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FILED³

JUL 24 2000

Missouri Public
Service Commission

July 24, 2000

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
301 West High Street, Floor 5A
Jefferson City, Missouri 65101

Re: Case No. TO-2000-374

Dear Judge Roberts:

Enclosed, for filing in the above-captioned case, are an original and eight copies of Southwestern Bell Telephone Company's Position Statement.

Thank you for bringing this matter to the attention of the Commission.

Very truly yours,

Mimi B. MacDonald /TM

Mimi B. MacDonald

Enclosures

FILED³
JUL 24 2000

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Petition of the North)
American Numbering Plan Administrator,)
on Behalf of the Missouri Telecommunications) Case No. TO-2000-374
Industry, for Approval of NPA Relief Plan for)
the 314 and 816 Area Codes.)

SOUTHWESTERN BELL TELEPHONE COMPANY'S
POSITION STATEMENT

Comes now Southwestern Bell Telephone Company ("SWBT") and, for its Position Statement, states as follows:

Issue 1: What, if any, action should the Commission take regarding number conservation (i.e. number pooling, sequential numbering assignments, etc.) in the following NPAs?

(a) 314

(b) 816

SWBT's Position:

SWBT supports number conservation methods that are consistent with the FCC's guidelines. With the exception of rate center consolidation, SWBT's position regarding number conservation is equally applicable in the 314 and 816 NPAs. Thus, SWBT presents its position with regard to number pooling, thousand block sequential numbering assignments, reclamation of unused numbering resources, forecast reporting and utilization thresholds without reference to area codes. SWBT will present its position with regard to rate center consolidation for the 314 and 816 NPAs separately.

Number Pooling

SWBT supports national number pooling in the top 100 Metropolitan Statistical Areas ("MSAs") so long as costs associated with its development are recovered and its deployment is

consistent with FCC requirements. In the Numbering Resource Optimization Report and Order and Further Notice of Proposed Rule Making, FCC 00-104, CC Docket No. 99-200, March 31, 2000, ("FCC NRO Order"), the FCC set certain parameters for candidates for early introduction for number pooling; specifically, jeopardy NPAs in the largest 100 MSAs which have a life of one year or more. NPAs that will exhaust in less than a year, based on the most current quarterly forecast issued by the NANPA at the time the quarterly schedule is established by the FCC, will not be treated as priority NPAs for pooling purposes. FCC NRO Order, paragraph 164. The schedule is to be divided in three-month segments, with the first round of implementation beginning nine months after the selection of a pooling administrator. The schedule for each quarter will contain three NPAs from each of the seven NPAC regions that are within the largest 100 MSAs. FCC NRO Order, paragraph 163. The decision as to which NPAs will be considered highest on the priority list for rollout of the number pooling will be made by the FCC in conjunction with the Pooling Administrator. Acknowledging the uncertainty of a national number pooling rollout schedule coupled with the unnecessary increased expense and societal costs associated with a state number pooling trial (including the requirement to implement a state cost recovery plan), SWBT believes that a state number pooling trial will not provide significant benefit to telephone subscribers and the telecommunications industry at this time. Therefore, SWBT does not support a number pooling trial in Missouri, but continues to support implementation of national number pooling.

SWBT notes that the Missouri Commission was recently granted delegated authority to implement a number pooling trial in the 314 area code. In the Matter of Number Resource Optimization, CC Docket No. 99-200, et al., July 20, 2000 Order at paragraph 35. However, given the lapse of time since the Missouri Commission requested delegated authority, and the

time it would take to complete this proceeding, select a pooling administrator, and devise and implement a plan, the remaining life span of the 314 area code will be less than one year. Since the 314 NPA is projected to exhaust in the second quarter of 2001, the FCC's requirement of at least one year remaining life can not be met. Moreover, other FCC requirements also reduce the value of any pooling trial. States must ultimately follow the national requirements on technical standards and pooling administration, and must also provide for cost recovery of separate pooling trials. Id. at paragraphs 16, 21-22. In addition, a state trial cannot be utilized to avoid a NPA relief plan, and a state must have a back up relief plan prior to exhaust of numbering resources. Id. at paragraph 17. While implementing a state number pooling trial is not feasible, the Commission should consider establishing a number pooling technical committee to prepare for the implementation of national number pooling in Missouri.

Thousand Block Sequential Numbering

SWBT supports implementing thousands block sequential numbering within the scope of established national standards. Specifically, SWBT encourages the Commission to adopt the FCC requirements since the Commission will be required to conform to them by January 1, 2001. FCC NRO Order, paragraph 246.

Reclamation of Unused Numbering Resources

SWBT embraces enforcement of newly adopted FCC administrative standards which allow for reclamation of unused numbering resources as delineated in the FCC NRO Order, paragraphs 237-241. Neustar, working with the Commission, should immediately begin the code reclamation process in Missouri.

Forecast Reporting

SWBT supports the FCC requirement that all service providers must submit forecasting and utilization data to NANPA. Additionally, SWBT agrees with the FCC that “the basic frequency of reporting shall be semi-annually.” The FCC, however, allows that state commissions to reduce the frequency to annual submissions. FCC NRO Order, paragraph 67. Under these guidelines, reporting of historical data at the thousands block NPA level is sufficient. However, pooling carriers are required to report forecast data at the rate center level using thousand blocks. SWBT agrees with the FCC that it is imperative that any current state created utilization formats be blended into one document to be used universally by every state. Also, the codification of category definitions will go a long way in assuring that carrier reported information is comparable. The FCC order requires carriers to report in five categories – assigned, intermediate, reserved, aging, and administrative.

Utilization Thresholds

The FCC NRO Report requests comments on proposed nationwide utilization. It also requests comment on whether the FCC should adopt a rate center-based utilization threshold, and it asks whether it should delegate to state commissions the authority to set this threshold rate. SWBT believes that it is in the best interest of number optimization for a nationwide and uniform standard to be utilized with no deviation permitted by any state commission. SWBT believes that an initial threshold of 55 percent to be increased five percent a year to a maximum of 70 percent at the carrier’s “Lowest Code Assignment Point” (“LCAP”)¹ is the best method.² SWBT

¹ LCAP is the lowest point at which a carrier assigns resources in an area. In an area where a carrier has more than one switch serving a single rate center (such as a major metropolitan area), the LCAP would be at the requesting switch. In areas where a single switch serves more than one rate center, the LCAP would be the rate center. The LCAP measures code demand where it actually arises, and it therefore provides a more accurate measure of a carrier’s need for additional numbers.

² If utilization is developed at an NPA level, the threshold should be 40 to 55 percent.

believes that the exclusion of certain categories (e.g. employee/official company, test, location routing numbers – LRN, etc.) from the utilization calculation will not provide an accurate representation of the actual usage of the phone numbers by carriers or by the public telephone switched network (“PTSN”).

Rate Center Consolidation

SWBT supports consolidation of existing rate centers in areas where consolidation would not negatively affect consumers’ existing local calling areas, SWBT is able to remain revenue neutral, and all incumbent local exchange companies (“ILECs”) and competitive local exchange companies (“CLECs”) comply.

Pursuant to the Commission’s order in Case No. TO-99-14, SWBT implemented rate center consolidation in the 314 NPA in December, 1999. This previous rate center consolidation effort allowed for a reduction from 14 rate centers to 7 rate centers in the St. Louis area without impacting any existing local calling scopes. Although SWBT is willing to continue discussion of additional consolidation of 314 rate centers, the Commission will need to thoroughly weigh the costs and anticipated benefits of further consolidation. SWBT has determined that further rate center consolidation would require changes in local calling scopes and local rates.

SWBT conducted an initial investigation to determine the number of rate centers that could be included in a rate center consolidation in the Kansas City metropolitan exchange. SWBT’s initial investigation reveals that it may be able to reduce its rate centers from 13 to 5 within this geographic area without impacting customers’ calling scopes or local rates. To maintain consistent rate centers, the Commission should, as it did with the rate center consolidation in the St. Louis area, require CLECs to match the consolidation that SWBT implements in the Kansas City area.

Issue 2: What area code relief should the Commission order implemented in the following NPAs?

(a) 314

(b) 816

SWBT's Position:

(a) 314

According to the April, 2000 projections of Neustar, the North American Numbering Plan Administrator, the 314 NPA is expected to exhaust during the second quarter 2001. On April 17, 2000, Neustar declared the 314 NPA to be in jeopardy. A jeopardy condition exists when the demand for NXX codes will result in exhaust prior to the time relief is scheduled to be provided.

SWBT's supports the industry recommendation of a retroactive overlay for the 314 NPA as its first choice of a relief method for the 314 NPA. A retroactive overlay is a modification of the overlay alternative relief method. Just as with an overlay, a retroactive overlay occurs when more than one code serves the same geographic area. Code relief is accomplished by erasing the lines that were originally drawn during the implementation of an earlier split of the NPA. Retroactive overlays have previously been implemented in Dallas and Houston and customers adjusted quickly to the new dialing format. In the 314 area, this method would mean that the line that divides the 314 from the recently created 636 NPA would be removed; therefore, the two separate number planning areas would be combined into one geographic area. Alternatively, and as a second choice, SWBT supports an all-services overlay in the 314 area.

(b) 816

The projected exhaust date for the 816 NPA is the first quarter of 2002. Since a reasonably balanced geographic split would require splitting the Kansas City metropolitan calling area, thus leading to a significant amount of 10 digit dialing for local calls and a significant number of customers who would be required to change their telephone numbers, SWBT supports the industry recommendation of an overlay for the 816 NPA.

Respectfully submitted,

BY Mimi B MacDonald / TM

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CERTIFICATE OF SERVICE

Copies of this document were served on the following parties by first-class, postage prepaid, U.S. Mail on July 24, 2000.

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