(c))                          |

**(END OF APPENDIX A)**



**APPENDIX B**  
**Questions to the Parties**

1. What are the pros and cons of each of the following policies: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, and (iv) a case-by-case policy?
2. What factors should be considered when determining whether to adopt: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, or (iv) a case-by-case policy?
3. What conditions should attach to the adoption of: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, or (iv) a case-by-case policy?
4. How does the demand for telephone numbering resources support the adoption by the CPUC of the following policies: (i) a statewide overlay policy, (ii) a region-wide overlay policy, (iii) a statewide geographic split policy, or (iv) a case-by-case policy?
5. If a statewide overlay policy is adopted, should mandatory 1+10-digit dialing be limited to those NPAs where overlays are actually implemented, or should mandatory 1+10-digit dialing be required statewide?
6. Is it technically feasible to adopt mandatory 1+10-digit dialing on a statewide basis? If so, when?
7. If the adoption of a statewide overlay policy is accompanied by a requirement to implement 1+10-digit dialing on a statewide basis, under what terms and conditions should statewide 1+10-digit dialing be implemented? For example, should the “1+” in 1+10-digit dialing be used as a toll indicator in a statewide 1+10-digit dialing regime?
8. If a statewide overlay policy is adopted, is it technically feasible to also adopt LNP on a statewide basis? If so, when? Besides “statewide LNP,” what other alternatives exist for fulfilling our condition that LNP be fully deployed in an NPA by the time an overlay is implemented in the NPA? What is the technical feasibility of each of these alternatives, and when can these alternatives be implemented?
9. If a statewide overlay policy is adopted, should special exemptions or other consideration be given to CMRS providers and small, rural LECs with respect to our condition regarding LNP deployment?

10. If a region-wide overlay policy is adopted, what criteria should be used to select regions where overlays should be mandatory and/or where splits should be mandatory?
11. What are the pros and cons of using each of the following criteria to select regions where overlays should be mandatory: (a) the densely populated NPA criterion; (b) the existing overlay criterion; and (c) the failed geographic split criterion?
12. Can an DP-NPA be defined as an NPA in which LNP has been deployed? What other alternatives should the Commission consider for defining what constitutes small, densely populated NPAs in a region-wide overlay policy? What are the pros and cons of each alternative?
13. Which California NPAs have or will have LNP deployed in them by December 31, 1998, in accordance with FCC requirements? To what extent will LNP be deployed in each of these NPAs by December 31, 1998, i.e., will LNP be deployed in all the switches serving the NPA, or only in some of the switches?
14. Which California NPAs will have LNP deployed in them by December 31, 2000, in accordance with FCC requirements? To what extent will LNP be deployed in each of these NPAs by December 31, 2000, i.e., will LNP be deployed in all the switches serving the NPA, or only in some of the switches?
15. What technical or other constraints limit the use of a geographic split for relief in an NPA that is already subject to an overlay?
16. Are there technical constraints that limit the number of overlays that can be “stacked”? How many overlays can be “stacked” on top of one another given existing technology? If there is a limit to the number of overlays that can be “stacked” in a given NPA, what are the alternatives for providing area code relief after the maximum number of “stacked” overlays has been reached?
17. If the Commission adopts a region-wide overlay policy, how should the “overlay conditions” regarding LNP and mandatory 1+10-digit dialing be implemented? For example, should the Commission implement LNP and mandatory 1+10-digit dialing (a) simultaneously across all NPAs in the areas affected by the region-wide overlay policy, (b) only in those NPAs where overlays are implemented, or (c) using some other approach?

18. In those California NPAs that have exhausted sooner than the projections contained in NPA relief plans, were there problems with the data or the method used in the NPA relief plans to forecast the lives of the original and new NPAs? If so, what were these problems? Do these problems apply equally to the projected lives of geographic splits and overlays?
19. If the forecasting methodology had problems, does the CPUC have authority to revise the methodology? What are the alternatives for improving the methodology? What efforts are on-going at national and state levels to improve the forecasting methodology?
20. Has the Commission's policy of allowing wireless carriers who are connected at tandem switches to remain in the existing area code when there is a geographic split contributed to premature exhaust of geographic splits?
21. Have overlays adopted in other states exhausted prematurely? If so, what factors have led to their premature exhaust?
22. If the Commission adopts a statewide geographic split policy, what criteria should be used to draw new area code boundaries? Should all of these criteria be given equal weight, or are some criteria more important than others?
23. What is the smallest level at which an NPA can viably be split?
24. Would a case-by-case policy be more effective than a statewide overlay policy, a region-wide overlay policy, or a statewide geographic split policy in satisfying (a) regulatory mandates, (b) statutory mandates, (c) industry guidelines, and (d) the needs and concerns of local communities?
25. If a case-by-case policy is adopted, what criteria should be adopted to (i) select the appropriate area code relief, and (ii) minimize disputes when area code relief proposals are developed by the industry and the CA, and considered by the Commission?
26. If the Commission adopts a case-by-case policy, how should the "overlay conditions" regarding LNP and mandatory 1+10-digit dialing be implemented in those NPAs where overlays are adopted? For example, should mandatory statewide 1+10-digit dialing be adopted even if the Commission adopts overlays only a case-by-case basis?
27. Which NPAs would be subject to any "new" area code policy adopted in this proceeding assuming the new policy is effective on (a) January 1, 2000 or (b) January 1, 2001?

28. What are the technical, statutory, and other limitations to implementing any area code policy adopted in this proceeding prior to December 31, 2000?
29. What are the technical, statutory, and other limitations to implementing any area code policy adopted in this proceeding after December 31, 2000?
30. How should the Commission obtain public input on: (1) consumer preferences for splits versus overlays, and (2) ways to mitigate the negative impact of area code changes? Is the use of full panel hearings, public participation hearings, and roundtable discussions an effective means of obtaining public input on these two matters? How should public forums be structured?
31. Should the Commission use consumer surveys to obtain public input on: (1) consumer preferences for splits versus overlays, and (2) ways to mitigate the negative impact of area code changes? If so, then (a) what questions should be included in the surveys (e.g., use the same questions that were included in the consumer surveys which the Commission found reasonable in D.96-12-086), and (b) who should be responsible for conducting the surveys (e.g., require each incumbent local exchange carrier to conduct a survey in its own service territory)?
32. Should the Commission use consumer survey(s) to obtain public input on: (1) consumer preferences for splits versus overlays, and (2) ways to mitigate the negative impact of area code changes? If so, what questions should be included in the survey(s), and who should be responsible for conducting the surveys (e.g., require each incumbent local exchange carrier to conduct a survey in its own service territory)?
33. Should the Commission adopt the customer education programs and the program funding mechanisms used in the 310 and 408 NPA overlays as the model for mandatory customer education programs for all new overlays to be introduced in the State?
34. How should the Commission implement the requirement that all new customers who initiate service within the NPA after the overlay becomes operative must be assigned numbers from the new “overlay” area code regardless of which carrier provides service?
35. Besides the measures already adopted by the Commission, what additional measures, if any, should be implemented to mitigate the potential anti-competitive effects of overlays?
36. What OSS or other technical constraints exist when implementing (a) multiple overlays within a short time period of time, (b) combinations of

geographic splits and overlays within a short time period of time, or  
(c) multiple geographic splits within a short period of time?

37. How many splits, overlays, or combinations of the two, can be implemented in a given month and in a given year?
38. How does work on number conservation measures at both the national and state levels affect the implementation of any area code policy we develop in this rulemaking and the timing of the policy's implementation?
39. For each of the following area code policy options, how should the Commission go about fulfilling PU Code requirements: (a) the statewide overlay policy, (b) the region-wide overlay policy, (c) the statewide geographic split policy, and (d) the case-by-case policy?

**(END OF APPENDIX B)**

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